

Report to the Council

Subject: Finance and Technology Portfolio

Date: 23 April 2013

Portfolio Holder: Councillor Syd Stavrou

Recommending:

That the report of the Finance & Technology Portfolio Holder be noted

Accountancy

Since our last meeting the Chancellor of the Exchequer has delivered his Budget. The Budget contained several measures that will have some impact on Local Authorities but the single most important issue is the on-going programme of austerity to tackle the deficit in the public finances. There will be further reductions in Departmental budgets and so we have to anticipate the consequent reductions in grants the Council receives from Central Government. There has been much media speculation about reduced funding following the Budget and I hope a clearer picture will emerge with the Comprehensive Spending Review (CSR) in June.

The Medium Term Financial Strategy approved as part of the Council's budget in February did allow for reductions in funding in future years and these estimates will be re-evaluated after the CSR. It is important to remember that our prudent financial management over many years has put the Council in a strong financial position and that this will allow us to manage whatever adjustments are necessary in a structured and controlled manner.

Benefits

The Welfare Reform programme continues to present a moving target. In my previous report to Council I mentioned the uncertainty that surrounded Universal Credit (UC). My concerns were increased by the news before Easter that the number of pilot authorities going live with UC from the start of this month had been reduced from four to one. Additionally, in the one pilot area it is only the most straightforward claims that are being done under UC as the system cannot currently cope where a person has household costs, a disability, children or a partner. In affect it can only be awarded to single, healthy jobseekers living with parents or a working partner. This is similar to an existing claim for contribution based jobseekers allowance and so does not take in any of the other benefits that UC was intended to replace. It would be fair to describe this as a disappointing start for UC and this has increased the speculation over if and when UC will be rolled out to all Local Authorities.

I would not normally comment on benefits that the Council does not administer, however the media coverage of the change from Disability Living Allowance (DLA) to Personal Independence Payment (PIP) has been so great that I thought Members might find some information useful. This is a benefit which is administered by the Department for Work and Pensions (DWP), although benefits are inter-related so the award or withdrawal of DLA would be likely to affect the amount of a claimant's housing benefit. From 8 April DWP commenced a trial under which new claimants in

some areas are now being assessed for PIP instead of DLA. The current timetable is that this will be the case for all new claimants from 10 June 2013.

A process is then necessary to migrate existing claimants and from 7 October 2013 anyone experiencing a change in circumstances will move from DLA to PIP. The final stage will take place from October 2015 to 2018 during which DWP will invite all remaining DLA claimants to make a new claim for PIP. I trust this information will allow Members to reassure any residents that are concerned by the media coverage and believe they will be required to move immediately from DLA to PIP.

One further change that Members need to be aware of is in respect of crisis loans. The Community Care Grants and Crisis Loans for General Living Expenses which were formerly administered by DWP have now been replaced by the Essential Living Fund. Essex County Council is the body with statutory responsibility for managing this fund but they have contracted the work out to Southend on Sea Borough Council. This Council does not administer Essential Living Fund Payments and any queries Members get in relation to this fund must be referred to Southend on sea Borough Council.

Revenues

This is always a very busy time of year for staff in both Benefits and Revenues as the new-year bills and notifications generate a lot of calls and correspondence. The introduction of Local Support for Council Tax has caused even more enquiries although thankfully those now seem to have peaked. Help and advice is being offered to support those residents who either have to pay Council Tax for the first time or are facing an increased bill.

Both the Information and Cashiers Services have now relocated in Waltham Abbey from the Town Hall to the Library. The cash desk has been replaced with a payment kiosk and the library staff have been trained to assist anyone who has difficulty using the machine. This type of facility has been widely used across the country for many years now and the initial response of most users so far has been positive.

It is too early to confirm the exact figures for collection rates for 2012/13 but early indications are that the collection rate for Council Tax will exceed the target. This is a considerable achievement and of course a very important one for the Council's overall financial position.

Performance Management

(a) Key Performance Indicators

A range of Key Performance Indicators (KPIs) for 2012/13 were adopted by the Finance and Performance Management Cabinet Committee in March 2012, and a target was set for at least 70% of the indicators to achieve target performance by the end of the year.

After three-quarters of the year (1 April to 31 December 2012) 55.6% of the quarterly monitored KPIs achieved target performance. Cumulative performance reports for all KPIs were considered by the Finance and Performance Management Scrutiny Panel at its meeting in March 2013. KPI performance for the final quarter of the year and the year-end outturn is in the process of being compiled by officers for review by Management Board in May and the presentation of detailed performance reports will be considered by the Scrutiny Panel in June.

The set of KPIs for 2013/14, together with performance targets for all of the KPIs, was agreed at the Finance and Performance Management Cabinet Committee meeting in March.

(b) Key Objectives

End of year progress against the Council's Key Objectives for 2012/13, which reflect national and local priorities, specific service challenges, and provide a statement of the Council's plans for the year, will be reported to the Cabinet and the Overview and Scrutiny Committee in June / July 2013.

The set of Key Objectives for 2013/14 has now been developed. In accordance with usual practice, the objectives were considered by Overview and Scrutiny Committee in March prior to the formal adoption of the objectives by Cabinet on 11 March 2013. At that meeting, Cabinet agreed that the finalised set of objectives for 2013/14 be further recommended to the Council for adoption and these are included elsewhere on the agenda for consideration by Council. Progress against these objectives will be reported to Cabinet and the Overview and Scrutiny Committee on a quarterly basis throughout 2013/14.

Technology

(a) Telephone switch replacement project

The final evaluation of potential suppliers is taking place on 9 April. Consequently, no decision has been made at the time of writing this report. A verbal update will be given at the Council meeting.

(b) Wireless coverage

Increased wireless coverage will allow internet and system access to Members, visitors and staff within the Civic Offices. It will also allow staff to operate in a more flexible working environment. Suppliers have recently carried out site surveys and the required number of Access Points has been established. A proof of concept exercise is currently underway and will be concluded by the end of April. If successful, implementation will commence in May. Some additional cabling work will be involved in this project, but completion is anticipated by July.

(c) Internet connection upgrade

More and more systems now require access to the internet and the current 10Mb internet connection is no longer sufficient for the Council's requirements. Officers have successfully negotiated with BT to increase connectivity to 30Mb at no extra cost. We are currently awaiting the timetable for the upgrade from BT.