

ROYAL BOROUGH OF GREENWICH
CORPORATE FINANCE AND PERFORMANCE SCRUTINY
PANEL

THURSDAY 16 SEPTEMBER 2021 AT 7.00 PM

MINUTES

PRESENT:

Members:

Councillor John Fahy (Chair), Councillors Clare Burke-McDonald, Gary Dillon and Pat Slattery

Cabinet Members

Councillor Linda Perks, Cabinet Member for Finance and Resources
Councillor Mariam Lolavar, Cabinet Member for Business and Economic Growth

Officers

Assistant Director Business, Employment & Skills, Assistant Director Finance, Assistant Director Advice & Benefits, Scrutiny Manager and Scrutiny Officer

Item

No.

1 Apologies for Absence

Apologies for absence were received from Councillors Ian Hawking and Aidan Smith

2 Urgent Business

There was no urgent business.

3 Declarations of Interest

Councillor Gary Dillon declared an interest in items 5, 6 and 7 as they related to work carried out in his capacity as a special project assistant.

Resolved -

That Councillor Gary Dillon's declaration and the list of Councillors' memberships as Council appointed representatives on outside bodies, joint committees and school governing bodies be noted.

4. Minutes

Resolved -

That the minutes of the meetings of the Corporate Finance and Performance Scrutiny Panel held on 15 July 2021 be agreed and signed as a true and accurate record.

5. Cabinet Member for Business and Economic Growth - Portfolio Update

The report was presented and summarised by the Cabinet Member for Business and Economic Growth.

The Chair thanked the Cabinet Members and officers for the extensive and detailed report.

In response to questions on paragraphs 4.15 and 4.18, the Cabinet Member advised that the area was carefully observed, and with the furlough scheme ending at the end of September, the Work and Health Programme (WHP) and Job Entry Targeted Support (JETS) were re-launching to make sure residents were aware of available support that the Council provides. The Cabinet Member noted that there were concerns around the rising number of young people on Universal Credit (UC) and furlough, which has had negative impact on their finances and mental health. She stated that Kickstart had been very successful in Royal Greenwich and praised a local business for taking on 19 kickstart participants. She advised that the Kickstart program was due to end soon.

In response to a question on Kickstart, the AD Business, Employment & Skills explained that placements were running until December 2021 and participants are given 6 months to complete their work placement, at which point the employer decides on whether to continue with the employment or otherwise. She stated that the apprenticeship scheme was encouraged and promoted to provide additional opportunities. She advised that predicting future unemployment was difficult due to furlough, however there were increasing number of vacancies. She emphasised the importance of making sure people had the skills needed for alternative employment in alternative sectors.

In response to a question on the Restart scheme, the AD Business, Employment & Skills stated that the referral rate of this scheme had not been high nationally. She stated that it was difficult to predict future referral rate, however, with the furlough scheme coming to end, referral from DWP (Department for Work and Pensions) could increase.

The panel

Resolved -

To note the update of Business and Economic Growth Portfolio Update from the Cabinet Member for Business and Economic Growth.

6 COVID-19 - Business Support Grant Schemes

The report was introduced by the Cabinet Member for Finance and Resources who thanked the staff for delivering a brilliant service throughout this unprecedented time.

In addressing the meeting, the Assistant Director Finance also thanked the staff, stating there were 9-11 schemes to administer which was quite difficult, but they had managed to deliver a high standard of service.

In response to a question, the Assistant Director Finance highlighted the difficulty in obtaining an accurate number of businesses that had ceased trading because of the pandemic and inability to receive grants, explaining that some may not have applied or not been eligible for the grants. He stated that the council had tried their best to refer non-eligible applicants to other grants whenever possible such as the

additional restrictions grant. He added that it was also difficult to obtain accurate records as the effects of the pandemic were still ongoing and the full impact was yet to be seen.

In response to a question, the Assistant Director Finance stated that there were strict parameters around the eligibility criteria for grants. He added that with regards to the Restart and the hospitality side, applicants could have received additional top up award from the hospitality recovery grant on top of the original grant in some instances from the council.

In response to a question, the Assistant Director Finance stated that unspent grant must be returned. He further stated that the Restart grant had been very successful and approximately 94% of awards had been paid out. The Assistant Director Business, Employment and Skills added that there was an over estimation of the grant allocation from Central Government and is not a reflection of the aspiration and commitment of the council to make sure all eligible applicants received the grants.

The Panel

Resolved –

To note the work undertaken to implement the payment of business grants to individuals/businesses qualifying under the Government's Covid-19 business support schemes.

7 Revenues and Corporate Debt Management Annual Performance 2020/21

The report was introduced by the Cabinet Member for Finance and Resources who thanked the staff for delivering brilliant service throughout this unprecedented time.

In addressing the meeting, the Assistant Director Finance stated that for Council Tax, Royal Greenwich had the highest collection rates in 2019-20 and regrettably were not able to build on that this year, however, this was clearly impacted by the pandemic. In terms of Business Rates, the collection rate had also dropped as a result of the pandemic, as most of

the human resources were allocated to manage the various grant support schemes. With the corporate debt, the recovery rate has also dipped as a consequence of the pandemic, however Members should note that there was a significant increase in the number of invoices generated automatically during the year.

In response to a question, the Assistant Director Finance stated that there was a significant increase in invoices generated automatically by the system rather than manually from approximately 1100 to 11000.

In response to a question, the Assistant Director Finance stated that moving forward, there would be some service improvements, such as public access to online council tax accounts and online forms which should allow back office employees to work on other areas. He highlighted that despite the pandemic, the direct debit payment for the council tax went up by 5% to 65% which is the highest it has ever been.

In response to a question, the Assistant Director Finance confirmed that a decision was made during the pandemic to suspend reminder notices, and understanding the struggle residents were going through, this was felt to be the right decision. He advised that there was return to a reduced service for recovering debts, with virtual court hearing and very limited engagement with the enforcement agencies. He stated that the Council was looking to resume normal service sometime next year.

In response to a question, Assistant Director Finance stated that there was no cause for concern at the moment from the recovery rate reported each month.

The panel asked for the details on how much money the Council spends annually on obtaining bad debt for Council Tax.

ACTION: Finance

The Panel

Resolved –

To note the performance of the Revenues and Corporate Debt management Service for the financial year 2020/21 be noted and the in-year collection rates in respect of Council Tax and Business Rates 2020/21.

8 Advice Benefits Service Annual Performance Report

The report was introduced by the Cabinet Member for Finance and Resources who thanked the staff for delivering brilliant service throughout this unprecedented time.

In addressing the meeting, the Assistant Director Advice & Benefits stated that it had been a very challenging year for advice & benefits, however, the situation improved steadily throughout the year in terms of KPI's, and the over payment, highlighting that that the LA error, was significantly lower than last year. He pointed out that trainers had been brought in to ensure that staff were aware of the importance of benefit subsidy. He stated that the recovery of over payment had improved during the year and thanked all the council services redeploying staff which enabled the test and trace isolation payment team to be created overnight. He confirmed that test and trace isolation payment had been extended from 31st September 2021 to 31st March 2022 and that vulnerable people would receive continued help, particularly in respect to the discretionary housing payment and emergency support scheme.

The Assistant Director Finance advised the Panel that during Covid-19, the Council had received approximately 450 new emergency support application per month compared to around 250 per month previously. He added there was a significant challenge on resources as 300 applications per month were still being received.

The Chair thanked the advice & benefit department for always providing detailed reports.

In response to a question, the Assistant Director Advice & Benefits advised that it was difficult to assess the impact of the ending of furlough in terms of new cases. However, he said that there are human resources available to support new applicants, and RBG was one of the few councils that have a dedicated team supporting UC claimants.

In addressing the meeting, the Cabinet Member for Finance and Resources added that during the epidemic, the Council had managed to put together a much more integrated advice hub, working together with Charlton Athletic team as well. She stated that it was a very important advancement leading to an improvement of the council service.

The Panel

Resolved -

To Note the Performance of the Advice & Benefits Service for 2020-21 against Key Performance Indicators and the action taken in supporting residents through the COVID 19 pandemic.

9 Action Monitoring

The report was presented by the Chair.

The Panel

Resolved -

To confirm that the actions requested at previous meetings of the panel had been completed.

10 Commissioning of future reports

The report was presented by the Chair.

The Panel

Resolved -

To note the work items that were scheduled to be presented to the meeting of the Corporate Finance and Performance Scrutiny Panel taking place on 24th November 2021.

The meeting closed at 7:39pm

Chair