

Finance Sub-Committee

20 January 2016

Present: Councillor A McMullen (In the Chair)
Councillors SL Cox, S Graham, J O'Shea and JA Wallace.

F38/01/16 Apologies

Apologies were received from Councillor F Lott.

F39/01/16 Substitute Members

Pursuant to the Council's Constitution the appointment of the following substitute member was reported:-

Councillor S Graham for Councillor F Lott.

F40/01/16 Declarations of Interest and Dispensations

Councillor A McMullen declared a registerable interest in relation to the 2015/16 Financial Management Report to 30 November 2015 (Minute F42/01/16), specifically to any reference to the Authority's involvement with BDUK (Broadband), as he worked for the company responsible for the financial management of the bids relating to BDUK.

Councillor M Rankin declared a non-registerable interest in relation to the 2015/16 Financial Management Report to 30 November 2015 (Minute F42/01/16), specifically regarding a cost pressure pertaining to Human Resources and Organisational Development, as he was related to a staff member who had transferred back to North Tyneside Council from Cofely (now engie).

F41/01/16 Minutes

Resolved that the Minutes of the meeting held on 18 November 2015, be confirmed and signed by the Chair.

F42/01/16 Welfare Reform – Quarterly Financial Update on Discretionary Housing Payments Fund, Local Council Tax Support Scheme and Local Welfare Provision Scheme (Previous Minute F22/09/15)

The Sub-Committee considered a report which provided an update on the three schemes that had been implemented or revised as a consequence of the welfare reform changes. The schemes were:

- Discretionary Housing Payment Fund,
- Local Council Tax Support Scheme, and
- Local Welfare Provision Scheme.

The Discretionary Housing Payment (DHP) fund continued to provide much needed support to people in financial need who had a shortfall between their Housing Benefit and rent liability or required help with the moving costs to more affordable accommodation. The scheme was promoted well with partners and there continued to be a high number of claims made to it.

The Authority was working closely with the Citizens Advice Bureau and had recently introduced a new process that referred, as appropriate, claimants requesting a DHP to the CAB who provided budgeting and debt advice from the onset of the DHP claim. This ensured that claimants received comprehensive advice and support as soon as a need was identified rather than just providing financial support from the DHP fund. It was hoped that by the CAB working with individuals from an early stage that the need for DHP support would diminish as their financial circumstances improved, and in turn reduced demand on the fund longer term. Early feedback from the CAB suggested that this approach was working well and claimants were taking up the support offered.

The report detailed DHP financial data for 2015/16 up to 31 August 2015. It covered outstanding claims, assessed claims, awards made, reasons for awards, reasons for refusal, reviews of decisions and the current position regarding available funding.

The DHP policy was reviewed on an annual basis by the Mayors Task Group which was made up of a number of partner organisations from the community and voluntary sector. The review ensured that the Fund continued to target those that were most in need. There was growing concern that the current demand continued to be greater than funding available which is why the referral process to CAB had been introduced in the hopes that in the longer term tenants would become more financially able to manage shortfalls going forward.

In the Governments summer budget it had been announced that additional DHP funding would be provided going forward, however no details were available.

The Council Tax Support Scheme which had replaced Council Tax Benefit in April 2013 continued to provide support on a means tested basis and helped those on low income pay their Council Tax. The number of claimants to the scheme had continued to reduce since April 2013.

As at the end of November 2015 the number of claimants to the scheme had reduced to less than 20,488 split between 10,882 working age and 9,606 pensionable age. As at 30 November 2015 the amount of Council Tax Support awarded to claimants since 1 April 2015 was £14,970,567.

Council Tax collection for 2014/15 still held up, with a collection rate of 96.4%. Officers continued to work closely with all residents who had difficulty in paying, offering flexible payment arrangements and arranging access to debt advice and budget management where required. The current estimate of in year Council Tax collection in 2015/16 showed a matched level to that of 2014/15.

There continued to be minimal adverse reaction to the scheme, and there had been no appeals to the Appeals Tribunal regarding the scheme.

The Scheme was reviewed on an annual basis. The 2016/17 review had started and the Scheme for 2016/17 would be implemented from April 2016.

The Local Welfare Provision Scheme delivered by the Authority, which had replaced Community Care Grants and Crisis Loans continued to provide support to those needing social care, supported housing or financial assistance because they had hit a crisis. The scheme was monitored closely to assess the demand against the resources available. The report provided statistics for the period 1 April 2015 to 31 December 2015.

Members were given the opportunity to ask questions which were responded to appropriately.

It was **Agreed** that the report be noted.

F43/01/16 ICT Strategy - Presentation

The Sub-Committee received a presentation on the Authority's ICT Strategy.

The 'Digital Strategy' concerned the use of information to achieve the Council's aims and vision. This information concerned all aspects of activity within the Borough – the activity and needs of citizens and businesses, and the support and control of the physical and built environment, as well as the Council's own activity. This meant presenting a simple, smooth workflow across all Council and related authority functions such that any action could be quick, appropriate, early, and optimally delivered. This would require the ability to move most or all workflows into a structured digital environment, and enable them to flow between the Council, its partners, its suppliers, and its citizens. This information must be handled safely and securely, whilst also enabling the Council to optimise its resources against any given event or situation, requiring insight, efficiency, and decision support.

The presentation gave details of what was required and what was being proposed, where the Authority was at present and where it needed to be for the proposals to work effectively.

Members were given the opportunity to ask questions, which were responded to appropriately.

F44/01/16 2015/16 Financial Management Report to 30 November 2016

The Sub-Committee considered a report detailing the budget monitoring position as at 30 November 2015, including forecast outturn positions for 2015/16 for the General Fund, the Housing Revenue Account (HRA), School Finances and the Investment Plan, including a summary of projects to be delivered in 2015/16. The report also provided an update on the Authority's 'Creating A Brighter Future' Programme. The report had been considered by Cabinet at its meeting on 14 January 2016.

As at 30 November 2015, the forecast year-end position for the General Fund Revenue Account was a pressure of £0.550m, which reflected an improvement of £1.020m since the report considered at the 18 November 2015 meeting.

The HRA was forecast to have year-end balances at 31 March 2016 of £3.601m, which was £0.931m higher than budget. The higher than forecast balances were mainly as a result of higher opening balances due to the impact of previous years' financial performance (£0.422m). The forecast in-year surplus was an estimated £0.509m.

The report included an update in respect of work in progress with regard to 2015/16 school funding.

The Investment Plan for 2015-19, adjusted for reprogramming and variations approved by Cabinet, was £250.220m. Variations of £0.189m in 2015/16 were proposed in the report. The report also set out planned delivery for 2015/16.

Members were given the opportunity to ask questions which were responded to appropriately. Officers undertook to provide responses to a number of the questions in writing.

It was **Agreed** that the report be noted.

F45/01/16 Exclusion Resolution

Resolved that under Section 100A (4) of the Local Government Act 1972 (as amended) and having applied a public interest test as defined in Part 3 of Schedule 12A of the Act, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

F46/01/16 Business and Technical Partnership Risks - Monitoring

The Sub-Committee considered a report which provided the latest monitoring update on risks rated as red contained within the Strategic and Operational Risk Registers of the Business and Technical Partnerships with Cofely and Capita.

An extract of the latest risk registers, detailing the red (high) risks was submitted to, and examined by, the Sub-Committee.

Members were given the opportunity to ask questions which were responded to accordingly.

It was **Agreed** that the risks rated as red contained within the Strategic and Operational Risk Registers of the Business and Technical Partnerships with Cofely and Capita, be noted.