

## Select Committee Agenda



### **Resources Select Committee Tuesday, 2nd April, 2019**

You are invited to attend the next meeting of **Resources Select Committee**, which will be held at:

**Council Chamber - Civic Offices**  
on **Tuesday, 2nd April, 2019**  
at **7.30 pm** .

**G Blakemore**  
Chief Executive

**Democratic Services  
Officer**

Adrian Hendry, Democratic Services  
email: [democraticservices@eppingforestdc.gov.uk](mailto:democraticservices@eppingforestdc.gov.uk)

#### **Members:**

Councillors A Patel (Chairman), P Stalker (Vice-Chairman), N Bedford, L Burrows, K Chana, D Dorrell, I Hadley, J Jennings, J Lea, A Mitchell, M Owen, C P Pond, B Vaz and J H Whitehouse

**SUBSTITUTE NOMINATION DEADLINE:**

**6:30**

- 1. APOLOGIES FOR ABSENCE**
- 2. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)**

(Director of Governance) To report the appointment of any substitute members for the meeting.

- 3. NOTES OF PREVIOUS MEETING (Pages 5 - 20)**

#### **Minutes**

To agree the notes of the meeting of the Select Committee held on 12<sup>th</sup> February 2019.

#### **Matters Arising**

To consider any matters arising from the minutes of the last meeting.

**4. DECLARATIONS OF INTEREST**

(Director of Governance). To declare interests in any items on the agenda.

In considering whether to declare a pecuniary or a non-pecuniary interest under the Code of Conduct, Overview & Scrutiny members are asked pay particular attention to paragraph 9 of the Code in addition to the more familiar requirements.

This requires the declaration of a non-pecuniary interest in any matter before an OS Committee which relates to a decision of or action by another Committee or Sub Committee of the Council, a Joint Committee or Joint Sub Committee in which the Council is involved and of which the Councillor is also a member.

Paragraph 9 does not refer to Cabinet decisions or attendance at an OS meeting purely for the purpose of answering questions or providing information on such a matter.

**5. TERMS OF REFERENCE AND WORK PROGRAMME (Pages 21 - 26)**

(Chairman/Lead Officer) the Overview and Scrutiny Committee has agreed the Terms of Reference of the Committee. This is attached along with an ongoing work programme. Members are invited at each meeting to review both documents.

**6. QUARTERLY FINANCIAL MONITORING (Pages 27 - 56)**

To consider the attached report.

**7. AGENCY STAFF AND CONSULTANCY COSTS (Pages 57 - 62)**

To consider the attached report.

**8. PEOPLE STRATEGY PIDS (Pages 63 - 124)**

Please see the attached PIDs x 5 regarding the People Strategy:

1. People Strategy Programme Definition and documents Appx 1 – 4
2. Common Operating Module
3. Pay and Benefits Review
4. Leadership & Management development
5. Developing Skills Capacity
6. Recruitment

**9. CORPORATE PLAN ACTION PLAN YEAR TWO**

To agree the KPI and programme set for 2019/20 (Report to follow).

**10. REPORTS TO BE MADE TO THE NEXT MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE**

To consider which reports are ready to be submitted to the Overview and Scrutiny Committee at its next meeting.

**EPPING FOREST DISTRICT COUNCIL  
NOTES OF A MEETING OF RESOURCES SELECT COMMITTEE  
HELD ON TUESDAY, 12 FEBRUARY 2019  
IN COUNCIL CHAMBER - CIVIC OFFICES  
AT 7.33 - 9.25 PM**

**Members Present:** A Patel (Chairman), , N Bedford, L Burrows, D Dorrell, J Jennings, J Lea, C P Pond, B Vaz and J H Whitehouse

**Other members present:**

**Apologies for Absence:** K Chana, I Hadley, A Mitchell and M Owen

**Officers Present** P Maddock (Assistant Director (Accountancy)), R Pavey (Service Director (Customer Services)) and A Hendry (Senior Democratic Services Officer)

**40. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)**

It was noted that there were no substitute members for this meeting.

**41. NOTES OF PREVIOUS MEETING**

**Minutes**

**RESOLVED:**

That the notes of the meeting of the Select Committee held on 4<sup>th</sup> December 2018 be agreed, subject to noting that Councillor Vaz had given his apologies for this meeting.

**Matters Arising**

- (i) Quarterly Financial Monitoring quarter 1 (minute item 29 – 4.12.18)

P Maddock said that recycling credit income had shown an improvement but it had since fallen back. The Council should receive the income within 2 months of the deadline, but this was still haphazard. To be taken up with the County.

- (ii) The Medium Term Financial Strategy had been updated and had gone to the Finance & Performance Management Cabinet Committee and then on to Cabinet and will eventually go on to full Council.

- (iii) Financial Issues paper 2019/20 (minute item 29 – 4.12.18)

The fraud investigation team will report to the next meeting of this committee.

- (iv) P Maddock had spoken to the insurers on indemnity insurance and was told that they did not provide this type of insurance and that insurance like this was not available. However, the Council did set aside a lump sum to cover any appeal pay-outs.

- (v) Technology Strategy Update (minute item 29 – 4.12.18)

R Pavey reported that the satisfaction survey and the paperless agenda were moving forward and by May there should be further progress.

(vi) P Maddock was still to receive a response from P Maginnis on the ICT Service Level agreement. He will chase this up.

(vii) Fees and Charges (Minute item 29 – 4.12.18)

P Maddock had found out that HMO licences lasted for a period of 5 years.

(viii) Quarterly Financial Monitoring (minute item 34 – 4.12.18)

P Maddock noted that the proposed Council's Pods for the homeless would not be in operation until June 2019.

(ix) P Maddock commented on disabled adaptations and the low expenditure reported at the last meeting. There had been a bit of an increase recently but the budget would still be underspent by the end of the year. There were issues with staffing, primarily due to the county council side. However, the budget was reviewed on a regular basis.

Councillor Bedford asked if the underspend was ring-fenced. Mr Maddock said it was held in the repairs fund and could in theory be ring-fenced.

Councillor Bedford formally proposed that Cabinet be asked to ring-fence this money for future use. This was seconded by Councillor Whitehouse and agreed by the Committee.

**RESOLVED:**

To propose to the Cabinet that the budget for disabled adaptations be ring-fenced for future use.

(x) Corporate Plan 2018-2023 – Performance Report Quarters 1&2 (Minute item 37 – 4.12.18)

R Pavey noted that a review of the IT Services would be looking at the use of AI software to check forms more quickly.

(xi) Transformation Programme – Project Initiation Documents (Minute item 12 – 9.07.18)

Councillor Patel asked that any outstanding matters arising be completed at the Committees last meeting of the Civic year. He reminded the committee that at their July meeting they had requested P Maginnis to bring the 5 PID documents mentioned (that were in support of the Peoples Strategy) to their next meeting. This had not been done and Councillor Patel was now formally requesting that these documents be brought to their last meeting of the year in April 2019.

**ACTION:**

That Ms Maginnis brings the 5 PID documents supporting the Peoples Strategy (as requested at the July meeting) to the April 2019 meeting of this Committee.

**42. DECLARATIONS OF INTEREST**

There were no declarations of interest made pursuant to the Members Code of Conduct.

**43. TERMS OF REFERENCE AND WORK PROGRAMME****(i) Terms of Reference**

The Committee noted their Terms of Reference.

**(ii) Work Programme**

Mr Maddock noted that item 4 of the work programme (Detailed Portfolio Budgets) had been dealt with by the January meeting of the Finance and Performance Management Cabinet Committee.

He also noted that item 22 (use of agency staff) would be going to the April meeting.

**44. CORPORATE PLAN 2018-2023 - PERFORMANCE REPORT Q3 2018/19**

P Maddock introduced the report on the Corporate Plan 2018-2023, Performance Report for Quarter 3 (2018/19). This combined report brought together the performance of the Council against the Corporate Plan on performance across the Council via the new benefits maps and performance indicator set.

The committee went through the corporate plan and noted that:

**M2.2** – *Number of days to process benefits claims* – this indicator did achieve its target for Q3 and was inline to achieve it for end of the year.

**M9.1** - *Workforce operational cost savings* – this had now exceeded its target for Q3 and should be classed as achieving its target by the end of the year. Councillor Jennings asked for an explanation of the statement that the “programme manager to realign the programme plan to realise the 2019 savings”. She was told that they had other targets that they could choose from and the manager had moved it to this target.

**M9.6** – *Delivery of the Technology Strategy* – there was no detail in the comments section but they were predicting that they would hit their target by the end of the year.

**P160** – *Service Accommodation Programme* – Councillor Jennings asked what was meant by “agile working”. She was told that it referred to the different ways that staff could work, e.g. home working or from different locations (mobile working) producing a more flexible organisation.

**M10.2** – *Annual Council Tax collection* – it was predicted that this would hit its target by the end of the year.

**RESOLVED:**

That the committee reviewed and commented on the outturn position for quarter 3 2018/19 of the Corporate Plan for 2018-2023.

**45. FAIR FUNDING REVIEW/BUSINESS RATES RETENTION**

The Committee was taken through two consultations issued by the Ministry of Housing, Communities and Local Government (MHCLG); one on the Fair Funding Review and one on Business Rates Retention. The Fair Funding review was what the government thought we need to spend and the Business Rates Retention was on how we could raise the money. This also related to the transitional arrangements for the new funding regime.

Business rates would be the Council's new form of funding. The government was committed to giving local authorities control of their business rates (75% by 2021). However, people putting in appeals on their business rates was the biggest issue facing the council and therefore it had to maintain a contingency fund for this.

**The Fair Funding Review**

The Fair Funding Review looked at the relative needs of local authorities (presentation attached); this was the amount they needed to spend on services. They were also looking at relative resources, i.e. how much councils could raise locally, but not through the business rates. And, using various formulas worked out our funding needs.

The Committee made the following suggestions to put into the consultation response on relative needs:

- 1) Could we include the cost of 'flytipping' to the council, especially as we were a rural council close to London particularly prone to this and it was an increasing problem.
- 2) Could we also include the cost of pollution, especially now that we have the Special Areas of Conservation (SACs) in our area; could we get costs for this.
- 3) Could cost for the provision of services for an aging population be added, as we had a lot of people who move out here when they retire.

The Committee made the following suggestions to put into the consultation response on relative resources:

- 1) That we recommend that the government use the actual amount of our Council Tax figure rather than a notional amount.
- 2) Recommend that the government did not use a "one size fits all" formula, and have a variation of schemes across the country. We would like to have an adjustment based on our Council Tax level and not a general regional one.
- 3) We recommend that we go with an average collection rate.
- 4) That Fees and Charges not be taken into account, only Council Tax.
- 5) The Committee were happy with the 4 principles used, that of: Stable, Transparent, Time Limited and Flexibility.

The Committee had asked what period of time would this scheme last for. They were told that it would start in 2021 and probably be for a 4 year period. They went on to ask how would this would be paid and was told that it would probably be a fixed sum paid in 2021.

The committee noted that Councillor Mohindra would also be asked for his views on this scheme. There was a very tight deadline for getting our views back to the MHCLG. Hopefully with a 4 year assessment it would make long term planning easier.

### **Business Rate Retention**

R Pavey took the Committee through the consultation on business rate retention. He noted that although we collected about £36million in business rates we only kept £3.2million. Responding to a question he said that we could not invest it in savings accounts due to the low interest rate and the quick turnover of the fund.

Asked if we could make recommendations to the government on how we can collect owed business rates from local failed companies, Mr Pavey said that this was a long standing problem. It took a long time to recover this money and the government was aware of this; but we were constrained by company law.

Asked if there was any transparency as to how the business rates were spent, Mr Maddock said that was difficult to answer as it went into a general account to fund council services, nothing specific could be pointed to.

R Pavey went on to say that the government wanted to reward economic growth and in 2020 our business rate position would be baselined and any growth would be measured from there and then be reset again after a year. However, some local authorities had lost a lot of their business rate income and the government was reviewing the levy and safety net arrangements. They would also be bringing in the concept of "Extraordinary Growth" but we were not aware of how this would work at present.

Mr Maddock noted that we had benefitted by the sum of £613k by currently being a member of the Essex Business Pool.

It was also noted that Business Rate appeals are funded out of the council's own funds but future appeal losses were unknown as the VOA IT system was problematic for appellants.

We would transition into the new system for 2020/2021 and the government had promised to work with us so the next consultation would be more useful.

Councillor Bedford thanked the officers for explaining all this to the committee. The Chairman asked the permission of the Committee to agree a draft response put together by officers which would then be sent out; this response would then be put into the Members Bulletin for information. This was agreed.

### **RESOLVED:**

That the Chairman be authorised to agree a draft response to the consultations and that this response would be put into the Members Bulletin for information.

**46. REPORTS TO BE MADE TO THE NEXT MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE**

That the Chairman would give a short report on the consultations considered tonight.

**47. FUTURE MEETINGS**

It was noted that the next meeting of the Resource Select Committee would be held on 2 April 2019.

# Fair Funding Review Consultation

# Objectives for the consultation

- ❖ The intention of the Government is make the formula used to calculate the Relative Needs and Relative Resources of local authorities easier to understand and more transparent without significantly affecting accuracy. Also will look at something called the area cost adjustment and possible transition measures.
- ❖ Relative Needs - The amount an authority needs to spend on services. A number of costs are assessed that determine the need to spend and are weighted in the formula(s) based on importance.
- ❖ Relative Resources - This is an assessed amount of how much Council's can raise locally and is therefore deducted from the result of the relative needs assessed formula. This Includes Council Tax and income from Fees and Charges but not Business Rates.
- ❖ Relative Needs - The Consultation is intended to seek views on what services should be included in specific formulas. Those not included in specific formulas would automatically default to the Foundation Formula.
- ❖ Relative Resources - The Consultation is intended to seek views on what resources to include in the formula.
- ❖ Area Cost Adjustment - This is to adjust for variations in costs due to geographical area and seeks views on what costs to apply the adjustment to. This relates to the Relative Needs only.
- ❖ Transitional measures - Where the change in formula leads to big swings in potential funding some form of transition is usually included to soften the affects for a couple of years or so.
- ❖ Achieving what the Government want will be extremely challenging.

## Formula

$$\begin{aligned} &\text{Final funding Position} \\ &= \\ &\quad \text{Relative Needs Share} \\ &\quad - \\ &\quad \text{Relative Resources Adjustment} \\ &\quad + / - \\ &\quad \text{Transitional Arrangements} \\ &\quad + \\ &\quad \text{Actual Resources Income} \end{aligned}$$

# Relative Needs

- ▶ Current Formula dates back to 2013/14 but much of the information goes back further. 15 relative needs formula with over 120 different costs assessed as part of the process.
- ▶ Current Proposal for 7 Specific Formulas:-
  - Adult Social Care.
  - Children and Young People.
  - Public Health.
  - Highways Maintenance.
  - Fire and Rescue.
  - Legacy Capital Finance.
  - Flood defence and Coastal protection.
- ▶ By definition everything else falls into the foundation formula. The biggest cost driver by far has been assessed as population Others include deprivation, rurality and fixed costs. Deprivation was not considered significant enough for the Foundation but intended to be used in 4 of the specific formulas.
- ▶ Other services considered for a specific formula but currently rejected by the government include Concessionary Fares, Waste Management, Homelessness and Fixed Costs.

*Do you have views relating to the proposed structure of the Relative Needs Assessment?*

# Area Cost Adjustment and Weighting

- ▶ There is a precedent for considering the variation in local costs for local government funding settlements and indeed other national funding assessments. E.g. police and National Health Service. Reasons given for cost variation include cost of labour, property and geographical remoteness or indeed areas that are densely populated.
- ▶ Three factors proposed are:-
  - 1) Rates/Rents - To reflect variation from area to area.
  - 2) Labour Cost - To reflect the need to secure and retain skilled staff.
  - 3) Remoteness - To reflect separation from major markets.
- ▶ These are then weighted into a single index for each funding formula.
- ▶ Assuming 8 funding formulas it will be necessary to decide the overall funding allocated to each one. Traditionally government has used the year end returns for this which reports authority spending by service. This is likely to continue.
- ▶ Shire districts will be heavily dependant on the foundation formula as 95% of their costs fall within this area. Shire Counties this is under 20% and Unitaries and London Boroughs about 28%.
- ▶ Overall the needs assessment appears to be moving funding away from lower tier to upper tier authorities.

*What are your views on the proposed approach to the area cost adjustment?*

# Relative Resources

- ▶ The Government believes it is important to take account of Council's relative ability to raise resources locally when allocating funding through the local government finance settlement.
- ▶ Main income streams include Council Tax and Fees and Charges but clearly Council Tax is the most significant and was assessed in the previous formula, Fees and Charges were not.
- ▶ Council Tax level will need to be assessed by, A measure of the Council Tax Base X a measure of the Council Tax level X a Measure of the collection rate X a measure of the tier split.
- ▶ The government is minded to continue to adjust for the various discounts and exemptions in their calculation of the Council Tax base.

*Do you agree that the various discounts and income forgone should be used in the measure of the Council Tax base?*

*Do you agree that assumptions should be made around discretionary discounts and exemptions when measuring the Council tax base?*

*Do you agree that account should be taken of income forgone due to local council tax support for working age people?*

# Relative Resources

- ▶ There are two options for the Council Tax level either using the actual or a notional amount. This has been previous practice but could work against us as our Council tax level is lower than a lot of shire districts. The Government is minded to use a notional level.
- ▶ If a uniform tax level is assumed then all else being equal the authority with the higher needs assessment would have a higher funding allocation. Similarly all else being equal an authority with a higher actual council tax level would be in a better position.
- ▶ The inter relationship between the Relative Needs assessment and the setting of a higher or lower notional council tax is quite complex but it is very likely that a lower notional assumed council tax would be better for Epping Forest than a higher.
- ▶ It is also possible that if the notional Council Tax is set too high some authorities could end up with a 100% Business Rates Tariff effectively meaning they don't get to keep any business rates income which would seem counter to what the Government is trying to achieve?
- ▶ An actual or a notional collection rate could be used to apply to the formula as could an actual or notional tier split. The government have not expressed a preference.
- ▶ What about going forward should the Council tax income be adjusted or not. The government proposes not.

***Should the Government take a notional approach to council tax levels in the Resources adjustment?***

***How should the government measure the Collection rate in the Resources adjustment?***

***How should the government determine the tier split in the Resources adjustment?***

***Should the Government apply a single measure of Council tax fixed over the period between resets?***

# Relative Resources

- ▶ The question of whether Fees and Charges in general and Car Parking income in particular should be assessed as part of the Relative Resources adjustment is also part of the consultation. Previously these haven't been included and the government is minded not to do so but asks for particular views on off-street parking income.

*Do you agree that income from Fees and Charges should not be taken into account when assessing the relative Resources adjustment?*

*If the Government were minded to do so do you have a view on the basis for taking parking income into account?*

# Transitional Arrangements

- ▶ It is likely that calculating relative needs and resources using new formulas will create changes in funding levels the Council's actually receive. In common with previous funding changes it is proposed that transitional measures that unwind over time be introduced. Four principles the government intend to use for transitional measures. Stability, Transparency, time-limited and flexibility.
- ▶ The scale of transition will depend on the baseline it is measured from the proposal is to use 2019/20 information. Adjustments might be necessary and indeed previous changes to the formula have involved adjustments on transition.

*Do you agree with the transition principles proposed?*

*Do you have any views on how the baseline is constructed for transition purposes?*

## Next steps/other comments

- ▶ The important thing to remember is that the overall settlement for the sector will be a fixed amount and the assessment for Epping Forest **relative to others** is the key rather than the assessment level itself. Or put another way It is the amount of the cake we get that is important.
- ▶ The outcome of the assessment will inform how much of our business rate income we get to keep. If the relative resources adjustment is too high we could end up not retaining any business rate income.
- ▶ It is proposed that the comments of this Committee and the Business Support Services Portfolio-holder be fed back to the MHCLG as part of the Council's response to this paper.
- ▶ This is the first of a number of consultations so there will be opportunity to comment further as proposals unfold over the next nine months or so. It is the Governments intention that by late autumn the review will be complete in time for the Local Government financial settlement in December 2019. It is again expected to be a multi-year settlement which at least makes medium term planning a bit easier.

## RESOURCES SELECT COMMITTEES

### TERMS OF REFERENCE 2018/19

**Title:** Resources Select Committee

**Status:** Select Committee

1. To undertake overview and scrutiny, utilising appropriate methods and techniques, of services and functions of the Resources Directorate;
2. To consider any matter referred to the Select Committee by the Overview and Scrutiny Committee;
3. To undertake quarterly performance monitoring in relation to the services and functions of the Resources Directorate, through review of progress against adopted key performance indicators and other appropriate measures;
4. To identify any matters within the services and functions of the Resources Directorate requiring in-depth scrutiny, for referral to the Overview and Scrutiny Committee;
5. To establish working groups as necessary to undertake any activity within these terms of reference;
6. To respond to applicable consultations as appropriate;

#### **Finance**

7. To consider the draft directorate budgets for each year, and to evaluate and rank proposals for enhancing or reducing services where necessary, whilst ensuring consistency between policy objectives and financial demands;
8. To review key areas of income and expenditure for each directorate on a quarterly basis throughout the year;

#### **Information and Communications Technology**

9. To monitor and review progress on the implementation of all major ICT systems;

#### **Value For Money**

10. To consider the Council's comparative value for money 'performance', and to recommend as required to the Finance and Performance Management Cabinet Committee, in respect of areas where further detailed investigation may be required;

**Human Resources**

11. To monitor and review areas of concern or significance that comes under Human Resources.

**Transformation Programme**

12. Transformation Projects relevant to this Committee:  
Details of relevant new transformation projects to be submitted to the relevant SC for scrutiny.
13. Transformation Projects closure and benefits reports:  
That any Directorate appropriate project closure and benefits realisation reports to be submitted to this SC for information.

**Chairman:** Councillor A Patel

Resources Select Committee 2018/19 (Councillor A Patel)			
Item	Report Deadline / Priority	Progress / Comments	Programme of Future Meetings
(1) Key Performance Indicators 2017/18 – Outturn Review	Outturn KPI Performance considered at the first meeting of each municipal year.	Outturn KPI performance report for 2017/18 to July 2018 meeting - <b>COMPLETED</b>	09 July 2018; 16 October; 04 December; 12 February 2019; and 02 April
(2) Corporate Plan Key Action Plan 2017/18 – Outturn review	First meeting of each municipal year	Outturn Key Action Plan 2017/18 performance to July 2018 meeting - <b>COMPLETED</b>	
(3) Corporate Plan 2018-2023 – Performance Report (quarterly) for 2018/19	Quarterly	(NB: Incorporates RSC KPIs)	
		Q1 & Q2 December 2018 - <b>COMPLETED</b>	
		Q3 February 2019 - <b>COMPLETED</b>	
(4) Detailed Portfolio Budgets	Portfolio budgets considered on an annual basis jointly with the Finance and Performance Management Cabinet Committee.	Annual Review of portfolio budgets to be considered at joint meeting with the F&PM Cabinet Committee in January of each year.	
(5) ICT Strategy –	Progress against ICT Strategy Considered on an annual basis.	October 2018 - <b>COMPLETED</b>	
(6) Fees and Charges 2019/20	Proposed fees and charges for 2019/20 – for October 2018 meeting.	Proposed fees and charges considered on an annual basis each October - <b>COMPLETED</b>	
(7) Provisional Capital Outturn 2017/18	Provisional outturn for 2017/18 for July meeting.	Provisional Capital Outturn considered on an annual basis at first meeting in each municipal year. <b>COMPLETED</b>	
(8) Provisional Revenue Outturn 2017/18	Provisional Outturn for 2017/18 for July 2018 meeting.	Provisional Revenue Outturn considered on an annual basis at first meeting in each year. <b>COMPLETED</b>	

(9) Sickness Absence Outturn	July 2018	To review the Sickness Outturn report for 2017 /18 - <b>COMPLETED</b>
(10) Sickness Absence	Half-yearly progress report for 2018/19 to December meeting.	Detailed progress against achievement of sickness absence targets reviewed on a six-monthly basis – <b>COMPLETED</b>
		NB: <u>Future</u> half-yearly reports to comprise a summarised version and ‘trend only’ analysis.
(11) Medium Term Financial Strategy & Financial issues paper	October 2018	To receive the financial issues Paper and Medium term financial strategy including 4-year General Fund forecast - <b>COMPLETED</b>
(12) Quarterly Financial Monitoring	October 2018;	To receive quarterly Financial Monitoring Reports.
	December 2018; and	
	April 2019	
(13) Shared Services Working	Verbal update at December meeting.	To review any shared services working being carried out by EFDC. HR currently working with Colchester and Braintree Councils on a shared HR payroll system – <b>COMPLETED</b>
	As appropriate	To verbally report on future shared services working being carried out by EFDC.
(14) Business Rates	July 2018	To receive a report updating the Committee on Issues surrounding Business Rates - <b>COMPLETED</b>
(15) General update on the General Fund CSB, DDF and ITS	December 2018	To receive an updating report on the CSB, DDF and ITS schemes - <b>COMPLETED</b>
(16) Universal Credit	April 2019	Updating report on the Government’s Universal Credit Scheme.
(17) Resources Directorate Business Plan 2019/20	April 2019	Presentation by all relevant Portfolio Holders.

(18) Transformation Projects relevant to this Committee	As appropriate	Details of relevant new transformation projects to be submitted to the relevant SC for scrutiny.	
(19) Transformation Projects closure and benefits reports	As appropriate	That any Directorate appropriate project closure and benefits realisation reports to be submitted to this SC for information.	
(20) Business Rates Retention Consultation Papers	February 2019	Government consultation on Business Rate Retention expected in the Autumn	
(21) Work on People's Strategy	N/A	Presentation by Strategic Director, G Blakemore, to be made to Overview & Scrutiny Committee on 18 December 2018.	
(22) Use of Agency Staff in the Council	April 2019	Review of Agency Staff in the Council.	

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## **Report to the Resources Select Committee**

**Date of Meeting: 02 April 2019**



**Epping Forest  
District Council**

**Portfolio: Business Support Services**

**Subject: Quarterly Financial Monitoring**

**Officer contact for further information: Peter Maddock (01992 - 56 4602).**

**Democratic Services Officer: Adrian Hendry (01992 – 56 4246)**

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### **Recommendations/Decisions Required:**

**That the Committee note the revenue and capital financial monitoring report for the third quarter of 2018/19.**

### **Executive Summary**

The report provides a comparison between the original estimate for the period ended 31 December 2018 and the actual expenditure or income as applicable.

### **Reasons for proposed decision**

To note the third quarter financial monitoring report for 2018/19.

### **Other options for action**

No other options available.

### **Report:**

1. The Committee has within its terms of reference to consider financial monitoring reports on key areas of income and expenditure. This is the third quarterly report for 2018/19 and covers the period from 1 April 2018 to 31 December 2018. The reports are presented based on the directorate responsible for delivering the services to which the budgets relate and the budgets themselves are the revised estimate. The reports are presented in the new directorate structure.
2. Salaries monitoring data is presented as well as it represents a large proportion of the authorities expenditure and is an area where historically large under spends have been seen.

### **Revenue Budgets (Annex 1 – 9)**

3. Comments are provided on the monitoring schedules but a few points are highlighted here as they are of particular significance. The salaries schedule (Annex 1) shows an underspend of £202,000 or 1.2%. At the third quarter last year the underspend was 1.3%. There is a mixture of under and overspends showing though nothing particularly significant.
4. Housing and Property is showing the largest underspend of 2.2% or £98,000. Most of this relates to the Housing Options Group, who deal with homelessness, as there are a significant number of vacancies at present. About half of this is an underspend to the

Housing Revenue Account. No directorate is showing an overspend but both Commercial and Regulatory and Contract and Technical are exactly on budget.

5. The investment interest is slightly above the target due mainly to the Council holding more cash than was expected. The increase in Interest rates will also have a positive effect going forward though not that significant.
6. Development Control income at Month 9 is well above expectations. Fees and charges were £41,000 higher than the budget to date and other pre-assessment charges are £13,000 higher than expected. With a week and a half of the financial year to go we were £29,000 short of the full year target which means the target should be met.
7. Building Control income was £4,000 lower than the budgeted figure at the end of the third quarter by the end of January the position had improved slightly and the revised budget will probably now be met. The opening position on the ring-fenced account is a surplus of £111,000 and a surplus is likely this year.
8. Licencing income is now broadly in line with expectations. There were as expected a significant number of renewals within quarter 3. The budget for income should be achieved.
9. Income from MOT's carried out by Fleet Operations is below expectations by around £8,000. The account is expected to show a surplus this year as overall income exceeds direct operating costs. It is unlikely that the budget will be achieved.
10. Car Parking income is £10,000 below target at month 9, though there will be some income relating to the third quarter that was received in month 10. The new fee regime came into effect from 4<sup>th</sup> March so some additional income will be received because of this as the 2019/20 budget assumed a 1<sup>st</sup> April start. It is expected that the budget will be achieved.
11. Local Land Charge income is £4,000 below expectations. The position had deteriorated slightly by the end of month 10 and with a week and a half to go was still £15,000 short so the budget will not now be met.
12. Bed and Breakfast Income and expenditure has been a little volatile at times this year. There has been a period where expenditure has been a little more stable and indeed the position at month 9 shows only a small overspend on the profiled budget. However during January and February we have seen a sharp increase in expenditure as more people have been presenting themselves as homeless. The Pod's at Norway House will be available for occupation in the next couple of weeks but as regards this financial year we will now be overspent. The actual numbers in such accommodation is still relatively low currently around 21 as at the end of December the figure was 16. The cost per case particularly if they are in Bed and Breakfast accommodation some time can be quite significant.
13. Recycling credit income is still very slow coming through and it has been difficult to get the County Council to agree the figures. Things have improved and indeed credits for December were billed in early March which is more in line with the expected timescales.
14. The waste contract expenditure is still behind due to late invoicing and the leisure management contract shows a reduction in income due to some unexpected pension related expenditure. The full expected saving will now be achieved later than expected.
15. Expenditure on Disabled Facilities Grants at quarter 3 is still significantly below the budget although less so than at quarter 2. However the underspend has again increased since December. There have been some issues with staffing and referrals have been slow to come through from the County Council taking this into account the budget is expected to show a degree of underspend though there are a significant number of

adaptations underway.

16. The underspend on the HRA relates to all three areas though special services is the most significant and is a combination of late Biffa invoicing, reduced utility costs and caretaking and cleaning. Housing Repairs Fund expenditure is quite close to the profiled budget at £62,000 under or 3%.
17. Income from Development Control and probably Car Parking look likely to exceed the budget. Others are less certain but the variance from the budget is not expected to be significant.

### **Corporate Fraud**

18. At the last meeting an update was requested in relation to the activities of the Corporate Fraud team.
19. The team carry out work in a number of areas within the Council and some is of a proactive nature whilst other work is more re-active.
20. The main area of proactive work relates to Right to buy application whereby all applications are vetted by the team prior to sale. In 2017/18 for example around 26 applications did not proceed and whilst this is an increase on levels seen prior to the fraud teams work we do not know for certain the reasons behind the withdrawals as clearly other factors contribute to this. It is good practice to carry out this work as the assets in question are of significant value to the Authority and there has previously been evidence of people attempting to acquire Council properties by deception.
21. The team also do work on Business Rates fraud and Council Tax exemptions. This commenced during the financial year and around £45,000 of additional income has been recovered. Having said that the main beneficiaries of the additional income are either Essex County Council or the Treasury.
22. There is also some reactive work carried out including referrals from the 'know a cheat in your street' campaign as well as work on the National Fraud Initiative (NFI).
23. The fraud team also work with Brentwood District Council where an investigator works two days a week as well as more informal working with both Chelmsford City and Harlow District councils.

### **Business Rates**

24. This is the Seventh year of operation for the Business Rates Retention Scheme whereby a proportion of rates collected are retained by the Council. The proposals are that 75% of Business Rates be retained within the local government sector and we have now been told that this will take effect from the financial year 2020/21. In any event the proportions retained by each local government tier is likely to change and if additional resources are made available they will no doubt be accompanied by additional responsibilities. The bid submitted to Central Government by all Essex authorities except Thurrock to become a 75% retention pilot for 2019/20 though unsuccessful in truth wasn't entirely unexpected.
25. There are two aspects to the monitoring, firstly changes in the rating list and secondly the collection of cash.
26. The resources available from Business Rates for funding purposes is set in the January preceding the financial year in question. Once these estimates are set the funding available for the year is fixed. Any variation arising from changes to the rating list or provision for appeals, whilst affecting funding do not do so until future years. For 2018/19 the funding retained by the authority after allowing for the Collection Fund deficit from 2017/18 and the estimated various grants given to compensate the authority for the

various reliefs is £4,350,000. This exceeds the government baseline of £3,210,000 by some £1,140,000. The actual position for 2018/19 will not be determined until May 2019.

27. Cash collection is important as the Council is required to make payments to the Government and other authorities based on their share of the rating list. These payments are fixed and have to be made even if no money is collected. Therefore, effective collection is important as this can generate a cash flow advantage to the Council. If collection rates are low the Council is left to finance these payments from working capital and so has to reduce investment balances. At the end of December the total collected was £26,376,351 and payments out were £24,843,839, meaning the Council was holding £1,532,512 of cash and so the Council's overall cash position was benefitting from the effective collection of non-domestic rates. This is an improvement on this point last year.

### **Capital Budgets (Annex 10 - 15)**

28. Tables for capital expenditure monitoring purposes (annex 10 -15) are included for the nine months to 31 December. There is a commentary on each item highlighting the scheme progress.
29. The full year budget for comparison purposes is the Revised Budget updated during December as part of the annual Capital expenditure review.

### **Major Capital Schemes (Annex 16)**

30. There are four projects included on the Major Capital Schemes schedule these relate to the House Building packages 2 and 3, The new Hillhouse Leisure Centre and refurbishment works at Loughton Leisure Centre. Annex 16 gives more detail. The variance reported is a comparison between the anticipated outturn and approved budget.

### **Conclusion**

31. With regard to revenue, Development Control income is going extremely well though Land Charges and Fleet operations income are down currently though not significantly. Other income streams are broadly on track and expenditure is below budget which is often the case at the end of December however there is often a surge in expenditure during February and March and this year is no exception.
32. The Committee is asked to note the position on both revenue and capital budgets as at Month 9.

### **Consultations Undertaken**

Due to lack of business the Finance and Performance Cabinet Committee was cancelled so this report has not been considered by that committee.

### **Resource Implications**

There is little evidence to suggest that the net budget will not be met.

### **Legal and Governance Implications**

Reporting on variances between budgets and actual spend is recognised as good practice and is a key element of the Council's Governance Framework.

### **Safer, Cleaner, Greener Implications**

The Council's budgets contain spending in relation to this initiative.

## **Background Papers**

Various budget variance working papers held in Accountancy.

## **Impact Assessments**

### Risk Management

These reports are a key part in managing the financial risks faced by the Council. In the current climate the level of risk is increasing. Prompt reporting and the subsequent preparation of action plans in Cabinet reports should help mitigate these risks.

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**DECEMBER 2018 - SALARIES**

<b><u>DIRECTORATE</u></b>	<b><u>2018/19</u></b>			<b><u>2017/18</u></b>		
	<b><u>EXPENDITURE</u></b>	<b><u>BUDGET</u></b>	<b><u>VARIATION</u></b>	<b><u>EXPENDITURE</u></b>	<b><u>BUDGET</u></b>	<b><u>VARIATION</u></b>
	<b><u>TO 31/12/18</u></b>	<b><u>PROVISION</u></b>	<b><u>FROM BUDGET</u></b>	<b><u>TO 31/12/17</u></b>	<b><u>PROVISION</u></b>	<b><u>FROM BUDGET</u></b>
	<b><u>£000</u></b>	<b><u>(REVISED)</u></b>	<b><u>(REVISED)</u></b>	<b><u>£000</u></b>	<b><u>(REVISED)</u></b>	<b><u>(REVISED)</u></b>
		<b><u>£000</u></b>	<b><u>%</u></b>		<b><u>£000</u></b>	<b><u>%</u></b>
CHIEF EXECUTIVE	479	487	-1.6	486	500	-2.8
BUSINESS SUPPORT	3,705	3,756	-1.4	3,746	3,848	-2.7
COMMERCIAL & REGULATORY	1,207	1,207	0.0	1,259	1,254	0.4
COMMUNITY & PARTNERSHIP	1,912	1,920	-0.4	1,833	1,854	-1.1
CONTRACT & TECHNICAL	1,516	1,517	-0.1	1,475	1,488	-0.9
CUSTOMER SERVICES	2,592	2,603	-0.4	2,374	2,406	-1.3
HOUSING & PROPERTY	4,401	4,499	-2.2	4,521	4,529	-0.2
PLANNING SERVICES	1,157	1,182	-2.1	839	870	-3.6
<b>TOTAL</b>	<b>16,969</b>	<b>17,171</b>	<b>-1.2</b>	<b>16,533</b>	<b>16,749</b>	<b>-1.3</b>

\* Agency costs are included in the salaries expenditure.

	18/19 Full Year Budget £'000	Third Quarter			18/19 Variance Budget v Actual		Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
		£'000	£'000	£'000	£'000	%	
<u>Major Expenditure Items</u>							
Information & Communication Technology	1,562	1,355	1,323	1,023	-32	-2	The full year budget includes the cost of the councils Multi-Function Devices, Network Telephone & Mobiles, provision of the Service Desk and maintenance for all Systems in use. Expenditure in 2018/19 is higher than the comparative actual due to costs relating to the technology strategy which was approved in November 2017 as part of the transformation programme. Although at quarter three the expenditure is lower than the profiled budget, it is expected that this will be spent in the last quarter of the year for ongoing system projects within the Council.
Bank & Audit Charges	100	23	23	69	0	0	The decrease in expenditure compared to the prior year is the result of a change in the appointment of the council's external auditors who have not provided any services to date.
	1,662	1,378	1,346	1,092			
<u>Major Income Items</u>							
Local Land Charges	160	120	116	130	-4	-3	2018/19 has seen a decrease in the level of fee income compared to the previous year which has been reflected in the current year budgets. The actual at quarter three is just below target with the budget.
Investment Income	103	77	81	81	4	5	No major variances.
	263	197	197	211			

	18/19 Full Year Budget £'000	Third Quarter			18/19 Variance Budget v Actual		<u>Comments</u>
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Museum	140	108	105	88	-3	-3	There are no major variances for 2018-19. Expenditure is higher in quarter three compared to last financial year, 2017-18, due to increase in NNDR and Professional Fees. The Museum is now paying NNDR on 2 further storage facilities as well as 37 Sun Street (15B Oakwood Hill and Building L182 Waltham Abbey, Gun Powder Mill Museum). There is an increase in professional fees due to security costs.
Grants to Voluntary Groups	88	30	30	31	0	0	There are no variances.
Voluntary Sector Support	187	155	157	133	2	1	There are no major variances in this year. In the prior year two payments were made to Voluntary Action Epping Forest in quarter 2 and 4, whereas this year one payment was made in quarter 3.
	415	293	292	252			

	18/19 Full Year Budget £'000	Second Quarter			18/19 Variance Budget v Actual		<u>Comments</u>
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major expenditure items</u>							
North Weald Centre	210	172	170	170	-2	-1	No Major variances
Disabled Facilities Grants	550	412	307	391	-105	-25	The surveyors post became vacant during Q2, and a freeze on recruitment has led to fewer final inspections being carried out, and referrals from ECC are slow at coming through. Both of these items have been addressed by the department concerned but it may not have the desired effect until the new financial year.
	760	584	477	561			
<u>Major income items:</u>							
North Weald Centre	905	824	831	825	7	1	Aviation and casual rents income streams are performing better than expected which are offset by a small decrease in rental income.
Hackney Carriages	175	131	125	120	-6	-5	Operator licences are showing a small downturn in income to December 2018, whereas taxi licence income is showing a slight increase.
Licensing & Registrations	114	86	95	100	9	10	Liquor and Gambling licenses are performing better than expected.
Building Control - Fee Earning	535	413	409	431	-4	-1	No major in-year variance. 2017/18 was an exceptional year though income so far is broadly in line with expectations.
Industrial Estates	1,366	1,315	1,283	1,648	-32	-2	Income at the Oakwood Hill plots is down by £25,000. There are a couple of other minor differences on other sites.
Business Premises - Shops	2,341	2,289	2,284	2,222	-5	-0	There are no significant in year variances. The variance between years is due to some lease increases following re-negotiation.
Epping Forest Shopping Park	2,335	1,713	1,713	814	0	0	All units are now let. The variance between years is due to the site not being fully let at this time last year.
Land & Property	215	212	212	200	0	0	No in year variance. The variance between years is due to a renegotiation of the David Lloyd Centre lease.
	7,986	6,983	6,952	6,360			

	18/19 Full Year Budget £'000	Second Quarter			18/19 Variance Budget v Actual		Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
Major expenditure items:							
Refuse Collection	1,386	811	730	797	-81	-10	} Although paying via Direct Debit expenditure is not recorded until invoices are received from the contractor and duly authorised by waste services. These have been slow to materialise and hence low amounts of actuals against budget.
Street Cleansing	1,408	854	741	797	-113	-13	
Recycling	3,115	1,845	1,409	1,568	-436	-24	
Highways General Fund	71	46	27	56	-19	-42	The in-year variance relates to expenditure on bus shelters that has not been required to date. The variance between years is due to the highways panel expenditure payment made in April 2017.
Off Street Parking	491	345	312	312	-33	-10	A contingent sum is added to maintenance to cover the winter period, but the mild conditions means it has not been utilised to date.
Land Drainage & Contaminated Land	120	81	42	45	-39	-48	Timing of expenditure can be difficult to predict and like last year is below expectations.
	6,591	3,982	3,261	3,575			

## DIRECTORATE FINANCIAL MONITORING - CONTRACT AND TECHNICAL (2)

	18/19	Second Quarter			18/19		<u>Comments</u>
	Full Year	18/19	18/19	17/18	Variance		
	Budget	Budget	Actual		Budget v	Actual	
	£'000	£'000	£'000	Actual	£'000	%	
<u>Major income items:</u>							
Refuse Collection	86	65	64	59	-1	-1	Demand for bulky waste collections has increased year-on-year.
Recycling	1,361	682	597	732	-85	0	Essex County Council continue to be slow to reimburse the Council for Recycling Credits though things have improved in recent months.
Off Street Parking	1,402	1,020	1,010	983	-10	-1	No major in-year variances. The increase between years is due mainly to Increased penalty charge notices.
Leisure Contract	644	376	382	0	6	2	The actual for 2017/18 is not shown here as the Council made payments to the contractor in the first year to account for initial start up costs.
Fleet Operations MOTs	215	162	153	163	-9	-5	MOT income is below expectations and indeed down on the previous year too.
	3,708	2,305	2,206	1,937			

	18/19 Full Year Budget £'000	Third Quarter			18/19 Variance Budget v Actual			<u>Comments</u>
		18/19 Budget	18/19 Actual		17/18 Actual	Budget v Actual		
		£'000	£'000		£'000	£'000	%	
<u>Major Expenditure Items</u>								
Non-HRA Rent Rebates	295	221	217		211	-4	-2	Expenditure levels can be quite volatile and vary form year to year. However the actual at quarter three compared to the budget and previous year indicates that the number of homeless people placed in Bed and Breakfast accommodation has remained relatively static. There is though a time lag between Bed and Breakfast placement and the award of Housing benefits.
	295	221	217		211			

	18/19 Full Year Budget £'000	Third Quarter			18/19 Variance Budget v Actual		Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Building Maintenance	581	269	251	207	-18	-7	Expenditure fluctuates from one year to another due to Building Maintenance works being determined on a rolling five year programme which identifies and prioritises the works required to the non-office assets but generally works are undertaken in the latter part of the year which allows for preparation work to take place initially. Having said that expenditure is a little lower than expected due to timing differences.
Bed & Breakfast Accommodation	353	264	283	281	19	7	Expenditure is in line with the prior year but above the profiled budget. The number of placements is actually quite low but expenditure per case can be quite significant. It does though now appear that an overspend will
Voluntary Sector Support	17	0	0	17	0	0	Expenditure here occurred in month 6 during 2017/18, whereas in 2018/19 expenditure does not show until month 11.
	951	533	534	505			
<u>Major income items</u>							
Bed & Breakfast Accommodation	353	264	256	263	-8	-3	Rents are slightly higher than expected due to the an increase in caseload.

	18/19 Full Year Budget £'000	Third Quarter			18/19 Variance Budget v Actual			Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000		%	
<u>Major Expenditure Items</u>								
Local Plan	575	431	428	394	-3		-1	Local Plan expenditure is in line with the profiled budget. The remainder of the full year budget is committed to evidence based work to take account of the large number of sites going through the site selection process.
	575	431	428	394				
<u>Major Income Items</u>								
Development Control	1,370	1,026	1,080	703	54		5	The income received has exceeded both the budget to date and the previous year's actual. The generation of income has been steadily improving over the year due to the 20% fee increase and large developer proposals who may have previously been awaiting the publication of the Local Plan. The trend in the Development Control fee has continued into quarter three which suggests that the full year budget may well be exceeded.
Local Plan Implementation (Planning Performance Agreement Income)	78	78	75	0	-3		-4	
	1,448	1,104	1,155	703				

	18/19 Full Year Budget £'000	Third Quarter			18/19 Variance Budget v Actual		Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Management & General	262	168	126	162	-42	-25	The underspend is due to consultants, professional and legal fees.
Housing Repairs	6,093	2,448	2,386	2,171	-62	-3	This underspend mainly relates to expenditure on responsive repairs (£13,000), Gas Servicing to Council Houses (£18,000), Asbestos Removal (£10,000) and Engineering Maintenance (£10,000).
Special Services	1,129	702	574	553	-128	-18	The main underspend in this section relates to outstanding invoices from Biffa, currently 3 months behind. Other factors relating to the underspend are utility costs.
	7,484	3,318	3,086	2,886			
<u>Major income items:</u>							
Non-Dwelling Rents	858	646	646	637	0	0	There are no variances.
Gross Dwelling Rent	31,170	23,378	23,338	23,501	-40	0	The reduction in rental income from dwellings this financial year compared to 2017/18 is due to the rent decrease of 1% from April 2018, combined with reduced stock numbers due to the high number of Right To Buy sales this year. Void levels are around 0.75%, running broadly in line with expectations. With regard to new build, 61 properties were scheduled for 2018/19, therefore the profile for rents is based on the estimate, including the new build, averaged over the year. 25 properties were completed by the end of November
	32,028	24,024	23,984	24,138			

**2018/19 DIRECTORATE CAPITAL MONITORING -**  
**BUSINESS SUPPORT SERVICES**

Scheme	18/19	Third Quarter		17/18 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
ICT General Schemes	16	16	9	-7	-44	The ICT schemes have now been split between general ICT schemes and schemes specific to the ICT strategy implementation. The only remaining scheme within this section relates to the upgrade of the Northgate Aspire Mobile Working which will help support the delivery of efficient and effective services including the ability to process live food hygiene reports around the District's restaurants. This scheme has faced considerable delays due to software issues; the unspent budget of £8,000 will be carried forward for completion early in the next financial year.
ICT Strategy Implementation	495	367	319	-48	-13	The schemes within the ICT strategy, which represent the Council's vision of transformation and home working solutions, have progressed throughout the year with so many schemes ongoing there have inevitably a few delays. However, progress has been made with many of the schemes completed including the home use Softphone implementation, the Gazetteer replacement, the purchase of HOTH licence, Sharepoint collaboration, and laptop and android rollout, purchase of desktop equipment and replacement of an AO sized plotter for planning use. The scheme to patch the host servers, which will create more memory and disk space to the current servers has begun, as has the implementation of the portal integration system which will link many systems together and allow the public access to them with a single sign-in. The replacement of the debtor system has been delayed due to the uncertainty surrounding the restructure, whilst the schemes to upgrade the uninterrupted power supply and the procurement of desktop equipment at Oakwood Hill depot to accommodate the Housing Assets team will not be completed in 2018/19 after the move was delayed; final costs will depend on the number of staff requiring accommodation. As reported within the Capital Review, the nature of the current situation with regard to the accommodation review has had significant implications for the rollout of ICT projects previously planned in the ICT Strategy. In order to be prudent and avoid expenditure which in the long term may not be necessary, some projects, which were anticipated to take place during this financial year have been deferred to 2019/20, pending a review. These include Academy portal integration, Remote support tools, OHMS housing system portal, Assure, Academy & Elections Gazetteers, M3 migration and E-mail outsourcing implementation, totalling around £105,000. Many of those schemes may still be deemed necessary, but their feasibility will depend on other projects coming to fruition and the details of the accommodation review.
Total	511	383	328			

**2018/19 DIRECTORATE CAPITAL MONITORING -**  
**COMMERCIAL & REGULATORY SERVICES**

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
St Johns Road Development	475	0	0	0	0	Since the Council purchased the former junior school site from Essex County Council, it has incurred costs in monitoring the security of the vacant site which has attracted anti-social behaviour and attempted incursions. In order to mitigate these costs and on the assumption that the site will still be developed for an alternative scheme, the development project team agreed that the current unoccupied buildings should be demolished, with the exception of the buildings highlighted as of heritage value within the Local Plan site specific requirements. The demolition will be subject to the necessary planning requirements. In October 2018, Cabinet agreed a budget of £475,000 for these works which would include an outline business case for the development site, consultancy and the actual demolition. Although there are currently various planning issues relating to the listed building status of some of the buildings on the site, it is hoped that demolition will commence in May 2019.
Waltham Abbey SP Development	275	138	0	-138	-100	The old Waltham Abbey Swimming Pool closed when the new site in Hillhouse opened in November 2018. Although there is currently no agreement on the potential sale of the site at Roundhills, the site has been handed over to Essex Homes with demolition of the centre commencing in February and a lead-time of eight weeks.
Epping Forest Shopping Park	482	222	52	-170	-76	The construction of the Shopping Park was completed in June 2017 and all twelve units are successfully let. The remaining allocation, including the supplementary agreed by Members, relates to outstanding costs including letting agent's fees, legal costs for the production of heads of terms, capital payments to tenants and variations in the final account. The variations included installing an attenuation tank after some of the drains were blocked or had collapsed, repairs to the roof of the amenity block, and various other remedial works which are continuing to be highlighted throughout the defect period. The Council is looking at recovering some of these costs from the retention held. The final three units were let earlier in the year; all capital payments have been made to tenants apart from a final payment to the last retailer to take up tenure. There were various complications with the leasing agreements due to S278 delays, costs to ratify the agreement for leasing resulted in an additional legal fee of £18,000 whilst the letting fees, based on 15% of the rental value of the units, has been under budgeted by £19,000 which will result in an overspend on professional fees.
Accommodation Project	25	13	0	-13	-100	A report was submitted to Cabinet in December 2018 on the Accommodation Review when an in-principle decision was made to relocate back office functions to a new building on Council-owned land at North Weald and provide for a mix of alternative uses for the current Civic Offices. An allocation of £425,000, phased £25,000 within the 2018/19 financial year and £400,000 in 2019/20, was approved to proceed to full design and build specifications for the proposed new offices at North Weald; it was met from existing budgets within the on-hold facilities management programme. However it is unlikely that all initial research and planning costs anticipated in 2018/19 will proceed as expected therefore any unspent balances will be carried forward into the next financial year.
Oakwood Hill Depot	0	0	4	4	0	Following the completion of building works at Oakwood Hill depot in 2017, there have been unanticipated additional legal costs of £4,200 which represented 3% of the difference between the estimated and final actual costs of development.
North Weald Airfield	16	16	16	0	0	After planning permission was refused for an extension of the North Weald 240 Building to accommodate a vehicle compound, the budget was utilised to install an automated gate at the Airfield after concerns were expressed regarding safety and security due to instances of unauthorised access.
Total c/f	1,273	389	72			

**2018/19 DIRECTORATE CAPITAL MONITORING -  
COMMERCIAL & REGULATORY SERVICES**

Scheme	18/19	Third Quarter		18/19 Variance			Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual			
	£'000	£'000	£'000	£'000		%	
Total b/f	1,273	389	72				
Landmark Building Development	140	134	55	-79		-59	The Council entered into a 153-year lease with a private developer, Higgins, to provide a mixed-use development of retail, food and drink units on the ground floor with sixty-four residential units over the six floors above on the former Sir Winston Churchill public house site. The five investment units on the ground floor have now been handed over and the Council is incurring costs to modify the units and let them to potential tenants. Currently, one unit has been let with another being close to signing. Expenditure of £55,000 so far has related to legal, surveys, consultancy fees and initial works. The remaining costs are allocated to let the remaining units, build separation walls and pillars, and all other works to bring the units into operation. There have been some changes to internal specifications, including two units being swapped to accommodate the their services needs. It is anticipated that only one tenant will begin trading in the development by the end of the financial year.
Hillhouse S106 Contribution	137	0	0	0		0	The Council entered into a Section 106 agreement along with Essex County Council to provide compensatory facilities as the development of the new Leisure Centre and Independent Living Scheme at Hillhouse meant a loss of sports pitches within the area. The preliminary strategy identified the improvement of pitches at Town Mead as a suitable option for meeting the statutory requirements. However, it is likely that it will take a further three months to obtain planning permission for the alternative facility, and therefore the budget will be carried forward into the next financial year.
Total	1,550	523	127				

**COMMUNITY & PARTNERSHIP SERVICES**

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
CCTV Systems	41	20	27	7	35	Progress has been made on three CCTV schemes planned for implementation within the financial year. Following lengthy delays due to the complexity of the designs, planning permission was granted in August for the replacement and extension of the current nine camera system along Epping High Street which will provide an additional twenty one cameras to previously unmonitored zones. The invitation to tender has been rescheduled for February and incorporates a strategy to decrease the current street furniture by amalgamating the CCTV columns with road signs. The commissioning date for this system is likely to slip into the 2019/20 financial year in which case the allocation will be carried forward. The new CCTV system covering Hillhouse Leisure Centre and the adjoining car parking area is now operational; however, a small overspend was reported due to the original columns not meeting specifications to hold the system. A further new system at Hillhouse which overlooks the Hillhouse shopping parade and housing estate was also commission in quarter three with approximately a third of the CCTV cameras being recharged into the relevant HRA budget.
Car Park CCTV Systems	24	16	14	-2	-14	The new system at Quaker Lane car park was commissioned in August at a final cost of £13,600. The installation of CCTV cameras at Bakers Lane and Cottis Lane car parks are scheduled to take place during the fourth quarter of the financial year, however the combined budget of £10,000 has proved inadequate as tenders for both amounted to £24,000, resulting in an anticipated overspend of around £14,000.
Total	65	36	41			

**2018/19 DIRECTORATE CAPITAL MONITORING -**  
**CONTRACT & TECHNICAL SERVICES**

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Epping Sports Centre	313	313	289	-24	-8	The works to renovate the Epping Sports Centre which included the conversion of two squash courts into a movement studio, the extension of the fitness suite, and the changing room refurbishment is now complete with only the replacement sports hall floor and remedial works outstanding. Further issues have been identified after the roof started leaking; a temporary measure of flooding the roof with resin bond will extend the building's use until the proposed opening date of the new leisure centre, however if that scheme does not proceed, a more permanent solution will need to be implemented. These, and any further, unexpected costs could be covered by a contribution the Council is expecting to receive in relation the leisure contract.
Hillhouse Leisure	5,078	3,826	5,186	1,360	36	Please see the major scheme tab for details of this scheme.
Loughton Leisure	2,412	1,838	1,583	-255	-14	Please see the major scheme tab for details of this scheme.
NW Gymnasium Redevelopment	90	0	0	0	0	The Gymnastics Centre located at North Weald Airfield was established in 1986 for the purpose of providing a centre of excellence for gymnastics, catering for children and young people from the district and surrounding area. It is now in a poor state of repair and investment is needed to undertake essential building works and replace the ageing equipment. Due to the lack of investment and commitment to developing gymnastics by the previous tenant, notice was given to vacate the premises when their lease came up for renewal in December 2018. Members approved a bid to invest £240,000 in the facility, phased across 2018/19 and 2019/20; however, due to delays on the scheme the allocation held will not be spent by the end of the financial year. The Council are continuing the efforts to find a new tenant with expressions of interest in the facility currently being sought from gymnastics clubs.
Other Schemes	213	164	161	-3	-2	Earlier in the financial year, the grounds maintenance team took delivery of six new ride-on mowers to replace an ageing fleet which was traded in for £26,500. The remaining budget is being utilised to purchase a new truck at an anticipated cost of £32,000. At the old Bobbingworth tip site, works commenced during the third quarter to replace the main control unit and pumps after an unanticipated failure. The Council is currently awaiting the invoice for the costs of equipment and labour for the rectification works which fell inside the allocated budget.
Car Park Schemes	35	15	15	0	0	Across the District there are twenty Council-owned car parks which are being upgraded to include LED lighting. Last year the car parks at Commill, Darby Drive and Traps Hill were all completed followed by Quakers Lane car park this financial year. However, the scheme has encountered delays in delivering LED lighting to the remaining car parks due to the difficulty finding a contractor who will both source and supply the LED equipment and carry out the installations. To rectify the situation, a Cabinet report was approved by the Safer, Greener and Transport portfolio holder in November requesting further capital investment to appoint a consultant who will see the project through to its conclusion; the tender process for this scheme is likely to slip into the next financial year. Two separate planning applications were approved to demolish a small enclosed area and twenty-two garages to extend Vere Road car park by forty-one parking bays. Within the original specification only thirty spaces were identified and therefore the works for the additional eleven bays were not originally budgeted for. The budget was revised within the Capital Review to reflect the need for additional resources for these works, including the anticipated additional costs relating to asbestos found within the garages. The Council is currently in discussions with the Corporation of London to mitigate any potential increases in the levels of emission within the area; the scheme is now on-hold until a resolution can be made and the demolition works are now likely to slip in 2019/20.
Total	8,141	6,156	7,234			

**2018/19 DIRECTORATE CAPITAL MONITORING -**  
**HOUSING & PROPERTY SERVICES**

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Town Mead Depot	107	54	17	-37	-69	The relocation of staff into Town Mead depot has been delayed due to the ongoing discussions around the sale of the Pyrles Lane site. The original plan of erecting two steel sheds with installation of amenities eventually proved too expensive at over £100,000; therefore, the plan has been amended to refurbish the existing property, using the facilities management team to carry out the refurbishment as opposed to external contractors. A planning application was approved for modification works and extensions to the existing building and works are now progressing well and are expected to be complete in time for the relocation.
Works On Investment Properties	166	59	49	-10	-17	The roof improvement works to an investment property in the Broadway and the replacement gutters and drainage works at Oakwood Hill have all been completed within budget. A substation is being installed at North Weald Airfield to accommodate the additional electrical supply needs of the National Police Air Service (NPAS) and Essex & Herts Air Ambulance, as the current infrastructure provisions are inadequate. Complications have been identified relating to the cabling works and an additional cost of around £8,500 is anticipated to reroute the cabling for the substation. The overspend here could be offset by savings made within the planned maintenance category, whilst under the lease agreements and heads of terms two thirds of the substation cost will be recovered from the tenants.
Active Planned Maintenance	241	142	125	-17	-12	There have been various schemes for planned maintenance taking place this financial year across the Council's assets that do not fall under the Accommodation Review. Within the Civic Offices, new distribution boards and a fire detection warning system have been procured and are continuing to be installed across the offices. The Council has completed the conversion works to the former VAEF location into meeting rooms, the window replacement at the North Weald Gatehouse and installed electric vehicles stations within the Civic Office car park. The project to re-roof and refurbish chimneys and stacks at Waltham Abbey Museum is also complete despite presenting challenges relating to asbestos and the listing of the property; further savings to those reported in the Capital Review have been made on this scheme due to a competitive tendering process. The upgrade to the new Sateon system, which controls access to the civic office building, is now complete which also provides a more secure and automated method of recording external visitors. However, trials to test the effectiveness of heating controls for sheltered accommodation from the Council offices have not been successful and are under review.
Housing Estate Parking	19	9	19	10	111	The off-street parking schemes undertaken on Council-owned land is jointly funded between the HRA and General Fund. The scheme is currently under review with more information provided within appendix (14C).
Total	533	264	210			

**2018/19 DIRECTORATE CAPITAL MONITORING -**  
**HOUSING REVENUE ACCOUNT**

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year	18/19	18/19	Budget Vs Actual		
	Budget	Budget	Actual			
	£'000	£'000	£'000	£'000	%	
Housebuild Phase 1	-26	-26	-26	0	0	Council took possession of twenty-three properties across four sites in Waltham Abbey in November 2017; these properties are currently in the defects liability period lasting two years. The minus £26,000 budget represents the savings the Council forecasted within the Capital Review as a result of receiving a payment of £66,000 from Broadway Construction's administrators after the company went into liquidation. However, it has become apparent since approving this budget that there has been a miscommunication relating to the final retention payments of £116,000 which have not taken into account and therefore an overspend will be reported in the outturn statement. The latest estimate of the final account for the P.A. Finlay contract is £3,572,732. The full twenty-four-month defect period comes to an end in October 2019 with the Council were holding a retention of £116,000 as at 31st December 2018; £71,000 will be released within quarter 4.
Housebuild Phase 2	4,308	3,231	2,992	-239	-7	Please see major scheme tab for details on this scheme.
Housebuild Phase 3	2,410	1,808	1,386	-422	-23	Please see major scheme tab for details on this scheme.
Other Housebuilding	920	690	197	-493	-71	Following the decision made by East Thames to terminate its contract after four-years as the Council's Development Agent, a new approach of creating a framework of consultants was developed to deliver phases 4 to 6 of the house-building programme, which will provide a more efficient service and de-risk some of the aspects of the programme that have so far resulted in additional costs across schemes that are on site. The schedules of works are now proceeding on the sites that have current planning approval. The pre-tender works such as site investigations, remediation works and demolitions have now begun, with the tenders being sent out after these works have been completed. The start on site date will be determined on receiving suitable tenders, but the Council is expected to commence works by September 2019 with an 18-24 months construction period for these sites. The schemes that have had planning permission rejected previously have been given authority to be resubmitted; with decisions on these sites still pending, works will start at a later date to those approved. On the 18th May 2018 Linden Homes transferred the possession of eight properties at Barnfields to the Council. This scheme faced delays and failed to meet the initial handover date due to various defects and snagging issues; tenants have now been moved into these properties but are still finding issues which are being dealt with by the EFDC repairs team. Linden Homes' low performance in customer care has led to EDFC looking to take on the defect works and recovering some, but not all, of the costs from the retention held. The final account for this site is expected to be submitted in May 2019, with the budget for this scheme being revised as part of the Capital Review to reflect the overspends due to additional works outside the original specification and the defects mentioned. Finally, TSG has been selected as the contractor for the installation of the Norway House Pods project. All pre-construction works infrastructure works, including ground and drainage works have been completed whilst the delivery of pods is expected in late February. Once the pods have been delivered, the connection and snagging works will proceed; it is now anticipated that the pods will be operational by the end of the financial year if no major issues are reported on delivery.
Kitchen & Bathrooms	1,551	1,163	1,069	-94	-8	A new contractor has been appointed for the combined kitchen & bathroom replacement schemes. However, the schemes are still showing an 8% overall variance due to reoccurring issues with tenants being in arrears; this trend is expected to continue and is anticipated to be underspent at the end of the financial year.
Total c/f	9,163	6,866	5,618			

**2018/19 DIRECTORATE CAPITAL MONITORING -  
HOUSING REVENUE ACCOUNT**

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year	18/19	18/19	Budget Vs Actual		
	Budget	Budget	Actual			
	£'000	£'000	£'000	£'000	%	
Total b/f	9,163	6,866	5,618			
Oakwood Hill Depot Extension	545	272	17	-255	-94	The expansion of the depot located at Oakwood Hill to accommodate the Welfare, DLO and Grounds Maintenance teams is continuing to progress. The Oakwood Hill depot extension works are now out to tender after the consultants completed the concept designs and issued a pre-tender estimate for the build. The construction works will provide an additional office, material store, canteen facilities and external storage facilities, with the detailed plan also adapting variations to the original specification including electronic barriers due to break-ins and security issues at the depot. The estimated completion dates for these works is now October 2019, but is also subject to planning permission being granted for the construction of a new car park to facilitate the increased number of employees at the depot. The amended planning application for this car park will be presented at full Council after the original application was rejected at Plan South and DDMC. In light of the feedback received some changes to the application have been made to include a reduction of two parking bays, provide a grasscrete construction, electric charging bays, the inclusion of three additional trees to be planted and suitable lighting added.
Heating & Rewiring	1,887	1,415	1,364	-51	-4	During the Capital Review, which was approved by Cabinet in December 2018, all housing schemes were assessed and revised in line with expected spend to the end of the 2018/19 financial year. The heating and rewiring category is now showing a minor 4% variance after a reduction of £472,000 within the review. The rewiring scheme is showing the biggest variance of the category with the electric testing and rewiring contract currently awaiting portfolio approval. The planned work within the year for gas heating on the Council's sheltered housing schemes was completed in quarter three, whilst an additional contractor has been appointed for the adhoc heating works and is likely to increase the amount of gas heating works across the Council's properties in 2019/20 and going forward. The planned electric heating installations have now come to an end with a slight overspend showing against the expected budget. Although this scheme has been completed, approximately forty properties declined the installations and decided to remain with the old electric storage or radiators; these works will be commissioned when the properties become void.
Windows, Doors & Roofing	2,305	1,729	1,408	-321	-19	The tiled and flat roofing work to the Council's HRA properties is showing a major variance within the category due to a combination of tendering delays and outstanding invoices. After completing the works to the flat block at the Cobdens in the last quarter, a large area of houses in Pancroft have been identified and works are expected to start within the next quarter. The double glazing contract tender process has been completed but authorisation has been delayed until April Cabinet; to combat any delays within the programme, the current contractor is continuing with the planned works until this decision has been made. All replacement door schemes have been delayed due to issues around manufacturers compliance with FD30 regulations. Although this does not affect the Council's properties directly, the manufacturers are not currently producing composite doors for installation; the Council is purchasing the more expensive wooden core FD30 where necessary, however the planned programme has been put on hold until the situation is resolved.
Structural Schemes	2,475	1,856	1,633	-223	-12	The Council has seen a rise in structural works expenditure over the past three years due to the properties becoming old, problems with trees, subsidence and cracks in plaster and walls becoming an issue. Although an underspend of 23% was reported within the quarter two Members' report, £574,000 has been spent on works carried out in quarter 3 and the budget variance has now swung to showing an 8% overspend at month 9. The installation of new lifts at Limes Farm and Copperfield are progressing well, with four of scheme now operational. It is likely that one of the schemes will slip into the next financial year, with a revised practical completion date set for April 2019.
Total c/f	16,375	12,138	10,040			

**2018/19 DIRECTORATE CAPITAL MONITORING -  
HOUSING REVENUE ACCOUNT**

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Total b/f	16,375	12,138	10,040			
Other Planned Maintenance	135	101	79	-22	-22	This category includes Norway House improvements, door entry system installations and energy efficiency works. Norway House improvements are ahead of schedule with the installation of a new intruder alarm, bathroom improvements and new CCTV equipment. Door entry improvements works at Hillhouse and Neal Court have been completed; however, works for new entry systems were rejected after consultation with tenants at Hilltop Courts. Two works orders for Etheridge Road and Paley Gardens have been issued, whilst upgrades to all Council owned sheltered housing locations have been identified to allow quick access to the fire service; all works are expected to proceed within the next quarter.
Garages & Environment Works	532	391	366	-25	-6	The off-street parking schemes at Torrington Road and Paley Gardens are now complete providing a combined total of 33 spaces to local residents. However, due to a lack of take up in permits around several street parking sites, the housing assets team will submit a viability report to Cabinet detailing whether any more sites should be identified for parking; until a decision has been made, there will be no further works. The budget for major repairs to garages has seen a decline in recent years due to the Council's garages across the district being identified for potential housebuilding sites. In 2018/19 there has only been limited spend on garages relating to reinforcing walls and garage doors outside the scope of development land. All costs relating to demolishing and securing the sites will continue to be charged to the housebuilding schemes as per the CIPFA guidance. The budget for estate environmental works scheme was revised as part of the Capital Review to reflect the costs arising from changes to bin requirements. With these changes the Council are continuing to construct new bin stores and also add ramps to others. The replacement CCTV system at Norway House was completed earlier than anticipated with a significant increase in the number of cameras and equipment utilised at the site, amid security concerns. The tender for the replacement system at Limes Farm Red Block has been advertised after the design works were completed, it is expected that works will be complete by the end of the financial year although slightly over budget. The CCTV installations planned for the lifts in the three blocks in Limes Farm sites have been phased when the lifts themselves become operational (see Structural Schemes); the majority of the installations should be completed by the end of the financial year, apart from one shaft that will not be installed until the lift becomes operational in April.
Disabled Adaptations	487	365	332	-33	-9	Council has recruited a Disabled Adaptations Officer whilst the contractors for extensions and bathroom adaptations to Council properties have both been appointed. Although the vacancy and tendering process delayed the scheme in the first half of the year, works have been accelerated and the scheme is now only showing a 9% variance at month 9 compared to a 32% variance reported in quarter 2.
Other Repairs & Maint	315	236	214	-22	-9	Feasibility studies were performed on two properties in Waltham Abbey and Loughton which are showing signs of structural movement, whilst a third report has been issued for a property in Waltham Abbey after cracks and structural damage have appeared due to close proximity of trees. The budget for asbestos detection and removal was revised as part of the Capital Review to reflect the increasing levels of expenditure. The cause of this rise has been linked to the increased structural repairs the Council are currently experiencing and has led to additional costs to remove asbestos when found in Council properties.
Total c/f	17,844	13,231	11,031			

**2018/19 DIRECTORATE CAPITAL MONITORING -**  
**HOUSING REVENUE ACCOUNT**

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Total b/f	17,844	13,231	11,031			
Service Enhancements	229	29	62	34	119	This budget covers the front door replacement programme including leaseholder properties, Oakwood Hill enhancements and mobility scooter stores. The door replacement programme for leaseholders has been put on hold for the reasons indicated in the Windows, Doors and Roofing category. After consultation with members of the Oakwood Hill Estate Residents' Association (OHERA) it was agreed that the best use of the £400,000 funding (shared by EFDC and ECC) is to repair and resurface the whole footpath on the estate with slurry sealing rather than a full reconstruction on 25% of the estate; some of which are the responsibility of the District Council (un-adopted footpaths) and some the responsibility of the County Council (adopted footpaths). These works were completed in October, however ECC have not yet invoiced the Council. The procurement of new investment appraisal software which will enable the detailed management of financing of the housebuilding programme was purchased within quarter three.
Replacement Housing Vehicles	68	68	60	-8	-12	Four replacement housing repairs vans were delivered within quarter 3 to replace an aging fleet. A contribution will be paid in quarter 4 to procure a new Handyperson van after their vehicle became unviable.
Work On Hra Leasehold Prop (Cr)	-76	0	0	0	0	This credit budget allows for work undertaken within the above categories on sold Council flats. Once identified an adjustment will be made at the end of the year.
Total	18,065	13,328	11,153			

**2018/19 DIRECTORATE CAPITAL MONITORING -  
REVENUE EXPENDITURE FINANCED FROM CAPITAL UNDER STATUTE (REFCuS) AND CAPITAL LOANS**

REFCuS Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Biffa Recycling Facility	200	200	200	0	0	The Council entered into a ten-year contract with Biffa in November 2014, which can be extended by another ten years. At the April Cabinet, Members considered a report from the Environment Portfolio setting out the difficulties arising from the Chinese Government decision to ban the import of paper produced by Material Recycling Facilities (MRF) in the U.K. This decision forced Biffa into improving their Edmonton MRF where Epping Forest recycles materials. As part of these works, Biffa requested the Council contribute to these costs of £841,000 based on the level of recycling within the contract and based on the remaining six years of the contract. To avoid the recycling wastes around the District ending up in landfill and putting further significant financial pressures on Biffa, Members agreed to a compromised contribution of £500,000 consisting of a one off capital payment of £200,000 and six yearly instalments of £50,000 to ensure stability of the waste management contract and guarantee end use of recycling materials collected in the District. The capital contribution was made in November 2018.
Jack Silley Pavillion	210	210	210	0	0	In 2013, Members agreed a Section 106 contribution of £225,000 to be used to improve and redevelop sports and leisure facilities at Stonards Recreation ground in Epping. The contribution arose as a result of the development of the new secondary school in Epping to compensate for the loss of playing fields and was to be used to develop new or improved existing facilities within Epping. Improvement works to the Jack Silley Pavilion was identified with extensive works carried out including reroofing, changing room refurbishment and a café extension. The contributions across the 2017/18 and 2018/19 financial years have amounted to £233,000, an increase of £8,000, due to inflation since the contribution was agreed, which was fully financed from S106 monies.
Parking & Traffic Schemes	60	0	0	0	0	Having completed phase one of the parking review in the Loughton area in 2017/18, the review has now moved on to phase two within the Debden area, larger both geographically and by population. Resident's responses are being collated by NEPP after the Traffic Road Orders (TRO) were advertised late in 2018. Any arising issues from these consultations will be evaluated by Members and consideration given to whether any amendments to the parking review are required. Due to the complexity and time-consuming nature of the consultations, it is expected that all signing and lining works will be carried out by the end of autumn 2019, weather permitting.
Total	470	410	410			

Capital Loan Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Private Sector Housing Loans	120	90	57	-33	-37	This scheme offers discretionary loans to provide financial assistance for improving private sector housing stock. After amendments were made to the Housing Assistance Policy, which forms part of the overall Housing Strategy 2017-2022, applications for private sector housing loans have reduced. Up to the end of quarter three, £57,000 has been spent on repayable assistance, with an additional £44,000 of approved cases where works are either on site or to shortly go on site.
Total	120	90	57			

**2018/19 DIRECTORATE CAPITAL MONITORING -****MAJOR SCHEMES**

Hillhouse Leisure Centre										
Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Actual Opening Date	Original Pre-Tender Forecast £'000	Updates £'000	Approved Budget £'000	Actual Expenditure to Date £'000	Anticipated Outturn £'000	Variance Anticipated Outturn to Approved Budget	Approved Budget Underspent to Date £'000
				(A)	(B)	(C)	(D)	(E)	(E-C)/Cx100	(C-D)
Jul-17	Nov-18	Jul-17	Nov-18	9,818	134	9,952	10,060	10,082	1.31%	-108
<p>In December 2014, the Council adopted a new Leisure and Cultural Strategy, which identified future need and the role that the District Council should play in the provision of opportunities for people to lead healthier lives, contribute to community wellbeing and provide social cohesion. At that time, leisure provision by the District Council primarily focused on four Sports/Leisure Centres at Ongar, Epping, Waltham Abbey and Loughton. The Council decided to replace the Waltham Abbey Swimming Pool, which had exceed its design life. A project team involving representatives from the District Council, Essex County Council and NHS England developed designs for a new community hub, comprising of a new leisure centre, health centre and independent living scheme for the elderly at Hillhouse. Outline planning permission for the whole community hub was granted on 30th November 2016 and in December 2016, Cabinet agreed to award Places for People Leisure Management Ltd preferred bidder status with an approved contract sum of £9,818,000. The facility specification included eighty station gym &amp; work out studios, a six lane x 25m main pool and teaching pool and a community room (including a café and pool viewing area). The contract commencement date was 17th July 2017 with a contract period of seventy weeks. The additional works and changes to the specification, including the construction of a steam room and sauna, improvement works in the public realm, electric vehicle charging points, digital marketing screens and enhanced CCTV coverage, have resulted in increased costs, partly covered by compensatory savings but a remaining requirement for £148,000 was approved by Cabinet in November 2018 to supplement the scope changes; £14,000 has been used to increase the CCTV budgets in Community &amp; Partnership. The expenditure in excess of the budget that was not covered by supplementary allocation is expected to be covered by savings identified at Loughton Leisure Centre. The remaining minor works for new railings, landscaping and reorganisation of the plant room are expected to cost in the region of £15,000. The centre opened on schedule in November 2018 and is proving popular with customers. With around 450 more memberships than anticipated, the Council could benefit from a surplus share clause that triggers in the third year of operating should this trend continue.</p>										

**Loughton Leisure Centre**

Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Actual Opening Date	Original Pre-Tender Forecast £'000	Updates £'000	Approved Budget £'000	Actual Expenditure to Date £'000	Anticipated Outturn £'000	Variance Anticipated Outturn to Approved Budget	Approved Budget Underspent to Date £'000
				(A)	(B)	(C)	(D)	(E)	(E-C)/Cx100	(C-D)
Jan-18	Aug-18	Jan-18	Aug-18	3,018	-72	2,946	2,117	2,816	-4.41%	829
<p>As part of the new Leisure and Cultural Strategy, improvement works to Epping Sports Centre (ESC), Ongar and Loughton Leisure Centres (LLC) were also approved by Members. Improvement works to the LLC commenced on 19th January 2018 and included developing a brand new two-story, 150-station gym area; renovating the changing village; demolishing the crèche area "Octagon" building; re-designing the original gym into two studios, and re-designing the reception and customer viewing areas. Works commenced on 12th February 2018 with the demolition of the "Octagon" building. There were initial difficulties with live power cables discovered beneath the 'Octagon' building however, these were resolved without delaying the work. The refurbishment to the changing village started on 23rd April and took approximately sixteen weeks to complete. The scope of the work to the changing village included more family changing cubicles, new lockers, better disabled facilities, new LED lighting and a new-and-improved shower area. The replacement of the changing village was phased to minimise disruptions to the centre users and to continue to access the pool facilities. Inevitably this led to an increase in complaints about cleaning but the contractor has revised the cleaning schedules to keep the problem to a minimum. The planned works within the original scope at LLC progressed according to schedule were originally forecasting a saving of £125,000. There were however additional costs from works outside the original specification amounting to £53,500, including additional security measures to combat a rise in criminal incidents and an air conditioning upgrade. A report to the Leisure and Community Services portfolio was submitted detailing these costs with the result that the net effect that £71,500 was reduced from the Loughton Leisure Centre budget and transferred to cover the additional costs relating to Epping Sports Centre; later anticipated savings on this scheme will be used to cover the additional costs at Hillhouse. The refurbished centre re-opened to the public in August 2018 with a formal opening ceremony in September. Works will continue post opening the centre including the extension to the front of the centre, improvements to the reception area, replacement flooring and plans to install a new Combined Heat &amp; Power (CHP) to allow the centre to become more energy efficient. Whilst building designs for the installation of the CHP are being drawn up and other works are currently being planned, it is unlikely that the majority of these works will slip into the new financial year.</p>										

**2018/19 DIRECTORATE CAPITAL MONITORING -  
MAJOR SCHEMES**

Housebuilding Phase 2										
Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Proposed Finish Date	Original Pre- Tender Forecast £'000	Updates £'000	Approved Budget £'000	Actual Expenditure to Date £'000	Anticipated Outturn £'000	Variance Anticipated Outturn to Approved Budget (E-C)/Cx100	Approved Budget Underspent to Date £'000 (C-D)
				(A)	(B)	(C)	(D)	(E)		
Feb-16	Mar-18	Mar-16	Jul-19	9,110	2,617	11,727	10,427	11,728	0.00%	1,300
<p>Phase 2 of the Housebuilding Programme achieved planning permission in September 2015 for 51 new affordable homes at Burton Road Loughton. The Contract was awarded to Mullalley &amp; Co Ltd following a competitive tendering exercise in November 2015; the contract commencing in March 2016 had a pre-tender forecast figure of £9,110,000 and was adjusted to a sum of £9,847,179 based on a design and build contract with a contract period of 105 weeks.</p> <p>Mullalley &amp; Co Ltd took possession of the site in March 2016 with work commencing in July 2016, having discharged the planning conditions and completing the detailed designs. In order to satisfy the planning conditions around ground contamination, trial excavations revealed contaminated ground below the garages and the forecourt slabs. As a result of this, additional works were required and delays of around 23-weeks have been claimed by the Contractor. Their entitlement, and other costings, were evaluated by Pellings, the Council's Employers Agents, and an extension of time was granted taking the completion date to 25 June 2018 and the anticipated contract sum to £10,534,355. The extension of time included a loss and expense sum of £680,000 comprising of: £443,000 for the contamination remediation works; and £237,000 for numerous utilities and cable reconnections.</p> <p>The contractor subsequently forecasted a further 20-week delay onto the contract time with a new proposed finish date of January 2019 and a further increase in the contractor's sum to £10,851,761 for works relating to the service utility costs, offsite work and contaminated material and remediation due to the extent of the works being greater than first expected. This brings the total anticipated expenditure, including fees, to £11,728,000 which was included in the figures agreed as part of the December 2018 Capital Review.</p> <p>On the 17th August an equipment failure led to hot tar overheating and catching fire; the fire began on the third-floor roof of the four story block of 19 apartments before spreading and was contained in the third and fourth story. The site was still being constructed and none of the units had tenants living in them. The main damage was to the windows and doors of the third and fourth stories, none of the utility installations had any damage to them. Although it was anticipated that there would be no further delay to the 17 town houses and the block of 15 apartments that were not affected by the fire, the contractors have advised the Council the handover of these units will be delayed until the first weeks of April due to delays in connecting the statutory services; although this date is dependant on the service providers' performance. The electrical impact of not having the connections is having a direct influence upon the houses due to the drainage pumps still requiring electrical connection. The block of 19 apartments with fire damage will fall behind schedule and is likely to be ready for handover in July 2019. The liability of this damage lies with the contractor and the Council are not expecting any further costs relating to this damage. The costs and dates highlighted in the report reflect the delays to the construction contract and an extension of time that has been granted under the contract. Actual expenditure incurred to 31st December 2018 was £10,427,000 which includes an outstanding retention of £456,000 and committed costs of £7,000 for professional fees.</p>										

**2018/19 DIRECTORATE CAPITAL MONITORING -  
MAJOR SCHEMES**

Housebuilding Phase 3										
Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Proposed Finish Date	Original Pre-Tender Forecast £'000 (A)	Updates £'000 (B)	Approved Budget £'000 (C)	Actual Expenditure to Date £'000 (D)	Anticipated Outturn £'000 (E)	Variance Anticipated Outturn to Approved Budget (E-C)/Cx100	Approved Budget Underspent to Date £'000 (C-D)
May-17	Sep-19	Apr-18	May-20	7,502	606	8,435	6,365	8,475	0.5%	2,070
Works across each of the Phase 3 house-building development sites commenced, based on the following:										
Scheme	Original Contract Sum	Anticipated Final Account	Variation %	Start Date	Duration	Initial Estimated Completion Date	Revised Estimate Completion Date			
Bluemans End	£753,034	£890,000	18.19%	02/05/2017	36 Weeks	06/03/2018	Completed 26/03/2018			
Parklands	£716,757	£766,349	6.92%	18/04/2017	56 Weeks	24/05/2018	Completed 10/10/2018			
Springfields & Centre Avenue	£1,408,126	£1,650,655	17.22%	18/04/2017	60 Weeks	21/06/2018	Completed Centre Avenue - 26/11/2018 Springfield 07/01/2019			
Stewards Green	£752,340	£852,921	13.37%	22/05/2017	34 Weeks	07/03/2018	Completed 13/12/2018			
London Road	£235,695	£262,508	11.38%	19/06/2017	36 Weeks	07/03/2018	Completed 07/03/2018			
Centre Drive	£300,285	£374,613	24.75%	09/10/2017	36 Weeks	13/06/2018	Completed 08/11/2018			
Queens Road	£2,320,493	£2,723,115	17.35%	15/10/2018	82 Weeks	11/05/2020	06/07/2020			
The properties at Bluemans End and London Road were both completed in March 2018 providing five affordable housing units; the final account figure for both schemes will be produced half way through the defects liability period, in March 2019. The budget for the scheme at London Road had been revised in the Capital Review due to additional works including additional fencing and landscaping works, and a provision of a photovoltaic system to assist in the heating of water, which ensured the property met the Sustainable Homes Level 4 code.										
The scheme at Queens Road has seen multiple delays and increased costs due relating to diversions of power cables, repositioning election sub-stations and identification of asbestos contaminated grounds. Works on the substructures and foundations have, however, commenced in quarter three after all ground remediation works were completed; furthermore the main contracted works will begin in January with a 18-month build expected. The site at Stewards Green Road has been completed but had also faced delays due to the discovery of asbestos, cross contamination of the original site, and drainage issues. After completing soil tests, results indicated that any asbestos found within the gardens was within the tolerable limits and therefore full remediation works within the gardens were not needed; saving the Council around £100,000 work of additional work and allowing the Council to proceed with the handover of the units. The Council have been handed over twenty-five new properties from all schemes within Phase 3, barring Queens Road, in 2018/19. Actual expenditure incurred to 31 December 2018 on all sites within Phase 3 was £6,365,000, which includes outstanding retentions of £151,000 and committed costs of £122,000.										

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## **Report to the Resources Select Committee**

***Date of meeting: 2 April 2019***



**Epping Forest  
District Council**

**Portfolio: Business Support Services**

**Subject: Agency Staff and Consultancy**

**Officer contact for further information: Peter Maddock – (01992 - 56 4602)**

**Democratic Services Officer: Adrian Hendry - (01992 - 56 4246)**

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### **Recommendations**

**That members note the report and comment as appropriate**

### **Executive Summary**

The report provides information on the Cost of Consultants and Agency staff for both 2017/18 and up to the end of February for 2018/19. The schedules show the areas where they have worked and how much has been spent in those areas. Within the report there is some further detail and information to provide some context where possible.

### **Reasons for proposed action**

Members are asked to note the report and comment as appropriate

### **Other options for action**

No other options applicable.

### **Report**

1. The Council on occasions needs employ people either on a temporary basis or for a particular project. The former situation can be for peaks in workload or to cover maternity and longer term sickness. The latter is for short term specific projects when the expertise do not exist in house and to employ someone for such a short term is impractical.
2. Such expenditure is recorded on the Council's finance system such that it is easily identifiable. However a reasonableness check has also been carried out to make sure that as far as possible the amounts recorded meet either the definition of an Agency worker or a consultant. Some commentary is provided below on a directorate by directorate basis and attached are two appendices with more detail on the areas where such costs have been charged.
3. Expenditure in recent years has increased significantly in 2015/16 overall expenditure was just short of £1.5m whereas in 2017/18 expenditure was double that at nearly £3m and in this year currently stands at a little over £2.5m with a month to go so the outturn position will be similar to last year. The reasons for the levels of expenditure are explored below but quite clearly the Local Plan and costs within the estates division have had a significant impact.

## **Business Support**

4. Expenditure in 2017/18 was £228,000 and in 2018/19 is currently £308,000. The two areas that saw the most significant increases were Legal and People Team. The latter includes some consultancy relating to the people strategy.

## **Commercial & Regulatory**

5. Expenditure in 2017/18 was £461,000 and in 2018/19 is currently £317,000. The most significant area relates to Estates as it has proved difficult to attract and retain suitably qualified staff. A revised structure has now been put in place and whilst the reliance on Agency staff and consultancy is still there expenditure in 2018/19 will be lower than 2017/18. Other areas include Building Control and Licensing the former has seen an increase this year but the service needs to be quite flexible to meet peaks and troughs in work load and temporary staffing arrangements enable this flexibility to be maintained.

## **Communities & Partnerships**

6. Expenditure in 2017/18 was £21,000 and in 2018/19 is £90,000. The main area is Economic Development and relates to the digital innovation strategy which is largely funded by external partners.

## **Contract and Technical**

7. Expenditure in 2017/18 was £193,000 and in 2018/19 is currently £155,000. The areas include Waste Management, Land drainage, Contaminated Land and Grounds Maintenance. Expenditure on Waste Management relates to recycling and in 2017/18 was somewhat higher than this year This expenditure was funded from grant provided by Central Government for a recycling promotion scheme. Grounds maintenance use agency staff to cover the significant summer workload peaks as this is more cost effective than employing permanent staff all year round.

## **Customer Services**

8. Expenditure in 2017/18 was £153,000 and in 2018/19 is currently £159,000. The two main areas relate to Housing Benefits and Revenues, expenditure being similar in both years. Both areas have specific agency budgets as it is important to maintain service levels during periods of staff sickness and to plug gaps in resources due to staff turnover. Also within revenues some temporary collection staff are employed using resources provided by major preceptors through the additional income sharing agreement that is in place.
9. There have been some consultancy costs on Public Relations this year related to the creation of the new website which were funded from salary savings.

## **Housing and Property**

10. Expenditure in 2017/18 was £415,000 and in 2018/19 is currently £423,000. The areas are mostly related to the Housing Revenue Account (HRA) and are generally agency costs rather than consultants particularly within Housing Maintenance and Repairs. Consultancy costs relate to Right to buy Valuations, House building and Housing Finance including the 30 year HRA Business Plan.

## **Planning Services**

11. Expenditure in 2017/18 was £1,379,000 and in 2018/19 is currently £990,000. Expenditure was particularly high on the Local Plan in 2017/18 at £1.18m but given the nature and type of work involved this is perhaps not surprising. This years figure is

significantly lower at the moment but there are a number of payments still outstanding some going back a number of months so further significant expenditure in 2018/19 is still likely. There are now costs relating to the Strategic Implementation team and higher costs on the Garden Town and Development Control than in 2017/18. In relation to the Garden Town project this is now gaining momentum and significant Government funding has been committed to the project to pay for the work currently being undertaken. With regard to Development Control, retaining staff is proving difficult and the employment of agency staff has been necessary to plug gaps and maintain application turnaround times.

### **Chief Executive**

12. Expenditure in 2017/18 was £133,000 and in 2018/19 is currently £93,000. This expenditure relates to Transformation projects with more being spent in 2017/18.

### **Conclusion**

13. Consultants and agency staff are used for a number of reasons and in most cases are either for short term cover arrangements or specific projects which are short term in nature and require expertise that the Council does not have in house.

### **Consultations Undertaken**

Nothing specific in relation to this report but the recent budget consultations would take account of this spend and ascertain where funding was coming from.

### **Resource Implications**

The report refers to the cost of agency staff and Consultants in some cases specific budget is provided in other cases costs of agency staff have to be funded from salary savings.

### **Legal and Governance Implications**

Nothing specifically identified.

### **Safer, Cleaner, Greener Implications**

Nothing specifically identified.

### **Background Papers**

Various working papers held in Accountancy.

### **Impact Assessments**

#### Risk Management

The risks involved in each area would be assessed and taken into account when deciding whether or not to deploy temporary staff or consultants. Clearly where specific expertise is needed to complete a piece of work and they are not available in house a consultant would normally be engaged to ensure the work is carried out to the required standard.

#### Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications?

No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? No

What equality implications were identified through the Equality Impact Assessment process?  
None

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?  
N/A

# Agency & Consultancy 2017/18

	Business Support	Commercial & Regulatory	Community & Partnership	Contract & Technical	Customer Services	Housing & Property	Planning Services	Chief Executive	Total
Description	£	£	£	£	£	£	£	£	£
Legal	68,210.00								68,210.00
Land Charges	21,615.72								21,615.72
Building Control		11,391.60							11,391.60
Development Control							78,028.80		78,028.80
Housing options						4,675.00			4,675.00
Housing Maintenance						59,989.05			59,989.05
Housing Repairs						196,834.84			196,834.84
Housing Management						13,166.35			13,166.35
House Building						61,796.84			61,796.84
Repairs Fund						33,632.55			33,632.55
Community Housing						7,686.75			7,686.75
Council House Sales						17,095.00			17,095.00
Transformation								132,999.57	132,999.57
Hsg computer systems						522.50			522.50
Estates		407,676.06							407,676.06
Waste Management				47,438.25					47,438.25
Land Drainage				43,172.93					43,172.93
Grounds maintenance				92,239.61					92,239.61
Open Spaces				6,900.00					6,900.00
Local Plan							1,180,461.28		1,180,461.28
Garden Town							96,719.75		96,719.75
Trees and enforcement							23,648.20		23,648.20
Asset Rationalisation		23,652.12							23,652.12
Economic Development			14,350.00						14,350.00
Licensing		18,612.74							18,612.74
Leisure Contract				3,300.00					3,300.00
Leisure Other			6,376.75						6,376.75
HR (Training)	76,385.96								76,385.96
Facilities Management						19,177.67			19,177.67
Cashiers					15,249.07				15,249.07
Housing Benefits					84,253.55				84,253.55
Revenues					51,632.89				51,632.89
Standards Committee					1,832.50				1,832.50
Accountancy	4,500.00								4,500.00
Treasury	27,500.00								27,500.00
ICT	30,050.00								30,050.00
	228,261.68	461,332.52	20,726.75	193,050.79	152,968.01	414,576.55	1,378,858.03	132,999.57	2,982,773.90

# Agency & Consultancy 2018/19

	Business Support	Commercial & Regulatory	Community & Partnership	Contract & Technical	Customer Services	Housing & Property	Planning Services	Chief Executive	Total
Description	£	£	£	£	£	£	£	£	£
Legal	105,764.73								105,764.73
Land Charges	13,748.00								13,748.00
Building Control		35,112.35							35,112.35
Development Control							209,854.50		209,854.50
Housing options						33,810.11			33,810.11
Housing Maintenance						114,325.37			114,325.37
Housing Repairs						207,075.95			207,075.95
Housing Management						34,147.01			34,147.01
House Building						10,575.00			10,575.00
Repairs Fund						10,732.50			10,732.50
Community Housing									0.00
Council House Sales						11,375.00			11,375.00
Transformation								93,216.00	93,216.00
Hsg computer systems						625.00			625.00
Estates		261,215.75							261,215.75
Waste Management				28,809.75					28,809.75
Land Drainage				33,328.60					33,328.60
Grounds maintenance				92,385.14					92,385.14
Open Spaces									0.00
Local Plan							447,369.47		447,369.47
Garden Town							263,349.11		263,349.11
Trees and enforcement							33,515.98		33,515.98
Strategic Implementation							36,214.20		36,214.20
Asset Rationalisation		1,620.00							1,620.00
Economic Development			74,900.00						74,900.00
Licensing		19,511.20							19,511.20
Leisure Contract			14,215.34						14,215.34
Leisure Other			585.88						585.88
HR (Training)	107,565.61								107,565.61
Facilities Management									0.00
Cashiers					8,142.50				8,142.50
Housing Benefits					80,345.44				80,345.44
Revenues					47,999.09				47,999.09
Public Relations					21,100.00				21,100.00
Electoral Registration					1,600.00				1,600.00
Accountancy	19,820.00								19,820.00
Treasury	27,000.00								27,000.00
ICT	32,062.73								32,062.73
	305,961.07	317,459.30	89,701.22	154,523.49	159,187.03	422,665.94	990,303.26	93,216.00	2,533,017.31

## Programme Definition Document (PDD)

<i>Programme</i>	People Strategy (P106)
<i>Manager</i>	Paula Maginnis, Assistant Director – Human Resources
<i>Sponsor</i>	Glen Chipp, Chief Executive
<i>Corporate Plan link</i>	Aim 3.b. Modernising Council Operations

**Purpose:** This document is a summary of the definition of the programme, in terms of why it is needed, what it must achieve, its governance arrangements and how it will be managed.

It will be used to inform the Transformation Programme Board's decision whether or not the programme should be established.

### 1. Purpose and objectives

The Corporate Plan 2015-2020 identifies the overall aim for the programme:

Aim 3 - To ensure that the Council adopts a modern approach to the delivery of its services and that they are efficient, effective and fit for purpose.

The objective of the People Strategy and work programme is to put interventions in place in order that the Council achieves its strategic goals, is able to meet future challenges, improve customer services and adapt to new ways of working.

### 2. Justification and business context

Public services are going through major changes in response to a range of issues including budgetary cuts, increased localisation, greater demands for service user engagement and control, increased public expectations and a mixed economy of service provision. Therefore, Councils of today have little in common with the big, hierarchical organisations of the past. They are now collaborators and place leaders, a mix of commissioning, commercial and cooperative councils

The Council want to reduce spending and increase income generation to keep Council Tax low and protect front line services.

In this context, it is essential that the Council considers what skills and attributes are required in its workforce along with appropriate structures, roles, leadership, culture and policies and processes to enable the Council to face the ongoing challenges and provide local services to the best of our abilities.

In addition, the Council will reduce its building footprint as part of the Corporate Plan aim to decrease costs. Staff will need to work flexibly, deal with ambiguity but continue to provide excellent customer service. The Council will be implementing a 7:10 desk:head ratio which will require the workforce to work in a different way. It is expected there will be smaller numbers of management and workforce.

### 3. Vision statement

The Council wants to have a workforce that is dynamic and flexible, able to cross boundaries, work collaboratively combining the ethos of public service with an understanding of commerciality. Our recruitment, pay and benefit package will attract, engage and retain the workforce needed for the future Council.

### 4. Success criteria

See appendix 1.

### 5. Outcomes and benefits

See appendix 1.

The detailed success criteria and benefit measures for the programme will be developed through the individual projects. These will be agreed through the Transformation Programme Board, through revisions to the Programme Definition Document (PDD) and the individual Project Initiation Documents (PIDs). However, overall anticipated principal financial and non-financial benefits are given below.

**6. Principal financial benefits**

The programme aims to achieve the following measurable benefits.

	<i>Benefit description</i>	<i>Current value</i>	<i>Target value</i>	<i>Timing</i>	<i>Cashable savings</i>	<i>Non-cashable value</i>	<i>Benefit owner</i>
B1.01	Reduced operational costs	£tbc	£tbc	Apr 2020	£tbc	-	Director of Resources

**7. Principal non-financial benefits**

The programme aims to achieve the following benefits which are non-financial.

	<i>Benefit description</i>	<i>Current value</i>	<i>Target value</i>	<i>Timing</i>	<i>Benefit owner</i>
B2.01	Reduced accommodation footprint – 7:10 desk to head ratio	10.5:10	7:10	Apr 2020	Director of Resources
B2.02	Increased customer satisfaction	TBC	TBC	Apr 2020	Assistant Director – Customer Services

**8. Principal dis-benefits**

The programme may have the following negative results.

	<i>Dis-benefit description</i>	<i>Current value</i>	<i>Target value</i>	<i>Timing</i>	<i>Dis-benefit owner</i>
B3.01	Reduced staff morale or satisfaction	TBC	TBC	Apr 2020	Assistant Director - HR

## 9. Blueprint summary

### Streams

#### Stream 1 – Developing Our Leadership Capacity

### Aims

- a. The Council will have a smaller and consistent management structure across the Council which will have clear accountabilities, who are well trained, highly motivated and able to work with ambiguity and constant change.
- b. The Council will implement a succession plan scheme.

### Projects

- (i) Establish a Common Operating Module
- (ii) Implement a mandatory training programme for leaders and managers
- (iii) Design a programme that identifies future leaders

#### Phase 1 - 2nd – 3<sup>rd</sup> Quarters 2017

Meet with a provider, draft a project brief for TPB agreement for Project (i)  
Produce PID for Project (i) for TPB agreement  
Start project work. Provider to make recommendations for TPB to consider.

#### Phase 2 - 4<sup>th</sup> Quarter 2017

Produce PID for Project (ii) for TPB agreement

#### Phase 3 1<sup>st</sup> – 2<sup>nd</sup> Quarters 2018

Review officer delegations and match to new structure  
Produce corporate JDs/PS for agreement  
Draft mandatory programme(s) for proposed management structures

#### Phase 4 3<sup>rd</sup> – 4<sup>th</sup> Quarters 2018

Prototype new management structure and amend JDs for any new recruitment.  
Launch mandatory training programmes

#### Phase 5 1<sup>st</sup> Quarter 2019

Close and review projects (i) and (ii)  
Produce PID for Project (iii) for TPB agreement

## **Stream 2 – Developing the Organisation**

### **Aim**

The Council will have a robust structure with a smaller workforce and successful approach to managing performance and projects, partnership working and contract management and the delivery of customer focussed services.

### **Projects**

- (i) Establish a Common Operation Model to reflect a customer centric approach
- (ii) Implement the full range of ITrent Self Service capabilities
- (iii) Develop a Culture Change Programme
- (iv) Relaunch the organisation's Values and Behaviours

### **Phase 1- 2<sup>nd</sup> – 4<sup>th</sup> Quarters 2017**

Produce PID for Project (i) for TPB agreement  
Start restructure processes  
Work with Braintree and Colchester to implement Phase 3 of ITrent implementation

### **Phase 2 – 1<sup>st</sup> Quarter 2018**

Produce PID for Project (iii) for TPB agreement

### **Phase 3 - 2<sup>nd</sup> Quarter 2018**

Staff participation groups regarding the Council's culture

### **Phase 4 – 3<sup>rd</sup> – 4<sup>th</sup> Quarters 2018**

Produce PID for Projects (iv) for TPB agreement  
Start to implement the new structure  
Produce a plan of actions to relaunch the Council's Values & Behaviours

## **Stream 3 – Developing the Skills & Capacity of the Workforce**

### **Aim**

The Council will ensure our employees have the skills and competencies to adopt new ways of working, also to be dynamic and flexible with the ability to cross internal and external boundaries to work collaboratively.

## **Projects**

- (i) Carry out a skills/future skills audit
- (ii) Implement new corporate development programme – Skills for Change Programme
- (iii) Implement mandatory development programmes

### **Phase 1- 3<sup>rd</sup> Quarter 2017**

Produce PID for Project (i - iii) for TPB agreement

### **Phase 2 – 4<sup>th</sup> Quarter 2017**

Carry out audits

### **Phase 3 – 1<sup>st</sup> Quarter 2018**

Analyse skills information, design and launch ‘Skills for Change Programme’

### **Phase 4 – 2<sup>nd</sup> – 3<sup>rd</sup> Quarters 2018**

Design and launch corporate and mandatory programmes

### **Phase 5 – 4<sup>th</sup> – 1<sup>st</sup> Quarters 2018/19**

Design and launch ‘Skills for the Future Programme’

## **Work Stream 4 – Resourcing the Organisation**

### **Aim**

The Council will ensure our recruitment processes and documentation places no barriers for the appointment of well-trained/qualified, customer focussed candidates as efficiently as possible.

The Apprentice Levy will be used to develop our existing employees and attract, appoint and retain excellent apprentices to meet our public duties.

### **Projects**

- (i) Develop a Recruitment and Retention Strategy
- (ii) Undertake a fundamental review of our policies and procedures in conjunction with the development of ITrent
- (iii) Appointment and development of external and internal apprentices

### **Phase 1 – 2<sup>nd</sup> Quarter 2017**

Produce PID for Projects (i) and (ii) for TPB agreement  
Set up a Project Group for Projects (i) and (ii)

Recruit Cohort 3 apprentices, a LGA national graduate and a Change 100 placement

**Phase 2 – 3<sup>rd</sup> – 4<sup>th</sup> Quarters 2017**

Develop Recruitment and Retention Strategy and review policies and procedures, making recommendations to Management Board.

Identify and appoint internal apprentices

**Phase 3 – 1<sup>st</sup> – 2<sup>nd</sup> Quarters 2018**

Implement the iTrent module along with new website, policies and procedures

Appoint 2 higher apprentices

Recruit Cohort 4 apprentices and a Change 100 placement

Establish competency based job descriptions

**Phase 4 – 3<sup>rd</sup> – 4<sup>th</sup> Quarters 2018**

Develop accountability/competency based job descriptions

Appoint internal apprentices

**Phase 5 – 2019/20**

Recruit Cohort 5, a national graduate, a Change 100 placement

**Stream 5 – Pay and Benefits**

**Aim**

The Council aims to ensure our salaries, benefits and terms and conditions are competitive so that we are able to attract and retain a skilled, customer focussed and flexible workforce.

**Projects**

- (i) Fundamental review of the Council's Job Evaluation Scheme
- (ii) Fundamental review of the Council's pay model
- (iii) Fundamental review of the Council's terms and conditions

**Phase 1 – 3<sup>rd</sup> Quarter 2017**

Produce PID for all Projects for TPB agreement

**Phase 2 – 4<sup>th</sup> Quarter 2017 – 4<sup>th</sup> Quarter 2018**

Develop new systems, pay line(s) review terms and conditions

Carryout consultation with the Trade Unions

Consult and inform staff as required

### Phase 3 – 2019/20

Review and close project

## 10. Scope of change and exclusions

Outside the scope of the programme, although interdependent or closely connected are:

- Service Accommodation Programme [P160];
- Customer Service Programme [P001] – including P145 Customer Reception;
- ICT Strategy Programme [P109], to enable and support flexible and mobile working;
- Local Plan Programme [P115];
- Council Housebuilding Programme [P120];
- Post, Correspondence and Document Management [P043];
- Reprographics Service Review [P050] – shared reprographics service; and
- Shared Services [P108].

## 11. Programme management organisation, roles and responsibilities

For individual projects, their management is outlined in individual Project Initiation Documents.

The programme will be steered by the programme team, with support from subject matter experts on an 'as and when' basis, including ICT, HR, FM and Accountancy.

<i>Role</i>	<i>Name</i>	<i>Responsibilities</i>
Chief Executive	Glen Chipp	Programme Sponsor
Assistant Director – HR	Paula Maginnis	Programme Manager
Head of Transformation	David Bailey	Transformation Programme Link
Director of Resources	Bob Palmer	Programme Benefits Manager
HR Operations Manager	Wendy Stump	Project Manager
Learning & Development Manager	Julie Dixon	Project Manager
Others	To be confirmed through the PID process	Project Sponsors, Links or Managers

## 12. Governance arrangements

In line with the standard arrangements for the Transformation Programme, including:

- Transformation Programme Board and Programme Management Office;
- Risk Management Strategy;
- Communications Management Strategy;
- Benefits Management Strategy; and
- Quality Management Strategy.

Research used:

1. Nedham, C & Mangan, C (2014). The 21<sup>st</sup> Century Public Servant. Birmingham: University of Birmingham. <https://21stcenturypublicservant.files.wordpress.com/2014/21-century-report-281014.pdf>
2. Terry, L & Mansfield, C (2016). Outside the Box. The Council Workforce of Tomorrow. New Local Government Network (NLGN)
3. Solace (2013). Asking the right questions: The need for transformational and new contextual leadership skills for local authority Chief Executives
4. University of Birmingham Policy Commission (2011). 'When tomorrow comes': the future of local public services. Birmingham: University of Birmingham

### 13. Programme plan and tranche structure

See Appendix 2 - Tranche Plan.

### 14. Assumptions

Assumption that the localism agenda will not lead to significant changes to the authority's Common Operating Model in the medium term (next 10 years).

### 15. Capability

In general the programme will be managed within existing capacity and capability, however, specific capabilities may be in-sourced from outside the authority on a fixed-term basis.

The PMO will support the programme and provide key capabilities and capacity to key projects and deliverables. Training will be given to the officers acting as Project Managers and Project Sponsors.

### 16. Summary of key risks and issues

- HR capacity – HR is resourced to deal with business as usual. This work programme includes significant levels of work which could result in time slippage and/or not achieving the programme objects if not resourced adequately.
- Key staff leaving
- Issues with ITrent
- Accommodation Review
- Member decisions
- Employee relation issues/low staff morale
- Reduction in customer satisfaction

### 17. Programme approval

<i>Role</i>	<i>Name / signature</i>	<i>Date</i>	<i>Version</i>
Programme sponsor	Glen Chipp		
Programme manager	Paula Maginnis		

### 18. Version control

<i>Version</i>	<i>Date</i>	<i>Author</i>	<i>Nature of / reason for change</i>
5	18.06.2017	Paula Maginnis	Draft
6	21.07.2017	Paula Maginnis	Draft

### 19. Distribution

<i>Role</i>	<i>Name</i>	<i>Date</i>	<i>Version</i>
Stakeholders	Joint Cabinet/ Management Board	20.07.2017	5
Stakeholders	Leadership Team	27.07.2017	6

## Appendix 1: Outcomes & Benefits

Output	Changes	Outcomes	Benefits	Objectives	Drivers
<b>Stream 1 - Developing Leadership</b>					
Leadership/Management restructure across the organisation	An accountable and flexible management structure to meet the future needs of the organisation and its residents.	Decisions take place at the right level of the Council	Reduced operating costs  Reduced time taken to reach decisions for residents and staff	Establish a Common Operating Model	<p>Reduced operating costs</p> <p>A smaller accommodation foot print – 7:10 desk to head ratio</p> <p>Enhancing the skills and flexibility of the workforce</p>
Focussed Leadership and Management development	A supportive culture  Consistent Leadership and Management skills developed and rolled out throughout the organisation	Leaders and managers able to work with ambiguity and deal with future challenges	Improved leadership and management  Increased attendance at corporate development events by senior managers	Implement mandatory development programmes for Leaders and Managers	
Development of succession plan methodology	Corporate methodology to identify future leaders	<p>An environment where honest conversations can take place regarding an employee's development/career path.</p> <p>Managers will be able to plan for the future</p>	Increase number of staff identified as future leaders/managers	Establish a 'Future Leaders' Programme	

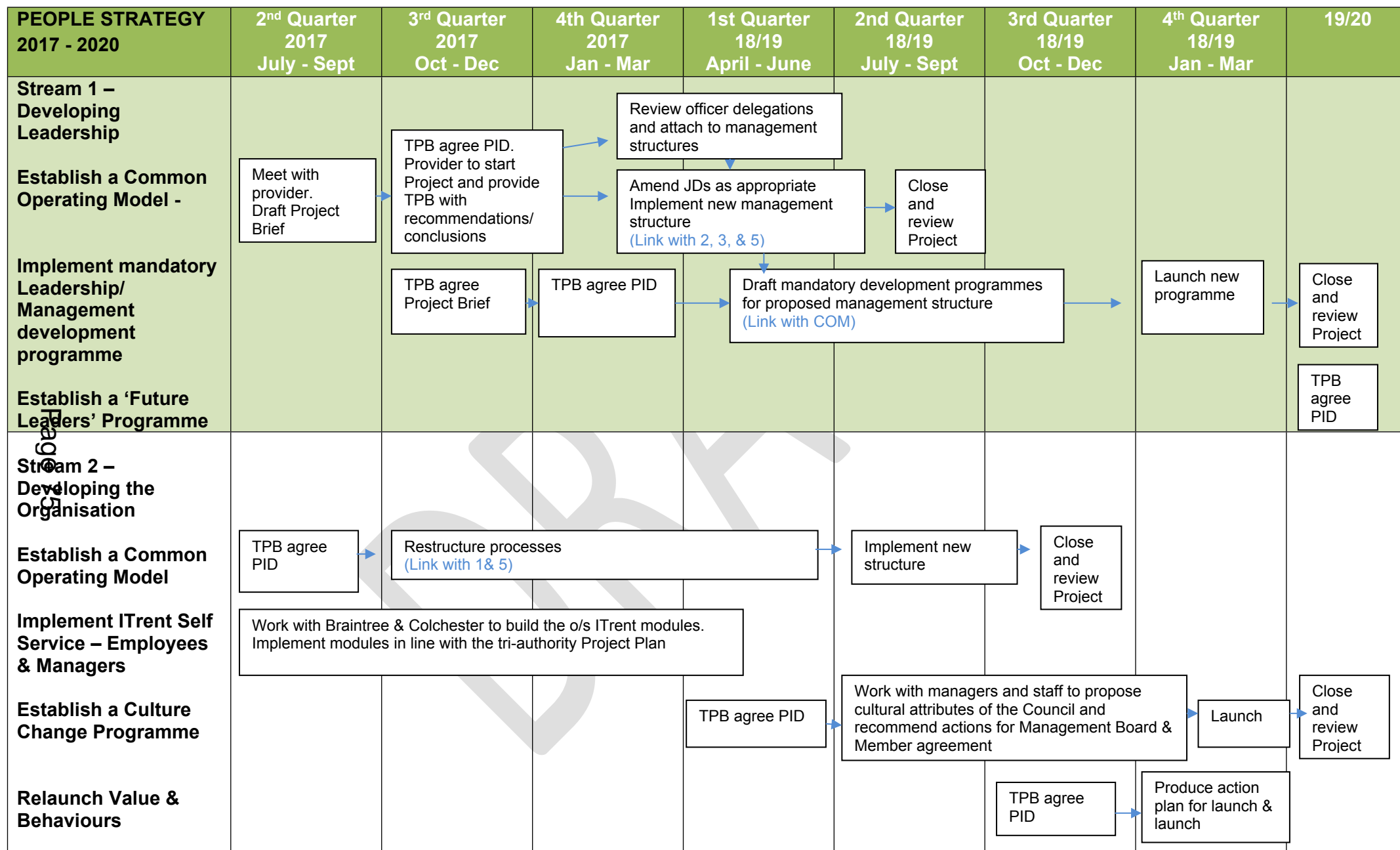
Output	Changes	Outcomes	Benefits	Objectives	Drivers
Stream 2 - Developing the Organisation					
New Common Operating Model (organisation structure) in place	Simplify the Council's structure	Customer focussed organisation	Reduced workforce to meet accommodation requirements  Dis-benefit Reduction in staff morale	Establish a Common Operating Model	Reduced operating costs  A smaller accommodation foot print – 7:10 desk to head ratio  Enhancing the skills and flexibility of the workforce
All iTrent modules have been implemented	iTrent’s full potential is used	Electronic pay and leave processes	Reduced paper based systems  Reduction in duplication	Implementation of iTrent Self Service	
Employees work towards the agreed culture	The workforce is able to work flexibly and employees are accountable for their actions.	Staff participate in setting the organisation’s culture	Improved awareness of staff of the organisation’s culture expectations	Establish a Culture Change Programme	
The workforce promotes the organisation’s Values and Behaviours	The workforce is aligned to the Value and Behaviours	Staff work and conduct themselves in line with the Values and Behaviours	Improved awareness of staff of the organisation’s Value & Behaviour expectations	Relaunch the organisation’s Values & Behaviours	
Stream 3 - Developing Skills & Capacity of the Workforce					
Development of a simple audit & data recording system  Develop iTrent module	Introduction of new recording system	A map of what skills we have, what skills will be required, where in the organisation	Increased understanding of the future skills requirements for the future	Carry out a ‘Future Skills’ Audit	Reduced operating costs  A smaller accommodation foot print – 7:10 desk to head ratio

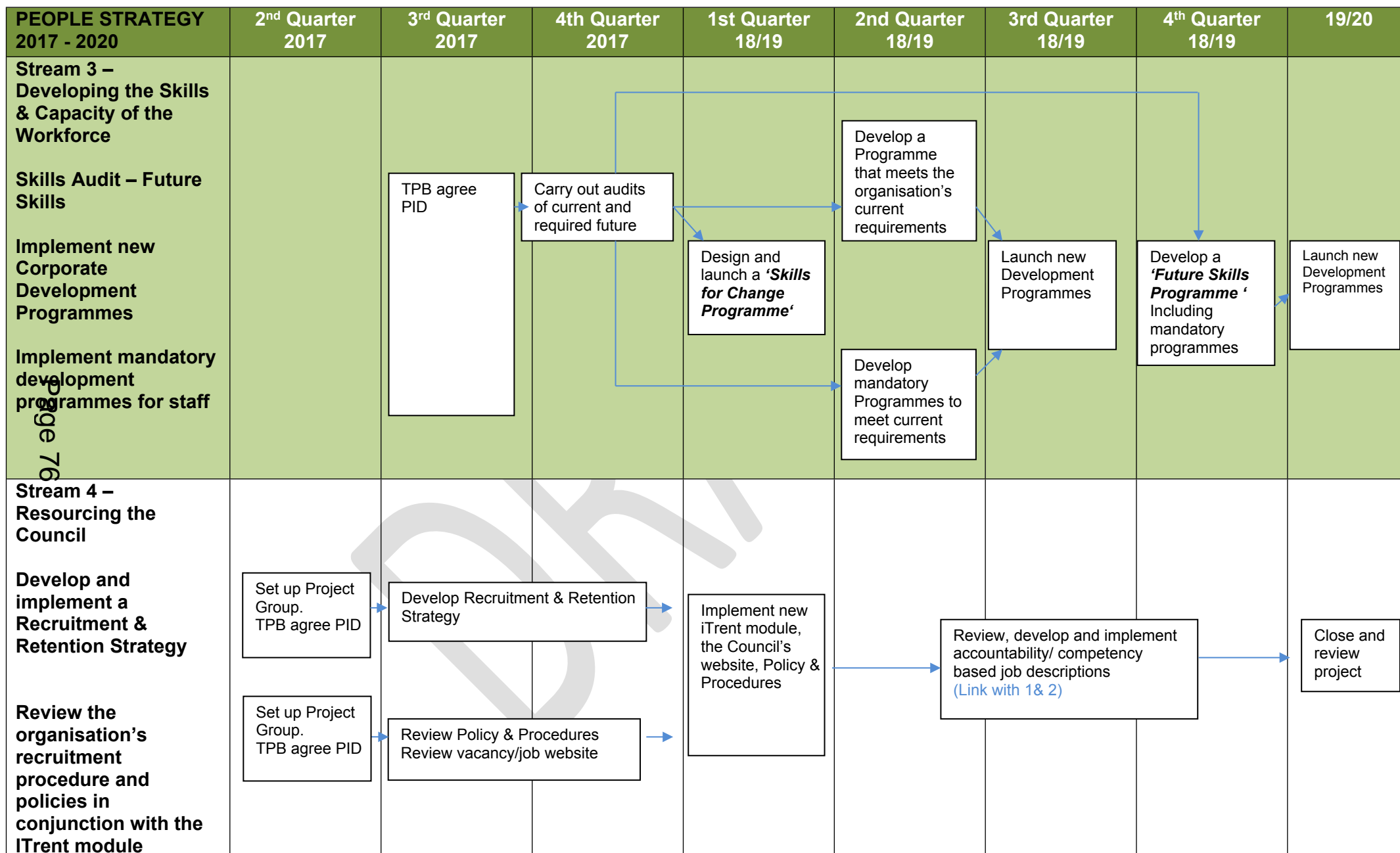
Output	Changes	Outcomes	Benefits	Objectives	Drivers
A skilled and flexible workforce able to deal with future challenges	More staff attending relevant training	A flexible workforce	Increased number of staff attending training	Implement new corporate development programme	Enhancing the skills and flexibility of the workforce
Skilled workforce	Staff attending relevant training	A focussed development programme for different categories of employees are established	Improved relevant skills across the Council	Implement mandatory development Programmes for different categories of staff	
Stream 4 - Resourcing the Organisation					
A Recruitment and Retention Strategy is developed and implemented	Recruitment takes place in accordance with the organisation's Strategy – hiring managers are aware of what the Council wants to achieve	A flexible workforce able to meet customer expectations and future challenges	Increased profile of the organisation in the job market place  Improved focus on the 'type' of candidate the organisation wishes to appoint.	Develop and implement a Recruitment Strategy	Reduced operating costs  A smaller accommodation foot print – 7:10 desk to head ratio  Enhancing the skills and flexibility of the workforce
The organisation's Safer Recruitment Policy is updated	Well trained recruitment panels	iTrent is fully utilised to automate a number of processes  Policy and procedures enable hiring managers to recruit the best available candidates	Reduced time taken to appoint  Increased use of automated processes  Improved recruitment decisions	Review the organisation's recruitment procedures & policies	

Output	Changes	Outcomes	Benefits	Objectives	Drivers
The organisation continues to provide a robust Apprenticeship Scheme	The organisation is able to attract sufficient number of external and internal candidates.	Over time the organisation Council will have a better balance of employees by age profile.  The organisation uses the apprenticeship to upskill existing staff	Improved balance of the workforce by age  Increased number of internal apprenticeship placements	Ensure the organisation meets its statutory duties by appointing a range of apprentices	
<b>Stream 5 - Pay &amp; Benefits</b>					
A revised Job Evaluation scheme with associate procedures	A different JE approach is adopted	A new system that reflects future needs	Reduced time spent on JE	Review of JE policies & procedures	Reduced operating costs  Enhancing the skills and flexibility of the workforce
A revised pay model that enables the organisation to recruit and retain a skilled workforce	A different approach to the organisation's pay model is adopted	Competitive salary structure  A reduced pay bill	Dis-benefit;  A reduced staff morale or staff satisfaction	Review of pay model	
Revised Collective Agreements that enable the organisation to recruit and retain a skilled workforce	A fundamental review of the organisation's terms and conditions take place	Reduced operating costs	Dis-benefit  Reduced staff morale or staff satisfaction	Review of Collective Agreements & Terms & Conditions	

# PEOPLE STRATEGY – TRANCHE PLAN

## Appendix 2





# PEOPLE STRATEGY – TRANCHE PLAN

## Appendix 2

PEOPLE STRATEGY 2017 - 20120	2 <sup>nd</sup> Quarter 2017	3 <sup>rd</sup> Quarter 2017	4 <sup>th</sup> Quarter 2017	1 <sup>st</sup> Quarter 18/19	2 <sup>nd</sup> Quarter 18/19	3 <sup>rd</sup> Quarter 18/19	4 <sup>th</sup> Quarter 18/19	19/20
Ensure the organisation meets its public sector duty by appointing a range of apprentices including higher and internal	Recruit Cohort 3 apprentices  Recruit national graduate – LGA Scheme  Recruit Change 100 student		Identify and appoint internal apprentices	Recruit 2 higher apprentices	Recruit Cohort 4 apprentices  Recruit Change 100 student		Identify and appoint internal apprentices	Recruit Cohort 5 apprentices  Recruit national graduate – LGA Scheme  Recruit Change 100 student
Stream 5 – Pay & Benefits  Fundamental review of the organisation's JE Scheme, Policy and Procedures  Fundamental review of the organisation's pay model  Fundamental review of the organisation's Collective Agreements and terms and conditions		Set up Project Group. TPB agree PID	Develop new JE scheme/process, Pay Line and review Collective Agreements/terms and conditions. Management Board and members agree new policies and processes  Consult and negotiate with Trade Unions  Consult/inform staff as required					Close and review project

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## Appendix 3: Current Blueprint

### 1. Workforce

The authority has 646 employees, including 37 casual staff on zero-hours contracts (527.11 Full-Time Equivalence or FTE, April 2017). These figures do not include vacancies.

Our staff are based from the following buildings.

Building	Zero hrs	Number	FTE
Civic Offices, Epping	12	446	385.86
Epping Depot, Epping		52	49.56
Hemnall Street, Epping	17	21	12.67
Homefield House, Epping	-	-	-
North Weald Airfield	6	9	8.00
Oakwood Hill Depot, Loughton		34	33.20
Parsonage Court, Loughton	1	-	-
Broadway Office, Loughton		21	16.61
District Museum, Waltham Abbey	1	17	14.54
Norway House, North Weald Bassett	-	5	4.45
Townmead Depot, Waltham Abbey	-	-	-
Pryles Lane Nursery, Loughton	-	-	-
Limes Centre, Chigwell	-	4	2.22
Total	37	609	527.11

### 2. Civic Office Desk Count

A desk was defined as a workstation with office chair, telephone and PC. This figure includes desks used by customers. The space measured (in square meters) was for areas used as office accommodation, so for example rooms solely used for file storage were ignored.

Building	Desk count	Space m <sup>2</sup>	m <sup>2</sup> / desk	% of total desks
Extension	56	430.0	7.68	11.09
Conder Building	202	1,470.9	7.28	40.00
Civic House	32	203.0	6.34	6.34
Bridge	15	143.0	9.53	2.97
New Building	200	1,595.0	7.98	39.60
Total	505	3,841.9	7.61	100.00
Gross area		6,987.0		

Further study being undertaken.

### 3. Desk Usage

Descriptor	Count	Notes	Average occupancy: 60%
Officer desks	465	Officer desks are used by officers	
+Tables	60	Inc. public facing desks and training desks	
Average desk occupancy	278	Over 9 samples	
Max. desk occupancy	352		
Min. desk occupancy	210		
Civic staff headcount	410	From HR database	
Vacancy factor (10%)	41	Estimate from HR	
FTE (87%)	392	Estimate from HR database	

### 4. Employee Travel

Research (below) completed by Essex County Council indicated how employees regularly travel to work (2015).

159 staff from EFDC responded to the survey.

This survey, alongside an earlier survey in 2014, show that the majority of our staff travel to work from areas surrounding the main road network of A406 North Circular, M25 London Orbital Motorway, M11 Motorway and A414 or live in or around Epping. However, a number of staff travel to work from considerably further afield including Stevenage, Bishop's Stortford, Braintree, Chelmsford, Basildon, Southend, Greater London and St Albans.

Mode of transport to work	Respondents	%	Civic Office estimate
Driving alone	107	66.9	274
Car sharing	22	13.9	57
Walking	14	9.3	38
Bus	8	4.6	19
Train and tube	5	3.3	13
Motorbike and moped	3	2.0	8
Total	159	100	409

Initial discovery shows that 16 of the 18 staff based at Hemnall Street (as opposed to the museums) travel to work by car and park at Hemnall Street.

## 5. Leadership and Management

### Summary of Management Figures - As a total of the Workforce As at April 2017

	Management Head Count	Management FTE	Mgt Board	G10 – G12 FTE	G7 – G9 FTE	G5 – G6 FTE
Chief Executive	6	6	1	2	1	2
Communities	57	55	1	12	34.59	7.41
Governance	24	23.34	1	11.34	9	2
Neighbourhoods	28	27.46	1	8	17.67	1
Resources	39	38.5	1	15	19.5	3
<b>Totals</b>	<b>154</b>	<b>150.3</b>	<b>5</b>	<b>48.34</b>	<b>81.76</b>	<b>15.41</b>
<b>(% of the total workforce)</b>		<b>25%</b>	<b>1%</b>	<b>8%</b>	<b>14%</b>	<b>2.6%</b>

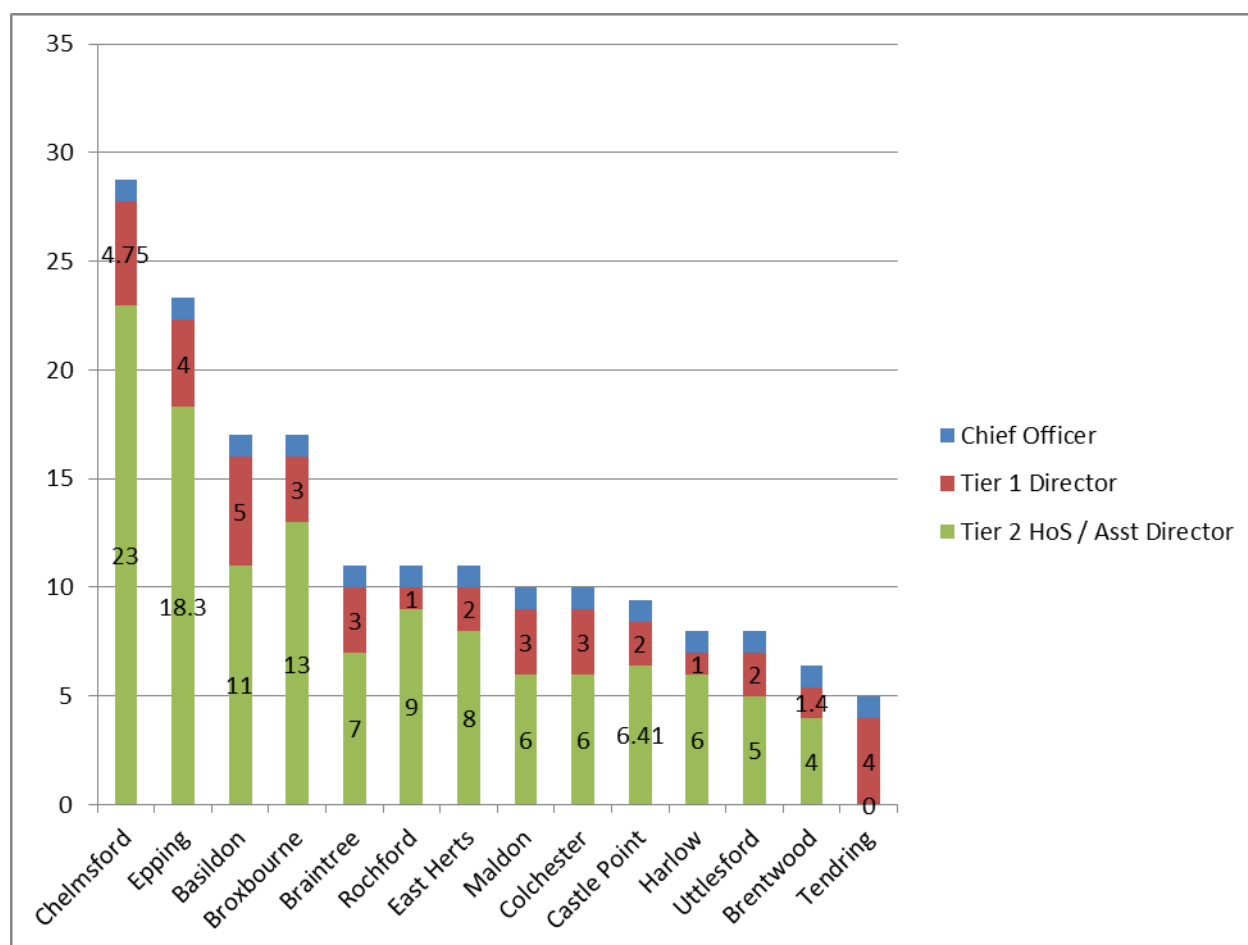
#### Notes

FTE is the establishment figure for the post and does not include any personal reduction in hours  
Directorate figures based on an average

### Summary of Directorate Management Figures As at April 2017

	Average FTE	% Over G12	% G10 – G12	% G7 – G9	% G5 – G6	% of management for each Directorate
Chief Executive	23	4.3%	8%	4%	8.7%	26%
Communities	205	0.5%	5.9%	16.9%	3.6%	27%
Governance	88	1%	13%	10%	2.3%	26.5%
Neighbourhoods	129	0.8%	6.2%	13.7%	0.8%	21.3%
Resources	141	0.7%	10.6%	14%	2%	26.5%

## 6. Management Structure for Neighbouring Local Authorities



Information for the above graph has taken from published account information which does not include lower management tiers.

## 7. Blueprint Summary

By the end of the programme, the new, key features of the organisation will be:

### Processes:

This is the overview of what the business must be doing to support its purpose and meet the needs of its customers. There will probably be a combination of new and amended business processes and associated business products. Significant service performance requirements should also be defined. (e.g. throughput, response times, capacity, resilience).

- New Job Evaluation scheme, linked with new Common Operating Model.
- New pay model, linked with new Common Operating Model.
- New Collective Agreements and Terms & Conditions of employment.
- New leadership and management training programme.
- New future leader's development programme.
- New staff training programme to equip staff with future skill requirements.
- Robust Apprenticeship scheme.
- New recruitment strategy, policy and procedure, based on selection by competency.

- Reduced customer processes, as delivered by the Customer Service Programme [P001].
- New enhanced scheme of delegation for officers, based on job family and tier.
- Refreshed and promoted Corporate Values and Behaviours.

### **Organisation:**

What will the shape of the organisation be after reorganisation? This may include new/amended elements of the business management structure, culture, functions, roles, locations, teams, stakeholders, customers, suppliers, partners etc. Any significant changes to behaviours and culture should be identified.

- New Common Operating Model designed around the needs of the customer: Centralised teams for customer service and business support (including ICT). The other aspects of the COM are technical / specialist and management & leadership functions.
- New, leaner management structure with increased spans of control.
- Staff and managers will be based in new locations, both within and beyond their current office bases.
- Leaner workforce, with a more balanced age profile.
- Cultural change: Flexible and mobile working, alongside desk sharing will become the norm.

### **Information:**

The data and information that the organisation will require in order to deliver products and services to its customers.

- Updates to service locations when they change [P160].
- How customers access or contact services [P001].
- Clear sign posting and communications for customers [P001] and staff [P160].
- Workforce and payroll data [P014].

### **Technology, tools, equipment, facilities:**

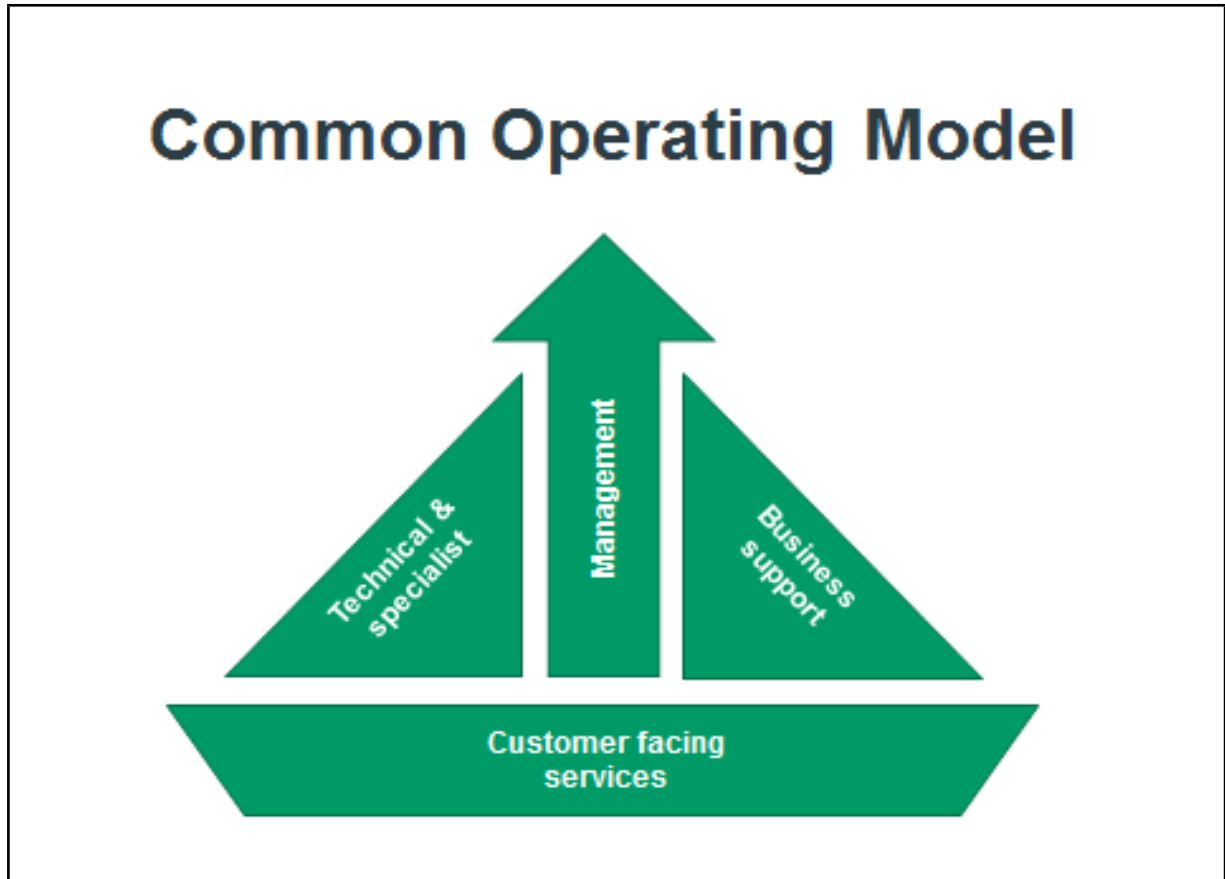
Overview of new/modified accommodation, infrastructure, IT, web facilities, call centre, help desk equipment, etc.

- New office accommodation, as delivered by the Service Accommodation Programme [P160].
- New office infrastructure including ICT, as delivered by the ICT Strategy Programme [P109].
- Common standard for staff computers and telephony – in support of mobile and flexible working – to be established through the ICT Strategy Programme [P109].
- iTrent HR system [P14].

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## Appendix 4: Future blueprint 2020

The proposed new Common Operating Model is given in the diagram below.



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**Project Initiation Document (PID)***Project number***P177**

<i>Project</i>	People Strategy Common Operating Model – Management Structure
<i>Manager</i>	Paula Maginnis, Assistant Director – Human Resources
<i>Sponsor</i>	Glen Chipp – Chief Executive
<i>Corporate Plan 2015-20</i>	Aim 3b Modernising Council Operations

**Project purpose**

<i>Definition</i>	Carry out a fundamental review of the Council's management structure to ensure clear accountabilities, spans of control, numbers of levels and consistency across the organisation.
<i>Mandate</i>	Programme Definition Document agreed by Transformation Board and Cabinet.
<i>Background information and impact assessment</i>	<p>The Local Government Association (LGA) has provided a proposal to undertake a structural review of our management structure using the Decision Making Accountability tool.</p> <p>The review will look at management structures and decision making across the organisation and identify areas of compression or ineffective decision making arrangements.</p> <p>Following the review, options for change will be made.</p>
<i>Approach</i>	<p>As set out in the LGA's proposal, which is attached at Appendix A.</p> <p>The approach identifies the maximum number of management layers required for the organisation and the optimum design of accountability level. Its key aim is to protect front line services and ensure that these are supported by an efficient and accountable management structure.</p> <p>The LGA will undertake;</p> <ul style="list-style-type: none"> <li>▪ a review of the organisational structure job roles and map current position with senior managers</li> <li>▪ interviews with staff (40 – 45 interviews)</li> <li>▪ analysis of findings and options appraisal</li> <li>▪ Prepare and deliver a report and presentation to Joint Cabinet/Management Board</li> <li>▪ Training of Council officers if required.</li> </ul>
<i>Business case</i>	The People Strategy will assist the Council to reduce spending and increase income generation to keep Council Tax low and protect front line services. The Council has made the decision to reduce its building footprint which will see staff working flexibly and the requirement to work in an uncertain environment whilst continuing to provide excellent customer services.

## Epping Forest District Council

	The organisation will require an accountable and flexible management structure to meet these requirements.
<i>In scope</i>	<p>The following will be in scope for the review;</p> <ul style="list-style-type: none"> <li>▪ Chief Executive</li> <li>▪ Directors</li> <li>▪ Assistant Directors</li> <li>▪ Service Managers</li> <li>▪ Service Supervisors, Team Leaders, Charge Hands etc</li> </ul>
<i>Links to other plans, dependencies and constrains</i>	<ul style="list-style-type: none"> <li>▪ Common Operating Model for the organisation</li> <li>▪ Skills audit</li> <li>▪ Review of Job Evaluation Scheme</li> <li>▪ Review of Pay model</li> <li>▪ Mandatory training</li> <li>▪ Succession Planning</li> </ul>
<i>Out of scope</i>	Staff without supervisory or management responsibilities.
<i>Assumptions</i>	Management roles (which includes team leaders and above) make up 25% of the Council's workforce. The LGA suggests that this figure is a little high and most organisations it is 18-20%. As a result of the review there is likely to be a reduction in the number of managers in the structure.

	<i>Benefit</i>	<i>Measure</i>
<i>Business benefits</i>	▪ Reduced operating costs	A reduction in salary costs which are included in our operating costs
	▪ Reduced time taken to reach decisions for residents and staff	<p>An increase in customer satisfaction</p> <p>An increase in staff satisfaction and retention</p>

### Equality Impact Assessment

Is this a new policy (or decision) or a change to an existing policy, practice or project?	Yes
Describe the main aims, objectives and purpose of the policy (or decision)	To ensure the Council's management structures and decision making arrangements are consistent across the authority.
What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?	A review of the Council's management structures using the Decision Making Accountability Tool
<p>Does or will the policy or decision affect:</p> <ul style="list-style-type: none"> <li>• service users</li> <li>• employees</li> <li>• the wider community or groups of people, particularly where there are areas of known inequalities?</li> </ul>	Employees

Epping Forest District Council

Will the policy or decision influence how organisations operate?	It will result in a different organisation structure
Will the policy or decision involve substantial changes in resources?	It could result in savings in operating costs
Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?	The project is part of a programme of work to take forward the Council's People Strategy
What does the information tell you about those groups identified?	See appendix B.
Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?	See the Communication Management Strategy
If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:	As above

Use this section to assess any potential impact on equality groups based on what you now know.		
Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	The review will involve all current layers of management across the authority regardless of characteristic. The impact will not be known until the results of the review are known and the associated decisions are taken to implement any recommendations.	
Disability		
Gender		
Gender reassignment		
Marriage/civil partnership		
Pregnancy/maternity		
Race		
Religion/belief		
Sexual orientation		

Does the EqIA indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No x	See comment above
---	------	-------------------

	Yes <input type="checkbox"/>	If ' <b>YES</b> ', use the action plan to describe the adverse impacts and what mitigating actions you could put in place.
--	------------------------------	--

### Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.
N/A at this stage		

### Project team

Role	Name	Responsibilities
Chief Executive	Glen Chipp	Project Sponsor
Assistant Director - HR	Paula Maginnis	Programme Lead
Assistant Director - HR	Paula Maginnis	Project Manager
Head of Transformation	David Bailey	Transformation Lead
Executive Assistant	Mary Syme	Project Support

### Project plan

#### Key deliverables, milestones and acceptance criteria

Key deliverable	Start date	End date	Lead officer	Acceptance criteria
Initial Meeting with LGA		27 July 2017	PM/DB	Meeting took place - completed
The project PID and LGA Project Proposal agreed by TPB		30 August 2017	PM/DB	Proposal agreed
Proposed Management Spines to be agreed by TPB		30 August 2017	PM/DB	Proposal agreed
Leadership Team informed of TPB decisions a	31 August 2017	1 September 2017	PM/DB	Email circulated to Leadership Team
Trade Union informed of PID and Project outline		1 September 2017	PM/DB	Documents sent to TUs
Inform staff to be interviewed	4 September 2017	8 September 2017	PM/MS	Letters/emails sent

**Epping Forest District Council**

<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
Allocation of interview dates	11 September 2017	20 September 2017	MS	All interviews are booked
Communication with Leadership Team		13 September 2017	DB	Item at Leadership Team is discussed
General staff Communication	14 September 2017		DB	Communication circulated
Interviews take place	25 September 2017	13 October 2017	LGA	All interviews are completed
Draft report to be considered by Joint Cabinet/Management Board	w/c 13 November 2017		PM/LGA	Report is presented (consideration to be given to move the current Joint Meeting from 19 Oct to w/c 13 Nov (13 <sup>th</sup> is currently free of a committee)
Chief Executive to consider findings and apply as appropriate to Senior Team <ul style="list-style-type: none"> <li>▪ Consultation</li> <li>▪ Report to Cabinet</li> </ul>	w/c 13 November 2017	1 February 2018	GC	Report is considered by Cabinet

### **Headline plan**

	2016/2017/2018																	
	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan
TPB agree PID	▶																	
Initial communications	▶	▶																
Staff Interviews	▷	▶	▶															
Leadership Team Update		▶																
LGA Report received				▶														
Cabinet Report				▷	▷	▷	▶											

Key: ▷ = activity period, ▶ = completion / key deadline

**Budget plan**

<i>Period</i>	<i>2016-17</i>	<i>2017-18</i>	<i>Comments</i>
<i>Revenue</i>	£18750 + VAT £800 +VAT	n/a	For 27 days of consultancy For additional training day Cabinet agreed to use the Transformation Programme prototype fund (7 September 2017)
<i>Capital</i>	n/a	n/a	
<i>Savings</i>			Potentially 8% - 12% management costs
<i>Totals</i>	£19550		

**Communication management strategy**

<i>Stakeholder</i>	<i>Needs</i>	<i>Communications</i>
Staff	Information regarding project Information and invite to interview	LGA communications Personal email/letter
Leadership Team	Update at September's Leadership meeting	Update
Members	Outcomes Potential Savings	Joint Cabinet/Management Board meeting

**Risk log**

<i>Description</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Score</i>	<i>Control measures</i>

**Project approval**

<i>Role</i>	<i>Name / signature</i>	<i>Date</i>	<i>Version</i>
Project Manager			1.0
Project Sponsor			1.0

**Version control**

<i>Version</i>	<i>Date</i>	<i>Author</i>	<i>Nature of / reason for changes</i>

**Distribution**

<i>Role</i>	<i>Name</i>	<i>Date</i>	<i>Version</i>

**Project Initiation Document (PID)***Project number*

P106a

<i>Project</i>	People Strategy Pay and Benefits
<i>Manager</i>	Paula Maginnis, Assistant Director – Human Resources
<i>Sponsor</i>	Glen Chipp – Chief Executive
<i>Corporate Plan 2015-20</i>	Aim 3b Modernising Council Operations

**Project purpose**

<i>Definition</i>	Carry out a fundamental review of the Council's pay, Job Evaluation (JE) Scheme, terms & conditions and benefit arrangements to achieve the ambitions of the People Strategy and ensure the Council is able to attract and retain skilled individuals to deliver its services and strategic aims.
<i>Mandate</i>	Transformation Programme Board agreed the programme of projects in the People Strategy of which this is one.
<i>Background information and impact assessment</i>	<p>To enable the Council take forward a challenging agenda it needs to ensure our pay, JE Scheme, terms &amp; conditions and benefit arrangements will attract, engage and retain a suitable workforce.</p> <p>The review will look at the current pay, pay structures, collective agreements, terms and conditions, benefits and job evaluation arrangements</p>
<i>Approach</i>	<p>A small team of EFDC staff will form a Negotiation Board to discuss proposals with the Trade Unions.</p> <p>An external consultant has been engaged through VineHR to provide advice and support.</p> <p>Transformation Programme Board will provide direction and proposals will be agreed by Cabinet and Council as necessary.</p> <p>The aim is to reach a Joint/Collective Agreement with the Trade Unions. If this is not possible a dismissal and re-engagement process will be required. Legal advice may be required at this stage to ensure the process is fair, lawful and minimises any potential constructive dismissal claims.</p> <p>Capacity of the Project Team and HR will be kept under review.</p>
<i>Business case</i>	<p>This is one of the Projects set out in the People Strategy which aims to assist the Council meet future challenging financial targets. In order for the Council to retain and attract a workforce that can achieve this pay, grading and terms and conditions need to be competitive in the relevant job markets.</p> <p>Streamlining and reviewing payments could potentially reduce operating costs.</p> <p>JE arrangements are bureaucratic, time consuming and employee driven.</p>

## Epping Forest District Council

	It is proposed that the review will bring balance to the arrangements by becoming organisation driven and where expertise is valued as much as management responsibilities. In addition officer and trade union time spent re-evaluating roles or evaluating new roles is reduced.
<i>In scope</i>	See Appendix 1
<i>Links to other plans, dependencies and constraints</i>	<ul style="list-style-type: none"> <li>▪ Recruitment and Retention Strategy</li> <li>▪ Common Operating model – restructure of management tiers and the organisation</li> </ul>
<i>Out of scope</i>	<p>A limited number of items are out of scope which will give the Negotiation Board and Trade Unions complete flexibility to decide at appropriate stages which items can be determined at a later stage.</p> <ul style="list-style-type: none"> <li>▪ Pensions</li> <li>▪ Member Allowances</li> <li>▪ Car Parking</li> <li>▪ Off Payroll Payments (IR35)</li> <li>▪ Professional Education Scheme</li> <li>▪ Returning Officer Fees</li> </ul>
<i>Assumptions</i>	<p>Our pay, grading and terms and conditions will be significantly different to current arrangements</p> <p>The Council could move away from national bargaining mechanisms meaning that pay and conditions can become locally relevant, focussed and affordable.</p> <p>Confidential negotiations will be a feature of the project which may at times mean little or no information can be communicated to staff.</p>

	<i>Benefit</i>	<i>Measure</i>
<i>Business benefits</i>	Reduced operating costs	Reduction of overall operation costs
	Reduction in the number of job evaluations	Reduction of 50%

## Equality Impact Assessment

Is this a new policy (or decision) or a change to an existing policy, practice or project?	The scope of the project is likely to result in changes to pay, terms & conditions and the way we evaluate roles, but until proposals are made the equality impact is not known.
Describe the main aims, objectives and purpose of the policy (or decision)	Ensuring our pay, grading, terms & conditions and benefits attract and retain the right workforce. In addition, the aim is for our Job evaluation scheme to be less bureaucratic and driven by the requirements of the organisation.
What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?	As above
Does or will the policy or decision affect: <ul style="list-style-type: none"> <li>• service users</li> <li>• employees</li> <li>• the wider community or groups of people, particularly where there are areas of known inequalities?</li> </ul>	Employees. The aim of the review is to better reward staff resulting in a well-motivated workforce. This will have a beneficial impact on service users and our communities.

Epping Forest District Council

Will the policy or decision influence how organisations operate?	Yes																																
Will the policy or decision involve substantial changes in resources?	It is likely to have an impact on financial resources																																
Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?	It is a project within the programme of work in the People Strategy. It will support the work identified to implement the Common Operating Model, also the Recruitment & Retention Strategy and the Medium Term Financial aims.																																
What does the information tell you about those groups identified?	<p>Early indications are that the organisation has mean and median hourly pay gap figures showing female staff earn 16% less per hour than males. Looking at the table below, 53% of employees in the upper or upper middle quartiles are male whereas 65% of employees in the lower middle or lower quartiles are female.</p> <p><b>GENDER PAY GAP QUARTILE FIGURES</b></p> <table><tr><th>Quartile</th><th>Gender</th><th>No of Employees</th><th>% in Quartile</th></tr><tr><td rowspan="2">Upper</td><td>Male</td><td>92</td><td>58.6</td></tr><tr><td>Female</td><td>65</td><td>41.4</td></tr><tr><td rowspan="2">Upper Middle</td><td>Male</td><td>73</td><td>47</td></tr><tr><td>Female</td><td>83</td><td>53</td></tr><tr><td rowspan="2">Lower Middle</td><td>Male</td><td>53</td><td>34</td></tr><tr><td>Female</td><td>103</td><td>66</td></tr><tr><td rowspan="2">Lower</td><td>Male</td><td>55</td><td>35</td></tr><tr><td>Female</td><td>101</td><td>65</td></tr></table> <p>Males make up 43.7% of the workforce, females 56.3%.</p> <p>Currently there is an issue with Business Object reports which means information for the other characteristics is not available at this time. However this will be fixed in due course and the information will be provided to the Project Team.</p> <p>The review will impact pay, grading, terms &amp; conditions and JE across the organisation affecting current NJC employees. Once the proposals are known an assessment can be carried out.</p>	Quartile	Gender	No of Employees	% in Quartile	Upper	Male	92	58.6	Female	65	41.4	Upper Middle	Male	73	47	Female	83	53	Lower Middle	Male	53	34	Female	103	66	Lower	Male	55	35	Female	101	65
Quartile	Gender	No of Employees	% in Quartile																														
Upper	Male	92	58.6																														
	Female	65	41.4																														
Upper Middle	Male	73	47																														
	Female	83	53																														
Lower Middle	Male	53	34																														
	Female	103	66																														
Lower	Male	55	35																														
	Female	101	65																														
Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?	Not at this stage. Formal negotiation/ consultation will be carried out with the Trade Unions once proposals are developed.																																
If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:	As above																																

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	The review will involve our current pay, grading, terms & conditions and benefits across the authority regardless of characteristic. The impact will not be known until the results of the review are known and the associated decisions are taken to implement any recommendations.	
Disability		
Gender		
Gender reassignment		
Marriage/civil partnership		
Pregnancy/maternity		
Race		
Religion/belief		
Sexual orientation		

Does the EqIA indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No x	See comment above
	Yes <input type="checkbox"/>	If 'YES', use the action plan to describe the adverse impacts and what mitigating actions you could put in place.

## Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.
N/A at this stage		

## Project team

Role	Name	Responsibilities
Chief Executive	Glen Chipp	Project Sponsor
Assistant Director - HR	Paula Maginnis	Programme Lead
Assistant Director - HR	Paula Maginnis	Project Manager
Head of Transformation	David Bailey	Transformation Lead
Executive Assistant	Mary Syme	Project Support
Service Accountant	Graham Keoghoe	Financial information & support

Epping Forest District Council

<i>Role</i>	<i>Name</i>	<i>Responsibilities</i>
PR	Tom Carne or Sarah Kits	Provide timely communications and advice
External Specialist Consultancy	VineHR Associate – Stephen Houghton	Specialist advice and support

## ***Project plan***

### **Key deliverables, milestones and acceptance criteria**

<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
TPB to agree PID	February 2018		Paula Maginnis	PID agreed
Initial meeting with consultant	February 2018		Paula Maginnis	Meeting arranged and takes place
Scope current arrangements against proposals with costings.	March 2018	April 2018	Paula Maginnis	Document completed
Produce Communication Plan	March 2018	April 2018	Tom Carne	Plan agreed
Joint MB/Cabinet presentation	19 April 2018		Paula Maginnis	Initial proposals presented to Cabinet, achieving general agreement.
TPB to agree Phase 1 and initiate Phase 2	May 2018	May 2018	Paula Maginnis	TPB agrees the proposals to take forward to the Negotiation Board
Consultation/negotiation with TUs	May 2018	October 2018	Paula Maginnis	Proposals discussed with the Trade Unions
Start to agree a Joint/Collective Agreement or consider if a dismissal and re-engagement process is required	September 2018		Paula Maginnis	Draft the Joint/Collective Agreement. If required propose timeline/action plan to achieve process
Joint MB/Cabinet presentation	18 October 2018		Paula Maginnis	Final draft proposals presented to Cabinet achieving general agreement.
TPB to agree Phase 2 and initiate Phase 3	November 2018		Paula Maginnis	TPB agrees final proposals
Reflect potential cost/saving information into budget reports		Nov 2018	John Bell	Information provided to members
Consultation with staff – 30 days	7 January 2019	6 February 2019	Paula Maginnis	Consultation completed

Epping Forest District Council

Key deliverable	Start date	End date	Lead officer	Acceptance criteria
Final member agreement	Mid-Feb 2019	Mid-March 2019	Paula Maginnis	Members agree new pay, grading, terms & conditions and benefit arrangements
Implementation	1 April 2019		Paula Maginnis	All relevant staff placed on new arrangements
Benefit Review	1 Oct 2019	31 Oct 2019	Paula Maginnis	Review completed and reported to TPB

## Headline plan

	2018/2019																			
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Scope current arrangements against proposals with costings	▷	▷	▷	▶																
Produce Communication Plan			▷	▶																
TPB to agree Phase 1 and initiate Phase 2					▶															
Consultation/ negotiation with TUs					▷	▷	▷	▷	▷	▶										
TPB to agree Phase 2 and initiate Phase 3											▶									
Reflect potential cost/saving information into budget reports											▶									
Consultation with staff – 30 days													▶							
Final member agreement															▶					
Implementation																▶				
Benefit Review																				▶

Key: ▷ = activity period, ▶ = completion / key deadline

## Budget plan

Period	2018-19	2019/20	Comments
Revenue	5000		Consultancy
Capital			
Savings	xxxx	xxxx	Efficiency savings to be confirmed
Totals			

**Communication management strategy**

<i>Stakeholder</i>	<i>Needs</i>	<i>Communications</i>
Staff	Information Consultation	District Lines/Staff Briefings Email/letters/documents
Leadership Team	Information Consultation	Meetings/Presentations Email/letters/documents
Management Board	Decisions	Meetings/Presentations
Members	Decisions	Meetings/Presentations
Trade Unions	Information Consultation	Meetings/documents Email/letters/documents Joint Agreement

**Risk log**

<i>Description</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Score</i>	<i>Control measures</i>
Trade Unions do not agree to Joint Agreement and dismissal & re-engagement process required	3	5	8	Plan for process to ensure there is enough time to implement.
Capacity of the Project Team	4	5	9	Keep capacity under constant review ask for additional resources if required
Capacity of the HR Team	4	5	9	Keep capacity under constant review ask for additional resources if required
Loss of key staff from Project Team	2	5	7	Have all notes, papers, and decisions etc accessible for others. Consider substitute members/understudies for the Project.
Recruitment and retention issues	3	3	6	Be transparent with existing staff and applicants

**Project approval**

<i>Role</i>	<i>Name / signature</i>	<i>Date</i>	<i>Version</i>
Project Manager			1.0
Project Sponsor			1.0

**Version control**

<i>Version</i>	<i>Date</i>	<i>Author</i>	<i>Nature of / reason for changes</i>

***Distribution***

<i>Role</i>	<i>Name</i>	<i>Date</i>	<i>Version</i>

**Project Initiation Document (PID)**

Project number

P106c

<i>Project</i>	Mandatory Leadership/ Management Development Programme
<i>Manager</i>	Julie Dixon, Learning and Development Manager, HR
<i>Sponsor</i>	Paula Maginnis, Assistant Director, Human Resources
<i>Corporate Plan 2015-20</i>	Aim 3b Modernising Council Operations

**Project purpose**

<i>Definition</i>	Launch a new 'Essential Skills' management and leadership development programme for all levels of manager, post implementation of new structure recommended for LGA report.
<i>Mandate</i>	People Strategy Programme Definition Document (PDD) agreed by Transformation Board and Cabinet. An outline of this project is contained within the PDD.
<i>Background information and impact assessment</i>	<p>The Local Government Association (LGA) has provided a proposal to undertake a structural review of our management structure using the Decision Making Accountability (DMA) tool.</p> <p>The review looked at management structures and decision making across the organisation and identified areas of compression or ineffective decision making arrangements.</p> <p>The Council is also implementing the Common Operating Model, to support the breaking down of internal boundaries and more effective delivery of services to our residents.</p> <p>Once a new structure has been agreed a new 'essential skills' development programme will need to be in place to ensure all managers are continually developed to fulfil the new roles, levels of accountability and new ways of working.</p> <p>The Council will need to build organisational resilience and develop new skills and commercial acumen in order to be effective.</p>
<i>Approach</i>	<ul style="list-style-type: none"> <li>▪ Link to the recent LGA DMA Report (and in particular the changes to delegation of authority)</li> <li>▪ Benchmarking of other organisation's management development programmes will take place including Aylesbury Vale DC, London Boroughs and Essex authorities</li> <li>▪ Research via reports such as 'The 21<sup>st</sup> Century Public Servant' by the Public Service Academy/ Economic &amp; Social Research Council. Also 'The Local State We're In' report by PWC'</li> <li>▪ Visit to Thurrock Council who have mapped their Leadership Development competencies to 'The 21<sup>st</sup> Century Public Servant' report.</li> </ul>
<i>Business case</i>	The People Strategy will assist the Council to reduce spending and increase income generation to keep Council Tax low and protect front line services. The Council has made the decision to reduce its building

	<p>footprint which will see staff working flexibly and the requirement to work in an uncertain environment whilst continuing to provide excellent customer services.</p> <p>The organisation will require an accountable and flexible management structure to meet these requirements.</p> <p>Managers/ Leaders will require new skills and behaviours to fulfil these changing roles within this new structure. Our current management training and development will not deliver this.</p>
<i>In scope</i>	<p>All management/ leadership training and development for new Management Roles (DMA Levels) including professional qualifications, such as Institute of Leadership &amp; Development, in house courses, external training, masterclasses, seminars and e learning.</p> <p>Also new Management apprenticeships under new Government Apprenticeship Levy.</p>
<i>Links to other plans, dependencies and constraints</i>	<ul style="list-style-type: none"> <li>▪ Common Operating Model for the organisation</li> <li>▪ LGA/DMA Report</li> <li>▪ Skills audit</li> <li>▪ Review of Job Evaluation Scheme</li> <li>▪ Review of Pay model</li> <li>▪ Current Mandatory training plan</li> <li>▪ Professional Education Scheme</li> <li>▪ Service Accommodation Review (P002)</li> </ul>
<i>Out of scope</i>	<p>Non-management training is covered by a separate PID.</p>
<i>Assumptions</i>	<ul style="list-style-type: none"> <li>• The programme will be supporting a major shift in culture which will be driven from the DMA, and in particular the changes to delegation of authority at the various tiers.</li> <li>• That training for all management roles will be mandatory (termed as 'Essential Skills').</li> <li>• The preferred option is affordable using financial resources already in place through the corporate training budget and Apprenticeship Levy budget.</li> <li>• Doing nothing is not an appropriate course of action as in order to make the necessary savings and continue to deliver services the Council will require different organisational structures, roles and skills.</li> <li>• A 'gold plated' approach with higher costs is not necessary as the Council's managers have a level of experience and current skillsets. The development programmes will update and develop new skills.</li> <li>• To ensure we get the best commercial option with training providers we will use a mix of providers who have been tested via Vine HR contracts, our own evaluation and inviting new providers to draft proposals.</li> </ul>

	<i>Benefit</i>	<i>Measure</i>
<i>Business benefits</i>	<p><i>Extracted from Appendix 1 of People Strategy: Outcomes &amp; Benefits;</i></p> <ul style="list-style-type: none"> <li>▪ Leaders and managers able to work with ambiguity and deal with future challenges</li> <li>▪ Increased management capacity</li> <li>▪ Reduced operating costs</li> <li>▪ Reduced time taken to reach decisions for residents and staff</li> <li>▪ Improved leadership and management</li> <li>▪ Increased attendance at corporate development events by senior managers</li> <li>▪ Increase number of staff identified as future leaders/ managers</li> </ul>	<p>Skills Audit will give a baseline for Skills improvement</p> <p>Qualification/ programme completion rates</p> <p>Manager's Survey</p>

### Equality Impact Assessment

Is this a new policy (or decision) or a change to an existing policy, practice or project?	Yes
Describe the main aims, objectives and purpose of the policy (or decision)	To ensure the Council's managers are developed and supported to perform in line with new roles and accountabilities
What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?	A new mandatory leadership/ management development programme in place.
Does or will the policy or decision affect: <ul style="list-style-type: none"> <li>• service users</li> <li>• employees</li> <li>• the wider community or groups of people, particularly where there are areas of known inequalities?</li> </ul>	Employees (Managers)
Will the policy or decision influence how organisations operate?	It will result in different organisational skills, competencies and culture
Will the policy or decision involve substantial changes in resources?	It may result in an additional investment in management/ leadership development
Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?	The project is part of a programme of work to take forward the Council's People Strategy and linked outcomes in this programme.
What does the information tell you about those groups identified?	We will have information on the group post the new structure and skills audit.
Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?	There will be a review of manager's current skills and qualifications via a Skills Audit & focus groups which will start in February 2018.

If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:	As above
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Use this section to assess any potential impact on equality groups based on what you now know.		
Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	<p>The new programmes will involve all current layers of management across the authority regardless of characteristic. The impact will not be known until the results of the proposed new structure and roles are in place.</p> <p><i>Further information to be attached once reports received/ analysed in HR.</i></p>	
Disability		
Gender		
Gender reassignment		
Marriage/civil partnership		
Pregnancy/maternity		
Race		
Religion/belief		
Sexual orientation		

Does the EqIA indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No x	See comment above
	Yes <input type="checkbox"/>	If 'YES', use the action plan to describe the adverse impacts and what mitigating actions you could put in place.

Action plan to address and monitor adverse impacts		
What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.
N/A at this stage		

## Project team

Role	Name	Responsibilities
Head of Transformation	David Bailey	Project Transformation Link

Epping Forest District Council

<i>Role</i>	<i>Name</i>	<i>Responsibilities</i>
Assistant Director - HR	Paula Maginnis	Project Sponsor
Learning & Development Manager	Julie Dixon	Project Lead
Admin Support	TBC – this has been highlighted as a risk and is being taken forward by AD HR	Project Admin

## ***Project plan***

### **Key deliverables, milestones and acceptance criteria**

<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
Research via documents and visits/ phonecalls to Aylesbury, Braintree, Thurrock, LBWF	Jan 18	April 18	JD	Visits/ Meetings completed
PID Agreed	Feb 18	Jan 18	JD	PID agreed
Communication & Engagement with Leadership Team & Managers/ Staff	Jan 18	Mar 18	JD	Via Leadership Team briefing, Manager's Conference and District Lines
Skills Audit & focus group	Feb 18	Mar 18	JD	Audit & Report Complete
Draft mandatory development programmes	April 18	July 18	JD	Programme designed
Discussions/ Procurement with Providers	April 18	July 18	JD	Procurement or Proposals completed
Build mandatory programmes with providers	Sept 18	Nov 18	JD	Programme built
Launch new programmes	Jan 19		JD	Managers booked on appropriate training/ development
Evaluate first programmes	19/20		JD	Evaluation report completed
Close and Review PID	19/20		JD	PID Evaluation completed
New PID for Future Leaders Programme	19/20		JD	PID completed

## ***Headline plan***

2018/2019

## Epping Forest District Council

	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan
Research						▷	▷	▷	▶									
PID Agreed						▷												
Communication						▷	▷	▶										
Draft & Build									▷	▷	▷	▶						
Launch																		▷
Evaluation																		▷

Key: ▷ = activity period, ▶ = completion / key deadline

### Budget plan

Period	2017-2018	2018-2019	Comments
Revenue			
Capital	£10,000 £10,000	£10,000 £10,000	From Corporate Training From Apprenticeship Levy
Savings			
Totals	£20,000	£20,000	

### Communication management strategy

Stakeholder	Needs	Communications
Managers	Engagement & Information	Focus Groups/ Facilitated sessions
Staff	Information	Staff Briefing District Lines
Leadership Team	Engagement & Information	Leadership Team – Feb 18
Members	n/a (update on overall People Strategy)	n/a
Training Providers	Information & Engagement; Training needs and programme requirements	Procurement Brief

### Risk log

Description	Likelihood	Impact	Score	Control measures
Programme delayed	M	M	6	Adequate resources allocated to L&D
Costs go over budget	L	L	4	Budgets monitored monthly
Training does not meet needs	L	L	4	Quality control meetings with providers

## ***Project approval***

<i>Role</i>	<i>Name / signature</i>	<i>Date</i>	<i>Version</i>
Project Manager			1.0
Project Sponsor			1.0

## ***Version control***

<i>Version</i>	<i>Date</i>	<i>Author</i>	<i>Nature of / reason for changes</i>

## ***Distribution***

<i>Role</i>	<i>Name</i>	<i>Date</i>	<i>Version</i>

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**Project Initiation Document (PID)***Project number*

P106a

<i>Project</i>	Developing the Skills & Capacity of the Workforce
<i>Manager</i>	Julie Dixon, Learning and Development Manager, HR
<i>Sponsor</i>	Paula Maginnis, Assistant Director, Human Resources
<i>Corporate Plan 2015-20</i>	Aim 3b Modernising Council Operations

**Project purpose**

<i>Definition</i>	Design and launch a 'Skills for Change' Programme that meets the organisation's current requirements. Also develop and launch a 'Future Skills' Programme including mandatory programmes.
<i>Mandate</i>	People Strategy Programme Definition Document agreed by Transformation Board and Cabinet.
<i>Background information and impact assessment</i>	<p>The Local Government Association (LGA) has provided a proposal to undertake a structural review of our management structure using the Decision Making Accountability tool.</p> <p>The review will look at management structures and decision making across the organisation and identify areas of compression or ineffective decision making arrangements. The Council is also implementing the Common Operating Model to restructure how services are delivered.</p> <p>With this comparative scale of change staff will need new skills sets and attitudes to be able to be resilient in the short term. The DMA (and in particular the changes to delegation of authority) will mean staff being empowered and expected to make decisions and be accountable. Within the COM structure people will be expected to be flexible, innovative, collaborative and creative.</p> <p>Staff Corporate Development programmes need to drive and support this change in culture and subsequent skills gaps.</p>
<i>Approach</i>	<ul style="list-style-type: none"> <li>▪ Link to the recent LGA DMA Report</li> <li>▪ Benchmarking of other organisation's programmes will take place including Aylesbury Vale DC, London Boroughs and Essex authorities</li> <li>▪ Research via reports such as 'The 21<sup>st</sup> Century Public Servant' by the Public Service Academy/ Economic &amp; Social Research Council. Also 'The Local State We're In' report by PWC'</li> </ul>
<i>Business case</i>	<p>The People Strategy will assist the Council to reduce spending and increase income generation to keep Council Tax low and protect front line services. The Council has also made the decision to reduce its building footprint which will see staff working flexibly and the requirement to work in an uncertain environment whilst continuing to provide excellent customer services.</p> <p>The Council needs to build organisational resilience and develop new skills and commercial acumen. However we believe we are under-</p>

Epping Forest District Council

	equipped in terms of current and future capabilities.				
<i>In scope</i>	All current corporate and specialist staff training and development activities.				
<i>Links to other plans, dependencies and constrains</i>	<ul style="list-style-type: none"> <li>▪ Common Operating Model for the organisation</li> <li>▪ LGA/DMA Report</li> <li>▪ Skills audit</li> <li>▪ Mandatory training</li> <li>▪ Succession Planning</li> <li>▪ Professional Education Scheme</li> </ul>				
<i>Out of scope</i>					
<i>Assumptions</i>	<ul style="list-style-type: none"> <li>• That the Skills for Change Programme will be supporting a major shift in culture which will be driven from the DMA, and in particular the changes to delegation of authority at the various tiers.</li> <li>• That there will be essential/ mandatory training for all roles.</li> <li>• That Directorate training budgets will be centralised to eliminate duplication and for visibility of Council wide training spend.</li> </ul>				
<i>Essential/ mandatory</i>					
<i>Business benefits</i>	<table> <tr> <th><i>Benefit</i></th><th><i>Measure</i></th></tr> <tr> <td> <ul style="list-style-type: none"> <li>• Increased understanding of the future skills requirements for the future</li> <li>• Increased number of staff attending training</li> <li>• Improved relevant skills across the Council</li> </ul> </td><td> <p>Skills Audit</p> <p>Staff engagement survey</p> </td></tr> </table>	<i>Benefit</i>	<i>Measure</i>	<ul style="list-style-type: none"> <li>• Increased understanding of the future skills requirements for the future</li> <li>• Increased number of staff attending training</li> <li>• Improved relevant skills across the Council</li> </ul>	<p>Skills Audit</p> <p>Staff engagement survey</p>
<i>Benefit</i>	<i>Measure</i>				
<ul style="list-style-type: none"> <li>• Increased understanding of the future skills requirements for the future</li> <li>• Increased number of staff attending training</li> <li>• Improved relevant skills across the Council</li> </ul>	<p>Skills Audit</p> <p>Staff engagement survey</p>				

Equality Impact Assessment

Is this a new policy (or decision) or a change to an existing policy, practice or project?	Yes
Describe the main aims, objectives and purpose of the policy (or decision)	To increase staff skills and capacity
What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?	A new mandatory staff development programme in place to meet current and then future skills
Does or will the policy or decision affect: <ul style="list-style-type: none"> <li>• service users</li> <li>• employees</li> <li>• the wider community or groups of people, particularly where there are areas of known inequalities?</li> </ul>	Employees
Will the policy or decision influence how organisations operate?	It will result in different organisational skills, competencies and culture
Will the policy or decision involve substantial changes in resources?	It may result in an additional investment in staff development
Is this policy or decision associated with any of the Council's other policies and how, if applicable, does	The project is part of a programme of work to take forward the Council's People Strategy

Epping Forest District Council

the proposed policy support corporate outcomes?	
What does the information tell you about those groups identified?	We will have information on the group post the new structure.
Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?	There will be an audit of staff current skills and qualifications.
If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:	As above

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	The new programmes will involve all staff across the authority regardless of characteristic. The impact will not be known until the results of the proposed new structure and roles are in place.  <i>Further information to be attached once reports received/ analysed in HR.</i>	
Disability		
Gender		
Gender reassignment		
Marriage/civil partnership		
Pregnancy/maternity		
Race		
Religion/belief		
Sexual orientation		

Does the EqIA indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No x	See comment above
	Yes <input type="checkbox"/>	If 'YES', use the action plan to describe the adverse impacts and what mitigating actions you could put in place.

## Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.
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N/A at this stage		
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## Project team

Role	Name	Responsibilities
Assistant Director - HR	Paula Maginnis	Project Sponsor
Learning & Development Manager	Julie Dixon	Programme Lead
HR Officer	Beth Marshall	Project Support

## Project plan

### Key deliverables, milestones and acceptance criteria

Key deliverable	Start date	End date	Lead officer	Acceptance criteria
Research via documents and visits/ phonecalls to Aylesbury, Thurrock, relevant Essex & London Councils	Jan 18	March 18	JD	Visits/ Meetings completed
PID Agreed	Jan 18	Jan 18	JD	PID agreed
Communication to Leadership Team (& Managers/ Staff)	Feb 18	Mar 18	JD	Via Leadership Team briefing, Manager's Conference and District Lines
Skills Audit	Feb 18	Mar 18	JD/BM	Audi& report complete
Design & Implement 'Skills for Change' Programme	Feb 18	March 18	JD	Programme launched and bookings made
Build mandatory programmes	Jul 18	Aug 18	JD	Programme built
Discussions/ Procurement with Providers	Aug 18	Sept 18	JD	Procurement or Proposals completed
Launch new programmes	Sept 18	May 19	JD	Staff booked on appropriate training/ development
Evaluate first programmes	Oct 18	May 19	JD	Evaluation report completed
Develop Future Skills (FS) Programme inc Mandatory training	Oct 18	Dec 18	JD	Programme designed
Launch FS programme	19/20		JD	Programme launched and bookings made
Close and Review PID	19/20		JD	PID Evaluation completed

**Headline plan**

	2018/2019																	
	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan
Research						▽		▶										
PID Agreed						▽												
Communication						▽		▶										
Draft & Build												▽		▶				
Launch														▽				
Evaluation															▽			

Key: ▷ = activity period, ► = completion / key deadline

**Budget plan**

Period	2017-2018	2018-2019	Comments
Revenue			
Capital	£30,000 £10,000	£30,000 £10,000	From Corporate Training From Apprenticeship Levy
Savings			
Totals	£40,000	£40,000	

**Communication management strategy**

Stakeholder	Needs	Communications
Staff	Information regarding what training/ development staff will be participating in, benefits, qualifications etc Mandatory Requirements	Staff Briefing District Lines Intranet
Leadership Team	Information regarding what training/ development staff will be participating in, benefits, qualifications etc Mandatory Requirements	Update at February's Leadership Team meeting
Members	Broad overview	Portfolio holder report
Training Providers	Training needs and programme requirements	Procurement Brief

**Risk log**

<i>Description</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Score</i>	<i>Control measures</i>
Programme delayed	M	M	6	Adequate resources allocated to L&D
Costs go over budget	L	L	4	Budgets monitored monthly
Training does not meet needs	L	L	4	Quality control meetings with providers

**Project approval**

<i>Role</i>	<i>Name / signature</i>	<i>Date</i>	<i>Version</i>
Project Manager			1.0
Project Sponsor			1.0

**Version control**

<i>Version</i>	<i>Date</i>	<i>Author</i>	<i>Nature of / reason for changes</i>

**Distribution**

<i>Role</i>	<i>Name</i>	<i>Date</i>	<i>Version</i>

**Project Initiation Document (PID)***Project number***P177***Project*

People Strategy  
Recruitment Strategy Project

*Manager*

Wendy Stump – HR Manager – Human Resources

*Sponsor*

Paula Maginnis – Assistant Director – Human Resources

*Corporate Plan 2015-20*

Aim 3b Modernising Council Operations

**Project purpose***Definition  
(Objectives)*

(1) To ensure that our recruitment processes and documentation place no barriers for the appointment of well-trained, suitably qualified, customer focussed candidates as efficiently as possible.

(2) Bring forward a draft recruitment and retention strategy for consideration by the Management Board;

*Mandate*

This is part of the People Strategy - Programme Definition Document agreed by Transformation Board and Cabinet.

*Background  
information  
and impact  
assessment  
(Problem  
Statement)*

Our location means that we are competing against London for talent.

Traditionally we have had difficulty recruiting to certain posts due to market forces and the proximity to London especially to senior professional roles i.e. Planners – Policy, IT, Housing, HR, Accountancy

The project will look at current practice, best practice and develop a recruitment and retention strategy for the Council.

*Approach*

To investigate current best practice models for recruitment and retention strategies with other local authorities, industry leaders i.e. ACAS, CiPD and to engage external assistance where specific knowledge is required.

Discussions with internal hiring managers regarding our current processes and consideration of their suggestions for improvement.

*Business case*

To ensure that the recruitment and retention strategy supports the hiring of the right people, with the right attitudes/behaviours, at the right time in the right place.

That a retention strategy fits with our professional development Intentions and contracts

The authority is part way through a Transformation process and will need to ensure that it is able to recruit high calibre staff to take the authority forward

It is acknowledged that we have difficulty in recruiting to some roles and this places a dependency on hiring agency or consultant staff at greater cost to the council.

*In scope*

The following will be in scope for the review to inform the recruitment and

retention Strategy

- Analysis of current recruitment statistics to define impact of current recruitment and retention of staff
- Current recruitment procedure for the opportunity to update and streamline the recruitment process in order to ensure that it does not present a barrier to effective recruitment of new staff
- Current advertising process for the opportunity to remove barriers to ensure as wide a range of suitable applicants are attracted to our vacant posts
- To look at resources available to implement reasonable adjustments to the recruitment process
- To review our recruitment processes ensuring that we meet the interview guarantee two tick scheme for disabled applicants
- The role and impact of values and behaviours in the recruitment process
- Where are we now – statistical analysis of available data
- How does the current recruitment process work in practice – Manager survey
- Competency based recruitment and whether it would support/hinder the delivery of well-trained/qualified, customer focussed candidates
- Recruitment branding
- Consistency in approach to recruitment and retention
- Assessment Centres as a method of recruitment selection
- What outside agencies can offer to support the recruitment process and/or formalise methods of employing agency staff
- The value of an end to end recruitment process involving the iTrent system
- To look at the value of either outsourcing or being part of a shared service with partner organisations.
- To investigate a preferred agency list/framework, linking with partner authorities, for managers to recruit from
- Review current advertising agreements to ensure that they are fit for purpose i.e. TMP, Jobs Go Public etc.
- The use of social media in the recruitment process
- To consider a centralised corporate budget for recruitment of staff
- What we do to retain our staff and how effective this is
- Develop retention initiatives as part of the recruitment and retention strategy that link to our current development intentions including coaching etc.
- Review current Exit Procedures

*Links to other plans, dependencies and constrains*

- Common Operating Model for the organisation
- Skills audit
- Review of Job Evaluation Scheme
- Review of Pay model
- Mandatory training
- Succession Planning
- iTrent Recruitment Module

*Out of scope*

Chief Officers – as they have an existing processes for recruitment within the Council's Constitution

*Assumptions*

Our main competitor for talent is London where pay and transport are perceived to be better than available to EFDC employees

Our geographical area creates a barrier to recruitment because of a perceived lack of a reliable transport network, pay, housing costs etc.

Some roles are traditionally difficult to recruit to i.e. Senior Professional roles such as Planners – Policy, IT, Housing, HR, Accountancy

	<i>Benefit</i>	<i>Measure</i>
<i>Business benefits</i>	<ul style="list-style-type: none"> <li>Increased profile of the organisation in the job market place</li> </ul>	<p>Appropriately qualified/skilled applicants apply</p> <p>Being the employer chosen by applicants (over our London competitors)</p>
	<ul style="list-style-type: none"> <li>Improved focus on the 'type' of candidate the organisation wishes to appoint</li> </ul>	<p>Values and behaviours are clearly demonstrated and understood</p> <p>A flexible workforce able to meet customer expectations and future challenges</p>
	<ul style="list-style-type: none"> <li>Recruitment takes place in accordance with the organisations Strategy</li> </ul>	<p>Consistent approach to recruitment</p>
	<ul style="list-style-type: none"> <li>Hiring managers are aware of what the council wants to achieve</li> </ul>	<p>A flexible workforce able to meet customer expectations and future challenges</p>
	<ul style="list-style-type: none"> <li>Shorten the gap between advertising a vacancy and getting new staff started in post</li> </ul>	<p>Review current time frame</p> <p>Reduction in the time taken to get staff in post</p>

### Equality Impact Assessment

Is this a new policy (or decision) or a change to an existing policy, practice or project?	Yes
Describe the main aims, objectives and purpose of the policy (or decision)	To ensure that our recruitment procedures and documentation places no barriers for the appointment of well-trained/qualified, customer focussed candidates as efficiently as possible
What outcome(s) are you hoping to achieve (i.e. decommissioning or commissioning a service)?	To develop a Recruitment and Retention Strategy
Does or will the policy or decision affect: <ul style="list-style-type: none"> <li>service users</li> <li>employees</li> <li>the wider community or groups of people, particularly where there are areas of known inequalities?</li> </ul>	Employees; future applicants

Epping Forest District Council

Will the policy or decision influence how organisations operate?	It will result in a change to the way we recruit and retain staff
Will the policy or decision involve substantial changes in resources?	Not known at this stage
Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?	The project is part of a programme of work to take forward the Council's People Strategy
What does the information tell you about those groups identified?	Whatever the outcome of the strategy we will ensure that we take account to reduce barriers to ensure as wide a range of suitable applicants are attracted to apply.
Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?	See the Communication Management Strategy
If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:	As above

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	The strategy will involve all potential staff across the authority as well as external applicants regardless of characteristic. The impact will not be known until the results of the review are known and the associated decisions are taken to implement any recommendations.	
Disability		
Gender		
Gender reassignment		
Marriage/civil partnership		
Pregnancy/maternity		
Race		
Religion/belief		
Sexual orientation		

Does the EqIA indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?		See comment above
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	Yes <input type="checkbox"/>	If ' <b>YES</b> ', use the action plan to describe the adverse impacts and what mitigating actions you could put in place.
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### Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.
N/A at this stage		

### Project team

Role	Name	Responsibilities
Assistant Director - HR	Paula Maginnis	Programme Lead
HR Manager	Wendy Stump	Project Manager
Assistant Director – Governance & Performance	Simon Hill	to contribute knowledge and experience of the existing recruitment and retention process in order that they are fully considered within the resultant recruitment and retention strategy
Principal Planning Officer	Stephan Solon	to contribute knowledge and experience of the existing recruitment and retention process in order that they are fully considered within the resultant recruitment and retention strategy
Assistant Communities Health and Wellbeing Manager	James Warwick	to contribute knowledge and experience of the existing recruitment and retention process in order that they are fully considered within the resultant recruitment and retention strategy
PR	Tom Carne	Ad-hoc member of project team

<i>Role</i>	<i>Name</i>	<i>Responsibilities</i>
Transformation Link	David Bailey	

## **Project plan**

### **Key deliverables, milestones and acceptance criteria**

<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
Initial Project Meeting to set up PID	21/11/17	21/11/17	WS	Agree scope and content to be included in PID
The project PID agreed by TPB		17/1/2018	WS	Proposal agreed
Where are we now – statistical analysis of available data	1/2/2018	1/3/2018	WS	Data interpretation to describe our current position with recruitment
How does the current recruitment process work in practice – Manager survey	1/2/2018	1/3/2018	WS	To gain an understanding of the current process and what is good and bad
1 <sup>st</sup> Draft of recruitment and retention strategy	1/3/2018	30/4/2018	WS	Content agreed with project team
2 <sup>nd</sup> Draft	1/5/2018	30/5/2018	WS	Agreed
Equality Impact Assessment	1/4/2018	30 April 2018	WS	Content agreed with project team
Action Plan		30/5/2018	WS	Action Plan agreed with management / Transformation team

## **Headline plan**

	/2018															
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr
TPB agree PID	▷	▶														
Statistical analysis of available data	▷	▷	▶													
Manager survey	▷	▷	▶													
1 <sup>st</sup> Draft of recruitment and retention strategy	▷	▷	▷	▶												
Equality Impact Assessment		▷	▷	▶												

Epping Forest District Council  
/2018

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Strategy and Action Plan agreed by TPB	▷	▷	▷	▷	▶											

Key: ▷ = activity period, ▶ = completion / key deadline

### Budget plan

Period	2017-18	2018-19	Comments
Revenue			
Capital			
Savings	Agency costs Advertising		These are potential savings to come out of the recruitment strategy action plan
Totals			

### Communication management strategy

Stakeholder	Needs	Communications
Recruiters (recruiting managers)	This information will come from a recruiting managers' survey	Internal communications to target managers with a link to the questionnaire
Staff	Information regarding project	Internal communications i.e. district lines
Leadership Team	Updates at Leadership meeting	Update
Members	Outcomes Potential Savings	Joint Cabinet/Management Board meeting

### Risk log

Description	Likelihood	Impact	Score	Control measures
iTrent capabilities	2	2	4	We know that the iTrent system can automate the process. The development of the recruitment and retention strategy will take into account the capabilities of iTrent

## Epping Forest District Council

<i>Description</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Score</i>	<i>Control measures</i>
Timeline – capacity of team to work on Strategy	3	4	7	Time line is developed in line with available team capacity
Budget? –	1	1	2	There are likely to be no cost implications to develop the strategy, the costs will be as a result of implement elements of the strategy.

### ***Project approval***

<i>Role</i>	<i>Name / signature</i>	<i>Date</i>	<i>Version</i>
Project Manager	Wendy Stump		1.0
Project Sponsor	Paula Maginnis		1.0

### ***Version control***

<i>Version</i>	<i>Date</i>	<i>Author</i>	<i>Nature of / reason for changes</i>

### ***Distribution***

<i>Role</i>	<i>Name</i>	<i>Date</i>	<i>Version</i>