

A meeting of the **OVERVIEW AND SCRUTINY PANEL (PERFORMANCE AND CUSTOMERS)** will be held in **CIVIC SUITE 0.1A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, PE29 3TN** on **WEDNESDAY, 1ST NOVEMBER 2017** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

**Contact
(01480)**

APOLOGIES

1. MINUTES (Pages 5 - 8)

To approve as a correct record the Minutes of the meeting held on 6th September 2017.

**A Green
388008**

2. MEMBERS' INTERESTS

To receive from Members declarations as to disclosable pecuniary and other interests in relation to any Agenda item.

3. NOTICE OF KEY EXECUTIVE DECISIONS (Pages 9 - 12)

A copy of the current Notice of Key Executive Decisions is attached. Members are invited to note the Plan and to comment as appropriate on any items contained therein.

**B Buddle
388007**

4. INTEGRATED PERFORMANCE REPORT 2017/18 - QUARTER 2 (Pages 13 - 50)

The Integrated Performance Report 2017/18 – Quarter 2 is to be presented to the Panel.

**A Dobbyne 388100 /
C Mason 388157**

5. TREASURY MANAGEMENT SIX MONTH REVIEW (Pages 51 - 74)

The Treasury Management Six Month Review is to be presented to the Panel.

**A Forth
388605**

6. OVERVIEW AND SCRUTINY PROGRESS (Pages 75 - 82)

Members are to receive the work programmes for all Overview and Scrutiny Panels.

**A Green
388008**

Dated this 24th day of October 2017



Head of Paid Service

Notes

1. Disclosable Pecuniary Interests

(1) *Members are required to declare any disclosable pecuniary interests and unless you have obtained dispensation, cannot discuss or vote on the matter at the meeting and must also leave the room whilst the matter is being debated or voted on.*

(2) *A Member has a disclosable pecuniary interest if it -*

(a) relates to you, or

(b) is an interest of -

(i) your spouse or civil partner; or

(ii) a person with whom you are living as husband and wife; or

(iii) a person with whom you are living as if you were civil partners

and you are aware that the other person has the interest.

(3) *Disclosable pecuniary interests includes -*

(a) any employment or profession carried out for profit or gain;

(b) any financial benefit received by the Member in respect of expenses incurred carrying out his or her duties as a Member (except from the Council);

(c) any current contracts with the Council;

(d) any beneficial interest in land/property within the Council's area;

(e) any licence for a month or longer to occupy land in the Council's area;

(f) any tenancy where the Council is landlord and the Member (or person in (2)(b) above) has a beneficial interest; or

(g) a beneficial interest (above the specified level) in the shares of any body which has a place of business or land in the Council's area.

Non-Statutory Disclosable Interests

(4) *If a Member has a non-statutory disclosable interest then you are required to declare that interest, but may remain to discuss and vote providing you do not breach the overall Nolan principles.*

(5) *A Member has a non-statutory disclosable interest where -*

(a) a decision in relation to the business being considered might reasonably be regarded as affecting the well-being or financial standing of you or a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the council tax payers, rate payers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area, or

(b) it relates to or is likely to affect a disclosable pecuniary interest, but in respect of a member of your family (other than specified in (2)(b) above) or a person with whom you have a close association, or

(c) it relates to or is likely to affect any body –

(i) exercising functions of a public nature; or

(ii) directed to charitable purposes; or

(iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a Member or in a position of control or management.

and that interest is not a disclosable pecuniary interest.

2. Filming, Photography and Recording at Council Meetings

The District Council supports the principles of openness and transparency in its decision making and permits filming, recording and the taking of photographs at its meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening at meetings. Arrangements for these activities should operate in accordance with guidelines agreed by the Council and available via the following link [filming, photography and recording at council meetings.pdf](#) or on request from the Democratic Services Team. The Council understands that some members of the public attending its meetings may not wish to be filmed. The Chairman of the meeting will facilitate this preference by ensuring that any such request not to be recorded is respected.

Please contact Mr Adam Green, Democratic Services Officer (Scrutiny), Tel No. 01480 388008/e-mail Adam.Green@huntingdonshire.gov.uk if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Committee/Panel.

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.

Agenda and enclosures can be viewed on the District Council's website – www.huntingdonshire.gov.uk (*under Councils and Democracy*).

If you would like a translation of Agenda/Minutes/Reports or would like a large text version or an audio version please contact the Elections & Democratic Services Manager and we will try to accommodate your needs.

Emergency Procedure

In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.

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HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (PERFORMANCE AND CUSTOMERS) held in Civic Suite 0.1A, Pathfinder House, St Mary's Street, Huntingdon, PE29 3TN on Wednesday, 6th September 2017.

- PRESENT: Councillor D M Tysoe – Chairman.
- Councillors Mrs B E Boddington, R C Carter, S Greenall, J M Palmer, Mrs D C Reynolds, Mrs S L Taylor and R J West.
- APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors K M Baker, Mrs L A Duffy, Mrs R E Mathews and M F Shellens.
- IN ATTENDANCE: Councillors D Brown, S Cawley, M Francis and J A Gray.

26. MINUTES

The Minutes of the meeting held on 5th July 2017 was approved as a correct record and signed by the Chairman.

Further to Minute Number 21 the Executive Councillor for Commercial and Shared Services and the Head of Community gave a verbal update on CCTV/Security Services – Business Case for Commercialisation. The Panel was informed that the scoring of tender bids will be 40% for finance and 60% for quality. Currently four companies have expressed an interest in submitting a tender however the Head of Community stated that he wouldn't know the final number of interested companies until the deadline for tenders had past and bids are being received. In addition, Members were informed that it is the intention to bring before the Panel a full business case by January 2018.

In response to a question, the Panel was informed that the commercialisation venture will create a standalone company independent from the CCTV shared service however the Executive Councillor stated that he is expecting the two interact and trade with each other.

Members were informed that there have been a couple of changes to the timetable however the milestone events remain the same.

A Member raised a concern that if commercialisation does not occur how would the Council deal with the spare capacity in the system. In response, the Panel was informed that currently there is the optimum number of staff and that the extra capacity is within the infrastructure.

Following a question regarding stakeholders who contribute to the CCTV service, the Panel was informed that Parish and Town Councils do contribute to the cost of the CCTV service in return for

CCTV coverage in their area. The Council reassured partners that the venture won't adversely affect the current CCTV coverage.

Further to Minute Number 23 it was confirmed that the loan to Luminus was secured against Luminus' property.

27. MEMBERS' INTERESTS

Councillor Mrs D C Reynolds declared a disclosable pecuniary interest in relation to Minute Number 30 as she has been attempting to secure the purchase of a piece of land from the Council.

28. NOTICE OF KEY EXECUTIVE DECISIONS

The Panel received and noted the current Notice of Key Executive Decisions (a copy of which is appended in the Minute Book) which has been prepared by the Executive Leader for the period 1st September 2017 to 31st December 2017.

(At 7.20pm, during the discussion of this item, Councillor D Brown left the meeting and did not return.)

29. INTEGRATED PERFORMANCE REPORT 2017/18 - QUARTER 1

With the aid of a report by the Corporate Team Manager and the Head of Resources (a copy of which is appended in the Minute Book), the Integrated Performance Report 2017/18 – Quarter 1 was presented to the Panel. In summarising the report, the Corporate Team Manager stated that this quarter one key action has been rated red and nine performance indicators are red.

In response to the question, how the Council can measure weeds, litter, detritus and graffiti, Members were informed that the Council's Development Team carry out independent inspections against the set standards. Moving forward the Council is a member of the Association for Public Service Excellence, who offer benchmarking across all its Members. The Council are focusing on the areas of waste and street scene.

In regards to maintenance of land, the Panel was informed that the Council has a responsibility to maintain every piece of land it owns.

Following a question regarding recycling, Members were informed that there has been an issue with the recycling contractor and that the Council does not have confidence that the contractor has done everything they stated they would do. The Council has withheld payment from the contractor. There is currently an audit of the contractor and that all Councils involved are taking action.

A query was raised regarding One Leisure with Members asking how is income increasing when visitor numbers are falling. The question could not be answered at the meeting however the relevant Head of Service will be contacted for a reply.

In response to a question regarding Council policy on empty properties, the Panel was informed that the Council encourage home owners to make their empty properties available for occupation. In

addition home owners have been discouraging people leaving their properties empty by cutting the months that the property is eligible for no Council Tax from six months to one.

The Panel was updated on Operations costs and the potential to save costs by reviewing how the service removes weeds. It was suggested that it would be more cost effective by spraying weed killer after the road sweeper has cleared the weeds instead of employing contractors to carry out the spraying.

Following concerns expressed regarding Disabled Facility Grants (DFG), Members were informed that DFGs are managed by the Cambridgeshire Home Improvement Agency (CHIA) which is a shared service that carries out DFG work across Cambridgeshire. Due to the demand for DFGs, the amount of money that is required is going up. Demand is outstripping the funds budgeted however the Council are not withholding payment. Concern was expressed that it takes the CHIA 44.7 weeks to complete minor DFG work, however it was noted that the Overview and Scrutiny Panel (Communities and Environment) would scrutinise this in greater detail.

In response to a question regarding the CCLA Property Fund, Members were informed that the reason the Council has invested in the property is the yield. It was noted that the Council has earned £172k from the fund whereas if the money had not been invested than the Council would have paid £27k.

Members had questioned why the Council had not achieved the target of delivering bins within 9 to 10 working days. In response, the Panel was informed that the Council had been prioritising the successful implementation of the waste round reconfiguration. Currently there are 1000 bins to be delivered and that there is an action plan in place in order to deliver those bins, however there is an option for the resident to collect the bin. The Head of Operations stated that the Council is not resourced to deliver 1000 bins in one to two working days.

A Member asked in response a question regarding the number of missed bin collections per week, the Panel was informed that there are regular missed bin collections, particularly in the rural round, however these currently equate to 0.08% of total bins. The Corporate Team have handled missed bin complaints and that most issues have been resolved.

Following a question regarding the £1m budgeted for the Transformation scheme, Members were informed that the budget is to update the IT systems which may or may not be needed.

In response to a query regarding the 3G Pitch at St Neots, the Panel was informed that as the lease has not be signed then the Council are not prepared to invest in the property. The Head of Resources will have more information on the situation at a future meeting.

30. DISPOSAL OF SMALL LAND PARCELS POLICY

With the aid of a report by the Head of Resources (a copy of which is appended in the Minute Book), the Disposal of Small Land Parcels

Policy was presented to the Panel. The Panel was informed that the report also covers updates to the Disposal and Acquisitions Policy.

The Small Land Parcels Policy covers land that is less than 0.25 acres and has a limit of £10k. It was noted that the Council has a number of such sites which cost the Council money in order to maintain them.

Concern was raised that there was not sufficient commitment to public engagement in the policy, in particular there was concern that Ward Members would only be informed once the decision to sell had been made. The Head of Resources stated that he would revise the section to ensure Ward Members are consulted prior to disposal.

Members were informed that the Council's small parcels of land won't be for sale unless it is economically unviable to keep and maintain the land. The Head of Resources confirmed that the Policy is not a commitment to sell. The Council will add a charge to reflect the work and effort it takes Officers to dispose of the land.

In response to a question regarding the value of land and development, the Panel was informed that most of the land won't be developed on however some may have extensions built. There is a potential that some properties could increase in value considerably.

(At 8.36pm, during the discussion of this item, Councillor S Cawley left the meeting and did not return.)

31. ONE LEISURE VALUE FOR MONEY TASK AND FINISH GROUP SCOPING DOCUMENT

The Panel reviewed a copy of the One Leisure Value For Money Task and Finish Group Scoping Document (a copy of which has been appended in the Minute Book). Councillor Mrs D C Reynolds confirmed her membership of the task and finish group. It was confirmed that Officers are currently gathering publically available budgetary information for the Group.

(At 8.54pm, during the discussion of this item, Councillor J A Gray left the meeting and did not return.)

32. OVERVIEW AND SCRUTINY PROGRESS

With the aid of a report by the Democratic Services Officer (Scrutiny) (a copy of which is appended in the Minute Book), the Panel reviewed all the Panel's work programmes since the last meeting.

(At 8.57pm, during the discussion of this item, Councillor Mrs B E Boddington left the meeting and did not return.)

Chairman

NOTICE OF EXECUTIVE KEY DECISIONS INCLUDING THOSE TO BE CONSIDERED IN PRIVATE

Prepared by Councillor G J Bull, Executive Leader of the Council
Date of Publication: 24 October 2017
For Period: 1st November 2017 to 28th February 2018

Membership of the Cabinet is as follows:-

Councillor G J Bull	Executive Leader of the Council	Councillor R Fuller	Deputy Executive Leader and Executive Councillor for Housing and Planning
Councillor D Brown	Executive Councillor for Commercial and Shared Services	Councillor J A Gray	Executive Councillor for Strategic Resources
Councillor S Cawley	Executive Councillor for Transformation and Customers	Councillor R Howe	Executive Councillor for Devolution and Growth
Councillor Mrs A Dickinson	Executive Councillor for Community Resilience, Well-Being, and Regulatory Services	Councillor J White	Executive Councillor for Operations

Notice is hereby given of:

- Key decisions that will be taken by the Cabinet (or other decision maker)
- Confidential or exempt executive decisions that will be taken in a meeting from which the public will be excluded (for whole or part).

A notice/agenda together with reports and supporting documents for each meeting will be published at least five working days before the date of the meeting. In order to enquire about the availability of documents and subject to any restrictions on their disclosure, copies may be requested by contacting the Democratic Services Team on 01480 388169 or E-mail Democratic.Services@huntingdonshire.gov.uk.

Agendas may be accessed electronically at www.huntingdonshire.gov.uk.

Formal notice is hereby given under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that, where indicated part of the meetings listed in this notice will be held in private because the agenda and reports for the meeting will contain confidential or exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it. See the relevant paragraphs below.

Any person who wishes to make representations to the decision maker about a decision which is to be made or wishes to object to an item being considered in private may do so by emailing Democratic.Services@huntingdonshire.gov.uk or by contacting the Democratic Services Team. If representations are received at least eight working days before the date of the meeting, they will be published with the agenda together with a statement of the District Council's response. Any representations received after this time will be verbally reported and considered at the meeting.

Paragraphs of Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) (Reason for the report to be considered in private)

1. Information relating to any individual


2. Information which is likely to reveal the identity of an individual
3. Information relating to the Financial and Business Affairs of any particular person (including the Authority holding that information)
4. Information relating to any consultations or negotiations or contemplated consultations or negotiations in connection with any labour relations that are arising between the Authority or a Minister of the Crown and employees of or office holders under the Authority
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings
6. Information which reveals that the Authority proposes:-
 - (a) To give under any announcement a notice under or by virtue of which requirements are imposed on a person; or
 - (b) To make an Order or Direction under any enactment
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

Huntingdonshire District Council
 Pathfinder House
 St Mary's Street
 Huntingdon PE29 3TN.

- Notes:- (i) Additions changes from the previous Forward Plan are annotated ***
 (ii) Part II confidential items which will be considered in private are annotated ## and shown in italic.

10	Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Reasons for the report to be considered in private.	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
	Treasury Management 6 Month Performance Review	Cabinet	16 Nov 2017		Clive Mason, Head of Resources Tel No. 01480 388157 or email: clive.mason@huntingdonshire.gov.uk		J A Gray	Performance and Customers
	Growth and Infrastructure Group Terms of Reference	Cabinet	16 Nov 2017		Clara Kerr, Planning Services Manager Tel No. 01480 388430 or email: clara.kerr@huntingdonshire.gov.uk		R Fuller	Economy and Growth
	Approval of Council Tax Base 2017/18	Section 151 Officer	1 Dec 2017		Clive Mason, Head of Resources Tel No. 01480 388157 or email: clive.mason@huntingdonshire.gov.uk		J A Gray	Performance and Customers
	Site Disposal - B##***	Cabinet	14 Dec 2017		Colin Luscombe, Estates Strategic Assessment Tel No. 01480 388728 or email: colin.luscombe@huntingdonshire.gov.uk		J A Gray	Performance and Customers

Subject/Matter for Decision	Decision/recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Reasons for the report to be considered in private	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Corporate Enforcement Policy	Cabinet	14 Dec 2017		Chris Stopford, Head of Community Tel No. 01480 388280 or email: chris.stopford@huntingdonshire.gov.uk		A Dickinson	Communities and Environment
Local Plan: Proposed Submission Consultation	Cabinet	14 Dec 2017		Clara Kerr, Planning Services Manager Tel No. 01480 388430 or email: clara.kerr@huntingdonshire.gov.uk		R Fuller	Economy and Growth
Review of Fees and Charges***	Cabinet	14 Dec 2017		Adrian Forth, Finance Manager Tel No. 01480 388605 or email: adrian.forth@huntingdonshire.gov.uk		J A Gray	Performance and Customers
Community Resilience Plan*** → →	Cabinet	14 Dec 2017		Chris Stopford, Head of Community Tel No. 01480 388280 or email: chris.stopford@huntingdonshire.gov.uk		A Dickinson	Communities and Environment
Memoranda of Understanding with the Local Enterprise Partnership***	Cabinet	14 Dec 2017		Andy Moffat, Head of Development Tel No. 01480 388400 or email: andy.moffat@huntingdonshire.gov.uk		R Howe	Economy and Growth
Asset Disposals##***	Cabinet	18 Jan 2018		Clive Mason, Head of Resources Tel No 01480 388157 or email clive.mason@huntingdonshire.gov.uk		J A Gray	Performance and Customers
Business Case for CCTV Commercialisation##**	Cabinet	18 Jan 2018		Chris Stopford, Head of Community Tel No. 01480 388280 or email: chris.stopford@huntingdonshire.gov.uk		D Brown	Performance and Customers
Commercial Investment Strategy: Business Plan Review***	Cabinet	8 Feb 2018		Clive Mason, Head of Resources Tel No. 01480 388157 or email: clive.mason@huntingdonshire.gov.uk		J A Gray	Performance and Customers

Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Reasons for the report to be considered in private	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Revenue Budget 2018/19 and Medium Term Financial Strategy 2019/20 to 2022/23***	Cabinet	8 Feb 2018		Clive Mason, Head of Resources Tel No. 01480 388157 or email: clive.mason@huntingdonshire.gov.uk		J A Gray	Performance and Customers
Treasury Management Strategy***	Cabinet	8 Feb 2018		Clive Mason, Head of Resources Tel No. 01480 388157 or email: clive.mason@huntingdonshire.gov.uk		J A Gray	Performance and Customers
Business Case for Document Centre Commercialisation##* **	Cabinet	8 Feb 2018		Oliver Morley Tel No. 01480 388103 or email: oliver.morley@huntingdonshire.gov.uk		D Brown	Performance and Customers
 Car Parking Strategy Task and Finish Group - Strategy***	Cabinet	8 Feb 2018		Neil Sloper, Head of Operations Tel No. 01480 388635 or email: neil.sloper@huntingdonshire.gov.uk		J White	Economy and Growth

Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Integrated Performance Report 2017/18 - Quarter 2

Meeting/Date: Overview and Scrutiny (Performance and Customers) Panel, 1st November 2017

Executive Portfolio: Councillor Jonathan Gray, Executive Councillor for Strategic Resources
Councillor Stephen Cawley, Executive Councillor for Transformation and Customers

Report by: Corporate Team Manager and Finance Manager

Wards affected: All

RECOMMENDATION

The Overview and Scrutiny Panel is invited to comment on details of delivery of Corporate Plan key actions and corporate indicators, current projects and financial performance information from the Cabinet report attached.

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter:	Integrated Performance Report, 2017/18 Quarter 2
Meeting/Date:	Cabinet, 16 November 2017
Executive Portfolio:	Councillor Jonathan Gray, Executive Councillor for Strategic Resources Councillor Stephen Cawley, Executive Councillor for Transformation and Customers
Report by:	Corporate Team Manager and Finance Manager
Ward(s) affected:	All

Executive Summary:

The purpose of this report is to brief Members on progress against the Key Actions and Corporate Indicators listed in the Council's Corporate Plan for 2016-18 for the period 1 July 2017 to 30 September 2017 and on current projects being undertaken. 'Red' indicators where variance from the target is not acceptable include some where performance results are skewed by short periods of particularly poor performance, e.g. impacts from Quarter 1. These continue to affect results throughout the year even where performance is subsequently meeting or exceeding targets. Scheduled performance clinics will focus on delivering continuous improvements in all services.

The report also incorporates Financial Performance Monitoring Suite information setting out the financial position at September. It provides forecasts on revenue, the capital programme and the Medium Term Financial Strategy (MTFS). Headlines are:

Revenue – the forecast outturn is an estimated overspend of £0.8m.

MTFS – some forecast impacts will potentially carry on over the MTFS period.

Capital programme – the forecast outturn is an estimated overspend of £0.6m.

An update on the Commercial Investment Strategy includes details of investments to date and the level of returns these are expected to generate, with information on potential investment opportunities reviewed in Quarter 2 attached at Appendix H.

The report's layout is evolving to provide information in an ever more relevant format.

Recommendations:

The Cabinet is invited to consider and comment on progress made against Key Activities and Corporate Indicators in the Corporate Plan and current projects, as summarised in Appendix A and detailed in Appendices B and C.

The Cabinet is also invited to consider and comment on financial performance at the end of September, as detailed in Appendices D, E, F and G, and the register of reviews of Commercial Investment Strategy propositions at Appendix H.

1. PURPOSE

- 1.1 The purpose of this report is to present details of delivery of the Corporate Plan for 2016-18, and project delivery, in the context of the Council's financial performance.

2. BACKGROUND

- 2.1 The Council's Corporate Plan 2016-18 was refreshed for 2017/18 in March 2017 and sets out what the Council aims to achieve in addition to its core statutory services. The information in the summary at **Appendix A** relates to Key Actions and Corporate Indicators listed for 2017/18 and the performance report at **Appendix B** details those with a 'Red' status at Quarter 2.
- 2.2 As recommended by the Project Management Select Committee, updates for projects with a 'Red' status are included at **Appendix C**. There are currently 27 projects which are open, pending approval or pending closure and two recently closed projects logged across all programmes.
- 2.3 This report also incorporates financial performance to the end of September. Performance as detailed in sections 4-6 below. Further details are listed in **Appendices D, E, F and G**. A review of the position of Zero Based Budgeting (ZBB) and Line by Line Review savings to date has been carried out and a RAG (Red, Amber or Green) rating for each item is listed at 4.5. Commercial investment propositions reviewed are at **Appendix H**.

3. PERFORMANCE MANAGEMENT

- 3.1 Members of the Overview and Scrutiny (Performance and Customers) Panel have an important role in the Council's Performance Management Framework and a process of regular review of performance data has been established. The focus is on the strategic priorities and associated objectives to enable Scrutiny to maintain a strategic overview. Their comments on performance in Quarter 2 will be circulated to Cabinet following their meeting on 1 November.
- 3.2 Progress against Corporate Plan objectives is reported quarterly. The report at **Appendix B** includes details of all Key Actions and Corporate Indicators which had a 'Red' status at the end of Quarter 2. **Appendix C** provides information about projects with a 'Red' status, including the purpose of the project and comments from the Programme Office as to the current status of each project's SharePoint site as part of the new governance arrangements.
- 3.3 Performance Indicator data has been collected in accordance with standardised procedures. Targets for Corporate Indicators and target dates for Key Actions have been set by the relevant Head of Service after discussion with the appropriate Portfolio Holder.
- 3.4 The following table summarises Quarter 2 progress in delivering Key Actions for 2017/18:

Status of Key Actions	Number	Percentage
Green (on track)	36	84%
Amber (within acceptable variance)	6	14%
Red (behind schedule)	1	2%
Awaiting progress update	0	0%
Not applicable	0	n/a

Over four-fifths of Key Actions were on track at the end of Quarter 2, with only one Key Action having a Red status to indicate that it was behind schedule. This was the action to maintain clean open spaces, where more than a third of work was not to standard. This work is subject to seasonal variation but performance has also been affected by the performance of the Weed Spraying contractor. Details of the problems encountered and actions taken to resolve these are listed at 3.5 below.

3.5 Quarter 2 results for 2017/18 Corporate Indicators are shown in the following table:

Corporate Indicator results	Number	Percentage
Green (achieved)	30	65%
Amber (within acceptable variance)	9	20%
Red (below acceptable variance)	7	15%
Awaiting progress update	0	0%
Not applicable (annual/data unavailable)	4	n/a

Excluding the indicators with no results available, this shows that the Council was achieving nearly two-thirds of its targets at the end of Quarter 2. Seven indicators missed targets by more than acceptable variance, with some still affected by poor performance in Quarter 1. Performance clinics will be focussing on delivering continuous improvements in all services.

The measure of sampled areas which are clean or predominantly clean of litter, detritus, graffiti, flyposting or weed accumulations showed just 62% were to standard. Although this indicator is impacted by seasonal variation, there have also been issues with the performance of the Weed Spraying contractor. This started to show improvement towards the end of the quarter and into Quarter 3. Plans to bring this in house next year will improve service delivery.

As in previous quarters, the target has been missed for the average time from the date of referral of Disabled Facilities Grants (DFGs) to practical completion for minor jobs up to £10,000. Performance of 44.4 weeks in Quarter 2 is marginally better than the 44.7 weeks in Quarter 1. An Improvement Plan has been prepared by the new Home Improvement Agency Manager, who is putting improvement measures in place and is due to attend an Overview & Scrutiny Panel (Communities and Environment) meeting in December 2017. Any significant reduction in time taken to complete DFGs is likely to place additional pressure on the budget.

The level of missed bins in Quarter 2 was above target and slightly higher than in Quarter 1 due to a number of drivers on long term sickness or suspension. This has meant other drivers/ crews being allocated to rounds that they are not familiar with.

The overall sickness absence rate for the year to date is an improvement on the previous year but it is unlikely that the annual target of 9 days/FTE will be achieved as a higher level of sickness absence is expected in winter months. Most days lost are due to long term sickness.

The indicator relating to achievement of planned net budget reductions is rated Red due to an overall forecast overspend of £0.8m. Detailed explanations of the revenue budget overspends can be found in section 4 below.

Just over three-quarters (76.2%) of calls to the Call Centre have been answered, which is an improvement on the 65% reported in Quarter 1. This indicator has been affected by increased call lengths as a more comprehensive service to resolve enquiries within Customer Services is offered as well as difficulties getting through to Council Tax and Benefits during a restructure. Calls that could not be connected to key departments are being analysed so Customer Services can work with them to improve the situation.

Stage 2 complaints performance remains Red due to three not dealt with in time in Quarter 1.

3.6 The status of corporate projects at the end of September is shown in the following table:

Corporate project status	Number	Percentage
Green (progress on track)	7	27%
Amber (progress behind schedule, project is recoverable)	7	27%
Red (significantly behind schedule, serious risks/issues)	7	27%
Pending closure	3	12%
Closed (completed)	2	8%

Two projects have recently been completed with close-down reports signed off and three other projects are currently in the close-down stage. Business cases for a further three projects have not yet been approved. Of the projects currently in the delivery stage, six were Red at the end of Quarter 2 as they were either significantly behind schedule, had serious risks or issues identified or had a lack of governance documentation. Five were previously rated as Red at the end of June, with Server Room Consolidation and Mobile Contract projects both changing from a previous status of Amber. Details of all Red projects can be found in **Appendix C**.

4. FINANCIAL PERFORMANCE

4.1 Financial Performance Headlines

The Monthly Management Accounts not only include the Forecast position for the current financial year but also over the MTFS period. Revenue statements show gross expenditure by service and where some costs are funded by reserves this is shown to provide the net position.

Revenue The approved Budget is £17.2m and the Forecast is £18.0m which is an overspend of £0.8m. This has decreased slightly from last month's Forecast overspend of £0.9m and the main reasons are shown on the next page. Action is still needed to be taken to address this level of the forecast overspend.

MTFS There are some impacts of the Forecast that potentially will carry on over the MTFS period and this is shown in section 4.6.

Capital The approved Budget is £9.3m plus the re-phasing of £3.1m giving a revised total Capital Programme of £12.444m (£8.818m net, after taking account specific grants and contributions). The net Forecast outturn is £9.371m giving an overspend of £0.6m and this will be funded from additional borrowing.

The Financial Dashboard at **Appendix G** presents information on take-up of Council Tax Support, NDR and Council Tax collection, miscellaneous debt and New Homes Bonus funding.

4.2 Summary Revenue Forecast variances by Service

The table below shows the total variances for each Service and the main reasons where variances are greater than £50,000.

Service	Budget £000	Forecast outturn gross £000	Transfers to / (from) reserves £000	Forecast outturn net £000	Forecast (underspend) / overspend £000	Main reasons for variance
Customer Services	2,659	2,910	(13)	2,897	238	<ul style="list-style-type: none"> Overspend due to costs relating to homelessness increases and customer service centres remaining open. In addition this budget sees significant variation within year with the cycle of Housing Benefit payments which total c£35million annually – meaning some in year variation is common.
ICT	1,721	2,030	0	2,031	309	<ul style="list-style-type: none"> The main reasons are the savings have not been identified and a new Business Case is being prepared.
Leisure and Health	(160)	(38)	25	(13)	147	<ul style="list-style-type: none"> Impressions income continues to improve and is ahead of previous year to date, but unlikely to achieve budget. Revenue impacts of delays in delivering the capital programme for OSLN 3G and swimming pool refurbishment and OLH dryside. education income down on previous years specifically at OLS.
Operations	4,030	4,477	(20)	4,457	427	<ul style="list-style-type: none"> Complexity of waste management rounds rescheduling will mean full saving will not be achieved this year, in order to ensure delivery of service.
Resources	4,426	4,494	(37)	4,457	31	
Other services	4,535	5,316	(1,155)	4,160	(374)	Net Underspends for Community, Development and Director and Corporate services
Total	17,211	19,189	(1,200)	17,989	778	

4.3 Further analysis of the revenue variance and service commentary are at **Appendix D**. This provides the variances by service and where variances are greater than +/- £10,000 comments have been provided by the budget managers/Head of Service. Where there are adverse variances the budget managers have provided details of the actions they are undertaking to address the overspend.

4.4 ZBB Savings Foregone

The table below provides the impact of the ZBB savings on the forecast outturn which have subsequently been overturned.

Forecast outturn	£000	
2017/18 Forecast outturn		778
ZBB savings reversed:		
- Closure of Customer Services Centres	(23)	
- Document Centre (income foregone)	(67)	
- Car parks (income foregone and rationalisation)	(268)	
- Grass cutting (income foregone)	(70)	
- CCTV (income foregone)	(25)	(453)
2017/18 Forecast outturn – if ZBB proposals had not been reversed		325

4.5 ZBB and Line by Line Review Savings Progress

As part of the budget setting process for 2017/18, £1.9m of ZBB and Line by Line Review savings were approved. A review of the position of these savings for the year has been carried out and a RAG (Red, Amber, Green) rating given.

	ZBB		Line by Line	
	Achievement of savings	Achievement of savings	Achievement of savings	Achievement of savings
	£000	%	£000	%
Red	28	3	57	8
Amber	419	50	248	35
Green	388	46	396	56
Total	835	100	701	100

Red – savings not achieved

Amber – savings have not been fully achieved yet at this time

Green – savings have been achieved or will be achieved in year

4.6 Medium Term Financial Strategy

The current forecast shows an overspend of £0.8m and some of this will impact on the MTFS. This has been reviewed and the impact on future years is in the range of £600k to £720k. However, the budget setting process has started which includes a full review of the MTFS and this will be reported to the Overview & Scrutiny Panel (Performance and Customers) and Cabinet.

A summary of the potential impact of the forecast over spend on the MTFS, reserves and savings required is shown in the following tables.

The table below shows the potential impact of the forecast overspend over the MTFS period.

MTFS	Budgets				
	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Approved MTFS net expenditure	17,211	16,810	16,977	17,365	17,737
Updated MTFS based on potential impact of Forecast 2017/18	17,989	17,527	17,577	17,952	18,356
Increase / (decrease) on the MTFS	778	717	600	587	619

The table below shows the impact of the potential forecast overspend on the Budget Surplus Reserve.

BUDGET SURPLUS RESERVE	Budgets				
	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Budget Surplus Reserve as per the approved MTFS Brought forward	3,425				
Approved MTFS Contribution from (to) General Fund	3,018	5,549	6,828	4,913	2,937
Potential impact of Forecast 2017/18	(778)	(717)	(600)	(587)	(619)
Total contribution from (to) General Fund	2,124	1,279	(1,915)	(1,976)	(2,043)
Carried forward	5,549	6,828	4,913	2,937	894

New savings required from the MTFS are shown in the table below with the additional savings required for the potential impact of the forecast over spend.

SAVINGS REQUIRED OVER THE MTFS PERIOD	Budgets				
	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Existing savings required from MTFS		1,927	(1,307)	(1,333)	(1,364)
New savings required for potential impact of Forecast		(717)	(600)	(587)	(619)
Total savings required from MTFS		1,210	(1,907)	(1,920)	(1,983)

5. CAPITAL PROGRAMME

5.1 The approved gross Capital Programme 2017/18 is £9.346m (£5.994m net, taking in to account specific grants and contributions). As part of the Quarter 4 Integrated Performance Suite Cabinet (22/06/17) approved the rephasing schemes from 2016/17 to 2017/18 totalling £3.1m, to give the total Capital Programme for 2017/18 of £12.446m (£8.818m net).

5.2 The gross expenditure to date is £2.279m (24% of Budget, 50% of the year) and the Capital Programme is forecast to have an net overspend of £0.553m. However, there are some underspends, rephasings and other variations in this forecast. This forecast overspend is partly funded from additional grants (DFGs), contributions (Sport England) and borrowing. The table below provides commentary on overspends over £50,000.

Variation Commentary Summary on overspends		£000
Development – DFGs		647
<ul style="list-style-type: none"> based on the current level of demand from clients. This is partly offset by private donations which are forecast to exceed the budget by £0.119m 		
Development – Huntingdon West Development		62
<ul style="list-style-type: none"> A Community Infrastructure Levy payment has been made to Cambridgeshire County Council, this will be funded from the CIL reserve. 		
Industrial Estate Roofs		240
<ul style="list-style-type: none"> The tenders are above estimate. Two options are being examined to mitigate this overspend, deferring one roof repair or use of the repairs fund to finance the additional expenditure. 		
Total		949

- 5.3 **Appendix E** provides details by scheme with proposed rephasing, expenditure to date and forecast outturn. **Appendix F** details the financing of the Capital Programme showing the funding from grants and contributions, capital receipts, use of earmarked and capital reserves and internal borrowing.
- 5.4 There is a risk that this level of forecast will not happen as there are schemes that are forecasted to overspend or underspend. This process is managed by the Finance and Performance Governance Board.
- 5.5 The net spend on the Council's Capital Programme is financed via borrowing which has a revenue implication through the Minimum Revenue Provision (MRP).

6. UPDATE ON THE COMMERCIAL INVESTMENT STRATEGY

- 6.1 The Commercial Investment Strategy (CIS) was approved by Cabinet in September 2015 and the CIS Business Plan in December 2015. The implementation of the CIS is seen as a key means by which the Council can generate income to assist it in meeting the forecast gap in the revenue budget, by 2021/22 it will have in part contributed in reducing this to £1.2m.
- 6.2 At the end of Quarter 2, the financial projections for the CIS are:

Budget Heading	Budget (£'000)	Forecast Outturn (£'000)	Variance (£'000)
CCLA Property Fund	(162)	(160)	2
Property Rental Income	(5,038)	(3,208)	1,830
Management Charge	144	144	0
MRP	1,896	80	(1,816)
Total	(3,163)	(3,144)	16

6.3 Investments

Between July 2017 and September 2017, 35 properties have been investigated as potential CIS investment opportunities. The Council successfully bid on one property at Fareham in Quarter 2. This property comprises two office buildings generating a rental income of £420k p.a. The purchase was completed at a price of £5.425m on 16th October. Legal due diligence is close to conclusion and the purchase is due to complete early October. A summary of opportunities is included in **Appendix H**.

Returns from the CCLA property fund have remained at the 2016/17 level (circa 4.5%). There will be an increase in return this year, because our dividend will also include our acquisition of shares in Q4 of 2016/17. Other investment vehicles such as bank deposits and money market funds interest rates continue to be low.

To date all of the Council's investments have been funded from earmarked reserves or cash balances and no new borrowing has been required, however Fareham will be purchased with a loan from PWLB for £5m and the balance of the purchase price and acquisition costs from earmarked reserves.

7. COMMENTS OF OVERVIEW & SCRUTINY PANELS

- 7.1 Comments from the Overview and Scrutiny (Performance and Customers) Panel meeting on 1 November 2017 will be inserted into the report to Cabinet here.

8. RECOMMENDATIONS

- 8.1 The Panel is invited to consider and comment on progress made against Key Activities and Corporate Indicators in the Corporate Plan and current projects, as summarised in **Appendix A** and detailed in **Appendices B and C**.

- 8.2 The Panel is also invited to consider and comment on financial performance at the end of September, as detailed in section 4 and in **Appendices D, E, F and G**, and the register of reviews of Commercial Investment Strategy propositions at **Appendix H**.

9. LIST OF APPENDICES INCLUDED

Appendix A – Performance Summary, Quarter 2, 2017/18

Appendix B – Corporate Plan Performance Report ('Red' status), Quarter 2 2017/18

Appendix C – Project Performance ('Red' status), September 2017

Appendix D – Revenue Forecast Variance & Service Commentary, September 2017

Appendix E – Capital Programme Forecast by Scheme, September 2017

Appendix F – Financing of the Capital Programme, September 2017

Appendix G – Financial Dashboard, September 2017

Appendix H – Register of reviews of CIS investment propositions 2017/18

CONTACT OFFICERS

Corporate Plan Performance Monitoring (Appendices A and B)

Daniel Buckridge, Policy, Performance & Transformation Manager (Scrutiny) ☎ (01480) 388065

Project Performance (Appendix C)

Adrian Dobbyne, Corporate Team Manager ☎ (01480) 388100

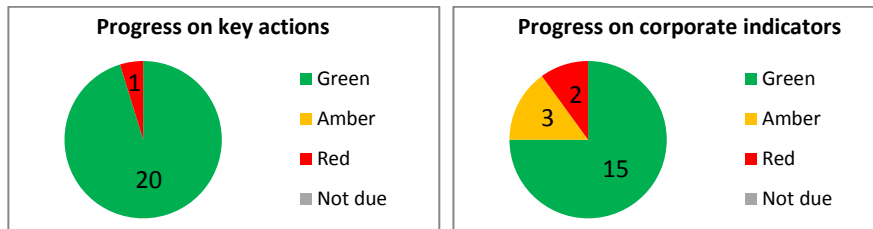
Financial Performance (Appendices D, E, F, G and H)

Adrian Forth, Finance Manager ☎ (01480) 388605

Performance Summary Quarter 2, 2017/18

Enabling communities

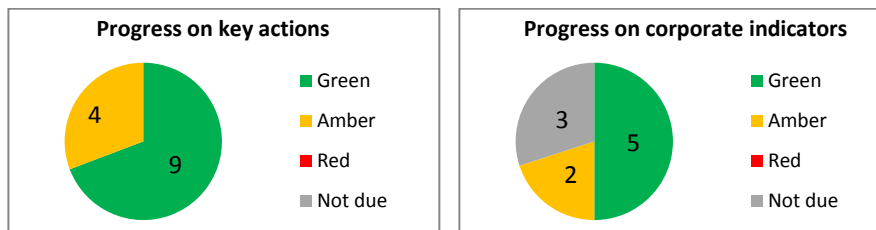
We want to make Huntingdonshire a better place to live, to improve health and well-being and for communities to get involved with local decision making



Highlights include Priory Park in St Neots being awarded Green Flag status in July.

Delivering sustainable growth

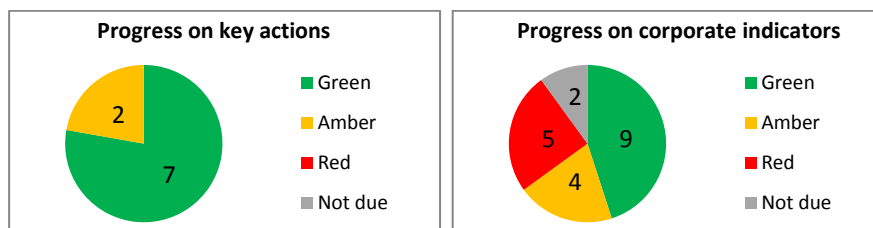
We want to make Huntingdonshire a better place to work and invest and we want to deliver new and appropriate housing



Highlights include 96% of household extension planning applications being processed on time in the year to date.

Becoming a more efficient and effective council

We want to continue to deliver value for money services



Highlights include a 95% satisfaction rate among our Customer Service Centre users.

CORPORATE PLAN – PERFORMANCE REPORT

Appendix B

STRATEGIC THEME – ENABLING COMMUNITIES

Period July to September 2017

Summary of progress for Key Actions

G	Progress is on track	A	Progress is within acceptable variance	R	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
	20		0		1		0		0

Target dates do not necessarily reflect the final completion date. The date given may reflect the next milestone to be reached.

Summary of progress for Corporate Indicators

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
	15		3		2		0		0

WE WANT TO: Create, protect and enhance our safe and clean built and green environment

Status	Key Actions for 2017/18	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
R	KA 5. Maintain clean open spaces to DEFRA Code of Practice on Litter and Refuse, compliant with the Environmental Protection Act	Ongoing	Cllr J White	Neil Sloper	319 inspections have been completed from July 2017 to Sept 2017, of which 62% of work was to standard. Although this indicator is impacted by seasonal variation, performance is being rectified with Weed Spraying contractor and is starting to show improvement towards the end of the quarter and into Q3. Plans to bring this in house next year will improve service delivery.

Corporate Performance and Contextual Indicators

Key to status

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
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Performance Indicator	Full Year 2016/17 Performance	Q2 2016/17 Performance	Q2 2017/18 Target	Q2 2017/18 Performance	Q2 2017/18 Status	Annual 2017/18 Target	Forecast Outturn 2017/18 Performance	Predicted Outturn 2017/18 Status
PI 1. Percentage of sampled areas which are clean or predominantly clean of litter, detritus, graffiti, flyposting or weed accumulations Aim to maximise	86.89%	85.69%	80%	64%	R	80%	80%+	G
Comments: (Operations) There have been 668 inspections in the year to date, with cumulative performance of 64%. From July to September, 319 inspections were completed and 62% of work was to standard. Although this indicator is impacted by seasonal variation, performance is being rectified with the Weed Spraying contractor and was starting to show improvement towards the end of the quarter and into Q3. Plans to bring this in house next year will improve service delivery.								
PI 8. Average time between date of referral of Disabled Facilities Grants (DFGs) to practical completion for minor jobs up to £10,000 Aim to minimise	35.8 weeks	31.7 weeks	28 weeks	44.4 weeks	R	28 weeks	42 weeks	R
Comments: (Development) Performance in Quarter 2 is marginally better than in Quarter 1 which was 44.7 weeks. There is a new Cambs Home Improvement Agency Manager in post who has prepared an Improvement Plan and is putting in place measures to improve performance. The new Manager is due to attend an Overview & Scrutiny Panel (Communities and Environment) meeting in November or December 2017. Any significant reduction in the time taken to complete DFGs is likely to place additional pressure on the 2017/18 budget.								

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STRATEGIC THEME – DELIVERING SUSTAINABLE GROWTH

Period July to September 2017

Summary of progress for Key Actions

G	Progress is on track	A	Progress is within acceptable variance	R	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
9		4		0		0		0	

Target dates do not necessarily reflect the final completion date. The date given may reflect the next milestone to be reached.

Summary of progress for Corporate Indicators

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
5		2		0		0		3	

STRATEGIC THEME – BECOMING A MORE EFFICIENT AND EFFECTIVE COUNCIL

Period July to September 2017

Summary of progress for Key Actions

G	Progress is on track	A	Progress is within acceptable variance	R	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
7		2		0		0		0	

Target dates do not necessarily reflect the final completion date. The date given may reflect the next milestone to be reached.

Summary of progress for Corporate Indicators

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
9		4		5		0		2	

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Corporate Performance and Contextual Indicators

Key to status

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
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Performance Indicator	Full Year 2016/17 Performance	Q2 2016/17 Performance	Q2 2017/18 Target	Q2 2017/18 Performance	Q2 2017/18 Status	Annual 2017/18 Target	Forecast Outturn 2017/18 Performance	Predicted Outturn 2017/18 Status
PI 24. Number of missed bins per 1,000 household collections Aim to minimise	N/A	N/A	0.75	1.53	R	0.75	1.1	R
Comments: (Operations) Quarter 1 performance was 1.53 and quarter 2 performance is 1.54. Quarter 2's performance is slightly higher than Quarter 1's due to a number of our drivers on long term sickness or suspension. This has resulted in different drivers/crew being allocated to rounds which they are not familiar with. The new indicator uses actual collections that take place in a given month for each of the waste stream.								

Performance Indicator	Full Year 2016/17 Performance	Q2 2016/17 Performance	Q2 2017/18 Target	Q2 2017/18 Performance	Q2 2017/18 Status	Annual 2017/18 Target	Forecast Outturn 2017/18 Performance	Predicted Outturn 2017/18 Status
PI 32. Staff sickness days lost per full time employee (FTE) Aim to minimise	10.7 days/FTE	5.6 days/FTE	4.0 days/FTE	4.9 days/FTE	R	9.0 days/FTE	9.9 days/FTE	A
Comments: (Corporate Team/Resources) 2.5 days were lost per FTE in Q2. Although the majority of sickness absence relates to a small number of long-term cases (absences of 28 calendar days or more), it seems unlikely that the annual target will be met given the higher sickness rates typically observed during winter months.								
PI 34. Planned net budget reductions achieved Aim to maximise	£1.9m	£0.74m	£0.75m	£0m	R	£1.5m	£0m	R
Comments: (Resources) The planned net budget reductions are not currently being achieved as Quarter 2 Financial performance monitoring shows an overall forecast revenue overspend of £0.8m. However, the overall position includes some savings that have been made as planned where Zero Based Budget and Line by Line Review saving items have been achieved. Detailed explanations of the Council's forecast revenue budget overspends by service can be found at Appendix D.								
PI 38b. Percentage of stage 2 complaints resolved within time Aim to maximise	89%	83%	98%	77%	R	98%	85%	R
Comments: (Corporate Team) Two out of two complaints in Q2 were dealt with on time. Another two received at the end of September cannot be counted yet but are expected to be resolved within time so the 77% shown should improve. Red performance reflects the three complaints that were not resolved within deadline during Q1.								
PI 40. Percentage of calls to Call Centre answered Aim to maximise	n/a	n/a	90%	76.2%	R	90%	85%	R
Comments: (Customer Services) This is an improvement on the last quarter's figure of 65%, but still some way off our target. Call lengths in customer services have increased as we provide a more comprehensive service to resolve customer enquiries in customer service. There have also been restructures of Council Tax and Benefits this quarter which has made it difficult for us to get through to these departments at times. We are currently analysing the number of calls where we could not get through to key departments to work with them and improve the situation.								

Appendix C – Project Performance

Red = Project is significantly behind schedule, serious risks/issues have been identified or there is a lack of governance documentation	Amber = Progress is behind schedule, some risks/issues have been identified or some documentation is missing. The project may be recoverable	Green = Progress is on track with no impact to delivery	Pending Closure = In close-down stage	Pending Approval = Business Case to be approved	Closed = Project is closed. Closedown report approved by Project Board and Project Management Governance Board.
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Projects relating to Huntingdonshire District Council services/facilities only:

Title / Purpose of Project / Programme / Project Manager	Original End Date (as PID)	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update / Programme Office comments	RAG Status to Original Date	RAG Status to Revised End Date	Latest Update Date
Phoenix Industrial Unit Roof Replace industrial roofs to address H & S and fulfil Council obligations. Capital 2015/16 Jackie Golby (Resources)	28/02/17		31/01/18	October 2017 - Tender process has now been completed with best price at £301,763. Full tenders analysed and clarified against a gross capital budget of £197,000. The tender process was run alongside capital projects for roof replacements at Levellers Lane and Clifton Road. Projects will have to run consecutively with Phoenix Court first and Levellers Lane second with a forecast completion date of end January 2018. TCMG have been consulted and approved the project to proceed.	Red	Red	Within last month
Leisure Invest to Save Opportunities Explore further opportunities for invest to save schemes including the conversion of synthetic pitch at St Neots. Facing the Future Jon Clarke (Leisure)	30/09/15		31/03/17	The negotiations between One Leisure & the St. Neots Learning Partnership had their final round 13 Oct with agreement reached on the Heads of Terms of the Lease Agreement and the paperwork now sits with the Legal Team to draw up the final documents. Once these documents have been signed, the One Leisure St. Neots 3G pitch project can get underway, after more than 2 years of negotiation.	Red	Red	Within last month

Red = Project is significantly behind schedule, serious risks/issues have been identified or there is a lack of governance documentation	Amber = Progress is behind schedule, some risks/issues have been identified or some documentation is missing. The project may be recoverable	Green = Progress is on track with no impact to delivery	Pending Closure = In close-down stage	Pending Approval = Business Case to be approved	Closed = Project is closed. Closedown report approved by Project Board and Project Management Governance Board.
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Title / Purpose of Project / Programme / Project Manager	Original End Date (as PID)	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update / Programme Office comments	RAG Status to Original Date	RAG Status to Revised End Date	Latest Update Date
In Cab Systems The project will replace the existing manual process for logging waste collection issues and involve delivery of that information in a timely manner from the refuse collection vehicle to the call centre. This will involve the purchase of a new bespoke system including hardware devices for the refuse collection vehicles. Capital 2016/17 Sharon Connor (Operations)	TBC		31/10/17	Project has a RED status as classified by the PM due to significant delay arriving from the decision to take a wider corporate approach and consider provision as part of the existing 3C Shared Service. User requirements for operations back office and in-cab technology are currently being established by 3C IT across South Cambridgeshire, Cambridge City and Huntingdonshire District Council. Workshops are completed. HDC awaiting spec to be signed off by South Cambs and Cambridge City.	TBC	Red	Over 1 month ago

3C IT Projects where HDC are customers

Title / Purpose of Project / Programme / Project Manager	Original End Date (as PID)	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update (In Flight) / Programme Office comments	RAG Status to Original Date	RAG Status to Revised End Date	Latest Update Date
Implementation of Financial Management System To introduce a new Financial Management System across the council. 3C Shared Services Andrew Buckell (3C ICT)	TBC		31/10/17	The project status is red due to the Accounts Receivable module requiring further development by the supplier. The supplier has withdrawn a consultant until early August and the interface build and B-ETL build are behind schedule.	TBC	Red	Over 2 months ago

<p>Red = Project is significantly behind schedule, serious risks/issues have been identified or there is a lack of governance documentation</p>	<p>Amber = Progress is behind schedule, some risks/issues have been identified or some documentation is missing. The project may be recoverable</p>	<p>Green = Progress is on track with no impact to delivery</p>	<p>Pending Closure = In close-down stage</p>	<p>Pending Approval = Business Case to be approved</p>	<p>Closed = Project is closed. Closedown report approved by Project Board and Project Management Governance Board.</p>
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Title / Purpose of Project / Programme / Project Manager	Original End Date (as PID)	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update (In Flight) / Programme Office comments	RAG Status to Original Date	RAG Status to Revised End Date	Latest Update Date
<p>Door Access Card Reader Replacement The change to Proximity Card reader from Magnetic Readers at CCC and configure or replace Card Readers at SCDC and HDC. This will improve the security at CCC and provide one card access solution for the three council sites.</p> <p>3C Shared Services Raj Solanki (3C ICT) (Martin Steadman)</p>	TBC		16/12/16	This is showing as red due to the length of time (over 18 months) it has taken to procure and then implement. The delays have come from both the supplier and the availability of Council staff to progress the project. The door readers at the Guildhall offices have been commissioned, 3C ICT has requested and been granted by MBSS a sponsor for this project.	TBC	Red	Over 2 months ago
<p>Server Room Consolidation Project To consolidate the three council's server rooms which will in turn improve flexibility and growth options, mitigate the current risks of out of support and aging hardware, leverage financial benefits and improve operation services.</p> <p>3C Shared Services Raj Solanki (3C ICT) (Martin Steadman)</p>	TBC		31/12/17	The status has changed following information from Virgin Media on slight delays to the setup of the increased fibre links between the sites.	TBC	Red	Within last month (Bitrix)
<p>Mobile Phone Contract Procurement The current HDC contract ended in May 2017; CCC and SCDC are both out of contract.</p> <p>3C Shared Services Caroline Huggon (3C ICT)</p>	TBC		30/09/17	Meetings with Project Boards going ahead and plans for communications (Intranet posts at SCDC and HDC) with staff regarding their mobile phones are in place.	TBC	Red	Within last month (Bitrix)

Service Commentary

Appendix D

The following table provides the variances by service and where variances are greater than +/- £10,000 comments have been provided by the budget managers/Head of Service. Where there are adverse variances the budget managers have provided details of the actions they are undertaking to address the overspend.

Revenue Forecast Outturn	2017/18						
	Budget	Forecast	Use of	Contribution	Net Service	Net Variation	
	£'000	Outturn (Gross) £'000	Reserves to Fund Exp £'000	to Reserves £'000	Forecast £'000	£'000	%
Revenue by Service:							
Community	1,690	1,613		7	1,620	(70) ●	-4.1
Customer Services	2,659	2,910	(13)		2,897	238 ●	9.0
ICT Shared Service	1,721	2,030			2,030	309 ●	18.0
Development	1,134	1,251	(164)	2	1,089	(45) ●	-4.0
Leisure & Health	(160)	(38)		25	(13)	147 ●	91.9
Operations	4,030	4,477	(125)	105	4,457	427 ●	10.6
Resources	4,426	4,494	(51)	14	4,457	31 ●	0.7
Directors and Corporate	1,711	2,452	(1,000)		1,452	(259) ●	-15.1
Net Revenue Expenditure	17,211	19,189	(1,353)	153	17,989	778 ●	4.5
Contributions to/(from) Earmarked Reserves	0	(1,200)				(1,200)	0.0
Service Contribution to Reserves	2,966	2,188				(778)	-26.2
Budget Requirement (Services)	20,177	20,177					
Financing:-							
Taxation & Government Grants	(10,477)	(12,112)				(1,635)	15.6
Contribution to/(from) Reserves	(1,534)	101				1,635	-106.6
Council Tax for Huntingdonshire DC	(8,166)	(8,166)					

Note:

● Red – over spend by 2% or more

● Amber – underspend by more than 4%

● Green – overspend up to 2% and underspend up to 4%

Service Forecasts as at 30 September 2017

AUGUST FORECAST		SEPTEMBER FORECAST OUTTURN VERSUS BUDGET					
Variance (Net)	Service	2017/18 Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
£		£	£	£	£	£	
	Head of Community						
4,646	Head Of Community	89,875	87,060	6,612	93,672	3,797	
4,984	C C T V	(70,393)	(65,408)		(65,408)	4,985	
1,599	C C T V Shared Service	256,389	248,394		248,394	(7,995)	
7,443	Commercial Team	293,803	292,529		292,529	(1,274)	
1,509	Corporate Health & Safety	102,622	93,393		93,393	(9,229)	
(37,100)	Licencing Total	(137,464)	(174,343)		(174,343)	(36,879)	Predicting higher than expected income on licencing at this point in the year, particularly from Licencing Act 2003 licensed premises, and in increase in the number of licensed Hackney Carriage and Private Hire vehicles (£47k). Impacted by process changes including direct payment for DBS checks by the applicants , and increased costs for vehicle inspections (£10k)
(19,438)	Community Team Total	624,634	612,669		612,669	(11,965)	Promotion of the Council's pest control service during 2017/18 seeks to increase income (£5k) along with increased Environmental Enforcement activity resulting from the Community restructure (£2k). Savings predicted from the salaries budget due to part-time working within a number of the Community team posts (£26k). Impacted by costs of implementation for the Public Space Protection Order for Dog Control, and higher than expected rental costs (£21k)
1,899	Environmental Protection Team Total	379,555	367,944		367,944	(11,611)	Savings from the recruitment to posts arising from the restructure of the Community service (£7k) combined with better than expected income (£5)
5,344	Emergency Planning Total	11,575	17,485		17,485	5,910	
(5,084)	Environmental Health Admin Total	139,140	133,142		133,142	(5,998)	
(34,198)		1,689,736	1,612,865	6,612	1,619,477	(70,259)	

AUGUST FORECAST		SEPTEMBER FORECAST OUTTURN VERSUS BUDGET					
Variance (Net)	Service	2017/18 Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
£		£	£	£	£	£	
Head of Customer Services							
1,040	Head of Customer Services	97,080	100,144		100,144	3,064	
4,137	Local Tax Collection	(226,770)	(222,618)		(222,618)	4,152	
55,304	Housing Benefits - Homeless	281,996	337,300		337,300	55,304	Reflects higher numbers of homeless placed in Bed & Breakfast accommodation. This is the net cost to HDC after taking into account customers income and Government subsidy. Action on Overspend - Use of B&B necessary as no alternatives available. Longer term solutions being pursued.
140,751	Housing Benefits - Other	637,731	770,381	(12,700)	757,681	119,950	This is a very large budget with £35million in benefit payments moving in/out of it annually. Variation of this amount is not uncommon. Takes account of latest B&B forecast spend. £12.7k is noted to be off set by earmarked reserve at the end of the financial year. Action on Overspend - Ongoing monitoring will continue, and last financial year the outturn variance was <1%.
(742)	Council Tax Support Total	(134,894)	(135,553)		(135,553)	(659)	
6,521	Housing Needs Total	917,332	928,709		928,709	11,377	Higher use of Temp Accommod and B&B mean the forecast level of debts to be written off has increased. Action on overspend - Likely to be an overspend at year end.
32,737	Customer Services Total	823,404	873,829		873,829	50,425	The impact of continuing provision at the CSC sites is clearer; current estimate is £30k+ for 17/18. Action on Overspend - Will be an overspend at year end. Final detail will be clear by end of Q3
(6,207)	Document Centre Total	263,426	257,989		257,989	(5,437)	
233,541		2,659,305	2,910,181	(12,700)	2,897,481	238,176	

AUGUST FORECAST		SEPTEMBER FORECAST OUTTURN VERSUS BUDGET					
Variance (Net)	Service	2017/18 Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
£		£	£	£	£	£	
Head of ICT Shared Service							
421,548	ICT Shared Service	1,721,333	2,029,783		2,029,783	308,450	<p>Sep 17 Update - Further analysis of actual costs highlighted costs over and above budget as well as capital items reported as revenue. Further savings were found from ongoing staff vacancies yet to be filled and not being covered by hired staff. There were also additional adjustments for items not in the 3C ICT budget for Cambridge City Council and South Cambs District Council. In addition there were over £50k of internal journals to move costs within other HDC internal departments. Invoices to partners to recover costs not within the budget are being progressed. Overall reduction since the August report amounts to £113k.</p> <p>Original budget set in November was not aligned with the business case for the shared service. There is a delta of over £100k omitted from the budget as well as significant problems with salary budgeting approach vs business case. Also, staff budgets were set in advance of changes due to Northgate transition to 3C ICT. The forecast for services is based on actuals from 2016/17 spend with a 2% uplift, hence the excessive variance but this is inline with last years spend profile.</p> <p>Staff salaries are overspend to date due to use of contractors in first quarter which is being phased out over the forthcoming months. Based on actuals from last year forecast is realistic, budget was not set properly in line with business case. This is understood. Within the period we have updated the forecast to include additional hired staff which have been recruited to cover staff absence due to long term sickness. Overall forecast increase of £48kpa.</p> <p>Action on Overspend - We will continue to remove dependency on hired staff to maximise savings vs business case but the budget will remain overrun due to incorrect setup. We will continue to look for savings in the services area but this will have a relatively small effect until large software consolidation takes place for a major line of business system across the 3 partners. We will be inviting suppliers to return and reduce.</p> <p>A revised business case has been submitted to the 3C Management Board for approval including a revised baseline position.</p>
421,548		1,721,333	2,029,783	0	2,029,783	308,450	

AUGUST FORECAST		SEPTEMBER FORECAST OUTTURN VERSUS BUDGET					
Variance (Net)	Service	2017/18 Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
£		£	£	£	£	£	
Head of Development							
(443)	Head of Development	81,516	83,707		83,707	2,191	
(105,200)	Building Control	147,670	273,970	(126,577)	147,393	(277)	Variance relates to HDC paying over to Cambridge City Council the balance on the Building Control Reserve. Action on Overspend - Variance will be covered from earmarked reserves.
(18,845)	Economic Development	253,389	227,441		227,441	(25,948)	Delay in recruiting to new posts.
(70,604)	Planning Policy	702,734	619,386		619,386	(83,348)	£94k due to forecasting increase in CIL admin income. Forecasting net £10k decrease in Neighbourhood planning fees over costs. £30k additional staff cost but £25K income for Wintringham Park staffing. £15K additional Local Plan consultants costs. £13k costs recovered/contributions not expected to be paid out. Smaller variances amounting to £6k.
0	Transportation Strategy	58,120	58,120		58,120	0	
1,600	Public Transport Total	26,100	27,700		27,700	1,600	
100,564	Development Management	(354,962)	(269,737)		(269,737)	85,225	Received £96k for Wintringham Park Appeal Costs (Paid for in 1617) Planning App income - Forecast per Trends sheet using averages to be £150k lower. Appeal overspend of £38k. Salary savings of £12.5k. Smaller variances amounting to £3K. Action on Overspend - Application fee income being kept under review.
(12,198)	Housing Strategy	219,892	230,695	(35,380)	195,315	(24,577)	£18k Reassessed staff costs forecast for 2017/18, £37k to be paid out and funded from Section 106 Funds. £4k Additional costs at Mobile Home Park. Action on Overspend - £35k Funded from Section 106 Funds.
(105,126)		1,134,459	1,251,282	(161,957)	1,089,325	(45,134)	

AUGUST FORECAST		SEPTEMBER FORECAST OUTTURN VERSUS BUDGET					
Variance (Net)	Service	2017/18 Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
£		£	£	£	£	£	
	Head of Leisure & Health						
(197)	Head of Leisure & Health	80,980	80,746		80,746	(234)	
(4,564)	One Leisure Active Lifestyles	203,274	197,160		197,160	(6,114)	
164,697	One Leisure	(444,236)	(316,077)	25,000	(291,077)	153,159	The majority of variance is due to income figures not achieving budget. This has been identified in Impression, Swimming, Indoor sports and Hospitality / Burgess Hall and Bar and Education. As previously reported, the budget for Impressions was optimistic of the recovery at the time of setting. Whilst the current position is showing an improvement of YTD from the previous YTD, it is unlikely to achieve budget targets. Swimming income will not hit target. Analysis has shown that there is a decline in the general swimming attendance, this is a national trend. A proposal will be taken to the Leisure board in November relating to swimming lessons pricing and encouragement of greater family swimming. A 5% increase has been modelled into the forecast from January to end of year. As reported previously the change of scope for OLH project has in impact upon the Hospitality / Funzone and Birthday Party offer. Income for indoor sports is forecasting £27K adrift of budget, this is part is due to the Birthday Party bookings not achieving what was expected at the time of budget setting. A Junior Activity working group has been established to look at the overall provision of junior / family activities across the estate. Education income is showing a reduction across the board of £16K, and the ongoing discussions with Sawtry Village academy are forecasting a reduction in income of £11K on budget, but this may be more. Additionally due to the ongoing discussions with St Neots Learning Partnership relating to the lease and the 3G pitch not being completed there has been a reduction of £6K income that was budgeted for and not been realised

AUGUST FORECAST		SEPTEMBER FORECAST OUTTURN VERSUS BUDGET					
Variance (Net)	Service	2017/18 Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
£		£	£	£	£	£	
							Action on Overspend - Swimming lesson proposal to Board in November for implementation in January. Progress of the OLH project delivery will see the new gym available for the new year to attract members. Careful consideration is being given to current members with specific marketing and promotion now to offset the effect of the new gym opening in the next few weeks. The re-opening of the burgess hall following the refurbishment project should have an impact upon future bookings along with the extension of the bar and a contract with a new brewer should all start increasing the income lines. New menu / prices increases for hospitality due to be introduced on 17th October, drive up profitability. All staffing levels monitored closely with savings on not recruiting to certain posts.
159,936		(159,982)	(38,171)	25,000	(13,171)	146,811	
	Head of Operations						
40 (100)	Head of Operations	78,789	83,163		83,163	4,374	
114	Environmental & Energy Mgt	77,167	83,096		83,096	5,929	
(22,749)	Street Cleansing	793,949	753,578		753,578	(40,371)	£20k saving from carrying 3 vacancies for 1st Quarter. 0.75 FTE. Additional income £20k
(17,912)	Green Spaces	1,163,650	1,285,863	(125,331)	1,160,532	(3,118)	£32k Saving from 3x6 month posts not filled. £151k funding due from S106 receipts is now expected to reduce to £125k.
1,444	Public Conveniences	13,400	14,179		14,179	779	
238,253	Waste Management	2,000,856	2,414,097		2,414,097	413,241	Additional staff costs £330k because round rescheduling savings unable to be achieved and transitional costs to the new rounds. Dispute with recycling contractor £47k Vehicle hire and vehicle maintenance increased due to aging fleet and pending insurance claim £50k.
73,041	Facilities Management	1,065,592	1,110,673		1,110,673	45,081	Action on Overspend - Service review to be carried out £47k Rent to DWP not anticipated to start this year.
3,130	Fleet Management	256,247	253,388		253,388	(2,859)	
2,522	Markets	(67,542)	(63,574)		(63,574)	3,968	
(7,547)	Car Parks	(1,352,616)	(1,457,638)	105,000	(1,352,638)	(22)	NDR Refunds -£145k, of which £40k is to be used to finance the costs of consultancy for the parking strategy. The balance will be transferred to reserves at the end of the financial year.
270,197		4,029,492	4,476,826	(20,331)	4,456,495	427,003	

AUGUST FORECAST		SEPTEMBER FORECAST OUTTURN VERSUS BUDGET					
Variance (Net)	Service	2017/18 Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
£		£	£	£	£	£	
Head of Resources							
456	Head of Resources	87,865	88,291		88,291	426	
(71,595)	Corporate Finance	4,604,336	4,380,817	(12,000)	4,368,817	(235,520)	Corporate redundancy costs (+£33k), but these will be funded from reserve at the year-end; net interest of income from RSL Loan and reduced short term investment interest income (-£81k). MRP adjustment (-£164k) as a result of 2016/17 capital programme outturn
(2,731)	Legal	218,060	211,189		211,189	(6,871)	
94,176	Audit & Risk Mgmt	560,175	645,621		645,621	85,446	Net saving on Secondment against external supplier costs (-£9k), increased costs relating to insurance premiums (+£81k). Action on Overspend - Not possible to reduce in the short-term as this is as a consequence of higher insurance premiums. The largest is as a consequence of recent refuse freighter accident. However, currently investigating alternative insurance provision.
(79)	Procurement	60,226	60,054		60,054	(172)	
(4,426)	Finance	687,208	710,428	(25,000)	685,428	(1,780)	Corporate Sundry Debts Write-off (+£6k) but these will be transferred to reserve at the year-end; additional costs relating to delays in the implementation of the FMS, netted down by reduced licensing costs (-£29k). Action on Overspend - There are one-off costs relating to the implementaiton of the FMS; they should not be repeated next year.
195,333	Commercial Estates	(2,633,916)	(2,339,242)		(2,339,242)	294,674	Property Maintenance costs and additional insurance (+£85k), higher staffing costs as part of Comm Estates recovery team (+£38k), reduced CIS income due to highly competitive market and therefore reduced CIS propositions being acquired (+£169k) (this variance is a mix of reduced MRP expenditure and reduced CIS income). Action on Overspend - The service continues to proactively investigate CIS opportunities and will complete on an acquisition during October; however further investments are required to meet income targets. In addition, alternative delivery models for Commercial Estates are being investigated including the potential to place the management element within HDC Futures.
5,918	HR and Payroll	841,561	737,239		737,239	(104,322)	Saving on Apprentice Salaries as scheme not live until mid-year (-£113k) and reduced income from recovered employee costs (+£10k).
217,052		4,425,515	4,494,397	(37,000)	4,457,397	31,882	

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AUGUST FORECAST		SEPTEMBER FORECAST OUTTURN VERSUS BUDGET					
Variance (Net)	Service	2017/18 Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
£		£	£	£	£	£	
	Corporate Team Manager						
(105,626)	Democratic & Elections	776,150	678,449		678,449	(97,701)	(£53k) saving from no district elections this year; (£59k) surplus from Mayoral and County Elections
(74,973)	Directors	499,847	427,816		427,816	(72,031)	(£25k) Corporate Director Vacancy, (£44k) Post trf to Corporate
(95,023)	Corporate Team	434,710	345,687		345,687	(89,023)	(£74k) Several members of staff moved to Transformation; (£29k) Comms moved to HOSLES, £44k Post trf from Directors
	Transformation	0	1,000,000	(1,000,000)	0	0	Not all seconded staff are being backfilled by the service, ergo there could be savings in other services. Action - Overspend will be funded by reserves £1m
(275,622)		1,710,707	2,451,952	(1,000,000)	1,451,952	(258,755)	
887,326	HDC Totals	17,210,565	19,189,115	(1,200,376)	17,988,739	778,174	

APPENDIX E

Capital Programme Forecast 2017/18		September								
Table 1 Expenditure	Status	RAG	Approved Budget £	Slippage or Supplementary £	Updated Budget £	Expenditure to date £	R A G	Forecast £	Net Variance £	
Community										
	Selection Questionnaire for bidders for the procurement have now been received (25th September), invitation to tender to be issued 2nd October 2017									
CCTV Camera Replacements			190,000	30,000	220,000	0		220,000	0	
CCTV Pathfinder House Resilience			20,000		20,000	0		20,000	0	
CCTV Wi-Fi			250,000		250,000	0		250,000	0	
Lone Worker Software			20,000		20,000	0		20,000	0	
Development										
	Overspend forecast due to excess demand		1,300,000		1,300,000	967,553		1,946,998	646,998	
Disabled Facilities Grants										
<i>Disabled Facilities Grants - Grant Funding</i>			(1,000,000)		(1,000,000)	(1,090,199)		(1,118,716)	(118,716)	
									528,282	
Huntingdon West Development	CPO expenditure expected			35,000	35,000	61,332		96,332	61,332	
Alconbury Weald Remediation	Agreement with U&C for a loan in progress		1,985,000		1,985,000	0		1,940,968	(44,032)	
Leisure and Health										
One Leisure Improvements	Projects being assessed		205,000	(40,000)	165,000	68,121		165,000	0	
Burgess Hall	Tender back VFM review underway		305,000		305,000	8,892		305,000	0	
One Leisure Huntingdon Changing Facilities	Virtually complete			72,000	72,000	280,596		324,754	252,754	
<i>One Leisure Huntingdon Changing Facilities - Grant Funding</i>						(194,021)		(246,800)	(246,800)	
									5,954	
One Leisure Huntingdon Development	Main contract sum and equipment agreed with contractor		779,000	31,000	810,000	19,940		810,000	0	
One Leisure St Neots Synthetic Pitch	Dependant on lease renegotiations			390,000	390,000	0		390,000	0	
<i>One Leisure St Neots Synthetic Pitch - Grant Funding</i>				(274,000)	(274,000)	0		(274,000)	0	
									0	
One Leisure St Ives Redevelopment	Retention from 2011 scheme		0	0	0	62,687		44,187	44,187	
OL St Neots Pool	Dependant on lease renegotiations		290,000		290,000	8,892		290,000	0	
						0			0	

Capital Programme Forecast 2017/18		September								
Table 1 Expenditure	Status	RAG	Approved Budget £	Slippage or Supplementary £	Updated Budget £	Expenditure to date £	R A G	Forecast £	Net Variance £	
Resources									0	
Phoenix Court Lane Industrial Unit Roof Enhancement			157,000	40,000	197,000	0		367,515	170,515	
Levellers Lane Industrial Unit Roof Enhancement	Tenders returned - over budget. Best estimate now adopted as realistic price but subject to building surveyor review		56,000	22,000	78,000	0		218,246	140,246	
Clifton Road Industrial Unit Roof Enhancement	Specification issued to Capita and testing in progress		49,000	21,000	70,000	0		0	(70,000)	
Cash Receipting System	Go live December, development in progress			26,000	26,000	0		26,000	0	
Financial Management System Replacement	Order with ABS		14,000	27,000	27,000	36,003		40,000	13,000	
FMS Archive	Related to roofs		29,000	59,000	88,000	0		88,000	0	
VAT Exempt Capital	Paid			338,000	338,000	300,000		338,000	0	
Capital Grant to Huntingdon Town Council	Not yet requested			800,000	800,000	0		800,000	0	
Loan Facility to Huntingdon Town Council	Company registered, board meeting in Aug, bank account set up in progress			100,000	100,000	0		100,000	0	
Investment in Company									0	
Customer Services									0	
Printing Equipment	Tenders received		176,000		176,000	0		176,000	0	
E-forms	Finished			3,000	3,000	12,541		3,000	0	
3C ICT									0	
Flexible Working - 3CSS	Order placed with O2		50,000		50,000	0		50,000	0	
Telephones - 3CSS	Project complete			28,000	28,000	26,732		28,000	0	
Virtual Server - 3CSS	Project in progress			81,000	81,000	1,950		81,000	0	

Capital Programme Forecast 2017/18		September								
Table 1 Expenditure	Status	RAG	Approved Budget £	Slippage or Supplementary £	Updated Budget £	Expenditure to date £	R A G	Forecast £	Net Variance £	
Operations									0	
Building Efficiencies (Salix)	Committed to floodlighting at EFH and OL sites		28,000	54,000	82,000	0		52,000	(30,000)	
Wheeled Bins	Outstanding orders total £27,000		231,000		231,000	68,232		231,000	0	
Wheeled Bins - Grant Funding			(89,000)		(89,000)	(26,516)		(89,000)	0	
									0	
Vehicle Fleet Replacement	Vehicles in excess of £1m have been ordered and are being delivered		1,146,000	367,000	1,513,000	353,544		1,336,061	(176,939)	
Operations Back Office Development	IT examining business case		135,000		135,000	0		135,000	0	
Play Equipment	Options being examined for area schemes		24,000		24,000	0		24,000	0	
Re-Fit Buildings	Works in progress, completion by Oct		311,000	481,000	792,000	2,340		688,000	(104,000)	
Bridge Place Car Park Godmanchester	Order with Breheny to produce a design but on hold pending sale of land		218,000	100,000	318,000	0		318,000	0	
Pathfinder House Reception (DWP)	Project manager appointed completion expected Feb 2018		303,000		303,000	0		303,000	0	
<i>Pathfinder House Reception (DWP) - Grant Funding</i>			<i>(278,000)</i>		<i>(278,000)</i>	<i>0</i>		<i>(278,000)</i>	<i>0</i>	
									0	
In Cab Technology			75,000	(75,000)	0	0		0	0	
Civic Suite Audio Equipment	Tenders received are higher than estimated			108,000	108,000	0		140,000	32,000	
									0	
Transformation									0	
Transformation Schemes	Business cases being assessed for CRM upgrade, business process repository, business intelligence software.		1,000,000		1,000,000	0		1,000,000	0	
Total Expenditure			7,979,000	2,824,000	10,803,000	968,619		11,373,545	570,545	

Capital Programme Forecast 2017/18

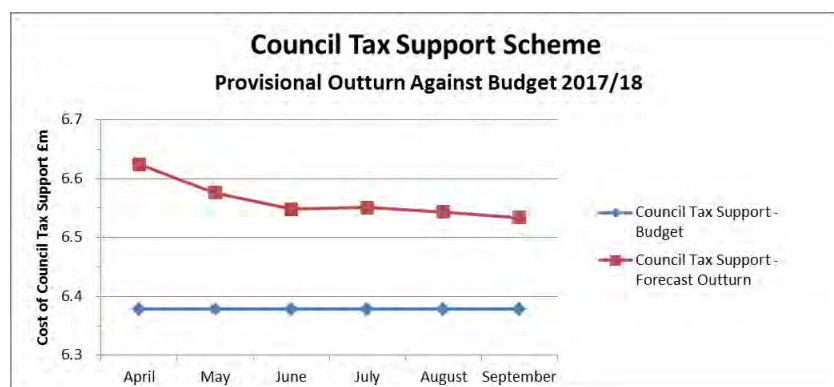
APPENDIX F

Table 2 Funding of Capital Programme	Approved Budget £	Slippage or Supplementary £	Updated Budget £	Expenditure to date £	Forecast £	Variance £
Grants and Contributions						
DFGs			0			0
Pathfinder House Reception			0			0
Wheeled Bins			0			0
Synthetic Pitch			0			0
One Leisure Huntingdon Changing Facilities			0			0
Total Grants and Contributions	0	0	0	0	0	0
Use of Capital Reserves						
Alconbury Remediation Works Reserve	1,985,000		1,985,000	0	1,940,968	(44,032)
Total Capital Reserves	1,985,000	0	1,985,000	0	1,940,968	(44,032)
Capital Receipts						
Loan Repayments	320,000		320,000		320,000	0
Housing Clawback Receipts	500,000		500,000		500,000	0
Total Capital Receipts	820,000	0	820,000	0	820,000	0
Use of Earmarked Reserves						
Financial Management System Replacement		27,000	27,000		27,000	0
Capital Grant to Huntingdon Town Council		300,000	300,000		300,000	0
Investment in Trading Company		100,000	100,000		100,000	0
ICT Transformation	1,000,000		1,000,000		1,000,000	0
FMS Archive	14,000		14,000		14,000	0
CIL Reserve			0		61,332	61,332
To Earmarked Reserves	1,014,000	427,000	1,441,000	0	1,502,332	61,332
Total Funding	3,819,000	427,000	4,246,000	0	4,263,300	17,300
Net to be funded by borrowing	4,160,000	2,397,000	6,557,000	968,619	7,110,245	553,245

Financial Dashboard

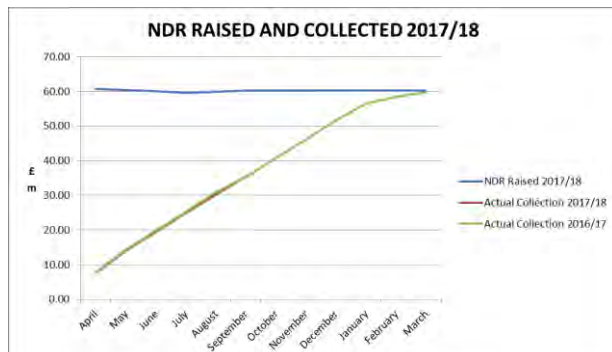
Council Tax Support Scheme

Currently, the actual take-up of Council Tax Support is running approximately £0.16m above the budgeted £6.4m. Any 2017/18 increase in Council Tax Support will impact in 2018/19.

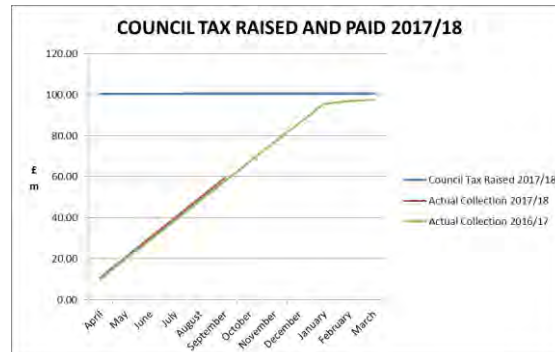


The impact of this increase on HDC will be proportionate to all Council Tax precepts (13.8% for HDC including parishes).

Collection of NDR



Collection of Council Tax



The NDR graph show the total amount of NDR bills raised in 2017/18 and the actual receipts received up to the end of September, with a forecast for receipts through to the end of the year, based on historical collection rates. The Council tax graph provides the same analysis.

Miscellaneous Debt

The total outstanding debt as at September 2017 is £2.111m, £0.907m is prior year debt of which £0.465m relates to 2016/17.

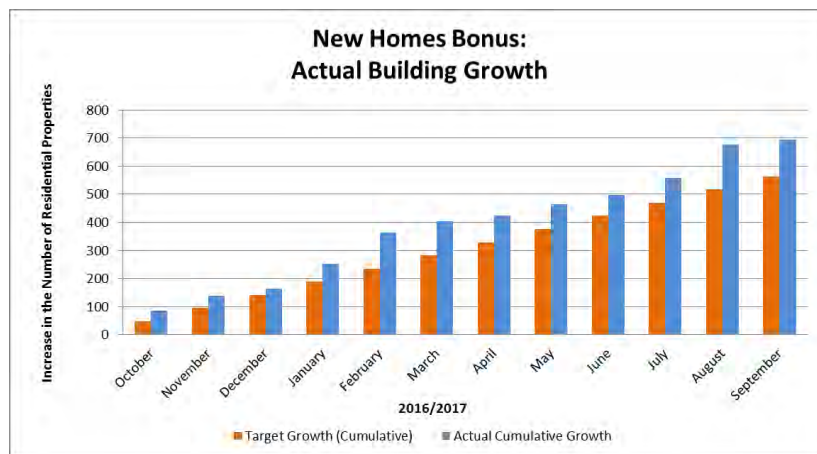
The table shows the level of overdue miscellaneous income debt (debt is overdue when it is older than 21 days). The 2016/17 and 2017/18 debt position is currently showing a large outstanding amount, £701k relates to Commercial Rents and £192k relates to schools and other customers use of One Leisure facilities. Currently, £573k is being collected via direct debit and will be paid by the end of the current financial year.

New Homes Bonus

The 2015/16 reporting cycle (October 2015 to September 2016) saw 637 completions which was 96 ahead of the target of 541. The impact of these additional units will come through in 2017/18.

The current reporting cycle (October 2016 to September 2017) has a target number of completions of 567, as published in the draft Planning Annual Monitoring Report (December 2016). Currently, 695 properties have been completed so we have exceeded the annual target by 128 completions or 22%.

As part of the Local Government Financial Settlement 2016/17 issued in December 2016 the Government announced changes to the New Homes Bonus Scheme. The number of years over which NHB will be paid has reduced from six to four and a new 'deadweight' factor of 0.4% is now being applied meaning the first 0.4% growth above the base does not attract NHB. The impact of these new factors, particularly the deadweight, on the NHB receipts beyond 2017/18 has been assessed and is included in the MTFs.



Register of Reviews of CIS Propositions 2017/18

The process of considering CIS opportunities is as follows:

Step 1

Property investment opportunities are both introduced by agents and actively sourced by the Commercial Estates Team. An initial review is undertaken against the outline criteria of the CIS such as yield, length of lease, tenant strength etc. and if they are judged to be reasonable investments, further preliminary initial due diligence is undertaken to determine the quality of the leases and an initial financial appraisal is undertaken.

Step 2

If Step 1 is passed, more detailed due diligence is undertaken (including detailed tenant strength review, ownership title, property energy efficiency, market analysis of rents and yield etc), this may lead to a site visit and more robust financial appraisal/modelling and further market scrutiny.

Step 3

If Step 2 is passed, then approval is sought from the members of the Treasury & Capital Management Group, the Managing Director, Corporate Director (Services) and the Head of Resources to submit a formal initial bid, subject to contract and relevant building and condition surveys

Step 4

If the bid submitted at Step 3 is successful, then this progresses to consideration by Overview and Scrutiny and approval for Cabinet.

Step 5

Once approval is given, formal legal and building condition due diligence commences by instruction of lawyers and building/specialist surveys are undertaken. This may take several weeks during which all concerns raised on legal and lease title and building condition are satisfied. If any significant concerns are unsatisfied, these can either be negotiated on price or withdraw from the purchase.

Reviews Undertaken July to September 2017 (Quarter 2)

Over the above period, 35 propositions were reviewed up to stage 1, of which 6 reviewed up to stage 2, 2 proceeded to stage 3 (bids) and one to stage 5 with formal bid submitted and accepted.

By property type, the 35 propositions were as follows:

Industrial/distribution	5 (stand alone)
Office	10 (1 was bid and accepted)
Leisure	1 (bid on)
Retail high street	13
Retail warehouse	6

The majority of opportunities are well outside the district and included properties in Scotland, Wales and Isle of Man. There are a significant number of office opportunities; we are now well represented in this area with the purchase of Fareham. More retail is coming to the market but polarised between very prime and low yielding asset and secondary retail where security of income is questionable for the medium to long term.

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Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Treasury Management Six Month Performance Review

Meeting/Date: Overview and Scrutiny Panel (Performance and Customers)
– 1st November 2017

Executive Portfolio: Strategic Resources: Councillor J A Gray (Executive Member for Strategic Resources)

Report by: Head of Resources

Wards affected: All Wards

RECOMMENDATION

The Overview and Scrutiny Panel is invited to comment on the contents of the Treasury Management Six Month Performance Review from the attached Cabinet report.

**Public
Key Decision – No**

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Treasury Management Six Month Performance Review

Meeting/Date: Cabinet – 16th November 2017

Executive Portfolio: Strategic Resources: Councillor J A Gray (Executive Member for Strategic Resources)

Report by: Head of Resources

Ward(s) affected: All Wards

Executive Summary:

Best practice and prescribed treasury management guidance requires Members to be kept up to date in respect of treasury management activity for the first half of the year, including investment and borrowing activity and treasury performance.

The main purpose of the Treasury Management is to;

- Ensure the Council has sufficient cash to meet its day to day obligations.
- Borrow when necessary to fund capital expenditure, including borrowing in anticipation of need when rates are considered to be low.
- Invest surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest.

The key market Treasury Management issues through the first half of 2017/18 influencing the Council's decision-making were;

- Economic growth forecasts are becoming more pessimistic as real wage growth turns negative.
- The Bank of England has kept the Bank Rate at 0.25% but an increase in the rate is increasingly likely.
- Market rates as a whole are very low in response to the fall in the Bank Rate, reducing the Council's ability to earn a return on investments without increasing the risk of the investments. The Council's average investing rate was 0.11%.
- Whilst there have been a small number of credit rate changes there is still

some concern about the stability of some financial institutions.

The Council's response to the key issues was;

- When the Council has surplus funds these will primarily be invested on a short term basis, in liquidity accounts and money market funds.
- Where possible to take a higher return without sacrificing liquidity.
- When borrowing the Council has used the Public Works Loan Board (PWLB), which offers low fixed rate borrowing, based on gilt yields over a long period. The average interest rate paid was 3.47%.
- Where economic conditions are forecast to deteriorate it is vital to monitor financial institutions credit rating, and credit default swap rates (the cost to insure lending).

The Council's Commercial Investment Strategy (CIS)

The Commercial Investment Strategy commenced in 2015/16. Indicators relating to the investments that have occurred in the first half of 2017/18 and those investments made in 2016/17 are shown in **Appendix E**.

The returns from the CIS portfolio represent a higher return than those from financial institutions and in addition offer a less risky investment as they are backed by a physical asset.

The yield from the pre-CIS estate is 9.5%. The average yield from the CIS estate is 7.9%. The yield from the pre-CIS estate is higher because the values of these properties are lower (the yield is income divided by the property value).

So far the CIS purchases have been financed from the earmarked CIS Reserve. At the start of 2017/18 the balance on this reserve was £3.19m, and as at 30th September 2018 remained at £3.19m.

Recommendation:

The Cabinet is recommended to

- Note the treasury management performance for the first 6 months of 2016/17 and to recommend the report to Council for consideration.

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to update Members on the Council's treasury management activity for the first 6 months of the year, including investment and borrowing activity and treasury performance.

2. BACKGROUND

- 2.1 It is regarded as best practice and prescribed treasury management practice, that Members are kept up to date in treasury management activity.
- 2.2 The Council approved the 2017/18 Treasury Management Strategy at its meeting on 22nd February 2017.
- 2.3 All treasury management activity undertaken during the first half of 2017/18 complied with the CIPFA Code of Practice and relevant legislative provisions.
- 2.4 The investment strategy is to invest any surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest. The Council's borrowing strategy permits borrowing for cash flow purposes and funding current and future capital expenditure over whatever periods are in the Council's best interests.

3. ANALYSIS

Economic Review

- 3.1 An economic review of the year has been provided by our Treasury Management advisors, Arlingclose and is attached with an analysis of the local context implications in **Appendix A**. The main relevance to the Council is

- Economic growth slowed in pace in the first half of 2017/18.
- Real wage growth is negative, this is likely to restrain economic growth and activity in the second half of 2017/18
- Inflation is currently at its highest rate since June 2013, the fall in the value of the Pound resulting in higher import cost has had a large influence on this.
- The bank rate has been maintained at 0.25%. As a consequence the Council's borrowing costs will remain low but the opportunities to make significant returns on financial investments remain limited.
- There have been strong market reactions to the EU exit vote, with bond yields declining to record lows. The consequence being that PWLB lending rates will also remain low.

Performance of Council Funds

- 3.2 The following table summarises the treasury management transactions undertaken during the first 6 months of 2017/18 financial year and the details of the investments and loans held as at 30th September 2017 are shown in detail in **Appendix B**.

	Principal Amount £m	Interest Rate %
Investments		
at 31 st March 2017	3.8	1.11
less matured in year	-114.0	
plus arranged in year	+121.6	
at 30 th September 2017	11.40	0.47
Average Investments to 30 Sept	10.1	0.32
Borrowing		
at 31 st March 2017	15.94	3.47
less repaid in year	-0.12	
plus arranged in year	+0.00	
at 30 th September 2017	15.82	3.47
Average Borrowing to 30 Sept	16.3	3.47
Note; Interest rates above are as at dated apart from averages, where these are the average for the half year.		

Investments

3.3 The Council's strategy for 2017/18 was based on all investments being managed in-house. The investments were of three types:

- Time deposits, these are deposits with financial institutions that are of a fixed term and mature on an agreed date. In the Council's case usually in 1 to 2 weeks.
- Liquidity (call) accounts, these are accounts held with banks where there is no fixed term and the money can be deposited or withdrawn on the day.
- Money Market Funds, these are funds where investor's deposits are aggregated together and invested across a large range of financial products, giving a high degree of diversification.

3.4 The average rate of interest on all investments was 0.32%, 0.21% above the 7 day LIBID (London Interbank Bid Rate) benchmark rate of 0.11%, this represents a return of over three times the bench-mark rate. This good performance was due to £1.080m of the investments being locked into higher rates before the year started together with the use of Money Market Funds.

3.5 When only short-term cash flow investment activity is considered, the rate of interest on investments was 0.11%, which has achieved the 7-day benchmark rate of 0.11%.

Borrowing

3.6 The Council's exposure to interest rate risk at the end of September was:

- £15.8m long term borrowing from the PWLB, at a weighted average rate of 3.47%.
 - Short term borrowing at 30th September 2017 was nil.
- 3.7 The actual net investment interest (after deduction of interest receivable on loans) was £244,000 to 30 September 2017 against a forecast figure of £342,000 and the budget figure of £385,000.
- 3.8 During the first half of the year the Council has borrowed from the PWLB to finance the loans to Luminus, this is over a period of 31 years.
- 3.9 There was short-term borrowing of £9m during 2017-18, in order to meet the Council's cash flow requirements.

The Risk Environment

- 3.10 The changes to the environment in which investing takes place are detailed in **Appendix C** the main points to note are;
- Bail in legislation requiring investors to contribute to bank losses has replaced government bail outs. If a bank were to become insolvent then investors funds (including Councils), will be used to refinance the bank, in this circumstance the Council would lose a proportion of its investment. To mitigate this risk the Council's funds are invested for short periods, which means that funds can be withdrawn from that institution before it fails.
 - Counter-party and credit rating updates; there were only a few credit rating changes and credit default (a type of loan insurance) rates have fallen, indicating slightly improved market confidence.
 - MIFID2 is to be implemented in January 2018, Council's will be asked if they want to acquire professional status to meet this requirement they will need to demonstrate they have the required skills and experience. The Council is currently completing the required paperwork to fulfil the MIFID2 requirements. If the Council cannot meet these requirements it will reduce the direct investing options available, restricted to the use of bank deposits and use of the government's Debt Management Office deposits.
 - The regulations covering money market funds are being tightened up, so that they must meet strict new criteria and minimum liquidity requirements. This will take effect in January 2019.

Risk Management

- 3.11 The Council's primary objectives for the management of its investments are to give priority to the **security** and **liquidity** (how quickly cash can be accessed) of its funds before seeking the best rate of **return**.
- 3.12 The Council manages security by investing short-term with highly-rated banks and building societies, as well as investing with local authorities in the UK which are deemed to be intrinsically safe.
- 3.13 In addition to this the Council makes significant use of a number of Money

Market Funds, where a large numbers of investors' funds, including the Council's, are aggregated and spread across a wide range of investments. The Council is therefore able to access a spread of investments across a number of funds not available if it were to invest on its own.

- 3.14 In order to manage liquidity the Council invests funds in call accounts or Money Market Funds, which provide instant access to funds.
- 3.15 The Council's priority has been security and liquidity, over the return on investments, which resulted in investments during 2016/17 generally being of short duration (the majority on call). The result of low interest rates across the market is that the margin gained from the benefit of investing for longer period does not out-weigh the potential costs of failure of the investment.

Compliance with Regulations and Codes

- 3.16 All the treasury management activity undertaken during the financial year complied with the approved strategy, the CIPFA Code of Practice, and relevant legislation.
- 3.17 The Code requires the Council to approve both Treasury Management and Prudential Indicators. Those for 2016/17 were approved at the Council meeting on 22nd February 2017. **Appendix D** shows the relevant prudential indicators and the actual or forecast for 30th September 2017, the table below is a summary of key indicators. CIPFA issued a consultation in the summer on proposed amendments to be made to the Code of Practice. The Council has responded to consultation giving its views on the proposed changes to the indicators. An emphasis is being placed on the use of local indicators, and the council is already making use of these for its CIS programme.

Prudential Management Indicators			
	2017/18 Estimate	2017/18 Forecast	Impact on the Council
Net capital expenditure	£8.8m	£9.5m	The forecast spend is higher than budget due to an estimated overspend on DFGs of £0.6m
Expenditure on interest and MRP (Minimum Revenue Provision)	11.4%	10.1%	As a result of underspends in 2016/17 the MRP is lower for 2017/18.
Capital Financing Requirement (CFR)	£43.7m	£44.1m	The CFR has edged higher due to the forecast overspend as a result of DFG demand.
	31/03/17	30/09/17	
Long-term borrowing total	£15.7m	£15.8m	Borrowing has increased to fund the series of loans to Luminus for the Langley Court development.
Treasury Management Indicators			
	2017/18 Limit	2017/18 Actual	
Authorised Limit for debt	£122.0m	£22.3m	The Council's debt has

Operational boundary for debt	£117.0m	£22.3m	increased as a result of loans to finance the Luminus loan, but is still within the approved limits
Upper limit on Fixed interest rate exposure Variable interest rate exposure	£70.1m £30.0m	£10.1m £10.2m	Investments made for less than 1 year have been classified as variable.
Borrowing repayment profile (10 years)	18%- 100%	87%	The loan repayment profile has remained the same.
Investments longer than 364 days	£76.1m	£0m	Only short-term or instant access investments.

Commercial Investment Strategy (CIS)

- 3.18 The CIS business plan was approved in December 2015. The implementation of the CIS is a key part of the Council's strategy to generate additional income to assist in closing the Council's forecast gap in the revenue budget.
- 3.19 Opportunities for investments are being sought and evaluated on an on-going basis. During the first half of 2017/18, 31 potential CIS purchases have been evaluated. The results of this analysis are shown in table 7 in Appendix E giving if rejected, the reason for rejection.
- 3.20 The yields from the CIS assets are shown in Appendix E, as well as the yield from the existing commercial estate. The CIS Business Plan targeted returns as a minimum for land and building investment of between 6% and 9%. This has been achieved and exceeded in the case of Stonehill, Huntingdon. The returns from these investments are key to closing the Council's revenue funding gap, and represent a significantly higher return than can be achieved on investments with financial institutions.
- 3.21 A number of the indicators shown in **Appendix E** will not be relevant until the CIS Reserve is fully applied and borrowing is required to continue to purchase assets. When borrowing commences, these indicators will be calculated.

4. COMMENTS OF OVERVIEW & SCRUTINY

- 4.1 This report is to be considered at the meeting held on the 1st of November 2017.

5. RISKS

- 5.1 The risks arising from treasury management activities are highlighted in the report and are measured by reference to the prudential indicators in **Appendix D**.

6. WHAT ACTIONS WILL BE TAKEN

- 6.1 Treasury management activities will continue to be monitored, in order to mitigate security and liquidity risks.

7. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND / OR CORPORATE OBJECTIVES

7.1 Treasury management activity is a corporate function of the Council and supports the achievement of the Councils three corporate priorities; consequently it is a key element in the budget setting and management process.

7.2 In addition, the Council's Treasury function directly contributed to the "Working with our communities" strategic theme (Corporate Plan 2014-2016) in that it provided loan finance to support an external partner (Luminus) to fund the construction of the Eden Place Care Facility in St. Ives, and continued to support the loan facility that was previously extended to Huntingdonshire Regional College.

8. LEGAL IMPLICATIONS

8.1 No direct, legal implications arise out of this report.

9. RESOURCE IMPLICATIONS

9.1 The resource implications relating to the net interested due to the council is explained in paragraph 3.7.

10. REASONS FOR THE RECOMMENDED DECISIONS

10.1 The treasury management activity continues to be monitored, to ensure that risks arising are mitigated.

11. LIST OF APPENDICES INCLUDED

Appendix A – Economic review (Source: Arlingclose)

Appendix B – Borrowing and Investments as at 30th September 2017

Appendix C – Risk Environment 2017-18

Appendix D – CIPFA Prudential Indicators

Appendix E – Commercial Investment Strategy Indicators

Appendix F – Glossary


BACKGROUND PAPERS

Working papers in Resources


CIPFA Treasury Management Code of Practice

CONTACT OFFICERS

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APPENDIX A

Economic Review of 2017/18	
<p>Economic Growth Economic activity expanded at a much slower pace as evidenced by Q1 and Q2 GDP growth of 0.2% and 0.3% respectively. With the dominant services sector accounting for 79% of GDP, the strength of consumer spending remains vital to growth, but with household savings falling and real wage growth negative, there are concerns that these will be a constraint on economic activity in the second half of 2017.</p>	<p>Local Context A reduction in economic activity could have an adverse effect on the Council's trading operations (e.g. CIS, Markets, Car Parks, Building Control, Development Control). With the result that income may reduce.</p> <p>In addition there is likely to be a financial tightening by Government due to reduced tax receipts, potentially resulting in a reduction in public sector funding and expenditure</p>
<p>Inflation UK Consumer Price Inflation (CPI) index rose with the data print for September showing CPI at 3.0%, the highest rate since June 2013. The fall in the value of sterling following the June 2016 referendum result continued to feed through into higher import prices. The new inflation measure CPIH, which includes owner occupiers' housing costs, was at 2.7%.</p>	<p>Local Context Inflationary pressures could start to effect council spending. As a result there could be pressure on some budgets where costs are rising. There may also be pressure in the MTFS to mitigate this pressure through changes in spending and income generation.</p> <p>The increase in Business Rates is set on the September RPI, so this will rise by 3.9%</p>
<p>UK Monetary Policy The Bank of England made no change to monetary policy at its meetings in the first half of the financial year. The vote to keep Bank Rate at 0.25% narrowed to 5-3 in June highlighting that some MPC members were more concerned about rising inflation than the risks to growth. Although at September's meeting the Committee voted 7-2 in favour of keeping Bank Rate unchanged, the MPC changed their rhetoric, implying a rise in Bank Rate in "the coming months".</p> <p>In the face of a struggling economy and Brexit-related uncertainty, Arlingclose expects the Bank of England to take only a very measured approach to any monetary policy tightening; any increase will be gradual and limited as the interest rate backdrop will have to provide substantial</p>	<p>Local Context Increases in interest rates by the Bank of England to control inflation, will help to lift rates that the Council invests at in the medium term.</p>

<p>support to the UK economy through the Brexit transition.</p>	
<p>Global Monetary policy In contrast, near-term global growth prospects improved. The US Federal Reserve increased its target range of official interest rates in June for the second time in 2017 by 25bps (basis points) to between 1% and 1.25% and, despite US inflation hitting a soft patch with core CPI at 1.7%, a further similar increase is expected in its December 2017 meeting. The Fed also announced confirmed that it would be starting a reversal of its vast Quantitative Easing programme and reduce the \$4.2 trillion of bonds it acquired by initially cutting the amount it reinvests by \$10bn a month.</p>	
<p>Market Reaction Gilt yields displayed significant volatility over the six-month period with the appearing change in sentiment in the Bank of England’s outlook for interest rates, the push-pull from expectations of tapering of Quantitative Easing (QE) in the US and Europe and from geopolitical tensions, which also had an impact. The yield on the 5-year gilts fell to 0.35% in mid-June, but then rose to 0.80% by the end of September. The 10-year gilts similarly rose from their lows of 0.93% to 1.38% at the end of the quarter, and those on 20-year gilts from 1.62% to 1.94%.</p> <p>The FTSE 100 nevertheless powered away reaching a record high of 7548 in May but dropped back to 7377 at the end of September. Money markets rates have remained low: 1-month, 3-month and 12-month LIBID rates have averaged 0.25%, 0.30% and 0.65% over the period from January to 21st September.</p>	<p>Local Context Whilst the Council has no direct investments in shares, movements on the stock exchange tend to have an effect on the economy as a whole. With share price increases tending to make investors more confident and consequently aiding economic growth and potentially mitigating some of the growth issues mentioned above.</p> <p>The increase in gilts yields will have a direct effect on the Council if it wishes to borrow from the PWLB, as the rate of interest is set in relation to gilt yields. Higher yields mean higher borrowing rates.</p>

<p>Interest Rates Forecast</p> <p>The Bank of England's Monetary Policy Committee has changed its rhetoric, implying a rise in Bank Rate in "the coming months". Arlingclose is not convinced the UK's economic outlook justifies such a move at this stage, but the Bank's interpretation of the data seems to have shifted.</p> <p>This decision is still very data dependant and Arlingclose is, for now, maintaining its central case for Bank Rate at 0.25% whilst introducing near-term upside risks to the forecast as shown below. Arlingclose's central case is for gilt yields to remain broadly stable in the across the medium term, but there may be near term volatility due to shifts in interest rate expectations.</p>	<p>Local Context</p> <p>Borrowing costs are likely to remain low for some time, but so are investing rates. Having a direct effect on the amount of interest the Council can earn from its investments. The longer the rates remain lower the rates become on investments as financial institutions strip out any margins.</p>
<p>Unemployment Rate</p> <p>The unemployment rate fell to 4.3%, the lowest since May 1975, but the squeeze on consumers intensified as average earnings grew at 2.5%, below the rate of inflation.</p>	<p>Local Context</p> <p>The Council will find it harder to recruit suitably skilled staff, as the labour market get tighter.</p>
<p>Economic Outlook</p> <p>The UK economy faces a challenging outlook as the minority government continues to negotiate the country's exit from the European Union. Both consumer and business confidence remain subdued. Household consumption growth, the driver of UK GDP growth, has softened following a contraction in real wages. Savings rates are at an all-time low and real earnings growth (i.e. after inflation) struggles in the face of higher inflation.</p>	<p>Local Context</p> <p>Challenging conditions in the economy will impact on the Council's services that are income earning.</p>
<p><i>Source of Data: Arlingclose Ltd</i></p>	

APPENDIX B

BORROWING AND INVESTMENTS AT 30 SEPTEMBER 2017

	Short-term Rating		Date Invested/ Borrowed	Amount		Interest Rate	Year of Maturity
	Fitch	Moody's		£m	£m		
Borrowing							
Short-term							
NIL							
Long-term							
PWLB			19/12/08	5.000		3.90%	2057/58
PWLB			19/12/08	5.000		3.91%	2058/59
PWLB			07/08/13	0.940		2.24%	2023/24
PWLB			25/11/15	0.736		3.28%	2046/47
PWLB			19/01/16	0.970		3.10%	2046/47
PWLB			21/03/16	0.485		2.91%	2046/47
PWLB			29/04/16	0.392		3.10%	2047/48
PWLB			02/06/16	0.318		2.92%	2047/48
PWLB			29/07/16	0.628		2.31%	2047/48
PWLB			23/09/16	0.489		2.18%	2047/48
PWLB			06/01/17	0.866		2.67%	2047/48
Total Borrowing					15.824		
Investments In-House Investments							
NatWest Liquidity	F1	P2	30/09/17	0.905		0.05%	On-call
Cambridge Building Society			30/09/17	0.100		0.15%	On-call
Coventry Building Society			15/08/17	1.500		0.12%	Fixed
Bournemouth BC			30/09/17	1.500		0.12%	Fixed
Handelsbanken	F1+	P1	30/09/17	1.250		0.15%	On-call
Barclays	F1	P1	30/09/17	1.500		0.05%	On-call
Blackrock	Not rated	MMF	30/09/17	0.500		0.18%	MMF
CCLA	AAA	MMF	30/09/17	0.500		0.18%	MMF
Federated	Not rated	MMF	30/09/17	0.500		0.15%	MMF
Insight	Not rated	MMF	30/09/17	1.000		0.20%	MMF
Legal and General	Not rated	MMF	30/09/17	0.500		0.20%	MMF
Standard Life	AAA	MMF	30/09/17	0.500		0.17%	MMF
Total Short Term Investments					10.255		
Loans to Other Organisations							
Huntingdon Regional College	Not rated			1.101		3.34%	2023/24
Huntingdon Gym	Not rated			0.061		5.13%	2023/24
					1.162		
Total Investments					11.417		
CCLA Property Fund			28/01/16		2.500		
CCLA Property Fund			27/02/17		1.500		

Loans to Luminus							
Luminus-1	Not rated	26/11/15	0.750		4.78%	2047/48	
Luminus-2	Not rated	19/01/16	1.000		4.60%	2047/48	
Luminus-3	Not rated	21/03/16	0.500		4.41%	2047/48	
Luminus-4	Not rated	29/04/16	0.400		4.60%	2047/48	
Luminus-5	Not rated	02/06/16	0.325		4.42%	2047/48	
Luminus-6	Not rated	29/07/16	0.650		3.81%	2047/48	
Luminus-7	Not rated	23/09/16	0.500		3.68%	2047/48	
Luminus-8	Not rated	06/01/17	0.875		4.17%	2047/48	
Total Loans					5.000		
Total Investments					18.917		
Net Investments					5.069		

Definition of Credit Ratings

Fitch	Rating	Definition
Short term	F1	Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added “+” to denote any exceptionally strong credit feature.
	F2	Good rated intrinsic capacity for timely payment of financial commitments.
	F3	Fair rated intrinsic capacity for timely payment of financial commitments.
Long-term	AAA	Highest credit quality organisations, reliable and stable. 'AAA' ratings denote the lowest expectation of default risk . They are assigned only in cases of exceptionally strong capacity for payment of financial commitments.
	AA	Very high credit quality. 'AA' ratings denote expectations of very low default risk . They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
	AA-	
	A	High credit quality. 'A' ratings denote expectations of low default risk . The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
	A-	
	BBB	Good credit quality. BBB ratings indicate expectations of low default risk . The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.
Notes The modifiers “+” or “-” may be appended to a rating to denote relative status within major rating categories.		

APPENDIX C

<p>Risk and Credit Environment 2017/18</p>	
<p>Bail In The risk arises from banks failing, regulation places the burden of losses on the banks investors. This is as opposed to a government a bail-out which is what happened at the last financials crisis in 2008.</p>	<p>Local Context Some public bodies will carry higher levels of long-term cash, and as a result need to invest long-term, the Council generally has cash that will be needed in the short-term and as a result places funds where they are accessible in the short-term.</p>
<p>MiFID II Local authorities are currently treated by regulated financial services firms as professional clients who can “opt down” to be treated as retail clients instead. But from 3rd January 2018, as a result of the second Markets in Financial Instruments Directive (MiFID II), local authorities will be treated as retail clients who can “opt up” to be professional clients, providing that they meet certain criteria. Regulated financial services firms include banks, brokers, advisers, fund managers and custodians, but only where they are selling, arranging, advising or managing designated investments. In order to opt up to professional, the authority must have an investment balance of at least £10 million and the person authorised to make investment decisions on behalf of the authority must have at least one year’s relevant professional experience. In addition, the firm must assess that that person has the expertise, experience and knowledge to make investment decisions and understand the risks involved.</p>	<p>Local Context The main additional protection for retail clients is a duty on the firm to ensure that the investment is “suitable” for the client. However, local authorities are not protected by the Financial Services Compensation Scheme nor are they eligible to complain to the Financial Ombudsman Service whether they are retail or professional clients. It is also likely that retail clients will face an increased cost and potentially restricted access to certain products including money market funds, pooled funds, treasury bills, bonds, shares and to financial advice. The Authority has declined to opt down to retail client status in the past as the costs were thought to outweigh the benefits.</p> <p>The Authority will meet the conditions to opt up to professional status and intends to do so in order to maintain their current MiFID status.</p>
<p>Money Market Funds The new EU regulations for Money Market Funds were finally approved and published in July and existing funds will have to be compliant by no later than 21st January 2019. The key features include Low Volatility NAV (LVNAV) Money Market Funds which will be permitted to maintain a constant dealing NAV, providing they meet strict new</p>	<p>Local Context The Money Market Funds will be required to meet stricter standards than those that are currently in place. Although as yet each fund has not released the details of how they will be progressing with this, the expectation is that the Money Market Funds that the Council uses will seek to meet the new standards and continue to be available for investing.</p>

<p>criteria and minimum liquidity requirements. MMFs will not be prohibited from having an external fund rating (as had been suggested in draft regulations). Arlingclose expects most of the short-term MMFs it recommends to convert to the LVNAV structure and awaits confirmation from each fund.</p>	
<p>Credit Environment</p> <p>UK bank credit default swaps continued their downward trend, reaching three-year lows by the end of June. Bank share prices have not moved in any particular pattern.</p> <p>There were a few credit rating changes during the quarter. The significant change was the downgrade by Moody's to the UK sovereign rating in September from Aa1 to Aa2 which resulted in subsequent downgrades to sub-sovereign entities including local authorities. Moody's downgraded Standard Chartered Bank's long-term rating to A1 from Aa3 on the expectation that the bank's profitability will be lower following management's efforts to de-risk their balance sheet. The agency also affirmed Royal Bank of Scotland's and NatWest's long-term ratings at Baa1, placed Lloyds Bank's A1 rating on review for upgrade, revised the outlook of Santander UK plc, and Nationwide and Coventry building societies from negative to stable but downgraded the long-term rating of Leeds BS from A2 to A3.</p> <p>Ring-fencing, which requires the larger UK banks to separate their core retail banking activity from the rest of their business, is expected to be implemented within the next year.</p>	<p>Local Context</p> <p>The Council monitors credit ratings, these are used to make decision about which institutions to invest with, based on the parameters set within the Treasury Management strategy. The Council's investments are in the majority of short duration as a consequence, any adverse movements in credit ratings would be a signal to remove investments from those institutions.</p>

APPENDIX D

CIPFA Prudential Indicators for Capital Finance in Local Authorities Prudential Indications and Treasury Management Indications for 2017/18 Comparison of forecast results with limits.

PRUDENTIAL MANAGEMENT INDICATORS

1. **Actual and Estimated Capital Expenditure.**

	2017/18 Estimate £m	2017/18 Forecast £m
Gross	12.4	13.5
Net	8.8	9.5

2. **The proportion of the budget financed from government grants and council tax that is spent on interest and the provision for debt repayment.**

2017/18 Estimate %	2017/18 Forecast %
11.4	10.1

3. **The capital financing requirement.**

This represents the estimated need for the Authority to borrow to finance capital expenditure less the estimated provision for redemption of debt (the MRP).

2017/18 Estimate £m	2017/18 Forecast £m
43.7	44.1

4. **Net borrowing and the capital financing requirement.**

Net external borrowing as at the 30th September 2017, was £15.8m, this is £28.3m less than the forecast capital financing requirement. Thereby confirming that the council has not borrowed for revenue purposes other than in the short-term for cash flow purposes.

5. **The actual external long-term borrowing at 30th September 2017**

£15.8m

6. **Adoption of the CIPFA Code**

The Council has adopted the 2011 edition of the CIPFA Treasury Management Code of Practice.

TREASURY MANAGEMENT INDICATORS

7. The authorised limit for external debt.

This is the maximum limit for borrowing and is based on a worst-case scenario.

	2017/18 Limit £m	2017/18 Actual £m
Short-Term	26.0	6.0
Long Term	45.0	10.0
Other long-term liabilities (leases)	6.0	0.5
Total	77.0	16.5
Long-term for loans to organisations	15.0	5.8
CIS Investments giving a yield	30.0	0.0
Total	122.0	22.3

8. The operational boundary for external debt.

This reflects a less extreme position. Although the figure can be exceeded without further approval, it represents an early warning monitoring device to ensure that the authorised limit (above) is not exceeded.

	2017/18 Limit £m	2017/18 Actual £m
Short-Term	21.0	6.0
Long Term	45.0	10.0
Other long-term liabilities (leases)	6.0	0.5
Total	72.0	16.5
Long-term for loans to organisations	15.0	5.8
CIS Investments giving a yield	30.0	0.0
Total	117.0	22.3

Both of these actual results reflect the fact that long term rates were not considered low enough to borrow in anticipation of need

9. Exposure to investments with fixed interest and variable interest.

These limits are given as a percentage of total investments. Investments of less than 12 months count as variable rate.

	Limit £m	Actual As at 30.9.17
Upper limit on fixed interest rate exposure	70.1	10.1
Upper limit on variable interest rate exposure	30.0	10.2

10. Borrowing Repayment Profile

The proportion of 2017/18 borrowing that matured in successive periods.

Borrowing	Upper limit	Lower limit	Actual As at 30.9.17
Under 12 months	81%	0%	1%
12 months and within 24 months	81%	0%	2%
24 months and within 5 years	81%	0%	5%
5 years and within 10 years	82%	1%	5%
10 years and above	100%	18%	87%

11. Investment Repayment Profile

Limit on the value of investments that cannot be redeemed within 364 days.

	Limit £m	Actual £m
Limit on principal invested beyond year end (31 March 2017)	76.1	0

APPENDIX E

Commercial Investment Strategy Indicators

PRUDENTIAL MANAGEMENT INDICATORS

1. Actual and Estimated Capital Expenditure.

	2017/18 Estimate £m	2017/18 Forecast £m
Gross	30.0	30.0
Net	30.0	30.0

2. The proportion of the budget financed from government grants and council tax that is spent on interest and the provision for debt repayment.

2017/18 Estimate %	2017/18 Forecast %
8.6	8.6

3. The capital financing requirement.

This represents the estimated need for the Authority to borrow to finance capital expenditure less the estimated provision for redemption of debt (the MRP).

2017/18 Estimate £m	2017/18 Forecast £m
26.4	26.8

4. Asset Investment and Yields

	Investment £m	Yield %
Existing Commercial Estate	20.80	9.5
Stonehill, Huntingdon	1.36	9.2
Wilbury Way, Hitchin	2.31	7.6
Shawlands Retail Park, Sudbury	6.89	7.0
CCLA Property Fund	4.00	4.0

Note: The yields for Stonehill, Wilbury Way, and Shawlands include initial investment costs, the existing estate yield does not.

5. CIS Reserve Balance

	£m
Reserve Balance as at 31st March 2017	3.19
Investments	0.00
Balance at 30th September 2017	3.19

6. Loan to Value and Debt to Income Indicators

These indicators will be calculated when the CIS reserve has been exhausted and the CIS investment programme is financed by borrowing.

7. Analysis of Investment Propositions

Potential CIS investments are being continually investigated. The table below lists the 34 opportunities that were examined, and if they were not proceeded with, why.

Action	No. of Cases
Purchased	0
Rejected because;	
Missed Bidding	3
High Risk	9
Low Yield	5
Out Bid	3
Condition	2
Distance	2
Property Size	1
Other	6
Total	31

APPENDIX F

GLOSSARY

Bail in Risk

Bail in risk arises from the failure of a bank. Bond-holders or investors in the bank would be expected to suffer losses on their investments, as opposed to the bank being bailed out by government.

Bank Equity Buffer

The mandatory capital that financial institutions are required to hold, in order to provide a cushion against financial downturns, to ensure the institution can continue to meet its liquidity requirements.

Bank Stress Tests

Tests carried out by the European Central Bank on 51 banks across the EU. The tests put banks under a number of scenarios and analyse how the bank's capital holds up under each of the scenarios. The scenarios include, a sharp rise in bond yields, a low growth environment, rising debt, and adverse action in the unregulated financial sector.

Bonds

A bond is a form of loan, the holder of the bond is entitled to a fixed rate of interest (coupon) at fixed intervals. The bond has a fixed life and can be traded.

Call Account

A bank account that offers a rate of return and the funds are available to withdraw on a daily basis.

Capital Financing Requirement (CFR)

The CFR is a measure of the capital expenditure incurred historically, but has yet to be financed, by for example capital receipts or grant funding.

Counterparty

Another organisation with which the Council has entered into a financial transaction with, for example, invested with or borrowed from.

Credit Default Swaps (CDS)

A financial agreement that the seller of the CDS will compensate the buyer in the event of a loan default. The seller insures the buyer against a loan defaulting.

Credit Ratings

A credit rating is the evaluation of a credit risk of a debtor, and predicting their ability to pay back the debt. The rating represents an evaluation of a credit rating agency of the qualitative and quantitative information, this results in a score, denoted usually by the letters A to D and including +/-.

Gilts

Bonds issued by the Government.

LIBOR

London Interbank Offered Rate, is the rate at which banks are willing to lend to each other.

LIBID

London Interbank Bid Rate, is the rate at which a bank is willing to borrow from other banks.

Liquidity

The degree to which an asset can be bought or sold quickly.

Minimum Revenue Provision (MRP)

An amount set aside to repay debt.

Money Market Funds

An open ended mutual fund that invests in short-term debt securities. A deposit will earn a rate of interest, whilst maintaining the net asset value of the investment. Deposits are generally available for withdrawal on the day.

Public Works Loans Board (PWLB)

The PWLB is an agency of the Treasury, it lends to public bodies at fixed rates for periods up to 50 years. Interest rates are determined by gilt yields.

Panel	Study	Date	Status	Action	Date for Future Action	
75	Performance & Customers	Forward Programme				
			November 2017	Integrated Performance Report – Quarter 2	D Buckridge – Policy, Performance and Transformation Manager (Scrutiny)	01/11/17
	December 2017		Treasury Management 6 Month Review	A Forth – Finance Manager	"	
			Representatives on External Organisations	A Green – Democratic Services Officer (Scrutiny)	06/12/17	
			Review of Fees and Charges	A Forth – Finance Manager	"	
			Site Disposal B	C Luscombe - Estates	"	
		January (10th) 2018	Business Case for CCTV Commercialisation (Exempt)	C Stopford – Head of Community	10/01/18	
	January (31st) 2018		Draft Revenue Budget 2018/19 and Medium Term Financial Strategy 2019/20 to 2022/23	C Mason – Head of Resources	"	
			Asset Disposals (Exempt)	C Mason – Head of Resources	"	
			Integrated Performance Report 2017/18 – Quarter 3	D Buckridge – Policy, Performance and Transformation Manager (Scrutiny)	31/01/18	
		Final Revenue Budget 2018/19 and Medium Term Financial Strategy 2019/20 to 2022/23	C Mason – Head of Resources	"		
	Treasury Management Strategy 2018/19	A Forth – Finance Manager	"			

Panel	Study	Date	Status	Action	Date for Future Action
			Corporate Risk Register	D Harwood – Audit and Risk Manager	"
			Business Case for Document Centre Commercialisation (Exempt)	J Taylor – Head of Customer Services	"
			Commercial Investment Strategy: Business Plan Phase 1 Review	C Mason – Head of Resources	"
Performance & Customers 76	Cambridgeshire County Council Budget Scrutiny	05/12/16	Representatives from Cambridgeshire County Council were in attendance to present the County Council's Budget for 2017-22 and answer Members' questions.	Democratic Services Officer (Scrutiny) drafted a response to the budget proposals based on the points raised by Members at the budget scrutiny. The response to the budget proposals has been approved by the Chairman and was sent to Cambridgeshire County Council in December 2016. Following enquiries, Cambridgeshire County Council has stated that they are willing to attend a Panel meeting to present their budget for 2018/19, if required to do so by Members.	Dec 2017 (TBC)
Performance & Customers	One Leisure Value For Money	05/07/17 12/09/17	The Panel agreed to create the Task and Finish Group. The following are Members of the Group: Councillors R C Carter, D B Dew, Mrs L A Duffy, M Francis, Mrs D C Reynolds and R J West. The first meeting of the Task and Finish Group was held.	Further meetings are to be arranged.	

Panel	Study	Date	Status	Action	Date for Future Action
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Performance & Customers	Social Value In Procurement	01/02/17	The Chairman informed the Panel that there will be a task and finish group investigating social value in procurement.	Officers are working on a scoping document.	
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77	Communities & Environment	Forward Programme	Below are a list of reports to be presented at future Panel meetings:		
		October (31st) 2017	Sustainability Transformation Programme	Aidan Fallon – CCG	31/10/17
			Grounds Maintenance Update	N Sloper – Head of Operations	"
		December 2017	Cambridgeshire Home Improvement Agency Improvement Plan	F Swann (External)	05/12/17
			Luminus Update	Luminus	"
			Community Resilience Plan (TBC)	C Stopford – Head of Community	"
			Corporate Enforcement Policy	C Stopford – Head of Community	"
			Representatives on External Organisations	A Green – Democratic Services Officer (Scrutiny)	"
	January 2018	Community Resilience Plan Update	Councillor Mrs A Dickinson, Executive Councillor for Community Resilience, Well-Being and Regulatory Services	09/01/18	
	February 2018	Twelve Month Review of Bearscroft Farm Local Lettings Plan	J Collen – Housing Needs and Resource Manager	06/02/18	

Panel	Study	Date	Status	Action	Date for Future Action
78	Communities & Environment Future of Hinchingsbrooke Country Park, Paxton Pits, Godmanchester Nursery and Public Rights of Way	01/11/16	The Panel received an exempt report on the contractual arrangements and potential improvement programme of Hinchingsbrooke Country Park. The Cabinet received the same report but including the Panel's comments at its meeting in November 2016.	The Cabinet made a decision on the report. The decision remains confidential whilst negotiations are taking place.	
		07/03/17	Cambridgeshire County Council's Highways Maintenance Manager, Mr Jonathan Clarke, was in attendance to update Members on the maintenance of Huntingdonshire's Public Rights of Way.	A report on Hinchingsbrooke Country Park is expected at the Panel meeting in April 2018.	03/04/18
				A report on Paxton Pits is expected at the Panel meeting in April 2018.	03/04/18
				A report on Godmanchester Nursery is expected at the Panel meeting in June 2018.	June 2018
Communities & Environment	Community Resilience Plan including relationships with Parish and Town Councils and the County Council	04/07/17	The Executive Councillor for Community Resilience and Well-Being gave Members an update on the Community Resilience Plan and encouraging Members to become ambassadors for the Council.	The Portfolio Holder has agreed to attend the Panel meeting in January to update Members on the work carried out.	09/01/18

Panel	Study	Date	Status	Action	Date for Future Action
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79 Communities & Environment	Reports Due and Regular Items				
	Representatives on External Organisations	Annual	Selected Members represent the Council on various External Organisations. The Panel received updates at its meetings in November 2016 and March 2017.	Next report is due at the Panel meeting in December 2017.	05/12/17
	Huntingdonshire Community Safety Partnership	04/10/16	Annual review of the work of the Partnership. The 2016/17 report is scheduled to be presented to the Panel in June 2018.	A six month update report is due at a future meeting of the Panel.	June 2018
	Corporate Enforcement Policy	06/12/16		The Panel are to consider a report at its meeting in December.	06/12/17
	Cambridgeshire and Peterborough Clinical Commissioning Group	04/07/17	Members received an update on the Urgent and Emergency Care Vanguard Programme.	The Sustainability and Transformation Programme (STP) is to be presented to a future meeting of the Panel.	31/10/17
	Air Quality in Huntingdonshire	05/09/17	The Panel received a presentation from the Senior Public Health Manager – Environment and Planning at Cambridgeshire County Council on Air Quality in Huntingdonshire.	The Panel resolved to revisit the issue at a future Panel meeting.	To be decided

Economy &	Forward Programme		Below are a list of reports to be presented at future Panel meetings:		
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Panel	Study	Date	Status	Action	Date for Future Action
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08	Growth	November 2017	Combined Authority Presentation	Councillors R B Howe and T Hayward	02/11/17
			Local Plan and Infrastructure Planning Update	C Kerr – Planning Service Manager (Policy)	"
			Growth and Infrastructure Group Terms of Reference	C Kerr – Planning Service Manager (Policy)	"
	December 2017	Local Plan Update and Infrastructure Planning	C Kerr – Planning Service Manager (Policy)	06/12/17	
		Local Plan: Proposed Submission consultation	C Kerr – Planning Service Manager (Policy)	"	
		Memoranda of Understanding with the Local Enterprise Partnership	A Moffat – Head of Development	"	
		Representatives on External Organisations	A Green – Democratic Services Officer (Scrutiny)	"	
	February 2018	Car Parking Strategy Task and Finish Group – Strategy	N Sloper – Head of Operations	08/02/18	
		Local Plan Update and Infrastructure Planning	C Kerr – Planning Service Manager (Policy)	"	
	March 2018	Endorsement of the Local Plan	C Kerr – Planning Service Manager (Policy)	08/03/18	

Economy & Growth	Strategic Review of Car Parking	03/11/16	Following Cabinet's agreement to set up a Strategic Task and Finish Group, the Panel discussed the Strategic Review of Car Parking. The Panel appointed Councillors D B Dew, R		
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Panel	Study	Date	Status	Action	Date for Future Action
		06/04/17	Fuller, I D Gardener and T D Sanderson to the group. A project overview and scoping document was presented to the Overview and Scrutiny Panel.	It was agreed that the Task and Finish Group will not be led by Overview and Scrutiny; however the Panel will be responsible for the scrutiny of the Task and Finish Group's work. To date the Group have held four meetings to finalise the Car Parking Vision. The Group are now holding a series of meetings in order to work on the Car Parking Strategy.	
		05/10/17	The Car Parking Vison was presented to Overview and Scrutiny and then to Cabinet on 12th October when it was approved.		
¹⁸ 11 Economy & Growth	Local Plan To 2036	06/10/16	Members agreed to keep the Local Plan to 2036 on the work programme. A task and finish group has not be established however the Panel have agreed that the Chairman should become the Panel expert on the topic.	The Panel is to receive a Local Plan and Infrastructure Planning update.	02/11/17
		15/06/17	The Panel received and discussed the Huntingdonshire Local Plan to 2036.		
Economy & Growth	Devolution	06/10/16	Members agreed to keep Devolution on the work programme however before appointing a Panel expert, Members would like to invite the relevant Executive Councillor responsible to a future Panel meeting to update the Panel on what work has		

Panel	Study	Date	Status	Action	Date for Future Action
		03/11/16	<p>been done so far.</p> <p>The Panel received an update on Devolution from the Executive Leader.</p>	The Panel are to receive an update on the work of the Combined Authority from Councillors R B Howe and T Hayward.	
<p>Economy & Growth</p> <p>82</p>	<p>Reports Due and Regular Items</p> <p>Representatives on External Organisations</p> <p>Marketing Strategy Work Programme</p>	<p>Annual</p> <p>Annual</p>	<p>Below are a list of reports to be presented at future Panel meetings:</p> <p>Selected Members represent the Council on various External Organisations. The Panel received updates at its meetings in November 2016 and February 2017.</p> <p>The Panel have requested annual updates on the work programme.</p>	<p>Next report is due at the Panel meeting in December 2017.</p> <p>Report was presented in July 2017 and the next one is due at the Panel meeting in July 2018.</p>	<p>07/12/17</p> <p>July 2018</p>