

Strategic Overview and Scrutiny Panel

Town Hall, Colchester
30 October 2012 at 6.00pm

The Strategic Overview and Scrutiny Panel look at policies and strategies from a borough-wide perspective and ensure the actions of the Cabinet accord with the policies and budget of the Council. The Panel reviews corporate strategies within the Council's Strategic Plan, overviews Council partnerships, considers the Council's budgetary guidelines for the forthcoming year, and scrutinises Cabinet decisions or Cabinet Member decisions (with delegated power) which have been called in.

Information for Members of the Public

Access to information and meetings

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Have Your Say!

The Council values contributions from members of the public. Under the Council's Have Your Say! policy you can ask questions or express a view to meetings, with the exception of Standards Committee meetings. If you wish to speak at a meeting or wish to find out more, please refer to Attending Meetings and "Have Your Say" at www.colchester.gov.uk

Private Sessions

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Mobile phones, pagers, cameras, audio recorders

Please ensure that all mobile phones and pagers are turned off or switched to silent before the meeting begins and note that photography or audio recording is not permitted.

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Terms of Reference (but not limited to)

To review corporate strategies and strategic partnerships to ensure the actions of the Cabinet and Portfolio Holders accord with the policies and budget of the Council.

To monitor and scrutinise the financial performance of the Council, and make recommendations to the Cabinet particularly in relation to annual revenue and capital guidelines, bids and submissions.

To link the Council's spending proposals to the policy priorities and review progress towards achieving those priorities against the Strategic / Action Plans.

To scrutinise executive decisions made by Cabinet or a Cabinet Member, the Colchester and Ipswich Joint Museums Committee and the North Essex Parking Partnership (decisions relating to off-street parking only) which have been made but not implemented, and referred to the Panel through call-in.

To monitor the Council's operational performance in relation to the Strategic Plan and Performance Indicators, and the Cabinet's performance in relation to the Forward Plan.

The panel will be the appropriate route for any member to refer a 'local government matter' in the context of Councillor Call for Action.

Process for Councillor Call for Action

Councillors have the ability to call for debate and discussion a topic of neighbourhood concern, limited to issues affecting a single ward, in an attempt to bring about specific solutions for local problems, without going through the Council's executive decision making process.

Members may not call for debate matters relating to a planning or licensing decision, an individual complaint or where a right of recourse to a review or right of appeal is already provided for in law. Examples of where a member can bring an action to the panel's attention are poor service performance or increased anti-social behaviour.

The panel may reject a request as not within the guidance or where they consider the usual channels have not been exhausted, or accept that an investigation is the appropriate action.

The panel may conduct an investigation in the usual scrutiny manner and a report with recommendations will be compiled and brought to the Council or partners attention, with the Council or partners having a duty to respond. The panel will consider and publish the responses to their recommendations and feed back this information to the Councillor requesting the action.

COLCHESTER BOROUGH COUNCIL
STRATEGIC OVERVIEW AND SCRUTINY PANEL
30 October 2012 at 6:00pm

Members

Chairman : Councillor Kevin Bentley.
Deputy Chairman : Councillor Beverly Davies.
Councillors Kim Naish, Nigel Offen, Gerard Oxford,
Helen Chuah, Bill Frame, Pauline Hazell, Peter Higgins and
Terry Sutton.

Substitute Members : All members of the Council who are not Cabinet members or members of this Panel.

Agenda - Part A

(open to the public including the media)

Members of the public may wish to note that agenda items 1 to 5 are normally brief and agenda items 6 to 9 are standard items for which there may be no business to consider.

Pages

1. Welcome and Announcements

(a) The Chairman to welcome members of the public and Councillors and to remind all speakers of the requirement for microphones to be used at all times.

(b) At the Chairman's discretion, to announce information on:

- action in the event of an emergency;
- mobile phones switched off or to silent;
- location of toilets;
- introduction of members of the meeting.

2. Substitutions

Members may arrange for a substitute councillor to attend a meeting on their behalf, subject to prior notice being given. The attendance of substitute councillors must be recorded.

3. Urgent Items

To announce any items not on the agenda which the Chairman has agreed to consider because they are urgent and to give reasons for the urgency.

4. Declarations of Interest

The Chairman to invite Councillors to declare individually any interests they may have in the items on the agenda. Councillors should consult Meetings General Procedure Rule 7 for full guidance on the registration and declaration of interests. However Councillors may wish to note the following:-

- Where a Councillor has a disclosable pecuniary interest, other pecuniary interest or a non-pecuniary interest in any business of the authority and he/she is present at a meeting of the authority at which the business is considered, the Councillor must disclose to that meeting the existence and nature of that interest, whether or not such interest is registered on his/her register of Interests or if he/she has made a pending notification.
- If a Councillor has a disclosable pecuniary interest in a matter being considered at a meeting, he/she must not participate in any discussion or vote on the matter at the meeting. The Councillor must withdraw from the room where the meeting is being held unless he/she has received a dispensation from the Monitoring Officer.
- Where a Councillor has another pecuniary interest in a matter being considered at a meeting and where the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the Councillor's judgment of the public interest, the Councillor must disclose the existence and nature of the interest and withdraw from the room where the meeting is being held unless he/she has received a dispensation from the Monitoring Officer.
- Failure to comply with the arrangements regarding disclosable pecuniary interests without reasonable excuse is a criminal offence, with a penalty of up to £5,000 and disqualification from office for up to 5 years.

5. Minutes

1 - 8

To confirm as a correct record the minutes of the meeting held on

6. Have Your Say!

(a) The Chairman to invite members of the public to indicate if they wish to speak or present a petition at this meeting – either on an item on the agenda or on a general matter not on this agenda. You should indicate your wish to speak at this point if your name has not been noted by Council staff.

(b) The Chairman to invite contributions from members of the public

who wish to Have Your Say! on a general matter not on this agenda.

7. Items requested by members of the Panel and other Members

(a) To evaluate requests by members of the Panel for an item relevant to the Panel's functions to be considered.

(b) To evaluate requests by other members of the Council for an item relevant to the Panel's functions to be considered.

Members of the panel may use agenda item 'a' (all other members will use agenda item 'b') as the appropriate route for referring a 'local government matter' in the context of the Councillor Call for Action to the panel. Please refer to the panel's terms of reference for further procedural arrangements.

8. Referred items under the Call in Procedure

To consider any decisions taken under the Call in Procedure.

9. Decisions taken under special urgency provisions

To consider any Portfolio Holder decisions taken under the special urgency provisions.

10. Fundamental Service Review of Customer Contact

9 - 68

See report from Ms. Pam Donnelly, Executive Director.

11. Localised Council Tax Support 2013/14

69 - 108

See report from the Head of Resource Management.

12. Work Programme

109 - 111

See report from the Head of Corporate Management.

13. Exclusion of the public

In accordance with Section 100A(4) of the Local Government Act 1972 and in accordance with The Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended) to exclude the public, including the press, from the meeting so that any items containing exempt information (for example confidential personal, financial or legal advice), in Part B of this agenda (printed on yellow paper) can be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).

**COLCHESTER BOROUGH COUNCIL
STRATEGIC OVERVIEW AND SCRUTINY PANEL
30 October 2012 at 6:00pm**

Agenda - Part B

(not open to the public or the media)

Pages

14. Fundamental Service Review of Customer Contact

112 - 115

The following report contains exempt information (financial/business affairs of a particular person, including the authority holding information) as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

See appendix E (confidential) of the report on the Fundamental Service Review of Customer Contact that provides details of location options.

STRATEGIC OVERVIEW AND SCRUTINY PANEL

29 AUGUST 2012

Present :- Councillor Kevin Bentley (Chairman)
Councillors Beverly Davies, Bill Frame, Pauline Hazell,
Peter Higgins, Kim Naish, Nigel Offen, Gerard Oxford
and Terry Sutton

Substitute Member :- Councillor Laura Sykes for Councillor Helen Chuah

Also in Attendance :- Councillor Nick Barlow
Councillor Mary Blandon
Councillor Barrie Cook
Councillor Nick Cope
Councillor Stephen Ford
Councillor Marcus Harrington
Councillor Sonia Lewis
Councillor Michael Lilley
Councillor Sue Lissimore
Councillor Colin Sykes
Councillor Tim Young

12. Minutes

The minutes of the meeting held on 11 July 2012 was confirmed as a correct record.

The minutes of the meeting held on 17 July 2012 was confirmed as a correct record.

13. Local Health and Wellbeing Arrangements - North East Essex Clinical Commissioning Groups

The following guests were in attendance;

Councillor Ann Naylor, Portfolio Holder for Health and Wellbeing, ECC
Councillor Anne Brown, Deputy Portfolio Holder for Health and Wellbeing, ECC
Ms. Clare Hardy, Senior Manager for Health and Wellbeing, ECC
Dr. Shane Gordon, CEO, North East Essex Clinical Commissioning Group
Dr. Gary Sweeney, Chairman, North East Essex Clinical Commissioning Group
Ms. Alison Woolnough, Public Health Specialist, NHS North Essex / CBC
Councillor Annie Feltham, Portfolio Holder for Communities and Leisure Services
Ms. Bridget Tighe, Community Initiatives Manager

The following Councillors declared non-pecuniary interests in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5);

**Councillor Bentley in respect of being a Member of Essex County Council.
Councillor Frame in respect of his work as an Associate Hospital Manager for the North Essex Partnership NHS Foundation Trust.
Councillor P. Higgins in respect of his spouse being a Member of Essex County Council.
Councillor Naish in respect of his spouse being a carer.
Councillor Offen in respect of being a Member of the Essex County Council's Health Overview and Scrutiny Committee and a retired employee of the NHS.**

Presentation – Essex County Council

Councillor Ann Naylor, Portfolio Holder for Health and Wellbeing at Essex County Council thanked the Council for inviting her and Ms. Hardy to the meeting.

Councillor Naylor said the introduction of the Health and Wellbeing Strategy was part of a huge political change that will come into effect from 2013. The changes would be important to Doctors, Nurses and other staff, but most importantly to the service users, and therefore everyone had a vested interest.

Ms. Clare Hardy, Senior Manager at Essex County Council for Health and Wellbeing gave a presentation on Implementing the Health and Social Care Act, to provide some context to the evening's discussions.

The new Health and Social Care Act provided the impetus to liberate the NHS.

At the higher level there would be a National NHS Commissioning Board to support, develop and hold to account an effective and comprehensive system of Clinical Commissioning Groups (CCG), deliver specialist commissioning functions and ensure the whole of the NHS architecture is cohesive, coordinated and efficient.

There will be five CCG in Essex, with Colchester BC and Tendring DC areas covered by North East Essex CCG, responsible for commissioning local acute care and community care.

Local HealthWatch will be the membership body representing the patients and public voice, due to be established by April 2013, accountable to Healthwatch England and upper tier local authorities. Essex HealthWatch Pathfinder has been established with 24 members representing Essex, its population and interests, and is exploring an operating model and how it will work within a network of existing groups.

With regard to Public Health, all functions will move to upper tier or unitary Local Authorities or to Public Health England in April 2013. Public Health England will hold Local Authorities to account for public health outcomes within a ring fenced budget. The new model will need to ensure all Council services and key partners are supporting public health outcomes with District Councils having a key role in health improvement.

The Health and Wellbeing Board will be a statutory public committee of Essex County Council, with the aim of integrating health and social care and public health as

enshrined in the Joint Health and Wellbeing Strategy, and for strengthening the local democratic legitimacy of the NHS. A Shadow Board has been operating since April 2012, meeting every month and is supported by the Executive Board and task and finish groups. The Statutory Board will come into effect from April 2013.

The Shadow Health and Wellbeing Board is involved in governance and public engagement, and had 20 members comprising of 5 Members from the Care Commissioning Groups (CCG) in Essex, 3 Directors from Public Health and Social Care bodies, The Leader and the Chief Executive of Essex County Council, Essex County Council Portfolio Holders for Adult Social Care and Children Services and Health and Wellbeing, 1 voluntary sector representative, 2 service users representatives, 1 NHS Commissioning Board Member, 2 District Chief Executives from Essex and 2 District Council Leaders from Essex.

The initial thinking coming from the Shadow Board, fed by engagement and consultation events throughout the summer of 2012, has fed into the proposed Joint Health and Wellbeing Strategy, with a final draft to be approved in September 2012. This would enable time to engage on the delivery of priorities in time for the April 2013 implementation.

Presentation – North East Essex Clinical Commissioning Group

Dr. Shane Gordon, Clinical Chief Officer for NEE CCG and Dr Gary Sweeney, Chairman of NEE CCG gave a presentation on the role and local working arrangements of the North East Essex Clinical Commissioning Group including the health and wellbeing priorities.

The NEE CCG had been in shadow since April 2012, with a board led by clinicians and including doctors, nurses, public health and social service representatives and lay members, all representing Colchester and Tendring, and was aiming for authorisation by the end of October 2012, to be established from April 2013.

The NEE CCG will cover 250 square miles, including 44 GP practices in 6 locality forums. The CCG will serve a current population of 324,000 with a growth estimate of 12.3% between 2018 and 2035, and an above average life expectancy of 79.4 (males) and 83.3 (females). The overall current budget of NEE CCG is £417m, with a savings target of £11.2m in 2012/13.

With regard to what the CCG does, it has responsibility for planning and buying healthcare, with most community services currently provided by Anglian Community Enterprises (ACE). Engaging with people was important to be able to accurately assess local needs, plan in partnership and design services, contract with providers and manage quality, performance and the annual budget.

The NEE CCG is a Member of the Health and Wellbeing Board and is involved in multi-agency planning groups and projects including links with the Council. There are 6 locality forums (3 in Colchester) with connection to frontline services and local needs, plus a Community Health Forum that included 3 locality patient forums, with one of these at Colchester.

In regards to health and wellbeing now is the time of greatest opportunity but also the greatest challenge in NHS history. New technology and treatments will enable care at home, with clinicians in the driving seat, thought by the CCG to be a good thing, and with joined-up health and social care a real prospect. This joining-up is vital due to increasing demand, linked to an ageing population, set in the context of a very challenging economic climate. The CCG's priorities are to improve quality of care without increasing costs, with a system-wide plan for radical change in care for the elderly, long term conditions and urgent care. Examples of this are investment in dementia services with earlier diagnosis, specialist support for people and carers, improvements in stroke with an early supported discharge, end of life care, choices with 24 hour nursing and the rolling out of virtual wards.

Improving urgent care would include investment and development in network of 24/7 services including crisis teams, mental health teams and health and social care working together. There will be simpler access to advice via telephone number '111', with A&E being limited to accidents and life-threatening situations only.

General discussions

With regards to the new '111' number and in response to Councillors Lewis, Davies, Naish and Bentley, Dr Gordon said the '111' number would provide easier access to callers and is being rolled out as part of a national programme, to sit alongside the current '999' emergency number for A&E, Ambulance and GPs. When '111' calls are received, the caller will initially be asked the same questions that are critical to a '999' emergency call, to determine if the call constitutes an emergency. Emergency calls would be dealt with as a '999' call, with non-emergency callers given the appropriate advice to service their needs as quickly and directly as possible. Filtering these calls would enable A&E to predominantly deal with life-threatening situations. Dr Gordon confirmed that '111' calls would be free-calls. '111' will supercede 'NHS Direct', and though some of the functionality will remain, overall it was anticipated that there would be better connectivity.

In response to Councillor Feltham, Dr Gordon said with regards to the partnership with the CCG and Colchester Borough Council, for the short term it was about identifying areas of 'synergy' where partners can gather resources to produce a result collectively and at less overall cost. There is already a local system partnership in place and looking at joint schemes, attended by Mr. Adrian Pritchard the lead officer for the Council. In the long-term it was about partnership working to ensure we meet the aspirations of future health needs as identified in the Health and Wellbeing Strategy and most importantly to provide a better start in life for children. Councillor Naylor said as an example there was to be a revamping of the district nurse system, providing health visitors, an old-fashioned idea, but one it is now felt does provide a better start for children in the home. Councillor Naylor said the Council did have a part-time officer dealing with public health and who worked in partnership with Colchester, ECC and the CCG. Further to this, in response to Councillor Ford, Ms. Hardy and Councillor Naylor said Colchester had a huge role to play in improving health including air quality, Community Safety, Environmental Protection and Leisure Services.

Dr Sweeney responded to Councillor Ford concerning communication, explaining that it

will be vital for the CCG to get the public involved in decisions on health and well being. As previously explained 6 locality forums (3 in Colchester) of GP practices, with connection with frontline and local needs and the Community Health Forum with 3 locality patient forums in Colchester, Harwich & Clacton would provide the links with the public, though the intention was to get more people involved by work underpinned by the Communication Strategy. Councillor Naylor said one of the secrets to the success of the Joint HWB Strategy was to get the general population to understand the new services would be better and more focused, and this would be difficult. Rapid discharge from hospital was one of the key ideas, but again this should be possible given patients are generally disappointed if they have to stay in hospital a long time.

Responding to Councillor Lissimore, Dr Gordon said the annual budget of £417m has been for 2012/13 and had been an estimate figure to cover all the responsibilities coming to the CCG. The budget for 2013/14 was unknown but would be announced probably early in the New Year. There remained a risk that the funding could be cut, despite being one of the lowest funded groups per capita. Funding streams for local authorities and CCG would remain the same in so much as there will be no functions carried out by the Council moving to the CCG. However in the future there will be a possibility of combining services to reduce costs.

In response to Councillor Offen, Dr Sweeney confirmed that consultants in 'Acute Services' and with direct high level responsibilities are represented on the CCG Board. Clinicians now have regular meetings, and their representation on the Board will ensure a great deal more interaction than was the case previously. With regards to 'Community Matrons' as key workers, the introduction of key workers as a concept will be a part of the whole way of working, with the most appropriate person taking the lead key worker role, whether for example, they are a mental health worker or social health worker. Dr Sweeney responded to Councillor Frame, saying in regards to mental health care there would be themed delivery groups such as 'Healthier Mind' and 'Healthier Body', where key workers will deal with issues and mitigate at a local level, though the present way that mental health services are commissioned will remain unchanged. Ms. Hardy confirmed that mental health came through very strongly in respect to their recent consultation and remained a large cross-cutting theme that required serious consideration.

Dr Gordon said the reduction in A&E attendance, as a measure of how well things are going and to be used as a performance measure was a good idea, though it should be remembered that NEE already have one of the lowest attendance records nationally, so driving down further may not be realistic. That said, if NEE could keep attendances at the same levels while factoring in growth it could be a more realistic and good idea.

In response to Councillor Naish, Councillor Naylor said that whilst 'Quality of Life' had not been mentioned within the presentations, all of the work being undertaken was to do with putting the patient at the centre, so quality of life was at the centre of discussions even if those words had not been used. A lot of the envisaged health improvements will put GPs at the front-line, a real trick missed in past reorganisations. Dr Sweeney understood Councillor Naish's concern about what appeared to be an emphasis placed on linking the elderly with dementia, saying the health services had reduced the ageism approach of 'too old to operate', though there was no escaping that the number of

cases of dementia in North East Essex was above the national average. The intention was to diagnose dementia at an earlier stage and this will help the person's quality of life. Dr Gordon said focusing on dementia was very important given the huge proportion of the CCG budget spent on this illness.

Dr Gordon said reorganisation and natural wastage had meant very few redundancies so far, and the CCG are going through the restructuring carefully to minimise redundancies, though it will be inevitable that there will be a small number of redundancies at the end of the process.

Dr Gordon confirmed to Councillor Hazell that the CCG would have full responsibility for their budget. Dr Gordon was shortly to be appointed the Chief Executive Officer (similar to the role of CEO for the PCT), supported by several senior health managers including the Chief Financial Officer (CFO). The CFO will report to the Accounts and Performance Committee who will scrutinise financial and audit reports and all internal procedures will be subject to internal and external auditing as part of the CCG overall financial arrangements. Dr Gordon would be accountable for ensuring the CCG costs remained within budget. Dr Gordon said there remained extremely experienced managers and staff within the NHS, good people delivering all the services, and that the new organisation would not require a complete staff overhaul.

Dr Gordon confirmed that the National Commissioning Board (NCB) and not the CCG commissioned dentistry. That said, a part of the role of the CCG would be to reduce 'poor self-health care' of which dentistry was an important part, and it was imperative that in the future the CCG worked closely with the NCB to achieve this end.

Councillor Laura Sykes said that in her work as a Ward Councillor it was still the case that many people remain off the health radar. This was for a variety of reasons such as elderly or vulnerable people living alone, a lack of communication skills or technology at their disposal (or a poor telephone service being offered) or no educational or intellectual skills. What's more, many of these people had little or no contact with the outside world, often living in overcrowded accommodation or accommodation requiring aids or adaptations. All of these problems inevitable led to an increase in stress or depression, with the individual often in no fit state to take their medication.

Councillor Naylor sympathised with Councillor Sykes, understanding the plight of many vulnerable and elderly people in the community. Whilst some people do slip through the net, it was the responsibility of the agencies dealing with health and wellbeing to work together and minimise. Assessing the needs of individuals and then placing them in accommodation suitable for their needs can be extraordinarily difficult. Aids and adaptations within households should not be an issue with the local council providing support in this work. Ms. Hardy said under social care, there are options for people, with the provision of personal health budgets for those who fit the criteria. Dr Gordon said there are 24 hour services available, and agreed to provide Councillor Sykes with the contact details of people who could provide her with guidance. Councillor Hazell understood the points made by Councillor Sykes, agreeing that these people needed to be identified and more help given. Dr Gordon said this remained a key challenge, and despite all the statutory services some individuals do slip through the net. There are now new opportunities with telephone 'Care Line', providing quicker responses and

solutions. Dr Sweeney said the voluntary sector would have a large part to play in this problem in the future, and harnessing their services through formal commissioning may help in providing the solutions.

Dr Gordon responded to Councillor Gerard Oxford in respect of the use of resources. Dr Gordon said most of the budget is spent on the demand for services already provided, so it was important that the remaining budget was channelled to those services with the greatest need, with all money allocated via a vigorous strategic needs assessment.

In response to Councillor Bentley, Dr Gordon said the change to the CCG will be seamless, so that local residents will not notice a difference. The main challenge for the CCG will be to provide a better overall standard of care within the budgets provided. Part of this improvement would be to speed-up treatment processes. Very often there are a lot of processes that form part of the overall treatment and improvements can be achieved where all the different treatments are brought together and rationalised. In respect of democratic representation on the HWB Board, Ms. Hardy said there will be some self-assessment with many issues raised being considered including the number of elected members on the Board. In respect of scrutiny and transparency, whilst it was acknowledged that health scrutiny would be the responsibility of Essex County Council, County would be keen to work in close partnership with District Councils, and without duplication. To this end it was conceivable that issues or concerns specifically raised within a North East Essex hospital could be subject to local scrutiny, whereas issues concerning all hospitals in Essex could be dealt with by Essex County Council. Councillor Naylor acknowledged the need for health scrutiny and the possible representation from district members. In respect of what percentage of local people received private medical care, Councillor Naylor said that speaking from her many years experience as an anaesthetist the pattern of the number of people receiving either private medical care or NHS care had changed very little. Dr Gordon stated that the CCG commissioned services for all local residents, regardless of the number subscribing to private medical care.

Councillor Bentley said the review had been an excellent piece of scrutiny, and thanked all the guests for attending the meeting, and for their presentations and contributions to the discussions.

RESOLVED that the Panel;

- i) Thanked Councillors Naylor and Feltham, Doctors Gordon and Sweeney and officers for attending the meeting, giving their presentations and providing positive responses to questions from guest councillors and members of the Panel.
- ii) Agreed that the presentation slides and minutes from the meeting would be forwarded to all members.
- iii) Agreed that the Chairman would write to Essex County Council and the Clinical Commissioning Group to thank them for their participation in the HWB review and to restate the issues that arose at the two meetings.

14. Work Programme

Councillor Bentley said that at the previous week's briefing, he and Councillor Offen had discussed and agreed to three further reviews being added to the Work Programme pending agreement by the Panel. The reviews and review dates are as follows;

- 11 December 2012 – HRA Reform
- 12 February 2013 - Welfare Reform, including the process and implementation arrangements including Customer Contact, Homelessness, Housing Allocations.
- 19 March 2013 - Investments in Colchester's Arts and Culture - Review of the Council's investment in Colchester's major art venues, and the extent to which those venues contribute to the Council's strategic priorities

RESOLVED that the Panel noted the Work Programme 2012/13 and agreed to the proposed reviews being added to the programme.



Strategic Overview and Scrutiny Panel

Item

30 October 2012

Report of	Executive Director	Author	Pam Donnelly Georgina Blakemore ☎ 282212
Title	Fundamental Service Review of Customer Contact		
Wards affected	All		

The Panel is invited to review and comment on the business case and the draft Cabinet report relating to the Fundamental Service Review of Customer Contact.

A Fundamental Service Review of Colchester Borough Council's Customer Contact began in January 2012.

The review has now reached the business case stage, and includes recommendations and decisions for the Cabinet.

The attached draft report to Cabinet recommends the approval of the business case.

Strategic Overview and Scrutiny Panel is asked to review and comment on this report, ahead of the Cabinet meeting on 28 November 2012.

The draft Cabinet report and business case document are attached.



Cabinet

28 November 2012

Item

Report of	Executive Director	Author	Pam Donnelly Georgina Blakemore ☎ 282212
Title	Fundamental Service Review of Customer Contact		
Wards affected	All		

This report concerns the Fundamental Service Review of Customer Contact and the business case arising from this review – please note that this is a draft Cabinet report for scrutiny at Strategic Overview and Scrutiny Panel 30 October 2012

1. Decision Required

- 1.1 To approve the attached business case resulting from the Fundamental Service Review of Customer Contact, and authorise the implementation planning stage of the review.
- 1.2 To recommend to full Council the inclusion and subsequent release of £2.366 million from the Council's capital programme to fund the estimated capital costs set out in the Financial Summary (Appendix I, page 2).

2. Reasons for Decision

- 2.1 To allow the implementation of the main recommendations to begin and the subsequent delivery of a transformed organisation to enable an improved customer experience.

3. Alternative Options

- 3.1 The alternative option would be not to approve the business case or to ask for changes to be made to the proposals set out in the business case. In either scenario, the delivery of an improved customer experience and greater efficiency and effectiveness could be delayed or not delivered. The business case is the result of considerable research, analysis and consultation on the part of a core project team, led by the Executive Management Team

4. Supporting Information

- 4.1 The business case outlines the overall proposal for the Fundamental Service Review of Customer Contact. The business case is a complex document that amalgamates the organisational philosophy, a new operating model and nine themes of work. Each theme is appended to the business case. There are a set of recommendations and decisions emerging from individual themes that will help to shape the implementation planning and subsequent delivery of a transformed organisation.

5. Proposals

5.1 The Fundamental Service Review of Customer Contact will:

- deliver an easy and positive customer experience – consistently
- improve our efficiency
- enable the organisation to be more resilient and sustainable by taking a more commercial approach.

5.2 The recommendations being proposed in addition to the overall decision as shown at paragraph 1 above are:

5.2.1 Approve the operating model.

5.2.2 **Appendix A - Journey Management**

Agree the customer journey approach on which the operating model is built.

5.2.3 **Appendix B - Commercial**

Agree the commercial ethos and purpose of the trading arm.

5.2.4 **Appendix C - Changing Behaviour**

Agree the principle of changing behaviour – our own, and our customers – as a tool to manage demand up and down.

5.2.5 **Appendix D - ICT**

Agree the content of the theme is worked up into a programme and timetabled.

5.2.6 **Appendix E - Locations**

- Libraries - continue to progress the option confirming the basis on which it would work and firm up costs.
- Re-evaluate our office requirements.

5.2.7 **Appendix F - Cultural Change**

Agree the proposals for managing our staff and supporting our councillors through significant and ongoing change.

5.2.8 **Appendix G – Organisational governance**

Approve the implementation of the new governance structure.

5.2.9 **Appendix H - Organisational shape**

Agree the new shape will be developed following the Cabinet decision in November 2012.

5.2.10 **Appendix I – Financial summary**

- Approve the revenue impact shown on page 1 of Appendix I.
- Approve the capital investment shown on page 2 of Appendix I.

6. Strategic Plan References

6.1 The proposals outlined in this business case contribute to the vision and broad aims set out in the Strategic Plan 2012-15, and the priority areas of enabling local communities to help themselves, and supporting vulnerable groups.

7. Consultation

- 7.1 Customers, staff, external stakeholders and Unison have played an important part in the development of this business case.

8. Publicity Considerations

- 8.1 This review has been shaped and based on what our customers have told us about their experience of doing business with us. This will help to ensure the review will lead to services that offer a better customer experience at every level. The overall aim is make it quicker and easier for customers to access Council services and deliver efficiencies for the Council during difficult financial circumstances.
- 8.3 A news release has been issued to the local media and put on the Council's website to coincide with the publication of the business case.

9. Financial implications

- 9.1 The business case sets out the full financial implications of proposals. These are shown within Section 3 of the business case, and in more detail within the financial summary at Appendix I.
- 9.2.1 The financial picture includes implications for both the revenue budget and capital programme. This includes a need for an initial capital investment and associated revenue costs in ICT of which a significant element is unavoidable if the Council is to simply maintain existing operating systems.
- 9.2.1 In terms of the revenue budget, an initial cost in Year 1 (2013/14) is shown with net recurring savings of £1.4 million in year 4, and a further anticipated net income from more commercial activities of £0.9 million by the same stage.
- 9.4 The financial implications of this review need to be viewed in the context of the challenging financial climate and the Council's financial strategies. They will therefore be reflected within the capital programme and the 2013/14 revenue budget and Medium Term Financial Forecast.

10. Equality and Diversity Implications

- 10.1 The screening stage for an Equality Impact Assessment has been carried out, and is available by [clicking this link](#), or following this pathway from the homepage of www.colchester.gov.uk: Council and Democracy>Policies, Strategies and Performance>Equality and Diversity>Equality Impact Assessments>Corporate Management>Customer Contact – Business Case.

11. Other Standard References

- 11.1 There are no specific Human Rights, Community Safety or Health and Safety implications at this point. As with Equality and Diversity above, the implications for these areas will be considered at the implementation stage.

12. Risk Management Implications

- 12.1 The high-level risks associated with this review have been identified in section 5 of the business case.

Background Papers (for the Cabinet report 28 November 2012 – nb currently draft)

Strategic Overview and Scrutiny report and minutes – 30 October 2012.



Fundamental Service Review of Customer Contact

- Customers – how and where our customers contact us.
- Community – how we deliver frontline services to our customers.
- Commercial – how we achieve a sustainable financial future.

Universal Customer Contact – Fundamental Service Review (UCC FSR)

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Appendices

Summaries of each of the themes:

	Appendix
• Journey management	A
• Commercial	B
• Behaviour change	C
• ICT	D
• Locations	E
• Cultural change	F
• Organisational governance	G
• Organisational shape	H
• Financial summary.	I

Background papers

- Interim reports/evidence for each of the themes
- Equality Impact Assessment.

1. Executive summary

The business case presents an opportunity for the Council to:

- drive through a radical and ambitious change based on our experience of delivering fundamental service-based transformation
- renew and extend our commitment to customer excellence
- deliver services in the most effective way for our customers
- provide resilience for the organisation through the delivery of efficiencies and managed demand
- respond to the changing needs of a growing and diverse population for effective and efficient service delivery based on the standards of the best private sector providers
- transform the organisation in a way which supports our organisational philosophy
- create a sustainable commercial services arm governed by a trading board
- deliver a positive cumulative revenue impact over four years of £3.95 million, from a total capital investment of £2.84 million.

The business case highlights:

- The opportunities to be delivered through a model which will focus on the needs of our customers, community and commercial opportunities.
- Some of the risks associated with major organisational change and the risk of staying as we are
- The scale of cultural change which will be needed to succeed
- The need for investment in our ICT infrastructure and our people
- The challenges presented by the rapidly changing information landscape and opportunities created by our digital strategy
- The need to phase change to manage risk.

The business case presents our thinking on a range of themes:

- operating model and customer behaviour:
 - journey management, commercial and behaviour change
- enablers:
 - ICT, locations and cultural change
- decision-making and benefits:
 - organisational governance, shape and financial summary.

The delivery of the business case will be phased in line with the financial projections.

2. Introduction

The world around us has fundamentally changed in recent years. The fiscal deficit at global and national level has meant a significant reduction in all public sector spend. New, innovative and creative ways of working will be needed if we are to match reduced resources with rising expectations and customer demand.

The UCC FSR is our response to these challenges, and builds on previous FSRs which have delivered almost £4 million of savings and significant improvements to the customer experience.

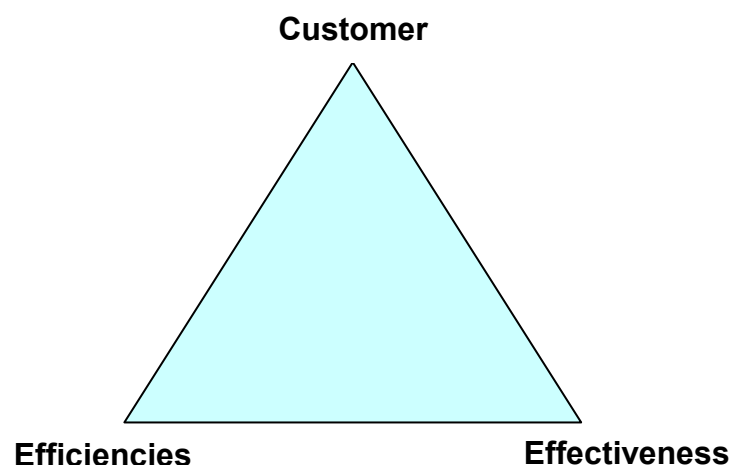
The UCC FSR will develop and apply a unified model for managing customer contact, and therefore will have a significant impact on the organisation itself and the way it delivers services to customers and the community.

The UCC FSR is looking to secure long-term resilience for the Council so that it can continue to serve the needs of a growing and ever changing population.

Our work to date

Over the last three years, the FSR model has been used as a basis for delivering customer-led efficiencies across significant parts of the organisation including Street Services, Housing, Revenues and Benefits, and Sport and Leisure to achieve significant improvements in the customer experience, whilst saving the Council money and delivering value for our residents.

Our model is based on three important drivers, which are customers, efficiency and effectiveness



This approach has been an important part of our overall budget strategy and has helped us steer through some difficult financial circumstances without sacrificing frontline service delivery. We have identified some common themes, consistent opportunities and the chance to deliver even more improvements and efficiencies for the whole organisation. We want to go much further and build on this so that we can continue to deliver high quality services to our customers in an environment where resources are stretched.

We will achieve this by consolidating our work to date, transforming the organisation and commercialising some opportunities by extending the FSR methodology to the whole organisation through the UCC FSR.

2.1 Our vision and philosophy

Our vision is for a Universal Customer Environment which enables:

- Our staff to deliver customer excellence as determined by our customers, not us.
- Positive behaviour change amongst our residents to reduce demand on our resources and make for a better place.
- A significant channel shift to empower our customers to self-serve when and where it is appropriate.
- Efficient service delivery which helps anxious and frustrated customers, and avoids waste.
- A high standard of complex case management for our most vulnerable customers in an appropriate face-to-face environment.
- A more efficient and effective customer journey to make life simple for our customers.
- A commercial philosophy to evolve that secures organisational resilience and service delivery.

To deliver the vision, our underpinning organisational philosophy will change to reflect the business-critical areas for the successful delivery of efficient service provision, namely:

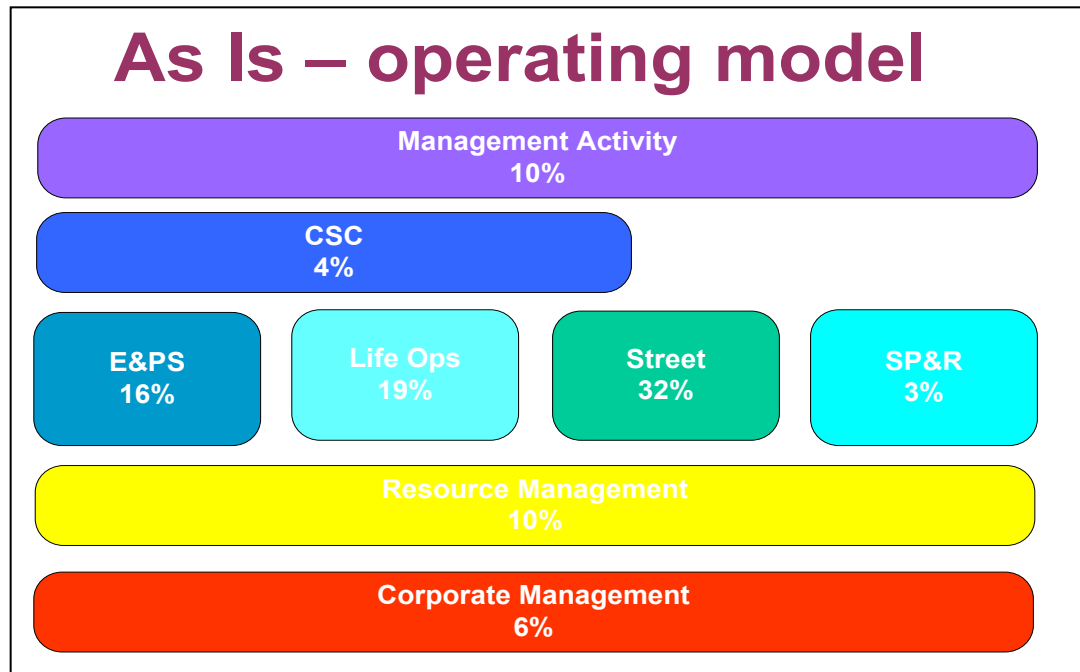
- Universal Customer Environment
- Service Delivery
- Policy, Trading and Business services.

We have a real opportunity to reshape the organisation around three key priorities - our **customers**, our **community** and to give more emphasis to our **commercial** work. This will provide a way forward for us which will enable us to respond positively to some of the external challenges ahead, and provide the resilience we need as an organisation to deliver our strategic priorities.

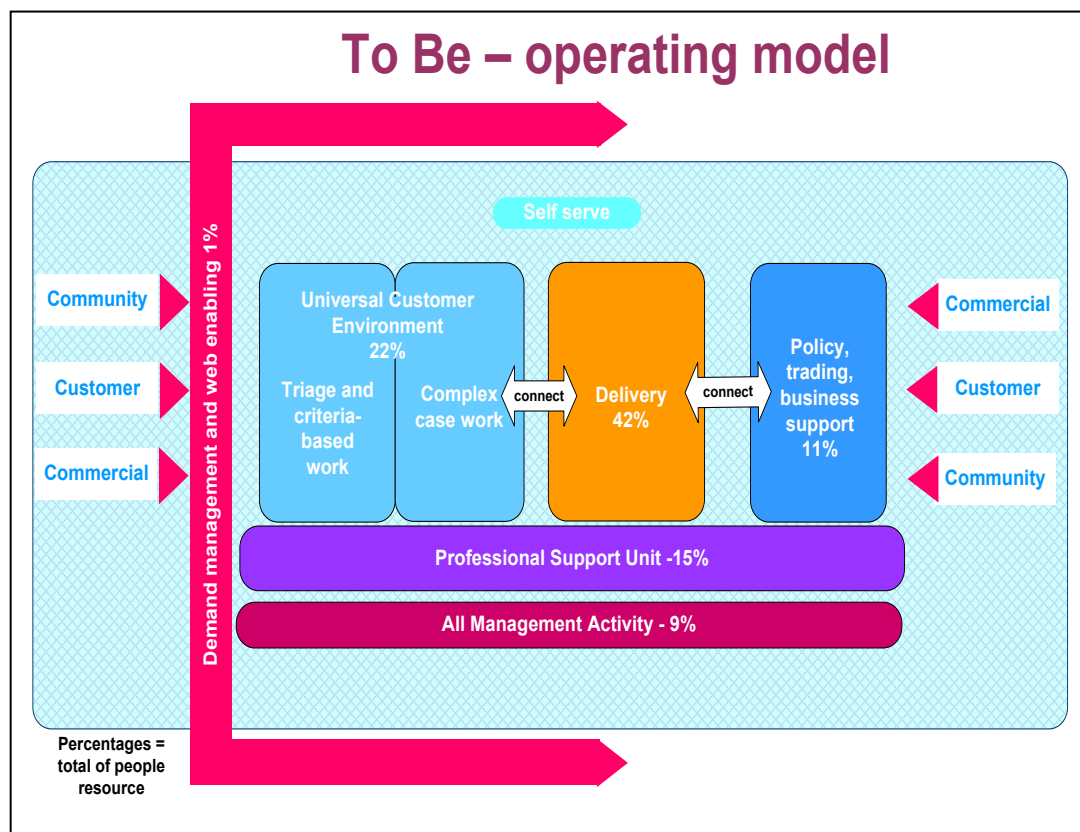
2.2 Operating model

To deliver the philosophy, the organisational operating model needs to reflect the significant shift being proposed toward the improved customer experience.

This is the current model of permanent resources:



The proposed model reflects the new philosophy, and shows a consolidation of customer contact in the new Universal Customer Environment.



2.3 Our customers

Customer insight – what our customers are telling us

The views of our customers underpin the Universal Customer Environment. This has been achieved through a systematic approach to gathering customer insight using a range of insight tools. A wide range of customer insight sources collected between 2008 and 2011 for the UCC FSR have given us a picture of current customer views relating to:

1. overall customer contact - how many customers contact us, how do they contact us and what they contact us about
2. the views and experiences of customers who are contacting us
3. what we know about our customers and their expectations of us.

To date, our customer insight findings show that:

- 83% of current CSC contact is through face-to-face and phone.
- Housing, Revenues, Benefits and Street Services are the main services being accessed at the CSC.
- There is a considerable amount of contact with customers outside of the CSC, including 201,624 contacts through our rule-based processes and more than 5 million contacts through service delivery to the community.
- Customer satisfaction and experience with our staff is good with customers finding staff polite friendly and helpful.
- Customers are less satisfied with the time we take to deal with enquiries, the difficulty they have in contacting the right person, the knowledge staff have and the quality of information available to them.
- A customer's likelihood to self-serve will vary depending on the service they are accessing.
- Customers who are average, high or very high in their likelihood to self-serve are currently contacting our offices.
- Mobile technologies are currently absent from our channel portfolio, but many customer groups visiting the CSC are receptive to mobile channel options.

Customer behaviours and expectations of us are changing rapidly, with more customers taking up online options for payments and expecting to be able to self-serve. Customers are viewing the availability and use of self-serve and the personalisation of services as a logical next step.

What our staff are telling us

The views of staff reflect those of our customers. Our 2011 staff survey highlights the difference between staff responses from companies which are 'the ones to watch' and those of the Council. In each response, our employees expressed a lower level of confidence in our current ability to deliver excellent customer service than staff at similar organisations. Our employees clearly recognise the importance of customer service and want to improve our approach.

FSR Business Case – October 2012

The Universal Customer Environment – what does it mean for our customers?

We will offer our customers the opportunity to interact with us in a way that encourages self-sufficiency, but ensures access to expertise when the need arises. Our customers will be able to make enquiries, bookings, applications, requests for services and payments easily.

The availability and easy access to information via self-service is the key to this significant change. A customer will be able to serve themselves either by mobile technology, kiosks, touch phone or online. This will bring the Council in line with many other sectors and organisations that have already made significant shifts toward self-service such as banking, supermarkets and central government (for example car tax, tax returns).

The key to delivering this shift will be technology, cultural change and a robust approach to business process.

Underpinning the customer environment will be an enhanced and secure approach to data management. This supports the 'one customer record' approach that is required to deliver a joined-up view across our organisation of customer contact and activity. The data must be central and remain accurate. This will mean less flexibility around data entry in back-end systems, and the need for all customer contact to be routed into one function responsible for customer excellence and therefore data accuracy.

Organisationally, mechanisms need to be put in place that will deliver changes to incoming post, e-mail, text and phone contact as well as ensuring that our own outbound communication to our customers does not generate incoming contact that is paper-based, or indeed unnecessary in the first place.

We will also need to shift our focus to improve online information, application, payment and progress of work so the customer has the ability to access information about their particular need in their own time, without making a contact that has to be handled by a person in the organisation. This is a significant shift in culture, technology and resources and will require a corporate approach across many processes.

There are many services that customers pay for such as car parks and leisure services where we would want to see an increase in customer demand.

Ease of use and an efficiency of process are entirely consistent with driving demand up, just as it is with driving demand down. Therefore, we will look to divert resources used up on demand that can be avoided towards providing an improved first contact. This may extend the first contact time, but will ensure less contact further down the line and give us the opportunity to join up services for customers – for example a customer requesting a premises licence may also require food hygiene, planning consent, links into business enterprise, tourist services and a trade waste service.

Our customers will also be able to access our services in their communities and across various locations in the borough. The opportunity to share an existing town centre location with another partner has been pursued, and there is a realistic possibility that Council customers will be able to access services through the main library in Colchester town centre.

The borough's library network also offers opportunity to have a council presence in a variety of ways, mainly via self-serve but we could extend technology that supports 'live chat' such as Skype, and use the library base to deliver mobile services which are tailored more to their local communities.

The longer term aspiration for our customer experience is to ensure we are enabling customers to help themselves prior to our services even being required. This is the opportunity to look at activity and resource to implement specific interventions that are measureable and help manage future demand

The behaviour change work is one way of 'future-proofing' the organisation against unknown levels of rising demand – the accuracy of being able to measure the success of behaviour change is difficult because of this rise. We will never be quite sure how much demand that was coming in has been proactively diverted or prevented by behaviour change work.

The Universal Customer Environment will have strategic influence, deliver operational excellence and be accountable for the customer experience. It will comprise of a triage function where customers (physically present or not) will get a resolution, or be referred quickly and with all relevant information already gathered into a more complex case management environment.

Teams, processes and technology will be configured around customer journeys and be simpler for the customer and more efficient for the Council. There are three scenarios in the journey management theme (Appendix A), where the improvements for the customer and the efficiencies for the Council are clearly shown.

Another example would be the billing, invoicing and debt collection function. Currently activity happens across many services and is not joined up. We have no single picture of a customer's total debt, as records are within back-end systems and there is no single view by customer.

At the first contact point with customers who need to make a payment arrangement with us, we only ask 9% of customers to make a payment at that point as they set up their agreement with us, and only 16% of these conversations result in a direct debit being set up. There is no system that helps our frontline take the appropriate action or any knowledge bank that would help to guide advisors through the process.

The solution to this is a single customer record so any debt could be seen by the person dealing with the first contact, and to increase income collected and increase the likelihood of regular payments being made. It needs a knowledge management system that, together with the technology, facilitates advisors through the rule-based process of taking a payment, record keeping and setting up payment arrangements by direct debit.

Our real opportunity to be more efficient would be around looking further forward at the process of billing and invoicing, the wording on our bills and the ease of making payments. If customers can pay but won't, they need to be moved quickly toward recovery action. This is the work of the corporate debt team. Customers who can't pay need to be recognised early, and quickly routed to appropriate help and advice. The first stages of this process remain within the Universal Customer Environment, mainly as triage.

2.4 Our communities

Frontline delivery of services to our customers is an important element in the UCC model, where it is expressed in terms of a community-based approach. It also has strong links into the Universal Customer Environment, through effective demand management and customer enabling.

We already deliver street-based services through a community-based zone approach. This is working well, and provides a real opportunity for us to adapt our existing service delivery in ways that respond to the changing needs of our communities and enables residents to co-deliver services, facilitated by our staff and councillors.

There are also other significant areas of location-based community delivery such as cemetery and crematorium, sport and leisure, and Colchester and Ipswich museums. Generic services such as recycling and waste will continue to be delivered borough-wide.

All frontline service delivery will be strategically led, giving customers a consistent experience whatever service they are receiving. This approach will ensure consistency across Zones, location-based services and borough-wide generic service delivery.

We are looking to secure the delivery of high quality services in the future by developing our commercial activities. This will allow for commercial surpluses to be reinvested in frontline service delivery, enabling us to become more sustainable in the future.

2.5 Our commercial approach

The generation of commercial income will be vital to the future resilience of the Council in delivering excellent frontline services during a time of reducing government grant. We have an opportunity to build a sustainable commercial services arm which will create a focus for commercial activities that will grow over time to support the political aspirations of the administration expressed through the Strategic Plan.

A commercial arm is a vital and integral part of the operating model which delivers our vision for an organisation with a strong customer, community and commercial focus.

The trading company or companies will always:

- reflect the requirements of the Constitution
- be commercially sound,
- and not compromise the Council's reputation.

An example of this approach would be the creation of [BBC Worldwide](#) – the commercial arm of the BBC.

We would expect our focus to be in the following areas:

- better and improved procurement
- enhancement of existing income streams
- developing our assets into sustainable revenue streams
- providing services to others
- commercialising the UCC concept
- managing services for others
- pursuing shared management arrangements.

A trading board is proposed to ensure all future planning and decision making is properly supported and challenged, and to ensure through recommendations to Full Council and Cabinet that the Council is getting value for money and is entering into sound commercial arrangements.

The commercial theme will encompass a number of potential trading opportunities, but the most financially rewarding is likely to be based around the use of our property and land assets. Work is already progressed for the use of the Northern Gateway, and Cabinet has recently approved a vision for this area and agreed terms for the first specific site to come forward. Key to this will be the delivery mechanisms that allow a capital asset to be turned into a sustainable source of revenue.

3. Financial implications

The financial picture can be described across four areas:

- investment (mainly capital)
- costs (revenue budget)
- savings (revenue budget)
- income (revenue budget).

Investment

£1.3 million of the ICT investment proposals would have to be delivered whether we implement the UCC FSR or not, to keep our ICT at an acceptable level.

The investment would improve efficiency to a degree but the real opportunities are enabled by the new operating model underpinned by business rules. This transformation requires an additional £1.54 million of capital investment, and is anticipated to return £1.97 million of cumulative revenue savings over four years.

Costs

Costs identified around behaviour change for the new operating model total £350k over four years and return £750k cumulative savings plus a positive impact on demand management.

Additional revenue costs for ICT reflect the higher dependency and profile of technology as an enabler of the organisation to deliver. There is also a cost of change, reflecting the importance of taking people through transformation by supporting and developing skills for the new way of working.

Savings

If we invest in behaviour change (customers), ICT and change management (our people, including councillors) and deliver services via a new operating model, there is an estimated positive revenue impact of £1.97 million over four years.

Income

The commercial opportunity being pursued is an integral part of the organisational philosophy, and is the vehicle for sustainable service delivery in the future.

The financial picture for the commercial arm can be summarised as break-even in Year 2 with a cumulative commercial surplus of £1.985m over four years. The annual surplus for reinvestment back into council services is estimated at £935k by year 4 (see appendix B).

Summary tables

- **Revenue**

The table below illustrates the summary revenue cost and savings/income assumptions which underpin the business case.

Recurring revenue costs / savings / income	Year 1	Year 2	Year 3	Year 4	Total Years 1-4 cumulative
Theme	2013/14	2014/15	2015/16	2016/17	
	£'000	£'000	£'000	£'000	£'000
Sub-total – eight themes (all bar commercial theme) - net revenue impact	310	(180)	(680)	(1,420)	(1,970)
Sub-total – commercial theme - net revenue impact	30	(295)	(785)	(935)	(1,985)
TOTAL - revenue impact	340	(475)	(1,465)	(2,355)	(3,955)

- **Capital**

The table below illustrates the capital investment required to enable the business case to be delivered.

Capital investment	Year 1	Year 2	Year 3	Year 4	Total Years 1-4 cumulative
	2013/14	2014/15	2015/16	2016/17	
	£'000	£'000	£'000		£'000
Investment required without the FSR	800	500	0	0	1,300
Additional investment	920	575	0	50	1,545
TOTAL	1,720	1,075	0	50	2,845
Available in the capital programme	479	0	0	0	479
Funding gap - capital	1,241	1,075	0	50	2,366

Please also see the revenue and capital summary in Appendix I.

4. Communication and engagement

Communication and engagement is central to the successful implementation of the UCC FSR. It will focus on the transformation needed to deliver a major shift in the way we work and how we deliver services to our customers.

Communication and engagement will reflect the emerging operating model and will target four major stakeholder groups:

- customers
- staff
- councillors
- partners.

The approach will be based on an interactive approach to secure the level of engagement we need to work effectively with these four groups.

Communication and engagement will be ongoing, reflecting the key milestones in the timetable and will support the UCC FSR through the implementation and development stages.

5. Risks

There are four strategic risks identified at this stage, although each theme will continue to work on risk registers throughout implementation planning and implementation.

The cross-cutting strategic risks are:

1. ICT
2. cultural change
3. financial
4. external factors.

A high level description of the risks is below with some risk mitigation described for the two biggest challenges, namely ICT and cultural change.

1. ICT

We have to deliver the change and improvement to our ICT. There are risks specific to ICT, but these should be viewed and mitigated as a business risk to ensure integration and business engagement.

These risks identified from within the ICT theme are more detailed because of the reliance of the FSR and 'business as usual' on the delivery of the ICT proposals.

There is also a need to deliver this theme ahead of many other changes as it is an enabler.

These ICT risks are as follows:

ICT	Risk description	Risk mitigation
1.	There is a risk that ICT is seen as distinct from business transformation, and is therefore run as a separate programme.	A single transformation programme that includes ICT.
2.	The technology transformation required to support UCC FSR is large and complex.	Strong leadership and good programme management to reduce and where possible manage, eliminate, share or transfer the risks.
3.	The outcomes from the UCC FSR will lead to an increased reliance on ICT. There is a risk that ICT's importance will not be recognised, and that our Corporate ICT will not be sufficiently resourced to meet the increasing and changing demands from the Council, customers and communities.	Must first identify strategic ICT skills and competences, and then retain sufficient capacity in those skills and competences.
4.	UCC FSR requires a step-change in integration and coordination across the Council, which must define and implement mandatory 'corporate' requirements, covering aspects such as security, integration, data and technologies, to enable that integration and coordination.	Need to define these new corporate requirements, implement associated governance arrangements and have an overall solution design before starting to procure any new application systems.
5.	Unilateral ICT decisions by services undermine applications and data integration.	Implement governance arrangements.
6.	The Council suffers a significant security breach that leads to reputational damage, reduces customer confidence, undermines channel shift.	Review security arrangements and policies. Implement a security design that handles the new threats. Implement governance arrangements so that policies, practices and their ICT underpinnings remain fit-for-purpose.
7	Involvement of third parties.	Engage early in the process and have strong project management.

2. Cultural Change

The degree of cultural change is significant and affects everybody in the organisation. People are busy now, so how do we embark upon a major change as well?

Cultural change	Risk description	Risk mitigation
1.	The scale of change is significant and touches everybody.	Good communications, programme management and appropriate leadership.
2.	New skills and knowledge will be required.	A learning and development plan, and an early start on skills and development for implementation so that people are ready.
3.	Lack of organisational capacity to move from business case to implementation.	Create a leadership group around implementation with remit to secure resources and start implementation work. Make decisions around what work can stop and communicate them.
4.	Maintaining service delivery during a period of major change.	Focus specific resources on delivery, and manage the improvement within the FSR implementation.

3. Financial

The financial investment, cost, savings and income predictions are based on a series of assumptions. Although they are calculated on this basis at this stage, we anticipate changes up and down as the implementation work gets underway.

4. External factors

There is a risk around the changing external environment and the implications this will have on the services we need to provide. These risks could be any combination of factors - political, economic, social, technological, environmental or legal.

6. Implementation

The implementation challenge is significant. It is therefore recommended that an implementation board is established. This board will be led by the Chief Executive and supported by senior officers, and be tasked with the successful implementation of the new way of working.

The implementation board will consider a wide range of issues including people, customer, ICT and performance – and the development of new financial arrangements to support the new operating model.

7. Work to date

The business case is a summary of our work to date; to understand the complete picture it must be read alongside the appendices which follow.

They set out a number of critical success factors namely

- the importance of simplifying the ways in which our customers do business with us to improve customer experience and deliver efficiencies (Appendix A)
- the development of a sharper commercial focus (Appendix B)
- the need for major changes to the ways in which our customers behave and interact with us (Appendix C)
- a substantial investment in ICT to enable change (Appendix D)
- the role of physical locations in the customer journey (Appendix E)
- a recognition of how important cultural change will be (Appendix F)
- new organisational governance arrangements (Appendix G)
- the need for a new organisation shape (Appendix H)
- a strong underpinning financial model. (Appendix I).

8. Next steps

Strategic Overview and Scrutiny Panel is asked to review and comment on this report, ahead of the Cabinet meeting on 28 November.

Theme summary - Journey management – Appendix A

The journey management theme for this business case has emerged from earlier work which has enabled a high level operating model to be more clearly defined, and for the pathways through the organisation for customers to be better understood.

The new organisational philosophy focuses on further improvement to the customer excellence programme that has been developed in Colchester; the journey management theme has taken the organisational philosophy and translated the customer journey principles of how a new organisation may operate to deliver that philosophy, and then modelled it.

The Universal Contact Environment (UCE) is described below:

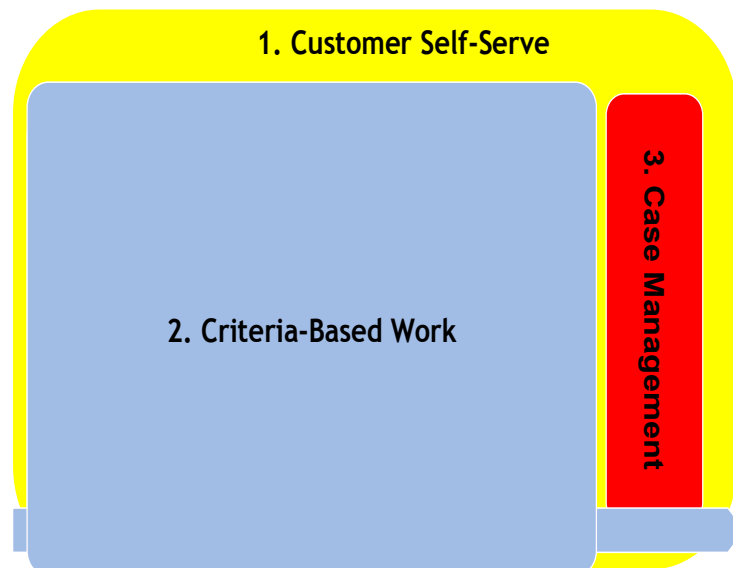
CBC Universal Contact Environment (UCE)

The Universal Contact Environment – consists of three primary capabilities:

1. Customer Self-Serve
2. Criteria-Based Working - Triage
3. Case Management Working.

All customer self-serve capability enables avoidance of unnecessary contacts – creating capacity within Triage.

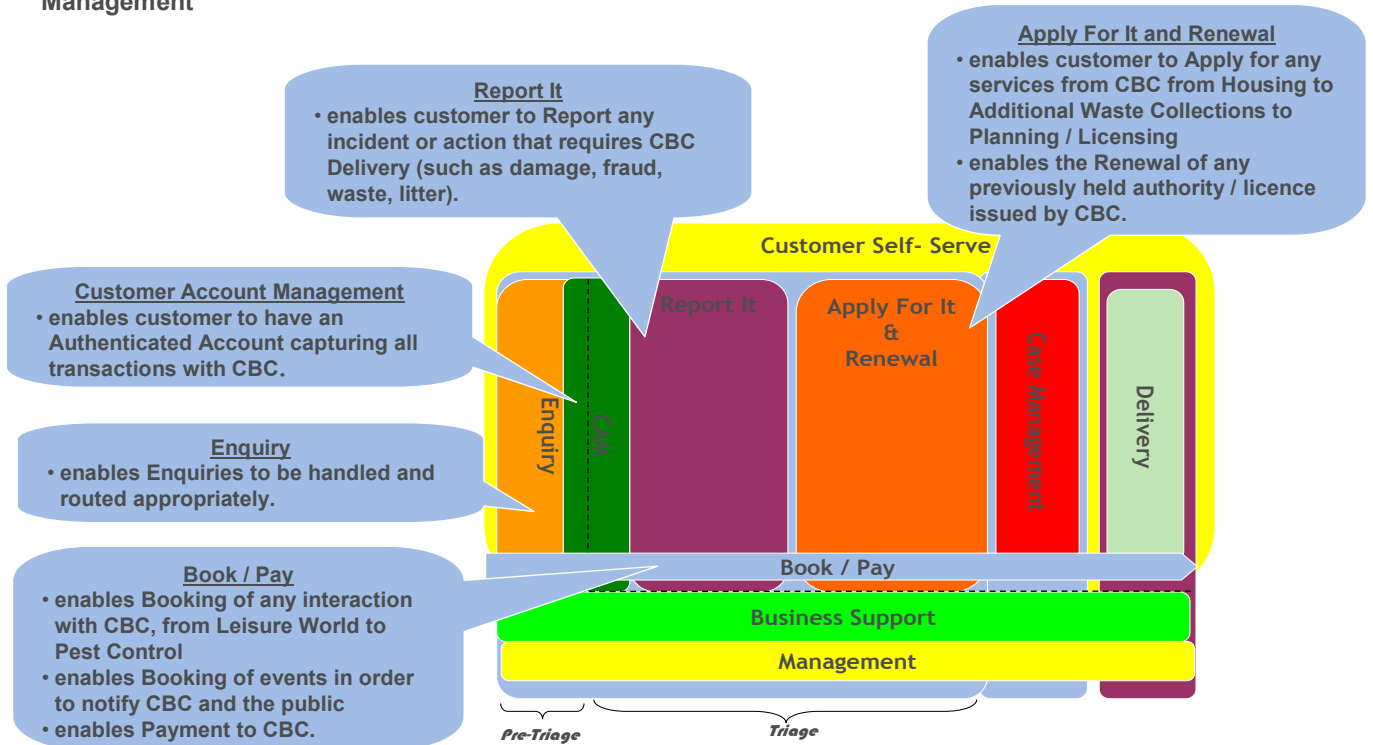
The criteria-based capability (Triage) enables the capacity for case management to support more complex and challenging interactions.



The following illustration expands on the three capabilities shown on page 1:

CBC UCE - Criteria-Based Work and Customer Journeys

- Criteria-Based Work falls into specific customer journeys
- Enquiries, Report It and Apply For It will, where required, be resolved as part of Triage and/or Case Management



This work, based on examining 360 service processes, has allowed us to standardise our processes and define a new set of business rules to allow for this work to be developed further.

The Approach

A small working group was set up to help inform the business case. The group has worked within a tight framework to produce an informative and innovative journey mapping of the Council's activity.

The group brought together resources from across the Council to inform the process, and invited representatives of services or activities to help build a complete picture.

The group was tasked with:

1. identifying the building blocks of customer journeys for Colchester:

Customer Account Management	- a single accessible customer record
Enquire	- any question a customer may have
Report it	- anything a customer wants to inform us about
Book and pay for it	- anything that needs a timeslot or paying for
Apply for it	- anything where we need information to proceed to a decision (maybe preceded by 'enquire').

2. taking as many service processes as could be identified, and running them through the building blocks to ensure no exceptions.
3. establishing high-level principles that would need to be in place to achieve the outcomes for the customer.
4. translating and further testing the theory into scenarios that are real, and then describing the benefits.
5. outlining a model of operating that would enable and support the principles underpinning the journey management theme.

The results of that work show how the building blocks map across the emerging operating model which will deliver the UCC FSR outcomes.

The Principles

The team applied key principles across all the customer journeys examined, and these are listed below:

- Customers can use a range of channels although our default will be digital (online or telephony).
- Our channels take varying levels of need / accessibility into consideration.
- Processes are customer-centric – that is, they are shaped by the ideal customer journey.
- Processes are quick and uncomplicated, and take as few steps as possible.
- Information is easy to find and understand.
- We don't ask customers what we already know and don't ask for details we don't really need.
- Single entry of data to avoid customers having to repeat themselves, for example to transfer name / address record.
- Customers are advised what to expect during the process and are kept up-to-date along the way.
- It is easy for customers to track the progress and status of any transaction or process.
- Customers are helped with reminders and checklists, but remain responsible.
- Where we can, we allow customers to book convenient time slots.
- We resolve things for customers at their first point of contact wherever possible, keeping internal handoffs to a minimum.
- When contacting us, customers get through quickly to the right person to handle their query.

The principles and assumptions that have been made need to be carried forward to the implementation 'planning' stage, as the foundation of the model and resulting improvements and efficiencies are based upon them all being achieved.

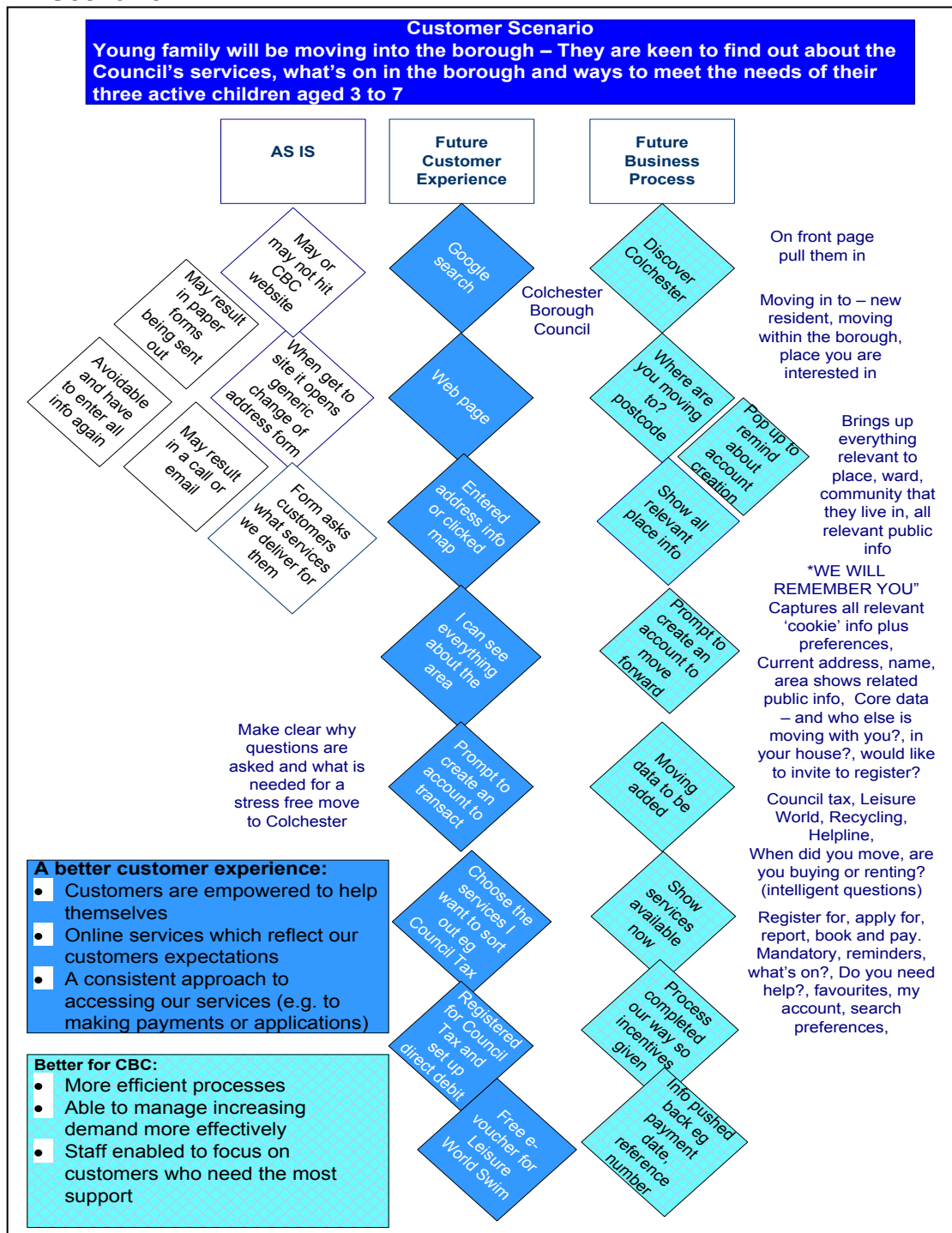
Scenarios

To illustrate how the customer experience would look distinctly different in the UCE, and how significant efficiencies for the Council will be delivered, a number of scenarios have been developed to present an 'as is' view of how something would work today, a 'to be' picture of how it would work in the future and clearly describe the customer benefits resulting in the change.

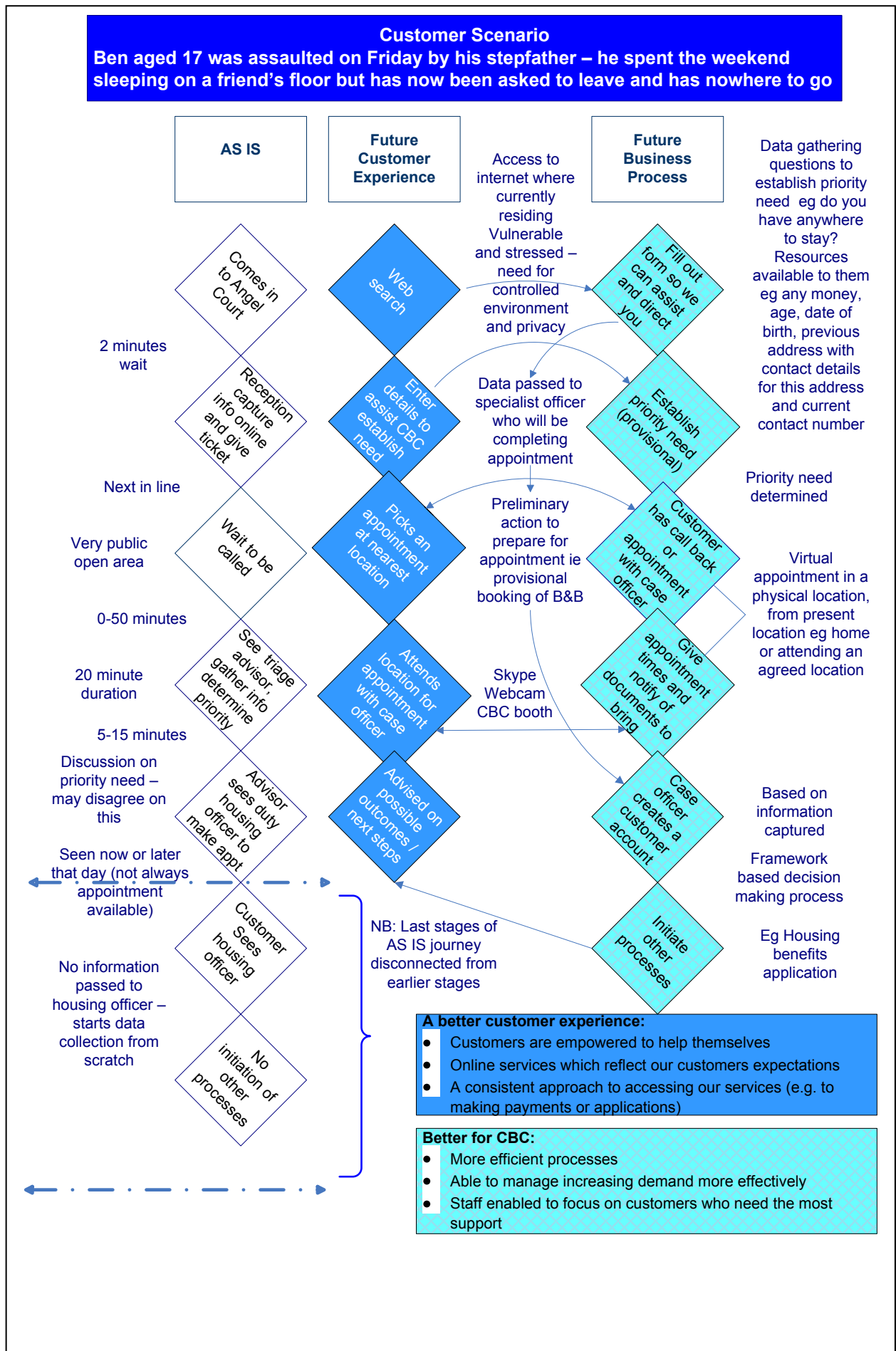
The three scenarios are:

1. Young, vulnerable and potentially homeless customer.
2. Family moving into the borough.
3. Customer wanting to sign up for a market stall.

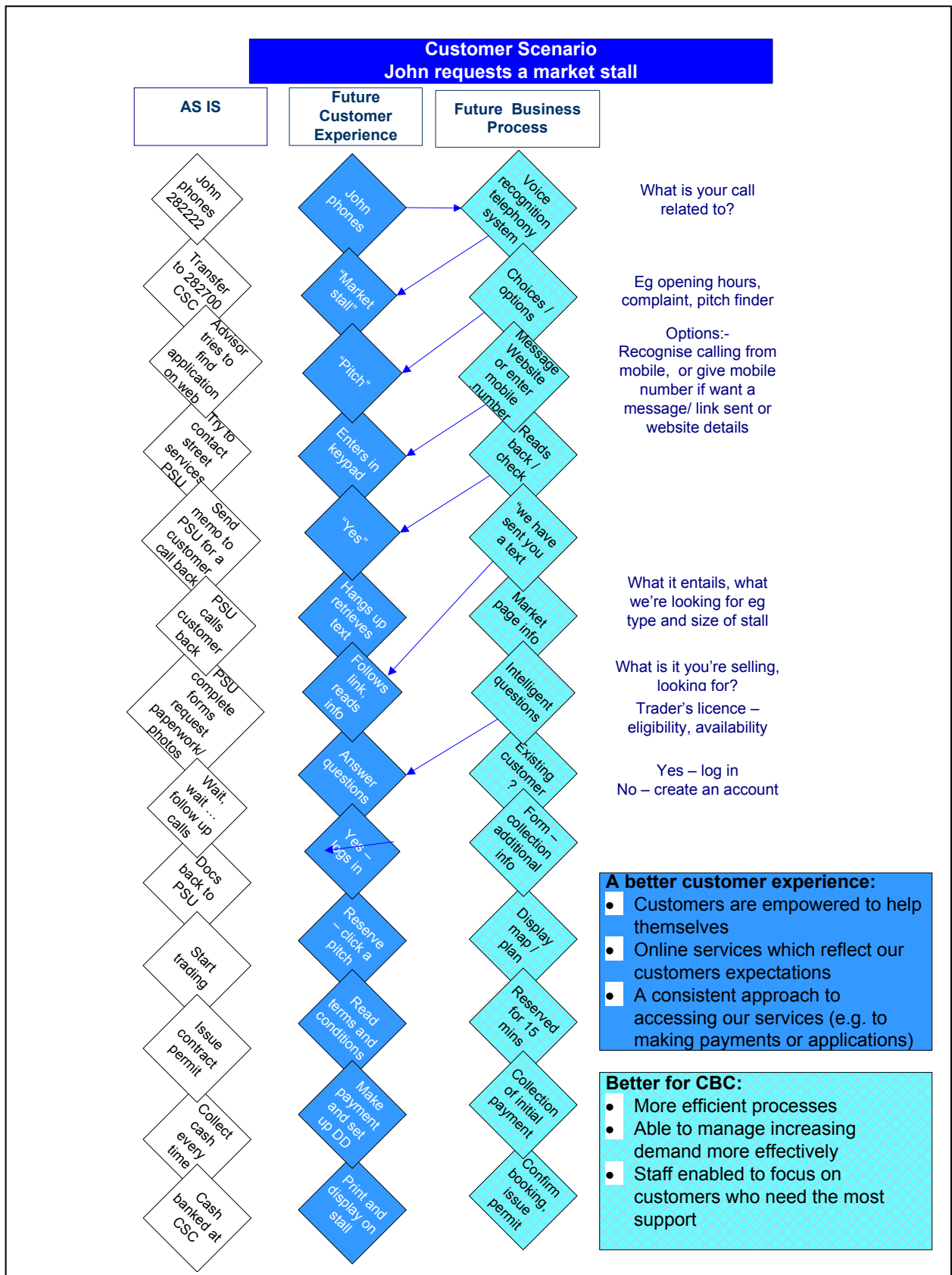
Scenario 1



Scenario 2



Scenario 3



Further work and implementation

This scenario can be read as a generic "book and pay" customer journey.

Implementation

There is a significant quantity of information and work available to be handed across to an implementation team from the journey management theme.

This includes:

- Job Accountability Statements for the triage area have been drafted.
- a 99-point list of 'Challenges, Issues and Priorities' that needs editing and to have owners assigned to work up resolution of the list.
- the next level of process and journey mapping
- further focus on areas identified where more work is needed, for example planning services.

The framework and principles used to map business processes to customer journeys will be used in implementation to ensure consistency, customer focus and a direct translation to the new operating model.

Conclusion

The changes to journey management arrangements are predicated upon a major investment in enabling technologies.

Upfront investment in technology will be needed to deliver substantial improvements to the customer journey, which our customers, staff and councillors tell us are much needed.

This facilitates significant changes to the way in which organisational resources are deployed.

These efficiencies are reflected in the financial summary at Appendix I, with the journey management theme content highlighted below:

Recurring revenue costs / savings / income		Year 1	Year 2	Year 3	Year 4
Theme	Type	2013/14	2014/15	2015/16	2016/17
		£'000	£'000	£'000	£'000
Journey management	saving	nil	(300)	(700)	(1,000)

Note: Costs associated to the delivery of journey management are shown in ICT and culture change (appendices D and F).

Theme summary – Commercial – Appendix B

The generation of commercial income will be vital to the future resilience of the Council in delivering excellent frontline services during a time of reducing government funding. We have an opportunity to build a sustainable commercial services arm, which will create a focus for commercial activities that will grow over time to support the political aspirations of the administration expressed through the Strategic Plan.

A commercial arm is a vital and integral part of the operating model which delivers our vision for an organisation with a strong customer, community and commercial focus.

A clear purpose and mission for this activity is important to ensure that the commercial business reflects a public service ethos, whilst freeing up resources to maximise commercial income and help us to improve our financial position. This will help us continue to provide public sector services in the future which can never be commercial such as welfare, housing and homelessness, in addition to some of the statutory activities which we are required to undertake such as crime and disorder and some health outcomes.

We will work towards arrangements for a commercial arm for the Council which will be owned by the Council. Its sole purpose will be the generation of revenue by creating surpluses from commercial activities, which will be reinvested in frontline service delivery.

This will be achieved by setting high level criteria which the trading arm will undertake, namely that it:

- reflects the requirements of the Constitution
- is commercially sound
- does not compromise the Council's reputation.

Our mission will be to deliver high quality services across a range of categories. We will achieve this by:

- understanding who our customers are
- being responsive to their changing needs
- delivering services and products that reflect these needs
- being alert to changes in the environment
- being as efficient as possible in our use of resources including people, buildings and money to generate surpluses
- aiming for excellence in all that we do.

Our vision is for a trading company(ies) that will become a dynamic and successful arms' length organisation(s), and will provide growing and sustainable revenue streams for the Council to enable the delivery of its priorities as expressed in the Strategic Plan.

It will be based on some important principles, namely:

- to serve the people of Colchester
- be open to opportunities wherever they occur
- develop the full potential of our people
- be open and transparent
- to challenge existing ways of working
- to protect the reputation of the Council.

We expect our focus to be in the following areas:

- better and improved procurement
- enhancement of existing income streams
- developing our assets into sustainable revenue streams
- providing services to others
- commercialising the UCC concept
- managing services for others
- pursuing shared management opportunities.

Delivery of income will be dependent on the costs incurred in delivering sustainable revenue streams. In addition, the current market conditions will determine our revenue priorities. A financial assumption about cost and income for the commercial theme is shown on the next page, and is also reflected in the financial summary at Appendix I.

The commercial theme will encompass a number of potential trading opportunities, but the most financially rewarding is likely to be based around the use of our property and land assets. Work is already progressed for the use of the Northern Gateway, and Cabinet has recently approved a vision for this area and agreed terms for the first specific site to come forward. Key to this will be the delivery mechanisms that allow a capital asset to be turned into a sustainable source of revenue.

A trading board is proposed to ensure all future planning and decision making is properly supported and challenged, and to ensure through recommendations to Full Council and Cabinet that the Council is getting value for money and is entering into sound commercial arrangements.

We need to consider the nature of the operating model we currently use for other aspects of our business, for example Colchester Borough Homes and Colchester Community Stadium Company, and those that will be most appropriate in the future so that we can put in place the most efficient tax and profit arrangements possible.

To ensure that the decision-making process is sound, we need to obtain external commercial advice. A workshop has been scheduled for October to this end, so that all of the issues are fully explored before formal recommendations are made to Cabinet.

In the meantime our financial aspiration remains as follows:

Theme	Type	Year 1	Year 2	Year 3	Year 4
		2013/14	2014/15	2015/16	2016/17
		£'000	£'000	£'000	£'000
Commercial	cost	330	415	525	525
Commercial	income	(300)	(710)	(1,310)	(1,460)
TOTAL		30	(295)	(785)	(935)

There is also related information about this commercial theme in Appendix F Cultural change (page 4), and Appendix G Organisational governance (pages 2-4).

Theme summary - Behaviour change – Appendix C

Introduction

This theme is critical to the successful implementation of the FSR in that it seeks to respond to some uncomfortable facts. We are seeing an unprecedented rise in customer demand and in customer needs. The growing population of the borough and the increased expectations and needs of residents will, if nothing is done, lead to an exponential increase on demand for customer services from the Council at the very time that resources are seeing a real reduction.

Influencing people's behaviour is critical to reducing growth in demand for Council services where we want to reduce it and even to prevent it. In some cases we may wish to increase demand. In an ideal scenario we could, by the way we frame and apply policy, information and education, make customers more self-sufficient to the point that their specific demand or need never comes to fruition in the first place.

So could you prevent a teenager from becoming homeless in the first place so that need does not present itself to the Council? Can you reduce levels of littering so that the cost of cleaning streets reduces?

What we know is that prevention is not necessarily an easy option. It requires upfront resources and a long term strategy as well as a degree of patience: this is not an easy win. However, examples are emerging where organisations are taking new approaches to impacting demand by a proactive approach, based on understanding their customers to a point of being able to identify the nudges and incentives which, through careful planning and targeted action, can have a significant impact on demand.

In addition, many authorities are undertaking more fundamental community development projects where customers are empowered to assist in service redesign and involvement in provision, as part of Big Society and Localism initiatives. There is widespread recognition that although in the past education and information has been directed at changing behaviours, this new approach can have a much greater impact on demand.

The various opportunities need to be further explored to understand how preventative and marketing work can be planned to predict and deliver quantified results, but we are already getting indications of the savings that could be made across the Council.

Description of the task

The task is to develop a structured framework to build the capacity and capability of staff to undertake behaviour change work embedded in service design and delivery. This will include measures to ensure that insight and customer data are used throughout the organisation to shape policy, services and manage customer behaviour. The framework would target services and communications with a raft of measures including formalised training, clear governance arrangements and protocols, including systematic measurement of behaviour change initiatives, through regular monitoring and evaluation.

There would be a programme developed on the basis of identifying those initiatives with the biggest impact.

This is likely to be delivered in the shape of an enabling team who set up this framework and facilitate staff to carry out projects with a behaviour change or demand management impact.

The Challenge

The challenge is to ensure the behaviour change is built into the culture and business of the organisation. The team will enable staff to undertake customer engagement, insight and marketing exercises and other interventions, but within a managed framework where impact is measured and recorded. This will ensure customers' needs, wants and behaviours are used to shape services and to empower customers in order to manage demand. In addition, engaging with customers and empowering them to be involved in service redesign and provision is key to demand management in the long term.

Behaviour change pilots

To start the process a number of pilot projects in key areas have been identified with the intention of understanding what has the best impact.

1 - Community Empowerment

Community empowerment is one of three initial sub-themes being developed as part of the behaviour change theme. There are two specific opportunities taking shape under this sub-theme:

1 - Food waste incentive scheme

Based on three sample groups taken from the existing food waste trial (7,100 households), the aim of the project will be to encourage food waste participation, and ultimately reduce the amount of black bag weight sent to landfill.

2a) Helping communities to help themselves build resilience and play a part in the customer 'frontline'.

A 'community triage' service using community volunteers.

2b) Helping communities to lead and direct the regeneration and renewal of their local area

It is proposed that the 'Hythe Forward' project is an ideal opportunity to test the principles of behaviour change and community empowerment in one of Colchester's regeneration areas.

3 - Essex Family – 'Colchester Delivers'

Essex Family concentrates on finding better solutions for families with the most complex needs. The work will require long-term behaviour change, for the families, for public sector organisations, the way we work in partnership, and for communities.

Behaviour change pilots – others

It is recognised that a further pilot about increasing income growth would be valuable in understanding the full opportunity that this might have for the Council. This work is already being considered as part of the implementation of the Sport and Leisure FSR.

Further work to understand the scale of the potential impact has been undertaken in a couple of specific ways. Using the advice of the Cabinet Office's own behaviour change team, workshops with all Council services have been undertaken to identify a list of potential projects. There has also been an assessment undertaken of the potential impact using 'top down' Council budgets to estimate the potential savings that could be achieved (work undertaken by 'Impower'). Clearly this work is at an early stage, and some of the results can only be quantified as projects are actually rolled out, but there is increasing confidence in the real value of this work.

The Costs

Although some elements of this programme are successfully being put in place, to extend the framework, costs would include initial upfront investment.

This could be in the form of an ongoing resource (which would be expected to come from existing resources), with a new limited budget to implement the strategic framework outlined above. It would be set the objective of embedding its work into service delivery within three years. Costs of software and the development of the web engagement hub will need to be identified.

The costs of the team would not include the upfront costs of each separate initiative. Estimates from Impower suggest a notional £50k per major service which would have to be deducted from any actual saving. Nevertheless, the early work by Impower suggests a net saving to the Council of £1.9 million* (£0.5 million from HRA). In practice, the savings would build up over time but could reach a net saving of £300k a year.

You would expect that the impact of one initiative would begin to tail off over time, so the framework envisages new initiatives continually being brought forward. A difficult issue is to estimate any net benefit calculation in assessing how the behaviour change initiatives are affecting the trends of growing demand. Will they just reduce the impact of those trends or will they actually remove demand to the extent that there are real savings relative to today's base budget?

This work on potential impact against growing demands will need to be reviewed through the implementation stage. However, current indications suggest there should be a potential three to ten-fold return on the three-year set up costs of a behaviour change team.

The relevant section of Appendix I financial summary shows:

Recurring revenue costs / savings / income		Year 1	Year 2	Year 3	Year 4
Theme	Type	2013/14	2014/15	2015/16	2016/17
		£'000	£'000	£'000	£'000
Behaviour change	cost	50	100	100	100
Behaviour change	saving	nil	(150)	(200)	(400)
Total		50	(50)	(100)	(300)

* not all delivered in four years

Theme summary – ICT – Appendix D

Introduction

Even if we do nothing we need to spend £1.3 million on our ICT in order to keep us up-to-date. We are entirely dependent on effective ICT to deliver our services and meet customer expectations.

This theme highlights the improvements we now need to make to our ICT to support the rest of the change.

The changes represent the biggest jump forward in ICT that we have ever seen, and many of the savings identified in other themes will be largely dependent on the success of ICT.

Ten core areas have been identified that pull together the outline from the initial business case:

1. IDOX document management and workflow
2. Customer index
3. iConnect
4. Unified communications
5. Upgrade operating system
6. Move to data centre
7. Self-serve and information provision
8. Hardware
9. Infrastructure and connectivity
10. Skills development.

Capita were asked to undertake a piece of work to further develop these areas for the full business case, to look at how they might be delivered and to provide some more robust costing.

At present, the work suggests that we require a capital sum of £2.7 million and a revenue increase of around £220k a year.

Aspirations

We all know some of the limitations with our current ICT.

While we have invested over the years, the last two years have seen little additional money for ICT. Our systems are starting to groan under the strain of what we are asking them to do.

People's expectations - staff, councillors and customers - are rising, and we need to deliver to this agenda. New technologies are also emerging that will allow us to make the next leap forward.

The expectation and aspiration should be for quick, reliable systems that facilitate our work and enable customers to self-serve as far as possible.

Some of the key advances we want to deliver include:

- customers should be able to access all services in one place
- good, consistent customer experience across all channels
- transition to customer self-service, then telephone and face-to-face only when needed
- single view of customer
- end-to-end processes are the basis for service / function design
- staff and councillors also have access to quick, reliable information and systems.

We have a complicated infrastructure and a number of applications that are not delivering what we require. The recommendations from Capita are that we need to look at this to see how we can improve, either by tackling specific applications or, where needed, to replace with industry standard.

Our ICT will have to deliver across a wide range of services and as such will always have a level of complexity. However, we have made this more complicated than it needs to be; we need to ensure a corporate approach to ICT to ensure that the full implications are taken into account.

Security of systems will also need to be improved as more information is available to a greater number of people.

Background

ICT has been the catalyst for significant changes over the years, both to how services are delivered to the customer, and to how people work to deliver services. We are now in a position where we need to transform our existing systems, and embrace new technologies to support the services going forward, reduce costs and provide the tools to help deliver the UCC FSR.

With the UCC FSR, the organisation is set to change significantly over the next two to three years, and the ICT systems need to change with it to continue to provide the appropriate support to this new organisation in delivering services differently to our customers, who are themselves demanding that we change.

In order to evaluate the gap between where we are now in terms of ICT, and where we will need to be to support the FSR, we engaged external consultants to help us establish a model architecture we feel would be best suited to support the delivery of the FSR outcomes, such as they are currently known. Since 2009, there has been little capital investment in the underlying technology, and what has been spent has been largely to deliver the specific outcomes of service-based FSRs.

We have generally refrained from refreshing the hardware in accordance with the three-year timeframe recommended by manufacturers and industry guidelines, preferring to make the assets work harder for longer, and much of this equipment is now four to five years old.

This has meant the infrastructure – servers, network, storage devices, desktop machines and the respective operating system software - has stood still, and is now reaching the end of its useful life.

When the current VDI system was put in place in 2009 it was designed for a specific organisation: directorate-based, with specific ICT applications geared to that service, plus a number of corporate-wide applications.

The aim of the ICT strategy at the time was to maintain this, whilst delivering the flexibility and improvements to meet the accommodation strategy, and at the same time improve services to customers. Although steps are being taken to switch more and more services online, IT Systems remain mostly geared to individual services and service areas. The ICT strategy for 2010-13 acknowledged that some consolidation was desirable.

Going forward

The UCC FSR is set to change how the organisation functions and looks. This means that if our ICT infrastructure is left 'as is', it will no longer be best suited to support the delivery of services in the new world.

We need to make our ICT services as flexible and as current as we can, so that they are robust, yet adaptable enough that they can be quickly aligned with changing organisational needs. Bringing our ageing infrastructure up-to-date means it too will be designed to take advantage of changes in technology, and introduces the greatest degree of flexibility so that it does not constrain the FSR.

The FSR gives us the opportunity to look at the number of corporate and directorate applications we currently use and see where economies and efficiencies can be made. It is possible that some systems could be integrated with others, or where this is not possible to introduce links between them so that they all use the same set of data which is consistent, accurate and reliable.

We have concentrated on areas we know will deliver improvements and/or cost savings over time and technologies or strategies which we feel we need to embrace to take the ICT services forward for the next few years.

We have therefore looked at both the software elements and the hardware, and identified those elements which require investment immediately, those which will deliver the basics of the UCC FSR, those which will deliver all the FSR, and those which will provide added value to the organisation over and above this. This is detailed in the Capita report.

These are the key areas identified:

Software

- a) Document management
- b) iConnect
- c) Customer Data management
- d) Improved office systems.

Hardware

- a) Location and management
- b) Integration of user's own equipment
- c) Unified communications
- d) Upgraded operating systems.

A summary of the detail is set out below:

Software

a) Document Management

However the organisation develops, it is essential that we have a secure, reliable and robust system for electronically storing and moving documents across the organisation. This will enable us to maintain compliance with legislation (Freedom of Information, Data Protection), access customer and case documentation easily, reduce physical storage space, and remove old documents in a timely fashion. We currently use a product called IDOX for this, but this is set up to support a departmental-based organisation – Benefits for instance have their own set up, as do Planning. This corporate application need to be reviewed and enhanced to deliver a more holistic service or, if the supplier is not able to deliver to our new specification, then replaced with a more adaptable solution. Alongside this, we need to consider how useful or acceptable the operation to scan documents into the system has been. We know that the current system and how it works is not delivering effectively for even our current requirements.

b) iConnect

This is our flagship customer access service, though which a number of online services are already available, and which will be our branding for all online transactions going forward. It will enable a customised “my view” active view and is designed to improve and extend self-service, allow seamless mobility between services and reduce officer involvement, offering the ability for the customer to book, pay, inform or check online. It needs further development and a decision needs to be taken on how this is taken forward. Again, the supplier needs to commit to delivering to our changing needs or be replaced.

In addition, further development of software will be needed to ensure that the customer journey is rewarding, and that the elements of triage are supported. To this end, an automated system should be introduced to separate out and deal with those contacts which do not require judgement decisions, leaving advisers free to deal with more complex cases. A corporate workflow capability is also necessary to ensure that cases are managed and directed to the right person and complement the customer journey.

c) Customer Data management

This we feel will be the key element in delivering improved online and self-service to our customers, and enable us to manage the customer journey across the organisation. This relies on a single, master record being established and managed for each customer so that we record and maintain the customer detail accurately, consistently and use this master record to ensure all other systems use the same information. We are developing this Customer Master Index now, although we need closer engagement from the current supplier to move this forward. This is also an opportune time to consider whether a supplier change is desirable.

In order to maintain this data, in which there must be a high degree of confidence as to consistency and reliability, there must be some additional investment in data management tools.

d) Improved Office Systems

We currently use Microsoft products, which are now out of date, and which Microsoft will soon no longer support. In particular, our level of the MS Office suite is now nearly ten years old and we urgently need to upgrade this software to the most recent version (Office 2010) and if possible put ourselves in a position to adopt Office 2013 when it is released early next year. These are essential tools which will improve productivity.

We urgently need to upgrade our Microsoft desktop operating system, which is due to be abandoned by Microsoft in early 2014. Windows XP has been the platform of choice for many organisations, and its life has already been extended by the refusal of many Microsoft customers to upgrade to Windows Vista. However, with the successful rollout of Windows 7, shortly to be upgraded to Windows 8, Microsoft has announced that Windows XP is to be de-supported. Again, this means no further development or upgrades, and as such, a growing list of security vulnerabilities. Continued use of this past the end date would be very risky, and would also put us in breach of the GCSx code of connection resulting in the Council being refused access to government databases such as the DWP CIS system.

As we have other licensing arrangements with Microsoft, as well as upgrade needs, it is strongly suggested that we enter a three-year Enterprise Agreement which would cover all licensing costs and enable access to all upgrades for the duration. This would be a cheaper option than to purchase the licences for each element separately and it would allow for some future-proofing.

Hardware

a) Location and Management

There are several compelling reasons to consider moving our entire ICT system offsite, into a purpose-built data centre.

With advances in ICT and networking, there is no longer any imperative to have the servers located on-site, and location independence would enable us to seek out the most financially advantageous offering. With our main server room in Angel Court, there is an increasing risk of outages due to either air condition failure (the units are around 15 years old and in urgent need of replacement) or of power failure (due to the ageing electrical infrastructure in the town centre). In addition, it will enable 24/7 monitoring of the systems and enable the development of a robust disaster recovery/business continuity solution for the ICT systems.

The Angel Court Server room is physically full, and with the Rowan House room having only limited space, there is little room for expansion or to accommodate new or additional equipment. Finally, there will be a significant reduction in carbon emissions locally as our power and air conditioning requirements would be greatly reduced, whereas an overall increase in emissions at a data centre to cope with the increased load is likely to be relatively small.

It is strongly recommended that the server environment continues to be managed under the ICT contract, but that the servers are relocated out of the existing server rooms into a managed data centre. In addition, this would best position us to take advantage of a future cloud computing environment which could lead to us divesting ourselves of the hardware altogether in the future.

b) Integration of User's Own Equipment

Often referred to as Bring Your Own Device or BYOD, this is a direct result of the consumerisation of ICT, the development of smart devices and a growing understanding of technology by the general public.

It represents a significant change in how organisations view connection to their systems, making them more accessible rather than confining access to them to specific organisation-supplied devices. This is reducing support and equipment costs by using emerging technologies to securely link the devices people use at home or in their daily lives to corporate work systems.

People are in the main more comfortable doing this, using the devices with which they are familiar rather than using work- provided equipment which is often older or less effective, or at best duplicates what they already have and increases the number of devices they have to carry. We must as an organisation encourage users to connect using their own devices and enable as wide a variety as possible to be connected without compromising on security.

c) Unified Communications

This is an emerging trend aimed at improving productivity and enabling our customers to speak to the right person with the minimum delay. It makes use of several technologies beyond telephony and e-mail; integrating video, instant messaging, ICT systems, mobile telecommunication services, videoconferencing and personal availability monitoring (telepresence) systems to generate fast communication between workers, thus reducing communication response times and directing customers to the right place quicker. Voicemail into e-mail integration is also an option.

In order to improve the customer experience of how quickly and efficiently we respond to their calls, it will be necessary to invest further in this evolving technology, either expanding on the facilities we already have or purchasing new solutions.

The Council has a contract for telephony services which runs until 2014, which integrates Voice telephony with The ICT VDI desktop. However, there are shortcomings in the current system which means we have as yet been unable to take full advantage of the VoIP telephone system. In particular, integrating VDI and VoIP for normal telephony when working from home, and home videoconferencing and video have always been problematic. As a result, there needs to be further investment into resolving this aspect, and as a first step, the VDI environment needs upgrading to enable inclusion of the voice software into the VDI environment for home use.

d) Upgrading Operating Systems

Our VDI environment needs to be refreshed as it has now grown beyond its original specification, and as demand for it continues to grow this has introduced some instability, causing confidence in the solution to drop. Issues include slowed system response, unexpected errors at start-up, difficulties in adding new users, and lack of space.

Most importantly, we need to review the solution generally and see where the inherent problems lie, and address those areas which still work less well for the users of the council systems. There are several elements to upgrading the environment, but the basis of this will be to upgrade to the latest versions of the software which enables VDI to work. At the same time, we need to revisit the virtualisation of the server hardware and improve the level of virtualisation, thus reducing the physical number of servers we have to maintain.

Conclusion

ICT is a key enabler to the successful delivery of services, but it will not be able to support a changing organisation unless it too changes. Although this will require considerable investment now, it should be balanced against the minimal capital spend on corporate ICT systems over the past three years.

Although there are risks associated with taking on such a large-scale project to transform our ICT systems, the risk to the success of the UCC FSR is even greater if we do not take the opportunity to align systems more closely with the business need of the organisation going forward.

Cost Summary – ICT theme

Capital		Year 1	Year 2	Year 3	Year 4	Cumulative total for Years 1-4
		2013/14	2014/15	2015/16	2016/17	
		£'000	£'000	£'000	£'000	£'000
ICT – needed without the FSR	*see note	800	500	0	0	1,300
ICT – additional	below	900	500	0	0	1,400
TOTAL		1,700	1,000	0	0	2,700

* £1.3 million of the proposals would have to be delivered whether we implement the UCC FSR or not to keep our IT at an acceptable level.

Recurring revenue costs / savings / income	Year 1	Year 2	Year 3	Year 4	Cumulative total for Years 1-4
Theme	2013/14	2014/15	2015/16	2016/17	
	£'000	£'000	£'000	£'000	£'000
ICT	220	220	220	220	880
TOTAL - revenue impact	220	220	220	220	880

Implementation is a large proportion of these costs, and there may be cheaper ways of delivering this work. However, this is also the highest risk to implementation and if we try to strip too much cost out then projects could fail to be delivered effectively.

Revenue costs are estimated at £400k, however £180k is already in budgets. The additional revenue cost is £220k.

£1.3 million of the proposals would have to be delivered whether we implement the UCC FSR or not to keep our IT at an acceptable level.

Virtually none of the savings from the UCC FSR will be delivered without the investment in IT.

Theme summary – Locations – Appendix E

Introduction

We have worked towards looking at options to deliver against two objectives:

- Reducing the amount of space we occupy to reduce costs and/or using excess space to generate income
- Making our services accessible to customers in the places they want.

The interim business case for locations was based on two key recommendations:

1. That we move our face-to-face contact to the Main Library
2. That we revisit our office space across a range of buildings to ensure we have only the space we require in the future.

Options

There remain a number of options that still need to be fully explored. They are not all standalone options, but present some mix-and-match opportunities dependent on the overall approach. We anticipate that we should be able to reduce the space we occupy in the medium term to make some savings.

We know that we want to deliver our front-facing services differently, and that this will also mean changes to the back office services. We will need less formal office desk space, but need to enable new ways of working and the office environment is critical to this.

In addition, we are now talking to Colchester Borough Homes about how they will participate in the UCC FSR. Accommodation decisions will also need to consider appropriate space to make this happen.

Co-location with Libraries

Discussions have continued on moving our front-facing service to the Main Library and are very positive. At this stage we still have to have detailed discussions about cost. However, based on early indications these could be as low as £10k a year for mainly shared space. We are talking about how this would work and how far we want to integrate services. At the moment this is based on mainly shared space, retaining our staff.

Technology will enable a different way of working but we will always need to see some customers face-to-face. The service provided in the Library will enable us to support customers to self-serve and offer the triage service in an appropriate environment. We would also offer private appointment space for some of the more complex case management.

Summary of costs and savings

Location	Year 1	Year 2	Year 3	Year 4	Comment
	2013/14	2014/15	2015/16	2016/17	
Capital costs – reconfiguration of Main Library	£20k	0	0	0	It is anticipated that a small contribution will be requested by ECC for changes in the Library. This is likely to be fairly modest.
One-off costs / furniture purchase - capital	0	£75k	0	£50k	Costs to refurbish current accommodation.
Main Library - revenue	0	£10k	£10k	£10k	These numbers are still being negotiated, but this looks like the maximum cost.
Angel Court	£40k	£40k	£40k	£40k	Income pressure – loss of payment from ECC.
Savings	0	0	0	(£290k)	Savings from reduction in the number of buildings we occupy.
TOTAL - revenue only	£40k	£50k	£50k	(£240k)	

Theme summary - Cultural change – Appendix F

The culture of any organisation must be considered as part of any major change process. Culture is determined by both formal and informal processes; procedures; values and decision making within an organisation.

The formal arrangements begin to set the culture. It determines how decisions are taken in an organisation; how the organisation responds to external environmental factors; how it approaches internal issues; the structure and working practices that are employed; and how it manages its use of resources; its view of risk; and its ambition for opportunity.

The informal arrangements also dictate an organisation's culture. The values which are held and practised by individuals; the approach of senior management; the symbols and folklore which are seen and talked about; the respect given to customers; the way in which people work together; and whether the organisation is seen as one organisation or a collection of functions and services all working in their own silos and on their own projects.

You can quite often find that formal processes are in conflict with the internal symbols and workings or vice-versa. Being less risk averse brings with it its own risks, of getting things wrong or by developing a blame culture. Managing resources at the micro level may mean that you stifle creativity and innovation. Constant and detailed monitoring of performance may result in not seeing the bigger picture or joining up initiatives which make better use of resources or better outcomes for customers.

It is difficult to describe easily in words or a picture what the culture of the organisation is or should be. However you get a feel for the culture of the organisation every time you interact with it. The first time you enter a customer access point (web, phone, face-to-face). Every time you look to do business with the organisation. Each time you read or hear about the organisation.

The existing culture of the organisation is one which has evolved into a more customer-centred organisation with its front-facing customer service centre, which looks to resolve 80% or more enquiries at the first point of contact. It delivers good performing services in the main, and has embraced new technology without exploiting the full potential of that new technology. Its approach to savings and income is to seek new ways of working to gain efficiencies and thus savings, but has a traditional feel to it when it comes to income generation. Increase in charges, traditional income streams and a history of in-house service provision rather than outsourcing. It has ambition for its place, the borough of Colchester whilst providing community-focused services rather than community-led services.

The Council has some way to travel if it wants to be truly customer-centric, and some of the customer journey processes are more professional than customer-centred with parts of the organisation still using very traditional, time consuming and outdated ways of providing information and basic 'book and pay' interactions.

Although the senior management team operates collectively with budget setting and cost control being managed as one organisation, the services are still provided in silo-type vertical structures creating some silo mentality and empire protectionism. This is likely to remain the case as some services will always be delivered on a borough-wide or zoned basis. Vertical structures will be necessary to ensure service delivery and efficient working. Part of the cultural change will be further reduction in silo working and protectionism of resources if the Council is to truly operate as one organisation.

The cultural change required for the new organisational philosophy is to continue on the journey already set but to instil a new vigour and passion when dealing with customers. It will need to provide a more business-focused approach to many of our dealings including a more commercial philosophy for those services we charge for, and to take advantage of further opportunities in a commercial manner.

In order to achieve the cultural change necessary and ultimately the organisational philosophy described, we will need to concentrate our formal and informal processes on four key areas:

- **Customer Excellence**

Customer excellence is achieved by putting the customer at the heart of what we do and more importantly how we do it. Currently the customer comes into the organisation at the front end, and individual services are provided through vertical service delivery mechanisms:

Service Delivery	
Customer Contact	→
Individual Services	→
Collective Services	→
Information and Support	→
Case Management	→

The horizontal customer journey comes up against vertical service delivery, which is based more on professional processes than customer experience. Rather than this horizontal front-end customer experience and a vertical set of delivery mechanisms, the customer journey needs to be created from the front end to final service delivery:

Service Delivery	
Customer Contact - Report it	→
Individual Services - Book it	→
Collective Services - Pay for it	→
Information and Support - Self-serve	→
Case Management - Complex need	→

This will require a different managerial and supervisory model with all staff taking responsibility for the customer as they go through various stages of service delivery.

The customer ends their customer journey when they have reached the point at which they are no longer a customer with a need, rather than the professional processes dictating how far the customer gets in their quest to have their need satisfied.

In the future, the organisational structure will enable this philosophy rather than hinder it.

In addition, customer excellence must be underpinned by the full use of technology including investment in hardware, software and skills together with a constant drive for ongoing simplification of our customer journey work.

Whether it is self-serve or self-reporting; assisted help with technological processes; or individual case management for customer with complex and multiple needs, the cultural change is one of the right skills, attitudes and abilities to deliver excellent customer service throughout the organisation.

- **Place**

The culture of the organisation needs to be one which has ambition and aspiration for the borough as a whole. In order to achieve this we need to view the town of Colchester as the hub for employment, leisure, arts, retail, urban living and a real sense of regional place with regional facilities and services.

The Council also needs a cultural shift in seeing its smaller towns (Wivenhoe, Tiptree and West Mersea) as needing the combination of some urban facilities without losing the rural feel of smaller market towns. A new relationship needs to be forged with these three towns, so that ambition and aspiration can be matched between the Council and the Town and Parish Councils which are at the heart of their communities.

The borough also has many rural villages which again have their own combination of needs for some local housing and employment opportunities tempered by rural living and both tourist and local enjoyment.

- **Creativity and Commercial**

If the Council is not only to survive but to thrive over the coming years, then it must foster and embrace creativity in its dealings with customers and its delivery of borough-wide services. Creativity needs to be encouraged and nurtured, but in a framework of a public sector body which has a political leadership with political priorities.

Creativity can take many forms, but within the Council its bedrock is that of value for public sector money providing services to customers, some of whom do not have a choice in customer terms. The Council also operates on the basis of demand-led need for people with complex and multiple requirements to live in society and to fulfil their potential. Creativity cannot create the 'haves' and 'have nots'; cannot exclude those without the technology or wherewithal for seeking assistance from the public sector 'system'; and must not return to the mentality of the 'professional knows best'.

Used in the right way creativity can enhance people's life opportunities and can liberate residents and customers from their problems and their issues.

Commercial is an interesting concept for a public sector body. Commercial in this context is not looking to create an organisation which is driven purely for profit or 'bottom line' motives. Many staff came into the public sector to give a public service. However, service comes with a price. The price of how much the service costs to provide per resident or per contact. The price of how much people are able or prepared to pay for certain services. The price one pays for not managing demand for services, or the opportunity price of not using finite resources to provide other services.

Commercial in this context and the cultural change required is one of being more commercially and business-focused in those areas that can make a significant contribution to the future provision of public sector services which cannot themselves be commercial – for example, welfare reform; housing and homelessness; some enforcement activities; reducing crime and disorder; improving health outcomes; provision of social housing and so on.

Commercial is about a range of business-focused activities which enhance the overall resources of the Council.

- better and improved procurement of things and services
- more sophisticated consideration to enhancing existing income streams
- turning existing owned assets into new and lasting revenue contributions
- exploiting new ways of working or service delivery to provide contractually for others
- offering the Universal Customer Contact concept to other organisations for a management fee
- more managing of services on behalf of other organisations
- pursuing shared management or specialisms with other local authorities.

This is the commercial cultural change required if the Council is to enhance its future revenue opportunities, and to respond to future demand for services which will be with us for a number of years to come. This will require dedicated resources; a new operating model to take advantage of the commercial opportunities created or presented; and a recognition of the contribution that the commercial philosophy of the organisation can make to the wider Council and its activities.

- **Skills, Growth and Choice**

With any organisational and cultural change process, the skills of people in the organisation are paramount. Skills of learning a new role or a new way of working; ICT skills which underpin the new philosophy; and instilling the right attributes and attitudes to make the changes in working effectively.

Managerial and leadership skills will also need to be developed to create the right atmosphere for change and to express the vision which is compelling for others to want to work in a new way.

Additional skills and support will be needed to engender the right commercial philosophy to have a successful commercial approach. Perhaps the most fundamental and important aspect is belief in why change is needed; how change will occur; and what change looks like when it is successful.

The people strand of our current cultural change programme is currently developing the skills programme for the future.

The growth part of the cultural change programme comes in the growth of our people to deliver customer excellence or service delivery in new and innovative ways. It also comes in the form of the organisation which, as it grows, it becomes more confident in the new approach and more adept at adapting to changing circumstances.

All of us prefer choice in our lives and to make our own decisions at major times throughout our careers. By adopting the new organisational philosophy; the skills being offered and the growth in personal effectiveness so comes choice. Choice to change roles, face new challenges, work in a broader spectrum of the Council, and ultimately a choice to stay or to leave for other organisations and other challenges.

The cultural change programme is paramount to the effectiveness of the organisational change proposed. An initial working budget of £50,000 is proposed to implement the cultural change programme. This will be in addition to reshaping existing resources which contribute to change in the organisation and to skilling the staff who are employed by the organisation.

The relevant extract from Appendix I financial summary shows:

Recurring revenue costs / savings / income		Year 1	Year 2	Year 3	Year 4
Theme	Type	2013/14	2014/15	2015/16	2016/17
		£'000	£'000	£'000	£'000
Cultural Change	cost	50	50	nil	nil

Theme summary - Organisational governance – Appendix G

Introduction

In moving to a new operating model, the formal governance arrangements of the organisation need to be considered. The governance arrangements must be fit for purpose to respond to the new organisational philosophy, and to ensure both decision making and scrutiny are sound for the new way of working and the decisions required.

Formal Governance and Political Decision-Making

The Council has agreed and implemented the 'Leader and Cabinet' model of working, together with the 'strong leader' approach. The Council must also, through legislative requirements, put in place a series of committees and panels for the purpose of functional decision-making and the scrutiny of executive decisions.

Effectively the Council has to have:

- Full Council
- Cabinet (made up of the Leader of the Council and between two and nine portfolio holders)
- Local Plan Committee
- Planning Committee
- Licensing Committee
- Accounts and Regulatory Committee
- Standards Committee
- Crime and Disorder Committee
- Scrutiny Function.

By virtue of policy decisions of the Council and Cabinet, we currently have two 'trading' companies (Colchester Community Stadium Company and Colchester Borough Homes), together with two 'trading' services which, due to councillor involvement, require joint committees (North Essex Parking Partnership and the Colchester and Ipswich Museums Service). The Council also participates in the Essex Traveller Joint Committee which is not engaged in 'trading' services.

Although the opportunity for change is limited due to the legislative requirement for certain governance arrangements, there is scope for councillors to play a major part in the philosophy, performance, resource usage, trading position and service delivery of the organisation in the future. In addition, the way of operating the governance arrangements can be more flexible and could enhance the decision-making processes.

Future Governance and Political Decision-Making

Appendix G1 describes a revised governance structure which aligns with the organisational direction being proposed. Full Council and Cabinet are central, as in the existing structure, and the various committees continue in their current guise with their current remits.

Task and Finish Groups, which have been used successfully, are seen as the way forward in considering issues, debating policy changes and making policy recommendations into Cabinet. This would negate the need for a standing policy panel.

One single Scrutiny Panel is proposed. This would meet monthly, and could take a single issue for scrutiny together with the range of existing scrutiny areas relating to performance, resources and policy implementation. Call-ins would also be scheduled into the scrutiny function.

The additional governance being proposed is the establishment of a 'Trading Board'. This board would not have any executive functions, and would be a committee of the Full Council, and would consider the trading issues of the Council as well as challenging and scrutinising the trading arrangements which are entered into.

The current two companies owned by the Council, together with the 'Joint Committee' arrangements for the two trading services, would also relate to the Trading Board for trading purposes.

In addition, the Trading Board would look at strategic procurement issues, current and future income streams, and how the Council is to use its assets for income generation and/or community benefit. It would both challenge and monitor the more commercial activities of the Council and make recommendations to the Cabinet and the Full Council on trading proposals.

The Trading Board could co-opt 'external' members to give it additional commercial skills. The co-opted members would not have any voting rights.

Future Trading Arrangements

As stated previously, the Council has already established two private sector trading companies. Colchester Borough Homes is the Council's Arms Length Management Organisation (ALMO) which is classified as a private company limited by shares. The one share issued is held by the Council which is the parent company. Colchester Borough Homes via a housing management agreement has responsibility for the Council's housing management functions, and performs that role in return for a management fee.

The second private sector company owned by the Council is the Colchester Community Stadium Company, which is classified as a private company limited by shares. One share is held by the Council.

Its role is to act as the Head Lessee for the use of the stadium with leases and trading arrangements being entered into with Colchester United Football Club for use on football match days; for the commercial use of the stadium on non-match days; and with Colchester United Community Sports Trust for community activities. It covers its costs through income from the commercial operator and the sports trust whilst all other revenue earned is returned to the Council.

The Council also manages services for other local authorities in relation to the North Essex Parking Partnership and the Colchester and Ipswich Joint Museums Service. There are joint committees in place to oversee those arrangements. The North Essex Parking Partnership joint committee is a committee of Essex County Council (on-street parking being a function of the County Council), but with Colchester being the lead authority and acting on its behalf. The Colchester and Ipswich Joint Museums Service joint committee manages its (and Ipswich's) own functions. The county-wide Traveller Joint Committee, of which the Council will be a member, is also being finalised. The Council needs to consider whether a different operating model for all (if possible) is more in line with the philosophy going forward.

If the Council is looking to use some of its assets for future revenue gain together with further trading opportunities in some areas, then it needs to establish the right trading models which take advantage of the 'Teckal' exemption in procurement, and the most efficient tax and profit arrangements for the activities it undertakes.

- Teckal Exemption

The Teckal exemption is a piece of European case law that enables local authorities to procure or trade with other parts of the public sector which do not need to apply full EU procurement legislation.

The exemption only applies where:

- the service provider carries out the principal part of its activities with the relevant public body
- there is the same kind of control over the service provider as the public body has over its own departments, and
- there is no private sector ownership of the service provider or any intention that there should be.

The EU is intending to issue a new Directive shortly which will codify Teckal in legislation. It is expected that this will include much tighter controls but the impact of these are not known at this stage.

This effectively applies to 'public sector to public sector' activities. As the Council may wish to trade with or enter partnership arrangements with the private sector, then the 'Teckal' exemption will not apply. In those instances, a company or commercial structure needs to be established creating the most tax-efficient arrangements possible.

- Commercial Structure

Initial discussions suggest that a parent company is created which 'controls' and co-ordinates the activities of subsidiary companies which are fit for the purpose they are intended for, namely public-to-public trading activities or public-to-private trading activities.

The Trading Board established would continue to challenge and monitor all of these arrangements and ensure, through recommendations to Cabinet or Full Council, that the Council is getting value for money and is entering into sound commercial arrangements. The Joint Committee arrangements could then be reviewed as part of these discussions to determine the best governance and commercial arrangements for the future.

Proposals for the 'commercial' element of the organisational philosophy encompassing current commercial arrangements will be developed over the coming months. They can be introduced during 2013/14. The Trading Board can be established in advance of these proposals.

Theme Champions

Although not part of the executive or scrutiny arrangements, 'theme champions' currently exist, and are appointed on specific issues which are important to the Council. These champions would represent the Council, but would work closely with the relevant portfolio holder who would retain all executive decision-making powers and responsibilities.

Way of Operating

There are options around how the current governance arrangements operate.

Groupings of certain committees could reduce the need for separate meetings and therefore reduce the cost of running them.

Some of the meetings could be held in different areas of the borough. Some could look at conducting business in a different way. Some could seek to invite participation from different individuals/groups or 'expert' witnesses. These different ways of operating require further discussion with councillors in order to make any firm proposals.

Costs and Savings

Broadly cost-neutral.

Officer Governance Arrangements

These arrangements are for noting only. The existing officer governance arrangements which manage the business of the Council currently consist of a Performance Management Board and four themed areas which cover:

- Customer Excellence
- Transformation
- People
- Place.

These themed areas look to develop the organisation to improve its performance, manage the changes needed to respond to customer and partner requirements, and co-ordinate the corporate policies across all services around the themed areas.

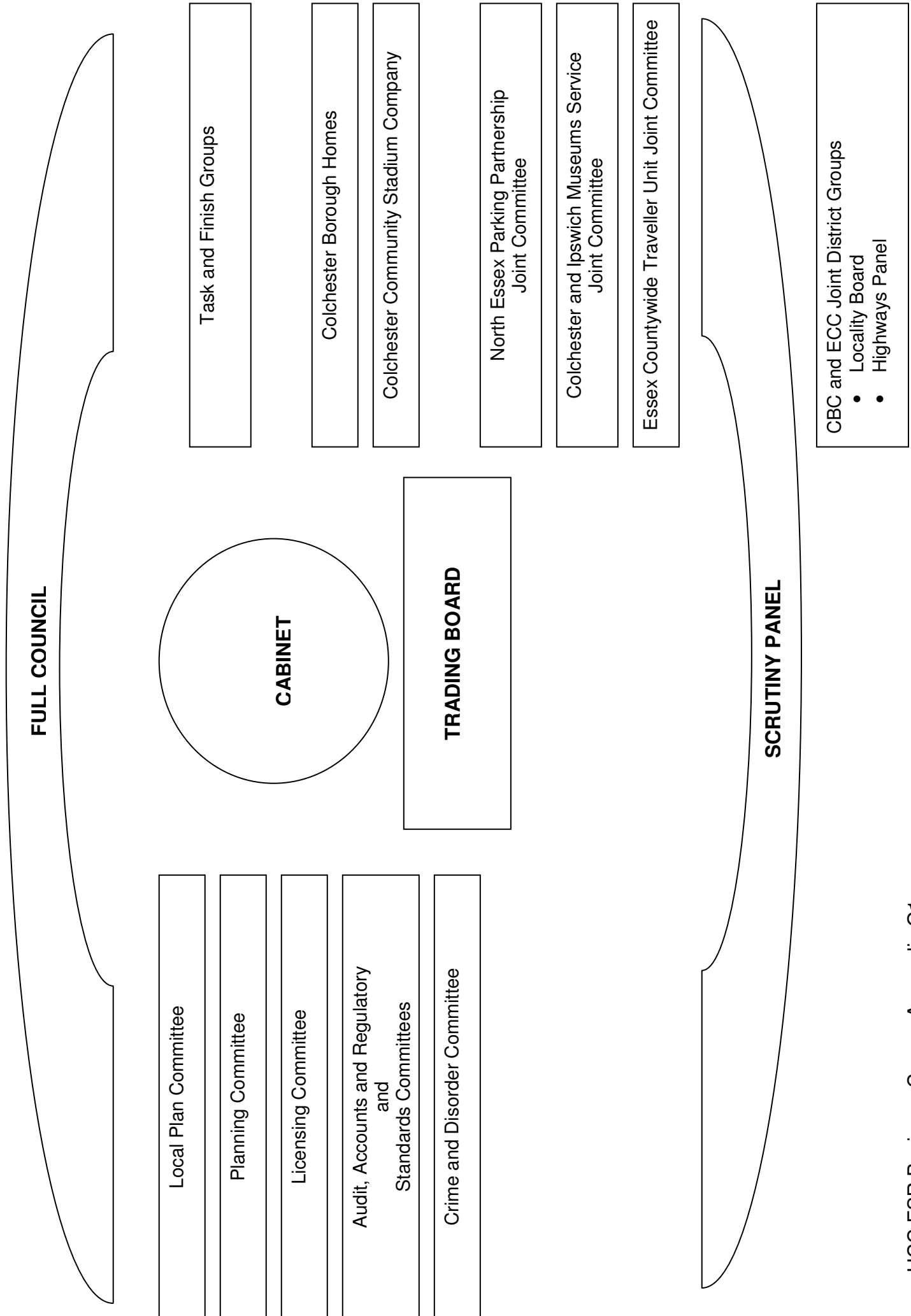
The Performance Management Board, which meets monthly, will remain as this is effectively the 'work horse' for performance and resource management issues. In addition, the Senior Management Team will meet six-weekly to consider areas relating to the new organisational philosophy.

These areas will major on those issues in relation to the principles of:

- Customer
- Community
- Commercial.

If the major organisational and cultural change proposed is to be successful, then an officer implementation board and team will be established.

It will utilise existing resources, be chaired by the Chief Executive or senior member of management, and will be tasked with the successful implementation of the new way of working.



Theme summary – Organisational shape – Appendix H

The current organisational shape has been in place for a number of years and has served the Council well. Executive Directors have held strategic responsibilities for corporate areas of work and lead roles on borough-wide initiatives and policy developments. Heads of Service have concentrated on the delivery of services, and have managed effectively the majority of the resources which rightly are directed at providing services to customers and local communities.

A change in the organisational philosophy requires a change in the management arrangements. These arrangements need to concentrate on those areas which have been identified as crucial to the success of the Council in delivering customer journeys which achieve:

- even better outcomes for people
- delivery of efficient service provision
- enhanced income opportunities for the Council.

When the business case has been considered and if approved, a new senior management structure will be proposed which will complement the new operating model of the Council.

Indicative savings have been included in the business case for cost and saving purposes.

Theme summary – Financial overview – Appendix I

These are estimates for savings and costs against each theme, with a health warning that further work is needed to establish that they are fully deliverable.

• Revenue Budget

Recurring revenue costs / savings / income		Year 1	Year 2	Year 3	Year 4
Theme	Type	2013/14	2014/15	2015/16	2016/17
		£'000	£'000	£'000	£'000
Journey management	saving	nil	(300)	(700)	(1,000)
Organisational shape	saving	(50)	(150)	(150)	(150)
Behaviour change	cost	50	100	100	100
Behaviour change	saving	nil	(150)	(200)	(400)
Locations	cost	40	50	50	50
Locations	saving	nil	nil	nil	(240)
ICT	cost	220	220	220	220
Cultural change	cost	50	50	nil	nil
Governance		nil	nil	nil	nil
Sub-total - above themes		310	(180)	(680)	(1,420)
Commercial	cost	330	415	525	525
Commercial	income	(300)	(710)	(1,310)	(1,460)
Sub-total - Commercial		30	(295)	(785)	(935)
TOTAL - revenue impact		340	(475)	(1,465)	(2,355)

- Notes: 1 Levels of demand are not taken into account, therefore some savings may represent cost avoided rather than cash savings.
2. No assumption for split of savings/income - General Fund v HRA.
3. No assumption for redundancy costs is included.
4. There are a range of dependencies ie things that have to be delivered to enable the savings in other themes. For example without the investment in IT, it is unlikely that the majority of the journey management theme savings can be achieved.
5. Further work is required to ensure that the savings assumptions are not being duplicated.
6. Some numbers are rounded.
7. For illustrative purposes, the revenue cost of borrowing to fund the capital funding gap would be around £100k a year, excluding any provision to repay the debt.

- **Capital Budget**

Capital		Year 1	Year 2	Year 3	Year 4	Cumulative total for Years 1-4
		2013/14	2014/15	2015/16	2016/17	
		£'000	£'000	£'000		£'000
ICT		1,700	1,000			2,700
Accommodation		20	75		50	290
TOTAL		1,720	1,075		50	2,845
Available in capital programme	CSC	100				100
	FSR	379				379
	Total	479	0	0	0	479
Funding gap		1,241	1,075	0	50	2,366

Notes:

1. While the whole of the ICT is shown in 2013/14, it is unlikely that the whole spend would be required in a single financial year. Work to profile spend has not yet been undertaken.
2. Some numbers are rounded.
3. Approximately £1.3 million of the ICT capital investment would be required without the UCC FSR to undertake some basic improvements such as upgrade the operating system.



Strategic Overview and Scrutiny Panel

Item

11

30 October 2012

Report of	Head of Resource Management	Author	John Fisher & Sara Wilcock
Title	Localised Council Tax Support 2013/14		
Wards affected			

The Panel is invited to review and comment on the draft Cabinet report on a new policy to create a Local Council Tax Support scheme.

The Welfare Reform Act abolishes Council Tax Benefit (CTB), and replaces it with a Local Council Tax Support scheme (LCTS). New draft regulations set out that the Council must finalise its local scheme by 31 January 2013.

It is a requirement to set out the LCTS scheme in a Policy document which details the 'rules' of the scheme. This needs to be approved by Full Council. The attached report sets out the relevant details of the proposed LCTS scheme, however, the detailed policy document has not yet been finalised and is not attached. It will though be included with the Cabinet and in turn Council reports.

The attached draft report to Cabinet recommends the approval of the LCTS scheme. This reflects provisional Government funding figures provided and as such may change.

Strategic Overview and Scrutiny Panel is asked to review and comment on this report, ahead of the Cabinet meeting on 28 November 2012



Cabinet

28 November 2012

Item

Report of

Head of Resource Management

**Authors John Fisher &
Sara Wilcock**

Title

Localised Council Tax Support 2013/14

☎ 282326

**Wards
affected**

All wards

This report requests Cabinet to recommend to Council a new policy to create a Local Council Tax Support scheme.

1 Decision Required

- 1.1 To agree and recommend to Council the Localised Council Tax Support Scheme as set out within this report and detailed in the Policy document.
- 1.2 To agree the change to the Council's Scheme of Delegation to Officers as set out at paragraph 6.1.

2 Reasons for Decision

- 2.1. The Welfare Reform Act abolishes Council Tax Benefit (CTB), and replaces it with a Local Council Tax Support scheme (LCTS). A new Local Government Finance Act and regulations will set out how the Council must create a LCTS scheme, removing most of the existing complex legislation. This will mean the majority of LCTS awards will be based on criteria set and administered by each local billing authority (such as Colchester), having consulted with the major precepting authorities (i.e. Essex County Council, Fire and Police authorities) and the public. The Act and regulations will direct how authorities will support pensioners, with little change to the way their entitlement is presently decided.
- 2.2. New draft regulations set out that the Council must finalise its local scheme by 31 January 2013.

3. Alternative Options

- 3.1. The Council must agree a LCTS scheme. If the Council does not set a scheme based on agreed local criteria then the "default scheme" will need to be used, the cost of which would almost certainly be higher than the level of grant funding, resulting in a budget pressure.
- 3.2. There are a number of different criteria which could be used to deliver a cost neutral scheme. Other Essex billing authorities are expected to agree some different arrangements reflecting their own local circumstances.
- 3.3. It would be possible for the Council to meet the shortfall in funding from the Council's budget. However, this would also create a pressure on the major precepting authorities' budgets and the approach agreed across Essex has been to produce a scheme which is expected to be cost neutral.

4. Supporting Information

- 4.1. The major precepting authorities will share the financial risks associated with LCTS. Representatives from all the Essex billing authorities and Essex County Council have been working together to jointly develop a county wide framework, reflected in the proposals in this report.
- 4.2. The Policy Review and Development on 6 August 2012 considered the implications of the LCTS scheme and specifically draft proposals for the new scheme were considered by Panel. The Panel resolved that
 - the development of a cost neutral scheme be continued;
 - the criteria proposed be approved and included in a LCTS policy document.
- 4.3. Regulations will require that pension age people will not be affected financially when their existing claims move to LCTS. They also direct that councils should consider steps to encourage people to find work, protect vulnerable people, and prevent child poverty.
- 4.4. The Essex project group has looked for ways to create affordable local schemes, with the priority to minimise the impact on existing and future claimants.

5. Scheme design

- 5.1. It is estimated the Council will pay CTB of £11.5m this year (2012/13). The trend of annual growth because of the increasing number of claims is 4%, indicating the cost of Council Tax Support for 2013/14 based on existing criteria would be in the region of £11.9m.
- 5.2. Currently, Government Subsidy meets the full cost of CTB. For 2013/14 the Government will be providing a fixed grant which will be paid to billing and major precepting authorities. As previously stated the total funding is being reduced by 10%. Indicative grants for 2013/14 have been provided which in total for Colchester are £9.9m, of which it is expected that £1.294m will be paid to this Council with the balance received by Essex County Council, and Fire and Police authorities. In total there is an estimated funding gap of £2m.
- 5.3. Effectively, a cost saving can only involve and impact working age people. To provide some local context, 61% of these presently pay no Council Tax because of the type or the low level of their income. On average each person's Council Tax Benefit is c£850.
- 5.4. To make a sufficient saving would involve continuing full support to some as we do now, and impact the minority of people; or spread the reduced level of support across all working age claims. This could mean either:
 - people with low means-tested incomes (presently receiving partial CTB) will lose about two thirds and have to pay c£660 more (£12.70 more per week); or
 - every working age person would pay about £260 more (£5 more a week) on average.
- 5.5. The main effect of spreading the saving across all working age claims is that the majority who presently pay nothing would have to pay something. It is acknowledged that this creates a challenge to maintain high collection rates, as it is possible requests to defer or protract payments will increase; or those affected might decide to delay or not pay, increasing effort and cost for administration, leading to more people going through the legal process of recovery.

Recommended scheme criteria

5.6. The following table sets out recommendations to meet the £2m shortfall, with supporting comments about each action. The proposals remain the same as those considered and agreed by the Policy Panel. Modelling, using current caseload data, illustrates the potential financial effect of proposed changes to the benefit scheme. The total projected saving is the sum of each of the actions separately. Several people will be affected by more than one action depending on their circumstances. 'Multi-modelling', to adjust the saving to reflect people affected by more than one action, results in a saving of c£2m.

Note	Action	Number affected	Value £'000
1	Maximum liability 80%	8,079 (all)	1,525
2	£6,000 capital/savings limit	98	73
3	Abolish Second Adult Rebate	82	18
4	Flat rate £10 non-dependant deduction	275	72
5	Take account of maintenance in full	288	99
	Take account of Child Benefit in full	1647	753
6	Flat rate £25 earnings disregard	300	+ 97
Total working age impact (based on individual actions)			2,443
Estimated adjustment combined impact of actions			(400)
Total estimated saving			2,043

Note 1 - Currently Council Tax Benefit is awarded or calculated based on the claimant's full liability (100%). Instead, it is recommended to use 80%, meaning each working age claimant would have to pay at least £3.63pw more than they do now.

Note 2 - Council Tax Benefit takes account of 'tariff income' in lieu of interest on their savings between £6,000 and the current £16,000 limit. A single limit of £6,000 for Council Tax Support, and abolition of tariff income, will simplify the new scheme by removing complicated administration and explanation; and could be held to indicate support is for people in more immediate financial need.

Note 3 - Second Adult Rebate is paid when the claimant's income is more than other people in their home. In practice, it is complicated to promote and explain, difficult to administer; and has proved to be ineffective as a solution and no real advantage for collection.

Note 4 - The existing range of 5 rates of 'non-dependant' deduction, reflecting the number and incomes of other people in the claimant's home, require claimants to ask for (and prove) personal details about wages and details from the people they live with. A single flat rate in future would stream line the application process and remove the need to know other people's incomes, making the process easier and more transparent.

Note 5 - Child Benefit and child maintenance are currently disregarded in full. £15 of maintenance for adults is disregarded. This is in contrast to no disregard for most other types of unearned income and a £5 disregard for most earnings. This seems to give an advantage to people receiving maintenance, particularly when it is high to the extreme of being affluent. It is recommended to remove these disregards to make it fairer for everyone, helping to distribute the budget saving more evenly.

Note 6 - Earnings disregards are intended to provide an incentive to work. The current £5 disregard for single people has remained unchanged since 1993. It is one of five earnings disregards (including £5, £10, £20 and £25) relative to the claimant's circumstances. A single (flat rate) £25 disregard will simplify the new support scheme and would indicate a greater or more attractive incentive, albeit it would be affected by the taper in the calculation, by which the true gain of support would be less. A fifth higher earnings disregard linked to tax credit awards would continue unchanged.

- 5.7. Retention of existing extra living allowances for children and families, higher earnings disregards, and allowances for child care fees, act to safeguard against child poverty.
- 5.8. The current safeguards for vulnerable claimants, for example people who are blind or receiving Attendance Allowance, exempting them from non-dependant deductions, will continue.
- 5.9. The report to the Policy Review and Development Panel set out other actions which may have been necessary depending on the estimated spend and grant for next year. This included options such as a further limit on the liability used for calculation to band D and taking all unearned income into account. Currently, it is estimated, that these and other options are not necessary to achieve the saving required, although these are a feature of some other councils' schemes.
- 5.10. The Policy Panel also considered excluding 'extended payments' from the Council's policy, costing c£29,000 for CTB, which helps long term unemployed when they find work, to tide them over until they get their first wage. The Panel agreed the development of an alternative such as a 'Return to Work Bonus' as an additional form of Council Tax Discount, as perhaps a more obvious incentive. At this stage it has not been possible to propose a viable solution, and this will be investigated further for the 2014/15 scheme.
- 5.11. The abolition of CTB removes the statutory option to award Discretionary Housing Payments to help people. Awards for exceptional hardship will avoid hardship and distress for vulnerable people. The Policy Panel supported the principle to develop a Discretionary Support Fund, based on the same criteria as Discretionary Housing Payments. Funding for this is currently being reviewed and will be set out when confirmation of Government and other funding is known.

Other scheme change

- 5.12. The current regulations require the Council to consider a claimant's 'underlying entitlement' when they have been overpaid. This is mainly caused by changes of people's circumstances and how long they can take to tell the Council, in relation to a one month time limit for a change that would increase their benefit. It is recommended to remove underlying entitlement for Council Tax Support. People will still be expected to report changes straight away. In fairness, changes will be taken into account from when they occur, if the person has good cause to delay telling us. Separate penalties can be applied for failure to supply information. People will be protected by their right of appeal.

Policy Document

- 5.13. It is a requirement to set out the LCTS scheme in a Policy document which details the 'rules' of the scheme. This needs to be approved by Full Council. This document is provided as a Background Paper and a summary is shown at Appendix A.

6. Delegation to Officers

- 6.1. The Council's Constitution sets out a delegated power to the Head of Resource Management to operate and administer Council Tax Benefit, including provisions for debt collection and legal proceedings. Cabinet is asked to agree that this is amended to add and include Council Tax Support.

7 Proposals

7.1 It is proposed that:-

- (i) Cabinet recommend to Council that the Local Council Tax Support Scheme as set out within this report and detailed within the Policy document be agreed for 2013/14.
- (ii) The scheme of delegation be updated to reflect the operation and administration of the Local Council Tax Support Scheme.

8. Strategic Plan References

8.1. The Council's Strategic Plan sets out several priorities including delivering an efficient benefits service and supporting more vulnerable groups.

9. Consultation

9.1. The Local Government Finance Bill sets out that Billing Authorities have to hold a public consultation on LCTS proposals. To comply with this a 6 week consultation started on 1 August and finished on 12 September, coordinated with each of the Essex authorities and working with Essex County Council.

9.2. Responses to the Council's proposals for the new scheme are set out at Appendix B.

9.3. A range of initiatives were undertaken to promote the consultation across both Essex and Colchester. Within Colchester this included writing to 8000 current working age Council Tax benefit recipients, inviting stakeholders to participate, and, advising Council Tax payers throughout the borough of the consultation.

9.4. As a legal requirement, the major precepting authorities have been consulted and agreed the framework, on the basis of a cost neutral scheme to avoid affecting the general population, thereby reducing support to some current recipients.

10. Publicity Considerations

10.1 A communication plan has been developed by all the Essex authorities, working with the Essex Communications Group. This includes a coordinated approach for websites, press releases and leaflets, leading up to the annual posting of Council Tax bills in March.

10.2. The Council aims to contact all current working age recipients of Council Tax Benefit in January to advise how the changes will specifically affect them. We will be advising customers of easy ways to pay as well as whom to contact in case of difficulty in paying. The Council will provide proactive information to those affected to help them pay their Council Tax and minimise the negative effect on the collection of this additional cost.

10.3. Literature that accompanies the annual council tax bill will also contain information and advice about the new Local Council Tax Support scheme; this will be sent to all residents in February/March 2013.

11. Financial Implications

11.1. The effect of the local funding gap of c£2m will be borne by the major precepting authorities in proportion to their current precept size. Currently this equates to 11.8% for Colchester. This is significant as the extra amount payable by working age claimants will be a risk for payments to the Collection Fund.

- 11.2. The recommended policy covered by this report is intended to deliver a “cost neutral scheme”, in other words the estimated cost of the LCTS scheme is in line with the provisional funding provided by Government.
- 11.3. There are a number of potential financial risks involved. These include:
- *Recovery of Council Tax.* There is a risk of a lower level of collection of Council Tax, given that more people will have to pay Council Tax and many for the first time.
 - *Recovery costs and resources.* The number of people paying Council Tax will increase and we will need to consider the impact on resources.
 - *Demand.* Under the existing benefit scheme there is no direct financial impact on the Council of changes in the amount of benefit paid. Under the LCTS scheme the Government grant will be a fixed sum and therefore any increase will be borne by all of the major preceptors including Colchester.
- 11.4. A range of measures will be on offer to affected people to help them to pay, including help to increase their income or reduce their expenses, and easy ways to pay such as weekly Direct Debit and other methods.
- 11.5. The LCTS scheme is based on a Council Tax discount, or in other words a reduction in the amount of Council Tax due. The proposed methodology for reflecting the cost of this is therefore to show it as a reduction in the Council Tax base (the number of equivalent Band D properties). In simple terms this will mean that the amount of Council Tax due will be less by the amount of Council Tax Support provided. On the basis of a cost neutral scheme this reduction in Council Tax should equal the level of Government grant provided. This will be considered in more detail in budget reports to Cabinet which will also consider the impact of any changes to the grant from that provisionally set out.
- 11.6. The Government is currently consulting on the methodology for dealing with Parish Councils in respect of the LCTS. The most recent proposal is that the tax base agreed by parish councils should not include any adjustment in respect of LCTS and that therefore the grant from Government should be retained by the billing authority. This protects parish councils from any impact of changes to LCTS costs in year and that these are therefore borne by the billing and major precepting authorities.
- 11.7. The agreed scheme for 2013/14 cannot be changed during the year. It is though recognised that it will be necessary to review the impact of the proposals and to consider any further changes that are considered required for implementing in 2014/15.

12. Equality, Diversity and Human Rights Implications

- 12.1. An Equality Impact assessment (EQIA) has been carried out of the draft policy in preparation for this report and for the consultation, and is available on the Council's website, or click [here](#).

13. Community Safety Implications

- 13.1. The proposals contain provisions for dealing with welfare concerns of residents, particularly vulnerable people and to avoid child poverty. It is intended to limit hardship to avoid giving rise to crime and disorder.

14 Health and Safety Implications

14.1. There are no health and safety implications.

15 Risk Management Implications

15.1. As highlighted earlier in the report there are a number of financial risks associated with the proposed introduction of the LCTS scheme. Once the Council has set its policy, it cannot be changed until the following financial year (2014/15). This therefore makes it essential to closely monitor LCTS scheme and the impact on collection rates.

15.2. Localised Council Tax Support is introduced by way of the Local Government Finance Bill, this act is yet to receive Royal Assent, and as such the Local Council Tax Support Scheme cannot be made by Full Council until such Royal Assent is granted. Royal Assent is expected at the end of October 2012. Currently, the development and subsequent agreement of our scheme by Full Council at the beginning of December 2012 assumes that Royal Assent will have been granted during late October.

Background Papers

Report and minutes of the Policy Review and Development Panel, 6 August 2012
LCTS Policy Document (*currently being redrafted*)

Consultation Results

		Yes	No	Don't Know									
	Total number of respondents who accessed the consultation survey = 119												
Q1	At the moment people who have a very low income have all of their Council Tax paid by Council Tax Benefit. Our proposal is that these people of working age would not have all of their Council Tax paid by Council Tax Support, but would have to pay some themselves. Do you agree?	31.93%	57.14%	10.92%	15%	20%	25%	Above 25%	8.82%	8.82%			
Q2	If yes, how much should people of working age on benefits pay of their weekly Council Tax that is due?				26.47%	41.18%	8.82%	14.71%	8.82%				
Q3	The maximum amount of Council Tax Support given to people on benefit would be limited to the Council Tax for an average property in our area; the claimant would have to top up the rest. Do you agree?	44.34%	44.34%	11.32%									
Q4	Council Tax Support would only be given to people whose savings are £6,000 or less. Do you agree?	71.03%	21.50%	7.48%									
Q5	People who cannot work (for example they have a long term illness) would be given more Council Tax Support than those who are unemployed and able to work? Do you agree?	70.19%	20.19%	9.62%									

Total number of respondents who accessed the consultation survey = 119		Yes	No	Don't Know						
Q6	Currently, in our calculation of Council Tax Benefit, we do not take account of some incomes such as Child Benefit and some earnings. More of the money that someone gets would be used to calculate their Council Tax Support. Do you agree?	49.04%	36.54%	14.42%						
Q7	People would be given a greater incentive to work by having more of their earnings ignored when calculating their Council Tax Support. Do you agree?	54.46%	28.71%	16.83%						
Q8	Currently, a claimant's Council Tax Benefit is reduced by varying amounts reflecting incomes of adult non-dependant people living with them. Under our proposals, we would introduce a flat rate £10 non-dependent deduction, claimants would pay more. Do you agree?	36.27%	36.27%	27.45%						
Q9	Currently some people are not entitled to help with their Council Tax due to their high income or savings, but they get a reduction in their Council Tax because they share their home with someone who is not their partner and who has a low income. This reduction would no longer be offered. Do you think this should be stopped?	70.59%	19.61%	9.80%						
Q10	We currently help people from when we receive their claim. We would help them from an earlier date if they gave us a good reason. Do you	79.21%	11.88%	8.91%						

Total number of respondents who accessed the consultation survey = 119		Yes	No	Don't Know					
	agree?								
Q11	We have identified that the groups listed below will have to pay more Council tax as a result of these proposals. Please indicate whether you think the impact on these people's lives will be high, medium or low.	High	Medium	Low	Don't know				
	Families with children	56.70%	25.77%	9.28%	8.25%				
	Lone parents	72.16%	14.43%	6.19%	7.22%				
	Carers	48.45%	24.74%	11.34%	15.46%				
	Part time and full time workers	22.68%	38.14%	28.87%	10.31%				
	People who are disabled	68.04%	10.31%	12.37%	9.28%				
	Single people and couples without children	27.84%	20.62%	42.27%	9.28%				
Q12	Have you got any general comments that you wish to make about these proposed changes?								
Q13	Are you responding as a resident or on behalf of an organisation?	Resident = 97.94%							
		Organisation = 2.06%							
Q15	Do you or your partner receive Council Tax Benefit?	75%	23.86%	1.14%					

Background Paper
Local Council Tax Support Consultation Responses

Comments were made by 63 of the total responses received of 119.

Comments can be grouped into the following themes in response to the proposals:

Theme	Number of comments
General non-agreement	21
Impact on those who are ill or disabled	10
Ability to pay / 'means testing'	7
Impact on children	6
Positive comments to all or an element of the scheme	5
Pensioners exemption	4
Reference to Work / Earnings	4
Reference to Non-dependants	2
Reference to Capital / Savings	1
Other	3

Below are listed the individual responses to the following question; (these remain unedited and replicate the exact comments)

Have you got any general comments that you wish to make about these proposed changes?

People who are able to pay should pay

Grouping those in part time work with those in full time is in my view unfair. The changes in the savings threshold from 16 to 6 Thousand pound is too big a cut. Why should pensioners be exempt?. The only fair way to change is for all claimants to be means tested

I think it is appalling that the scheme is hitting the working age only - why are pensioners not being affected? This is essentially discrimination and making the working age subsidise the elderly who in many cases can afford it and have greater resources and live in larger properties but dont have restrictions put on them. It should be means tested for the elderly as well as the working age in order to spread the cost of this ridiculous and ill-thought out coalition idea. Why are Councils being forced into putting in a new scheme anyway? It just seems like an administrative nightmare for everyone which will essentially just cost the taxpayers more money, along with confusion and inconvenience for those who genuinely need help. Why are single person discounts not being adjusted - particularly for those who can most afford them and get money off! Surely this would save more money and reduce the admin for everyone involved? I dread to think of the cost involved in recovering the sums of money from those who will have to pay something next year who have never had to pay before. Who will be funding this? I expect Council Tax will go up as a result meaning that actually there are no savings at all its just a paper exercise for the Government to say they have saved money - but essentially they have just shifted the costs, the hassle and the admin onto local councils and their residents!

The categories in question 11 are mostly irrelevant in that (with the exception of disabled people, who generally have low or no incomes, it says nothing about income - and what matters is their income. If you have a very low income the effect will be high, otherwise it will be low.

More children will be in poverty and more families loosing their homes.

I beleive that it will cost more to recover the shortfall in Council Tax from these people than this scheme will save. Why are pensioners being protected? The only reason I can think of is for political purposes. How is this fair? How does this illustrate us "all being in this together"? Why should working age have to pay more simply because they are younger? I know the council's

hand are tied in this and the ruling has come down from Central Government. When will these cuts stop?

I think it is about time this system is overhauled. I am a pensioner who made a effort to save for a small pension and now find that I lose most of it by having to pay Rent and Council Tax whereas my 20 year old neighbour who has never worked gets full benefits ! Why did I bother ??? Hopefully these proposals will get some of the spongers out of the system.

DO not agree that child benefit should be taken into account as "income" as this is intended to pay for necessary basics for children including food, school shoes and uniforms etc = the amount for one child being Â£80/month which would be reduced by around Â£30 for a band D (if I've understood the changes correctly). Equivalient to a months' supply of nappies or a pair of school shoes. This is not "income" that can be spent on anything

I think it should be possible for council tenants who cannot afford to pay a large amount eg those of us are disabled and unable to work should be given the option to move to a property in a lower tax band.

The changes should encourage people to work rather than stay on benefit. Working people should be better off under the new proposals

With rising costs throughout the economy I don't think lone parents should be affected by this change when there is thousands of unemployed on jsa, where will the money go to? Paying the council workers a higher wage? I struggle with what I get at the moment with full council tax benefit, how will I cope having more money going out then comes in? I can not work due to my baby daughter but I did work for 10 years and have paid thousands in taxes so far!!

I have a comment about your plans for self-employed people (that if they're income is very low you will make a calculation that they're earning the minimum wage time the number of hours they work). That is completely preposterous! Anyone who runs a business knows that you routinely put in huge numbers of hours more than you are paid for (eg on admin, marketing, accounts, business networking, etc), and that your actual income can vary significantly from month to month. In the current economic climate in particular, what you are proposing is deeply, deeply flawed and unrealistic. If you propose the same for other help you provide, such as housing benefit, then the end result may be that people will abandon their self-employed business and become unemployed, as they simply won't be able to manage financially in self-employment any longer.

i would love to go to work and pay my own way, but due to my illness i simply cannot do this. by haveing to pay some of the taxes would leave me with only Â£40 per week to live on that is for food elec/gas etc this is not enough

Some people who are on Incapacity benefit/ESA and DLA/PIP and also have care needs that also result in home care/personal budget from social services to pay for their home care already have their DLA/PIP taken into account to work out their contribution towards this care and then use their DLA/PIP that is left over for additional care needs. These proposals would mean that they will have to pay 20% of their council tax bill, and for many this will result in them having to cut back on vital care that they currently recive - these people reciving care from Social Services are clearly the most vulnerable in society and therefore these proposals will have a disproportionate effect on the most disabled people.

any cuts in benefits has a direct effect on low income families, even the smallest reduction has a knock on effect on health as the quality of food given to children will be reduced as well as more parents missing food altogether, again causing a knock on effect on health and therefore creating more strain on the NHS and reducing the number of people able to work. As to the

effect on carers that just beggers belief, they are already poor and work harder than most working people for a pittance. Good grief this is the 21st century not the victorian era.

i dont think we should pay any off the council tax on a very low incomme! people with millions get council tax and should not pensioners get extra money for every thing i think they should be made to pay like the rest i dont see how making them not pay is fair to everyone else?!?!?

people who are disabled arnt able to pay for council tax fue to there needs as they have higher needs than those who are able to work. eg haveing special diets or clothing, or haveing help from someone and have to pay a bit to them foor help higher electRICT and gas bills if they canot get out and the elderly also as they need to keep warm and canot get out and about ether

I think it is wrong to take into consideration child benefit and child maintenance when calculating the amount of benefit a household should receive. Children under the age of 18 are not eligible to pay council tax so why are payments made for them included?? Child Maintenance is paid to help maintain THE CHILD.....the CHILD does not pay a council tax bill. To include these payments is taking money meant for the child. These are just more proposals to make the low income of this country pay for the mistakes of the rich and greedy. To take more from these needy families I think will increase child poverty and decrease standards of living even further.

As a disabled person who relies on a carer 24/7 i think that half if not all of the carers allowance that people like my husband gets should be ignored when calculating council tax support. Its people like my husband that make it cheaper on the government and local councils, Instead of the government having to pay for a full time professional carers possibly costing tens of thousands a year they pay someone like my husband approximately Â£2700 a year and thats for approximately 8760 hours which works out about 31p per hour. I think under those type of circumstanes that half if not all of carers allowance should be ignored.

Yes - how can people who have next to no money coming in even start to find anymore to pay for this - its impossible!

If there is a shortfall in funding then money should be taken from such vanity projects such a firesite to fund it

what happens to couples on Income Support due to one being disabled and I work 9 hours a week to get us an extra Â£20 to be able to live in a very moderate way? how will we be able to afford payment towards Council Tax?

Pensioners should not be exempt

I do not think it is acceptable to reduce support for people who cannot work through illness/disability, who have capital of under Â£6000 and have no form of income other than government benefits, (ie they have no one else to help them financially.)

Put the council tax up of every bank in Essex. They got us in this mess, make them pay for it not the poor and disabled. On Â£70.00 ppw where do you think we are going to find the money? It does not cover food, gas and electric. I am already dealing with the CCCS due to not being able to pay my existing debts.

Consider those who have just come out of full time education and cannot find work in their chosen field.

i think you should txa the people that are better of not the one that are worse off i am on benfets and cannot pay out any more i am have a lot of money taken from my money new and donot need any more taken

yes people who are on non prescribed drugs so elegal drugs, should pay for council tax, and so should alcoholics, if people find their own rentable property they should be given more help when they suffer from serious health

The system has to be fair particularly to those who may be disabled or are a carer for their spouse/partner who would find it near impossible to hold down any type of regular employment, it could be discriminatory against them, after all carers are already saving the state a huge amount of money by doing a thankless job that's unrewarded but is willingly taken on because of love. The state should not take advantage of these people.

the impact on full time workers, would be less than on part time workers, due to pay differences. everyone who has to pay, that didn't, will be massively impacted. i'm disabled but under the new scheme, based on having to pay 20%, i will have to find more than Â£300 a year, at a time, when the government, are talking about stopping DLA completely and reducing other sickness benefits, in the near future.

I think the council tax should increase for everybody to cover the deficit rather than just taking it out on poorer people.

AS A LONE PARENT WHO HAS BEEN ON LONG TERM INCAPACITY & RECEIVES NO HELP. HOW WILL I BE ABLE TO ENCOURAGE MY CHILDREN TO FURTHER EDUCATION IF IN THE END I WILL NOT BE ABLE TO AFFORD FOR THEM TO GO.

People on means-tested benefits eg income-based JSA, ESA, should continue to get full CTB. CBC should ensure that vulnerable people should be protected from reductions in CTB by making a full impact assessment.

Unsure on how people with a long term illness will be affected, especially if they haven't been able to claim DLA but are in the ESA "support group" because their illness prevents their working.

i have been on incapacity benefit for approx 6 years and have always found it hard to pay my bills. i have a young daughter who is with me 2 days a week and the only income i have is my benefit. i have been told i am not able to get any financial help from anywhere else. as a result i am now in debt for over Â£1100 and at present have no way of paying this back. if these proposals are introduced i would not be able to pay. there must be hundreds of others like me and i can only imagine that the council would have to take people like myself to court. this would not help the situation and cost the council a lot more, not only in court costs but administration costs as well.

Maybe if the council tax wasn't so expensive in the first place we could all easily afford to pay it! It is disgusting how much it is!

defy the government and take care of the vulnerable the poor, the elderly and the needy. The measure of a civilised society is how we look after these groups. This criminal unelected government protecting its criminal banking elite need to be held to account as they give billions to the IMF and NATO. take a leaf out of Iceland's book, and bring these criminal elite to court for bankrupting the country and passing their deliberately created debts onto the people. The gap between the top wealthy few and the poorer has never been greater. We must NOT return to an era where the poor and the vulnerable are shipped into workhouses and soup-kitchens and made homeless, and up to their eyes in debt through no fault of their own and where disabled people are marginalised by the media and forced into work that doesn't exist in the 1st place. This whole situation has been the deliberate creation of the Bilderberg cronies -> divide and rule, keep the people in debt and enslaved and under control. but who cares what WE think - we're given the impression we have a choice - we don't. Filling in this questionnaire will make not one jot of difference to anything.

I think it is unrealistic to expect people on basic Jobseekers Allowance or Income Support to pay at least 20% of their Council Tax. On that low level of benefit, people will have to make a choice between buying basic necessities like food and paying their Council Tax. It does not seem fair to me that people will be pushed into a situation where they will have to do without food to pay Council Tax.

this is just another example of the government hitting those most in need who have NO money and barely scrape by instead of just charging a little more to those who can afford to pay on their existing council tax, there are more households in work than out of work and a slight increase in their charge would nullify the need for these "hitting up" tactics on those claiming ctb, just shows how greedy the government is getting expecting the worse off to pay for their mistakes and shortfalls

dreadful we shall all end up on the streets

I am due to redundancy out of work even though i am actively looking for work, and have been studying to further my chances of obtaining work. I currently live on my own and recieve JSA. I do not have all of my rent paid and out of my Â£71.00 per week , i have to top up rent, pay water bill, electric and try and feed myself, of which is near on impossible. As a result of being out of work , my health has deteriorated and i have had to under go two bowel operations due to stress, even though i am most of the time a positive person, and now i can not even contemplate my situation if i am expected to pay council tax. Where is this money to come from? This is just putting people under more pressure, as i am exsisting at the moment and this will create even more stress for me and others alike. Perhaps the council should whilst this country is in this awful state, stop with the flower beds around the town. Whilst they look nice they are not a necessity and feel that monies should be saved in non essential services. Flowers are not one of them.

Capital raised to Â£10,000 would be fair to the majority of good honest citizens of the council.

The effects on different groups will depend not only on their incomes, but the type and council tax band for property they occupy. it seems reasonable that those able to afford more expensive property should receive less council tax support. this could help offset having to reduce the savings limit so drastically, as many with savings over Â£6000 will still have low incomes and face hardship.

They are not in line with government intentions and will have an increasing impact on those in need of support as the level of actual funding decreases,

The applicable benefits that entitle people to reductions does not include DLA only PIP which is replacing DLA. PIP is being brought in gradually from next October so I don't understand why DLA is not included.

Yes, the government has simply massaged the welfare system to reduce benefits overall. It is nothing more than another stealth tax at a time when the corporations are paying no tax. It is 'immoral' that local councils are not standing up to national government and its 'immorality'. Ask David Cameron to live on benefits. Let's see how well he gets on.

Some of the questions where I answered "No" I would have checked "Partly agree" if that was an option. For instance, if someone has no income other than their JSA and no savings, how can they pay even 20% of council tax? Money for child support shouldn't be counted. That's money to spend on the child(ren) and I expect it's already as low as it can be.

Child maintenance and child benefit should NOT be taken into account. This is for the child, it helps towards clothing and feeding the child/ren to help them to help to keep them out of

poverty! It has taken me 10yrs to get maintenance and is still a monthly challenge to get it, I am owed an awful lot of money.

Yes. The whole concept of targetting the disadvantaged is misconceived. If government funding is contracting by 10%, Council Tax assessments should be recalculated accordingly as local taxation on those that can afford to pay.

People who work will have to pay more?! This is terrible to the people who are on benefits who can spend their money on taxi's, fags and drink!!!!!!

The questionnaire talks about giving people the incentive to work, I have been unemployed for the last 12 months and have applied for over 300 positions in the last year, with only one interview, and still no job. Currenty I am getting Â£70 pounds a week to exist on, How do the council expect individuals like myself to pay council tax of 20% out of the income that I receive that is not enough at present, Getting a "job" is not as easy as some people think it is. I want to work but cannot get work as there is none available to me.?

People like carers should have all of their council tax covered and not pay the first 20%. This particular type of regime goes back to the regime that was in force when you bought in the poll tax, this was wrong and was seen to be so and had to eventually be scrapped and the council tax bought in. This regime harps back to those days and is equally wrong.

Its a disgrace and this scheme will hit the low paid and part time workers struggling already to make ends meet

im a single mum who is disabled and can barely afford bills as it is i fell id be sqrewd over

if you take into account money children are given such as csa the children will suffer, its not extra money or spare money, with so many bills that are going up its covering all of that, winter time heating house is a worrying time and thiers clothes and clothes are alot foot wear school trips, food is so expensive. i am struggling. i get csa and if we have to pay more out of that i myself will have to miss meals

Non dep deductions for families receiving ATA/DLA. Also same scheme for the whole of Essex as this was the original plan?

Non dep deductions for household's on ATA & DLA Same scheme for all Essex authorities

Very difficult to administer and explain differences between HB & LCTS to claimants.

i think that getting help from local council is very helpfull but i always taught that these families and individual can always give something back to the town where they live .some people really need help and they deserve all the support but unemployed benefits is a tricky one because some of them rather choose to stay at their homes or running about in pubs or town rather looking for a job and put an effort.

1- The answers to some of these questions will depend on what the basic income is. The government says that each individual needs 'x' amount of income to live on. Any income above that should be subject to Council Tax deduction. 4 - Savings levels should be higher, say 12k - 15k, because otherwise people on benefits have no incentive to save money & ths improve their life situation. 6- I don't think that DLA should be included in any benefit/Council Tax calculations. I think that the clue is in the word 'very' as in 'very low income'-can anyone one very low income afford to pay more? 15% of any income over the minimum required to live on and not including it!

People on Jobseekers Allowance can't afford to pay any Council Tax.

if the council were to take back the services currently run by Colchester Borough Homes, they could save the 10% needed without effecting benefits.

I feel I am not sufficiently economically qualified to express a cogent opinion



Council Tax Support Draft policy guide

A summary of the scheme

Introduction

As part of the major changes to the Welfare Benefits system, from 1st April 2013 Council Tax Benefit will end and is to be replaced by a new scheme called Localised Support for Council Tax or Council Tax Support. Both systems are means tested which means that they compare your income and capital against an assessment of your needs.

The new scheme will largely be decided by each Council rather than nationally by Central Government (as now). Funding to each Council will be reduced and if you are of working age the amount of help you receive may be less than under the current scheme (Council Tax Benefit).

Regulations will protect pensioners (persons who are of an age where they can claim pension credit) and therefore if you are a pensioner and are currently receiving Council Tax Benefit, then the amount of help you receive under the new Council Tax Support scheme will be broadly the same and operate in a similar way to the current Council Tax Benefit system

To assist certain vulnerable groups, the Council has also decided that there will be additional protection given. More details are given later within this document.

The rules of the Council Tax Support scheme divide the persons who can claim support into various classes. The classes or groups are set out in regulations (law made by the Government) for pensioners and the classes or groups for working age applicants are set by the Council.

With the introduction of Council Tax Support, people who already receive Council Tax Benefit will automatically change to the new scheme. In particular, they will not be required to apply to for Council Tax Support, and the details they have already provided will continue to be used.

Initially, for people already getting Council Tax Benefit, the Council will write to them in March 2013, showing their new Council Tax Support and the details used to calculate it. It will then be important that the claimant or someone helping them should check their details, and let the Council know if they have changed.

The yearly amount of Council Tax Support will be shown as part of each person's Council Tax bill. This will also set out how much is left to pay and how to pay it.

Any questions or comments about this guide should be sent in writing to:

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Resource Management, Colchester Borough Council,
PO Box 886, Colchester, CO3 3WG.

Or email john.fisher@colchester.gov.uk

<p>This is a draft document setting out proposals to be considered and agreed by the Council, and may change depending on funding details and further development of the scheme.</p>
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We can provide this document in other formats, for example, Braille, large print, CD or another language, free of charge. For more information about this, phone 01206 282600. If you use a textphone, dial 18001 01206 282600

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The draft Council Tax Support scheme for working age persons

The Council has decided that there will be two classes and the Council will decide which class each applicant is in. The class will determine the level of Council Tax Support that can be provided:

Class 1

To obtain support the individual must:

- a. have not attained the qualifying age for state pension credit; or
- b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance.
- c. be liable to pay council tax in respect of a dwelling in which he is solely or mainly / resident;
- d. not have capital savings above £6,000;
- e. be a person whose income is **less** than their living allowances (*applicable amount*) or the claimant or partner is in receipt of Income Support, Jobseekers allowance (income based) or Employment and Support Allowance (income related); and
- f. have made a valid claim for support.

Class 2

To obtain support the individual must:

- a. have not attained the qualifying age for state pension credit; or
- b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance.
- c. be liable to pay Council Tax in respect of a dwelling in which they are solely or mainly / resident;
- d. be somebody in respect of whom a maximum council tax support amount can be calculated;
- e. not have capital savings above £6,000;
- f. be a person whose income is **more** than their living allowances (*applicable amount*);
- g. have made a valid claim for support;

Council Tax Support payable to working age people

If a person matches the criteria in Class 1, including that their *income* is less than their *living allowances (applicable amounts)* that person qualifies for 80% of their council tax liability. This also applies if a person in receipt of income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance

If a person matches the criteria in Class 2, it will mean the person's *income* is greater than their living allowances (*applicable amount*). Twenty per cent of the difference between the two will be subtracted from the maximum council tax liability allowed. The Council has decided that for 2013/14, the maximum council tax liability will be 80% of council tax the person is liable to pay.

Note: for the purpose of this draft document, the proposal to base liability on 80% is indicative. The Council may decide to use a different percentage depending on funding details and further development of the scheme.

How Council Tax Support works

Who can claim?

If you have to pay Council Tax, you may be able to get Council Tax Support (CTS) from 1st April 2013.

You can only get support if you have a right to reside and are habitually resident in the United Kingdom (UK). If you have entered the UK within the 2 years before your claim for benefit, the council will ask you about this.

People given refugee status, humanitarian protection or exceptional leave to remain in the UK will continue to be eligible for benefit.

Most full-time students are not entitled to Council Tax Support.

How much Council Tax Support can I get?

Maximum CTS depends on:

- Whether you are in the Pension Age scheme (attained the qualifying age for state pension credit) or are in the Working Age scheme;
- How much council tax you have to pay; and
- Who you live with.

Capital

Savings and investments (capital) may have an effect on the assessment of your income. Capital will only affect your income if you are of pension age and have more than £6000. If you are working age and have more than £6,000, you will not normally be able to get Council Tax Support. The figure is £16,000 if you are of pension credit age.

How to claim

New claims for Council Tax Support can be made electronically using the Council's e-claim interactive form, in writing or by telephone. See the Council's website at colchester.gov.uk/claim for more details or phone 01206 282600.

With the introduction of Council Tax Support, people who already receive Council Tax Benefit will automatically change to the new scheme. They will not be required to apply for Council Tax Support, and the details they have already provided will continue to be used.

All claims will need to be supported by evidence of your circumstances and this will need to be provided to the Council. If you are claiming Housing Benefit as well as Council Tax Support, the Council will provide you with a joint claim form.

If you are married and your husband or wife normally lives with you, or if you live with someone as though you are a married couple, only one of you can make the claim for Council Tax Support. You may choose who is to make the claim, or if you cannot agree who is to claim, the Council will nominate one of you to be the claimant.

Information and evidence

The Council may need more information or supporting evidence so that they can calculate your Council Tax Support. If all the information they need is not on the claim form, or they need to clarify something or want some more verification of your circumstances the Council will contact you. If you do not reply within one month a decision will be made on your claim based on the evidence you have provided.

How long will it take to decide your claim for Council Tax Support

The Council will deal with your claim for Council Tax Support as soon as possible after receiving all the information from you that they need to work out your entitlement

Date of claim

The date of claim will be the date of first contact provided that the claim form is returned to an office of the authority within one month of the claim form being issued.

If you change your address

If you move to a different Council's area, you would have to contact them to claim their Council Tax Support. Their scheme may be different. You must tell us when you move from our area, so we can stop your Council Tax Support and send you a revised bill.

Backdating a claim

If you are of working age, your claim to Council Tax Support may be backdated in some circumstances. You must prove to the Council that there was continuous good cause for not having made an earlier claim. However, for working age customers the maximum time the council can go back is 3 months from the date your claim for backdating was actually made. You must show there was 'good cause' for not making an earlier claim throughout the whole of any period you want backdated up to the date your claim for backdating was made.

If you have reached the qualifying age for state pension credit your Council Tax Support may be paid for up to 3 months before the date you made your claim. You do not have to ask for this and you do not have to show "good cause" for not having claimed earlier.

Start of Council Tax Support

If you become liable for the Council Tax for the first time, for example if you move to a new address or reach the age of 18 or stop being a registered student, you should claim either in advance (you may claim up to 13 weeks before you expect to become liable), or in the week that your liability starts. You then get support from the day you start being liable for Council Tax. If you claim later than this, your support starts on the Monday after the day you claim

If you are already paying the Council Tax and become entitled to support because you have less money or your applicable amount changes, you also start getting benefit on the Monday after you claim.

Appointees

An appointee, for the purposes of Council Tax Support, is someone over 18 appointed by the Council, to manage the Council Tax Support claim of someone who is incapable of doing so themselves (mainly because of mental incapacity).

If you are already an appointee for other benefits and wish to be the appointee for Council Tax Support, you should write to be appointed by the Council. The role and responsibilities are the same. If you wish to become an appointee you should get in touch with the Council; they will explain the process and your responsibilities. The authority can end the appointment at any time. It is ended automatically if one of the people listed below is appointed. As an appointee you can resign at any time.

An appointee cannot be made where there is already someone acting for the customer's financial affairs in any of the following capacities:

- a receiver appointed by the Court of Protection
- under Scottish law, a tutor, curator or other guardian, a continuing attorney or welfare attorney
- someone appointed to have the power of attorney.

How is maximum Council Tax Support calculated for the Working Age Scheme?

For the Working Age the maximum Council Tax Support is set by the Council as up to 80% of the council tax you are liable to pay less any non dependant deductions (see non dependant deductions later in this document). If you are already getting or have claimed Income Support, income-based Jobseeker's Allowance or income related Employment and Support Allowance then you will receive the maximum Council Tax Support.

How is maximum Council Tax Support calculated for the Pension Age Scheme?

For the Pension Age Scheme the maximum Council Tax Support is set by the Government as up to 100% of the council tax you are liable to pay less any non dependant deductions (see non dependant deductions later in this document). If you are already getting or have claimed Pension Credit Guarantee the Council will grant maximum Council Tax Support.

If you do not get Pension Credit Guarantee, Income Support, income-based Jobseeker's Allowance or income related Employment and Support Allowance

Even if you do not get Pension Credit Guarantee, Income Support, income-based JSA or income-related Employment & Support Allowance you may still get some help with paying your council tax. This is worked out by comparing the maximum Council Tax Support you could get with:

- your needs (called your living allowances or applicable amounts); and
- your income and capital resources.

Absences from home

There are some special situations in which you may continue to get Council Tax Support and these are explained below.

Going away

You should normally let the council know if you are temporarily absent. But the Council may not need to know if you will be absent for only a short time (for example 2-3 weeks) and your circumstances remain unchanged. If in doubt, ask us.

If you are temporarily absent you can normally get Council Tax Support for a maximum of 13 weeks as long as you:

- intend to return home; and
- you will not let or sub-let the part of your home you normally live in your absence; and
- you will not be away for longer than 13 weeks.

In certain circumstances, you may be able to get Council Tax Support for up to 52 weeks, for example if you are in hospital, or are held in custody on remand, provided that you:

- intend to return home; and
- you will not let or sub-let the part of your home where you live in your absence; and
- you will not be away for longer than 52 weeks.

Council Tax support when you have a new partner

You and your partner will be jointly and severally liable for the Council Tax.

If you notify the council of the change, either before, or in, the week that your partner becomes jointly and severally liable, support for you and your partner, as a couple, can be paid from the day that joint liability for council tax begins.

If you notify the Council of the change after the week in which your partner becomes jointly liable for Council Tax, support for you and your partner, as a couple, can only be paid from the Monday following the day you told the Council about the change. In this case, the Council will re-assess your support entitlement from the Monday following the day you and your partner become a couple, and they will take any income and capital your partner has into account and will look at your joint needs.

End of Council Tax Support

If you stop being liable for the Council Tax, for example if you move away from an address or become exempt or start being a registered student, your Council Tax Support stops on the day you stop being liable. If you no longer qualify for Council Tax Support because, for example, your income increases or your applicable amount changes, your Council Tax Support will be stopped from the beginning of the next support week.

End of Income Support, income-based Jobseeker's Allowance or income related Employment and Support Allowance entitlement and Pension Credit Guarantee

If you stop getting Income Support, income-based Jobseeker's Allowance, income related Employment and Support Allowance or Pension Credit Guarantee, you must tell the Council and they will have to stop your Council Tax Support. At the same time they will ask you to explain your new circumstances, because you may still be able to get some help with your Council Tax.

Extended Payments

Extended payments are intended to help long-term unemployed people who secure employment, by giving them an additional four weeks of Council Tax Support at the level they were previously entitled to before they commenced work. The award is dependant on specific criteria, including that you are in receipt of a particular 'qualifying income-related benefit' or 'qualifying contributory benefit'. Other criteria must be satisfied relating to the employment and the 'qualifying benefits'.

People who live with you - non-dependants

People who normally share your accommodation but are not dependent on you for financial support are known as non-dependants. Others who live with you as a family and any children you have fostered do not count as non-dependants.

Non-dependant deductions

Any non-dependants who normally share your accommodation could affect the amount of Council Tax Support you get whether or not you are also getting Income Support, income-based Jobseeker's Allowance, income related Employment and Support Allowance or Pension Credit Guarantee

These people do not count as non-dependants, whether they share accommodation or not:

- carers employed by a charity that charges for the service;
- joint tenants;
- subtenants;
- boarders;
- tenants of owner occupiers; and
- landlords/ladies and their partners.

They do not count as part of your household.

Non-dependant deductions from Council Tax Support

Non-dependants are people like grown-up sons or daughters and elderly relatives. If you have non-dependants living with you, your Council Tax Support may be affected.

Deductions will be made from your Council Tax Support for non-dependants aged over 18 who normally live with you. There is one level of deduction of £10 for each non-dependent.

A deduction will not be made for a non-dependant if the claimant or partner is:

- Registered blind or ceased to be within the last 28 weeks;
- Receives the care component of Disability Living Allowance at any rate;
- Receives Attendance Allowance or Constant Attendance Allowance.

A deduction will also not be made if the non-dependant is:

- receiving Income Support, income based Jobseeker's Allowance, income related Employment and Support Allowance or Pension Credit Guarantee;
- aged under 18 years;
- a full-time student
- receives Work Training (YT) Allowance
- in prison or detention;
- has been in hospital more than 52 weeks;
- does not normally live there;
- disregarded for Council Tax discount purposes.

Working out the amount of Council Tax Support

The maximum amount of Council Tax Support depends on:

- Whether you are in the Pension Age scheme (attained the qualifying age for state pension credit) or are in the Working Age scheme;
- How much Council Tax you have to pay; and
- Who you live with.

Calculating your needs - Living Allowances or Applicable Amounts

The living allowances (also known as applicable amounts) represent the needs of you and your family if you have one. The larger your family the larger your applicable amount. The applicable amount is made up of three parts:

- a personal allowance; and
- personal allowances for children in your family; and
- premiums.

For the Pension Age scheme this is set out in national regulations. For the Working Age scheme this is set locally by the Council. Your living allowance takes into account the size of your family, your age and extra needs you may have. It is made up of personal allowances and premiums. Premiums are included if you have a family, or disability, or a disabled child.

Personal allowance

Your living allowance (applicable amount) always includes a personal allowance. Different amounts apply according to your age and whether you have a partner.

Personal allowances for children

If you are looking after children (other than foster children) then you get an allowance for each child included in your applicable amount according to his or her age. This allowance is included until that child leaves school or reaches their 20th birthday.

A special rule applies if a child has left school and starts work before the Child Benefit stops.

Income less than your living allowance

In this case you get maximum Council Tax Support (depending on whether you are of Pension Age or Working Age this may vary in amount). You will also get maximum Council Tax Support if your income is the same as your applicable amount.

Income greater than your living allowance

In this case you will get an amount less than your maximum Council Tax Support. The amount by which your Council Tax Support is reduced is based on the difference between your income and your needs.

A percentage of this difference – called a taper – is taken away from your maximum Council Tax Support

Premiums for your family

Once personal allowances and allowances for children have been worked out, premiums can be added – if they apply – to make up your applicable amount.

Premiums or components for disabilities

These premiums are included in your applicable amount for people in your family with disabilities. There are three premiums and two components in this group:

- disabled child premium (for each disabled child in your household);
- disability premium (if you or your partner gets one of the benefits listed below or you have been off sick for more than 52 weeks);
- severe disability premium (if you are disabled and live in special circumstances);
- work related activity component; and
- support component.

Your children

A family premium will be included if you have any dependent children in your household. No matter how many children you have, you can only get one family premium.

Disabled child premium

The disabled child premium is a flat-rate premium, which may be awarded for each disabled child in your household and can be included with any other premiums. Your child is considered disabled if they are:

- registered blind
- or receiving Disability Living Allowance.

Disability premium

Disability premium will be included in your applicable amount if you and your partner are aged less than pension credit age and:

- either of you is registered blind; or
- either of you gets one of the qualifying benefits listed below; or
- has been off sick for 52 weeks or more.

Qualifying benefits

You will get the disability premium if you or your partner get any of the following benefits:

- Personal Independence Payments (replacing Disability Living Allowance) ;or
- Working Tax Credit Disability Element; or
- Constant Attendance Allowance; or
- War pensioners' mobility supplement; or
- Severe Disablement Allowance; or
- Incapacity Benefit – long term rate or short-term higher rate paid at the long term rate.

Severe disability premium

This premium cannot be included on its own. You must first qualify for the disability premium.

If you are single or a lone parent - the severe disability premium may be included in your applicable amount if you:

- receive the care component of Disability Living Allowance at the highest or middle rate, Attendance Allowance or Constant Attendance Allowance; and
- live alone (but if others live with you, see below); and
- no one receives Carer's Allowance for looking after you.

If you have a partner - you may get the severe disability premium if you both:

- receive the care component of Disability Living Allowance (DLA) at the highest or middle rate, Attendance Allowance (AA) or Constant Attendance Allowance; or
- your partner is blind and you receive the care component of DLA at the highest or middle rate, AA or Constant Attendance Allowance; and
- no one lives with you; and
- no one receives Carers Allowance for looking after either one or both of you.

For the purposes of severe disability premium your Council Tax Support is not affected if other people living with you are:

- Children; or
- aged 16-17; or
- a person who is registered blind; or
- receiving the care component of Disability Living Allowance (DLA) at the highest or middle rate, or Attendance Allowance (AA); or
- people caring for you who are employed by a charity making a charge for this service.

Work Related Activity Component

This is awarded where you or your partner receives main phase Employment and Support Allowance and receive a similar component within that benefit

Support Component

This is awarded where you or your partner receives main phase Employment and Support Allowance and receive a similar component within that benefit

Enhanced Disability Premium

Enhanced Disability Premium is awarded where you, or a member of your family, who is aged under 60 receives the highest rate of Disabled Living Allowance (DLA) or where the claimant is in receipt of Employment and Support Allowance Support Component. This premium will remain in payment if the DLA is suspended during hospitalisation. This premium is awarded at three different rates. They are for:

- each dependent child/young person in your household paid the highest rate of DLA;
- single person who receives the highest rate of DLA;
- couples where at least one member of the couple receives the highest rate of DLA.

Carer Premium

The Carer Premium is awarded if either you or your partner are looking after a disabled person and receive:

- Carer's Allowance; or
- Receive Carer's Allowance and would be entitled to it but for an overlapping benefit.

If both you and your partner satisfy the qualifying conditions two premiums can be awarded. The carer premium continues for eight weeks after caring ceases.

Calculating your resources

Your resources are made up of your income and your capital. These are worked out as a weekly amount of income.

Income

Income is all the money that you have coming in from earnings, social security benefits, maintenance payments and other sources. Depending on the type of income, it may be completely or partially ignored in the calculation of your Council Tax Support (the disregards), or taken fully into account.

Normally, your resources and those of your partner are taken together when your income and capital are worked out.

Income from employment

This explains what counts as your income from work you do, when you are employed by someone else. If you are a company director or any other officeholder in a company you are classed as an employee of that company.

Earnings from employment means any money you are paid when you work for someone else. This includes the following types of payments:

- bonuses or commission (including tips);
- money you get instead of your normal pay (for example, a liquidator may give you money when your employer stops trading and you are owed some pay);
- money you get in place of notice to end your employment, or money you get to make up for losing your job;
- money you get for holidays you did not take (holiday pay) – but not holiday pay owed to you more than four weeks after you stopped work;
- money you get if you are kept on while doing no work (for example, a retainer paid to school cooks during school holidays);
- expenses you are given to cover your travel to and from work;
- expenses you are given to cover the costs of looking after someone in your family

- any expenses you are given that are not essential for you to carry out your work;
- money you get, under the Employment Protection (Consolidation) Act 1978, if you are not given work because of bad weather, or money you get because of unfair dismissal;
- money that an industrial tribunal orders your employer to give you if the period of notice or redundancy that is required by law has not been given;
- money you get from your former employer's redundancy funds if the business goes into liquidation;
- Statutory Sick Pay or Statutory Maternity Pay;
- Statutory Paternity Pay and Statutory Adoption Pay;
- Employer's sick pay or employer's maternity pay
- earnings from permitted work, that is, work while you are getting an incapacity benefit which your doctor thinks would benefit your health.

Earnings from employment do not include:

- payment in kind (where no money is involved)
- expenses you are given that are essential for you to carry out work
- any occupational pension.

Net earnings

Once your gross earnings have been worked out, your council will take away:

- your income tax payments (allowing for personal relief); and
- your National Insurance (NI) contributions; and
- half of any contributions you make to an occupational or personal pension scheme (any amounts paid to a pension scheme by your employer do not count).

This gives your net earnings, which are used to work out your Council Tax Support.

Self-employed earnings

If you are self-employed, all the money you earn when you are not employed by someone else is known as your earnings from self-employment. You may have self-employed earnings even if you are also working for someone else, or if you are a franchise holder.

When working out your earnings the Council will want to know how much you earn when you are self-employed, and you will be asked to provide evidence of how much you earn.

There are three stages in working out your self-employed earnings. The first is calculating the gross profit of your business. In the second stage, deductions – which are called allowable expenses – are taken away from the gross profit to give the net profit of the business. In the third stage, tax, NI, and pension payments are taken away from your net profit to give your net earnings.

If the authority feels that your income from self-employment is not representative, it will calculate your net profit based on the number of hours worked multiplied by the national minimum wage.

Childminders

If you are a childminder only one third of your earnings from childminding will be taken into account when your council works out your Council Tax Support.

Earnings and earnings disregards

After working out your net earnings, any amount that is not counted in the calculation of your Council Tax Support is known as a disregard.

A single standard minimum earnings disregard of £25 for Working Age cases will be applied irrespective of whether you are a single person or part of a couple.

Additional disregard

If you work on average 30 hours a week or more you will usually be able to get an extra earnings disregard. In certain circumstances you can also qualify for the higher earnings disregard if you work 16 hours or more e.g. if you are a lone parent or disabled. This is the same amount as the 30-hour tax credit in your Working Tax Credit (WTC)

Childcare charges

In certain circumstances, average childcare charges of up to £175 (for one child) or up to £300 for 2 or more children per week per family can be offset against your earnings. This disregard, which is in addition to the other earnings disregards, is available to:

- lone parents who are working 16 hours or more per week;
- couples where both are working 16 hours or more per week;
- couples where one member is working 16 hours or more per week and, generally, the disability premium, or, in certain circumstances, the higher pensioner premium, is included in the applicable amount on account of the other member's incapacity or the other member is in hospital or in prison.

It applies where formal childcare is provided by, for example, registered childminders or day nurseries for children until the first Monday in September following their 15th birthday (or the 16th birthday for children who are entitled to Disability Living Allowance or who are registered blind).

In certain circumstances, help with childcare costs can be given while you are on maternity leave or paternity or adoption leave or you are sick. The authority will be able to give you more details.

In some other cases explained here, different amounts of your earnings are not counted.

If you are in receipt of Income Support, income-based Jobseeker's Allowance, income related Employment and Support Allowance or Pension Credit Guarantee, then any earnings you get will not be counted again in working out Council Tax Support.

Notional Earnings

If you have done some work and you seem to have been paid very little for it, then the council will estimate what that work is worth. If you have a good reason for the pay being so low – for example, if you worked for someone who had very little money – then you should let the council know. If necessary, the Council may check your statement of earnings by asking your employer.

Other income

Other income is all the other money you have coming in apart from earnings from employment or self-employment. It is sometimes called unearned income. In some cases none of your unearned income is counted. Sometimes part of it is counted. Other incomes such as child maintenance and adult maintenance will be counted in full.

Unearned income that is counted in part

The following are the types of unearned income that are only partly counted.

- the first £15 of Widowed Mother's Allowance or Widowed Parent's Allowance;
- the first £20 of any money from sub-tenants; or
- the first £20 then 50% of the excess of money you receive from a boarder is ignored. The balance is treated as income.

Unearned income that is not counted

The following types of income are not counted by the Council when it works out your Council Tax Support:

- any income you get if you are getting the Guarantee Credit or Pension Credit, Income Support, income related Employment and Support Allowance (ESA) or income-based Jobseeker's Allowance (JSA);
- Disability Living Allowance (DLA);
- Attendance Allowance (AA) or Constant Attendance Allowance (CAA);
- Attendance allowances paid as part of a War Disablement Pension or Industrial Injuries Disablement Benefit;
- Child Benefit;
- money you get which takes the place of DLA, AA, CAA, or Income Support;
- war pensioners' mobility supplement;
- any money you get from the Social Fund;
- Guardian's Allowance;
- money you get as a holder of the Victoria Cross, the George Cross, or any comparable award;
- any grants or allowances you get from your local education authority if you have a dependent child who continues in education after school leaving age;
- any training premium and any refunded travelling expenses or living away from home allowances when you are on a Department for Education and Employment Training Scheme training course or at an employment rehabilitation centre;
- any money such as interest or dividends from savings or investments;
- any expenses you get from an employer that you need to carry out your work;
- any expenses you get from a charity so that you can carry out unpaid work;
- any income in kind (where you are given something other than money);
- any income you have which has been held back outside this country, as long as it remains held back, and it is not within your control;
- any money you get for fostering a child;
- any money you get for looking after an elderly or disabled person temporarily (community boarding out schemes);
- any money you get from a local Social Services Department to help keep a child at home instead of putting them into care;
- any Council Tax Benefit you have received;
- special payments made with your War Widow's Pension if you have been designated as a pre-1973 war widow;
- any charitable or voluntary payments which are made regularly;
- payments made under the Employment Department's 'Access to Work' scheme for disabled people; or
- War Disablement Pension or a War Widow's/Widower's Pension, or any similar payment from another country

Some types of income may be counted as capital.

State benefits

The following benefits are counted in full as income for Council Tax Support:

- Child Benefit
- Contribution-based Jobseeker's Allowance
- Contribution-based Employment and Support Allowance
- Universal Credit
- State Pension
- Incapacity Benefit
- Severe Disablement Allowance
- Carer's Allowance
- Industrial Injuries Disablement Benefit
- Industrial Death Benefit

- Working Tax Credit
- Child Tax Credit (ignored if you or your partner are pension age)
- Savings Credit of Pension Credit
- Bereavement Benefits (ignored if you or your partner are pension age).

Notional income

The council may think that there is income, which you could get, but you are not claiming it. This is known as notional income because you do not actually receive that income. The Council may take this into account for Council Tax Support purposes.

Parental contributions to students

If you are making a parental contribution to a student then part of your income is not counted to take account of this.

Students

Council Tax Support is not normally available for students. The exceptions are:

- vulnerable students, such as disabled students and lone parents;
- part-time students; and
- couples where one partner is not a student.

Student loans and grant income

The grant money you get is generally paid to cover the period you are studying. If it does not cover this period your council, or Student Awards Agency for Scotland, will tell you the period it does cover.

If you are eligible for a loan or have been awarded a grant the Council will assume that these amounts are paid, whether they are actually paid or not.

Money you receive in your loan is your income for the period from the start of September to the end of June and is divided into a weekly amount by the number of weeks in that period.

If you receive a dependants grant it will be taken into account over the same period as your loan unless you also receive, or only receive, a grant towards your personal maintenance.

Because much of your loan is meant for essential educational items, some of the grant is ignored when working out your income for Council Tax Support. The following elements of your loan or grant are not counted:

- tuition and examination fees;
- any disability allowance in your grant;
- the cost of term-time residential study away from your college;
- the Two Homes Grant – given when you maintain another home away from college;
- an allowance for books and equipment; and
- Travel expenses.

Students and partners

Your grant may have been reduced to allow for your partner's income because your partner can make a contribution to your expenses. An amount – equal to that contribution – is then ignored when the council works out your joint income for Council Tax Support. If a student is required to contribute to his own grant income, an equivalent amount is disregarded from the income used to assess that contribution.

Other income

Student's other income will be treated in the same way as grant income if it is intended for expenditure that is needed on the course. If the income is not intended for expenditure on the course, it is treated under the normal rules for income.

Loans from the Student Loans Company

The maximum student loan available to you will be taken into account regardless of whether you have borrowed up to your limit or not. The loan will be divided by the number of weeks between the beginning of September and the end of June to arrive at a weekly figure for assessment purposes. Up to £10 a week of the loan may be ignored.

Student's Access funds

These discretionary payments are made by educational establishments to students facing financial hardship. The amount of payments to be taken into account depends on how it is paid and what the payment is for. Some payments from the funds can be disregarded in full.

Capital

Your capital includes savings and investments held by yourself in any form (for example, bank and building society accounts, investment trusts, and shares) from any source (for example, inheritance, redundancy payments, and irregular payments from a charitable or voluntary source). It will normally also include the net sale value of land and housing that you do not occupy, after deducting 10% for expenses of sale.

If you have a partner, capital belonging to your partner is treated as yours for the purposes of Council Tax Support

Capital outside the United Kingdom

If you have capital – in the form of liquid or fixed assets – outside this country, the council will need to know how soon it can be transferred and how much it is worth. If the capital cannot be brought into this country, enquiries will be made about how easily it can be sold, and whether a willing buyer can be found. If no willing buyer can be found, it may not be counted.

Capital for Working Age

The first £6,000 of capital is not counted. If you have capital over £6,000 no support will be granted.

Capital for Pension Age

The first £10,000 of capital is not counted. Capital over £10,000 up to £16,000 will be taken into account at £1 a week for each £500 (or part of £500) of capital over £6,000. Actual interest payments or dividends are not counted as income but as capital.

For people who receive the Guarantee Credit of Pension Credit there is no upper limit on the capital you can have.

Personal possessions

Personal possessions – for example, a car, furniture and fittings in your house, and family belongings – are usually not included in the calculation of capital. However, this may not be the case where the Council has good reason to believe that something has been bought to reduce your capital in order to gain or increase entitlement to benefit. If the council decides that you deliberately got rid of capital just so that you can get Council Tax Support, it may assume that you have notional capital to the value of the capital you disposed of.

If you own your home

The value of your property (including the house, garage and outbuildings) is not counted unless any part of the property could reasonably be sold off separately. Loans raised on the property will be counted as capital.

Property you own but do not occupy

The value of this property is counted as capital but you may be able to get HB/CTB even if the value of the property means that your savings are more than £16,000. This is because the value of the property may be ignored when your savings are worked out, in certain circumstances.

If the property is occupied by an elderly or disabled relative as their home, its value is not taken into account for as long as it is so occupied.

If you have recently acquired the property and you intend to occupy it as your home, its value may not be counted for 26 weeks, or for a longer period if reasonable, from the date you acquired it.

If you are trying to sell the property, its value may not be counted for the first 26 weeks after you start doing this. It may not be counted for longer than this if you are finding it difficult to sell the property.

If you are carrying out essential repairs or alterations so that you can live in the property, its value may not be counted for a period of 26 weeks from the date you first arranged for repairs to be carried out. It may not be counted for longer than this if you are finding it difficult to finish the work.

If you are taking legal action so that you can live in the property, its value may not be counted for the first 26 weeks after you start doing this. It may not be counted for longer than this if legal action is continuing and you cannot live in the property.

If you have left the property after the breakdown of a relationship, and it is occupied by your former partner, its value may not be counted for the first 26 weeks after you left. If the property is occupied by your former partner and they are a lone parent, the property will not be counted for as long as it continues to be so occupied.

Deposits on your accommodation

Sums that have to be deposited with a housing association as a condition of your tenancy are not counted.

Earmarked capital

If capital from the sale of a house is kept for a house purchase, it is not counted for up to six months, or longer if:

- major repairs or adaptations are needed for you to occupy your home; or
- the completion of the purchase of your new home is unavoidably delayed.

Compensation received for a burglary or for damage to or loss of a house is also not counted for six months, as long as it is to be used for repair or replacement.

Valuation of property

Property will be valued at the price it would be expected to fetch on the open market, less any outstanding mortgage or legal charges on the property. Ten per cent of the current market value will also be deducted to take into account the cost of the sale.

If you have property outside Great Britain and there is no restriction on transferring money to this country, your property will be valued at its local sale value. If there is a restriction, its notional value will be the value of a sale to someone in the UK. In both cases, any outstanding legal charges on the property or mortgages will be deducted, together with 10% of the total to cover the cost of the sale.

National Savings Certificates

National Savings Certificates of the current issue are valued at purchase price. Certificates of a previous issue are valued as if they were purchased on the last day of that issue.

Life assurance policies

The surrender value of life assurance policies is not taken into account when assessing Council Tax Support.

Arrears of benefits

Any arrears of Disability Living Allowance, Attendance Allowance, Pension Credit, Income Support, income-based Jobseeker's Allowance, Working Tax Credit and Child Tax Credit that you get are not counted for up to 12 months.

Lump sum payment of deferred State Pension

The gross amount of lump sum, or an interim payment made on account of a final lump sum, paid at the end of the period of deferring State Pension will be disregarded as capital for the life of the recipient.

Business assets

Business assets of a self-employed earner are not counted while engaged in that business. Nor are they counted in certain other circumstances, but any shares owned will be treated as capital.

Compensation payments

For Council Tax Support purposes, compensation payments will normally be counted in full as capital. Capital will not be counted if it is held in trust or by the 'Court of Protection' as a result of a personal injury payment – for example, a criminal injury payment or a vaccine damage payment. For persons of Pension Age compensation payments made as a result of personal injury are ignored whether or not placed in a trust.

Notional Capital

The council may think that there is capital which you could get but which you do not have. This is known as notional capital because you do not actually possess that capital.

- Capital you have disposed of - You will be treated as having notional capital if you have disposed of capital in order to get Council Tax Support or to get more Council Tax Support.
- Capital you could have got - If you have the right to money held in a private trust, then that is actually your capital, and will be taken fully into account.

If the Council has decided to treat you as possessing notional capital they will reduce the amount of this capital on a regular basis by a set calculation. This calculation reduces your notional capital by the amount of support you have lost as a result of deprivation.

The Council Tax Support scheme for Pensioners (People who have reached the age at which pension credit can be claimed)

Regulations will set out three classes and the Council will decide which class each applicant is in. The class will determine the level of Council Tax Support that can be provided:

Class 1

To obtain support the person must:

- a. have attained the qualifying age for state pension credit;
- b. not be somebody with a partner of working age in receipt of income support, income-based jobseeker's allowance or income-based employment and support allowance;
- c. be liable to pay council tax in respect of a dwelling in which they are resident;
- d. not have capital savings above £16,000;
- e. must have their assessed income less than or equal to the set living allowances (applicable amounts) set out in the regulations; and
- f. have made a valid application for the support

The class also includes persons who have successfully claimed Pension Credit Guarantee.

Class 2

To obtain support the person must:

- a. have attained the qualifying age for state pension credit;
- b. not be somebody with a partner of working age in receipt of income support, income-based jobseeker's allowance or income-based employment and support allowance;
- c. be liable to pay council tax in respect of a dwelling in which they are resident;
- d. not have capital savings above £16,000;
- e. have made a valid applied for the scheme; and
- f. Have assessed income above the set living allowances set out in the regulations.

Class 3

To obtain support the person must:

- a. have attained the qualifying age for state pension credit;
- b. not be somebody with a partner of working age in receipt of income support, income-based jobseeker's allowance or income-based employment and support allowance;
- c. be liable to pay council tax in respect of a dwelling in which they are resident;
- d. made a valid application for the for a scheme;
- e. be somebody who has at least one second adult living with them who is not his/ her partner, not somebody who pays rent, and who is on a prescribed low wage and/or prescribed benefit, as set out in the regulations.

What Council Tax Support will be payable to Pension Age persons?

If a person matches the criteria in Class 1, including that their *income* is less than their *living allowances (applicable amounts)* that person qualifies for 100% reduction on their council tax liability. This also applies if a person in receipt of state pension credit guarantee credit from the Department for Work and Pensions (Pensions Service)

If a person matches the criteria in Class 2, it will mean the person's *income* is greater than their *applicable amount (living allowances)*. Twenty per cent of the difference between the two will be subtracted from this individual's council tax liability.

Council Tax Support for person in Class 3 may be awarded in respect of a second adult sharing the household who would normally be expected to contribute towards the council tax bill, but who cannot afford to do so, based on their low income or on prescribed benefits. This reduction will equate to the *second adult rebate* available under the Council Tax Benefit scheme and may be awarded at 100%, 25%, 15% or 7.5% of the council tax liability, depending on individual circumstances.

The regulations will prescribe how Council Tax Support for pension age people is calculated.

The following applies to everyone receiving Council Tax Support.

How Council Tax Support is paid

If you are liable to pay the Council Tax, the Council will normally send you a Council Tax bill from which your Council Tax Support has already been deducted. You will then have to pay only the reduced amount. This means that you will not actually receive any money, but your Council Tax bills will be reduced.

How you will be notified about your Council Tax Support

The Council will reach a decision on your entitlement to Council Tax Support as soon as possible after our claim and all supporting evidence is received.

How to appeal

If you disagree with the decision you will need to write to the Council stating the reasons. The council has two months to reply to you. If the Council agrees with your appeal then the Council Tax Support will be amended and you will receive another Council Tax bill showing the revised amount.

If the council does not agree with your appeal or you do not receive a response within two months, you may appeal to the Valuation Tribunal. This is an independent tribunal who will hear your case (either in person or in writing). If the Valuation Tribunal agrees with you they will instruct the Council to amend your Council Tax Support accordingly.

Throughout the appeal you will still be required to make payment of your Council Tax liability as determined by the Council.

Changes of circumstances

You must notify your Council immediately if there is a change in anything that might affect your right to or the amount of Council Tax Support.

This will include:

- where you live; or
- who you live with; or
- your income, savings and investments; or if you stop getting Pension Credit, Income Support, income-based Jobseeker's Allowance or Employment and Support Allowance; or
- if you get a job; or
- if you or your partner go into hospital; or
- if there is any other change in your circumstances which you might reasonably be expected to know might affect your right to Council Tax Support

The changes must be notified in writing although in certain circumstances the council may accept this by telephone or electronically

Most of these changes will affect your Council Tax Support in the following support week, but changes in the amount of council tax payable will affect your Council Tax Support from the day on which the change occurs.

Counter Fraud and Compliance

In order to protect the finances of the Council and also in the interests of all Council Taxpayers, the authority will undertake such actions as allowed by law to;

- a. Prevent and detect fraudulent claims and actions in respect of Council Tax Support;
- b. Carry out investigations fairly, professionally and in accordance with the law; and
- c. Ensure that sanctions are applied in appropriate cases

Information and information sharing

The Council will use information provided by the Department of Work and Pension and Her Majesty's Revenues and Customs for the purposes of council tax support, council tax liability, billing, administration and enforcement

The Council may receive and obtain information and evidence relating to claims for Council Tax Support, the council may receive or obtain the information or evidence from–

- a. persons making claims for council tax support;
- b. other persons in connection with such claims;
- c. other local authorities; or
- d. central government departments including the DWP and HMRC

The Council may verify relevant information supplied to, or obtained for Council Tax Support purposes.



Strategic Overview and Scrutiny Panel

Item
12

30 October 2012

Report of	Head of Corporate Management	Author	Robert Judd Tel. 282274
Title	Work Programme 2012-13		
Wards affected	Not applicable		

**This report sets out the 2012-13 Work Programme for the
Strategic Overview and Scrutiny Panel**

1. Action Required

1.1 The Panel is asked to consider and note the work programme for 2012-13.

2. Reason for Action

2.1 This function forms part of the Panel's Terms of Reference in the Constitution.

3. Setting the Work Programme

3.1 Overview and scrutiny needs to be member-led, with Members proactive in determining the work programme and ensuring its relevance to the future needs of the Council. Members need to take a lead on the work to be undertaken, focusing on strategic and significant issues, and the programme needs to be flexible to allow for relevant other items to be included.

4. Changes / Amendments

Taking account of the discussions at the last meeting, the following reviews have been added to the Work Programme.

4.1 12 February 2013 - Welfare Reform, including Benefits and Housing processes.

4.1.1 HRA Reform – Local Housing Review including Customer Contact, Homelessness and Housing Allocations – Date of review - To be advised by the Head of Strategic Housing and Regeneration.

4.2 19 March 2013 - Investments in Colchester's Arts and Culture - Review of the Council's investment in Colchester's major art venues, and the extent to which those venues contribute to the Council's strategic priorities – Venue "The Auditorium, firstsite".

5. Standard and Strategic Plan References

5.1 The Council recognises that effective local government relies on establishing and maintaining the public's confidence, and that setting high standards of self governance provides a clear and demonstrable lead. Effective governance, of which scrutiny is a part, underpins the implementation and application of all aspects of the Council's work.

- 5.2 Scrutiny is a key function to ensure decisions have been subject to full appraisal and that they are in line with the Council's strategic aims. The role of scrutiny is also an important part of the Council's risk management and audit process, helping to check that risks are identified and challenged.
- 5.3 There is no publicity, equality and diversity, human rights, community safety, health and safety, risk management or financial implications in this matter.

Meeting date / reviews	Portfolio
12 June 2012 1. Annual Scrutiny Report 2. 2011-12 Year-end Performance Report and Strategic Plan Action Plan	Leader / Communities & Leisure
11 July 2012 1. Call in hearing – Decision STR-001-12 Hythe Forward funding contribution	Deputy Leader / Street and Waste Services
17 July 2012 1. ECC Joint Health and Wellbeing Strategy – ECC presentation on proposals (submissions to ECC by 31-July-12. Strategy presented to September's ECC HWB. Clare Hardy, Senior Manager ECC HWB to give a presentation. 2. Budget Strategy, Timetable and MTFF	Communities and Leisure Leader / Business & Resources
29 August 2012 1. HWB – Local arrangements, including the work and progress of Clinical Commissioning Group (CCG) Cllr Ann Naylor, ECC PH HWB and Clare Hardy to attend. Dr Gordon and Dr Sweeney (CCG) to attend. A 2013 meeting to be arranged to review the outcomes from the new Strategy	Communities and Leisure
18 September 2012 1. Safer Colchester Partnership (Crime and Disorder Committee)	Planning, Community Safety (CS) and Culture
30 October 2012 1. Pre Cabinet review of Fundamental Service Review of Customer Contact 2. Localising Council Tax Support	Cabinet Business and Resources
11 December 2012 1. 2012-13 6-monthly Performance report and Strategic Plan Action Plan	Leader / Communities & Leisure
15 January 2013 1. Members Locality Budgets (provisional)	
12 February 2013 1. Welfare Reform (Lead Officer Ann Hedges, Executive Director)	Business and Resources
19 March 2013 1. Investment in Colchester's Arts and Culture – Venue "The Auditorium, firstsite" Public Transport in the Borough (following the opening of the new bus station) PH Renaissance This review is primarily about the effect of the new bus station (Bus Operators to be invited) and the SPAP "Congestion Busting" action to reduce traffic, improve bus reliability and air quality, plus updates to Members on the Northern Approaches Road and Busway, and the delivery of Park and Ride. HRA Reform – Local Housing Review – date to be confirmed.	Planning, CS and Culture

