Thurrock - An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future

Corporate Overview and Scrutiny Committee

The meeting will be held at **7.00 pm** on **6 October 2022**

Committtee Room 2, CO3, Civic Offices, New Road, Grays, RM17 6SL

Membership:

Councillors Graham Snell (Chair), Paul Arnold (Vice-Chair), Adam Carter, Colin Churchman, Victoria Holloway and John Kent

Substitutes:

Councillors Alex Anderson, Gary Collins, Tony Fish, Sara Muldowney and Elizabeth Rigby

Agenda

Open to Public and Press

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1   Apologies for Absence

2   Minutes   5 - 20

To approve as a correct record the minutes of the Corporate Overview and Scrutiny Committee meeting held on 12 July 2022.

The minutes of the Association of South Essex Local Authorities (ASELA) meeting held on 14 July 2022 are attached for the Committee's information.

3   Items of Urgent Business

To receive additional items that the Chair is of the opinion should be considered as a matter of urgency, in accordance with Section 100B (4) (b) of the Local Government Act 1972. To agree any relevant briefing notes submitted to the Committee.

4   Declaration of Interests

Queries regarding this Agenda or notification of apologies:

Please contact Lucy Tricker, Senior Democratic Services Officer by sending an email to Direct.Democracy@thurrock.gov.uk

Agenda published on: **28 September 2022**

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DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF

Breaching those parts identified as a pecuniary interest is potentially a criminal offence

<u>**Helpful Reminders for Members**</u>

- *Is your register of interests up to date?*
- *In particular have you declared to the Monitoring Officer all disclosable pecuniary interests?*
- *Have you checked the register to ensure that they have been recorded correctly?*

<u>**When should you declare an interest *at a meeting*?**</u>

- **What matters are being discussed at the meeting?** (including Council, Cabinet, Committees, Subs, Joint Committees and Joint Subs); or
- If you are a Cabinet Member making decisions other than in Cabinet **what matter is before you for single member decision?**

↓

Does the business to be transacted at the meeting
- **relate to; or**
- **likely to affect**

any of your registered interests and in particular any of your Disclosable Pecuniary Interests?

Disclosable Pecuniary Interests shall include your interests or those of:

- your spouse or civil partner's
- a person you are living with as husband/ wife
- a person you are living with as if you were civil partners

where you are aware that this other person has the interest.

A detailed description of a disclosable pecuniary interest is included in the Members Code of Conduct at Chapter 7 of the Constitution. **Please seek advice from the Monitoring Officer about disclosable pecuniary interests.**

What is a Non-Pecuniary interest? – this is an interest which is not pecuniary (as defined) but is nonetheless so significant that a member of the public with knowledge of the relevant facts, would reasonably regard to be so significant that it would materially impact upon your judgement of the public interest.

Pecuniary

If the interest is not already in the register you must (unless the interest has been agreed by the Monitoring Officer to be sensitive) disclose the existence and nature of the interest to the meeting

Non- pecuniary

Declare the nature and extent of your interest including enough detail to allow a member of the public to understand its nature

If the Interest is not entered in the register and is not the subject of a pending notification you must within 28 days notify the Monitoring Officer of the interest for inclusion in the register

You may participate and vote in the usual way but you should seek advice on Predetermination and Bias from the Monitoring Officer.

Unless you have received dispensation upon previous application from the Monitoring Officer, you must:

- **Not participate or participate further in any discussion of the matter at a meeting;**

- **Not participate in any vote or further vote taken at the meeting; and**

- **leave the room while the item is being considered/voted upon**

If you are a Cabinet Member you may make arrangements for the matter to be dealt with by a third person but take no further steps

Our Vision and Priorities for Thurrock

An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future.

1. **People** – a borough where people of all ages are proud to work and play, live and stay

   - High quality, consistent and accessible public services which are right first time

   - Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing

   - Communities are empowered to make choices and be safer and stronger together

2. **Place** – a heritage-rich borough which is ambitious for its future

   - Roads, houses and public spaces that connect people and places

   - Clean environments that everyone has reason to take pride in

   - Fewer public buildings with better services

3. **Prosperity** – a borough which enables everyone to achieve their aspirations

   - Attractive opportunities for businesses and investors to enhance the local economy

   - Vocational and academic education, skills and job opportunities for all

   - Commercial, entrepreneurial and connected public services

Minutes of the Meeting of the Corporate Overview and Scrutiny Committee held on 12 July 2022 at 7.00 pm

Present:	Councillors Graham Snell (Chair), Paul Arnold (Vice-Chair), Adam Carter, Colin Churchman, Victoria Holloway and John Kent
In attendance:	David Johnson, Interim Assistant Director Property Gerard McCleave, Assistant Director Economic Growth and Partnerships Sarah Welton, Strategy Manager Kenna-Victoria Healey, Senior Democratic Services Officer Lucy Tricker, Senior Democratic Services Officer

Before the start of the Meeting, all present were advised that the meeting was being recorded and live-streamed, with the recording to be made available on the Council's website.

1. **Minutes**

   The minutes of the meeting held on 8 March 2022 were approved as a true and correct record.

2. **Items of Urgent Business**

   There were no items of urgent business.

3. **Declaration of Interests**

   There were no interests declared.

4. **Asset Review and 3Rs**

   The Interim Assistant Director Property introduced the report and stated that it was being presented to Committee ahead of Cabinet submission later in the month. He explained that the report followed a Cabinet decision from July 2021, which had declared some assets as surplus and had generated £9.3 million in capital receipts, as well as rationalising the Council's property portfolio. He commented that the report was split into four sections: pieces of land the council held which were considered to have no beneficial use; operational assets such as children's centres; scout huts which were leased to the Scout Association; and village halls. The Interim Assistant Director Property explained that the scout huts and village halls would be given to the relevant committees and trustees for a peppercorn, which would ensure that they could access grants and funding not currently available to them.

   The Interim Assistant Director Property highlighted land in Purfleet colloquially known as VOSA on Tank Hill Road, which could be suitable land for housing

and could be looked at by Thurrock Regeneration Limited (TRL) or the housing regeneration team. He explained that if the site was not suitable for housing the team would look to dispose for capital receipts. The Interim Assistant Director Property moved on and outlined the former landfill site at Buckingham Hill which surrounded the civic amenity site. He stated that the site was 52 acres and was currently fallow and could be suitable for leasehold development. He moved on and described the former depot site at Curzon Drive which had had buildings demolished three years ago and was currently sat unused. He explained that the site was relatively valuable and could generate approximately £170,000 in terms of leasehold rental income, and therefore would need a Cabinet decision for disposal. He stated that the report also contained several public houses, some of which were assets of community value or had long leases left, which meant that the council would struggle to develop these in a profitable way. He added that a number of leaseholders had enquired about purchasing the sites as this would make it easier for the owners to develop the sites. He explained that there was one site within the Purfleet regeneration area that had been identified for short term lease, which would not impact upon the development of the Purfleet area, but required delegation due to the amount of revenue that could be created.

The Interim Assistant Director Property moved on and explained that there were also two care home sites, operated by Runwood Homes, which the Council were conflicted on as the Council were the main client and also freeholder, which could make the finances difficult to manage. He added that the sites were currently under rented by approximately £100-125,000, but the Council could dispose of the sites to earn capital receipts whilst also remaining the main client. He stated that the land adjacent to Essex Arena was currently lying fallow, but also required a Cabinet decision due to delegations, and could be used for a future residential scheme. The Interim Assistant Director Property added that the strip of land between Tank Hill Road, as well as the former Whiteacres site on Daiglen Drive, outlined in the report could also be used for future residential development through the Council 's HRA or TRL.

The Interim Assistant Director Property moved on and outlined appendix two of the report. He explained that the appendix highlighted a number of children's centres, for example Aveley and Stanford-Le-Hope, which were former Victorian school buildings and therefore had high rates of capital expenditure. He stated that due to the age of the buildings and their current use as a nursery, the team felt the council were not the best landlord, and these sites could generate capital revenue without affecting their ongoing use. He added that Purfleet children's centre was also in the report as the team had received expressions of interest for the freehold. He moved onto appendix 3 and listed scout huts in the borough, most of which had been developed with community funding and were on land leased to the Scout Association by the council. He explained that most of those leases were now approaching termination date and due to new legislation regarding EPC's, the council were not able to grant new leases, unless the condition of the current buildings were substantially improved or replaced, which the council did not

have the funds to undertake. He added that the Scout Association were able to take over the freehold regardless of the EPC, which would enable them to access additional funding and grants not currently open to them due to the Council's freehold position. The Interim Assistant Director Property summarised and highlighted Appendix 4 of the report, which outlined the village halls. He stated that the village halls were expensive for the Council to run, and the village hall committees could not access community funding as the village hall was not at risk of loss. He added that the village hall leases were also quite restrictive in terms of sub-letting and uses, so disposal of these properties would mean that village halls could have more control over the site and could run them as they see fit, whilst being protected as a community asset.

Councillor Kent queried the recommendations and asked what the purpose of the report was. The Interim Assistant Director Property responded that as the report was being submitted to Cabinet for approval, the report required pre-scrutiny by the Committee to ensure the assets listed were suitable to be declared as surplus. Councillor Kent highlighted recommendation 1.2 and asked what the revenue savings were for 2021/22 from rationalisations. The Interim Assistant Director Property stated that revenue savings had been made through the disposal of sites such as Richmond Road, the former Meals on Wheels site, and the Thameside Theatre, and would provide the exact figures after the meeting. Councillor Kent asked when a full report on the Thameside Theatre would be presented to the Committee as the original date was July. The Assistant Director of Economic Growth and Partnerships explained that the team had been in a process, working with a Community Interest Company as they developed their business case for the Thameside Complex. He commented that as part of that process the team were required to advertise that an asset for community transfer was available, and a second expression of interest had been received. He explained that the second expression of interest should have the same opportunity to develop a detailed proposal or business plan, and therefore a report would be brought to Committee later in the year once these business plans had been received, reviewed and the process had concluded. Councillor Kent highlighted the Buckingham Hill site and felt concerned that the landfill site, which was currently in use, would be declared surplus. He also felt concerned regarding the proposal to dispose of land in Purfleet given the Council's regeneration scheme. Councillor Kent added that some village hall committees would not be able to manage the maintenance and village hall buildings, and sought reassurance that the village hall committees would be offered support and to ensure they could manage running their village halls. The Interim Assistant Director Property stated that the former landfill extended to 52 acres compared to the current civic amenity site which was only two acres in size. He stated the proposal in the report only considered the former landfill site, but could have an impact on the current landfill site and conversations with the environment team would be ongoing. He added that the current site could be moved or improved to ensure an effective and efficient site and increased revenue. He commented that the Corys Wharf site in Purfleet would only be a short-term lease to ensure that PTRL could continue their regeneration proposals in Purfleet. The Interim Assistant Director Property stated that the

Vosa Site in Purfleet was out of the PTRL area, although remained important to Purfleet regeneration and both teams could work together to develop. He stated the assets and communities' teams would undertake lots of work with village hall committees to ensure they were run successfully, and the asset transfer was a benefit to village halls. He explained that not every village hall committee would have the ability or experience to run their village hall, but the team would work with successful committees to share knowledge and best practice with those less able.

Councillor Arnold questioned what would happen if the leaseholder chose not to take up the freehold, and how the team would move forward if this happened. The Interim Assistant Director Property stated that the team would explore the reasons why they would not take up the freehold, but there had been a number of expressions of interest in some of the proposed sites and community asset transfer requests for village halls. He added that if some village halls did not want to take up the freehold, then the Council would grant a 100 or 125 lease to the village hall before seeking to dispose on the open market. He added that covenants would also be added to the freehold to ensure the site remained for community use. Councillor Carter highlighted appendix 4 and asked if village halls generated income. The Interim Assistant Director Property explained that some were let for a peppercorn, and some generated an income of approximately £250 per annum for the leases. He stated that Thurrock Council still had to manage the leases, which could take a lot of officer's time.

Councillor Holloway felt that was their great value in supporting communities through village hall buildings. She questioned if the leaseholders of the sites had been involved in their proposed disposal, and how many had shown interest in taking over the freehold. She also queried what information would be provided to the leaseholders and when they would receive these packs. The Interim Assistant Director Property replied that many village halls and scout huts were already aware of the liabilities and responsibilities that came with the freehold, but the team would help these sites understand their commitments and work with the communities' team to ensure that village halls could be run successfully and could access community funds, such as CEDF. He added that sites would need to prepare a business case to ensure they understood the financial aspects of the asset transfer and their obligations. He understood that some education for village hall committees would need to occur and stated that the team would be able to help assist with this. He summarised and explained that if Cabinet declared the sites as surplus, the team would be contacting the sites and would follow the asset transfer policy to ensure they all understood the process and a collaborative approach would be undertaken. Councillor Holloway asked if an update report could be presented to the Committee later in the year.

The Chair asked if the Scout Association Representative would like to speak. The Scout Association Representative stated that generally the Scouts across the borough were in favour of the asset disposal. He explained that as the Scouts were only leaseholders, they had to spend time and effort renewing leases and agreeing rents with the Council, and the Scouts maintained their

own buildings whilst not owning the land. He stated that the Scouts maintained the buildings to a high standard, which were often used for other community projects, such as full-time nurseries and the Girl Guides. He stated that the asset disposal would open opportunities for the Scouts to access other grants and community funds, and could help village halls to set up committee and trustee boards.

The Chair agreed that an update report to the Committee would be presented to the Committee later in the year.

RESOLVED: That the Committee:

1. Noted the success of the 3Rs programme in generating capital receipts totalling £9.3m in the financial year 2021/22;

2. Noted the success of the previous review of operational properties in delivering revenue savings and identifying potential sites currently being developed by TRL and HRA;

3. Passed the report to Cabinet for the following decisions:

"Declare the operational properties in section 6.2 of the report surplus to requirements and receive a report back, where applicable, on the future of the sites and any alternative delivery consideration;

Declare surplus the properties as shown in Appendix 1, 2, 3 and 4; approve the release or re-use of the properties as outlined; and

Subject to the agreement to release the assets in Appendix 1, 2, 3 and 4; delegated authority of the disposal to the Corporate Director of Resources and Place Delivery, in consultation with the Leader and the completion of a delegated authority decision report."

5. **End of Year (April 2021 to March 2022) Corporate Performance Report 2021/22**

The Strategy Manager introduced the report and stated that 67.5% of indicators had met target, which was better than 2020/21, but lower overall than the pre-COVID position. She explained that in 2021/22 some service delivery was still impacted by COVID, and this was outlined in the report. She added that it was anticipated that future report would not include a specific section on COVID impacts, but would be referenced in commentary if it continued to affect specific indicators. She added that commentary had been included for each Key Performance Indicator (KPI) which had missed target, and, because this was the end of year report, qualitative highlights had also been included at 3.4.

Councillor Kent highlighted page 79 and the KPI relating to the percentage of refuse bins collected on the correct day. He thanked the environment team for their hard work collecting bins throughout the year, and asked how the KPI

data was collected. The Strategy Manager explained that due to the strike action that occurred, the KPI did not include data for April and May 2022, but did include all other months. She added that the data was based on collection information from refuse lorries. Councillor Kent moved onto the KPI regarding payment of Fixed Penalty Notices (FPN) on page 81 and felt concerned about the lack of payment. He queried how many people chose not to pay the FPN and went to court instead. The Strategy Manager stated that she did not have the specific data so would ask the service leads and report back to the Committee. Councillor Kent queried the number of apprenticeships as outlined on page 84 and asked how many of those apprenticeships were completed. He felt concerned that some people were not completing apprenticeships as they became full-time Council employees, which meant people were not receiving the qualifications and Thurrock Adult Community College did not receive their completion funding. The Strategy Manager stated that she did not have the data but would come back to the Committee. She highlighted that the figure also included substantive members of Thurrock Council staff who were undertaking apprenticeships alongside their roles. Councillor Kent asked if the KPI could include numbers for people starting and finishing apprenticeships; and to recommend to Cabinet that apprentices who start at the Council and become full-time employees are encouraged to complete their apprenticeship qualification.

Councillor Carter thanked officers for the report and felt pleased to see that the majority of KPIs had met target. He highlighted page 79 of the report and stated that some KPIs had exceeded their target by a large amount. The Chair echoed Councillor Carter's comments. He felt pleased to see that COVID was not expected to affect as many services in future, and requested that any additional information requested be sent to the Committee as soon as possible. Councillor Hebb, Cabinet Member for Transformation and Performance, highlighted recommendation 1.3 to refresh the borough vision following changes in Thurrock such as Thames Freeport, and proposed central government changes to local authorities. He confirmed that this would also include a review of the related corporate performance framework and suggested a review of officer attendance at the Committee to ensure that additional information could be responded to on the night.

RESOLVED: That the Committee:

1. Noted and commented upon the performance of the key corporate performance indicators, in particular those areas which did not reach their target and the impact of COVID-19.

2. Identified any areas which require additional consideration in 2022/23 as part of the refresh of the council's corporate performance framework.

3. Noted the commencement of a refresh of the borough forward vision, and underlying key priorities and key performance indicators, reflecting a modern Thurrock (inclusive of major infrastructure investment through the Towns Funds and Thames Freeport).

6.   Work Programme

Councillor Hebb asked if three items could be added to the Work Programme:

1. Analysis of enquiries which come in from residents and elected Members, for example a report on the interactions between the Council and elected Members/residents to identify any emerging themes and propose any necessary recommendations. Including customer service calls and emails; Member's enquiries; complaints and complements.

2. Customer Service, including the feasibility of a new Thurrock app in the medium to long term, to report missed bin collections, potholes, pay fines etc., whilst retaining face-to-face services.

3. Senior officer performance framework report – outlining how Members currently, and could further, contribute to the Chief Executive and senior officer performance appraisals.

The Senior Democratic Services Officer stated that she would liaise with senior officers and the Chair to include these on the Work Programme, where appropriate.

The Chair agreed that an updated Asset Review report would be added to the Work Programme in early 2023.

The meeting finished at 8.04 pm

Approved as a true and correct record

CHAIR

DATE

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Democratic Services at Direct.Democracy@thurrock.gov.uk

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Meeting of Association of South Essex Local Authorities (ASELA) - Joint Committee

Date: Thursday, 14th July, 2022
Place: Council Chamber, Castle Point Borough Council, Kiln Road, Thundersley, Benfleet, SS7 1TF

Present: Councillor C Hossack (Chair) (Brentwood Borough Council)
Councillors S Wootton (Vice-Chair) (Rochford District Council), A Baggott (Basildon Borough Council), D Blackwell (Castle Point Borough Council), M Coxshall (Thurrock Borough Council) and S George (Southend-on-Sea City Council)

In Attendance: I Butt (Castle Point Borough Council), L Carpenter (Thurrock Borough Council), A Horgan, A Hutchings (Castle Point Borough Council), A Lewis (Southend-on-Sea City Council), S Logan (Basildon Borough Council), J Stephenson (Brentwood Borough Council and Rochford District Council), A Wardle (ASELA Communications Lead), S Tautz (Southend-on-Sea City Council), R Whiteley (Thurrock Borough Council) and L Wosko (Castle Point Borough Council)

Start/End Time: 10.00 am - 12.05 pm

1 Election of Chair and Vice-Chair

On the nomination of Councillor S Wootton and with the unanimous support of the Joint Committee:

Resolved:

(1) That Councillor C Hossack be elected as Chair of the Joint Committee for the remainder of the 2022/23 municipal year.

On the nomination of Councillor C Hossack and with the unanimous support of the Joint Committee:

Resolved:

(2) That Councillor S Wootton be elected as Vice-Chair of the Joint Committee for the remainder of the 2022/23 municipal year.

2 Apologies for Absence

Apologies for absence were received from Councillor K Bentley (Leader - Essex County Council), P Glading (Chairman - Opportunity South Essex (Co-Opted Member)), G Jones (Chief Executive - Essex County Council), M Doran (Essex County Council) and P Bates, E Helm (Southend-on-Sea City Council).

3 Declarations of Interest

No declarations of interest were made at the meeting.

4   Minutes of Previous Meeting

Resolved:

That the minutes of the meeting of the Committee held on 10 February 2022 be confirmed as a correct record.

5   ASELA Joint Committee - Review of Governance Arrangements

The Joint Committee considered a report of the Monitoring Officer for Basildon Borough Council, regarding the annual review of the governance documents for the Joint Committee recently undertaken by the Monitoring Officers, Chief Financial (Section 151) Officers and Chief Executives of the ASELA local authorities, to ensure that the governance arrangements for the Committee remained fit for purpose to support the developing ambitions of ASELA.

It was reported that the review of the governance arrangements had identified that it would be beneficial to clarify that the proceedings of the Joint Committee were bound by the provisions of Schedule 12 of the Local Government Act 1972, but that constituent local authorities had agreed to operate in accordance with the arrangements set out in the governing documents. The Joint Committee was advised that this approach primarily related to the provision that there be no arrangement for a casting vote and for decisions that affected an individual local authority to require the specific support of that authority rather than simple agreement by a majority vote. Members noted that it was proposed that such clarification be made through the inclusion of an additional relevant provision within the governance documents for the Joint Committee.

The Joint Committee was advised that, arising from the recent review of the governing documents, Monitoring Officers were developing an Assurance Framework to provide clarity and understanding of operating arrangements and processes across the key programmes of ASELA, to ensure that these were consistent and fit for purpose as the programmes progressed.

Members considered that it was also important to ensure that the activities of the Joint Committee were subject to robust overview and scrutiny arrangements, notwithstanding that the governance documents already made provision for the work of ASELA to be subject to scrutiny through each of the constituent local authorities' own overview and scrutiny processes.

Resolved:

(1)   That the report of the annual review of the governing documents for the Joint Committee, be noted.

(2)   The following additional provision be added to the governing documents as new Paragraph 1.8:

'The Joint Committee and its proceedings are bound by Schedule 12 of the Local Government Act 1972; however constituent authorities have agreed and shall be expected to operate in accordance with the local arrangements set out in the Governing Documents.'

(3)   That the Joint Committee note that no other changes are considered to be required to the governing documents at this time.

(4)   That the ongoing development of an Assurance Framework to provide clarity and understanding of operating arrangements and processes across the ASELA key programmes, for consideration at a future meeting of the Joint Committee, be noted.

(5)   That Monitoring Officers be requested to consider the effectiveness of current arrangements for the activities of the Joint Committee to be subject to overview and scrutiny by each of the constituent local authorities' and report on any changes required to achieve a robust scrutiny process for the Joint Committee, to the next meeting.

6   ASELA Joint Committee - Accountable Body & Secretariat Arrangements

The Joint Committee considered a report of the Interim Director of Financial Services for Southend-on-Sea City Council, with regard to the proposed transfer of the role of Accountable Body for ASELA from Castle Point Borough Council to Southend-on-Sea City Council and for the transfer of the future provision of secretariat support for the Joint Committee, from Southend-on-Sea City Council to Thurrock Borough Council.

Members were reminded that the governing documents for the Joint Committee required that the designation of an 'Accountable Body' should be agreed by the Committee in relation to the functions and resources of ASELA. A Lewis indicated that, as a result of the likely growth in the future scope and responsibilities of the partnership, it was recommended that this responsibility should be transferred to Southend-on-Sea City Council who were in a position to provide adequate capacity and resources to enable the Accountable Body to implement appropriate control around the finances of ASELA and to support the proposed Assurance Framework.

The Joint Committee was advised that the governing documents also required that a local authority be designated to provide secretariat services to the Committee and were informed that, in order to facilitate the sharing of support responsibilities across the constituent local authorities', it was proposed that ongoing provision of such secretariat services should transfer to Thurrock Borough Council pursuant to the assumption of the Accountable Body role by Southend-on-Sea City Council.

Resolved:

(1)   That Southend-on-Sea City Council act as the Accountable Body in relation to the functions and resources of ASELA with immediate effect, until further notice.

(2)   That Thurrock Borough Council provide secretariat services to the Joint Committee with immediate effect, until further notice.

(3)   That the appreciation of the Joint Committee for the support of Castle Point Borough Council in undertaking the role of Accountable Body for the functions and resources of ASELA to date, be noted.

(4)   That the appreciation of the Joint Committee for the support of Southend-on-Sea City Council in the provision of secretariat services for ASELA and the Committee to date, be noted.

7   Association of South Essex Local Authorities - Finance Report

The Joint Committee received the ASELA finance report for June 2022, which set out the current financial position for the partnership and provide assurance in relation to the arrangements for financial management and reporting in respect of the ASELA budget.

Members were advised that the provisional outturn for 2021/22 currently showed an in-year deficit of £251,000, which was predominately related to funding of £240,000 expected from Homes England not being received during the year, although the surplus brought forward from previous years had the effect of reducing the actual deficit for the year to £174,000.

The Joint Committee was informed that significant effort had been made to secure the outstanding funding from Homes England, but that it had not proved possible to find a solution that would allow Homes England to fund the work that had been completed in anticipation of the promised funding being received. It was reported however that, since the preparation of the report and as a result of new powers given to Homes England by the Department for Levelling Up, Housing and Communities, Homes England had formally confirmed in writing that it would be able to make the funding of £250,000 to ASELA, although the mechanism for the settlement of the funding arrangement had not yet been confirmed by Homes England.

The Joint Committee was advised that the provisional outturn for 2022/23 currently showed an in-year deficit of £74,000 in addition to the deficit for 2021/22 of £174,000 but that, once the outstanding funding had been secured from Homes England, it was expected that this would eradicate the current budget deficit.

Resolved:

(1)   That the ASELA Finance Report for June 2022, be noted.

(2)   That should the outstanding funding of £240,000 due from Homes England to fund work already completed by ASELA not be received, proposals for the eradication of the forecast budget deficit for 2022/23 be considered at the next meeting of the Joint Committee.

(3)   That the Chair write to Homes England and the Department for Levelling Up, Housing and Communities (as appropriate) on behalf of the Joint Committee, expressing concern at the implications of the apparent delay in the receipt of the outstanding funding on the delivery of the key programmes of ASELA and seeking the settlement of the funding arrangement as soon as possible.

(4)   That appropriate updates on the progress of the settlement of the funding arrangement with Homes England be provided to all members of the Joint Committee in advance of the next meeting.

8   **Thames Freeport Programme - Highlight Report**

The Joint Committee received an overview of current progress with regard to the Thames Freeport programme.

L Carpenter reported that the final Business Case developed by the Thames Freeport partners had been submitted to the Government during April 2022, the decision on which was still awaited.

The Chair suggested that going forward, the Thames Freeport programme should be regarded as a key element of the delivery of an overall economic growth ambition for South Essex by ASELA rather than as a standalone programme and that it would also be helpful for the ASELA region to be formally defined as a Functional Economic Area. L Carpenter indicated that discussions around the review of the current key programmes in terms of the broader economic corridor of South Essex, had already been initiated by Chief Executives and that appropriate proposals for the refresh of the key programmes as overarching themes, would be brought to the next meeting of the Committee for consideration.

The Joint Committee considered that, as part of the review of the Thames Freeport programme, the opportunity should also be taken to ensure that the other key programmes of ASELA were appropriately focussed on economic growth and the provision of housing, transport, skills, infrastructure and the environment, with existing and future activity being delivered as part of the proposed overarching programme

themes. L Carpenter reported that the possible identification of Lead Members/Project Sponsors for the ASELA programmes to support the delivery of activity and outcomes alongside the lead officers for each programme, had also recently been discussed by Chief Executives.

Resolved:

(1) That the progress of the Thames Freeport programme be noted and that the continued provision of support to deliver the programme, be endorsed.

(2) That a report on the review and refresh of the current ASELA key programmes as overarching themes to support economic growth and the provision of housing, transport, skills, infrastructure and the environment for South Essex, be made to the next meeting of the Joint Committee.

(3) That proposals for the identification of Lead Members/Project Sponsors for the overarching key programmes, to support the delivery of activity and outcomes alongside Chief Executives going forward, be made to the next meeting of the Joint Committee.

9 **South Essex Estuary Park Programme - Highlight Report**

The Joint Committee received an overview of current progress with regard to the South Essex Estuary Park (SEE Park) programme.

L Carpenter reported that the full business case for each of the landscape spaces within the SEE Park was currently being developed, alongside an indicative programme delivery plan and the identification of an appropriate governance framework for the SEE PARK to ensure its future self-funding independence, which was to be brought to the next meeting of the Joint Committee for consideration.

The Joint Committee indicated that it was important to maintain focus on the benefits of the SEE Park for the whole of the South Essex area and to protect the programme from the challenges presented by other landscape regeneration issues in the ASELA area, particularly those arising from the delivery of the proposed Lower Thames Crossing.

Members were pleased to be advised of the national recognition being generated by the delivery of the SEE Park programme, including the recent nomination of the programme for the global World Architecture Festival Awards for 2022.

Resolved:

That the progress of the South Essex Estuary Park (SEE Park) programme be noted and that the continued provision of support to deliver the programme, be endorsed.

10 **Digital Programme - Highlight Report**

The Joint Committee received an overview of current progress with regard to the Digital programme.

J Stephenson reported that the installation of over 200km of full fibre infrastructure across the ASELA region had recently been completed, to connect public sector sites including libraries, sheltered accommodation, schools, fire stations and community and village halls. The Joint Committee was advised that the next element of the programme was It was reported that the taking of service from the fibre installation, which was a key requirement of the grant funding for the programme and the point at which real benefit would be delivered. J Stephenson reported that a procurement process was currently underway for the taking of service, which was to be concluded by the end of August 2022.

The Joint Committee requested that a presentation on the successful outcomes arising from the programme to date be made to the next meeting of the Joint Committee and that appropriate fibre carriers and infrastructure providers be invited to attend the meeting to outline their experiences of the delivery of the programme and the opportunities that it can bring to stimulate investment for South Essex, particularly in 'not spot' areas.

Members requested that details of the specific outcomes achieved from the Digital programme so far and the current level of return on investment achieved from the delivery of the programme, be included in future highlight reports made to the Joint Committee.

Resolved:

That the progress of the Digital programme be noted and that the continued provision of support to deliver the programme, be endorsed.

11   **Housing Programme - Highlight Report**

The Joint Committee received an overview of current progress with regard to the Housing programme.

The Chair sought clarification of the implications for the delivery of the programme, arising from the current delay in the settlement of the funding arrangement with Homes England previously raised as part of the consideration of the ASELA finance report for June 2022. J Stephenson highlighted that, despite the delay in the settlement of the funding arrangement, a significant amount of work with partners including Homes England had been achieved on the delivery of aspects of the programme.

The Joint Committee was advised that there was a need to allocate additional resources to the delivery of the programme and that provision had been made within the current ASELA budget for recruitment to a Programme Director position to lead the programme. Members noted that the programme was currently being delivered on the basis of the 'in kind' officer capacity allocated by the ASELA local authorities, but that this arrangement would not be sustainable for the full delivery of the programme going forward.

J Stephenson reported that Homes England were currently working with partners on technical assessments for seven 'pipeline' sites across the ASELA area to deliver approximately 1,000 new homes, many of which already had planning permission, but each of which also had complex needs in terms of the unlocking of development potential. I Butt reassured the Joint Committee that this aspect of the programme did not cut across the local plans of the constituent local authorities and that it sought to identify and utilise collective resources in a coordinated approach to facilitating the delivery of new housing development on stalled sites.

Members requested that, subject to the consideration of any commercial sensitivities, details of the 'long list' of sites included in the programme be incorporated in future programme highlight reports made to the Joint Committee and that the specific individual requirements of each of the pipeline sites that were needed to be resolved to facilitate the unlocking of previously approved development schemes, also be included in future reports, in tabular form.

Resolved:

(1)   That the progress of the Housing programme be noted and that the continued provision of support to deliver the programme, be endorsed.

(2)   That the RAG status for the programme be reviewed at the next meeting of the Joint Committee, in the event that the outstanding funding arrangement has not been settled by Homes England at that time.

12   South Essex Technical University Programme - Highlight Report

The Joint Committee received an overview of current progress with regard to the South Essex Technical University programme.

S Logan reported that, following the approval of the full business case for the Technical University by the Partnership Board in March 2022, letters of commitment had been received from the main business supporters to confirm their continued commitment to the programme and the provision of an agreed number of learners from September 2023 onwards. Members were advised that two further businesses had also now confirmed support for the establishment of the University.

The Joint Committee considered the Business Case and Financial Model for the Technical University and the establishment of a Business Advisory Forum to support wider business interest around the University. S Logan reported that the proposed Financial Model was considered to be commercially viable, but that pump-priming funding would be required from ASELA. The Joint Committee was informed that resources had been made available by Essex County Council to support the provision of professional support for the procurement of the higher education provider for the Technical University by October 2022.

The Joint Committee received video presentations prepared by senior management representatives of key business supporting the establishment of the South Essex Technical University.

Resolved:

(1)   That the progress of the South Essex Technical University programme be noted and that the continued provision of support to deliver the programme, be endorsed.

(2)   That the South Essex Technical University Business Case and Financial Model be endorsed.

(3)   That the commitment of ASELA funding of £60,000 in 2022/23 to enable the appointment of advisers to continue to move the project forward, be agreed.

(4)   That appropriate updates on the progress of the procurement of the higher education provider for the South Essex Technical University, be provided to all members of the Joint Committee in advance of the next meeting.

13   Association of South Essex Local Authorities - Communications Report

The Joint Committee received an update on recent communications activity to support ASELA and its key programmes, following the agreement of a broad communications and engagement strategy to support the key programmes at the previous meeting of the Committee.

A Wardle reported that ASELA had continued to benefit from a high profile since the previous meeting through external recognition and had increased its social media following. Members were advised however, that proactive communications opportunities had been limited during the recent pre-election period but that, as the key programmes moved increasingly into delivery mode, opportunities for positive promotion and engagement would increase.

The Joint Committee considered proposed key messages and proof points for future communications activity, arising from the endorsement of the ASELA communications and engagement strategy.

Resolved:

(1)   That the ASELA Communications Report be noted.

(2)   That the proposed key messages for future communications activity contained in Section 3 of the report, be agreed.

14   Other Business

The Chair raised the following additional item of business:

(a)   Integrated Care Partnership

The Chair suggested that Jo Cripps, the Executive Director (Strategy and Partnerships) of the Mid and South Essex Integrated Care System, should be invited to attend a future meeting of the Joint Committee to discuss how ASELA could support the Integrated Care Partnership around its priority to achieve health equity through good education, opportunities for employment, decent housing and a vibrant local economy.

6 October 2022	ITEM: 5
Corporate Overview and Scrutiny Committee	
Financial Update – Quarter 1 2022/23	

Wards and communities affected:	**Key Decision:**
All	N/A

Report of: Jonathan Wilson, Deputy S151 Officer, Corporate Finance, Resources & Place Delivery
Accountable Assistant Director: N/A
Accountable Director: Jonathan Wilson, Deputy S151 Officer, Corporate Finance, Resources & Place Delivery
This report is public

Executive Summary

This report provides the Committee an updated general fund forecast outturn position for the 2022/23 financial year (based on the information available to 30 June 2022).

In respect of the financial reporting the quarter 1 position is presented in the context of the new arrangements in place and with the oversight of the Commissioners.

At the end of quarter 1 a service pressure of £7.467m has been identified with £6.646m of mitigation available leading to a £0.821m budget pressure for the financial year. A further pressure of £1.232m has been identified relating to the treasury position specifically.

Summary	£'000
Service pressure at month 2 (Table 1)	7,467
Treasury position (Table 1)	1,232
Identified pressures at Q1	**8,699**
Use of earmarked reserves (table 5)	(5,462)
Further use of transformation reserve (balance in Table 4)	(684)
Net reduction in corporate costs	(500)
Remaining pressure at Q1	**2,053**

Officers continue to work to reduce the remaining pressure and mitigate further potential risks with the intention of delivering a balanced budget at the end of the financial year.

The committee should note the extensive use of one-off funding supporting the current position and be aware of the longer-term impact on the MTFS.

Further work is also being carried out to fully assess the overall Treasury position and appropriate resolution plans which may be required. The impacts reflected in this report are in respect of known changes to investment income and associated borrowing costs up to 30th June. There remains further consideration of wider capital impacts including a review of MRP. Updates will be provided in due course and there remains significant uncertainty in this area

A revised MTFS will be presented in Q2 to reflect the updated Treasury position and the wider impacts of inflationary pressures and recurring budget pressures.

The Housing Revenue Account is forecasting a small surplus in 2022/23 and the detail is contained in Appendix 2.

The Dedicated Schools Grant is forecast to breakeven in 2022/23 and the detail is contained in Appendix 3.

The Public Health expenditure is projected to be contained within the 2022/23 funding allocation and the summary position in shown at Appendix 4.

This report also provides an update to the Committee on the financial position of the capital programme and is based on expenditure to the end of month 3 (the period 1 April 2022 to 30 June 2022) and projected expenditure for the remainder of the year. The key point to note is there is some slippage on both the GF and HRA capital programmes.

1. **Recommendations:**

1.1 **That the Committee note the Department of Levelling Up, Housing and Communities have put an intervention package in place and nominated Essex County Council as the Commissioners as set out in section 2,**

1.2 **That the Committee comment on the forecast revenue and capital outturn positions for 2022/23,**

1.3 **That the Committee note additional action will be required to identify further savings to manage the reported General Fund budget pressures.**

2022/23 General Fund Forecast Outturn Position

2. **Government Intervention**

2.1 The Committee should note that on the 2 September 2022 The Department of Levelling Up, Housing and Communities announced directions to implement an intervention package at the Council.

2.2 The Secretary of State is exercising his powers under section 15(11) of the Local Government Act 1999 to give a Direction without complying with the requirement at section 15(9) to give Thurrock an opportunity to make representations about the Directions, as he considers the failures of the

Council's compliance with its Best Value duty in respect of the functions specified in the Directions sufficiently urgent. This is because of the following:

- the scale of the financial and commercial risks potentially facing the Authority, which are compounded by the Authority's approach to financial management and the seriousness of the allegations that have been made by third parties about the processes that have been applied to the operation of the Authority's commercial strategy, and;
- the failure of the Authority to provide assurance to Ministers and the Department on the adequacy of the actions that they are taking to address the issues, taking account of the scale and pace of the response required.

2.3 Taken together, the Secretary of State considers that there is a pressing case for urgent government action to protect the interests of the residents and taxpayers of Thurrock, as well as to provide assurance to the sector that action is being taken. The scale and nature of the issues is emerging rapidly, and the Secretary of State is concerned that further evidence of failure could come to light very quickly and require prompt action.

2.4 The Secretary of State has nominated Essex County Council to the role of Commissioner. Further detail is set out in the report below. The intervention package is formed of two complementary parts:

- the first is that the Council's functions over managing its financial resources, exercise of the statutory requirement to arrange for the proper administration of the Council's financial affairs, and all functions associated with the strategic financial management of the Authority will be overseen by Essex County Council, in the role of Commissioner.
- The second part is that the Secretary of State has appointed Essex County Council as a Best Value inspector, to inspect the governance, audit (internal and external), risk management, overview and scrutiny functions of the Council, and consider their impact on service delivery.

2.5 Both parts share a common goal, which is to protect the interests and services of the people of Thurrock.

2.6 The Council is treating this situation extremely seriously and has worked with the Government in recent weeks, as well as independent financial and legal experts to fully understand how the situation has arisen and establish a comprehensive resolution plan to safeguard the Council's financial position. The Council is grateful to the Government for the support they have given us and welcome the action to instigate intervention and provide additional support. The Council is co-operating fully with the appointed Commissioners to work to protect the delivery of core services and planned investment in the community.

3. **Introduction and Background**

3.1 In February 2022, Council agreed the 2022/23 budget in line with a one-year balanced MTFS. Key measures are as follows:

- Council Tax Increases – permanent – a 2.99% increase, the maximum allowed (£2.143m)
- Use of Capital receipts for Transformation Activity – one off - subject to disposals (£3.300m)
- Use of Reserves – one off (£3.000m)
- A series of permanent departmental savings, including identified staffing reductions (£14.200m)
- A continuation of the controls on recruitment to create additional in-year savings (£3.000m)

3.2 This report sets out the latest forecast position with a focus on general fund service budget positions.

4. General Fund Quarter 1 Monitoring

4.1 The Council's current net services general fund budget (excluding corporate budgets & central financing) is now £151.649m. This reflects the final 2022/23 pay award and inflation, service realignments and other agreed growth and savings allocations.

4.2 The forecast outturn position at quarter 1 is estimated to be £159.116m which results in an unfavourable service variance of £7.467m, prior to support from additional resources. This is equivalent to a 5% variance to budget (Table 1).

4.3 The estimated reduction in net investment income and changes in borrowing costs leads to a further pressure within the Treasury budget of £1.232m. This is equivalent to a 12% variance to budget (Table 1).

Table 1: 2022/23 Forecast Directorate position:

Directorate	Current Budget £'000	Quarter 1 Forecast £'000	Quarter 1 Variance £'000	% Variance to Budget
Adults, Housing and Health	50,966	53,660	2,694	5%
Children's Services	40,698	42,390	1,692	4%
Housing General Fund	1,598	1,659	61	4%
HR, OD, and Transformation	9,058	8,815	(244)	-3%
Public Realm	35,122	35,207	85	0%
Resources & Place Delivery	13,957	14,164	208	1%
Strategy, Engagement & Growth	3,250	3,221	(29)	-1%
Vacant post saving (Note 1)	(3,000)	0	3,000	
General Fund Net Services position	**151,649**	**159,116**	**7,467**	**5%**

Investment Income	(41,472)	(37,506)	3,967	10%
TRL	(1,174)	(1,021)	154	13%
MRP	9,957	7,683	(2,274)	-23%
Borrowing	22,089	21,474	(615)	-3%
Treasury position	**(10,601)**	**(9,369)**	**1,232**	**12%**
Grand Total	**141,048**	**149,747**	**8,699**	**6%**

Note 1 - the Quarter 1 actual position on vacant posts is part of the directorate outturns and is shown in table 2 below.

4.4 Within the directorate budgets the following key variances have been identified at quarter 1 (Table 2).

Table 2 Key variances:

Variance category	Variance analysis	Current Budget £'000	Q1 Forecast £'000	Q1 Variance £'000
1. **Demand Increase**	ASC External Placements	32,658	35,542	2,885
2. **Vacant post saving**	Employees Costs	90,533	92,556	2,023
3. **Demand**	School Transport	3,310	4,245	935
4. **Children's Social Care**	CSC External placements	12,282	12,729	446
	CSC Legal Proceedings	272	773	501
5. **Income generation**	Counter Fraud	(382)	(1,502)	(1,120)
	Ground Maintenance Saving	(150)	(20)	130
	Parking charges	(465)	(123)	342
6. **Inflation**	Utilities	2,723	3,177	454
	Highways, Fleet & Logistics	451	601	150
	Other Expenditure	5,282	5,537	255
7. **Delay to savings & demand pressure**	Waste Collection	5,136	5,602	466
8. **Treasury**	Investment Income, interest costs and MRP	(10,601)	(9,369)	1,232
Total		**141,048**	**149,747**	**8,699**

4.5 An explanation for the identified variances within categories 1-7 above is shown in Appendix 1, along with several proposed action points. Further detail on category 8 is set out above.

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4.6   As noted, further work is being carried out to assess the overall treasury position and figures included in tables 1 and 2 are based on known revenue impacts to date.

4.7   In addition to the above budget pressures already identified are several further risks to consider with the potential to create further budget variances as the year progresses. These are not currently included in the forecast outturn position but are listed at the end of this report in Table 5.

5.   Central Financing & Corporate Costs

5.1   Alongside the direct service budgets are the corporate costs and central financing allocations. A quarter 1 estimate is forecasting that the corporate costs budgets can contribute a £0.500m reduction to the overall costs of service delivery.

6.   Reserves & Capital Receipts

6.1   It should be noted that the 2022/23 budget has been set with the assumption that one-off £3.3m capital receipts funding will support appropriate in-year transformational spend. At the end of quarter 1 capital receipts have been generated from the asset disposal programme that meet this requirement.

6.2   There was also the assumption that £3m one-off use of reserves would be applied to the general fund budget and the impact on the financial resilience reserve is shown below (Table 3). This will continue to be reviewed as the year progresses alongside the wider risks in table 5 below.

Table 3

Reserve name	Opening 2022/23 Balance	In-year requirement	2022/23 Closing balance
	£'000	£'000	£'000
Financial Resilience Reserve	(5,000)	3,000	(2,000)

6.3   Other earmarked reserves are available to support specific services and functions in line with the conditions of the funding source and assumed use of these reserves is included as part of Appendix 1 and summarised below (Table 4).

Table 4

Support from earmarked reserves:	£'000
Adult Social Care reserve	(2,885)
Housing GF reserve	(61)
Children's Social Care reserve	(1,216)
Inflation reserve	(1,000)
Workforce reserve	(300)
Total	**(5,462)**

6.4 It should be noted that whilst the external audit review remains outstanding and consequently the 2021/22 position cannot be finalised, the availability of these reserves remains unconfirmed at this stage.

6.5 The Council's General Fund balance is held to mitigate against the financial risks inherent in delivering Council services. At the start of the year the general fund balance was £11m.

6.6 Should the current forecast outturn be realised but supported through the use of earmarked reserves, service efficiencies and/or increased revenue the year-end general fund balance would remain at £11m as at 31st March 2023. If mitigation is not identified and further potential risk areas shown in table 5 materialise then further use of reserves including the general fund would remain under consideration.

7. Additional Risk & Uncertainty

7.1 The budget is set on assumptions and economic forecast but there is inherent risk and uncertainty:

Table 5

Risk Area	Concern
Inflation	• Inflation has increased significantly in recent months and is impacting supply chain costs across many services • Energy costs continue to increase impacting Corporate Landlord services • National pay agreement with Trade unions will impact local pay agreements and remains under assessment
Provider failure	• There are significant additional financial pressures on external providers to deliver core services commissioned by the Council.
Ongoing demand volatility	• As the pandemic recedes the level of demand for key services within the system and particularly within the Social Care services
Uncertainty of government funding	• Effectively a one-year settlement was announced in November 2021 and hence there remains uncertainty in planning for services in the medium term
Delivery risk	• Significant savings were applied to the 2022/23 budget allocation, and these remain subject to implementation in the agreed timescales
Interest rates	• Changes to the Bank of England interest rate may further impact the cost of borrowing
Investment return	• The investment returns rely on the underlying performance of the associated entities.

7.2   Services may move in or out of the above risk monitoring as the year progresses and operational issues are either identified or resolved.

8.   Capital Programme Update

8.1   Capital schemes and resources are identified in two specific categories:

- Mainstream schemes – capital expenditure funded through prudential (unsupported) borrowing, from capital receipts, from the capital contribution from revenue budget or from earmarked capital reserves; and
- Specific schemes – capital expenditure funded through external funding sources, for example, government grants and Section 106 monies which are ring fenced for specific projects.

9.   General Fund Schemes

9.1   The current position for General Fund schemes for 2022/23 is summarised below:

Capital Programme – Projected Outturn as at Quarter 1

	Latest Agreed Budget	Projected Outturn to 31/03/2023	Variance against budget
	£'000's	£'000's	£'000's
Expenditure:			
Children's Services[1]	4,490	4,490	0
Adult, Housing & Health	4,609	4,609	0
Public Realm	27,326	27,326	0
Resources & Place Delivery	34,479	33,287	(1,192)
HR, OD & Transformation	7,707	7,319	(388)
Strategy; Engagement & Growth	104	104	0
Commercial Services	16	16	0
Total Expenditure	**78,731**	**77,151**	**(1,580)**
Resources:			
Prudential Borrowing	(54,629)	(54,241)	388
Capital Receipts	(69)	(69)	0
Reserves	(0)	(0)	0
Government Grants	(15,507)	(15,507)	0
Other Grants	(6,628)	(5,436)	1,192
Developers Contributions (S106)	(1,898)	(1,898)	0
Total Resources	**(78,731)**	**(77,151)**	**1,580**
Forecast Overspend in Resources	**0**	**0**	**0**

[1] The capital budget for schools is designed around academic years and officers are confident that this will be defrayed in full within the current academic year

9.2 This illustrates a projected outturn at the end of the financial year of £77.151m, which is £1.580m less than the latest agreed budget for the year. This forecast variance is further analysed below.

Analysis of forecast variance

	Re-profiling of expenditure at Month 3	Capital schemes requiring additional funding	Completed Projects	Forecast variance against budget at Month 3
Expenditure:	£'000	£'000	£'000	£'000
Resources & Place Delivery	(1,192)	0	0	(1,192)
HR, OD & Transformation	(388)	0	0	(388)
Total	**(1,580)**	**0**	**0**	**(1,580)**

9.3 This shows that the forecast underspend is principally due to slippage/budget re-profiling on current schemes (£1.580m). Consequently, the funding remains allocated to specific current schemes.

9.4 Schemes that are at a feasibility or at an earlier stage of development have been excluded from the reported position until their progress into a full capital scheme is determined.

9.5 Further detail is set out in Appendix 5.

10. Housing Revenue Account Capital Schemes

10.1 The current position for Housing Revenue Account schemes for 2022/23 is summarised below.

HRA Capital Programme – Projected Outturn

	Latest Agreed Budget	Projected Outturn to 31/03/2023	Variance Against Budget
	£'000's	£'000's	£'000's
Expenditure:			
Transforming Homes	53,284	50,363	(2,921)
Housing Development	1,644	1,644	0
Total Expenditure	**54,928**	**52,007**	**(2,921)**
Resources:			
Prudential Borrowing	(43,717)	(40,796)	2,921
Capital Receipts	(657)	(657)	0
Major Repairs Reserve	(10,554)	(10,554)	0
Total Resources	**(54,928)**	**(52,007)**	**2,921**

	Latest Agreed Budget	Projected Outturn to 31/03/2023	Variance Against Budget
Forecast Overspend in Resources	0	0	0

10.2 The budget for Transforming Homes in 2022/23 is £53.284m and the forecast spend is currently £50,363m. Much of the expected slippage relates to the Refurbishment of Non-Traditional properties project, where a revised programme has been developed. Spend incurred at 30 June 2022 was £4.724m.

HRA New Build Schemes

10.3 The revised budgets for 2022/23 for HRA New Build Schemes are set out below. The current forecast is £1.644m against a budget of £1.644m. These projects will utilise receipts held under Right to Buy sharing agreement between the Council and the DLUHC.

	Revised Budget	Spend YTD	Forecast	Variance from Revised Budget	
	£000	£000	£000	£000	%
Calcutta Rd	0.178	0	0.178	0	0%
Vigerons Way	1,466	0	1.466	0	0%
Total	**1.644**	**0**	**1,644**	**0**	**0%**

10.4 Further detail is set out in Appendix 5.

11. Reasons for Recommendations

11.1 The Council has a statutory requirement to set a balanced budget annually. This report sets out the budget pressures in 2022/23 along with actions to mitigate these pressures and deliver a breakeven position.

12. Consultation (including Overview and Scrutiny, if applicable)

12.1 This report is based on consultation with the services, Directors' Board, and portfolio holders.

13. Impact on corporate policies, priorities, performance, and community impact

13.1 The implementation of previous savings proposals has already reduced service delivery levels and the council's ability to meet statutory requirements, impacting on the community and staff. There is a risk that some agreed savings and mitigation may result in increased demand for more costly interventions if needs escalate particularly in social care. The potential impact

on the council's ability to safeguard children and adults will be kept carefully under review and mitigating actions taken where required.

14.   Implications

14.1 Financial

Implications verified by: **Mike Jones**

                                       Strategic Lead – Corporate Finance

The financial implications are set out in the body of this report. Council officers have a legal responsibility to ensure that the Council can contain spend within its available resources. Regular budget monitoring reports continue to come to Cabinet and be considered by the Directors' Board and management teams to maintain effective controls on expenditure during this period of enhanced risk. Measures in place are continually reinforced across the Council to reduce ancillary spend and to ensure that everyone is aware of the importance of maximising the benefit from every pound that is spent by the Council.

14.2 Legal

Implications verified by: **Mark Bowen**

                                       Interim Head of Legal

There are no specific legal implications set out in the report. There are statutory requirements of the Council's Section 151 Officer in relation to setting a balanced budget. The Local Government Finance Act 1988 (Section 114) prescribes that the responsible financial officer "must make a report if he considers that a decision has been made or is about to be made involving expenditure which is unlawful or which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency to the authority". This includes an unbalanced budget.

Legal implications arising from the government intervention detailed in the body of the report will be considered in detail as necessary in future reports.

14.3 Diversity and Equality

Implications verified by: **Natalie Smith**

                                       Strategic Lead - Community Development & Equalities

The Equality Act 2010 places a public duty on authorities to consider the impact of proposals on people with protected characteristics so that positive or negative impacts can be understood and enhanced or mitigated as appropriate. Services will be required to consider the impact on any proposals to reduce service levels through a community equality impact assessment which should seek to involve those directly affected.

14.4 **Other implications** (where significant) – i.e., Staff, Health Inequalities, Sustainability, Crime and Disorder, and Impact on Looked After Children

There are no other implications arising directly from this update report.

15. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright)

15.1 There are various working papers retained within the finance and service sections.

16. **Appendices to the report**

Appendix 1: Key general fund variances project at quarter 1
Appendix 2: HRA 2022/23 Financial Forecast quarter 1
Appendix 3: Dedicated Schools Grant 2022/23 forecast quarter 1
Appendix 4: Public Health 2022/23 financial forecast quarter 1
Appendix 5: Capital programme financial forecast quarter 1

Report Author

Jonathan Wilson

Deputy S151 Officer - Corporate Finance

Resources and Place Delivery

Appendix 1 – Key General Fund Variances Projected at Quarter 1

1. **Demographic Growth pressures – Adult Social Care**

The forecast overspend within adult social care placements at Period 2 is £2.885m. The majority of this additional demand is within services for older people, with the main contributing factors being as follows:

➢ Increase in demand volume for Homecare service, particularly in older people
➢ Level of need for people being discharge from hospital requiring continuing social care support to live independently outside of residential care, exacerbated by the change in the hospital discharge criterion from 'medically fit' to 'medically optimised' meaning patients are discharged earlier and with a greater level of care acuity.
➢ Increased complexity and the associated requirement for additional care support to existing clients. This is particularly prevalent in the substantial increase in the number of homecare packages that the Local Authority is commissioning within the external care market
➢ Longer term ramifications following the covid pandemic including the pausing by the NHS of secondary prevention programmes to manage residents with long-term conditions that is now resulting in significantly increased presentation of very unwell patients presenting at A&E for emergency hospital and the subsequent demand on ASC through increased hospital backdoor pressures. Along with the "hidden" impacts of COVID amongst both working age adults and older people caused by the lockdown and removal of non-crisis intervention by health. This is particularly prevalent in Mental Health services.

Variance analysis	Sub-service	Current Budget £'000	Month 3 Forecast £'000	Month 3 Variance £'000
Adults External Placements	External Purchasing - Older People	6,177	8,691	2,513
	External Purchasing - Mental Health Team	5,109	5,380	271
	External Purchasing - Learning Disabilities	17,315	17,488	173
	External Purchasing - Physical Disabilities	4,056	3,983	(73)
		32,657	**35,542**	**2,885**

Appendix 1 – Key General Fund Variances Projected at Quarter 1

Actions:

1. Continue to monitor demand for services, commissioning arrangements and high-cost placements – Piloting of new Power BI dashboards within three ASC Fieldwork Teams, allowing Team Managers to deep dive and review care packages generating overspends with a view to roll out service wide from September 2022
2. Automatic rolling six weekly review by ASC Fieldwork Team Managers and social workers for all packages where costs and complexity have increased plus series of deep dive reviews including Corporate Director AHH and AD ASC & Community Development for 20 most increased cost packages in association with Principal Social Worker and relevant Team Manager
3. Increased reablement capacity on hospital discharge care pathway through use of private sector providers
4. Allocate £2.885m from the earmarked social care reserve to reduce the pressure on the general fund budget
5. Continue discussions with Health colleagues re securing extension to Hospital Discharge funding
6. Decommissioning of Bridging service contracts to mitigate the rising cost of care solutions in the absence of agreement from the ICS to continue funding in Q2 to support earlier hospital discharge
7. Explore use of one-off funding within the better care fund reserves to address in year financial pressures
8. A series of "easier to implement" transformation projects from our overall transformation programme such as commissioning a new model of mental health in borough supported living schemes and developing a complex care joint housing and ASC multi-disciplinary team to avoid growing failure demand.

Appendix 1 – Key General Fund Variances Projected at Quarter 1

2. Vacant post saving & Employee costs

- The position on vacant posts continues to be monitored against a corporate target of £3m. Employee spend is estimated to be £0.977m less than budgeted before the allocation of the vacant post saving. This position needs to be considered within the context of the overall position. In some cases, reduced spend within the employee category will be offset by an under recovery of associated income or expenditure pressures elsewhere within the service area. The position will be monitored alongside the actions of the recruitment panel, the review of agency spends and wider restructures in the Council.

Variance analysis	Directorate	Current Budget £'000	Month 3 Forecast £'000	Month 3 Variance £'000
Employees Costs (note 1)	Adults, Housing and Health	20,436	20,264	(172)
	Children's Services	29,376	29,224	(152)
	Housing General Fund	2,061	2,057	(4)
	HR, OD, and Transformation	7,834	7,519	(316)
	Public Realm (note 2)	17,448	17,457	9
	Resources & Place Delivery	11,654	11,415	(238)
	Strategy, Engagement & Growth	4,724	4,620	(104)
Service total		**93,533**	**92,556**	**(977)**
	Vacant post saving	(3,000)	0	3,000
Overall employee position		**90,533**	**92,556**	**2,023**

Note 1 - Agency staff is included in the position and projected at circa £8.9m.

Note 2 - This position excludes the Counter Fraud team and the external NATIS contracts.

Actions:

- **Continue with limited approach to recruitment and weekly Recruitment Panel**
- **Continue review of agency staff through ongoing DMT reporting**

Appendix 1 – Key General Fund Variances Projected at Quarter 1

3. Demand - School Transport

- The service has commenced an externally commissioned consultant (funded through transformation budget) to undertake a review of SEND transport to ensure discretionary transport policy is being applied correctly and to identify potential changes to process and practice which may reduce the current overspend on SEND transport.
- Increase in demand for Education Health and Care Plans and the phased expansion of specialist provision within Thurrock by 96 places has placed a £0.570m pressure on the service
- The reduction proposal for St Clere's school has now been deemed to be an unsafe route. A feasibility study is being undertaken to access whether a safe walking route could be introduced. A report with recommendations and costs to be provided in August 2022. This delay to savings adds an additional £0.150m pressure.

Actions:

- **School routes to be reviewed including specific reassessment of St Clere's**
- **Compliance to policy to be reviewed – in discussion with external support**
- **Allocation of earmarked reserve to the value of 0.350m to reduce the general fund pressure**

Appendix 1 – Key General Fund Variances Projected at Quarter 1

4. **Children's Social Care**

- Significant cost pressures are generated by moves within care. Children with the most complex needs are experiencing a high level of placement instability driven by both providers giving notice on their placement and by intervention by the regulator. Thurrock is reliant on external providers for residential and complex care including SEN placements. The table below shows current forecast:

Placement Type	Budget Numbers 2022/23	Revised budget 2022/23	Jun-22 Numbers	Jun-22 Costs	Variance Period 3
Cost		£m		£m	£m
Placed with Parent / Adoption	10	£0.000	11	£0.000	£0.000
Supported Accommodation	26	£0.485	26	£0.492	£0.007
External Fostering	103	£4.542	113	£4.981	£0.439
External Residential	29	£7.555	26	£6.030	(£1.525)
Secure Placement	0	£0.000	0	£0.000	£0.000
Unregulated	0	£0.000	3	£1.699	£1.699
Education Contribution	0	(£0.300)	0	(£0.472)	(£0.172)
Remand	2	£0.030	1	£0.061	£0.031
Total LAC	**170**	**12.312**	**180**	**12.790**	**£0.478**
Internal Fostering	127	£2.608	104	£2.335	(£0.273)
	297	**£14.920**	**284**	**£15.125**	**£0.205**

- Internal fostering services are engaged in promotional activities to increase the number of long-term foster carers. The £0.273m underspend can support the additional costs within external fostering to £0.166m.
- Unregulated placements are where the Local Authority are unable to secure a suitable placement with a provider to meet the needs of the young person. In these instances, the LA has to develop a package of support around the child and seek judicial approval until a regulated place can be provided. By nature, these placements are highly complex and costly. Thurrock currently have 3 such placements at a cost implication of £1.699m. Ofsted registration is being progressed.
- There are currently 10 high-cost placements with a total forecast of £3.831m. The Directorate as part of placement panel meetings has an ongoing review of all high-cost placements with an annual cost of £0.128m.

Appendix 1 – Key General Fund Variances Projected at Quarter 1

- An external consultant (from central transformation funding) has been engaged to review all packages of care and secure additional financial contributions from Health.
- Legal proceedings are reporting an overspend of £0.501m. This is service is considered to have been impacted by the delays within the court system during the pandemic and the ongoing need to procure specialist assessments from external providers to support progression of specific cases.

Actions:

- **Continued review and promotion of the internal fostering offer to create longer term reductions in the use of external fostering providers.**
- **Further analysis of demand growth expectations for children's placements in 2022/23**
- **Full service engagement with the external placement review and further exploration of additional health funding**
- **Continued review of high-cost placements**
- **Restriction of non-essential spend elsewhere within the service**
- **Further detailed analysis of expected in-year legal proceedings costs to ensure budgetary impact is fully captured**

Appendix 1 – Key General Fund Variances Projected at Quarter 1

5. Income Generation

- **Counter Fraud**: There are proposed changes to the Counter Fraud and NATIS operating model with a report due to Directors Board. Current year projections show a surplus position which is offsetting pressures elsewhere in the directorate. This position will be revisited once the longer-term plan and associated financial position of the team is agreed.
- **Grounds Maintenance**: A saving target of £0.15m was applied to the team in 22/23 and at this stage only £0.02m of new commercial income has been secured therefore there is an under recovery of income (or unachieved saving) pressure at this time.
- **Parking charges**: The key issues being contained in this forecast include a forecast loss in parking income this year based on last year's parking volumes plus the fee increase. A number of parking sites in Grays specifically have not recovered since the pandemic due to a fundamental change in working patterns. There is also a pressure resulting from a delay in new car parks becoming fully operational/chargeable.

Actions:

- **Ground maintenance team to continue to work with Business Development & Innovation team to secure additional commercial contracts**
- **Ticketing machines for newly chargeable car parks to be implemented and funded through existing capital allocations or transformation funding to allow for charging fees to be recouped in-year**

Appendix 1 – Key General Fund Variances Projected at Quarter 1

6. Inflation

- Fuel prices in the UK have reached record highs in 2022, driven by increased wholesale prices
- The wholesale price of gas (system average price) in January 2022 was almost four times higher than in early 2021, with large rises since summer 2021.
- The Council is in long term arrangements via a procurement framework. These arrangements flatten the Council's risk and ensure procurement compliance etc in respect of the very large value of spend.
- Despite this arrangement, electricity charges look set to increase by an average of 23%. Gas charges (with effect from October 2022) are set to increase by 193% on last year's rates.
- Wider inflation impact on supplies & services is difficult to quantify/unknown at this stage but is affecting the cost of goods within the supply chain for a number of service areas and initial pressures are shown below. This continues to be monitored

Variance category	Variance analysis	Subjective Description	Current Budget £'000	Month 3 Forecast £'000	Month 3 Variance £'000
Inflation	Utilities	Electricity	1,691	1,851	159
		Fuel and Oil	908	1,114	206
		Gas	123	212	89
	Highways, Fleet and Logistics	Transport related spend	451	601	150
	Other income expenditure	General increases supplies & services	5,282	5,401	119
Grand Total			8,445	9,179	724

Actions:

- **Property Services Team to ensure allocation of bulk billing for utilities to individual service areas**
- **Corporate finance to continue monitoring national situation and amend assumptions as necessary to understand overall pressure**
- **MTFS impact to be assessed**
- **Allocation of earmarked inflation reserve to reduce pressure on the general fund position**

Appendix 1 – Key General Fund Variances Projected at Quarter 1

7. Delays to savings

Savings agreed as part of the 2022-23 budget at February Council included £322k within Public Realm to move to fortnightly collection for residual waste, due to commence in September 2022. There has been a delay to this plan awaiting clarification in terms of the Environment Bill and to ensure changes are commensurate with the Bill to avoid further future costs, therefore an in-year pressure is likely to materialise.

Alongside this additional costs have been incurred during and following industrial action, to ensure the collection of waste bins and a wider review of the service.

Variance analysis	Spend category	Current Budget £'000	Month 3 Forecast £'000	Month 3 Variance £'000
Waste Collection	Employees Costs	3,682	4,040	358
	Other running costs & Third party spend	684	792	108
	Capital Financing Expenditure	810	810	0
	Income	(40)	(40)	0
Total		**5,136**	**5,602**	**466**

Actions:

- **Continue to work with HR to resolves ongoing staffing issues**
- **Note that fortnightly collection decision has delayed implementation and not reversed the saving target; the saving will still be achieved but there is a timing issue which impacts the in-year budget and MTFS**

Appendix 2 – HRA 2022/23 Financial Forecast at Quarter 1

Service	2022/23 Budget £'000	2022/23 Forecast £'000	2022/23 Variance £'000	Comments
Housing Development	251	251	0	Development projects and staffing costs are funded, in part, through earmarked reserves, capitalisation and recharges to TRL Ltd (through SLAs). Projected to balance.
Financing and Recharges	24,501	24,501	0	This reflects cost of borrowing, revaluation, pensions, SLAs and central recharges and projected to balance.
Rent and Income	(52,082)	(52,293)	(211)	The increase in income reflects additional rents and service charges due to new properties coming online.
Repairs and Maintenance	12,893	13,093	200	Additional requirement for non-capital works due to legislative changes
Operational Costs	14,437	14,239	(198)	The underspend represents vacancies across all HRA services.
Grand Total	**0**	**(209)**	**(209)**	

The HRA is forecasting a small budget surplus due to staffing vacancies and a favourable position on rent collection

Part of this additional funding will be used to mitigate additional repair and maintenance costs. Wider risk of further inflationary impacts which are currently being managed within the wider staffing savings.

Appendix 3 – Dedicated Schools Grant – 2022/23 Financial Forecast at M3

The current projected outturn for 2022/23 is a breakeven position as shown below:

DSG 2022/23	Funding Settlement	Academy Recoupment	Funding Block Transfer	Early Years Adjust	Final DSG	Outturn	Variance
	£m	£m	£m	£m	£m	£m	£m
Schools	146.520	(140.961)	(0.700)	0.000	4.858	4.704	(0.154)
Central Services	1.688	0.000	0.000	0.000	1.688	1.626	(0.061)
High Needs	32.689	(6.500)	0.700	0.000	26.889	27.104	0.214
Early Years	10.734	0.000	0.000	0.000	10.734	10.735	0.000
Total	191.631	(147.461)	0.000	0.000	44.170	44.169	(0.000)

For 2022/23 the High Needs Block received a funding increase of £4.5m, which includes £1.2m of additional funding to reflect inflation and increase to National Insurance rates. The increase in funding is supporting the increase in demand for Education, Health and Care Plans, specialist placements and increase in payments to providers.

The key area of risk remains the additional funding in the High Needs Block does not meet any further changes to demand levels – this will be considered and reported back to DB monthly.

At this stage pupil movement, with the schools and high needs block, for the new academic year is not fully known. This will be included in the information to be reported in September.

Appendix 4 – Public Health 2022/23 Financial Forecast at Quarter 1

Public Health

The Public Health Grant was increased by £0.325m in 2022/23 with the full allocation for the year now being £11.911m. The increase in grant has been allocated to the Agenda for Change uplift in relation to NHS staffing pay which has seen an increase of 3% for the current and previous financial years. The grant uplift has been directly passported on to our primary care providers.

There is a shortfall of income from the Public Health grant of £0.417m that is currently being funded through our ringfenced reserve. Discussions are ongoing to actively reduce this shortfall through future contract negotiations with our providers.

Appendix 5 – Capital Programme Financial Forecast at Quarter 1

Summary of the 2022/23 General Fund Capital Programme	Approved Budget			Projected Outurn			CY Spend	% Spend against
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25	(Jun-22)	CY Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Childrens Service	4,490	0	0	4,490	0	0	254	**5.66**
Adults; Housing and Health								
Community Development	1,245	500	0	1,245	500	0	3	**0.24**
Provider Services	15	0	0	15	0	0	0	**0.00**
Better Care	1,386	0	0	1,386	0	0	170	**12.00**
Housing General Fund	1,963	0	0	1,963	0	0	-2	**0.00**
	4,609	**500**	**0**	**4,609**	**500**	**0**	**171**	**3.71**
Public Realm								
Highways Maintenance	20,728	3,668	170	20,728	3,668	170	1,557	**7.51**
Resident Services	1,449	825	0	1,449	825	0	111	**8.00**
Environment	5,072	62	62	5,072	62	62	6	**0.00**
Counter Fraud & Investigation	77	0	0	77	0	0	0	**0.00**
	27,326	**4,555**	**232**	**27,326**	**4,555**	**232**	**1,674**	**6.13**
Resources & Place Delivery								
Corporate Assets	3,738	0	0	3,738	0	0	230	**6.15**
Highways Major Projects	14,939	5,000	5,000	13,747	9,249	1,943	4,632	**33.69**
Regeneration Projects	15,802	18,534	12,128	15,802	18,534	12,128	487	**3.08**
	34,479	**23,534**	**17,128**	**33,287**	**27,783**	**14,071**	**5,349**	**16.07**
HR, OD and Transformation	7,707	160	160	7,319	480	93	878	**12.00**
Strategy; Engagement & Growth	104	0	0	104	0	0	0	**0.00**
Commercial Services	16	0	0	16	0	0	0	**0.00**
Total Expenditure - General	**78,731**	**28,749**	**17,520**	**77,151**	**33,318**	**14,396**	**8,326**	**10.79**

Appendix 5 – Capital Programme Financial Forecast at Quarter 1

Summary of the 2022/23 General Fund Capital Programme, by scheme status	Project Status	Approved Budget			Projected Outurn			CY Spend	% Spend against
		2022/23	2023/24	2024/25	2022/23	2023/24	2024/25	(Jun-22)	CY Forecast
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	Work commenced	2,265	0	0	2,265	0	0	238	
	Scheme completed	235	0	0	235	0	0	0	
	Completed retention o/s	54	0	0	54	0	0	0	
	Demand led	1,936	0	0	1,936	0	0	16	
Total: Childrens Service		**4,490**	**0**	**0**	**4,490**	**0**	**0**	**254**	**5.66**
	Work commenced	300	0	0	300	0	0	0	
	Scheme completed	137	0	0	137	0	0	137	
	Completed retention o/s	130	0	0	130	0	0	0	
	On hold	2,288	500	0	2,288	500	0	0	
	Demand led	1,754	0	0	1,754	0	0	34	
Total: Adults; Housing and Health		**4,609**	**500**	**0**	**4,609**	**500**	**0**	**171**	**3.71**
	Not yet started	2,291	62	62	2,291	62	62	0	
	Design stage	6,028	790	0	6,028	790	0	93	
	Tender preparation	150	0	0	150	0	0	0	
	Work commenced	13,671	3,703	170	13,671	3,703	170	1,550	
	Scheme completed	66	0	0	66	0	0	0	
	Completed retention o/s	30	0	0	30	0	0	0	
	On hold	1,300	0	0	1,300	0	0	0	
	Demand led	3,790	0	0	3,790	0	0	31	
Total: Public Realm		**27,326**	**4,555**	**232**	**27,326**	**4,555**	**232**	**1,674**	**6.13**

Appendix 5 – Capital Programme Financial Forecast at Quarter 1

Summary of the 2022/23 General Fund	Project Status	Approved Budget			Projected Outurn			CY Spend	% Spend against
		2022/23	2023/24	2024/25	2022/23	2023/24	2024/25	(Jun-22)	CY Forecast
	Not yet started	4	0	0	4	0	0	0	
	Design stage	3,870	0	0	3,870	0	0	186	
	Work commenced	25,612	5,288	5,444	24,420	9,537	2,387	4,749	
	Scheme completed	1,029	0	0	1,029	0	0	3	
	Completed retention o/s	108	0	0	108	0	0	0	
	On hold	4	0	0	4	0	0	0	
	Demand led	2,245	0	0	2,245	0	0	246	
	Feasability Stage	1,584	18,246	11,684	1,584	18,246	11,684	165	
	Scheme Removed	23	0	0	23	0	0	0	
Total: Resources & Place Delivery		**34,479**	**23,534**	**17,128**	**33,287**	**27,783**	**14,071**	**5,349**	**16.07**
	Not yet started	1,135	93	93	1,135	93	93	0	
	Work commenced	5,791	0	0	5,790	0	0	837	
	Scheme completed	20	0	0	20	0	0	6	
	On hold	404	67	67	17	387	0	0	
	Demand led	357	0	0	357	0	0	35	
Total: HR, OD and Transformation		**7,707**	**160**	**160**	**7,319**	**480**	**93**	**878**	**12.00**
	Work commenced	104	0	0	104	0	0	0	
Total: Strategy; Engagement & Growth		**104**	**0**	**0**	**104**	**0**	**0**	**0**	**0.00**
	Work commenced	16	0	0	16	0	0	0	
Total: Commercial Services		**16**	**0**	**0**	**16**	**0**	**0**	**0**	**0.00**
Total Expenditure - General Fund		**78,731**	**28,749**	**17,520**	**77,151**	**33,318**	**14,396**	**8,326**	**10.79**

Appendix 5 – Capital Programme Financial Forecast at Quarter 1

Summary of the 2022/23 Housing Revenue Account Capital Programme	Approved Budget			Projected Outurn			CY Spend	% Spend against
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25	(Jun-22)	CY Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Adults, Health and Housing								
Housing Development	1,644	4,230	121,241	1,644	4,230	121,241	-177	
Transforming Homes	53,284	0	0	50,363	0	0	4,724	
Total Expenditure - HRA	**54,928**	**4,230**	**121,241**	**52,007**	**4,230**	**121,241**	**4,547**	**8.74**

Summary of the 2022/23 Housing Revenue Account Capital Programme, by scheme status	Project Status	Approved Budget			Projected Outurn			CY Spend	% Spend against
		2022/23	2023/24	2024/25	2022/23	2023/24	2024/25	(Jun-22)	CY Forecast
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	Not yet started	1,466	4,230	110,515	1,466	4,230	110,515	0	
	Work commenced	53,462	0	10,725	50,541	0	10,725	4,331	
	Completed retention o/s	0	0	0	0	0	0	-202	
	Demand led	0	0	0	0	0	0	418	
Total Adults, Health and Housing - HRA		**54,928**	**4,230**	**121,240**	**52,007**	**4,230**	**121,240**	**4,547**	**8.74**

6 October 2022	ITEM: 6
Corporate Overview and Scrutiny Committee	
Digital and Customer Experience Strategy	
Wards and communities affected: All	**Key Decision:** Key
Report of: Tracie Heiser, Assistant Director, Customer Services & Andy Best Strategic Lead - IT	
Accountable Assistant Director: Tracie Heiser, Assistant Director, Customer Services, & Andy Best Strategic Lead - IT	
Accountable Directors: Jackie Hinchliffe, Director of HR, OD and Transformation, & Karen Wheeler, Director of Strategy, Engagement and Growth	
This report is public	

Executive Summary

Digital technology has moved on at an incredible pace and Customer expectations continue to change, the local population is growing and changing, and in response the Council is increasingly required to adapt and strengthen the customer focus, use innovative technology, and build integrated service delivery models within the resources available.

The draft Digital and Customer Experience Strategy is intended to provide a strategic framework that sets out the Council's digital ambitions, the direction of travel and expected outcomes. The strategy is part of a wider strategic programme that brings together a programme of interventions designed to transform service delivery, ways of working and customer access channels. Once agreed the strategy will be supported by a prioritised delivery plan.

The strategy acknowledges that in order to deliver the standard of customer services that will meet the expectations of the Council's residents, staff and other stakeholders, the Council needs to address issues of people, process, technology, and organisation, managing our resources to optimum effect. It is acknowledged through the health and wellbeing study that not everyone has access to digital solutions. To succeed it will be necessary to create a culture supported by the right operational procedures and infrastructure that will deliver good quality customer service, listening to the voice of the customer and employees, measuring satisfaction, embracing change and technology, and striving to continuously improve.

Throughout the strategy there is a strong emphasis that digital technology will enable 24/7 self-service for customers that are able to utilise these methods whilst recognising a mixture of methods are required to ensure inclusivity for all.

1.   Recommendation(s)

1.1   That the Committee provide commentary and any feedback and suggestions on the draft Digital and Customer Experience Strategy at Appendix 1.

2.   Introduction and Background

2.1   The Council previously had a separate strategy for both Digital and Customer Services, both were developed in 2017 and have now expired. As part of the way we have changed and adapted how we work in the past two years, the Council has a number of digital projects and initiatives that are currently in delivery. This combined strategy is designed to build on the digital foundations that have already been implemented and to deliver fit for purpose technology that will enable the Council to deliver its services in an efficient way. The Customer services team have become increasingly reliant on digitally based solutions to enhance their offering and meet the changing demands of our customer base. In response to this and the financial challenges the council faces, it has been agreed that the development of an overarching combined Digital and Customer Experience strategy would be a beneficial way forward .

2.2   We are not at the start of our digital journey. The previous separate strategies achieved much but there is more that remains to be done and this is about continuing that journey, over the next three years. In publishing our first combined Digital and Customer Experience Strategy we will have a framework for how the whole council can work together with its partners and customers to reshape how we deliver services and how people request and use them. This strategy is about adapting to customer needs, not confining how people interact with us but finding the most effective way. This is about helping those who can to self-serve but being mindful that some residents will still need our help and assistance.

2.3   The outcome aims of the strategy are as follows:

*   an improved customer journey, through a single access approach and user-centred design principles. These will be designed to get interactions with customers right first time.
*   an enabled workforce, using a modern resilient infrastructure, equipped with the technology they need to do their jobs more effectively – a reduction in manual processes, automation of repetitive tasks, and improving processes, this will enable services to focus on complex and specialised work, adding additional value.
*   a more sustainable financial model for the council, where we can improve service delivery while maintaining or reducing costs.

- a positive impact on our climate commitment through a reduction in the use of paper and changes to our mailroom and processes. Where practical we can use digital technology to support us a more cohesive and joined-up council through the use of digital tools, increasing cross-functional project work, sharing budgets and goals and being more transparent.
- to assist in delivering and improving services we will make training available to all staff and put in place public courses to assist our customers in become more digitally capable.
- a better understanding of our customers through the smarter use of joined-up data. We will use data and analytics to inform decision making and gain insights into our customers to make more timely interventions and gain an overview of households, not just individuals.
- a vibrant digital business sector that contributes to the economic growth of the borough and new developments will be designed with the use of digital technology to improve the public realm environment.

2.4 Over the last 3 months colleagues in Thurrock have been consulted and engaged and their views have shaped the development of the combined strategy.

2.5 It is expected that the various programmes to support the strategy will be funded from existing approved capital budgets or from future programmes as identified. Any scheme that is likely to create additional pressures on operating budgets will be mitigated primarily through ensuring all business cases yield a positive return on investment and are in line with our strategic priorities of People, Place and Prosperity

3.   Issues, Options and Analysis of Options

3.1 There are a number of challenges that the Council faces including:

- an increasing population, increasing demand - 11.6% population increase since 2011 and projected to continue to increase
- an ageing population, increasing demand on our care services - there has been an increase of 19.4% in people aged 65 years and over since 2011
- an ambitious growth agenda that will impact on our existing infrastructure
- a severe financial challenge following COVID and increased social care demand and investment shortfalls
- a new national focus on Levelling Up and a review of local government structure / functions
- meeting current service levels with fewer resources
- an expectation of excellence from our customers
- Increased scrutiny on spending and best value following intervention
- Harness the improved digital skills and literacy that the pandemic has influenced within our customer base

3.2   To meet the challenges ahead we have focused on 4 main themes and
        actions within these to support delivery, Digital Thurrock, Digital Customer,
        Digital office, and Digital Foundation

3.3   The **Digital Foundation** will build a resilient and reliable infrastructure. On top
        of this sits the **Digital Office** layer which is about enhancing our efficiency and
        enabling people to work in the best way, so to ensure the best outcomes for
        key customers. The next layer is **Digital Customer** which is where we will
        create an environment that enables residents, businesses, and partners to
        interact with the council and access information and services easily when they
        need them, through the most appropriate channels, 24/7, and through various
        mediums. The final layer **Digital Thurrock** which is about enhancing the lives
        of residents and compliments the work being undertaken to develop Thurrock
        as a 'smartplace'.

4.   **Reasons for Recommendation**

4.1   The committee are invited to comment on the proposed Digital and Customer
        Experience Strategy at Appendix 1 This feedback will inform the final strategy
        and implementation plan .

4.2   The strategy sets out how the technology will underpin the Council's future
        needs to drive efficiencies, deliver services and savings and how it delivers
        the future state of the services to our customers. If approved it will be
        supported by a full action plan which will be monitored via the cross-council
        Digital and Demand Board, jointly chaired by the Director of HR and OD and
        Strategy, Engagement and Growth

5.   **Consultation (including Overview and Scrutiny, if applicable)**

5.1   Consultation and development of the strategy has taken place through the
        cross-council Digital and Demand Board, Directorate Management Teams ,
        Leadership Group, and other internal customers including Directors Board. A
        full Communities and Equalities Impact Analysis will also be carried out as
        part of the process.

5.2   Corporate Overview and Scrutiny Committee are invited to comment on the
        draft strategy as part of the consultation process ahead of the final strategy
        being presented to Cabinet.

6.   **Impact on corporate policies, priorities, performance, and community
        impact**

6.1   Delivering the themes and actions along with adhering to the principles within
        this strategy will help us transform our customers' and employees experience.
        Our customers will have improved access to services, receive regular updates
        on service areas that are of interest to them and proactive contact to avoid
        them having to contact us at all were appropriate . We will have a workforce
        with the right skills and digital technology for the future and with the ability to

guide our customers to the right services for them. We will be working closely with our communities to increase access and support and have strong partnerships in place that allow us to have local ambassadors to support local people.

7.   Implications

7.1   **Financial**

Implications verified by: **Jonathan Wilson**

Assistant Director Finance

Capital investment may be required in technological solutions to address some of the proposals set out in the strategy. Many of the proposals within the strategy already form part of the capital programme and digital board work programme.

The council continues to operate in a challenging financial environment and given the current MTFS position further budget savings may be required.

7.2   **Legal**

Implications verified by: **Mark Bowen**

Interim Head of Legal

There are no legal implications.

7.3   **Diversity and Equality**

Implications verified by: **Natalie Smith**

Strategic Lead Community Development & Equalities

As noted at 5.1 a full Community Equality Impact Assessment will be completed to inform the final strategy. This will consider the impact of the strategy proposals on communities and those with protected characteristics.

7.4   **Other implications** (where significant) – i.e., Staff, Health Inequalities, Sustainability, Crime and Disorder, and Impact on Looked After Children

- None

8.   Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None

9. Appendices to the report

- Draft Digital and Customer Experience Strategy – Appendix 1

Report Author

Tracie Heiser, Assistant Director, Customer Services

Andy Best Strategic Lead - IT

Thurrock Council

Digital and Customer Experience Strategy

2022 to 2025

Focusing on our digital future, connecting technology and knowledge to deliver a Digital Council and a Digital Place. Further improving our customer access and staff experience and opportunities through digital transformation, better services, and tools.

thurrock.gov.uk

Introduction

In recent years there have been significant advances in the way digital technology can assist with modernising the way the council can deliver services. Digital is transforming the way people live their lives - from the way we communicate to the way we purchase goods and services. The restrictions during the COVID pandemic have, at pace, brought about a new understanding of digital engagement and interaction which can be further harnessed.

Digital technologies enabled the council to continue to operate during the lockdown and we will increase their use to help us improve accessibility for staff, businesses and residents as well as reduce the cost of our services through increased efficiency and automation. These savings can be reinvested into front line service delivery.

We are not at the start of our digital journey. We developed our first digital strategy in 2017. That strategy achieved much but there is more to be done. This is about continuing that journey, over the next three years. In publishing our first combined Digital and Customer Experience Strategy we will have a framework for how the whole council can work together with its partners and customers to reshape how we deliver services and how people request and use them. This strategy is about adapting to customer needs, not confining how people interact with us but finding the most effective way. This is about helping those who can to self-serve but being mindful that some residents will still need our help and assistance.

Our People, Digital and Customer Experience and Data Strategies

Our People Strategy and Digital and Customer Experience Strategy together set out the key outcomes, activities and behaviours needed to support the delivery of our corporate priorities. We are also currently developing a new Data Strategy defining how we will collect, store, manage, share, and use our data to design, deliver and transform public services to improve outcomes and drive efficiencies.

About the Digital and Customer Experience Strategy

Our vision is to provide a consistent service offering that will enable our customers to be more engaged through the use of modern technology and data, on a 24/7 basis where possible. We will build on the changes that have been made as a result of the pandemic and deliver transformational change to services and smarter working for the council itself.

What is digital?

Digital is not just one thing. To truly transform our organisation, we need to evolve our thinking, the way we work, the systems we use and how effective and efficient we can become to meet the needs of our customers. 'Digital' is not a set of activities – as much as anything it is a mindset of being service-oriented and adaptive and having an absolute focus on improving people's lives. Digital encompasses:

- technology
- systems thinking
- data
- behaviour change
- enabler

Now is the time to enhance our delivery capability.

What do we mean by customer experience?

Customer experience is the impression people have of the council when they contact us or use a council service. This includes their perception of our brand and their experience of interaction with our digital / non-digital channels, along with their whole journey through the customer lifecycle. Our customers vary including residents, businesses, students, partners, members, and employees.

Vision and guiding principles

We will transform our service interventions and further enable self-service access to our services through the use of modern digital technology. We will simplify the ways of communicating and doing business with the council.

To ensure we utilise the benefits from new digital capabilities the council will improve processes and make them more efficient, ensure they add value and improve the customer journey for residents and businesses to create a better customer and user experience.

Our guiding principle will be customer usability. Apps and processes will be designed around that - there should be no difference in the quality-of-service customers receive whether they use an online app, phone, an appointment, or switch between any of these channels. This is known as an Omni-Channel solution.

Our Challenges

The council faces many challenges over the lifetime of this strategy including:

- an increasing population, increasing demand - 11.6% population increase since 2011 and projected to continue to increase

- an ageing population, increasing demand on our care services - there has been an increase of 19.4% in people aged 65 years and over since 2011

- an ambitious growth agenda that will impact on our existing infrastructure

- a financial challenge following COVID and increased social care demand

- a new national focus on Levelling Up and a review of local government structure / functions

- meeting current service levels with fewer resources

- an expectation of excellence from our customers and members

- increased scrutiny on spending and best value following intervention

- harnessing the improved digital skills and literacy that the pandemic has influenced within our customer base

These challenges mean the council must take advantage of advances in digital technologies to enable it to deliver more efficient services and streamline our processes.

What we aim to achieve

The outcomes of this strategy over the next three years will be:

- an improved customer journey, through a one front door approach and user-centred design principles. These will be designed to get interactions with customers right first time
- an enabled workforce, equipped with the technology they need to do their jobs effectively – a reduction in manual processes, automation of repetitive tasks and improving processes. This will enable services to focus on complex and specialised work, adding additional value
- a better understanding of our customers through the smarter use of joined-up data. We will use data and analytics to gain insights to improve and make informed decisions
- a more sustainable financial model for the council, where we can improve service delivery while maintaining or reducing costs
- a positive impact on our climate commitment through a reduction in the use of paper and changes to our mailroom and processes. Where practical we can use digital technology to support us deliver a more cohesive and joined-up council through the use of digital tools, increasing cross-functional project work, sharing budgets and goals and being more transparent
- a vibrant digital business sector that contributes to the economic growth of the borough and new developments will be designed with the use of digital technology to improve the public realm environment

Thurrock Digital and Customer Experience themes

Our digital and customer model consists of four themes that aggregate to provide an overall solution that will enable us to harness the potential of digital design, data, customer focus, collaboration, and technology.

The four themes that will enable us to achieve this are:

- **Theme 1 – Digital Thurrock**

We will create a connected place where technology supports and enables - bringing people together, driving economic growth, improving the quality of life, and contributing to Thurrock being a digitally connected place where residents and businesses can thrive.

- **Theme 2 – Digital Customer**

We will create an environment that enables residents, businesses, and partners to interact with the council and access information and services easily when they need them, 24/7 where possible, through the most appropriate channels.

- **Theme 3 – Digital Office**

We will adopt a digital culture and ways of working that lead to service improvements and enhanced operational delivery, equipping our agile workforce with the technology and training they need to deliver where it needs to be delivered

- **Theme 4 – Digital Foundation**

We will create an environment where our services are always reliable by maintaining a highly available, efficient, integrated and secure infrastructure.

Our approach

We will follow five principles to guide our digital, customer, technology, and data work:

1. Customer Focused

Transformation of our services will focus on meeting the needs of our customers, particularly those who are vulnerable. We will use data to improve our understanding of their needs. developing and planning our services to meet those needs**.**

Our services will be digitally inclusive and simple to use, supporting those who are unable to use digital technologies. We will ensure we provide value for money by measuring success, managing our current performance, and continuously improving. The customer will be at the heart of everything we do, and we will always strive to get it right first time

2. Designed based on data

The data we collect will help inform us about our service users' needs and will be supported by all aspects of this strategy. We will utilise data analysis techniques to manage demand for services, using methods to forecast and predict future events where possible, making us more agile and responsive.

Our solutions will be secure by design, protecting people's personal and identifiable data through robustly applying GDPR (General Data Protection Regulations) principles and cyber security will be designed in to all our systems, changes, and processes.

3. Collaboration

Our staff and customers will be able to securely use our platform and services at any time from any location using their device of choice. We will give people the space they need to deliver, sharing knowledge and working in an open and transparent way with our partners and with other sectors e.g., community, faith, and voluntary organisations.

4. Continual service improvements

We will design cost effective solutions, ensuring these are cloud based to enable Thurrock Council to become more sustainable and resilient. We will continually improve our processes, taking advantage of advances in technology. We will aim to make our digital channels so good that our customers prefer to use them.

5. Digitally and customer focused, empowered workforce

Our workforce will be digitally skilled. We will invest in their development and enable them to be creative and innovative. We will work with them to understand what they need to provide the best possible service.

Theme 1 – Digital Thurrock - We will create a connected place where technology brings people together, driving economic growth, improving the quality of life, and contributing to place shaping

The outcome aims of this workstream are that:

- more people in Thurrock have better access to information via technology
- Thurrock has a digitally capable population who can access the jobs of tomorrow and employers can access a locally grown, technology-savvy workforce
- Thurrock develops a vibrant digital business sector that contributes to the economic growth of the borough
- businesses choose to stay and grow in Thurrock
- new developments are designed for a digital future

To do this we will:

- deliver a council-wide transformation programme enabled by technology to meet our customer needs through User-Centred Design and a Human Learning Systems approach
- support services, existing community groups and strategic partners to put digital enablement and skills where people can find them easily
- support development of assistive technology to improve the quality of life for our older and more vulnerable customers and leverage the benefits of AI (Artificial Intelligence)
- review our websites, making them more accessible where appropriate
- review all current digital services, technologies and platforms giving us the solid-data and platform we need to plan effectively for future service provision
- improve the connectivity and access to the internet by deploying enabling technologies such as a new WAN, 5G, LoRa WAN and public access Wi-Fi
- develop ways to improve the management of public assets for services such as smart parking, smart benches, and digital signage
- improve our use of data to provide more intelligent analytics to better predict needs and requirements for social care, health, housing, and planning
- support technology delivery for integrated medical centres
- support delivery of new digital services to improve customer and user experience
- design new developments and infrastructure to encompass digital technologies by default
- develop new testing regimes to ensure that contractors charged with designing software deliver on design specifications, and user-friendliness is verified through 'mystery shopper' style exercises.

Digital Thurrock - Progress so far:

- successfully secured £4m of Government funding to deliver a Local Full Fibre Network, significantly improving access to the internet for Thurrock and surrounding areas. We have also secured a further £2.5m to increase the coverage across Essex
- implemented a £400k technology modernisation programme at all our libraries. As a result, people can access our services via tablet kiosks, access the internet, undertake personal computing and printing, attend coding clubs with the introduction to IT taster sessions
- hosted the GovRoam service, enabling other local authorities in Essex to work seamlessly at other Essex sites

Theme 2 – Digital Customer - We will create an environment that enables residents, customers, and partners to access services easily when they need them, 24/7 where possible, through the most appropriate channels

This theme builds on the progress and success from our previous Customer Services Strategy for 2017-2020 which had a high focus on improving customer service and enabling our customers to transact with us digitally wherever possible. It also included many new initiatives such as a customer services modular training programme, development of a customer promise and extensive face to face support to help our residents utilise our online services. These things along with the necessity to do things differently throughout COVID-19 have created the foundations for the next steps of our digital and customer experience journey. In a modern world, we believe that most who can, will opt to access self-service systems, at a time that suits them, however, we will commit to ensuring that face-to-face is available in a timely manner, when help is needed to use self-service technology, or when issues of a sensitive or complex nature need more urgency and attention than a digital interaction.

The outcome aims for this workstream are:

Customers

- will have the best possible experience whatever channel they decide to use
- will find it easy to contact us when it is convenient for them and will get a response which resolves their issue, query or need right first time
- will find the service they receive digitally is good enough to confirm our belief that residents who are digitally literate do choose to contact us in this way all the time, where appropriate
- will be engaged in the development of services, involved in testing new and changing ways of contacting us and see their feedback acted upon
- will benefit from proactive action by our teams and our partners to increase digital skills, access to digital equipment and better digital connectivity around the borough
- will see that we have a better understanding of their needs and are able to personalise services, both through increased levels of engagement and better use of data
- will have confidence that we are an organisation that is committed to ensuring the best possible customer experience, having the staff support and culture to achieve this
- will see us taking a proactive approach to resolving issues in the borough which affect them, before they need to contact us
- will understand we protect our telephone and appointment services to enable focus for these to be given to our most vulnerable residents
- will find our information accessible and easy to understand

Partners

- we will make contacting us and transactions as simple as possible for them
- we will work collaboratively to ensure we are delivering joined-up services where possible
- close collaborative working will allow us to share our data and access each other's open data more easily, to help us ensure we are using what we know about our customers to better meet their needs
- our partnership working will benefit from us having a clear strategy in place

Employees

- will have the skills, data, and technology they need to deliver the best possible customer experience
- will be supported to turn ideas for improving the customer experience into action
- will feel supported to engage with their customers when developing a new service or way for residents to contact us

To do this we will:

- review and agree service response times for service requests and emails for all services to ensure consistent standards and that customers' expectations are set
- increase the number of services that can be purchased via our online payment platform
- review our customer access operating model, aiming to reduce unnecessary contact channels wherever possible, such as generic email addresses
- explore how technology can enhance our contact centre offering through the provision of Omni-Channel, service automation and artificial intelligence
- improve our knowledge of our customers by continuing to develop our "single view of" technology
- continue with our Right First Time customers service training for our employees, adapting this to continuously meet the needs of our constantly changing digital climate
- develop additional mechanisms to involve and engage with our customers
- continue with our customer services quality framework across council services to ensure a consistent level of service is being provided across all teams
- utilise new methodology for designing customer solutions such as Human Learning systems, which will encourage us to work with people listening to them, understanding what matters to them, learning from them, and working together
- prioritise completion of our Data Strategy and utilise our data effectively
- continue to review feedback from our customer satisfaction surveys, customer complaints, elected member enquiries and compliments ensuring that appropriate learning mechanisms are in place
- continue to join up across the council to share information digitally such as Tell Us Once so that customers don't have to contact several departments
- continue to benchmark across local government and with the private sector to identify opportunities to improve further
- support our residents to access our services through their free entitlement to digital skills training
- continue to monitor high call volumes outside of the contact centre to identify online development opportunities to remove the need for customers to call, or, if not, move some transactions into the contact centre. This may help free up time in the back-office to focus on those tasks that often require a distinct set of skills
- work closely with colleagues in our communications team to make sure that our customers get the right messages, at the right time, using the multiple communications channels open to us. We will utilise feedback to improve the way we communicate and make better use of existing tools to market new opportunities as well as providing improved service updates that are targeted to individual's needs
- ensure our online information is accessible, up to date, accurate, easy to understand and designed with our customers in mind
- ensure we have the right metrics and processes through which customer satisfaction, demand and digital take up can be measured and evaluated
- ensure that appropriate digital employee feedback mechanisms are in place

- review our contact centre opening hours to ensure the most effective use of resource
- consider if additional transactions should be online only, to enable additional resource to focus on supporting our digitally excluded and vulnerable customers
- create a new business plan for our registration service to enhance the offering to our customers within our new premises, including live streaming of ceremonies
- continue to operate Language line and Sign video to support customers with language and hearing difficulties

Digital Customer – Progress So Far

- We have invested in a new 24x7 payment platform that enables people to make a secure payment at a time that is convenient to them.
- As of July 2022, over 72% of residents pay their Council Tax via direct debit. We are looking to further increase the number of services through more webforms that are available online.
- Our online self-service platform MyAccount has over 45,000 people signed up to it with over 13,000 people managing their Council Tax accounts via the Thurrock MyAccount. Residents can also report environmental service requests, such as fly tipping, although it is recognised more needs to be done to build trust and faith that when this system is used, that users are able to check the status of their case, and they see a tangible outcome that matches reasonable expectations and requests. 95% of all bulky waste requests are now done online. Our residents can also use MyAccount for services such as housing benefits and reporting missed bins.
- Approximately 900 employees have already attended our Customer Services Modular training programme
- Our Customer Services Quality Framework, which was recognised by the Customer Contact Association as leading practice, has been completed in several departments already, highlighting areas for improvement and associated action plans
- New customer service delivery model developed to ensure assistance is provided to our vulnerable residents, building on delivery model changes implemented during COVID-19.
- Developed a single view of debt to enable specific support for vulnerable service users
- Achieved global standard accreditation from the Customer Contact Association for our Customer Services Team
- Supported thousands of customers to move from traditional contact methods such as face to face to utilise our digital channels
- Libraries have supported digital inclusion with free PC usage, reduced printing rates, free electricity usage for their devices, staff and volunteers assisting and supporting people to get online
- Over 16000 residents have attended Wiser4IT sessions
- Job seekers training is offered which includes training on how to use Zoom and Teams
- Basic IT, iPad, tablet, and smartphone training is provided for internet searching, online safety, shopping, price comparison, social inclusion, keeping contact with family and friends, etc.
- Successfully bid and won the good Things Foundation National Databank allowing us to examine each area of Thurrock in detail, its level of digital literacy and poverty levels to better direct our services . From this bid libraries have also secured a number of Gifting Virgin02 , Vodaphone and 3mobile SIM cards /Data and text/call minutes that can be given out freely to residents who cannot afford Broadband.

Theme 3 – Digital Office - We will adopt a digital culture and ways of working that lead to service improvements and enhanced operational delivery, equipping our agile workforce with the technology and training they need to deliver where it needs to be delivered

We will embrace smarter working and create a digitally enabled workforce that is focused on delivering outcomes with bureaucracy minimised through automation.

Our staff are passionate about their work. They want to do the best job possible for our customers and to enable them to do that our technology offer will match that ambition. To create our digital office, we will use management information more effectively, further embrace smarter working, provide a wider range of devices to work from, embed our digital skills programme and improve and streamline our estate of business applications.

The outcome aims of this workstream are that:

- performance is better managed across the council, its partnerships, and contracts
- staff can focus on complex decisions, as repetitive and time-consuming tasks become automated
- our staff can work in the most appropriate location for the tasks they are doing rather than in a fixed office location, with the requisite that location of work creates the best possible outcome for the service user
- our staff are digitally capable of performing the roles expected of them
- our technology enables our staff to be more collaborative and resilient
- our staff become more efficient due to their use of improved devices and applications that meet their business needs

To do this we will:

- enable our staff to focus on higher value activities through embracing the use of Robotic Process Automation (RPA) and digitising forms and business process through our Digital Efficiencies programme
- build on our use of digital meetings and associated technology to increase collaboration between teams, increase efficiency and reduce the level of printed paper
- ensure that our staff are equipped to do their jobs effectively by regularly reviewing their needs and refreshing the equipment they use, when required
- review the applications used by our services and consolidate where appropriate.
- continue our digital skills programme to ensure that our workforce is digitally capable of delivering the tasks that are expected of them
- standardise and automate our approach to cross-functional using, sharing, and enhancing the value of data by standardising data sets, the use of automation and streamlined processes
- create and utilise management dashboards to make virtual real-time information available to support better and quicker decision making

Digital Office – Progress So Far

- We have equipped our staff, so they can work at the best location for them to ensure that the services they provide meet the highest possible outcome expectations. Through our smarter working programme, we are aligning our accommodation to enable our staff to work more collaboratively, reduce silos and create a platform of openness through ensuring adequate physical 'team time' to ensure creative value and innovation generation which can be lost via purely digital means
- We have launched our Digital Academy to help upskill our employees at all levels, so they can utilise our new technology and apply it in the workplace
- To enhance our Smarter working credentials, we have implemented Oracle Cloud platform and are currently implementing the Microsoft 365 suite of applications. To ensure these new digital technologies are embedded within the organisation our Digital Academy and skills training syllabus is embedded in the Corporate Training programme
- To provide a better online computing experience for all our staff and visitors we have built a new high quality Wi-Fi service. We are also investing in a new future proofed Wide Area Network to ensure we have the same digital capability at all council sites.
- In order to achieve savings and efficiencies, by freeing our staff to focus on more complex work, we have invested in a robotic process automation platform that will automate some less complex, labour-intensive processes
- We have introduced the 4Me enterprise service management tool for seamless collaboration between internal customers and the IT Service. This enables staff to self-serve their requests and has removed the need for paper forms. This migration to self-service is reducing the number of telephone calls to the service desk which is freeing staff time up to focus on other tasks.

Theme 4 – Digital Foundation - We create an environment where our services are available when they are needed and build and maintain a resilient infrastructure

The outcome aims of this workstream are that:

- at least 50% of our people can carry on working in the event of a disaster to allow services to continue
- the information we hold about people is secure
- our network is available 99.9% of the time
- more staff say our IT platform meets their needs

To do this we will:

- continue to expand on our M365 platform to enable smarter working, application rationalisation and greater collaboration within the council and our partners
- deliver a consistent, fit for purpose IT experience for all our staff by upgrading our LAN and WAN offerings, deliver an improved Wi-Fi experience from all our settings
- provide the latest digital solutions in line with business requirements to ensure we deliver a consistent approach
- develop a fit for purpose IT service model that meets the requirements of our workforce
- develop our use of automation technologies to drive efficiencies in our processes

- improve our resilience by removing the remaining single points of failure from within our technology infrastructure
- Ensure an annual review of our IT Infrastructure Backup and Security Resilience Risk Assessment is completed, with reasonably practicable mitigation actions executed as identified.

Digital Foundation – Progress So Far

- We have designed and built a new state of the art Data Centre. This has removed a significant risk for the council and enhanced our disaster recovery capability whilst also reducing our carbon footprint. We have identified and removed single points of failure within our infrastructure to make it highly available
- We have responded to the change in working practices by investing in laptops for our staff and the introduction of "Always On" VPN technology. In addition, we have invested in our virtual desktop by building our new 'Connected Workspace' platform capable of providing staff a high-quality computing experience which is available 24 hours a day.
- We have started our migration to Microsoft 365 by delivering a new online email service and implementing MS Teams across the organisation.
- To provide a better online computing experience for all our staff and visitors we have built a new high quality Wi-Fi service. This is now being rolled out to key council sites and over the lifetime of this strategy all council sites will be provisioned with this service.

Next steps and measuring success

To ensure delivery of the vision and outcomes outlined within this strategy, an action plan is in progress including all actions listed within this document along with owners and timescales. This will be monitored via Digital and Demand Board and as part of our overall transformation programme.

The board includes representatives from across the organisation and provides the governance for projects and new initiatives to ensure a collective, digital-first approach and continuous assessment against this strategy and the required outcomes.

Work Programme

Committee: Corporate Overview and Scrutiny Committee   **Year:** 2022/23

Dates of Meetings: 12 July 2022, 6 October 2022, 8 December 2022, 2 February 2023

Topic	Lead Officer	Requested by Officer/Member
12 July 2022		
Asset Review and 3Rs	David Johnson	Officers
End of Year (April 2021 to March 2022) Corporate Performance Report 2021/22	Sarah Welton/ Karen Wheeler	Officers
Work Programme	Democratic Services Officer	Standard Item
6 October 2022		
Finance Update – Quarter 1 2022/23	Jonathan Wilson	Officers
Digital & Customer Experience Strategy	Jackie Hinchliffe/Karen Wheeler	Members
Work Programme	Democratic Services Officer	Standard Item
8 December 2022		
Mid-Year/Quarter 2 (June-September 2022) Corporate Performance Report 2022/23	Sarah Welton/Karen Wheeler	Officers
Local Council Tax Scheme	Andy Brittain/ Sean Clark	Members
Thames Freeport	Karen Wheeler/Sean Clark	Officers

Work Programme

Topic	Lead Officer	Requested by Officer/Member
Corporate Peer Review	Kerry Thomas	Members
Thameside Update	Mark Bradbury	Members
PFH Annual Report – Transformation and Performance	Cllr Shane Hebb/Karen Wheeler	Members
Work Programme	Democratic Services Officer	Standard Item
2 February 2023		
Draft General Fund Budget and Medium Term Financial Strategy Update	Jonathan Wilson	Officers
Capital Strategy 2022/23	Jonathan Wilson	Officers
Asset Review and Disposal Update	David Johnson	Members
PFH Annual Report – Finance and Communications	Cllr Jack Duffin/Karen Wheeler/Jonathan Wilson	Members
Work Programme	Democratic Services Officer	Standard Item

To add:

- Quarter 3 (April-December 2021) Corporate Performance Report 2021/22 – Sarah Welton/Karen Wheeler

Work Programme

Updated: 15th September 2022

Clerk: Lucy Tricker

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