

Select Committee Agenda



Stronger Council Select Committee Thursday, 21st July, 2022

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

Council Chamber - Civic Offices
on **Thursday, 21st July, 2022**
at **7.00 pm**

G Blakemore
Chief Executive

**Democratic Services
Officer**

Adrian Hendry (01992 56 4243)
Email: democraticservices@eppingforestdc.gov.uk

Members:

Councillors J McIvor (Chairman), S Patel (Vice-Chairman), R Bassett, R Brookes, E Gabbett, I Hadley, S Heather, J Jogia, R Morgan, S Rackham and J M Whitehouse

SUBSTITUTE NOMINATION DEADLINE:

6:00 pm

1. WEBCASTING INTRODUCTION

This meeting is to be webcast. Members are reminded of the need to activate their microphones before speaking. The Chairman will read the following announcement:

“The Chairman would like to remind everyone present that this meeting will be broadcast live to the internet (or filmed) and will be capable of repeated viewing (or another use by such third parties).

If you are seated in the lower public seating area it is likely that the recording cameras will capture your image and this will result in the possibility that your image will become part of the broadcast.

This may infringe your human and data protection rights and if you wish to avoid this you should move to the upper public gallery.”

2. APOLOGIES FOR ABSENCE

To be announced at the meeting.

Please use the Members Portal webpage to report non-attendance at meetings <https://eppingforestdc-self.achieveservice.com/service/Member>Contact> to ensure your query is properly logged.

Alternatively, you can access the Members portal from the front page of the Council's website, at the bottom under 'Contact Us' <https://www.eppingforestdc.gov.uk/your-council/members-portal/>

3. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

To report the appointment of any substitute members for the meeting.

4. DECLARATIONS OF INTEREST

To declare interests in any item on the agenda.

5. NOTES OF PREVIOUS MEETING (Pages 3 - 10)

To agree the notes of the meeting of the Select Committee held on 28 April 2022.

6. TERMS OF REFERENCE & WORK PROGRAMME (Pages 11 - 14)

(Chairman/Lead Officer) The Overview and Scrutiny Committee has agreed the terms of reference and work programme for the select committee. Members are invited at each meeting to review both documents.

7. PEOPLES STRATEGY (Pages 15 - 22)

To consider the attached report.

8. AZURE MOVE TO THE CLOUD (Pages 23 - 24)

To consider the attached report.

9. QUARTER 4 (OUTTURN) BUDGET MONITORING 20221/22 (Pages 25 - 38)

To consider the attached report.

10. DATES OF FUTURE MEETINGS

To note the next meeting date of this Committee will be held on:

- 01 September 2022;
- 25 October 2022;
- 24 November 2022;
- 24 January 2023;
- 21 February 2023; and
- 18 April 2023.

EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee:	Stronger Council Select Committee	Date:	Thursday, 28 April 2022
Place:	Council Chamber - Civic Offices	Time:	7.00 - 8.18 pm
Members Present:	Councillors R Bassett, R Brookes, S Heather, H Kane and P Keska		
Members Present (Virtually):	Councillors P Bhanot, J Jogia, R Morgan and J H Whitehouse		
Other Councillors:	Councillors N Bedford, S Kane and D Sunger		
Other Councillors (Virtual):	Councillors N Avey		
Apologies:	P Bolton, T Matthews, H Brady, S Neville and J M Whitehouse		
Officers Present:	C Graham (Project Team Manager (Performance)), A Hendry (Democratic Services Officer), P Seager (Chairman's Officer) and A Small (Section 151 Officer)		
Officers Present (Virtually):	J Leither (Democratic Services Officer)		

53. Election of Chairman

In the absence of the Chairman and Vice Chairman, the meeting appointed Councillor R Bassett as Chairman for the duration of the meeting.

54. Webcasting Introduction

The Chairman reminded everyone present that the meeting would be broadcast live to the Internet, and that the Council had adopted a protocol for the webcasting of its meetings.

55. Substitute Members (Council Minute 39 - 23.7.02)

The Committee noted that Councillor S Heather would substitute for Councillor H Brady, Councillor P Keska would substitute for Councillor P Bolton, and Councillor J H Whitehouse would substitute for Councillor J M Whitehouse for the duration of this meeting.

56. Notes of Previous Meeting

Resolved:

That the notes of the meeting held 03 March 2022 were agreed as a correct record.

57. Declarations of Interest

There were no declarations of interest made pursuant to the Member's Code of Conduct.

58. Terms of Reference & Work Programme

The Select Committee noted their terms of reference and work programme.

59. Stronger Council Update

The Committee were presented with a set of answers to matters that were raised at the last Stronger Council meeting.

Councillor Janet Whitehouse said that she was pleased to see the item, but she was concerned that the training indicated was not taking in the needs of new councillors who worked full time. The new member's training was a full day on a Friday and that would be difficult to attend for some members. Also, the evening training sessions were getting earlier, some were now starting at 6pm. Would it be useful to have a consultation with members on start times. There was also nothing there about the skills that councillors would need for doing their job and keeping safe or dealing with difficult people, most of the topics were inward focused.

One of the other things missed, was getting to know what the various departments of the Council did. We used to have presentations where we could meet the officers and have a talk on what their sections did. This would inform the new members what the council did and what we were responsible for. A Small replied that dates and times were a bit of a balance as there was quite a lot of training that members had to go through and to squeeze those all into evenings would be a challenge, concentrating a day's worth of courses gives an opportunity to get the bulk of the training done which can be supplemented with further evening sessions. He noted the comments about the timings of evening meetings and would investigate with Democratic Services. As for the more general courses mentioned such as keeping councillors safe, there was an intention to have this on the councillor new learning system for the more general training referenced in the next item. He would also take back the points made about what the council services were and who provides them.

Councillor Janet Whitehouse noted that there was nothing about the member/officer budding proposal and what this was; and she wondered why the training for Chairman and Vice Chairman of planning was not mandatory as it was an important role. Mr Small said the budding proposal was a point raised at the last meeting to help new members. This was something we were looking into.

Councillor H Kane noted that years ago we had a whole day's training with a lunch, this was a heavy schedule, and this should be for every councillor as they needed to attend both as a new councillor and also as experienced ones that may need a refresh.

Councillor Brookes welcomed the fact that you had listened and to have that face-to-face interaction and not virtual. When you first get elected you get inundated with case work and we do need that training in those first few months.

Resolved:

The update was noted.

60. People Strategy Overview

A Small introduced report updating the committee on the People's Strategy for 2022. He noted that the current people's strategy was coming to an end, and they were in the process of developing a new one which would come to Stronger Council in due course with the objectives for the 2023/25 period.

Councillor Bassett noted that there was a lot of changes and postulated if it was worthwhile to have a module for members on how to use it, especially with iTrain etc.

Councillor Brookes asked about getting legal advice. She said that it was difficult to get advice on monitoring issues. There also seemed to be less expert legal advice in house and more use of external people. Mr Small replied that this came under the heading of the Common Operating model devised four years ago when all council teams went through a restructuring process. The legal team was yet to go through this process. We were mindful of members concerns about having legal advice and structures were being devised to make sure there was more capacity in house. The nature of legal was that there were a lot of specialist areas, and we could not maintain such experts in house; these were the areas we would have to go out for. The restructure would leave the legal team in a better position.

Councillor Sunger thanked the team for their work on this project, especially the mental health first aider team and the apprentices.

Councillor Keska commented that for some of the more longer serving members on the council, this report looked like it was written in a foreign language, it was full of buzz words such as 'onboarding' and 'work buzz'. As far as licensing was concerned, we seemed to have adequate legal advice when we needed it. However, if you went back a few years if you wanted advice, you just went to the relevant office and spoke to whoever was in charge. Now that was just not possible, and you had to leave messages for officers to get back to you. Councillor Bassett noted this and said it may be worthwhile to have an appendix explaining the buzz words used. Councillor Sunger noted that you could usually work out what they meant. Councillor Bassett replied that you could make assumptions on what they meant but you could get it wrong. Mr Small added that most of these were internal initiatives, and we were always trying to rebadge a new initiative and make it sound interesting to get employee's interest; not necessarily intended for an outside audience. But he took the point that we should explain to members what they were.

Resolved:

The Committee considered the report on the continuing People Strategy for 2022. They also noted the People Strategy for 2023-2025 was currently in review and draft format.

61. Corporate Performance Reporting

C Graham introduced the report reviewing progress for quarterly performance measurement delivery against Quarter 4 milestones.

Key Corporate Projects.

The Chairman went through the report page by page asking for any questions as they arose.

CPP014 (Rentsense) – this had a request that this could be removed, who could authorise this? The officer said that came from the project management office as the project had been completed and closed.

CPP024 (Travel Local) – Councillors Bassett, H Kane and Janet Whitehouse would like to see this report. Councillor Janet Whitehouse wanted to know what sort of input did members have in these reports once they were closed or before this. She was told that once a project was closed and a report agreed, any comments from members were welcome and would be considered by the relevant steering group. Councillor Bassett suggested that if there were any problems identified by a councillor it should be brought back to this committee via the chairman. Councillor S Kane suggested that the reports could be published, and a link provided via the weekly bulletin.

Asked what input members had into the reports, officers noted that they had none as they were operational issues that just get reported to the committee. Members generally got issues that were strategic and part of the council's priorities and part of the corporate plan.

CPP037 (Corporate approach to resident engagement) – noted that this had been cancelled, would this come back. Officers noted that there was a revised project ongoing at present meeting the statutory requirements that we now have for engagement. It is now just being done in a different way.

CPP100 (Attracting, onboarding & retaining talent) – Councillor Bassett would like to see this report.

CPP092 (Climate Action Plan) – Councillor Bassett would like to see the report.

CPP093 (Green Infrastructure Strategy) – Councillors Bassett and H Kane would like to see this report.

CPP094 (Interim Air Pollution Mitigation Strategy) – Councillors Bassett and H Kane would like to see this report. Councillor Bedford noted that project closure was probably appropriate at this point as the air quality monitoring would be starting again in 2024/25, which will be a new report that can be compared to what has already been completed.

CPP096 (Local Plan) – Councillor Bedford noted that the inspector was currently on maternity leave, but we were progressing where we could.

CPP131 (Back-office System (Digital Planning System)) - noted that we did not have any dates as yet for this. Councillor Bedford stated that there was a new digital solution being implemented to come in by end of May, when there should be a vast improvement on what we have at present. Bearing in mind that we had to transfer about 2million bits of information into the new system and officers need to be trained etc. We have invested in the new IT system to help relieve some of the pressures on the planning team.

CPP120 (Councillor Portal) – Councillor S Kane noted that this had now closed, but as the portfolio holder he was not happy with the results and would be reopening it.

CPP124 (Digital Customer Journey) – it was asked why this had been cancelled as it was very important. They were told that it was a major area of activity for the council and that it had now been superseded by the digital strategy.

Key Performance Indicators (KPI data for Q4).

Overall Customer Satisfaction – though stated it was improving it had gone down from 65% to 62% this quarter. The Chairman asked for a remedial report on what the plan was to get it back up 80%. Councillor S Kane noted that we have had continual staffing issues within customer support. It had been a continual battle over the last 12 to 18 months and we were not there yet. Mr Small agreed and it had not been helped by extra government initiatives such as Covid Grants and energy payment. The support unit worked closely with the revenues and benefits teams which also placed an additional workload on that team. The new Planning system and the new housing system was intended to improve the statistics by taking the need for some of these people to contact us, to doing it online. Customer services would be something to look at next year for this committee.

Customer complaints resolved within SLA – it was asked if the complaints received about waste was related to the staffing problems being experienced at present by the contractor. They were told that there was an issue, largely around capacity, and the waste operatives crews. This was reflection of a wider industry challenge. Councillor Bassett noted that 60% was related to conduct and behaviour. Councillor Avey noted that that there was a lot going on behind the scenes to keep the base contract going on a day-to-day basis. We currently had a large problem underlying the industry as a whole (across the country). However, they were hoping that they would be back to normal by next week. They have also done all they could to let members and residents know about these problems. It was noted that there had been a good service all through the pandemic and that part of the problem was a national driver shortage as well as a shortage in other areas.

Other problems reported by councillors was that the lorries were now bigger and cannot get down some roads and can end up destroying verges and wrecking kerb stones. It was noted that they did have smaller trucks for the smaller streets. There were also complaints about inappropriate parking by residents which made it impossible to manoeuvre the lorries.

It was noted that there was no narrative for Q4 for the KPI on Community Health and Wellbeing, number of homelessness approaches. They were told that that there had been 887 in total over the year, averaging just under 75 per month, a slight increase on the previous quarter.

Also, it was noted that the numbers were rising on numbers of households in Temporary Accommodation; was this increasing due partly to the rise in the cost of living and especially energy? Officers will ask those responsible for this service area to report back on this. This was a generally accepted risk at this point in time.

Councillor Whitehouse asked why the KPI on gym visits were no longer to be reported she was told that there was an agreement made at the Leisure Management Partnership Board that this no longer needed to be reported.

Noted that the Housing Management Rent Arrears, Q3 and Q4 were both awaiting data. They were told that Q3 was 1.41% and Q4 was 1.21% below the 1.55% target set.

Planning and Development (% of applications determined within agreed timelines) - we were increasing the numbers, but we still had several complaints. Councillor Bedford acknowledged that there was a large backlog, but we were still waiting for the Local Plan to be signed off. We were slowly clearing the backlog. It was noted

that planning did have a lot of agency staff, but they were now recruiting to these posts, but the new entrants had to be trained.

It was asked if the sickness absences included or excluded Covid. They were told that it excluded Covid. The figure for Q4 was 2.08 days, below the target of 2.15days, so it was getting better.

Corporate Performance Transition Report

The committee considered the refreshed list of priority projects as detailed on page 51 of the agenda. There were a lot of projects but not all of equal significance. There was a list of 140 projects or so, but not all needed to come to members. There should be a focus on the critical ones for direction and performance and the list in the agenda was what officers' thought should come to the committees. Stronger Council had a role to monitor performance while the other committees can look in detail at certain things. This committee should focus on things central to the organisation; the other committees should then delve into the details of projects that were relevant to their terms of reference. There was a new Corporate Plan in development that would lead to new targets.

Councillor Bassett would like to see the list of all the projects as members may want to look at some of these, taking a different view to officers. He appreciated that we would look at them at a high level. Councillor Whitehouse noted that it was agreed (some years ago) that relevant KPIs would go to the relevant committees, such as KPIs on housing would go to the Housing Committee. But this seems to have been forgotten. The relevant KPIs should go to the relevant committees. Councillor Bassett said there should be a list of what projects there were and next to that which Committee should be managing and/or reviewing it. Councillor S Kane agreed that it would be for the individual committee to decide what they should scrutinise rather than being presented with a list that they could scrutinise. This should be the first item on the new committee's agenda for the new year. Mr Small said that was a fair comment. However, if you presented a long enough list to enough people then almost everyone would find something they would wish to look at. But, how could they rationalise a list that was focused on the issues that were corporately and operationally significant. He was also mindful that everything that came to committee had officers time in preparing it and that we should be streamlined enough that we were not taking up unnecessary officer time and that we were focused on things that added value to the organisation. But he accepted that was a decision for the scrutiny committees rather than officers.

Councillor S Kane added that maybe this should be an item on the main O&S Committee's agenda to identify an appropriate chairman for each of the stronger committee and their work programme for that year. However, he agreed that there would have to be some selection from officers to identify the key projects that should be scrutinised and not the day-to-day work.

Councillor Bassett agreed this as a way forward and perhaps the Chairman of the O&S Committee should be consulted at the beginning of the year.

RESOLVED:

- 1) That the committee reviewed the 'Corporate Performance Report' report and noted the progress of project delivery for Q4.

2) That the committee considered the 'Corporate Performance Transition Report' and agreed to consult the chairman of the O&S Committee and that the individual Stronger Committees should decide on what they should scrutinise.

62. Dates of Future Meetings

The meeting noted that this was the last scheduled meeting for the municipal year.

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STRONGER COUNCIL SELECT COMMITTEE

TERMS OF REFERENCE 2019/20

Core Areas of Responsibility

- (1) To provide scrutiny for the following corporate projects:
 - People Strategy;
 - Accommodation Strategy; and
 - Digital Enablement
- (2) To monitor the Corporate Plan Action Plan performance report and provide scrutiny of services that are not performing to standard and develop proposals for their improvement. The Stronger Council Select Committee in its review of Corporate Key Performance Indicators can task other Select Committees to review service performance and develop proposals for improvement.

Scrutiny Role of the Select Committee

- (1) To engage in policy review and development, with a focus on improvement and how this can be best achieved;
- (2) To develop a work programme each year that effectively scrutinises the areas of responsibility outlined above;
- (3) To consider any matter referred by the Overview and Scrutiny Committee, Cabinet or a Portfolio Holder and to make recommendations as appropriate;
- (4) To consider the effect of Government actions or initiatives that affect the Select Committees areas of responsibility and the impact on customers, residents, businesses and visitors to our district, and to respond to consultation activities as appropriate;
- (5) To establish working groups and task and finish panels to undertake any activity within these terms of reference;
- (6) To undertake pre-scrutiny through the review of specific proposals of the Council and its partner organisations or other local service providers to help develop policy;
- (7) To monitor and review relevant projects and associated closure and benefits reports; and
- (8) To engage with the community and encourage community engagement.

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**Stronger Council Select Committee
Work Programme 2022/23
Chairman: Councillor J McIvor**

No.	Item	Deadline	Progress and Comments	Programme of Meetings	Lead Officers
				21 July 2022	
1.	People Strategy	21 July and 24 Nov. 2022 – 24 January & 18 April 2023 Project reporting, issues focussed.		01 Sept. 2022 25 Oct. 2022 24 Nov. 2022 24 January 2023	Paula Maginnis Jo Budden
2.	Digital Enablement	Prioritisation of Council Technology strategy.		21 Feb. 2023 18 April 2023	Paula Maginnis Maryvonne Hassall
3.	Financial Planning	Scrutiny of MTFP 22/23 onwards Nov 2022			Andrew Small Christopher Hartgrove
4.	Budget scrutiny	Qtr. 1 Budget Monitoring Rtp. 2022/23 – 01 September 2022; Qtr. 2 Budget Monitoring Rtp. 2022/23 – 24 November 2022; Qtr. 3 Budget Monitoring Rtp. 2022/23 – 18 April 2023 2023/24 budget setting 24 January 2023	Budget Monitoring Reports (Revenue and Capital Outturn for 2022/23)		Andrew Small
5.	Asset Management Strategy	Council asset strategy (new)	Approved by the Cabinet 13/06/19 and referred to Council 30/07/19 for adoption.		Andrew Small

6.	Quarterly Budget Monitoring Report	Q4 2021/22 – 21 July 2022		Andrew Small/ Chris Hartgrove
7.	Quarterly Qualis Monitoring	01 Sept 2022		Andrew Small
8.	Report on new election legislation on Voter ID and any financial implications for the Council. when information was available.	TBC		Gary Woodhall
9	Customer Services (Overall satisfaction)	TBC	To receive a recovery plan on this failing KPI	
10	Housing and Asset Management System	01 September 2022		Deborah Fenton



Report to Stronger Council Select Committee

Date of meeting: 21 July 2022

Portfolio: Internal Resource (Cllr S Kane)

Subject: People Strategy Overview 2022

Officer contact for further information: Joanne Budden (01992564000)

Democratic Services Officer: A Hendry (01992 564246)

Recommendations/Decisions Required:

The Committee are asked to consider the report as information on the continuing People Strategy for 2022. The People Strategy for 2023-2027 is currently in review and draft format.

Report

People Team

Common Operating Model

Consultation and recruitment are still underway for the remaining teams/positions to finalise the restructure process.

- Legal Team – new structure implemented and recruitment to vacant posts
- Housing Asset and Property Team – implementation of new structure ongoing
- Housing Strategy Team restructure - on hold pending further review

People Strategy 2020 – 2022

Attracting, On-Boarding and Retaining Talent

Recruitment

- Recruitment lifecycle within iRecruit has also been amended to include candidate withdrawal from process electronically which will allow candidates to notify us that they are withdrawing from the process. This will reduce manual work currently performed by the team and better overview / reduced frustration for recruiting managers who might have previously been expecting a candidate for interview (a 'no show').
- The portal in which candidates search for jobs will also be in scope for review as new enhancements are planned for later this year which will enable this to perform better (visually) on mobile devices. This will also give us the opportunity to revisit the look / feel of the portal.
- The People Team have advertised for a Resourcing Apprentice. The job role will include (and not be limited to), liaising with recruiting managers on the requirements of their vacancies, seeking applicants and advertising jobs via various digital channels and supporting with any off-payroll resourcing requirements. This role will play a fundamental part in the onboarding process, ensuring that new employees have the very best start to their employment at Epping Forest District Council. The application deadline is 15 July.

Employee Self Service (iTrent):

- We have added functionality to allow elements of offboarding for candidates leaving the authority. This will allow staff who have left to access for a period to the employee self-service system with reduced functionality enabling them to obtain things such as their payslips / p45 after they have left.
- In March 2022 we went live with a new version of Employee Self Service. This gave a clearer view of information for staff accessing their information as well as greater oversight of items such as their annual leave as well as making it easier for staff to view this information on mobile devices.

MiTeam (iTrent):

- The manager system (used for administration of a managers reportees) has had a few small tweaks, mainly to support the manager in accessing the right information that they need. It has been clear to the People Team that we need to do a little more in this area, so we plan to do this via some Power Hour sessions with managers so that they have a better understanding of the information that they have on their team. We will also supplement this with some additional user guides.
- The manager system is also due for a facelift later this year so that it looks and feels a little more similar to the way that the Employee Self Service system works. We do not plan to update this straight away when available, but we are hopeful that this upgrade this will further make accessing information on staff for managers easier and more straight forward.

Onboarding

- Our Onboarding Guide has been re-launched and re-communicated. New starters are automatically contacted and invited to HRBP Power Hours; this is also open to existing employees. The Power Hours are now run face-to-face and are a mandatory part of employee onboarding. The monthly Power Hours are run as part of the People Days, which includes coffee catch-up for all employees and a coaching clinic where employees can be coached on leadership/management issues, HR, or mental health support.
- Onboarding module is currently in progress of being built. Relevant steps within the lifecycle have been added to enable this to work. (Once candidate reaches Contract Offer stage, they will be sent an email which will enable them to log into the onboarding portal). The portal will initially have a checklist of personal detail / items for the candidate to check as well as information about their first day and their team. The module is a newer product from the supplier and new functionality is being added upon each new release so we fully expect that this will continue to be developed as newer enhancements are made available. Once such enhancement will be that of candidates 'digitally signing' their contract within the onboarding system.

Developing our skills and behaviours

- **Leadership Development Programme** comes to an end in July, with final workshops being run face-to-face in the Civic Conference Suite. Delegate evaluation shows that the programme has been well received, particularly leadership coaching and the opportunity for managers to collaborate across service areas through the workshops. Continued leadership coaching for this year has been offered as a support to those in senior roles, and this has been taken up by a number.
- **Team Managers (TM) ILM workshop** has run and supported our Team Managers to complete the ILM 3 certificate in Leadership and Management.
- **ILM 5 in Leadership & Management** – for a second year this has been offered to all

managers, as part of the SOLACE Apprenticeship. This means the programme is fully funded from our Apprenticeship Levy.

- **TM Continuous Improvement Network** – People Team have been collaborating with Continuous Improvement Manager to support a network for TMs to work together; they will be trained in continuous improvement tools, and then coached to become confident using these with their own teams. The network will also measure and share themes/success with Leadership Team and across the organisation. As part of this work Service Managers/ Directors have been asked to provide their TM's Individual Development Plans.
- **Project Management Learning** – all managers recently reported this as their top development need. Therefore, the People Team have collaborated with PMO, who will assess the needs and develop bite-size appropriate learning.
- **Litmos**, our learning management system, continues to be developed. Engagement with employees is currently 90% (with a target to achieve 100% by end of 2022). Compliance training completion has increased (Safeguarding 94%, Health & Health 80%), People Team are supporting the subject matter experts to increase this. All face-to-face training is now being hosted via the platform. Other areas continue to be enabled by People Team to engage with the system e.g., Communities for Volunteer training, and Revs and Bens.
- **Career Development Pathways** – Litmos is now being developed to build career learning pathways, starting with a Team Manager and Aspiring Team Manager pathways.
- **Skill Pills** – The latest 60-minute Skill Pill (for all employees) on Improving Mental Health was very well attended (30 employees) and this will be run again in the Autumn as part of our Winter Wellbeing support, A new series of Skill Pill sessions focusing on Digital Skills kicked off with 'The Changing Digital Landscape for Local Government'. Again, this was well attended, and the video will be available to all employees on Litmos and on the intranet.
- **MS Teams training** resources - are being rolled out. The People Team are working in collaboration with ICT to create the best package of learning for employees and councillors, as we move away from Zoom, to enable cost savings.
- **'Excel skills'** is still our top requested training topic as employees are managing/manipulating data more in their rolls, so more courses are to be provided.
- **Apprentices** - In total we now have over 20 Apprentices in the workforce. Our Public Sector target is 14. We are working with Service areas to recruit higher level apprentices in Accountancy and Legal services, and possibly Culture/ Heritage. 2 of our 4 Housing apprentices have recently gained more permanent roles.

Engagement and Wellbeing project

- **We have a total of 80 trained Mental Health First Aiders (MHFAs)** within the organisation. This will grow to 92 when the next cohort (of employees who work with residents) complete their training in September 22.
- **MHFA networking meeting** took place in May 2022. Our MHFA's covered 'the impact on global issues and financial crisis on mental health' and 'mental health for younger people'.
- **MHFA added to Incident Management Rota** – Customer have reached out to our MHFA network so that a trained MHFA can be on call every day, to support employees dealing with an increase of customer situations in reception.
- **Perkbox sign up** is now sitting at 92% of the organisation, a total of 556 out of 607 employees' have logged into the site to access the fantastic employee benefits and tools

with over 9017 perk redemptions so far. The free Caffe Nero or Greggs sausage roll perk is the most popular downloaded perk so far – 1486 redemptions followed by Tesco's.

- **Our third Workbuzz employee pulse survey** launched in March 2022. Employees got the opportunity to tell us what they think about working for EFDC, covering 11 key subjects including engagement, leadership, teamwork, growth, wellbeing, diversity and inclusion, purpose, manager, empowerment, reward and recognition, satisfaction. 57% of employees (311 out of 545) completed the survey – this is our highest response rate yet. Results of the survey were sent to the wider management team with a view that they would share this data with their teams. An employee dashboard was also created to highlight some key statistics and was shared with all our employees. The survey told us that 77% of employees are motivated to their best at work, 56% would recommend EFDC as a great place to work, 89% of employees believe their line manager is approachable about the flexibility they need to fulfil their personal commitments. We encourage our employees to complete the pulse surveys and be an important part of organisational change at EFDC.
- **The next WorkBuzz survey** will be launched in September 2022, we decided to have a longer break between surveys to create some space for the Creating Our Tomorrow Survey, which was LIVE during the entire month of June - to avoid survey fatigue.
- **WorkBuzz workshop sessions for employees and managers** – further to manager feedback about the WorkBuzz platform, we will be looking to set up some workshop sessions with WorkBuzz's Behavioural Science team. These sessions will be designed to help managers and employees make sense of the statistics and to help identify what needs to be done to make and support improvements in line with result feedback.
- **Perkbox Recognition** launched on 1 December 2020 continues to gain momentum, we have had overwhelming engagement on the platform and this trend is continuing. Perkbox Recognition is now known as Perkbox Celebration, we have had over 1962 employee recognitions since launching the platform in December 2020.

Our Ways of Working (OWOW) – Creating Our Tomorrow

- Our employees are moving away from traditional styles of management and approaches to more agile, creative ways of working, thinking and leadership. Embedding the changes that OWOW and the Accommodation Project started, empowering employees to evolve the culture of the organisation, ensuring we embed the changes and achieve the desired outcomes:
- Embedding the Change - Assessing & Monitoring Adoption (benefits realisation) – Understanding where we are today (our current state) against where we want to be (future state) and applying interventions that will close the gaps.
- Continued Employee Engagement and Wellbeing, we have launched our Creating Our Tomorrow Survey which has been live for the month of June and will close on Friday 8th July. Update – 6th July 406 employees have taken part in the survey which is a significant increase from our previous survey Beyond the Pandemic – completed by 292 employees in 2021. The Creating Our Tomorrow survey is the third in a series of bespoke surveys conducted by an outside organisation called OnePoll and seeks to hear employees' thoughts on a specific topic, in this case – their understanding of hybrid working and how employees would like to work in future.
- Enhancing skills and flexibility of our workforce – approval has been given to implement 'Clear Review' a digital solution for performance and development, this project will start shortly regarding planned system implementation using a pilot group.
- Review of the 2019 Collective Agreement and employee Terms and Conditions is ongoing – a draft amendment to the 2019 Collective Agreement extending notice periods that employees give to EFDC has been sent to Trade Unions with a copy of employment

legislative updates and proposed extended notice periods within the statements of written particulars for new employees from 1st October 2022 for all roles A-K without management responsibility. The People Team await feedback from the Trade Unions regarding this proposal.

Internal Communications

Corporate information platform/Intranet

- Discovery work is now complete on the new corporate information platform. The report provides an overview of many different alternatives and options for a new corporate information platform. This work was collated and shared with the project sponsor in May 2022.
- In June 2022, the Internal Communications team began started working on developing a new intranet platform with the ICT Project Manager, using our existing Joomla platform in an updated format on a new server.
- 50 Employees were initially surveyed as a sample group to find out what they needed from a new intranet platform to inform the first stage of development. Search functionality, information relevance and responsive, user-friendly design were the key findings.
- Work has been done to create the first Alpha version, based on employee feedback, and is almost ready to be shared with a group of employees for their first impressions and feedback. This will take place in July, following another round of feedback, a Beta version will be launched before launching RC1 for all employees.
- The team used the Agile approach to project management and delivery rather than a more traditional planning and task focused approach. One of Agile' s core principles are 'Adapting to change, rather than following a plan'. In this project it meant that the team were able to continuously improve throughout the project's life cycle, with these changes being made quickly and responsively. This means we are consistently looking for feedback from our end user, ensuring what we build is fit for purpose and focusses on outcomes instead of outputs.
- **Snapshot** - In addition, a solution is being set up for Internal Communications to be able to restore the intranet server without external support to gain confidence in the development and testing of solutions.

Campaigns

- **Our Mental Health Awareness campaign** for May's awareness week was a great success. The #I'veBeenThere hashtag, sparked EFDC's People Team (all MHFAs) to get together to demonstrate the power of openly sharing their own experiences in a video, shared with employees. The video, created by our Internal Communications and a HR apprentice will be shared over our corporate external channels in July in support of the new initiative to include a trained Mental Health First Aider that will be on call every day at the Civic Offices. The feedback the whole team have received was extremely positive.
- **AuthPoint Migration** - Internal Communications supported the AuthPoint migration for the entire organisation - working with ICT to transfer 613 remote users from MobilePASS to AuthPoint. The team used the Agile approach to project management and delivery rather than a more traditional planning and task focused approach. One of Agile's core principles is 'Adapting to change, rather than following a plan'. In this project it meant that the team were able to continuously improve throughout the

project's life cycle, with these changes being made quickly and responsively. This approach enabled us all to migrate the whole organisation to a new solution in approximately 14 business days, which is incredible when you think it involved over 3,000 individual interactions with 613 individuals. The projected savings for this project are £54,745 over the next three years – that is equivalent to 73,980 refuse collections!

Channels

- From our learnings from the successful AuthPoint Migration project, where we needed to communicate with all employees to get them through a complicated process and a series of steps for ICT, we realised that MS Teams was far more effective for getting people to act and follow instructions. We are now in the process of procuring a tool for company-wide messaging on MS Teams, which will enable Internal Communications to send announcements to the whole organisation via teams, get analytics for those announcements and schedule them in advance. Reducing the need for too many email communications.
- We are working with ICT to setup a new and improved text messaging solution for employees and Members through GovNotify, a texting solution that offers local authorities free messaging plans. This will replace Media Burst.

Events and employee engagement

- Our first annual employee event took place on Thursday 7 July, which was well attended with a total of 180 employees. The event was held in our Civic Conference Suite. We are in the process of waiting for feedback on how the event was for employees, but initial feedback is great – with many employees saying it was a great opportunity to network with colleagues and meet new people.

Reason for decision:

The report is for consideration and overview focused on the continued delivery of the People Strategy 2022 aims, the people Strategy for 2023-2027 is currently under review and will be in first draft August 2022. There are no responses or decisions required at this stage.

Options considered and rejected:

Consultation undertaken:

Resource implications:

Legal and Governance Implications:

NA

Safer, Cleaner, Greener Implications:

Background Papers:

NA

Impact Assessments:

Risk Management

Not required

Equality:

As no decisions are required an Equality Impact Assessment is not required

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SCRUTINY



Report to Stronger Council Select Committee

Date of meeting: 21st July 2022

Portfolio: ICT (Cllr Sam Kane)

Subject: Azure – Move to the Cloud Business Case

Officer contact for further information: Steve Jennings/Darran Trute

Democratic Services Officer: Adrian Hendry (01992 564243)

Recommendations/Decisions Required:

To consider awarding a Contract to Agilisys for the procurement and provision of Azure – Move to the Cloud.

Report:

1. Azure - Move to the Cloud – Business Case
2. Select Committee Report – 13th April 2022

Reason for decision:

Select Committee (Stronger Council) is asked to consider EFDC's move forward as set out within the Business Case for moving to Azure. EFDC have worked for more than 12 months on the Azure option and have worked closely with Microsoft and Agilisys to complete a detailed costing analysis and to spec out the project in detail.

Due to the value of the project a signed Portfolio Holder report must be in place and approved prior to moving forwards with any procurement activity. The Council's Procurement Rules require a Portfolio Holder decision to award any contract with a total value over £250,001 and below £1m which is totalled over the life of the contract. In addition, and in accordance with the Council's Procurement Rules the Contract should be executed under Seal.

A detailed Business Case has been completed, reviewed and agreed through internal governance. In addition, a paper was previously agreed through Select Committee on April 13th 2021 which evaluated different options and laid out the case for moving to Azure.

Options considered and rejected:

The procurement of Google Cloud Platform has been considered which notes similar hosting costs but substantial additional support costs. Private cloud and a range of other options have also been considered. Due to the councils strong Microsoft footprint, Azure is put forward as the preferred option.

Consultation undertaken: N/A

Resource implications: N/A

Legal and Governance Implications: N/A

Safer, Cleaner, Greener Implications: N/A

Consultation Undertaken: N/A

Background Papers:

Please see below for a copy of the Azure Business Case as well as a copy of the report that was submitted to Select Committee on the 13th April 2021.



EFDC - Move to the
Cloud Business Case -



Select Committee
Report 130421

Impact Assessments: N/A

Risk Management: N/A

Equality: N/A

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision making. Select Committee (Stronger Council) is not a decision-making committee and therefore the requirement for an EqIA is not applicable.



Report to Stronger Council Select Committee

Date of meeting: 21st July 2022

Subject: Quarter 4 Budget Monitoring Report 2021/22 (Outturn)

Portfolio Holder: Finance– Cllr. John Philip

Officer contact for further information: Chris Hartgrove 01992 564000 (Ext. 2532)

Democratic Services Officer: Adrian Hendry 01992 564246

Recommendations/Decisions Required:

- 1. The General Fund revenue position at the end of Quarter 4 (Outturn) for 2021/22 be noted (*Appendix A*).**
- 2. The General Fund capital position at the end of Quarter 4 (Outturn) for 2021/22 be noted (*Appendix B*).**
- 3. The Housing Revenue Account revenue position at the end of Quarter 4 (Outturn) for 2021/22 be noted; and**
- 4. The Housing Revenue Account capital position at the end of Quarter 4 (Outturn) for 2021/22 be noted (*Appendix C*).**

Executive Summary:

This report sets out the 2021/22 General Fund and Housing Revenue Account positions for both revenue and capital, as at 31st March 2022, which represents the Quarter 4 (Outturn) for the 2021/22 financial year.

The figures included within the report are still subject to external audit so should still be considered provisional at this stage.

In terms of General Fund revenue expenditure – at the Quarter 4 (Outturn) stage – a budget underspend of £0.992 million has been recorded, with net expenditure of £15.877 million against an overall budget provision of £16.869 million.

This is a significantly stronger position than anticipated at the Quarter 3 stage and reflects a substantial improvement in the budget performance of key lines of expenditure including (especially) Waste Management (which improved by £532,609 in Quarter 4). The income position also improved with the Council eventually collecting Court Costs of £719,267 (Council Tax £668,762, Business Rates £50,505) compared to zero in 2020/21 (when the magistrates' courts were closed due to the pandemic).

A summary of the General Fund revenue outturn is presented in paragraphs 2.3 and 2.4, which also explains the positive impact on the General Fund Reserve included in the Council's draft Statement of Accounts for 2021/22. Most notably, the long-term strategy of retaining a minimum balance of £4.0 million has been maintained.

The Housing Revenue Account (HRA) revenue position is presented in Section 3. Although there were some pressures in the year (most notably an overspend of £901,000 on Repairs and Maintenance), a planned surplus of £2.059 million was achieved and is to be applied to supporting the 2022/23 budget, which forms part of the strategy in the new HRA Business Plan.

The General Fund Capital position is covered in Section 4, which shows underspending (Programme slippage) of £46.767 million from originally profiled spending of £72.443 million in 2021/22. The single largest factor is the slower than anticipated drawdown on Qualis loans (impact £41.767 million).

The report concludes with Section 5, which covers the HRA Capital position for the year. The outcome is very similar to the forecast presented in Quarter 3, with total Programme slippage of £17.936 million from originally profiled spending of £39.350 million in 2021/22; as reported in previous quarters, planning related delays (especially) on the Housing Development Programme are the dominant factor.

1) Background and Introduction

- 1.1 The Council's budget for 2021/22 (both General Fund and Housing Revenue Account) was approved by full Council on 25th February 2021. This report updates the Stronger Council Select Committee on how the Council's services have performed against their budgets in the financial year.
- 1.2 This is the fourth (and final) update for 2021/22 and includes the 2021/22 General Fund and Housing Revenue Account positions, for both revenue and capital, as at 31st March 2022 ("Quarter 4").
- 1.3 It should be noted that, as reported to Cabinet in February 2021, late service realignments meant that the General Fund service structure presented within the initial 2021/22 Budget required further refinement. The required changes, which are reflected in the tables below, were relatively slight and have no impact on Net Expenditure or Funding.

2) General Fund Revenue Budget

- 2.1 The General Fund revenue position for 2021/22, at the Quarter 4 (Final Outturn) stage – summarised by service area – is presented in **Appendix A**. A budget underspend of £0.992 million has been recorded, with net expenditure of £15.877 million against an overall budget provision of £16.869 million. The table below summarises the position by service.

General Fund Revenue Budget 2021/22 (Quarter 4)			
Description	Budget 2021/22 (Updated)	Outturn (31/03/22)	Variance
	£000's	£000's	£000's
Chief Executive	812	781	(31)
Commercial & Technical Services	448	827	379
Community & Wellbeing	1,506	1,206	(300)
Corporate Services	8,821	8,579	(242)
Customer Services	2,564	1,859	(705)
Finance & Audit	2,226	3,264	1,038
Housing & Property	1,997	2,005	8
Place	431	330	(101)
Planning & Development	1,822	1,810	(12)
Strategy, Delivery & Performance	880	613	(267)
Qualis Income	(3,365)	(2,856)	509
Financing & Recharges	(1,273)	(2,541)	(1,268)
Totals	16,869	15,877	(992)

2.2 The table below reconciles the base budget approved by full Council on 25th February 2021 to the updated position presented in the table above.

Budget Reconciliation 2021/22: Quarter 4	
Description	Value (£000's)
Net Expenditure (approved by full Council 25/02/21)	16,690
<i>(@Q1) Pre-Pandemic DDF Commitments (approved prior to 2020/21):</i>	
Community Housing Fund	24
Contribution to Police Officers	84
MHCLG Recycling Reward Scheme	13
<i>(@Q3) DDF Commitment ("Kickstart" project)</i>	58
Net Expenditure (updated Budget 2021/22 @ Q4)	16,869

*Revised DDF commitments of £783,000 for 2021/22, established in 2020/21 in the light of the Covid-19 pandemic, yet to be added.

2.3 The most notable variances (£0.2 million+) to the budget in the table above are as follows:

- **Commercial & Technical Services (£379,266 Overspend)** – there was a significant improvement on this directorate in the final quarter (the forecast overspend at Quarter 3 was £849,104). The most significant factor in the improved position related to Waste Management; with a Quarter 3 forecast overspend of £501,795 eventually turning in to a surplus of £30,814 at year end (a ‘positive swing’ of £532,609). The outturn on Recycling exceeded Quarter 3 expectations, which added to an unforeseen one-off saving on the Waste Collection (Biffa) contract in Quarter 4 of £235,000, which offset an identified overspend of the same amount in 2020/21. There are two other notable variances in the directorate as follows:
 - **Car Parking (£274,261 Overspend)** – the budget pressure on the Car Parking service was known about for most of the year, with an eventual overspend of £185,000 on Off-Street Parking being the single largest factor. This represented the combined impact of a structural budget deficit on Season Ticket income and overall, Car Park usage failing to recover to pre-pandemic levels; and
 - **Land & Property (£589,153 Overspend)** – forecast overspending of £218,887 was reported in Quarter 3 due to a range of budget pressures created by lower Rental Income from various Shops and Brooker Road Industrial Estate, along with miscellaneous additional costs, including Legal Fees due to tenancy changes (eventually £63,000 overspent), Professional Fees (eventually £48,000 overspent) and Business Rates on void properties (eventually £59,000 overspent). In Quarter 4, this has been added to by cost pressures on Security Costs (£80,000) and – especially – the late cancellation of Rental Invoices (value £230,000) in March 2022
- **Community & Wellbeing (£300,251 Underspend)** – staff vacancies in both the Economic Projects cost centre (£153,775) and the Community & Wellbeing cost centre (£91,839) are a major factor in the underspend in this directorate.
- **Corporate Services (£241,875 Underspend)** – the single largest factor behind the underspend in this directorate was the ICT cost centre, which recorded a surplus of £315,742; the underspend was driven by a range of smaller factors including combined staff cost savings on two posts of £22,000 (agency cover proving cheaper in this instance), the delayed “GFI” project (saving £50,000 in revenue costs), deferred training costs (saving £46,000) and the realising of savings of £42,000 following the removal of fixed telephone lines.
- **Customer Services (£705,070 Underspend)** – the major headline in this directorate related to an exceptional increase in Court Costs raised (Council Tax £668,762, Business Rates £50,505) which was the main driver behind a surplus of £740,335 on the Local Taxation cost centre; this compares to zero in 2020/21 (when the Council took no Local Tax cases to the Magistrates Court in the light of the pandemic, resulting in a backlog of cases for 2021/22). The Customer Services cost centre also recorded an underspend of £269,644, driven mainly by combined staff savings of £215,000 on the Benefits and Revenues cost centres mostly due to vacancies. In contrast, the Housing Benefits cost centre overspent by £399,840, with the largest factor relating to an accounting adjustment on Housing Benefit Overpayments (impact £206,000).
- **Finance & Audit (£1,037,810 Overspend)** – this directorate absorbs a range of miscellaneous corporate costs. Thus in 2021/22 the most significant cost pressure was the need to provide an additional contribution of £264,000 (above budget) to the Corporate Bad Debt Provision. In addition, the Council also had to pay unbudgeted Pension Costs (re “Added Years/Unfunded Payments” to ex-employees) of £246,000. Additional accounting adjustments of £161,000 were also required to address historic revenue items – not previously charged to revenue – to comply with proper accounting practice. A range of other smaller negative variances were also recorded including the one-off restructuring related costs within the Corporate Finance Team and additional Insurance costs

- **Strategy, Delivery & Performance (£267,851 Underspend)** – the underspend in this directorate was the result of underspending in two cost centres. Firstly, the “Other Activities” cost centre was underspent by £135,608 following a conscious decision to defer the recruitment of project staff until 2022/23 to meet revised project timetables. And secondly, the Strategy, Delivery and Performance Support Services cost centre recorded an underspend of £132,243 most notably due to combined savings of £75,000 on vacant posts and consultants/agency staff costs due to the re-scheduling of projects (noted above).
 - **Qualis Income (£509,063 Overspend)** – forecast income from Qualis was slightly lower than assumed within the budget mainly due to the delayed sale of Land and Buildings to Qualis (£460,817), although this is partially offset by other factors such as the recently agreed extension of the Qualis loan facility; and
 - **Financing & Recharges (£1,267,403 Underspend)** – as reported in previous quarterly updates, the established HRA Recharges budget was overly prudent and resulted in an underspend of £696,629; this has now been corrected in setting the 2022/23 Budget, which was adopted by full Council on 24th February 2022. In addition, anticipated Government grant in support of the Garden Town initiative of £500,000 was assumed in the budget, although – due to uncertainty at the time – this was offset by a Specific Contingency. However, a grant of £250,000 was received, with the balance eventually met from the Garden Town Reserve; the combined impact, removed the need to draw on the Contingency (triggering an underspend of £500,000).
- 2.4 As originally reported from Quarter 1, the un-ringfenced Covid-19 funding allocation of £663,322 finished on budget, although the Sales, Fees and Charges (SFC) Compensation scheme for the period April to June 2021 (scheme withdrawn by Government with effect from July 2021) was £404,269, compared to a budget assumption of £600,000. Despite this the General Fund Reserve (in the draft Statement of Accounts 2021/22) ended the year with a balance of £4.017 million, reflecting several other positive funding and accounting adjustments including additional income from the Council Tax Sharing Agreement and a positive adjustment (of £154,000) for a previously accumulated “Expected Credit Loss” (ECL) on a Qualis revenue loan.

3) Housing Revenue Account (revenue)

- 3.1 The Housing Revenue Account (HRA) revenue position for 2021/22, at the Quarter 4 (Outturn) stage, is summarised in the table below. A surplus of £2.059 million was recorded for the year; this was £0.592 million below the budgeted surplus of £2.651 million.

Housing Revenue Account Budget 2021/22 (Quarter 4)						
Description	Budget 2021/22	IAS19 Adj	Business Plan Adj	Updated Budget 1st October 2021	Outturn (Q4)	Variance
	£000's	£000's	£000's	£000's	£000's	£000's
EXPENDITURE						
Supervision & Management (General)	6,633	(347)	0	6,286	6,305	19
Supervision & Management (Special)	3,953	(180)	0	3,773	3,641	(132)
Rents, Rates, Taxes and Insurances	533	0	0	533	600	67
Repairs and Maintenance	7,723	0	0	7,723	8,624	901
Management & Maintenance	18,842	(527)	0	18,315	19,170	855
Capital Charges	8,782*	0	0	8,782	9,705	923
Major Repairs on Leasehold Properties	300	0	0	300	433	133
Treasury Management Expenses	58	0	0	58	22	(36)
Provision for Bad/Doubtful Debts	91	0	(2)	89	124	35
Total Expenditure	28,073	(527)	(2)	27,544	29,454	1,910
INCOME						
Gross Rent from Dwellings	(33,349)	0	(78)	(33,427)	(33,958)	(531)
Non-Dwellings Rents	(810)	0	0	(810)	(783)	27
Charges for Services & Facilities	(2,092)	0	0	(2,092)	(1,807)	285
Contributions from General Fund	(357)	0	0	(357)	(376)	(19)
Total Income	(36,608)	0	(78)	(36,686)	(36,924)	(238)
Net Cost of Services	(8,535)	(527)	(80)	(9,142)	(7,470)	1,672
Interest on Receipts and Balances	(36)	0	6	(30)	(65)	(35)
Interest Payable on Loans	6,125	0	(387)	5,738	5,476	(262)
Pensions Interest Payable/Return on Assets	652	(652)	0	0	0	0
Net Operating Income	(1,794)	(1179)	(461)	(3,434)	(2,059)	1,375
<i>Appropriations:</i>						
Direct Revenue Contributions to Capital	2,973	0	(2,190)	783	0	(783)
IAS19 Adjustment	(1,179)	1,179	0	0	0	0
(Surplus)/Deficit for Year	0	0	(2,651)	(2,651)	(2,059)	592

*adjusted for reversal on Repairs Depreciation (£68,000)

3.2 There are six significant factors (above £200,000) behind the deficit as follows:

- **Repairs and Maintenance (£901,000 Overspend)** – there are two items driving this variance:
 - **Housing Repairs (£450,000)** – a large proportion of this variance relates to repair works (both general and void) that sat outside the Qualis base contract and is in line with the forecast outturn position at Quarter 3. In previous years, the Repairs Fund had been used to smooth the annual cost of repairs, but this was exhausted in 2020/21; and
 - **Planned Maintenance (£451,000)** – almost half of this variance (£215,000) reflects additional Gas Servicing costs, due to a high demand for remedial works related to radiators. A further £138,000 relates to various Sheltered Scheme works including a project to redecorate Frank Bretton House which also required the removal of an asbestos floor covering (£54,000).
- **Capital Charges (£923,000 Overspend)** – this variance is due to the difference in depreciation charges calculated following revaluation changes deemed necessary by the Council's external valuers at the Balance Sheet date. Although depreciation charges are effectively 'reversed' out of the HRA, they are replaced with a transfer of the same amount to the Major Repairs Reserve which is then ring fenced to either support capital spending or repay debt.
- **Gross Rent from Dwellings (£531,000 Underspend)** – improvements in void turnaround times, is leading to increased rental income receivable
- **Charges for Facilities and Services (£285,000 Overspend)** – a large proportion of this variance represents lost income from the Telecare service, which is now a free service offered by Essex County Council
- **Interest Payable on Loans – (£262,000 Underspend)** – the interest payable has a direct correlation to the amount of borrowing required annually to support the Capital Programme. Lower than expected capital spend has negated the need to take out supplementary borrowing thereby reducing the interest payable in the year; and
- **Direct Revenue Contributions to Capital (£783,000 Underspend)** – the HRA capital spend was lower than budgeted due to slippage on various schemes; consequently, no revenue contribution to capital was required this year (see Section 5 below for detail).

3.3 The opening HRA Reserve balance for 2021/22 was £2.105 million and, following the outturn surplus of £2.059 million presented above, the balance ended the year at £4.164 million, which is comfortably above the minimum HRA balance of £2.0 million assumed within the HRA Business Plan.

4) General Fund Capital Programme

4.1 The General Fund Capital Programme outturn for 2021/22 is summarised – at a service level – in the table below. A more detailed analysis – at a scheme level – is included in **Appendix B**. The updated Programme budget totalled £72.443 million. Spending for the year amounted £25.676 million, leading to an underspend of £46.767 million. The underspend is primarily due to slippage in schemes; Cabinet approval to carry forward unspent budget on these schemes will be sought within the 2022/23 Quarter 1 Budget Monitoring Report.

General Fund Capital Programme outturn 2021/22 (Quarter 4)			
Description	Budget 2021/22 (Updated)	Spending (31/03/22)	Variance (Under) / Over
	£000's	£000's	£000's
Community & Wellbeing	770	82	(688)
Commercial & Technical	6,945	4,482	(2,463)
Corporate Services	2,807	885	(1,922)
Housing (General Fund)	494	475	(19)
Place	427	0	(427)
Qualis Loans	61,000	19,752	(41,248)
Totals	72,443	25,676	(46,767)

4.2 A General Fund Capital Programme budget of £15.946 million was approved by Council in February 2021. A net total of £5.169 million in unspent budgets have been rolled forward from 2020/21, initially resulting in an updated Programme budget of £21.115 million. As previously reported, further additions of £35,150,000 were made in Quarter 1, primarily to reflect the Cabinet's commitment (12th July 2021) to extend the Qualis loan facility by a further £35.0 million in support of the acquisition of additional regeneration sites.

4.3 In addition, further adjustments of £16.178 million were made in Quarter 2 to achieve proper accounting practice (rather than representing additional expenditure commitments), primarily to reflect the Asset Purchase Loan (to Qualis) of £16.0 million. The overall updated General Fund Capital Programme for 2021/22 was £72.443 million.

4.4 Spending has generally been subdued during the year; most of the underspend is due to the drawdown on Qualis loans being below budget expectations (£41.248 million).

4.5 There are two other significant variances (over £1.0 million) to highlight as follows:

- **Commercial and Technical (£2,463,000 Underspend)** – lower than budgeted expenditure was experienced on a range of projects. Most significantly:
 - Cartersfield Road – the project had a budget allocation of £1.436 million for 2021/22. Project delays have been experienced as the Council continues to seek vacant possession from some long-term tenants; comprehensive vacant possession is required for the site before capital works can commence. Latest intelligence suggests that the project may now be delayed until October 2022

- Investment Property Acquisitions – the original budget allocation was £30.0 million and at the Quarter 3 stage this was largely spent having been applied to buying back a series of historic leases to generate higher returns in the long run. The outturn position is an underspend of £1.118 million; slightly more than expected at Quarter 3 (£1.053 million) due to a delay in an anticipated capital payment for a unit on Centric Parade. The remaining unspent balance will be re-profiled for use in 2022/23; however, and in contrast
- Epping Leisure Facility – although this project is profiled to commence in 2022/23, some early capital expenditure has been incurred in 2021/22 on enabling activities including planning, architect, consultancy and other project fees. Total expenditure for the year end was £1.436 million, which offsets – to a large extent – the underspending on the other capital projects in the Commercial and Technical Services directorate.
- **Corporate Services (£1,922,000 Underspend)** – the most significant area of capital underspending in the Corporate Services directorate relates to the ICT Strategy, which had a profiled budget allocation of £2.126 million for 2021/22. The outturn was £0.411 million, leading to an underspend of £1.715 million at year end. Although several individual schemes have progressed well (e.g. a range of applications have been successfully moved to cloud-based solutions including Grounds Maintenance, the Gazetteer and Land Charges), internal resource constraints have led to delays in progressing some other capital schemes as quickly as originally planned (e.g. Network Revamp, Security Solution and replacing Hosted Hardware).

5) Housing Revenue Account (HRA) Capital Programme

5.1 The Housing Revenue Account (HRA) Capital Programme outturn for 2021/22 is summarised in the table below. A more detailed analysis – at a scheme level – is included in **Appendix C**. The updated Programme budget totalled £39.350 million. Spending in the year amounted to £21.414 million, leading to an underspend of £17.936 million. The underspend is primarily due to slippage in schemes; Cabinet approval to carry forward unspent budget on these schemes will be sought within the 2022/23 Quarter 1 Budget Monitoring Report.

HRA Capital Programme outturn 2021/22 (Quarter 4)			
Description	Budget 2021/22 (Updated)	Spending (31/03/22)	Variance (Under) / Over
	£000's	£000's	£000's
Housing Development	24,506	11,646	(12,860)
Capital Works	14,143	8,993	(5,150)
Other Housing Schemes	701	775	74
Totals	39,350	21,414	(17,936)

5.2 An HRA Capital Programme budget of £36.506 million was approved by Council in February 2021. A net total of £2.844 million in unspent budgets have been rolled forward from 2020/21, resulting in an updated Programme budget of £39.350 million for the year.

5.3 There are two significant areas of underspending/slippage on the HRA Capital Programme; Housing Development and Capital Works. Thus:

- **Housing Development (£12,860,000 Underspend)** – there are three elements to the net position to note:
 - **Housebuilding** – the Programme has a total budget of £17.014 million for 2021/22. The actual spend on the Programme is £8.678 million, resulting in an underspend of £8.336 million at year end. Schemes in all phases have encountered delays due to planning consents; schemes in Phase 4.3 encountered planning delays due to their impact on conservation areas leading to a much later start date than originally planned. Schemes in Phase 4.4 are still in the planning stage and hope to return to the Planning Committee for approval early in 2022/23. The Phase 5 schemes have also not progressed as well as originally anticipated with some returning to the design review stage and others still to progress to the planning stage
 - **Qualis Acquisitions** – the budget allocation for this scheme in 2021/22 was £7.492 million, however due to planning issues, the schemes have been re-scheduled to be delivered in 2022/23; and offsetting
 - **Open Market Acquisitions** – the focus of this scheme is to increase the Council's housing stock by averting the potential loss of capital receipts from the Government 1-4-1 Right to Buy (RTB) scheme. Although spending was planned for the final quarter of 2020/21, completions have taken place in the first half of 2021/22, thereby creating an *overspend* of £2.968 million.
- **Capital Works (£5,150,000 Underspend)** – access issues and other pandemic-related delays have been a factor in slippage on Component Replacement programmes during the year. In addition, one large Structural Scheme relating to the Copperfield/Limes Regeneration project (£1.0 million) has been re-scheduled to be delivered in 2022/23.

Reason for Decision:

This report facilitates the scrutiny of the Council's financial position for 2021/22.

In terms of General Fund revenue, overall, it was a more stable picture in 2021/22 compared to the extreme volatility experienced in 2020/21 due to the impact of the pandemic. Quarter 4 was particularly positive, with an anticipated year end deficit at the Quarter 3 stage being reversed with an eventual budget underspend being recorded at the outturn stage. This – combined with funding and other accounting adjustments – eventually negated the need to draw on the General Fund Reserve to support the budget as originally assumed when the budget was set. Consequently, the long-term strategy to retain a minimum General Fund balance of £4.0 million was maintained.

In accordance with the planned transition to the new HRA Business Plan, the HRA revenue budget recorded a substantial surplus, which is to be utilised in funding the 2022/23 budget (as adopted by full Council in February 2022).

Capital spending has been relatively limited in both the General Fund and HRA this year.

The comments made at this Committee, where relevant, will be reported to Cabinet for their consideration at their meeting on 19th September 2022.

Options:

There are no matters for decision in this report. The Committee is asked to note the contents but may choose to take further action depending on the matters reported.

Resource Implications:

The resource implications in this report are overwhelmingly financial in nature, in the form of budgetary control. Robust budget monitoring processes maximise the opportunity for services to react quickly to potential problems as they emerge, thus reducing the risk of financial problems, impeding the delivery of strategic priorities.

Legal and Governance Implications:

The Council has a statutory obligation to maintain a balanced budget and the monitoring process enables the Committee to remain aware of issues and the process to be taken to maintain a balanced budget.

Safer, Cleaner, Greener Implications:

There are no SGS implications.

Consultation Undertaken:

The development of the original 2021/22 budget was informed by the democratic scrutiny processes.

Background Papers:

Management Accounts 2021/22 (Month 12)

Epping Forest District Council: draft Statement of Accounts 2021/22 (published 8th July 2022).

Risk Management

The report is primarily presented for information only and has no risk management implications, although regular monitoring and reporting of the type included in this report ensures early warning of significant issues that may place the Council at financial risk. This gives the Cabinet the best opportunity to take actions to mitigate such risks.

General Fund Revenue Budget 2021/22

Quarter 4 (Outturn)

Epping Forest DC: General Fund Outturn 2021/22						
@ 31 March 2022 (Month 12)						
General Fund						
Service Area	Activity	Full Year Budget	Q4 Draft Outturn (M12) Unadjusted	Reserve Movements	Q4 Draft Outturn (M12) Adjusted	Variance
		£'s	£'s	£'s	£'s	£'s
Chief Executive	Chief Executive Support Services	685,680	662,350		662,350	23,330
	Corporate Activities	50,070	79,332		79,332	29,262
	Other Activities	75,750	39,505		39,505	36,246
	Sub-Total	811,500	781,187	-	781,187	30,313
Commercial & Technical Services	Car Parking	- 850,000	- 575,739		- 575,739	274,261
	Community & Partnership	212,390	181,589		181,589	30,801
	Contracts & Technical Support Services	1,999,300	1,808,022		1,808,022	191,278
	Cost Centres - Contracts & Technical	3,123,860	3,080,743		3,080,743	43,117
	Emergency Planning & Other		1,563		1,563	1,563
	Environmental Health	206,360	195,762		195,762	10,598
	Land Drainage/Sewerage	99,700	80,434		80,434	19,266
	Land & Property	- 7,507,110	- 6,917,957		- 6,917,957	589,153
	Leisure Facilities	- 500,000	- 572,459		- 572,459	72,459
	North Weald Centre	- 812,950	- 1,259,791	380,000	- 879,791	66,841
	Parks & Grounds	474,690	529,061		529,061	54,371
	Private Sector Housing	- 112,860	- 167,835		- 167,835	54,975
	Regulatory Services	- 237,490	- 254,297		- 254,297	16,807
	Waste Management	4,351,639	4,320,825		4,320,825	30,814
	Sub-Total	447,529	446,795	380,000	826,795	379,266
Community & Wellbeing	Community, Health & Wellbeing	131,960	32,979	24,265	57,244	74,716
	Cost Centres - Community & Wellbeing	506,870	415,031		415,031	91,839
	Economic Projects Support Serv	346,030	192,255		192,255	153,775
	Homelessness	- 444,550	- 415,791	2,746	- 418,537	26,014
	Museum, Heritage & Culture	666,360	665,832	3,522	662,310	4,050
	Voluntary Sector Support	299,510	297,625		297,625	1,885
	Sub-Total	1,506,180	1,187,932	17,997	1,205,929	300,251
Corporate Services	Business Support	1,329,888	1,551,740		1,551,740	221,852
	Cost Centres - Corporate Support	295,190	359,744		359,744	64,554
	Elections	248,610	79,390		79,390	169,220
	Emergency Planning & Other	114,780	115,618		115,618	838
	ICT	3,626,860	3,280,406	30,712	3,311,118	315,742
	Insurance Premiums	826,330	756,309		756,309	70,021
	Member Activities	383,860	352,157		352,157	31,703
	Other Support Services	1,710,176	1,766,642	123	1,766,518	56,342
	Strategy Support Services	285,570	286,795		286,795	1,225
	Sub-Total	8,821,264	8,548,800	30,589	8,579,389	241,875
Customer Services	Cost Centres - Customer Services	2,542,760	2,273,116		2,273,116	269,644
	Customer Support Services	1,522,663	1,525,390		1,525,390	2,727
	Housing Benefits	- 1,122,200	- 722,360		- 722,360	399,840
	Local Taxation	- 415,950	- 1,156,285		- 1,156,285	740,335
	Members Activities	36,950	60,708		60,708	97,658
	Sub-Total	2,564,223	1,859,153	-	1,859,153	705,070
Finance & Audit	Audit Support Services	373,360	377,736		377,736	4,376
	Finance Support Services	1,180,000	1,493,616		1,493,616	313,616
	Finance & Other Activities	672,772	1,392,591		1,392,591	719,819
	Sub-Total	2,226,132	3,263,942	-	3,263,942	1,037,810
Housing & Property	Accommodation	485,330	764,338		764,338	279,008
	Cost Centres - Housing & Property	500,432	460,104		460,104	40,328
	Facilities & Depot Management	633,130	539,304		539,304	93,826
	Housing & Property Support Services	354,810	217,579		217,579	137,231
	Housing Policy	23,330	-	23,330	23,330	-
	Sub-Total	1,997,032	1,981,325	23,330	2,004,655	7,623
Place	Community & Partnership	49,760	7,701	32,095	39,796	9,964
	Cost Centres - Place	381,610	340,758	50,000	290,758	90,852
	Sub-Total	431,370	348,460	17,905	330,555	100,815
Planning & Development	Cost Centres - Planning Services	2,150,920	2,099,284		2,099,284	51,636
	Local Plan Implementation	880,030	882,229	537,842	344,387	535,643
	Planning & Development	- 990,960	- 436,279	16,540	- 452,819	538,141
	Planning Support Services	276,390	263,000		263,000	13,390
	Regulatory Services	- 494,460	- 565,720	121,562	- 444,158	50,302
	Sub-Total	1,821,920	2,242,514	432,820	1,809,694	12,226
Strategy, Delivery & Performance	Other Activities	161,600	25,992		25,992	135,608
	Strategy, Delivery & Performance Support	718,761	586,518		586,518	132,243
	Sub-Total	880,361	612,510	-	612,510	267,851
General Fund Total		21,507,511	21,272,617	1,191	21,273,808	233,703
	Qualis Income	- 3,365,200	- 2,856,137		- 2,856,137	509,063
	HRA Recharges	- 3,988,333	- 4,684,962		- 4,684,962	696,629
	Financing					
	Interest (inc. Qualis):					
	Interest Receivable	- 25,000	6,701		6,701	18,299
	Interest Payable	1,328,000	1,267,927		1,267,927	60,073
	Minimum Revenue Provision	912,000	883,000		883,000	29,000
	Specific Contingency	500,000	-		-	500,000
General Fund (Net Expenditure)		16,868,978	15,875,745	1,191	15,876,936	992,042

General Fund Capital Programme 2021/22

Quarter 4 (Outturn)

General Fund Capital Programme Outturn 2021/22								
Scheme	2020/21 Budget Outturn (xtract)			2021/22 Budget Outturn (@ 31 March 2022 - Q4)				
	2020/21 Unspent / (Overspent) Balances	Savings	Balances Rolled Forward into 2021/22	2021/22 Budget Allocation	In-Year Changes (Q2)	2021/22 Updated Budget	Actual Spending 2021/22	Variance (Uspend) / Ospend
	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
Community & Wellbeing								
Joint Museum and Library Facility	300,000	-	300,000	470,000	-	770,000	81,983	(688,018)
Sub-Totals	300,000	-	300,000	470,000	-	770,000	81,983	(688,018)
Commercial & Technical								
Cartersfield Road	(71,136)	-	71,136	1,330,000	177,600	1,436,464	-	(1,436,464)
Investment Property Acquisition Fund	2,152,387	-	2,152,387	-	-	2,152,387	1,034,520	(1,117,867)
Investment Properties (Landmark Buildings)	51,791	- 51,791	-	-	-	-	-	-
EFDC Shopping Park	21,677	- 21,677	-	-	-	-	-	-
CCTV Replacement Programme	146,670	- 50,854	95,816	85,000	-	180,816	95,379	(85,437)
CarPark CCTV Systems	38,423	- 30,423	8,000	-	-	8,000	18,259	10,259
Superfast Broadband (REFCuS)	350,000	-	350,000	-	-	350,000	-	(350,000)
Disabled Facilities Grants	-	-	-	971,510	-	971,510	793,702	(177,808)
Home Assist Grants	-	-	-	-	-	-	37,783	37,783
Car Park Schemes	(46,361)	46,361	-	-	-	-	18,785	18,785
Civic Offices Accommodation Project	173,115	-	173,115	50,000	-	223,115	331,284	108,169
Civic Offices - Café External Works	-	-	-	100,000	-	100,000	24,021	(75,979)
Grounds Maintenance	19,400	-	19,400	30,000	-	49,400	8,455	(40,945)
Highways	140,000	-	140,000	-	-	140,000	41,917	(98,083)
NWA Preparations Phase 1	-	-	-	200,000	-	200,000	-	(200,000)
Vehicle Fleet Replacement & Equipment	750,000	-	750,000	383,000	-	1,133,000	510,260	(622,740)
Epping Leisure Facility	-	-	-	-	-	-	1,562,560	1,562,560
Ongar Leisure Centre	10,770	- 10,770	-	-	-	-	4,953	4,953
Sub-Totals	3,736,736	- 119,154	3,617,582	3,149,510	177,600	6,944,692	4,481,879	(2,462,813)
Corporate Services								
ICT General Schemes	89,021	-	89,021	128,000	-	217,021	74,642	(142,379)
ICT Strategy	120,464	35,060	155,524	1,970,500	-	2,126,024	410,572	(1,715,452)
Civic Offices Accommodation Project (ICT)	448,756	-	448,756	15,000	-	463,756	399,927	(63,829)
Sub-Totals	658,241	35,060	693,301	2,113,500	-	2,806,801	885,140	(1,921,661)
Housing (Property Services)								
Oakwood Hill Depot extension	39,171	-	39,171	-	-	39,171	32,599	(6,572)
Town Mead Depot	799	- 799	-	-	-	-	-	-
Investment Properties (Planned Works)	266,400	- 10,484	255,916	65,100	-	321,016	401,332	80,316
Operational Properties (Planned Works)	85,928	-	85,928	48,000	-	133,928	40,698	(93,230)
Sub-Totals	392,298	- 11,283	381,015	113,100	-	494,115	474,628	(19,487)
Place								
Climate & Environmental Projects	400,000	- 223,016	176,984	250,000	-	426,984	-	(426,984)
Sub-Totals	400,000	- 223,016	176,984	250,000	-	426,984	-	(426,984)
Qualis								
Asset Purchase Loan	-	-	-	-	16,000,000	16,000,000	14,752,500	(1,247,500)
Regeneration Finance Loans	-	-	-	45,000,000	-	45,000,000	5,000,000	(40,000,000)
Sub-Totals	-	-	-	45,000,000	16,000,000	61,000,000	19,752,500	(41,247,500)
Total	5,487,275	- 318,393	5,168,882	51,096,110	16,177,600	72,442,592	25,676,130	(46,766,462)

Housing Revenue Account Capital Programme 2021/22

Quarter 4 (Outturn)

HRA Capital Programme Outturn 2021/22									
Schemes	2020/21 Budget Outturn (xtract)			2021/22 HRA Capital Outturn (@ 31 March 2022: Q4)					
	2020/21 Unspent/ (Overspent) Balances	Savings	Balances Rolled Forward into 2021/22	Balances Rolled Forward from 2020/21	Virements between Schemes 2021/22	2021 Budget Allocation	2021/22 Budget (Updated)	Actual Spending 2021/22	Variance (Uspend) / Ospend
	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
Housing Development Programme:									
Housebuilding	4,540,000	- 4,540,000	-	-	-	17,014,000	17,014,000	8,678,000	8,336,000
Open Market Acquisitions	-	-	-	-	-	-	-	2,968,000	(2,968,000)
Qualis Acquisitions	-	-	-	-	-	7,492,000	7,492,000	-	7,492,000
Sub-Totals	4,540,000	- 4,540,000	-	-	-	24,506,000	24,506,000	11,646,000	12,860,000
Capital Works:									
Heating	314,000	-	314,000	314,000	-	1,519,000	1,833,000	1,141,000	692,000
Windows, Door and Roofing	1,249,000	-	1,249,000	1,249,000	- 643,000	3,003,000	3,609,000	2,760,000	849,000
Compliance Planned Maintenance	96,000	-	96,000	96,000	150,000	623,000	869,000	430,000	439,000
Kitchens & Bathrooms (inc void allocation)	125,000	-	125,000	125,000	-	1,375,000	1,500,000	933,000	567,000
Electrical	- 129,000	-	129,000	- 129,000	-	2,175,000	2,046,000	1,845,000	201,000
Sprinklers	175,000	-	175,000	175,000	-	100,000	275,000	-	275,000
Environmental	106,000	-	106,000	106,000	-	584,000	690,000	451,000	239,000
Structural works	223,000	-	223,000	223,000	493,000	1,550,000	2,266,000	629,000	1,637,000
Disabled adaptations	- 56,000	-	56,000	- 56,000	56,000	650,000	650,000	765,000	(115,000)
Asbestos Removal	63,000	-	63,000	63,000	- 56,000	251,000	258,000	39,000	219,000
Estate Improvements	57,000	- 50,000	7,000	7,000	-	140,000	147,000	-	147,000
Sub-Totals	2,223,000	- 50,000	2,173,000	2,173,000	-	11,970,000	14,143,000	8,993,000	5,150,000
Other Housing Schemes:									
Service Enhancements	691,000	- 20,000	671,000	671,000	-	30,000	701,000	695,000	6,000
Sub-Totals	691,000	- 20,000	671,000	671,000	-	30,000	701,000	695,000	6,000
Vehicle Replacements	74,000	- 74,000	-	-	-	-	-	80,000	(80,000)
Total Expenditure	7,528,000	- 4,684,000	2,844,000	2,844,000	-	36,506,000	39,350,000	21,414,000	17,936,000