
Report To:	Policy & Resources Committee	Date:	21 June 2022
Report By:	Interim Director of Finance & Corporate Governance	Report No:	FIN35/22/AP/LA
Contact Officer:	Alan Puckrin	Contact No:	01475 712223
Subject:	Finance Services Update		

1.0 PURPOSE

- 1.1 The purpose of this report is to update the Committee on various matters being progressed by the Finance Service and to seek decisions as required.

2.0 SUMMARY

- 2.1 The Council administered the Scottish Government's £150 Cost of Living Award in March 2022 by crediting the Council Tax accounts of 29,861 eligible households' 2022/23 Council Tax accounts at a cost of just under £4.5 million. Households at 24th February 2022 in receipt of Council Tax Reduction (CTR) and most households exempt from paying Council Tax are also entitled to the one-off payment of £350. Payments totalling £2.9m had been released to 8,286 bank accounts by 16th May 2022.
- 2.2 Section 5 provides an update in respect of the core welfare supports of Discretionary Housing Payments and Scottish Welfare Fund payments plus the Covid 19 related Self Isolation Support Grants. The number of the latter have dropped off considerable since the beginning of May which has allowed the previously reported backlog to be addressed.
- 2.3 In addition the Council is implementing the Scottish Government's Child Disability and Adult Disability Payment schemes plus the Tenants Grant Fund. Further updates will be provided to Committee as the schemes progress.
- 2.4 The ICT and Digital Strategies develop and build on the work of the previous strategies and also the response to the COVID pandemic. Appendix 1 provides the latest position in respect of the approved action plan. A review of current channels and engagement with suppliers for new opportunities is being included with the project to migrate to Cloud Based Telephony Services. Appendix 2 provides information on Contacts by Channel.
- 2.5 The draft results of the triennial Insurance Fund actuarial review have been received from the Council's broker. The report recommends a balance at 31.3.22 of approximately £1.8million and that future contributions be around £650,000 compared to the underlying £550,000 contribution. Officers believe that at present contributions & payments are in equilibrium and because the Fund balance is slightly higher than the recommended level, the level of contributions be maintained and are reviewed at the next actuarial review.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee notes the update regarding the wide range of service supports being progressed by the Finance Service including the ICT Service.
- 3.2 It is recommended that the Committee notes the outcome of the triennial Insurance Fund actuarial review and the recommendations by the Interim Director of Finance & Corporate Governance regarding Fund and contribution levels.

Alan Puckrin
Interim Director of Finance & Corporate Governance

4.0 BACKGROUND

4.1 The Finance Service delivers a wide range of financial and ICT based services and during the pandemic have taken on significant extra duties whilst adapting to new ways of working. The following paragraphs summarise current activity.

5.0 REVENUES & BENEFITS

5.1 The level of Council Tax collected "in-year" of 95.5% compared favourably with 94.4% in 2020/21 and 95.4% in 2019/20. Collection was assisted by credits of almost £800,000 to Council Tax accounts with funding allocated specifically to assist with Council Tax payments; where those who were due cash awards did not apply or opted for the payment to be credited to their Council Tax account.

5.2 Scottish Government - Cost of Living Award - £150

The Council administered the Scottish Government's £150 Cost of Living Award in March 2022 by crediting the Council Tax accounts of 29,861 eligible households' 2022/23 Council Tax accounts at a cost of just under £4.5 million. The credit reduces monthly instalments or for those whose accounts are placed into credit, a refund can be requested by contacting the service or through the Customer Service Centre.

5.3 Inverclyde Council - Cost of Living Award - £350

Inverclyde Council wrote to 9,712 householders in March to advise their eligibility to the Inverclyde Council £350 Cost of Living Award. Households at 24th February 2022 in receipt of Council Tax Reduction (CTR) and most households exempt from paying Council Tax are entitled to the one-off payment of £350. Payments totalling £2.9m had been released to 8,286 bank accounts by 16th May 2022. Those who did not apply by 31st May will receive a credit to their Council Tax account in June 2022.

To ensure all eligible households receive the help they are due, further extracts are scheduled for both Cost of Living Awards to capture those who had a retrospective CTR claim, exemption or liability and were not included in the first of both exercises. The final position for both awards will be included in a future report.

5.4 Discretionary Housing Payment (DHP) - Expenditure against the Social Sector Size criteria was £1.13m in 2021/22 with 1595 tenants being supported by the payment. Indicative expenditure in 2022/23 is £1.27m and is funded by the Scottish Government. DHP for other criteria such local housing allowance reforms and the benefit cap was £197,000 against an allocation of £229,000. 325 tenants were supported. The 2022/23 allocation is confirmed at £167,000. Adjustments to the DHP Policy were agreed by Committee in February 2022 reducing to ensure 2022/23 expenditure is contained within budget.

5.5 Scottish Welfare Fund (SWF) - Unspent 2020/21 funding plus the allocation of £150,000 Winter Hardship Support funding approved by the December Council ensured there was sufficient budget in 2021/22. 2021/22 expenditure was £1.040m against a total budget of £1.074m of which £777,000 was paid as Community Care Grants and £263,000 as Crisis Grants. Scottish Government funding for Scottish Welfare Fund is frozen for 2022/23. The Council's allocation of £756,000 is supplemented by £60,000 agreed at the March P&R Sub-Committee to maintain a 40% uplift in Crisis Grants above the Scottish Government's minimum award.

5.6 Ipsos Scotland have been appointed by the Scottish Government to undertake a review of the Scottish Welfare Fund. The aim of the review is to understand the effectiveness of the SWF in meeting its aim of providing a safety net to people on low incomes by the provision of Crisis Grants and Community Care Grants. The structure of the review includes input by all 32 councils, applicants, third sector and local authority processing staff. The final report is due to be received by the Scottish Government by the end of 2022.

5.7 Revised criteria for the Scottish Government's Self Isolation Support Grant (SISG) was introduced from 1st May 2022 to reflect changes to the public health requirements and Stay at Home guidance. Evidence of vaccination status and a positive test, now arranged by post, remain but close contacts are no longer eligible. The level of the grant has reduced from £500 to £225. The changes and the reducing infection rate have had an immediate effect on the number of applications with only 37 being received over the first ten days of May. Almost 2,000 applications have been received since the first week of January 2022 with 1410 approved and paid.

5.8 Scottish Social Security Agency

The Child Disability Payment launched in November 2021 and by 31st March 2022 160 applications had been made, 45 had been processed and of these 35 had been approved. The Adult Disability Payment launches in Inverclyde on 29th August 2022 replacing Disability Living Allowance (DLA) and Personal Independence Payment (PIP). Existing DLA and PIP claims will transfer from DWP to the new benefits by summer 2024 without the need for a new application to be made. Claimants should expect correspondence from the DWP and the Scottish Social Security Agency to let them know what to expect. The Scottish Government has scheduled training for support services.

5.9 DWP published data shows that the number of adults on Universal Credit has remained fairly steady at around 9,100 and the number of households at around 7,100 over the last 12 months. The UK Government reaffirmed in a statement in April 2022 previous announcements that all benefit claimants will be moved to Universal Credit by the end of 2024. Although notifications will be gradually sent out across the country, people who are currently claiming legacy benefits do not have to wait to be moved to Universal Credit. Anyone who thinks they will be better off can move straight away although assistance/advice is strongly advised before making this decision.

5.10 The Covid-19 Tenant Grant Fund launched during November 2021. The fund is to assist tenants who have incurred rent arrears as a direct result of the Covid-19 pandemic who are at risk of homelessness. The fund has been promoted directly with registered private rented sector and social sector landlords and by 31st March 2022, £33.8k of Inverclyde's £93,000 share of funding had been paid in respect of 26 tenants, all but one in the social housing sector. A number of applications are in progress and the remainder of the fund is scheduled to be allocated in the coming months.

6.0 ICT & CUSTOMER SERVICES

6.1 The ICT and Digital Strategies develop and build on the work of the previous strategies and also the response to the COVID pandemic. Appendix 1 provides the latest position in respect of the approved action plan.

They aim to increase and promote the range of digital services available to employees and customers and to exploit the opportunities digital services can achieve by:

- Improving user experience and interaction with Council Services
- Reducing cost to deliver services via channel shift opportunities
- Improving efficiencies and productivity of services

6.2 A core requirement was the implementation of Cloud Based tools including migration to Microsoft 365. Procurement through the Scottish Government Framework Agreement has been completed. Initial "onboarding" to the Microsoft Cloud Platform has completed. ICT are working with the supplier and Microsoft to implement suitable security and functionality profiles. A number of core functions have been completed including administration, service and application provision. The migration is on target for completion by September 2022.

- 6.3 A continued increase in the number of contacts and payments being completed by eform is noted. Customer Services moved back under the remit of Finance Services from April 2022 reporting to the ICT Service Manager to enhance and develop digital and other channels of customer interaction. A review of current channels and engagement with suppliers for new opportunities is being included with the project to migrate to Cloud Based Telephony Services. Appendix 2 provides information on Contacts by Channel.
- 6.4 The Servicedesk continues to deliver a high-quality service however, there remains a challenge to ensure that this is maintained in light of on-going and increasing resource pressures as a result of COVID-19 Pandemic and recovery. Progress on the capital investment programme is reported elsewhere on this agenda.

7.0 ACCOUNTANCY

- 7.1 The draft results of the triennial Insurance Fund actuarial review have been received from the Council's broker. The review is good practice to ensure that the Council's Insurance Fund balance and contributions to the Fund are within acceptable limits.
- 7.2 The report recommends a balance at 31.3.22 of approximately £1.8million compared to the projected closing balance of £4.2million per the unaudited 2021/22 accounts. However, the Financial Strategy projects that the Fund balance will fall below £2.0million by 2030 due to a combination of the Council's estimated £1.5million contribution to the Child Abuse Redress Scheme being operated by the Scottish Government, and the impact of a previous decision by the Council to use the Fund to reduce annual contributions to the Fund by £100,000 per year until 2029/30.
- 7.3 Council Services currently contribute £450,000 per year to the Fund to meet any "self-insurance" costs. The report recommends future contributions of around £650,000. £100,000 of this potential £200,000 increase is funded by the already approved use of the Fund set out in 7.2. Officers believe that at present contributions & payments are in equilibrium and , given the significant financial pressures elsewhere plus the fact that the Fund balance is slightly higher than the recommended level, then the level of contributions be maintained at £450,000 and is reviewed at the next actuarial review.
- 7.4 The closure of the 2021/22 Annual Accounts is in its final stages and will be reported to the Audit Committee on 28 June prior to submission to Audit Scotland by the 30 June statutory deadline. The closure of the accounts is a major exercise for the team with holidays restricted over the period. The audit will commence in July with the Annual Report from Audit Scotland being presented to the full Council by the end of October.

8.0 IMPLICATIONS

8.1 Finance

There are no financial implications arising from this report.

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

8.2 Legal

There are no direct legal implications arising from this report.

8.3 Human Resources

There are no HR implications arising.

8.4 Equalities

Equalities

- (a) Has an Equality Impact Assessment been carried out?

<input type="checkbox"/>	YES (see attached appendix)
<input checked="" type="checkbox"/>	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

- (b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

<input type="checkbox"/>	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
<input checked="" type="checkbox"/>	NO

- (c) Data Protection

Has a Data Protection Impact Assessment been carried out?

<input type="checkbox"/>	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
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NO

9.0 CONSULTATIONS

9.1 None

10.0 BACKGROUND PAPERS

10.1 None

ICT & Digital Strategies June 2022 Update

Appendix 1

ICT Strategy Action Plan 2021 – 2024

Action Area 1	Action	Milestones	Success Criteria	Update	Responsibility
Asset Management Programme & Cloud Migration Strategy	Hardware Refresh Programme reviewed to reflect new ways of working	Sufficient Funding in place March 2022 - Complete	Sustainable refresh programme embedded	Budget uplift agreed as part of 2022/23 Budget setting process. COMPLETE	Chief Financial Officer/ICT Service Manager
		Staff have the appropriate equipment to work effectively and efficiently from the most appropriate location From 2023	Staff satisfaction surveys reflect confidence in IT Services. Line Managers are satisfied that staff have appropriate equipment	Standard specification for equipment agreed by CMT. Hybrid working pilot commenced May 2022.	ICT Service Manager
	Education Services – review services provided to schools to reflect new ways of teaching and delivery	Strategy approved and funding agreed March 2022 - Complete Students and Staff have the appropriate equipment to learn in a flexible and rewarding way. From 2023	Sustainable funding model approved Feedback from Education Services reflect satisfaction in service delivery	Extra funding proposed from 2022/25 Capital budget and Education Budget. Digital strategy approved at Education & Communities Committee 02/11/21 COMPLETE	ICT Service Manager
	Cloud Migration Strategy	Deliver Office 365 Licensing and implement initial Cloud Migration From August 2021	Cloud services including MS Teams deployed to staff by September 2022.	Contract Awarded August 2021. Project timeline updated and agreed First roll-out complete in ICT Server Team Working with partners to develop and implement Security and other policies.	ICT Service Manager

	Cloud Migration Strategy	Agree approach to deliver Telephony and other Communications Systems in the Cloud From March 2022	Contracts awarded for new Telephony approach	Supplier engagement and Options appraisal continuing. Report to CMT July 2022.	ICT Service Manager
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Action Area 2	Action	Milestones	Success Criteria	Update	Responsibility
Service Provision	Maintain Service Levels across Support Services	Meet agreed Service Level Targets for Incident and Service Requests. Ongoing through life of Strategy	Customer satisfaction with service provided	SLA Statistics reported to P&R COMPLETE	ICT Service Manager
	Core Systems	Engage with services to ensure that existing systems are being used effectively. Focussing on collaboration and communication tools including the Cisco telephony systems, Customer Management and EDRMS. March 2022	Services have access to the tools and functions required to provide effective efficient services to customers and staff.	Report to CMT February 2022 on medium term plans for Core Systems Replacement Priorities agreed with Services and Reported to CMT COMPLETE	ICT Service Manager

Action Area 3	Action	Milestones	Success Criteria	Update	Responsibility
Information Security	Network and System Security	<p>Maintain a Secure Network Infrastructure</p> <p>Support the Information Governance group in dealing with the individual data management responsibilities of each member of staff.</p> <p>Ongoing through life of Strategy</p>	<p>Minimise Cyber Security Incidents,</p> <p>Corporate approach to data handling and electronic document management.</p>	<p>P&R Report to be included as part of Security Accreditation Compliance programme. September 2022.</p>	<p>ICT Service Manager</p>
	Security Accreditation Compliance	<p>Use of industry partners to provide Security Assurance through the Penetration Test & IT Health check process.</p> <p>Ongoing through life of Strategy</p> <p>Maintain Cyber Essentials Plus and PSN Code of Connection compliance/accreditation</p> <p>Annual Compliance Process</p>	<p>Provision of report and implementation of recommendations</p> <p>Internal Audit Report</p> <p>PSN Compliance Certificate</p>	<p>PSN Accreditation in place for 2021/22</p> <p>Scheduled for 2022</p> <p>Schedule to be developed for accreditation and penetration testing/Cyber Security Audit for 2022/23</p>	<p>ICT Service Manager</p>

Action Area 4	Action	Milestones	Success Criteria	Update	Responsibility
Procurement Strategy	Use of National Frameworks to deliver value for money services	National frameworks the default approach for available systems and services Ongoing	Delivery of Value for Money Systems and Services	Two contracts awarded via Scottish Government Frameworks in August 2. Further contract placed via GCloud December 2021 Fully Adopted	ICT Service Manager
	Account Management	Meet with suppliers to review and ensure best value and most efficient levels of delivery and support of systems Ongoing	Appropriate level of supplier support and best value delivery	Supplier meetings ongoing Fully Adopted	ICT Service Manager
	Project Management	Use temporary increase in Project Management resources to deliver support to services in planning and deploying projects and services 2021/23	Business Cases are developed and projects are delivered on time and on budget	Candidate appointed August 2021 Complete	ICT Service Manager

Digital Strategy Action Plan 2021 – 2024 Update

Action Area 1	Action	Milestones	Success Criteria	Update	Responsibility
Provide improved online Services	Work with suppliers to fully enable the ability of customers to book and pay for calendared and transactional services such as bulky uplifts.	Allow customers to book & pay for services online. Increase the range of services available via Web Self-Service Complete - October 2021	Delivery of extended range of services available.	First tranche of Online Forms are live. Integration with new payment engine pending. COMPLETE	ICT Service Manager with Heads of Service.
	Review and Develop additional services to be digitised or enhance existing online services to provide additional functionality	Additional Services available online March 2022	Delivery of extended range of services available. Over Strategy Period	DMTs to be visited to discuss opportunities for migrating services online Ongoing	ICT Service Manager with Heads of Service

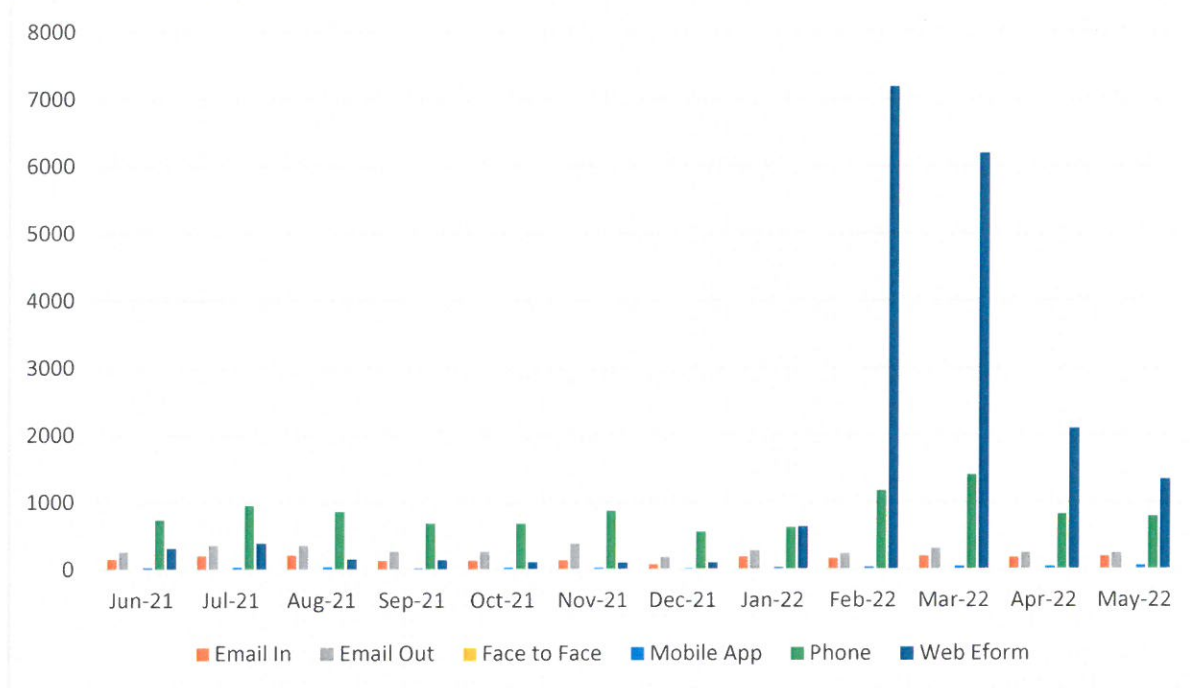
Action Area 2	Action	Milestones	Success Criteria/Target Date	Update	Responsibility
Channel Shift	Open new channels of communication including messaging and Social Media routes Increase convenience for customers.	The number of ways customers can interact with the council increases reflecting changes in demographics September 2022	Delivery of extended range of services available.	To be reviewed in 2022	ICT Service Manager with Corporate Communication Manager
	Identify channels which can be closed.	Review of Channels and identify if any can or should be closed April 2023	Provide only those channels needed by customers Over Strategy Period	To be reviewed in 2022 following return to more normal levels of service delivery	ICT Service Manager with Heads of Service

Action Area 3	Action	Milestones	Success Criteria	Update	Responsibility
Mobile & Agile Working	As part of Organisational Recovery following the COVID 19 Pandemic, all Services to review and if necessary develop systems to allow enhanced home and remote working	Opportunities identified as part of the Business Continuity short term Recovery Actions- September 2021 Projects developed to allow greater flexible working – December 2021 Funding agreed – March 2022	Efficiencies achieved and increases in productivity through roll out of mobile / agile working across council workforce	Business Cases approved Dec 2021. Pilot commenced May 2022. COMPLETE	CMT and all Heads of Service
	As part of Organisational Recovery following the COVID 19 Pandemic , Office layouts to reflect greater flexible/remote working	Develop Proposals for CMT consideration – October 2021 Funding considered- March 2022 Project Delivery – From 2022	Better use of Council office estate	Funding approved 2022/23 Budget Pilot commenced. Adjustments delivered from 2022	Head of Property Services/ ICT Service Manager
	As part of Organisational Recovery, ensure the appropriate policies are in place to support new ways of working	Review Mobile Working and related HR Policies by September 2021	Staff can work safely and securely backed by appropriate policies and support	Hybrid and Home Working policies agreed. COMPLETE	Head of ODHR

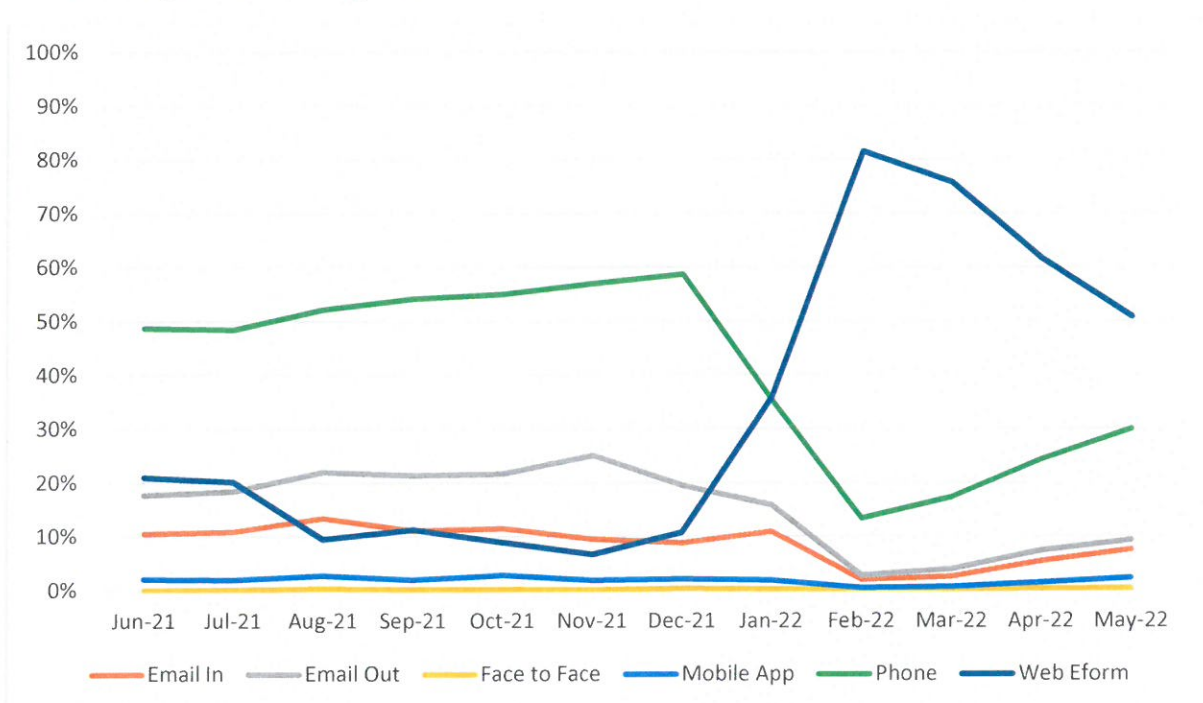
Action Area 4	Action	Milestones	Success Criteria	Update	Responsibility
Other Digital Strategies	Education Services Digital Strategy	Coordinate with Education Services to ensure provision of Digital Services to schools meets the requirement of modern learning and teaching. Over Strategy Period	Delivery of extended range of services in schools	Digital Strategy agreed at Education and Communities Committee November 2021 COMPLETE	ICT Service Manager with Education Services
	Health & Social Care Partnership Digital Strategy	Coordinate with HSCP to ensure provision and delivery of Digital Services to staff, patients and other service users that meet the needs of delivering digital Health and Social Care. Over Strategy Period	Delivery of extended range of services for staff and service users	Draft policy prepared for consultation. To be reviewed by HSCP.	ICT Service Manager with HSCP

Service Statistics – 1st June 2022
Section 1 – Channel Shift

1.1 Total Number of Contacts by Channel

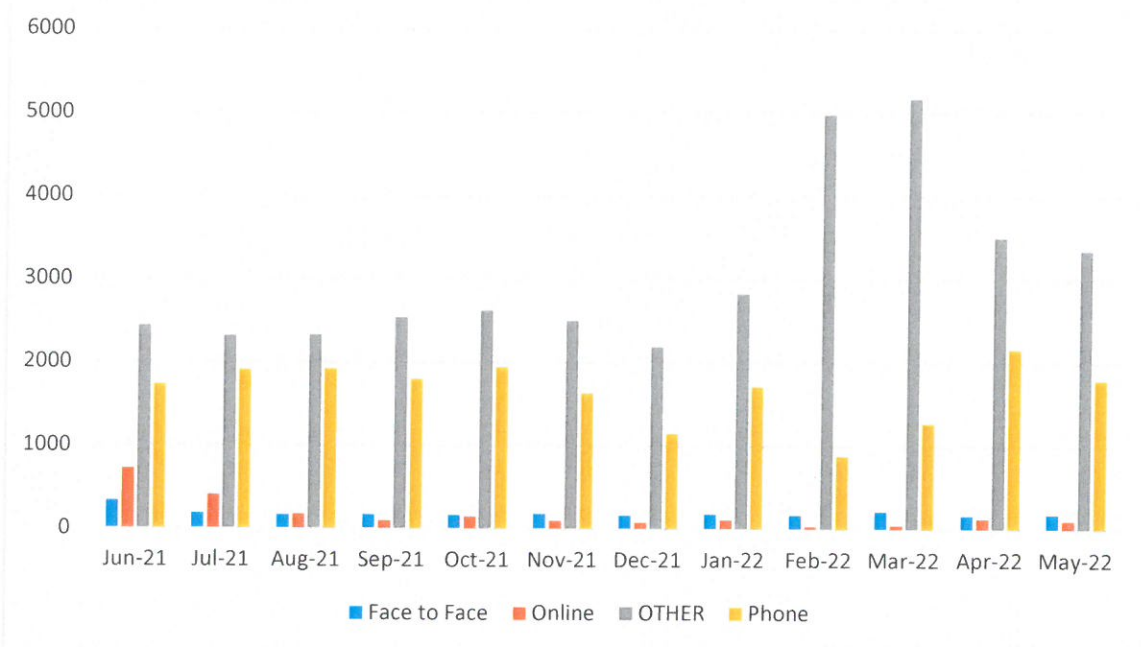


1.2 Percentage of Contacts by Channel – Trend

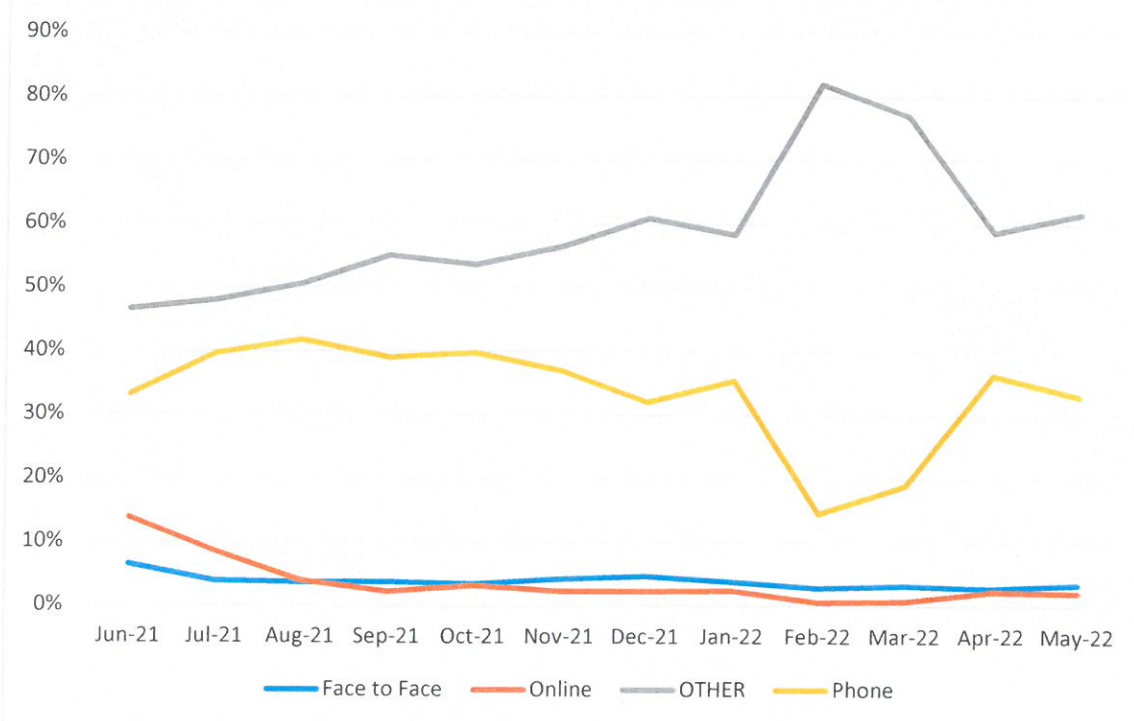


Service report data : Abandoned Vehicles, Bins and Bags, Dog Fouling, Graffiti, Grounds Maintenance, Illegal Dumping & Fly Tipping, Potholes, Refuse Collection & Litter, Roads and Footpaths, Stair, lighting, Street & Traffic Lights, Street Cleaning, Uplifts, Winter Planning, Winter Planning Grit Bin, Winter Planning Pavements

1.3 Total Number of Payments by Channel



1.4 Percentage of Payments by Channel – Trend

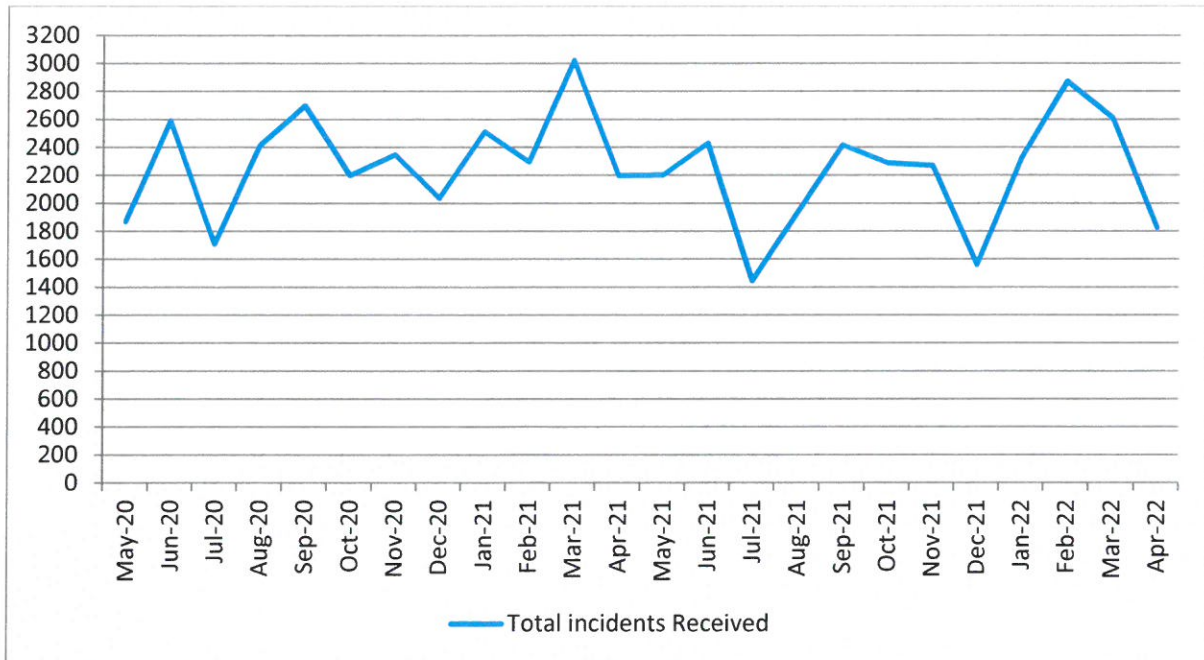


The Others Channel records monies that are posted direct via BACS, other transfer methods and cheques to the Council's Bank Account. This would include anything that customers pay via the bank account including Debtors Invoices, it will also include any Government or other grants that the Council may be awarded.

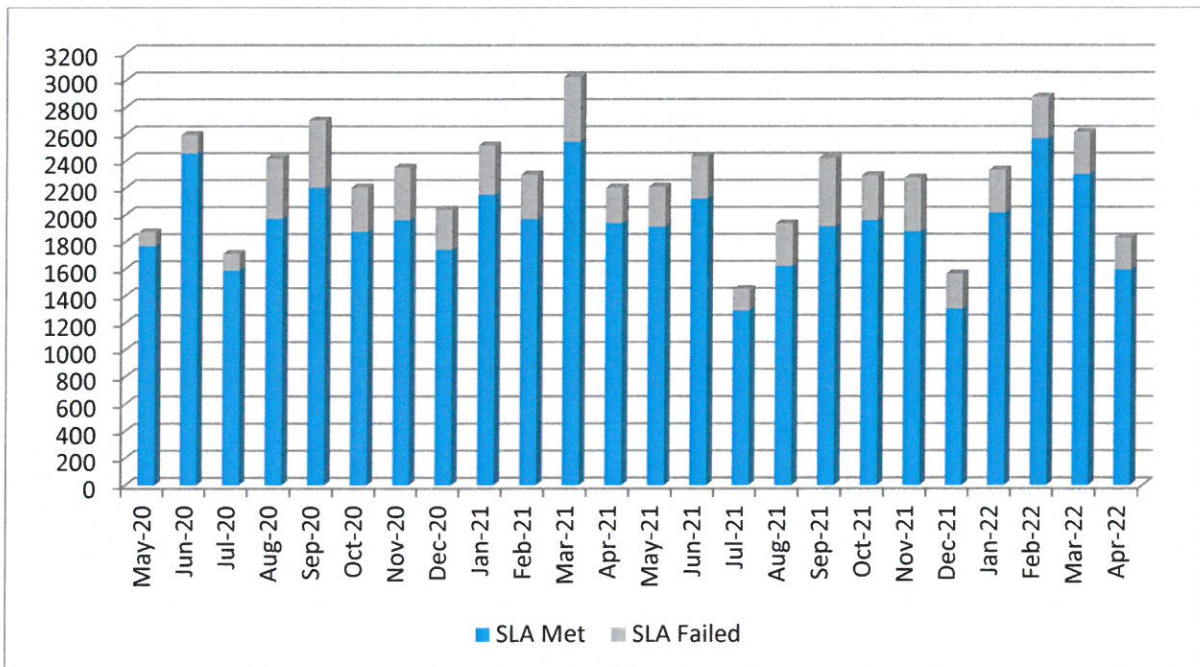
Section 2 - Servicedesk

2.1 Incidents

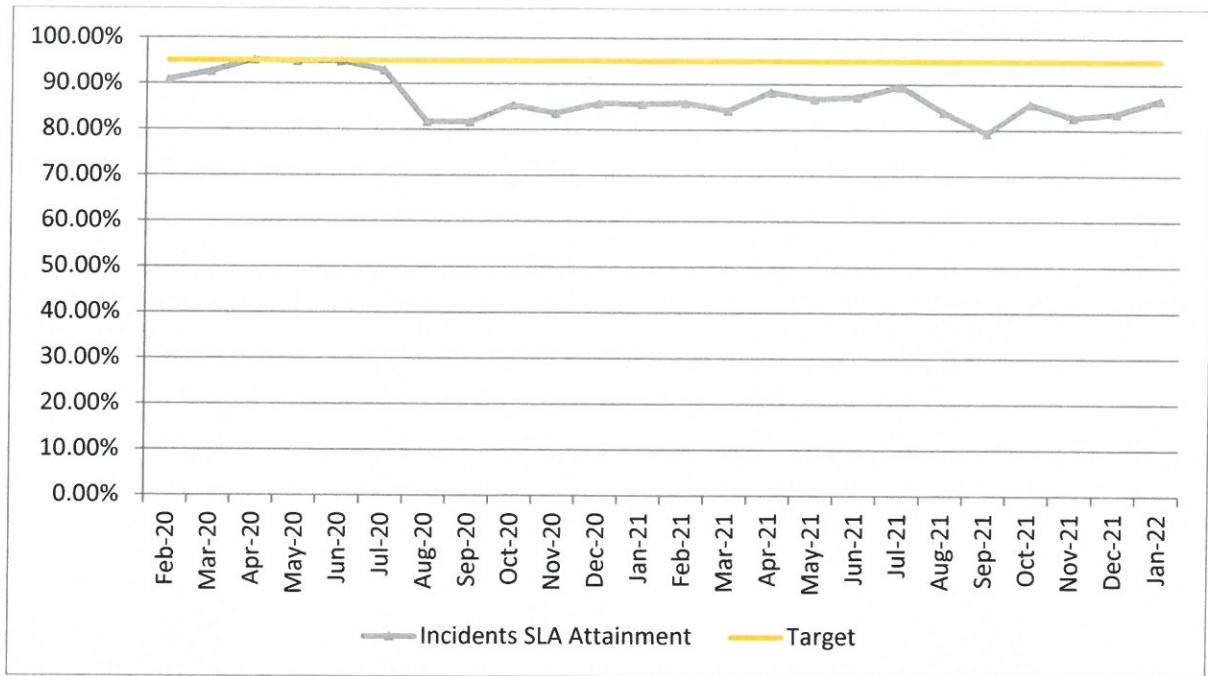
Incidents Received



2.1.1 - Incidents Met/Failed within SLA



2.1.2 - Monthly Service Level Attainment - Incidents



SLA Details

VIP Users

Priority	Target Resolution Time
Critical	3 hours
High	4 hours
Normal	7 hours
Low	21 hours
Long Term	No target

Standard Users

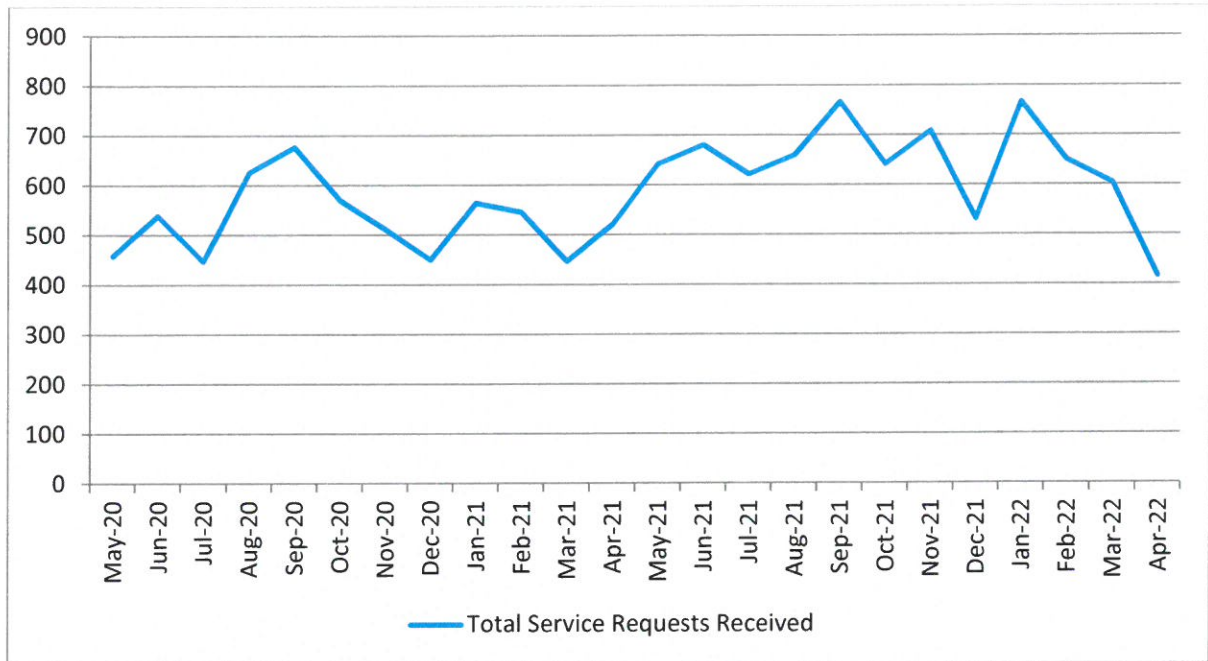
Priority	Target Resolution Time
Critical	4 hours
High	7 hours
Normal	21 hours
Low	35 hours
Long Term	No target

SLA Attainment is 95% of incidents resolved within Target Resolution Time (90% until July 2017)

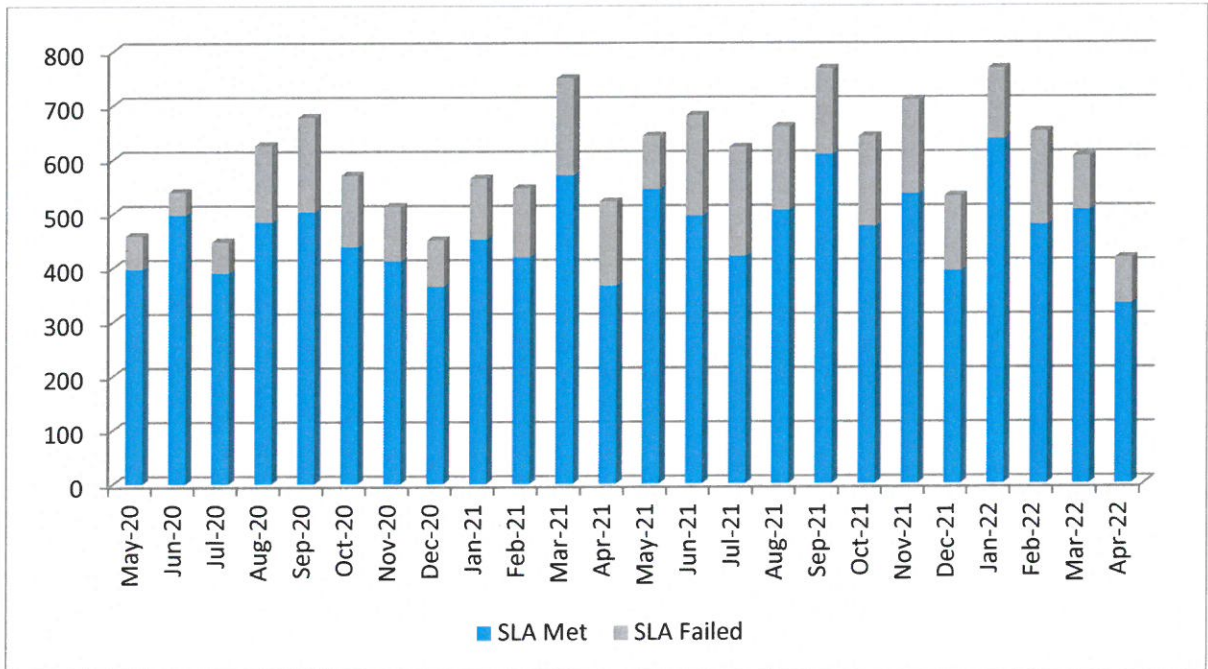
A typical Service request is unlocking a user account or password, software errors, PC faults, PDA, whiteboard and projector issues.

2.2 - Service Requests

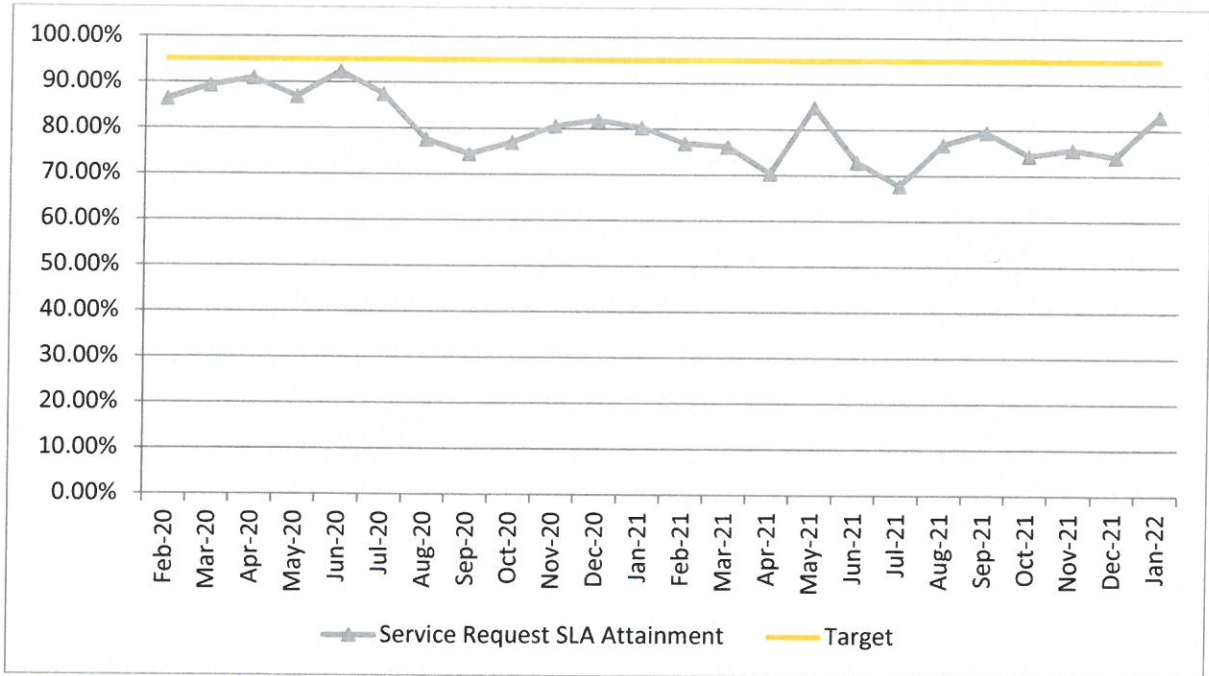
2.2.1 - Service Requests Received



2.2.2 - Service Requests Met/Failed within SLA



2.2.3 - Service Level Attainment – Service Requests



SLA Attainment is 95% of incidents resolved within Target Resolution Time (90% until July 2017)

A typical Service request is provision of a new user account, a new PC or Laptop, relocation of existing services.