



A meeting of the **CABINET** will be held as a **REMOTE MEETING VIA ZOOM** on **THURSDAY, 16 JULY 2020** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

## **AGENDA**

### **APOLOGIES**

**1. MINUTES** (Pages 5 - 8)

To approve as a correct record the Minutes of the meeting held on 17th June 2020.

**Contact Officer: H Peacey: (01480) 388007**

**2. MEMBERS' INTERESTS**

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

**Contact Officer: Democratic Services: (01480) 388169**

**3. 3C LEGAL, ICT AND BUILDING CONTROL SHARED SERVICES ANNUAL REPORTS 2019/20 AND PARTNERSHIP AGREEMENT RENEWAL** (Pages 9 - 30)

To receive the Annual Reports of the services currently delivered in partnership with Cambridge City and South Cambridgeshire District Councils and to note progress of the renewal of the 3C Shared Services Agreement.

Executive Councillor: D Keane.

**Contact Officer: O Morley: (01480) 388103**

**4. TREASURY MANAGEMENT SIX MONTH PERFORMANCE REVIEW** (Pages 31 - 52)

To receive a report from the Chief Finance Officer on the performance of the Treasury Management activity over the first half of the financial year.

Executive Councillor: J A Gray

**Contact Officer: C Edwards: 01480 388822**

**5. INTEGRATED PERFORMANCE REPORT 2019/20, QUARTER 4 (Pages 53 - 116)**

To present performance management information on the Council's Corporate Plan for 2019/20 and progress updates for current projects.

Executive Councillors: J A Gray and J Neish.

**Contact Officer: E Charter and C Edwards: 01480 388822**

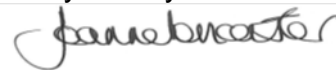
**6. COMMUNITY INFRASTRUCTURE LEVY - FENSTANTON**

To receive a report from the Service Manager (Growth) on the Community Infrastructure Levy – Fenstanton **(TO FOLLOW)**.

Executive Councillor: J Neish.

**Contact Officer: C Kerr: (01480) 388430**

8 day of July 2020



Head of Paid Service

**Disclosable Pecuniary Interests and Non-Statutory Disclosable Interests**

Further information on [Disclosable Pecuniary Interests and Non - Statutory Disclosable Interests is available in the Council's Constitution](#)

**Filming, Photography and Recording at Council Meetings**

The District Council 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.

**Please contact Mrs Habbiba Peacey, Democratic Services Officer, Tel No: 01480 388169 / e-mail: [Habbiba.Peacey@huntingdonshire.gov.uk](mailto:Habbiba.Peacey@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 Cabinet.**

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](#).

### **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 CABINET held as a Remote Meeting via Microsoft Teams on the rising of the Annual Council Meeting on Wednesday, 17 June 2020.

PRESENT: Councillor R Fuller – Chairman.

Councillors Mrs M L Beuttell, J A Gray, D N Keane, J Neish, K I Prentice and S Bywater.

IN ATTENDANCE: Councillor J M Palmer.

### 1 MINUTES

The Minutes of the meeting held on 23rd April 2020 were approved as a correct record and signed by the Chairman.

### 2 MEMBERS' INTERESTS

No declarations were received.

### 3 APPOINTMENT OF EXECUTIVE COUNCILLORS

RESOLVED

- a) that the executive responsibilities for the Municipal Year 2020/21 be allocated as follows:

Housing & Economic Development	Councillor R Fuller
Strategic Planning	Councillor J Neish
Corporate Services	Councillor D Keane
Leisure & Regulatory Services	Councillor K Prentice
Operations & Environment	Councillor Mrs M L Beuttell
Finance & Resources	Councillor J A Gray
Community Resilience & Wellbeing	Councillor S Bywater

- b) that Councillor J M Palmer be appointed as Cabinet Assistant; and
- c) that Executive Councillors be appointed to serve as ex-officio Members of the following:

Executive Councillor for Corporate Services	for	Employment Committee
Executive Councillor for Strategic Planning	for	Development Management Committee
Executive Councillor for Leisure & Regulatory Services		Licensing and Protection Committee / Licensing Committee

**4 HINCHINGBROOKE COUNTRY PARK JOINT GROUP**

RESOLVED

that Councillors M L Beuttell, T D Sanderson, R J West and S R Wilson be appointed to serve on the Hinchingsbrooke Country Park Joint Group for the ensuing Municipal Year.

**5 DEVELOPMENT PLAN POLICY ADVISORY GROUP**

RESOLVED

that Councillors S J Conboy, S Corney, D B Dew, I Gardener, C J Maslen, J Neish and S Wakeford be appointed to serve on the Development Plan Policy Advisory Group for the ensuing Municipal Year.

**6 MEMBER DEVELOPMENT WORKING GROUP**

RESOLVED

that Councillors J W Davies, A Diaz, J Neish, J P Morris, T D Sanderson and R J West be appointed to serve on the Member Development Group for the ensuing Municipal Year.

**7 SHARED SERVICES JOINT GROUP**

RESOLVED

that the Executive Councillor for Corporate Services be appointed to serve on the Shared Services Joint Group for the ensuing Municipal Year.

**8 HUNTINGDONSHIRE DISTRICT COUNCIL GROWTH AND  
INFRASTRUCTURE THEMATIC GROUP**

RESOLVED

- a) that Councillors S J Conboy, T D Sanderson and the Chairman of the Development Management Committee be appointed to serve on the Huntingdonshire District Council Growth and Infrastructure Thematic Group for the ensuing Municipal Year; and
- b) that the Executive Councillor for Strategic Planning be appointed to serve as an Ex-Officio Member as Chairman of the Group.

Chairman

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**Public**  
**Key Decision - No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** 3C Legal, ICT and Building Control Shared Services Annual Reports 2019/20 and Partnership Agreement Renewal

**Meeting/Date:** Cabinet – 16th July 2020

**Executive Portfolio:** Executive Councillor for Corporate Services, Councillor David Keane

**Report by:** Corporate Director (People) - Oliver Morley

**Ward(s) affected:** All

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### **Executive Summary:**

The attached Annual Report refers to the progress that has been made over the last year by the 3C ICT, Legal and Building Control shared services against the 2019/20 Business Plans in terms of their financial and service performance. It also covers customer satisfaction and work to deliver on development projects.

Shared Services are overseen by a Management Board (containing the lead directors from each authority). The governance structure also features a Chief Executives' Board and an overarching group comprising the Executive Councillors with overall responsibility for shared services from each of the Councils.

The Shared Services Agreement has been in place since 2015 and lasts until 30th September 2020. The renewal process offers the opportunity significantly to enhance the services' strategic vision, to ensure they each fulfil the three councils' requirements of them and are resilient, and to streamline their governance arrangements. Section 5 of the Annual Report outlines the key variations proposed for the new agreement.

### **Recommendation(s):**

The Cabinet is

### **RECOMMENDED**

- 1) To note the 3C Shared Services Annual Report attached at Appendix A;

- 2) To delegate authority to the Managing Director to finalise and agree the renewed partnership agreement by September 2020, after consultation with the Executive Councillor for Corporate Services.

## **1. PURPOSE OF THE REPORT**

- 1.1 To receive the Annual Reports of the services currently delivered in partnership with Cambridge City and South Cambridgeshire District Councils.
- 1.2 To note progress of the renewal of the 3C Shared Services Agreement and to authorise the Managing Director to finalise and agree the renewed partnership agreement.

## **2. BACKGROUND**

- 2.1 South Cambridgeshire District Council, Cambridge City Council and Huntingdonshire District Council commenced sharing Legal, Building Control and ICT Services in October 2015 (known as 3C Shared Services). The shared services are based upon a “lead authority model” where an agreed lead Council is responsible for the operational delivery of the service. The formal partnership agreement between the authorities, signed on 14th June 2016, contains a requirement that an Annual Report is prepared on the services’ activities and performance. The 3C Shared Services Annual Report, at Appendix A, sets out the context for the operation of each of the shared services with a summary of performance against the approved business plan.
- 2.2 The achievement of the following outcomes is regarded as the primary objective of sharing services:
  - Protection of services which support the delivery of the wider policy objectives of each Council;
  - The creation of services that are genuinely shared between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service;
  - Savings through reduced managements costs and economies of scale;
  - Increased resilience and retention of staff;
  - Minimise the bureaucracy involved in operating the shared service;
  - Opportunities to generate additional income, where appropriate;
  - Procurement and purchasing efficiencies, and
  - Sharing of specialist roles which individually, are not viable in the long-term.
- 2.3 There is a continued commitment at the Council to be a good partner to enable effective strategic relationships and collaboration and to drive service integration where this improves shared outcomes. There is a continued commitment, as part of this, to the effective delivery of shared services and to ensure that governance arrangements are effective and service levels are agreed and effectively monitored. This should include a documented understanding of the quality standards, performance levels or benefits from the integrated services.

- 2.4 This report provides the Cabinet with the opportunity to consider the extent to which the agreed outcomes have been delivered and the performance of the range of services that are being administered on a shared basis.
- 2.5 The Shared Services Agreement for the 3Cs services has been in place since 2015 and lasts until 30th September 2020. The renewal process offers the opportunity significantly to enhance the services' strategic vision, to ensure they each fulfil the three councils' requirements of them and are resilient, and to streamline their governance arrangements. Section 5 of the 3C Annual Report goes into detail about the key variations proposed for the new Agreement. Authorisation is sought to complete the renewal process, which will take the term of the Agreement to 30th September 2025

### **3. OPTIONS CONSIDERED**

- 3.1 The Annual Reports are provided to Cabinet for information. Cabinet is invited to consider and note the content of these reports but may request further information or clarification if helpful in that deliberation.
- 3.2 The report seeks authorisation to conclude the renewal of the Shared Services Agreement for Legal, Building Control and ICT services beyond the expiry date of 30th September 2020. The option of not renewing the Agreement is not considered to be appropriate. The benefits derived from the Agreement would not be realised and alternative organisational capability would need to be established.

### **4. COMMENTS OF OVERVIEW & SCRUTINY**

- 4.1 The comments of the relevant Overview and Scrutiny Panel will be included in this section prior to its consideration by the Cabinet.

### **5. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION**

- 5.1 The Head of each shared service is responsible for the overall operation of that service. Any feedback on the Annual Report will be fed into them to inform the delivery of the service and how it operates.
- 5.2 The recommendation set out is to delegate authority to the Shared Service Management Board to agree final amendments to the Annual Report in line with comments received from all three individual partner Councils.
- 5.3 The Shared Services Agreement expires on 30th September 2020. The revised Agreement will be completed before this date.

### **6. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES**

6.1 The recommendations relate to the corporate objective 'to become more business-like and efficient in the way we deliver services'.

## **7. CONSULTATION**

7.1 Significant consultation with staff and Staff Council took place during the establishment of the Shared Services.

## **8. IMPLICATIONS**

8.1 There are no significant implications.

## **9. REASONS FOR THE RECOMMENDED DECISIONS**

9.1 To enable the Cabinet to consider how the shared services have delivered against the approved business plans for the year ended March 2020. The Annual Reports at Appendix A provide service specific details on the operation and performance of the shared services.

9.2 To enable the necessary action to be taken leading to the renewal of the Shared Services Agreement.

9.3 The Cabinet is **RECOMMENDED**

- 1) To note the 3C Shared Services Annual Report attached at Appendix A; and
- 2) To delegate authority to the Managing Director to finalise and agree the renewed partnership agreement by September 2020, after consultation with the Executive Councillor for Corporate Services.

## **10. LIST OF APPENDICES INCLUDED**

Appendix 1 – 3C Shared Services Annual Report 2019/20.

## **11. BACKGROUND PAPERS**

None.

## **CONTACT OFFICER**

Name/Job Title: Oliver Morley  
Tel No: Corporate Director (People)  
Email: Oliver.Morley@Huntingdonshire.gov.uk

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# 2019/20 Annual Report

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3C Shared Services is a strategic partnership between Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council

VERSION 1.0

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Author: 3C Shared Services Management Board

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**Section 5 - 3C Partnership Agreement Renewal**



## **Section 1 - General Information**

- 1.1 Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council commenced sharing Legal, ICT and Building Control services in October 2015. The formal Agreement between the authorities contains a requirement that an Annual Report is prepared on the services' activities and performance.
- 1.2 As also required by the Shared Services Agreement, the performance of the shared service performance is overseen by a governance structure, comprising a Shared Services Management Board (containing the lead directors from each authority), a Chief Executives' Board and 3C Joint Shared Services Group (comprising of the leaders of each of the Councils).
- 1.3 The 2019/20 business plans for the Shared Legal, ICT and Building Control services were approved by Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council in Spring 2019. The business plans provide information on the priorities, key performance indicators, budget profiles and development projects.
- 1.4 All the services have Senior Managers who ensure the services have appropriate plans in place that are aligned to deliver against the priorities of the three partner authorities.
- 1.5 The Shared Services Agreement for the 3C services has been in place since 2015 and lasts until 30th September 2020. The renewal process offers the opportunity significantly to enhance the services' strategic vision, to ensure they each fulfil the three councils' requirements of them and are resilient, and to streamline their governance arrangements. Section 5 of this Report outlines the key variations proposed for the new Agreement.

## **Section 2 - 3C Legal Shared Service Annual Report 2019/20**

### **2.1 General Information**

- 2.1.1 Significant changes have been made in operations over the past year, including finalisation of the consumption-based model which was formally implemented on 1<sup>st</sup> April 2020.
- 2.1.2 The Practice has developed access to a greater range of preferential rates to achieve better value for partners where external specialist support is required, for example in new commercial projects.
- 2.1.3 The Practice has also developed its role in provision of advice at earlier stages in development through groups such as the City Council's Quality Assurance Group, SCDC's Investment Governing Board and Investment Selection Team, and 3Cs Information Security Group. This has proven more efficient in identification of pragmatic solutions to issues at the earliest possible stages.
- 2.1.4 The Practice has continued to develop the role of the intelligent client across the partner authorities to deliver effective legal services and add value. Where it has been necessary to procure external expertise to provide legal support on matters, the intelligent client role is one where the Practice will work with the client to understand that need and source the most appropriate and cost-effective advice from the marketplace.
- 2.1.5 As a national issue public sector legal recruitment remains generally challenging. Work to increase the attractiveness of the package and use of underpinning technology and flexibility through Council Anywhere has led to increased number of interest in vacant posts and careful management of resources and activity has kept the service within the planned budget parameters.

### **2.2 Financial Performance**

- 2.2.1 The Outturn for 2019/20 is as follows:

	Budget £	Actual £	Variance/Outturn £
Legal	1,110,330	1,143,300	32,970 (deficit)

Council	Budget £	Hours Consumed	Actual £
CCC	601,911	8868 (45.98%)	525,689
HDC	205,855	4630 (24.00%)	274,392
SCDC	302,564	5790 (30.02%)	343,219

- 2.2.2 The outturn for 2019/20 is £1,143,300 against a budget of £1,110,300. The overall 2019/20 3C shared legal budget includes a savings target of £119,100.

The total savings target was formed by rationalising resources and supplies by £40,750 and increasing the income target by £78,350.

- 2.2.3 Performance against the income target of £280,760 for 2019/20 has seen income of £242,058 delivered. The deficit is as a result of a fall in income in February and March 2020 due to a decrease in mainly planning and court fees relating to the impact of Covid-19. This has contributed to the overall deficit £32,970 which is shared between partners.

## 2.3 Service Performance

- 2.3.1 Staff productivity achieved 94% on a target of 90%. The target hours for the Practice have been exceeded by 898 hours in simple terms. This has continued to build on the upward progression made last year.
- 2.3.2 The success rate in litigation was 83% on a target of 80%. The figures remain extremely encouraging and work currently underway with the client (developing the intelligent client role) will seek to build on this. HDC has a comparatively high number of cases in relation to debt recovery and parking prosecutions. Work is well underway to seek to enable the client to process more routine paperwork /activity on these matters which is a more effective mechanism for interfacing with court/public.

## 2.4 Customer Feedback

- 2.4.1 Client Satisfaction for the year is 97% satisfaction. This is based on feedback from 174 responses received. Feedback forms are sent to each client at the end of every matter. It does remain the case that the response rate of 37% is not as high as we would like. With ongoing liaison with audit the Practice will look at ways of improving on the return figure and targeting specific client feedback in a more focused manner.
- 2.4.2 Working with clients through regular liaison meetings encourages feedback and interaction in addition to the client satisfaction surveys. These are available to clients at every level of the Practice and regular meetings are something which have been increasingly developed across the Practice over the last 12 months. By listening to clients concerns and feeding back any areas where they can assist the Practice (through improved instructions/processes for example) the work of the Practice has become much more client focused.
- 2.4.3 Working closely with the client in relation to commissioning of external work and the way instructions are provided to the Practice has been extremely positive in improving efficiency and reducing costs. Regular meetings now take place with the client at all levels of the Practice. Examples would include participation in the Property Selection Team at SCDC whereby input is provided at the outset in relation to potential acquisitions. In this way when it does move to the stage of the Practice taking forward any property work a focused and considered set of instructions can be provided by the client already assisted by legal input to enable matters to be progressed at speed. Legal involvement in the Quality Assurance Group at CCC similarly enables legal input at the outset of projects making any legal involvement later on

more efficient and focused. The quarterly intelligent client meetings held between the Head of Practice and other senior officers provide a similar function.

## 2.5 Looking Forward

- 2.5.1 In terms of the year ahead the Practice recognises the challenge posed by the CV19 pandemic. The response of the Practice to the changed working conditions has been excellent. The flexibility of working arrangements already in place for the Practice and built upon by the roll out of Council Anywhere has allowed the continued performance of the Practice against its KPI's. The reinforcement provided to the opportunities afforded for client and internal interaction via the Teams facility has been enormously positive.
- 2.5.2 For client interaction the ability to share and work on documentation on screen while video calling on Teams enhances the effectiveness of meetings. It is also far more efficient in removing travelling time, focusing meetings and even allowing additional input from staff not present at the outset of a meeting as required.
- 2.5.3 There is currently underway a review of the Practice by the Shared Internal Audit Service. This is part of ordinary business but will be extremely helpful in informing any changes to process/systems that the Practice needs to make. The consideration by audit will be used to inform a wider consideration of the Practice and its future direction during the year.

## **Section 3 - 3C ICT Shared Service Annual Report 2019/20**

### **3.1 General Information**

3.1.1 2019/20 has been a year where the focus has been on delivery of key projects, including the rollout of Council Anywhere, completion of the Server Room Consolidation, migration to an entirely new network (Eastnet) as well as the implementation of the new Orchard and Yotta Alloy systems. The impact of the Covid 19 crisis in March 2020 forced the Councils and 3C ICT to work in an entirely new way in a very short space of time. The fact that this was possible and has been as successful as it has been is in large part due to the work of the various projects in this and previous years that have provided new infrastructure for the Councils at almost every level, from Network, San, Server and Application.

3.1.2 Financial targets for the year have broadly been achieved with underspends in most areas. Some exceptional events, including the migration to Eastnet and the Covid 19 crisis have impacted on service levels at particular points in the year but overall delivery has been maintained in line with agreed SLA's. The mid-year improvements and gains made with Service desk and Service request backlogs could not quite be maintained due to the exceptional events, but it has proven that process improvements can deliver the expected outcomes.

3.1.3 The number of applications supported by 3CIC across the councils has reduced to 130 from a starting point of 284 reducing both duplication and overheads. 3C ICT to work with the Intelligent Clients of the three councils to ensure there are formal agreed priorities in place to ensure there is clarity on all sides on how the finite 3C ICT resource is being tasked.

3.1.4 All three Councils achieved Public Services Network compliance at various times during the year and work is underway to repeat this process on an annual cycle. As the Councils now share an infrastructure and key applications such as Office 365 3C ICT will work with the Cabinet Office to understand what is necessary in order to allow for a joint PSN submission in the future as this will streamline the testing and submission process and lead to further efficiencies.

3.1.5 Following a period of challenging recruitment for a new Information governance Manager, the decision was made to re-evaluate the IG Manager role. Following the completion of that process an external recruitment campaign was successful and a permanent appointment made. Further recruitment of the one remaining vacancy will bring the team up to strength for the first time and enable them to fully engage with services with regard to all areas of information management and governance.

#### **3.1.6 In summary the service has:**

- Delivered agreed savings over the pre-shared service position.

- Delivered Council Anywhere to all staff across three Councils including 1429 new devices which is greater than the scope that was agreed at the beginning of the project.
- Migrated 50 sites and 5 firewalls to the new Eastnet network
- Implemented shared systems for planning and for Waste as well as many Digital improvements including new online payments systems, updated the web sites to conform to the latest accessibility standards and new cookie management system to ensure compliance to GDPR.

## 3.2 Financial Performance

3.2.1 The provisional outturn position for 2019/20 is recorded in the table below:

	<b>BUDGET</b>	<b>FORECAST OUTTURN</b>	<b>VARIANCE</b>
<b>CCC</b>	3,044,586	3,007,092	- 37,494
<b>HDC</b>	2,176,223	2,189,141	12,918
<b>SCDC</b>	1,429,986	1,365,549	- 64,437
	6,650,795*	6,561,782	- 89,013

\*These figures include an overspend agreed by the board to meet the Council Anywhere contract requirements

3.2.2 The overall provisional financial outturn demonstrates a saving over the budget. The financial reporting is based on re-profiled business case approved in February 2018. Partners are paying less for their ICT service under 3C ICT overall there has been an underspend against the baseline. This is despite a number of challenges throughout the year, particularly in relation to staffing.

3.2.3 In 2019/20 bids were approved in City & SCDC to 'level-up' the funding for the 3C ICT Digital Team to equivalence with HDC. This additional funding will put the digital team on a sustainable footing in order to ensure it can support the transformational work being organised by the respective transformation programmes and prioritised by the 3C Digital Steering group, and to ensure the growing remit of the 3C Digital Team is adequately resourced.

## 3.3 Service Performance

3.3.1 In terms of KPIs (Key Performance Indicators) – of the 8 official 3C ICT KPIs, 6 are performing at or above agreed targets, one is within 8% and the last one (projects) whilst it hasn't been met it has been reviewed thoroughly to ensure resources are aligned to the priorities of the Councils. The role of the Intelligent Client's has been crucial to this work and we are already seeing improvements in terms of feedback and engagement.

3.3.2 Challenge has remained in the form of the technical issues causing unwelcome and significant disruption to the Councils at key times. This balanced with the drive to deliver across a wide range of projects has stretched the service significantly, however there is now stable management

in place with the full time Deputy Head of IT for Operations providing the day to day leadership of the service and supplementing the strategic leadership of the Head of IT in her shared role with County & Peterborough. It should be noted that there has been some turnover of other roles in the Council with the long-time Development Manager leaving the service. That change has led to a review of the function with the service and the post has been reviewed and re-evaluated as a Strategic Portfolio Manager which will ensure that needs and requirements of the Councils are understood and managed effectively through to delivery against agreed priorities.

- 3.3.3 3C ICT remain committed to working closely with the authorities both individually and collectively to managed those priorities and also to identify risk, and to support the authorities' overall risk appetite by providing options around effective management of risk and realigning risk from more physical ways of working. This is particularly relevant given that all three councils are pursuing a technology forward strategy, which will continue to increase their reliance on technology.
- 3.3.4 A review of key processes has been undertaken including the way in which Priority 1 incidents are handled, investigation of root causes of incidents that have high impact and urgency. This has changed the way in which Incidents are escalated to management and more appropriate responses for faults that are affecting key services.
- 3.3.5 All three authorities rely on all the services and systems being operational virtually 24/7. In the past twelve months there have been some specific times when service availability has fallen below what the ICT service aspires to achieve however overall availability is above target and showing the improvements from the various infrastructure projects. Frequency and duration of service interruptions have declined markedly alongside the introduction of new services such as Council Anywhere, revised infrastructure and further adoption of cloud services e.g. office 365. There have been on occasion incidents that have occurred where the improved resilience has been 'used in anger' This provides assurance at a technical and business level that the time and investments made are justified.

### 3.4 Customer Feedback

- 3.4.1 KPI 1 Customer Satisfaction with 3C ICT as measured by receipt of both unsolicited (complements, complaints and comments) and solicited feedback (feedback requests for all resolved calls and quarterly surveys), has remained about target throughout the year, averaging just over 90% satisfaction despite some service outages.

### 3.5 Project Performance

- 3.5.1 **Council Anywhere** - The Council Anywhere project, now fully rolled out, was the largest area of work and focus during 2019/20 with a dedicated delivery team managing the rollout of mobile devices to staff across all three Councils as well as the migration of all email and calendar to Office 365. The project included training and user awareness session to ensure that the end user of the devices had the skills and confidence to utilise the technology that is now

available to them. This project has driven not only technology changes but also organisational change and streamlined ways of working. The Eastnet and Server Room Consolidation projects removed some of the last remaining areas of legacy technology within the Infrastructure and the implementation of new business systems allowed the Councils to move away from legacy systems that had proved problematic and provided a set of technology components that allow the Councils to work in a completely different way, which has been vital in their response to the Covid 19 crisis.

3.5.2 **Eastnet** - Without question this is the most complex and wide-ranging infrastructure project undertaken by 3C ICT with touchpoints of every physical building, user device and applications. The most significant and impactful part of this project was the firewall migration in December which was implemented against a backdrop of an impending election and a drop-dead date for termination of service at the end of the calendar year. As has been well documented, this migration was extremely problematic and issues during and after the cutover had a detrimental effect of service availability for all three Councils that required extensive remedial work in the aftermath, which has been the subject of a lessons learnt exercise incorporating feedback from services across all three Councils as well as 3C ICT. Other work in the project has included migrating of almost all physical buildings to the new network with <5 remaining at the end of year.

3.5.3 **Consolidated Server Room & Shire Hall Data Centre Move** – The former project was completed within 2019/20 with all major services migrated to the new environment. Small areas of work remain which, with agreement from the Councils are being picked up as separate items. The new environment is split across two data centres, with one in Pathfinder House in Huntingdon and the other in Shire Hall in Cambridge. The move of the County Council from the Shire Hall site in 2020 has necessitated the move of that Data Centre which will be relocated to purpose-built space in Peterborough City Councils HQ Sand Martin House. A project has been initiated for that and planning for the move is well underway.

3.5.4 **Service Systems** – A number of systems have been worked on during the year including:

- **Waste Services Implementation** – Shared Waste services went live with Yotta Alloy with the project now putting the resources to the planned HDC implementation.
- **Environmental Health System** – Procurement process was completed after an extended and sometimes difficult process with the supplier. Discovery, design and implementation underway is now underway. ICT worked closely with the IC's to ensure clarity and agreement around the requirements and scope of the implementation which mitigated further delays.
- **Shared Planning** – This Complex project completed in 2019/20 and also was the first big test of the underlying application delivery technology developed as part of Council Anywhere. This enabled the simultaneous delivery of software to 100+ devices avoiding the need for individual installation and set-up. This is technology that will be able to be re-used many more times going forward.



### 3.5.5 **Digital Platform**

The 3C ICT digital team have continued to deliver across multiple streams of work guided by the Intelligent clients and digital steering groups. This includes work for all three councils, such as the implementation of cookie management, as well as work for individual councils such as integrations between the Digital Portal and systems such for Waste and Revs and Bens, updates and migration of websites

3.5.6 **The long awaited Unify upgrade at City was completed in Q3** – Issues with the suppliers understanding of their own solution and the technical complexity of the system required several attempts on the part of the supplier with extensive support from 3C ICT and the service area. This also had a negative impact on the rollout of CA at City. Notable that the Unify Telephony system has also been problematic for several key stages of the migration to Eastnet, adding cost and risk as well as delaying delivery of the new and improved services from MLL.

### 3.6 **Looking Forward**

3.6.1 Alongside ongoing delivery of the agreed roadmap, new service system implementation and further rationalisation of systems, the team is also focussing on how the 3C ICT Service can support the Councils in further harmonisation and on prioritisation of different IT categories with partner councils to help underpin future efficient delivery.

## **Section 4 - Building Control Shared Service Annual Report 2019/20**

### **4.1 General Information**

4.1.1 3C Building Control was set up in October 2015 with the following objectives:

- Protection of services which support the delivery of the wider policy objectives of each Council.
- Creation of services that are genuinely shared between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service.
- Savings through reduced managements costs and economies of scale.
- Increased resilience and retention of staff.
- Minimise the bureaucracy involved in operating the shared service.
- Opportunities to generate additional income, where appropriate.

4.1.2 When creating the shared service, the priorities were to improve capacity by expanding the skilled team with management arrangements that enabled resources to be deployed effectively and efficiently, the adoption of best practices and processes and to improve recruitment and retention in local authority building control services.

4.1.3 This Annual Report reflects progress against the Business Plan for 2019/20. The Plan contained detailed service information and was approved at partner committees in March 2019. Given the commercial nature of the service, only limited information has been included in this public report.

### **4.2 General Progress**

4.2.1 Recruitment has again been successful with four new team members appointed, one senior, one surveyor, one apprentice assistant and one technical support officer. This is to replace a senior who gained promotion to another Council, one support officer who retired and planned recruitment into vacant positions.

4.2.2 The service review is underway. Although the impact of Covid-19 has caused a delay in implementation it has also provided a real opportunity in respect of transforming the service needs in respect of ICT and accommodation. The service proportions set for fee earning and non fee earning for the financial year 2020/21 have been reviewed.

4.2.3 The team continues to improve its processes. The majority of applications are now submitted electronically, and the service incorporates fully digital processes. There is now a planned programme of scanning of live historical files in the second quarter of 2020/21.

4.2.4 With regard to its marketing activities, the service nominated a number of schemes for the Local Authority Building Control (LABC) National Building Excellence Awards 2020, however it is likely these may not continue this year based on the impact of Covid-19. The service was also selected as a finalist in the LABC Annual Awards 2019/20 for the best Shared Service. Again, the

impact of Covid-19 has delayed the final of this award and it may not continue this year.

- 4.2.5 In terms of the recognition received by staff during the year, the team were finalists in the Association for Public Service Excellence Awards 2019 for the Best Construction Team for the second year and the team also won Silver in the coveted iESE Public Sector Transformation Awards in March 2020 for the Working Together category.

### 4.3 Financial Performance

- 4.3.1 The outturn position for 2019/20 is recorded in the table below:

£	Budget	Actual	Variance/Outturn
3C Building Control	1,858,273	1,701,940	-155,270

- 4.3.2 It is a requirement that each Council contributes to the non-fee earning account for all statutory works for which the service is unable to charge.

- 4.3.3 The service is forecasting an increase in the deferred income.

### 4.4 Service Performance

- 4.4.1 Building Control had eight Key Performance Indicators for 2019/20 ranging from acknowledging and determining applications to customer satisfaction levels. These KPIs form part of the quality management system adopted by the service.

### 4.5 Customer Feedback

- 4.5.1 For 2019/20 the Building Control Partnership has been collating data on the percentage of customers who overall have rated the service as good and above. A KPI target has been reported on throughout the year. The service distributes customer satisfaction surveys to all customers, including those who submit regularisations. This is captured via an online questionnaire. Returns are generally positive. An interim target of 75% has been exceeded with an actual rate of 86% satisfaction. Some areas have been identified for improvement, which the service reviews and actions if appropriate.

### 4.6 Key Projects

- 4.6.1 Building Control completed three of the six projects identified in 2018/19 Business Plan.

- 4.6.2 Those completed projects included the development of the professional and business development team, implementing the ISO 9001: 2015 quality management system across the partnership and developing a marketing and

communication strategy for the service. These projects are now business as usual.

- 4.6.3 The following projects are still underway, a full review of the ICT infrastructure to maximise effectiveness of the team and enable agile working. This interlinked with other workstreams including change management and implementing a digital service. The Council Anywhere project and new equipment has transformed the service along with a fully digitised records and management system.
- 4.6.4 Various workstreams have been identified to unlock the commercial potential of the team. These include providing energy, sustainability and climate change advice, clerk of works service and peer reviews in other Councils. The service also provides inspection cover to another adjoining Council.

## **Section 5 - 3C Partnership Agreement Renewal**

- 5.1 Cambridge City, Huntingdonshire District and South Cambridgeshire District Councils have been sharing ICT, Legal and Building Control services since 2015. The Shared Services Agreement has been in place since then and lasts until 30th September 2020. The renewal process offers the opportunity significantly to enhance the services' strategic vision, to ensure they each fulfil the three councils' requirements of them and are resilient, and to streamline their governance arrangements.
- 5.2 The proposed changes to the agreement are outlined in the following paragraphs.
- 5.3 The current agreement expiry date of 30<sup>th</sup> September 2020 will be amended to 30<sup>th</sup> September 2025
- 5.4 References to the Data Protection Act are updated in line with current legislation.
- 5.5 The Agreement contains the original Principles of Collaboration and these are considered still to be sound. However, it was felt that the services required a stronger strategic vision. The general objectives of the Shared Services will therefore be updated as the following:
- To operate in partnership and support the objectives of the 3 Councils.
  - To inform the strategic direction of the authorities through the provision of guidance and advice.
  - To act as a catalyst of business change that promotes the transformation agenda of the 3 councils.
  - To provide further enhancement of services which support the delivery of the wider policy objectives of each Council.
  - To simplify and work harmoniously between services and authorities to deliver a more seamless, planned and predictable end-to-end service, which effectively delivers outcomes to residents.
  - Ongoing delivery of services that are genuinely shared, where appropriate, between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service.
  - To help identify and support the realisation of savings within the organisations where current ways of working do not maximise the opportunities for efficiency and effectiveness, within your areas of influence.
  - To deliver savings through, but not limited to, drivers of costs, reduced overhead costs and economies of scale.
  - Increased resilience through the recruitment and retention of high calibre staff by delivering greater succession planning and reduce reliance on the external recruitment market.
  - Minimise the bureaucracy involved in operating and interacting with the shared service.

- Pursue opportunities for working with new partners where the opportunity to generate additional income or deliver significant operational or strategic benefits to the authorities exists.
  - To pursue procurement and purchasing efficiencies between partners and where appropriate beyond the organisations.
  - Sharing of specialist roles which individually, are not viable in the long-term.
  - To deliver a customer focussed service, which has the understanding and meeting of customer needs at its heart
  - To operate in a transparent way on an individual council basis in relation to financial and operational performance and reporting. To work towards harmonised arrangements in these respects during the life of the Agreement.
  - To adopt as a minimum a quantitative performance management culture – one that takes into account the perspectives of residents, staff, shared services, the 3 councils and elected Members.
- 5.6 The Governance arrangements are being updated to ensure the services each fulfil the three councils' requirements of them and are resilient, the remits of the various aspects of the Shared Services governance structure have been reviewed. There is clear responsibility for:
- considering and making recommendations on strategic direction.
  - recommending early decisions on strategic matters.
  - having advance sight of materials to be submitted to Council Executives and formal meetings.
  - identifying recommendations for the three authorities when additional resources are required, and
  - reviewing performance and operational matters in relation to any of the services.
- 5.7 The three services are now operating on a Business as Usual basis, so it is safe to streamline the governance arrangements to an appropriate level. To this end, the remits of the various aspects of the Shared Services governance structure have been amended to ensure they are efficient and effective going forward. The revised remits appear in the Schedules to the new Agreement. Within this arrangement the Joint Shared Services Group has political oversight of the Shared Services and will be responsible for receiving the individual services' Business Plans and Annual Reports. This will obviate the need to subject these documents to the three councils' formal decision-making processes.
- 5.8 The Schedule 5 references to Cost Share calculations are updated in line with S151 Officer agreement.
- 5.9 New Exit Provisions will be added to the Agreement.
- 5.10 Schedules 6 and 7 referring to issues such as the post establishment restructure and the list of staff originally transferred into the 3Cs services under TUPE will be deleted.

**Public**  
**Key Decision - No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title:** Treasury Management Six Month Performance Review

**Meeting/Date:** Cabinet – 16th July 2020

**Executive Portfolio:** Executive Councillor for Finance and Resources, Councillor J A Gray

**Report by:** Chief Finance Officer

**Ward(s) affected:** All Wards

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### **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 Council's 2019/20 Treasury Management Strategy was approved by the Council on the 27th February 2019 and this report sets out the Treasury Performance for period between 1st October 2019 and 31st March 2020.

### **The main purpose of 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 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 second half of 2019/20 influencing the Council's decision-making were.**

- Economic growth forecasts are still more pessimistic due to the Brexit uncertainty, and real wage growth was 1.8% excluding bonuses after adjusting for inflation. The unemployment rate edged back down to 3.8% while the employment rate was 76.5%.
- The Bank of England maintained the Bank Rate at 0.75%.

- Market rates as a whole are very low, due to the Bank Rate remaining historically low, 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 0.63% (average interest rates obtained from Bank Deposits and Money Market Funds).

**The Council's responses to the key issues were.**

- When the Council has surplus funds, these will primarily be invested on a short term basis, in bank deposit 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 2.76%.
- 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). This information is provided by the Council's treasury adviser- Arlingclose.

**The Council's Commercial Investment Strategy (CIS)**

The Commercial Investment Strategy commenced in 2015/16. Indicators relating to the investments are shown in **Appendix A section 3.5**.

These investments generated £3.6m of investment income for the Council in 2019/20 after taking account of direct costs, representing a rate of return of 6.5%. The breakdown of the property's portfolio is shown in **Table 6** and the proportion of the investment income in relation to gross service expenditure, in **Table 7 of Appendix A**.

**Recommendation(s):**

The Cabinet is recommended to

Note the treasury management performance for the second six months of 2019/20 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 second 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 with treasury management activity.
- 2.2 The Council approved the 2019/20 Treasury Management Strategy at its meeting on 27th February 2019.
- 2.3 All treasury management activity undertaken during the second half of 2019/20 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 section 2.0**.

### **Performance of Council Funds**

- 3.2 The treasury management transactions undertaken during the second 6 months of 2019/20 financial year and the details of the investments and loans held as at 31<sup>st</sup> March 2020 are shown in detail in **Appendix A section 3.0 to 3.2**.

### **Risk Management**

- 3.3 The Council's primary objectives for the management of its investment 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. For more details see **Appendix A section 3.3**.

### **Non-Treasury Investments**

- 3.5 The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial

return. The full details of these investments can be found on **Section 3.4 of Appendix A.**

### **Compliance**

- 4.0 Compliance with specific investment and debt limits are indicated in **table 8 and 9 of Appendix A.**

### **Treasury Management Indicators**

- 5.0 The Council measures and manages its exposure to treasury management risks using indicators which are details in the **Appendix A section 5.0.**

### **List of Appendices Included**

#### **Appendix A**

- Economic review (source: Arlingclose)
- Borrowing and Investment as at 31st March 2020
- Risk Management
- Non-treasury Investments
- Treasury Management Indicators
- Outlook for the remainder of 2020/21

#### **Appendix B**

- Capital Prudential Indicators

#### **Appendix C**

- Glossary

### **CONTACT OFFICER**

Claire Edwards, Chief Finance Officer  
01480 388822

### Treasury Management Six Month Performance Review

#### 1.0 Introduction

The Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve treasury management semi-annual and annual reports.

The Council's treasury management strategy for 2019/20 was approved at a meeting on 27<sup>th</sup> February 2019. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remain central to the Council's treasury management strategy.

The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Council's Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 27<sup>th</sup> February 2019.

#### 2.0 External Context

##### 2.1 Economic background

###### Inflation

UK Consumer Price Inflation (CPIH) remained at 1.7% year/year in February 2020, weaker than the consensus forecast of 1.9% and below the Bank of England's target.

In local context, the inflationary pressures have eased and as a result there is reducing pressure on some budgets. However, the MTF5 forecast should factor in the rate of inflation in order to accommodate increase in prices in medium to long term.

###### Labour Market

The most recent labour market data for the three months to December 2019 showed the unemployment rate stabilising at 3.8% while the employment rate increased to 76.5%, a record high since records began in 1971. Nominal annual wage growth measured by the 3-month average excluding bonuses was 3.9% and 4.0% including bonuses. Adjusting for inflation, real wages were up 1.8% excluding bonuses and 1.4% including.

In local context, the Council may find it harder to recruit suitable skilled staff and

may have to offer a higher starting salary to attract skilled workers.

### **Economic Growth**

Quarterly UK GDP growth rates throughout 2019 have been affected by temporary, mainly Brexit-related factors, including stock piling and car factory shutdowns. GDP grew by 0.3% in Q3, growth in Q4 is expected to be zero.

Locally, the challenging conditions in the economy will impact on the Council's services that are income generating.

### **Politics**

Politics both home and abroad, continued to be a big driver of financial markets over the last quarter. Boris Johnson won the December General Election and has now delivered on leaving the EU on 31<sup>st</sup> January. This now takes the UK into the transition phase until 31<sup>st</sup> December 2020.

Withdrawal from the EU may create skills shortages especially in the construction and tourism industries. Whilst it seems to have a no direct impact on the Council, there may be a role for the Council to engage with the local economy to help to support local businesses where there are skills shortages.

### **Global Monetary Policy**

Tensions have eased somewhat between the US and China announcing the preliminary details of the first phase of a trade deal, in which tariffs due to be implemented in December would not go ahead and some existing tariffs would reduce. The US Federal Reserve maintains its Federal Funds rates in November to a range of 1.75% - 2%, to maintain economic growth amid escalating concerns over the trade war and a weaker economic environment leading to more pronounced global slowdown.

Quarterly growth in the euro areas was a little stronger than expected in Q3, although inflation remain weak around 1%, despite a rise in unit labour costs.

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 and leisure); as well as receipts from business rates and council tax.

### **Interest Rates Forecast**

In January, the Monetary Policy Committee (MCP) voted to maintain the Bank of England Base Rate at 0.75%, in light of the global economy stabilising and the imminent withdrawal from the EU.

The historical low level of interest rates, have made it difficult to achieve a higher rates returns on investment.

## 2.2 Financial markets

Sentiment in UK financial markets has been boosted by political developments, with the event of the general election reducing uncertainties in the near term around the potential options for Brexit.

The decline in uncertainty has been reflected in asset prices and bond spreads. UK equity prices have also strengthened for UK focused companies, rising on average by 8%.

## 3.0 Local Context

On 31<sup>st</sup> March 2020, the Council had net borrowing of £21.37m arising from its revenue income and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	<b>31.3.20 Estimate £m</b>	<b>31.3.20 Actual £m</b>
General Fund CFR	73.4	71.3
Less: *Other debt liabilities	0.5	0.5
<b>Total CFR</b>	<b>73.9</b>	<b>71.8</b>
External borrowing	40.0	43.9
<b>Internal borrowing</b>	<b>33.9</b>	<b>27.8</b>
Less: Usable reserves	43.1	55.5
Less: Working capital	4.00	15.3
<b>Net (Investing) or New Borrowing</b>	<b>(13.2)</b>	<b>(43.0)</b>

The Council pursued its strategy of keeping borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low.

The treasury management position at 31<sup>st</sup> March 2020 and the change during the year is shown in Table 2 below.

Table 2: Treasury Management Summary

	<b>30.9.19 Balance £m</b>	<b>Movement £m</b>	<b>31.3.20 Balance £m</b>	<b>31.3.20 Rate %</b>
Long-term borrowing	40.23	(0.27)	39.96	-0.67
Short-term borrowing	0.00	4.00	4.00	100
<b>Total borrowing</b>	<b>40.23</b>		<b>43.96</b>	
Long-term investments	10.46		10.46	
Short-term investments	0.00		0.00	
Cash and cash equivalents	16.05	(3.92)	12.13	-24.4%
<b>Total investments</b>	<b>26.51</b>		<b>22.59</b>	
<b>Net borrowing</b>	<b>13.72</b>		<b>21.37</b>	

The movement in short-term borrowing was as a result of maintaining cash balances over £10m to comply with the Markets in Financial Instruments Directive (MiFID), that allows the council access to investment instruments as a professional client rather than a retail client, such Money Market Funds (MMF).

The movement in the cash and cash equivalent has been as result of council tax and NNDR receipts; these funds were invested in bank deposits and Money Market Funds for easy access and liquidity reasons.

### **3.1 Borrowing Strategy during the period**

At 31<sup>st</sup> March 2020, the Council held £43.96m of loans, an increase of £3.73m to 30<sup>th</sup> September 2019. Outstanding loans on 31<sup>st</sup> March are summarised in Table 3 below.

Table 3: Borrowing Position

	<b>30.9.19</b>	<b>Net</b>	<b>31.3.20</b>	<b>31.3.20</b>	<b>31.3.20</b>

	<b>Balance</b>	<b>Movement</b>	<b>Balance</b>	<b>Weighted</b>	<b>Weighted</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>Average</b>	<b>Average</b>
				<b>Rate</b>	<b>Maturity</b>
				<b>%</b>	<b>(years)</b>
Public Works Loan Board	40.23	(0.27)	39.96	2.76	23.66
Local authorities (short-term)	-	4.00	4.00	0.72	0.03
<b>Total borrowing</b>	<b>40.23</b>		<b>43.96</b>		<b>23.69</b>

The Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.

With short-term interest rates remaining much lower than long-term rates, the Council considered it to be more cost effective in the near term to use internal resources or short-term loans instead. The Council had not used short-term loans facility so far in this financial year.

The Council has an increasing CFR due to the capital programme including CIS purchases and an estimated borrowing requirement as determined by the Liability Benchmark which also takes into account usable reserves and working capital. Having considered the appropriate duration and structure of the Council's borrowing need based on realistic projections, the Council decided to take some advantage of the fall in external borrowing rates and borrowed £11.96m maturity loans.

<b>Long-dated Loans borrowed</b>	<b>PWLB Reference</b>	<b>Amount £</b>	<b>Rate %</b>	<b>Period (Years)</b>
PWLB 1	495152	5,000,000	3.91	38.7
PWLB 2	495153	5,000,000	3.90	37.7
PWLB 3	502463	563,381	2.24	3.4
PWLB 4	504487	690,150	3.28	26.7
PWLB 5	504598	917,912	3.10	26.8
PWLB 6	504810	457,723	2.91	27.0
PWLB 7	504922	371,493	3.10	27.1
PWLB 8	504993	301,169	2.92	27.2
PWLB 9	505255	597,586	2.31	27.3
PWLB 10	505372	459,383	2.18	27.5
PWLB 11	505649	818,187	2.67	27.8
PWLB 12	506436	5,000,000	2.78	17.5
PWLB 13	508696	7,291,685	2.49	19.0
PWLB 14	508931	533,333	1.48	2.0
PWLB 15	509389	11,963,000	2.18	19.2
<b>Total borrowing</b>		<b>£39,964,999</b>	<b>2.76</b>	<b>23.66</b>

<b>Short-dated Loans borrowed</b>	<b>Broker</b>	<b>Amount £</b>	<b>Rate %</b>	<b>Period (days)</b>
Derbyshire Police & Crime Commissioner	Martins	1,000,000	0.70	20
Harlow District Council	Martins	3,000,000	0.75	31
<b>Total borrowing</b>		<b>£4,000,000</b>	<b>0.725</b>	<b>25.5</b>

The Council's borrowing decisions are not predicated on any one outcome for interest rates and a balanced portfolio of short- and long-term borrowing was maintained.

### **3.2 Treasury Investment Activity**

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held and money borrowed in advance of need. During the year, the Council's investment balances ranged



between £2.52m and £20.9 million due to timing differences between income and expenditure. The investment position is shown in table 4 below.

Table 4: Treasury Investment Position

	<b>30.9.19 Balance</b>	<b>Net Movement</b>	<b>31.3.20 Balance</b>	<b>30.9.19 Income Return</b>	<b>30.9.19 Weighted Average Maturity days</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>%</b>	
Banks & building societies (unsecured)	7,612,000	(2,632,000)	4,980,000	0.39	30
Government (incl. local authorities)	-	-	-	-	7
Money Market Funds	8,440,000	(1,290,000)	7,150,000	0.43	7
Loans to other organisation	6,461,000	10,000	6,462,000	3.96	>365
Other Pooled Funds.					
- <i>Property funds</i>	4,000,000	-	4,000,000	4.41	>365
<b>Total investments</b>	<b>26,513,000</b>	<b>(3,912,000)</b>	<b>22,592,000</b>	<b>3.20</b>	

The weighted average rate for the investment portfolio up to 30.09.2019 was 3.51%.

### 3.3 Risk Management

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Given the increasing risk and low returns from short-term unsecured bank investments, the Council has maintained a diversified portfolio of asset classes as shown in table 4 above. As a result, investment risk was diversified while the average income return has decreased 3.51% to 3.20%.

The progression of risk and return metrics are shown in the extracts from Arlingclose’s quarterly investment benchmarking in Table 5 below.

Table 5: Investment Benchmarking – Treasury investments managed in-house

	<b>Credit Score</b>	<b>Credit Rating</b>	<b>Bail-in Exposure</b>	<b>Weighted Average Maturity (days)</b>	<b>Rate of Return</b>
			%		%
30.09.2019	4.72	A+	100	1	1.32
31.03.2020	4.49	AA-	100	1	1.35
Similar LAs	3.95	AA-	59	53	1.55
All LAs	4.03	AA-	56	20	1.23

\*Weighted average maturity

£3.97m of the Council’s investments are held in externally managed strategic pooled property funds – CCLA Property Fund where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. This fund generated an average total return of £168,922 (4.41%), comprising a £76,702 (0.63%) income return from bank deposit and MMFs combined for period of 1<sup>st</sup> April to 31<sup>st</sup> March 2020 which is used to support services in year.

Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council’s investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates. In light of their performance over the medium-term and the Council’s latest cash flow forecasts, investment in these funds has been maintained.

### **3.4 Non-Treasury Investments**

The definition of investments in CIPFA’s revised Treasury Management Code now covers all the financial assets of the Council as well as other non-financial assets which the Authority holds primarily for financial return. This is replicated in MHCLG’s Investment Guidance, in which the definition of investments is further broadened to also include all such assets held partially for financial return.

The Authority also held £55.04m of such investments in:

- directly owned property £54.9m

- shareholding in subsidiaries £0.1m

Table 6: Property held for investment purposes in £'000

Property	Actual	31.3.2020 actual	
	Purchase cost	Gains or (losses)	Value in accounts
Existing Portfolio	19,644	1,581	21,225
2 Stonehill	1,400	400	1,800
80 Wilbury Way	2,200	(330)	1,870
Shawlands Retail Park	6,500	(2,000)	4,500
1400 & 1500 Parkway	5,425	(1,025)	4,400
Units 21a, 21b,23a,b,c Little End Road, St Neots	3,200	(300)	2,900
Rowley Centre, St Neots	7,600	(1,850)	5,750
Tri-link, Wakefield	13,750	(1,250)	12,500
<b>TOTAL</b>	<b>59,719</b>	<b>(4,774)</b>	<b>54,945</b>

These investments generated £3.6m of investment income for the Authority in 2019/20 after taking account of direct costs, representing a rate of return of 6.5%.

The Authority is dependent on profit generating investment activity to achieve a balanced revenue budget. The table below shows the extent to which the expenditure planned to meet the service delivery objectives and/or place making role of the Authority is dependent on achieving the expected net profit from investments over the lifecycle of the Medium Term Financial Plan. Should it fail to achieve the expected net profit, the Authority's contingency plans for continuing to provide these services, are to use reserves where necessary to offset any negative variances in the final outturn. Unallocated general fund balances and budget surplus reserve can be used in case of a downturn in investment income to meet any detrimental effect.

Table 7: Proportionality of Investments in £'000

	<b>2018/19 Actual</b>	<b>2019/20 Actual</b>	<b>2020/21 Budget</b>	<b>2021/22 Budget</b>	<b>2022/23 Budget</b>
Gross service expenditure	75,729	77,760	72,303	69,710	58,836
Investment income	2,753	3,283	5,654	5,290	5,345
Proportion	3.6%	4.22	7.82%	7.59%	9.1%

#### **4.0 Compliance**

The Finance Manager (s151 officer) reports that all treasury management activities undertaken during the quarter complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 6 below.

Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 7 below.

Table 8: Debt Limits

	<b>31.3.20 Actual £m</b>	<b>2019/20 Operational Boundary £m</b>	<b>2019/20 Authorised Limit £m</b>	<b>Complied?</b>
General	10.00	70.00	80.00	Yes
Loans	9.71	15.00	20.00	Yes
CIS	24.25	30.00	30.00	Yes
<b>Total debt</b>	<b>43.96</b>	<b>115.00</b>	<b>130.00</b>	

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure. Total debt was below the operational boundary all through the quarter.

Table 9: Investment Limits

	<b>31.3.20 Actual £m</b>	<b>2019/20 Limit £m</b>	<b>Complied?</b>
<b>Deposit Accounts</b>			
NatWest	0.78	1.00	Yes
Debt Management Office (DMO)	-	unlimited	Yes
Santander	2.00	4.00	Yes
Handelsbanken	0.60	4.00	Yes
Barclays	1.600	4.00	Yes
<b>Money Market Funds</b>			
BlackRock Institutional sterling liquidity Fund	0.50	2.00	Yes
CCLA Public Sector Deposit Fund	0.90	1.00	Yes
Federated Short Term Prime Fund	1.30	2.00	Yes
Insight Liquidity Funds	1.25	2.00	Yes
Legal & General Sterling Liquidity Fund	1.20	2.00	Yes
Aberdeen Liquidity Fund	1.00	2.00	Yes
Invesco	1.00	2.00	Yes

## 5.0 Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators.

### Security

The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	<b>30.3.20 Actual</b>	<b>2019/20 Target</b>	<b>Complied?</b>
Portfolio average credit rating	A+	A-	Yes

### Liquidity

The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

	<b>31.3.20 Actual £m</b>	<b>2019/20 Target £m</b>	<b>Compl ied?</b>
Total cash available within 3 months	13.8	2.0	Yes

### **Interest Rate Exposures**

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests was:

<b>Interest rate risk indicator</b>	<b>31.3.20 Actual</b>	<b>2019/20 Limit</b>	<b>Complied?</b>
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	0	£128,000	Yes
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	0	£128,000	Yes

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates.

### **Maturity Structure of Borrowing**

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	<b>30.3.20 Actual</b>	<b>Upper Limit</b>	<b>Lower Limit</b>	<b>Complied?</b>
Under 12 months	9.09%	80%	0%	Yes
12 months and within 24 months	1.21%	80%	0%	Yes
24 months and within 5 years	1.28%	80%	0%	Yes
5 years and within 10 years	0%	100%	0%	Yes
10 years and above	88.42%	100%	0%	Yes

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

## **6.0 Outlook for 2020/21**

In February 2020, China experienced an air borne virus, referred to as Covid 19. Regions within China went into lock down to prevent the spread of this virus. The global economy has gone into financial shock due to worldwide lockdown in all the major economies, Europe, Asia and America.

Since February, the UK has also experienced an economic lockdown to stop the spread of this virus. In response to this, the Bank of England has reduced the based rate to 0.1%, with inflation falling to 0.5%. GDP has reduced by 2.2% in March and forecast show that the UK economy is likely to see its GDP fall by 11.5%, the highest expected fall within the developed world. This has been compounded by the failure to conclude a trade deal with Europe by the end of 2020.

Unemployment is forecast to increase to 8% in the next few months from 3.9% once the effects of furloughing staff comes to an end in October. This will be the biggest increase in unemployment since 1971 when records began.

The long-term impact on the economy and unemployment is still incomplete as the UK moves out of lock-down, together with the fear of a second wave as we approach winter. The effect of this pandemic on the global economy is estimated to be about £9.6tn, with the IMF estimating that it will take two years for the world output to return to level pre-covid.

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### Capital Prudential Indicators

Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. This includes spending on assets owned by other bodies, loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £10,000 are not capitalised and are charged to revenue in year.

The summary of the capital expenditure is shown in the Table 1 below.

Table 1: Summary of Capital Expenditure in £m

	<b>2019/20 Budget</b>	<b>2019/20 Outturn</b>
General Fund Services	7.7	6.3
Capital investments	0.0	14.7
<b>Total</b>	<b>7.7</b>	<b>21.0</b>

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing and leasing).

Table 2: The summary of Capital financing in £m

	<b>2019/20 Budget</b>	<b>2019/20 Outturn</b>
External sources	1.5	2.5
Own resources	1.2	4.3
Debt	5.0	14.2
<b>Total</b>	<b>7.7</b>	<b>21.0</b>

Debt is only temporary source of finance since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP).

Table 3: The summary of capital Financing Requirement in £m

	<b>2019/20 Budget</b>	<b>2019/20 Outturn</b>
General Fund Services	41.5	45.0
Capital investments	5.7	26.8
<b>Total CFR</b>	<b>47.2</b>	<b>71.8</b>

When a capital asset is no longer needed, it may be sold so that the proceeds known as capital receipts can be spent on new assets or to repay debt. The Council is currently also permitted to spend capital receipts on service transformation project until 2021/22. Repayments of capital grants, loan and investments also generate capital receipts.

The summary of the capital receipt is show in Table 4 below in £m.

	<b>2019/20 Budget</b>	<b>2019/20 Outturn</b>
Asset sales	0.88	0.26
Loans repaid	0.32	0.31
<b>Total</b>	<b>1.20</b>	<b>0.57</b>

## 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 grants funding.

### **Collar (Money Market Fund)**

The fund "collar" forms part of the valuation mechanism for the fund. LVNAV funds allow investors to purchase and redeem shares at a constant NAV calculated to 2 decimal places, i.e. £1.00. This is achieved by the fund using amortised cost for valuation purposes, subject to the variation against the marked-to-market NAV being no greater than 20 basis points (0.2%). (This compares to current Prime CNAV funds which round to 50 basis points, or 0.5%, of the NAV.)

### **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 result 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.

### **LVNAV Money Market Fund**

Low volatility net asset value. The fund will have at least 10% of its assets maturing on a daily basis and at least 30% of assets maturing on a weekly basis.

### **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.

### **Transactional Banking**

Use of a bank for day to day banking requirement, e.g. provision of current accounts, deposit accounts and on-line banking.

**Public  
Key Decision – No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Integrated Performance Report 2019/20, Quarter 4

**Meeting/Date:** Cabinet – 16th July 2020

**Executive Portfolio:** Executive Councillor for Resources, Councillor Jonathan Gray and Executive Councillor for Strategic Planning, Councillor Jon Neish

**Report by:** Performance & Data Analyst and Finance Manager

**Wards affected:** All

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### **Executive Summary:**

The purpose of this report is to brief Members on results at the end of the 2019/20 financial year for the Key Actions and Corporate Indicators listed in the Council's Corporate Plan 2018/22 and progress on current projects being undertaken.

Key Actions, Corporate Indicators and targets are as included in the Corporate Plan Refresh 2019/20, as approved by Council on 24 July 2019.

The report also incorporates Financial Performance Monitoring Suite information setting out the financial position at 31 March 2020. It provides outturn figures for revenue and the capital programme. Headlines are:

Revenue – the forecast outturn shows underspend of £0.265m

Capital programme – the forecast outturn shows a net underspend of £2.814m

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 4 attached at Appendix E.

### **Recommendations:**

The Cabinet is invited to consider and comment on progress made against the Key Actions 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 March, as detailed in Appendices D, and the register of reviews of Commercial Investment Strategy propositions at Appendix E.

## 1. PURPOSE

- 1.1 The purpose of this report is to present details of delivery of the Corporate Plan 2018/22, and project delivery, in the context of the Council's financial performance.

## 2. BACKGROUND

- 2.1 The Council's Corporate Plan is currently being refreshed and once adopted will set 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 and the performance report at **Appendix B** details the year end results.
- 2.2 As recommended by the Project Management Select Committee, updates for projects based on latest approved end dates are included at **Appendix C**. Across all programmes there are currently 16 projects which are open, pending approval or pending closure.
- 2.3 This report also incorporates financial performance to the end of March. This performance was as shown in sections 4-6 below, with further details listed in **Appendix D**. Commercial investment propositions reviewed are at **Appendix E**.

## 3. PERFORMANCE MANAGEMENT

- 3.1 Members of the Overview and Scrutiny (Performance and Growth) 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 4 will be published following their meeting on 8 July 2020.
- 3.2 Progress against Corporate Plan objectives is reported quarterly. The report at **Appendix B** includes details of all Key Actions and Corporate Indicators at the end of Quarter 4. **Appendix C** provides information about projects, 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.
- 3.4 The following table summarises final outturn progress in delivering Key Actions for 2019/20:

Status of Key Actions	Number	Percentage
Green (on track)	23	77%
Amber (within acceptable variance)	7	23%
Red (behind schedule)	0	0%
Awaiting progress update	0	0%
Not applicable	0	

Just over three quarters of key actions were on track at the year end, the remaining 23% were within acceptable variance and none were significantly behind schedule. Achievements seen this year include:

- KA 8. Implementation of ‘on the go’ recycling bin trials in St Neots and Huntingdon town centres in a bid to support ongoing environmental project goals and the council’s green agenda commitments. Further trials are planned in 2020/2021 to take place in St Ives and Ramsey.
- KA 18. Adoption of the ‘Prospectuses for Growth’ for St Ives, Huntingdon and Ramsey by the Cambridgeshire and Peterborough Combined Authority (CPCA) which was subsequently endorsed by Cabinet in March 2020. Work in St Neots shifted focus to the Future High Street Funding bid as a Government Grant was received to develop a business case for the town.
- KA 19. In February, the East-West Rail Company announced the decision for the proposed route of the brand-new investment in Oxford to Cambridge public transport, choosing Route E, out of the five routes shortlisted in prospective plans. The chosen route, which was collectively championed as the best option by Huntingdonshire District Council, Bedford Borough Council, South Cambridgeshire District Council, and Cambridge City Council, includes the building of infrastructure and a new station just south of St Neots.
- KA 21. A collaboration with Training Shed saw the opening of the new training facility at the One Leisure Outdoor Centre in St Ives in February 2020. Other successful improvements related to the Ramsey Swimming Pool and the replacement of equipment at our Impressions Fitness Studio’s in St Neots, St Ives and Ramsey. The One Leisure Sawtry provision was also transferred and secured for two years.

Key Actions with an Amber status include the development of our Customer Portal to improve online and out of hours access to services (KA 29). Despite the delay in the integration of more services, Operations streetscene service requests will feature from May 2020 and we have been successful in obtaining funding from a Local Government Association grant to support use of voice bot technology to improve customer access to information. At least three other Amber Key Actions had delays which have been at least partly attributed to the impact of Covid-19.

3.5 Final outturn results for 2019/20 Corporate Indicators are shown in the following table:

<b>Corporate Indicator results</b>	<b>Number</b>	<b>Percentage</b>
<b>Green (achieved)</b>	29	67%
<b>Amber (within acceptable variance)</b>	7	16%
<b>Red (below acceptable variance)</b>	7	16%
<b>Awaiting progress update</b>	0	0%
<b>Not applicable (annual/data unavailable)</b>	0	

This shows the Council achieved the majority of its targets in 2019/20, while seven were recorded with a status of Red as performance was below an acceptable variance. Overall, the performance of our indicators declined compared to overall results in 2018/19 as more received a rating below the acceptable variance levels in 2019/20.

The Red indicators reported for 2019/20 related to a range of services. A brief summary is listed below with more detail in Appendix B.

- PI 5. A decline in the number of individual One Card holders using One Leisure Facilities services (cumulative over the last 12 months) meant performance fell slightly below target, which was as expected in Quarter 3 due to closures of the fitness studios for equipment refurbishments. This refresh was expected to increase members through Quarter 4 however the impact of Covid-19 in the closing weeks of March affected this recovery.
- PI 28. A cost award against the Council in Quarter 3 followed a successful appeal against a Development Management Committee refusal contrary to officer recommendation (the target was zero cost awards against us in these circumstances).
- PI 29. As at Quarter 3, energy use was 3.4% higher than at the same point last year and the year-end forecast was a 10% increase on total use last year (the target was a 5% decrease). A system software failure (which is under investigation) meant like for like comparison and analysis for end of year performance is not yet available.
- PI 34D. A Staff Survey Action Plan has now been drafted, with 55% of the actions on track at year end. Some measures are ongoing actions and some are expected to be completed after the Quarter 4 reporting period.
- PI 38. Avoidable contact has increased compared to last year. A delay in integrating forms for Operations services has affected performance however the implementation of streetscene service requests will feature from May 2020.
- PI 40. In total, 280 Stage 1 complaints were received in 2019/20 and 37 of those received late responses. Operations replied to 87% of Stage 1 complaints on time and Development completed 77% within the agreed timescale. 70% of the late responses from Development happened within Quarter 3 when the service was going through significant structural change.
- PI 41. There have been four late responses to Stage 2 complaints. Low numbers of Stage 2 complaints mean this indicator was not expected to recover by the year end.

The Green indicators reported for 2019/20 related to a range of services. A brief summary of indicators where services have performed better than their target is listed below, with more detail in Appendix B.

- PI 1. The annual target for volunteering days was achieved with support from Countryside Services and One Leisure Active Lifestyles.
- PI 2. The average number of days to process new claims for Housing Benefit and Council Tax Support improved from 23 days in 2018/19 to 22.5 days in 2019/20.
- PI 3. Similarly to PI 2, the average number of days to process changes of circumstances for Housing Benefit and Council Tax Support improved from 4 days



in 2018/19 to 3.4 days in 2019/20.

- PI 4. The Council recorded 521 homelessness preventions during 2019/20 which means that fewer people needed to be housed in temporary accommodation. This was due to a range of earlier interventions being implemented.
- PI 7. The number of sessions delivered at and by One Leisure Facilities was above the target set for the year. One factor related to an increase in the number of activity sessions being delivered for young people in Quarter 3.
- PI 8. The Council was also ahead of the target in the number of sessions delivered by One Leisure Active Lifestyles where most areas of this service provided more opportunities for people to be more active.
- PI 17. The proportion of household waste recycled/reused/composted was better than performance in the previous year and achieved a year end result of 60% against a target of 59%. There was significant effort made in work undertaken during the year to bring the contamination rate down.
- PI 25. 440 new affordable homes were completed in 2019/2020 across the district. This is the highest number of completions in a single year for more than a decade.
- PI 33. Staff sickness levels for 2019/20 were significantly lower than recorded in 2018/19.
- PI 35 and PI 36. Call Centre and Customer Service Centre satisfaction rates completed the year at high levels (89% and 95% respectively), reflecting positive feedback from individuals. However, surveys were not undertaken in Quarter 4 due to concerns and preparation for Covid-19.

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

<b>Corporate project status</b>	<b>Number</b>	<b>Percentage</b>
<b>Green (progress on track)</b>	7	44%
<b>Amber (progress behind schedule, project may be recoverable)</b>	4	25%
<b>Red (significantly behind schedule, serious risks/issues)</b>	3	19%
<b>Pending closure</b>	2	13%
<b>Closed (completed)</b>	0	

There are four projects showing as Amber, usually as a result of slippage in the project, even when reported against revised dates, with two delays relating to Covid-19. Of the projects currently in the delivery stage, three were Red at the end of Quarter 4; two of which were shared service projects.

Analysis of projects has identified that unrealistic timeframes have been a common theme for amber/red flags, as well as a lack of up to date governance documentation. The reasons for not meeting original target dates for projects have been discussed with all project managers, with particular focus on Project Initiation Documents (PID)

and Business Cases where initial dates are set. Lessons learned continue to be shared. Details of all projects can be found in **Appendix C**.

## **4. FINANCIAL PERFORMANCE**

### **4.1 Financial Performance Headlines**

The Management Accounts include the provisional outturn position for the current financial year and the impact of variations will be incorporated within the MTFS. 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 £17.157m with the outturn being £16.892m which is an underspend of £0.265m. The main reasons are shown on the next page.

**MTFS** The MTFS was updated as part of the 2019/20 Budget setting process and will again be updated as part of the 2020/21 Budget setting process. The revision of the MTFS will include 2018/19 outturn variations and others occurring or foreseen in 2019/20 that have an impact on future years.

**Capital** The approved Budget is £7.7m plus the re-phasing of £2.1m giving a revised total Capital Programme of £9.8m. The net outturn is £4.1m giving an underspend of £2.8m. The reasons for these variances are detailed in paragraph 5.6.

The Financial Dashboard at **Appendix D, Annex E** 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.

	<b>Budget</b>	<b>Outturn gross</b>	<b>Transfers to / (from) reserves</b>	<b>Outturn net</b>	<b>(underspend) / overspend</b>	<b>Main reasons for variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
Chief Operating Officer	4,260	3,699	107	3,806	(454)	<ul style="list-style-type: none"> <li>Salary savings; increased income on fees and charges from planning applications, building control, licencing; reduced costs on homeless</li> </ul>
3C's ICT	2,145	2,206	(50)	2,156	11	
Planning Policy Manager	908	822	(159)	663	(245)	<ul style="list-style-type: none"> <li>Salary savings; additional CIL and Grant funding</li> </ul>
Housing Manager	154	139	(27)	112	(42)	<ul style="list-style-type: none"> <li>Salary savings</li> </ul>
Programme Delivery Manager	0	19	0	19	19	
Head of Leisure & Health	(20)	267	(15)	252	272	<ul style="list-style-type: none"> <li>Loss of income from Covid 19 lockdown; transfer of Sawtry Leisure Facility</li> </ul>
Head of Operations	3,852	4,365	(7)	4,358	506	<ul style="list-style-type: none"> <li>Loss of income from Covid 19 lockdown (carparks and market traders); additional salary costs for CCTV &amp; Environmental Management; 3<sup>rd</sup> floor of PFH not rented during the year</li> </ul>
AD Corporate Services	5,144	4,470	185	4,655	(489)	<ul style="list-style-type: none"> <li>Increase commercial rental income; additional staff costs due to implementation of Resources restructure</li> </ul>
Corporate Leadership Team	752	808	0	808	56	<ul style="list-style-type: none"> <li>Expected savings from share service not achieved</li> </ul>
Transformation	(38)	380	(317)	63	101	<ul style="list-style-type: none"> <li>Expected savings of SLT restructure not achieved</li> </ul>
<b>Total</b>	<b>17,157</b>	<b>17,175</b>	<b>(283)</b>	<b>16,892</b>	<b>(265)</b>	

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 **Medium Term Financial Strategy**

The actual outturn for 2018/19 showed an underspend of £0.248m which will have some impact on the MTFS. The new MTFS for the period 2020/21 to 2023/24 which will be compiled during the current budget setting process, will be updated where the 2018/19 outturn has an impact.

### 5. **CAPITAL PROGRAMME**

5.1 The approved gross Capital Programme 2019/20 is £7.7m plus the re-phasing of £2.1m giving a revised total Capital Programme for 2019/20 of £9.8m.

5.2 The provisional net expenditure outturn is £4.11m, an underspend of £2.8m. The gross expenditure to 31 March 2020 was £6.3m.

<b>Scheme Details</b>	<b>Slippage £'000</b>	<b>Overspend £'000</b>	<b>Savings £'000</b>	<b>Growth £'000</b>	<b>Total Variance £'000</b>	<b>Comments</b>
<b>Chief Operating Officer</b>						
Scanner	(16)	0	0	0	(16)	Whole scheme delayed to 2020/21.
Environmental Health Software	(40)	0	0	0	(40)	Whole scheme delayed to 2020/21.
Traveller Security Improvements	(25)	0	0	50	25	Members approved the scheme to limit traveller incursions. Difficulties resourcing materials has delayed completion.
Disabled Facilities Grants	(282)	0	0	0	(282)	£260k additional grant received.
<b>Planning Policy Manager</b>						
A14 Upgrade	(200)	0	0	0	(200)	Whole scheme delayed to 2020/21.
CIL Infrastructure Projects	0	0	0	93	93	Payments to external infrastructure projects are funded from CIL receipts and so there is no impact on HDC.
<b>Housing Manager</b>						

Housing Company	(206)	0	0	0	(206)	Whole scheme delayed to 2020/21.
<b>Leisure and Health</b>						
One Leisure Improvements	(5)	(52)	0	0	(57)	M&E installations and modernising changing facilities work at OLSI outdoor centre was included in the original project scope, but the cost of the work has been included under that project.
One Leisure St Ives Outdoor New Fitness Offering	0	52	0	250	302	Members approved additional £250k expenditure, with £50k being funded from CIL receipts, to cover increased spend on asbestos removal and additional structural works. The scheme costs include work on modernisation of changing facilities and M&E installations which was budgeted for elsewhere.
One Leisure Ramsey 3G	(294)	0	0	0	(294)	Works delayed - to be carried out in 20/21.
One Leisure St Ives Swimming Changing Rooms	(250)	0	0	0	(250)	Works delayed - to be carried out in 20/21.
One Leisure Impressions Fitness Equipment	0	34	0	0	34	Overspend is due to remedial works on the flooring at St Ives (agreed by SLT) to strengthen a previously under designed space.
One Leisure St Neots Pool	0	0	(7)	0	(7)	Project complete - All costs entered in 19/20, so there will be no further costs in 20/21.
One leisure St Neots Synthetic Pitch	0	4	0	0	4	Project complete - All costs entered in 19/20, so there will be no further costs in 20/21.
<b>Resources</b>						
Income Management	0	0	(62)	0	(62)	Project not currently required.

Software						
Alms Close Development	(429)	0	0	0	(429)	Scheme started later than expected so more expenditure in 2020/21.
Oak Tree Remedial Work	(912)	0	0	0	(912)	Scheme started later than expected because of links to the potential development project so more expenditure in 2020/21.
Oak Tree Centre Development	0	21	0	0	21	Consultants costs higher than anticipated.
Health and Safety Works at Commercial Properties	(15)	0	0	0	(15)	Scheme started later than expected so more expenditure in 2020/21.
Energy Efficiency Works at Commercial Properties	(44)	0	0	0	(44)	Whole scheme delayed to 2020/22.
Commercial Property Roofs	0	9	0	0	9	Final expenditure on previous year scheme
VAT Partial Exemption	0	0	(127)	0	(127)	2018/19 refund created a saving in 2019/20
Cash Receipting	0	22	0	0	22	Off-set by saving on Income Management Software Scheme.
FMS Archive	0	5	0	0	5	Off-set by saving on Income Management Software Scheme
Land Swap with Town Council	0	0	(38)	0	(38)	Prior year adjustment re stamp duty.
Investment in Company	(100)	0	0	0	(100)	Company still dormant so our investment has been delayed.
<b>3C ICT</b>						
Robotics	(50)	0	0	0	(50)	Works not started in 19/20 therefore budget needs to be moved to 20/21.
<b>Operations</b>						
Fencing	0	3	0	0	3	Small overspend on the project.
Building Efficiencies (Salix)	(6)	0	0	0	(6)	Minor delay to the scheme.
Wheeled Bins	0	0	(137)	0	(137)	Developer income higher than expected and house completions

						lower than expected.
Vehicle Fleet Replacement	(56)	0	0	0	(56)	Some delays in replacing vehicles, budget will be needed next year.
Play Equipment	0	0	(3)	80	77	Additional £80k expenditure is funded from S106 receipts.
Re-fit Building	(228)	0	0	0	(228)	Scheme not completed in 2019/20 so remaining works costs and retention costs will now be paid in 2020/21.
Parking Strategy	(90)	0	0	0	(90)	Scheme start has been delayed, budget needs to be moved to 2020/21.
Bridge Place Car Park	(378)	0	0	0	(378)	Scheme start has been delayed, budget needs to be moved to 2020/21.
Operations Back Office	(43)	0	0	0	(43)	Project has started but some expenditure will now be incurred in 2020/21.
CCTV Camera Replacements & Wi-Fi	0	4	0	0	4	Minor overspend - a number of variation orders had to be approved to ensure control room capacity and camera networking issues were resolved.
CCTV Pathfinder House Resilience	0	0	(20)	0	(20)	Revenue maintenance work has reduced the need for capital expenditure.
Lone Worker Software	(20)	0	0	0	(20)	Works not started in 19/20 therefore budget needs to be moved to 20/21.
<b>Transformation</b>						
Customer Relationship	(63)	0	0	0	(63)	Expenditure has been delayed whilst responses on a number

Management						of issues is sought from suppliers.
<b>Corporate Financing</b>						
Loan Repayments	0	127	0	0	127	Timing of loan affected the timing of the first repayments due. This overspend will be offset by additional income in the last year of the loan.
Housing Clawback Receipts	0	246	0	0	246	Number of sales made by Chorus lower than expected.
Bridge Place Sale	384	0	0	0	384	Sale not achieved in 2019/20.
<b>Total Variance</b>	<b>(3,368)</b>	<b>475</b>	<b>(394)</b>	<b>473</b>	<b>(2,814)</b>	

5.3 The net spend on the Council's Capital Programme is financed via borrowing which has a revenue implication through the Minimum Revenue Provision (MRP).

5.4 Appendix D, Annexes C and D provide the following information:

**Annex C** provides details by scheme with proposed rephasing, expenditure to date and provisional outturn.

**Annex D** 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.

## 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 2023/24 it will have in part contributed in reducing this to £1.2m.

6.2 At the end of Quarter 4, the financial projections for the CIS are:

CIS Investments	Budget (£'000)	Outturn (£'000)	Variance (£'000)
<b>Cash Investments</b>			
CCLA Property Fund	(162)	(169)	(7)



<b>Total Cash Investments</b>	<b>(162)</b>	<b>(169)</b>	<b>(7)</b>
Property Rental Income	(5,580)	(4,767)	813
MRP	1,997	586	(1,411)
<b>Net Direct Property Income</b>	<b>(3,583)</b>	<b>(4,181)</b>	<b>(598)</b>
Management Charge	144	0	144
<b>Total Property Investments</b>	<b>(3,439)</b>	<b>(4,181)</b>	<b>(742)</b>
<b>TOTAL</b>	<b>(3,601)</b>	<b>(4,350)</b>	<b>(749)</b>

### 6.3 Investments

Between January and the end of March 2020, 28 properties have been investigated as potential CIS investment opportunities, with two being considered beyond stage 1. One was a High Street retail property in Huntingdon. The total number investigated in 2019/20 was 210 properties. During the year, the purchase of Tri-Link 140 (Unit 4 Freeway Drive, Castleford), completed and generates an annual gross income of £819k and net income of £500k p.a. A summary of opportunities investigated is included in **Appendix E**.

Returns from the CCLA property fund have remained at the 2016/17 level (circa 4.5%). Other investment vehicles such as bank deposits and money market funds interest rates increased when the Bank of England raised the base rate to 0.75% have now become stable.

To date the majority of the Council's investments have been funded from earmarked reserves or cash balances. Recent acquisition such as Fareham, Rowley Centre and Tri-Link have required loans from PWLB to fund their purchases; part of the purchase price and acquisition costs were met from earmarked reserves.

## 7. COMMENTS OF OVERVIEW & SCRUTINY PANELS

7.1 Comments will be published following the Panel meeting on 8 July 2020.

## 8. RECOMMENDATIONS

8.1 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**.

8.2 The Cabinet is also invited to consider and comment on financial performance at the end of March, as detailed in section 4 and in **Appendix D**, and the register of reviews of Commercial Investment Strategy propositions at **Appendix E**.

## 9. LIST OF APPENDICES INCLUDED

**Appendix A** – Performance Summary, Quarter 4, 2019/20

**Appendix B** – Corporate Plan Performance Report, Quarter 4, 2019/20

**Appendix C** – Project Performance, March 2020

**Appendix D** – Financial Performance Monitoring Suite (FPMS) including:

**Annex A** – Revenue Provisional Outturn and Service Commentary, March 2020

**Annex B** – Capital Programme Provisional Outturn, March 2020

**Annex C** – Capital Programme Funding 2019/20

**Annex D** – Financial Dashboard, March 2020

**Appendix E – Register of reviews of CIS investment propositions, Quarter 4, 2019/20**

**CONTACT OFFICERS**

**Corporate Plan Performance Monitoring (Appendices A and B)**

Emma Charter, Performance and Data Analyst, emma.charter@huntingdonshire.gov.uk

**Project Performance (Appendix C)**

John Taylor, Chief Operating Officer ☎ (01480) 388119

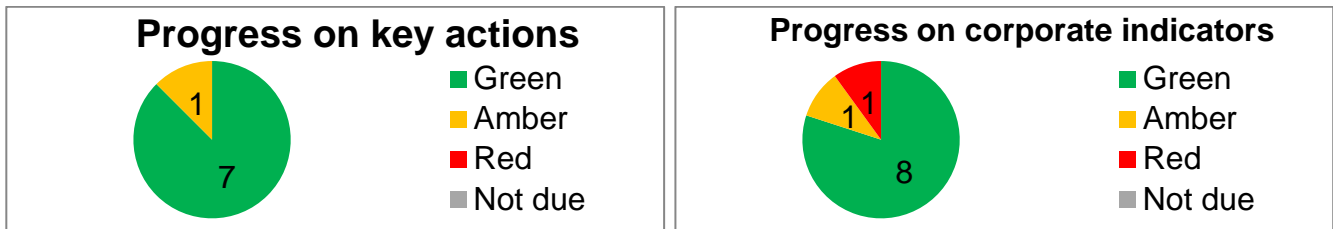
**Financial Performance (Appendices D and E)**

Claire Edwards, Finance Manager ☎ (01480) 388822

**Performance Summary Quarter 4, 2019/20**

**People**

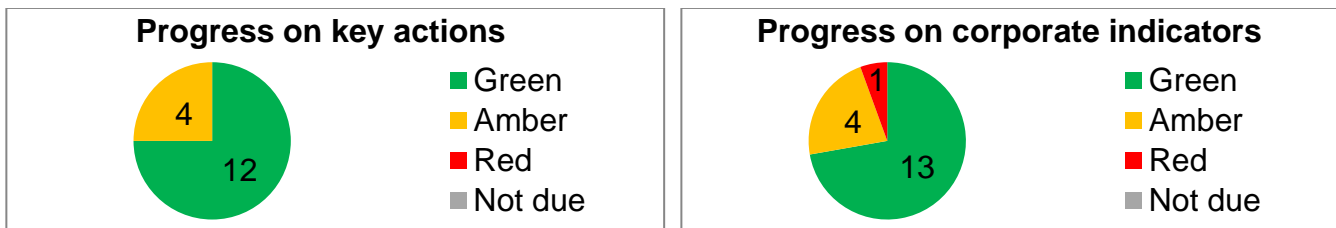
We want to make Huntingdonshire a better place to live, to improve health and well-being and for communities to get involved with local decision making



Highlights include the trial of 'on the go' recycling bins in St Neots and Huntingdon.

**Place**

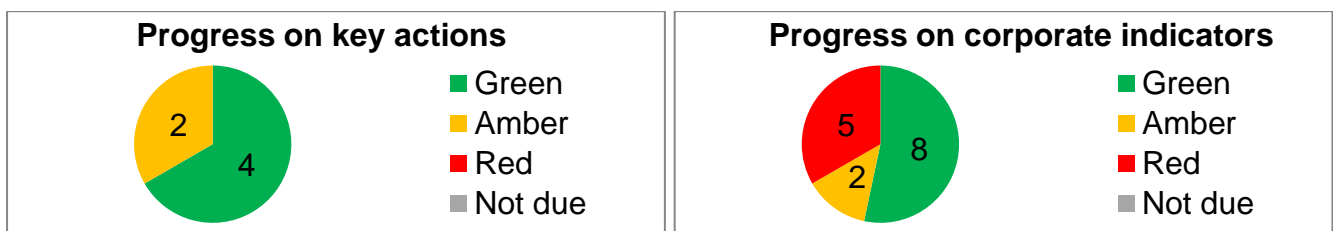
We want to make Huntingdonshire a better place to work and invest and we want to deliver new and appropriate housing



Highlights include the completion of 440 affordable homes across the district.

**Becoming a more efficient and effective council**

We want to continue to deliver value for money services



Highlights include significantly lower levels Staff sickness recorded than in 2018/19.

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**CORPORATE PLAN – PERFORMANCE REPORT**

**Appendix B**

**STRATEGIC THEME – PEOPLE**

**Period January to March 2020**

**Summary of progress for Key Actions**

<b>G</b>	Progress is on track	<b>A</b>	Progress is within acceptable variance	<b>R</b>	Progress is behind schedule	?	Awaiting progress update	<b>n/a</b>	Not applicable to state progress
<b>7</b>		<b>1</b>		<b>0</b>		<b>0</b>		<b>0</b>	

*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**

<b>G</b>	Performance is on track	<b>A</b>	Performance is within acceptable variance	<b>R</b>	Performance is below acceptable variance	?	Awaiting performance update	<b>n/a</b>	Not applicable to assess performance
<b>8</b>		<b>1</b>		<b>1</b>		<b>0</b>		<b>0</b>	

**WE WANT TO: Support people to improve their health and well-being**

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
<b>G</b>	KA 1. Work in partnership to provide greater leisure and health opportunities to enable more people to be more active, more often	Ongoing	Cllr Palmer	Jayne Wisely	Over 50 partners worked with to support the work of One Leisure Active Lifestyles from funders to deliverers.
<b>G</b>	KA 2. Provide financial assistance	Ongoing	Cllr Gray	Customer	Discretionary Housing Payments are used to help

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
	to people on low incomes to pay their rent and Council Tax			Services – Amanda Burns	people on Housing Benefit or Universal Credit with additional help to meet their housing costs. The DWP funded budget for 2019/20 of £224,854 was fully used.
<b>G</b>	KA 3. Ensure that the principles of earlier interventions aimed at preventing homelessness are embedded within public sector organisations and other stakeholder partners	Ongoing	Cllr Fuller	Customer Services – Jon Collen	The Homelessness Trailblazer programme continued throughout 2019/20 with the increased roll out of earlier interventions and pathways across a wide range of agencies. Successful pathways have been introduced with the criminal justice system for offenders and work has continued on pathways for clients with mental health and substance misuse issues. The programme is currently funded to run until December 2020 and a review of how this may be mainstreamed with a variety of agencies into business as usual will take place through the first three-quarters of 2020/21.
<b>A</b>	KA 4. Adopt a new Homelessness Strategy and a new Lettings Policy	Homelessness Strategy Dec 2019 Lettings Policy by March 2020	Cllr Fuller	Customer Services – Jon Collen	A consultation draft Homelessness & Rough Sleeping Strategy was approved by Cabinet in February. The consultation timetable has been delayed and will be completed this summer. The review and adoption of a new Lettings Policy is being carried out through the Home-Link partnership of 6 councils and multiple housing associations. The request to the partnership by some councils was to complete this review after local elections originally due in May 2020 to allow for political involvement of any new regime. The timescale for this will now be reviewed with the partnership in light of the deferral of local elections in certain areas.
<b>G</b>	KA 5. Identify and implement solutions to eradicate the need to place homeless families in B&Bs	Ongoing	Cllr Fuller	Customer Services – Jon Collen	The number of households in B&B had steadily reduced throughout 2019/20 with 4 households in this accommodation at the beginning of March 2020. The

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
					use of B&B and hotels has increased throughout March as we have responded to the coronavirus epidemic by placing single people in this accommodation that would otherwise be sleeping rough. A further 14 single people were accommodated at the end of March under discretionary powers in light of the pandemic.

**WE WANT TO: Develop stronger and more resilient communities to enable people to help themselves**

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
<b>G</b>	KA 6. Support community planning including working with parishes to complete Neighbourhood and Parish Plans	Ongoing	Cllr Neish	Clara Kerr	Throughout Q4 a number of public engagement activities with Parishes were undertaken to promote understanding of the Local Plan, Neighbourhood Plans and the promotion of rural exception sites.
<b>G</b>	KA 7. Manage the Community Chest funding pot and voluntary sector funding to encourage and support projects to build and support community development	Ongoing/ Annual	Cllr Gray / Cllr Prentice	Community - Finlay Flett	2019-20 cycle of grants processed and applications closed down. A new process and criteria has been agreed for 2020-21 to allow community chest to be used to help fund groups tackling Covid-19 locally.
<b>G</b>	KA 8. Support and encourage community action on litter and waste	Ongoing	Cllr Prentice / Cllr Beuttell	Neil Sloper	Litter Minimisation project - results include onstreet recycling in place in St Neots and Huntingdon, Business Community Pledge sign up started, layby recycling bins installed to combat roadside litter.

## Corporate Performance and Contextual Indicators

### Key to status

<b>G</b>	Performance is on track	<b>A</b>	Performance is within acceptable variance	<b>R</b>	Performance is below acceptable variance	<b>?</b>	Awaiting performance update	<b>n/a</b>	Not applicable to assess performance
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Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
PI 1. Number of days of volunteering to support HDC service delivery (cumulative year to date)  Aim to maximise	4,698	4,001	5,461	<b>G</b>
Comments: (Operations / Leisure and Health) Countryside - 4,171 volunteers this year. One Leisure Active Lifestyles - 1,290 volunteer days this year.				
PI 2. Average number of days to process new claims for Housing Benefit and Council Tax Support (cumulative year to date)  Aim to minimise	23 days	24 days	22.5 days	<b>G</b>
Comments: (Revenues & Benefits) The number of new Housing Benefit claims received during the year reduced as more people moved on to Universal Credit. Claims for Council Tax Support remained steady.				
PI 3. Average number of days to process changes of circumstances for Housing Benefit and Council Tax Support (cumulative year to date)	4 days	5 days	3.4 days	<b>G</b>



Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
Aim to minimise				
Comments: (Revenues & Benefits) There has been a large increase in the number of changes relating to Universal Credit claims.				
PI 4. Number of homelessness preventions achieved (cumulative year to date)	405	420	521	G
Aim to maximise				
Comments: (Housing Needs & Resources) Earlier interventions lead to greater chances of success with either maintaining current accommodation or giving time to find an alternative home before homelessness happens. A range of earlier interventions has contributed to a higher number of preventions this year.				
PI 5. More people taking part in sport and physical activity: Number of individual One Card holders using One Leisure Facilities services over the last 12 months (rolling 12 months)	44,984	45,500	43,383	R
Aim to maximise				
Comments: (Leisure and Health) COVID-19 affected due to centre closures in March.				
PI 6. More people taking part in sport and physical activity: Number of individual One Leisure Active Lifestyles service users over the last 12 months (rolling 12 months)	7,162 (inc. Park Run)	2,959	4,023	G
Aim to maximise				
Comments: (Leisure and Health) Young peoples activity up against target (Under 5s and other partner based activities performed well). Right Start class participants up against target.				
PI 7. Providing more	12,435	11,600	13,783	G

Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
opportunities for people to be more active: Number of sessions delivered at and by One Leisure Facilities (cumulative year to date)  Aim to maximise				
Comments: (Leisure and Health) Includes sessions that were cancelled due to closure for COVID-19.				
PI 8. Providing more opportunities for people to be more active: Number of sessions delivered by One Leisure Active Lifestyles (cumulative year to date)  Aim to maximise	3,818	4,330	4,526	G
Comments: (Leisure and Health) Most areas of OLAL provided more opportunities.				
PI 9. People participating more often: Number of One Leisure Facilities admissions – swimming, Impressions, fitness classes, sports hall, pitches, bowling and Burgess Hall (excluding school admissions) (cumulative year to date)  Aim to maximise	1,412,670	1,516,380	1,425,633	A
Comments: (Leisure and Health) Final figures affected by COVID-19 - forecasts in March suggested target would have been met with exceptional performance from Impressions and Swimming activities.				
PI 10. People participating	57,683	50,716	57,098	G

Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
more often: One Leisure Active Lifestyles throughput (cumulative year to date)  Aim to maximise	(inc. Park Run)			
Comments: (Leisure and Health): Young People and Older Adult activities performed well. Introduction of a number of new sessions over the year with people participating regularly.				

## STRATEGIC THEME – PLACE

Period January to March 2020

### Summary of progress for Key Actions

<b>G</b>	Progress is on track	<b>A</b>	Progress is within acceptable variance	<b>R</b>	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
<b>12</b>		<b>4</b>		<b>0</b>		<b>0</b>		<b>0</b>	

*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

<b>G</b>	Performance is on track	<b>A</b>	Performance is within acceptable variance	<b>R</b>	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
<b>13</b>		<b>4</b>		<b>1</b>		<b>0</b>		<b>0</b>	

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

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
<b>G</b>	KA 9. Maintain our existing green open spaces to high standards, ensuring community involvement and encouraging greater active use, and maintain Green Flag statuses	Ongoing	Cllr Beuttell	Neil Sloper	Applications for Green Flag Status for all sites have been resubmitted and we are awaiting results.
<b>G</b>	KA 10. Reduce incidences of littering through targeting of enforcement work	Ongoing	Cllr Prentice	Community - Finlay Flett	Enforcement continues in targeted areas, which has resulted in a range of actions including the issue of fixed penalty notices and court prosecutions against

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
					identified offenders.
<b>G</b>	KA 11. Review air pollution activities to reflect new national Clean Air Strategy	Ongoing	Cllr Prentice	Community - Finlay Flett	Local work will reflect national priorities as these emerge.

### WE WANT TO: Accelerate business growth and investment

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
<b>G</b>	KA 12. Build upon and use sector analysis and industrial clusters research to help inform priorities across Services	Ongoing	Cllr Fuller	Clara Kerr	Using data from the Cambridgeshire and Peterborough Independent Economic Review and EMSI (a data and insight company) has allowed for data sets to be developed but these require further work. Recognising that the data held is poor, we purchased additional data about local businesses. At the end of March work paused to focus on business grants.
<b>A</b>	KA 13. Implement measures to grow Business Rates	Ongoing	Cllr Fuller	Clara Kerr	Linked to KA12 we need better data, and that was afoot until paused to focus on Covid-19 responses.
<b>G</b>	KA 14. Engage and communicate with local businesses through the Better Business For All initiative	Ongoing	Cllr Prentice / Cllr Fuller	Community - Myles Bebbington	A regulatory video has been launched and there has been engagement across Cambridgeshire to give consistent regulatory advice at the start of the Covid lockdown regarding business closures.
<b>A</b>	KA 15. Prepare options reports for the redevelopment of the Bus Station Quarters in St Ives and Huntingdon	September St Ives, December Huntingdon	Cllr Fuller	Clara Kerr	Work is ongoing but recognising shift in personnel (temporary staff no longer working) and onset of Covid-19 work has paused work.
<b>G</b>	KA 16. Deliver the actions resulting from the Council's Off Street Car Parking Strategy	Ongoing	Cllr Beuttell	Neil Sloper	Working towards the delivery of Electric Vehicle Charging points in a selection of our car parks. A user survey has been hosted and is now closed which gained over 400 responses. These responses will be analysed by officers and used to inform the next

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
					stages.

**WE WANT TO: Support development of infrastructure to enable growth**

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
<b>G</b>	KA 17. Continue to work with partners and influence the Combined Authority (CA) and secure support and resources to facilitate delivery of new housing, drive economic growth and provide any critical infrastructure	Ongoing	Cllr Fuller / Cllr Neish	Clara Kerr	Ongoing dialogue re the following: A141, 3rd River Crossing, Growth Hubs, business grants (Covid-19).
<b>G</b>	KA 18. Prepare 'Prospectuses for Growth' for St Ives, Huntingdon and Ramsey and continue to support the delivery of the St Neots Masterplan	December 2019 for Prospectuses for Growth; ongoing for delivery of St Neots plan	Cllr Fuller	Clara Kerr	The prospectuses were adopted by Cambridgeshire and Peterborough Combined Authority (CPCA) at the end of March and were endorsed by Cabinet in March.
<b>G</b>	KA 19. Continue to provide active input into the delivery stage of the A14 and the design stage of the A428, and lobby for a northern route for East-West Rail (EWR) and the local road network to deliver the specific requirements of the Council	Ongoing	Cllr Neish	Clara Kerr	Officers attended all meetings. Timescales have not been updated and work continues to progress.
<b>G</b>	KA 20. Set out timetable for	01/06/2020	Cllr Neish	Clara Kerr	Preparation is underway; chasing stakeholders to

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
	preparation of an updated Section 106 Supplementary Planning Document and Community Infrastructure Levy charging schedule and implement				respond has added extra time but remains on track for summer 2020.
<b>A</b>	KA 21. Deliver capital/community projects to provide more leisure and health facilities in the district	Ongoing	Cllr Palmer	Jayne Wisely	Training Shed and Ramsey Pool improvements delivered. Ramsey 3G and St Ives Pool Changing Rooms delayed by COVID-19.

**WE WANT TO: Improve the supply of new and affordable housing, jobs and community facilities to meet current and future need**

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
<b>A</b>	KA 22. Adopt and implement Housing Strategy annual Action Plan	01/10/2019	Cllr Fuller	Clara Kerr	Due to restructure work was revisited and a consultant engaged by SLT to focus on 1 key priority area. It was recognised that the existing strategy expires in 2020. However, it will be timely to revisit this side by side with a refresh of the Housing Strategy Plan to include recognition of opportunities to work with key partners inc the CPCA to continue to deliver high volumes of AH to meet district need.
<b>G</b>	KA 23. Maintain a five year housing land supply (5YHLS) and ensure that the Housing Delivery Test in the National Planning Policy Framework is met	Ongoing	Cllr Fuller	Clara Kerr	AMR is housing completions until March 2019. 5YHLS is 5.59 years. Data gathering underway in summer 2020 for AMR 2020 to be issued in December 2020.
<b>G</b>	KA 24. Facilitate delivery of new housing and appropriate infrastructure	Ongoing	Cllr Fuller / Cllr Neish	Clara Kerr	All strategic planning applications for Alconbury Weald and Wintringham Park have been determined in accordance with agreed timescales with developer; ongoing dialogues with CPCA re A141 study and CCC re St. Ives Study. Expected to be reported to CPCA

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
					board in September 2020.



## Key to status

<b>G</b>	Performance is on track	<b>A</b>	Performance is within acceptable variance	<b>R</b>	Performance is below acceptable variance	?	Awaiting performance update	<b>n/a</b>	Not applicable to assess performance
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Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
PI 11. Percentage of sampled areas which are clean or predominantly clean of litter, detritus, graffiti, flyposting, or weed accumulations (cumulative year to date)  Aim to maximise	80.59%	80%	80%	<b>G</b>
Comments: (Operations) Most of year averaged above 90%, decrease due to leaf fall in Oct/Nov, which had a knock on effect when this work continued into the last quarter. Looking at resource for 2020 to mitigate.				
PI 12. Percentage of street cleansing service requests resolved in five working days (cumulative year to date)  Aim to maximise	97.66%	85%	95%	<b>G</b>
Comments: (Operations) Continued efficient resource management and streamlining has lead to the annual target being achieved				
PI 13. Number of missed bins per 1,000 households (cumulative year to date)  Aim to minimise	0.73	0.75	0.79	<b>A</b>
Comments: (Operations) Much work has taken place to ensure the number of missed bins reduced recently with Q4 result below target at 0.72. However the annual target was not achieved.				

Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
PI 14. Percentage of grounds maintenance works inspected which pass the Council's agreed service specification (cumulative year to date)  Aim to maximise	85.5%	82%	97%	G
Comments: (Operations) This service is performing to standard.				
PI 15. Percentage of grounds maintenance service requests resolved in five working days (cumulative year to date)  Aim to maximise	93.5%	85%	82%	A
Comments: (Operations) Work completed but not closed down correctly due to staff absence in Feb. Closedown procedure was not completed on time and that's when the date is measured from not the day the job was completed. New system will prevent this from happening in the future.				
PI 16. Percentage of successful environmental crime enforcements (cumulative year to date)  Aim to maximise	100%	100%	100%	G
Comments: (Community) 3 prosecution files for fly-tipping offences currently with Legal and court dates set for May and June 2020. The team currently have 22 open investigations for fly-tipping where evidence has been found and is likely to result in an Fixed Penalty Notice being issued or a file submitted for prosecution.				
PI 17. Percentage of household waste recycled/reused/composted (cumulative year to date)	58.39%	59%	60%	G

Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
Aim to maximise				
Comments: (Operations) Much work has been undertaken to bring the contamination rate down. This has improved the quality and quantity of material being recycled. The tonnage sent to landfill has remained the same which is positive due to the number of new developments. Communication of waste minimisation measures has increased. We have seen an increase of 13% in the tonnage collected for composting. This increase can be attributed to a raised awareness of food waste recycling but also weather has an impact with more garden waste produced.				
PI 18. Percentage of food premises scoring 3 or above on the Food Hygiene Rating Scheme (latest result)	97%	95%	97%	G
Aim to maximise				
Comments: (Community) This figure will likely be seriously affected during Q1 2020 due to Government changes to inspections during Covid 19.				
PI 19. Number of complaints about food premises (cumulative year to date)	517	750	748	G
Aim to minimise				
Comments: (Community) This figure will need to be reviewed for 2020/21 to further reflect as accurately as possible any differentiation between food premises that may be worth noting.				
PI 20. Net growth in number of commercial properties liable for Business Rates (cumulative year to date)	N/a – new measure	70	165	G
Aim to maximise				
Comments: (Development) The target set was in line with trends over the last nine years, with the growth reported above the long-term average. However, numbers do drop and with the impact of Covid-19 in recent weeks and an uncertain economic environment this is a real possibility for 2020/21. Information is obtained from the rating list compiled by the Valuation Office Agency.				
PI 21. The percentage of	N/a – new measure	No target set	55%	G

Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
Community Infrastructure Levy (CIL) collected when due (cumulative year to date) Aim to maximise				
Comments: (Development) 51 demand notices received payment; 28 Paid on time;17 paid in next month;6 paid a month early;1 surcharge applied.				
PI 22. Percentage of planning applications processed on target – major (within 13 weeks or agreed extended period) (cumulative year to date)  Aim to maximise	80%	79%	87%	G
Comments: (Development) Quarter 4 performance remains strong in light of current ongoing vacancies and this is testimony of all the continuous hard work of the team throughout the year in very challenging circumstances.				
PI 23. Percentage of planning applications processed on target – minor (within 8 weeks or agreed extended period) (cumulative year to date)  Aim to maximise	81%	80%	78%	A
Comments: (Development) The performance to the end of Q4 dipped again due to the previous high number of resignations over a short period of time.				
PI 24. Percentage of planning applications processed on target – household extensions (within 8 weeks or agreed extended period) (cumulative year to date)	90%	89%	88%	A

Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
Aim to maximise				
Comments: (Development) Performance was on target in Q3 and it was anticipated a 'Green' status outturn by financial year end. However Q4 performance affected this recovery.				
PI 25. Number of new affordable homes delivered in 2019/2020 (cumulative year to date)	269	360	440	G
Aim to maximise				
Comments: (Development) This is a record since 2008/09, which is largely due to applications providing policy compliant affordable housing approved under tilted balance in 18/19 being delivered during 2019. There were also some additional units delivered via grant funding. The most recent high delivery was in 11/12 when we delivered 367.				
PI 26. Net growth in number of homes with a Council Tax banding (cumulative year to date)	N/a – new measure	No target set. Defer to AMR	1,185	G
Aim to maximise				
Comments: (Development) The Annual Monitoring Report (AMR) reported in December 2019 is for the period April 2018 - March 2019. The AMR figure relates to a net additional dwellings measure which is only reported annually and nine months in arrears so the performance of this PI should only be treated as an early indicator of local housing growth rather than a final position. The AMR 2018 suggested 1,003 dwellings would be constructed up to March 2020. The AMR December 2019 is consistent with the trajectory in the AMR 2018 and is a conservative estimate taking into a number of factors including economic factors and absorption rates.				
PI 27. Total number of appeals allowed as a percentage of total number of planning applications refused (cumulative year to date)	N/a – new measure	TBC	25% (4 out of 16)	G
Aim to minimise				
Comments: (Development) 25% is a low percentage and an indication of very good, sound planning decision making. 2 out of the 4 appeals lost were decisions out of the control of the Local Planning Authority (ie Development Management Committee decisions).				

Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
PI 28. Number of cost awards against the Council where the application was refused at Development Management Committee contrary to the officer recommendation (cumulative year to date)  Aim to minimise	N/a – new measure	0	1	R
Comments: (Development) It is not possible to predict the outturn as this is based on DMC Members' decisions. However, measures are in place to ensure Members are familiar with our policies including dedicated Member training sessions. The 1 appeal allowed related to The Dignity Crematorium in Quarter 3.				

## STRATEGIC THEME – BECOMING A MORE EFFICIENT AND EFFECTIVE COUNCIL

Period January to March 2020

### Summary of progress for Key Actions

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

<b>G</b>	Performance is on track	<b>A</b>	Performance is within acceptable variance	<b>R</b>	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
8		2		5		0		0	

### WE WANT TO: Become more efficient and effective in the way we deliver services

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
<b>G</b>	KA 25. Actively manage Council owned non-operational assets and, where possible, ensure such assets are generating a market return for the Council	Ongoing	Cllr Gray	Assistant Director (Corporate Services)	Two further lettings completed in Q4 at Clifton Road and 30 Levellers Lane, bringing additional net new annual income income this year to £53.8k p.a. Other “one off” income has been secured from release of restrictive covenants, granting of wayleaves etc totalling £69.9k this year. A number of lettings and lease renewals stalled in the last few weeks of the year due to uncertainty over Covid 19.

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
G	KA 26. Develop the Council's Business Change function and create a culture of change management throughout the organisation	Ongoing	Cllr Keane	Tony Evans	An unified approach to business change has been developed with themes around data, digital and efficiency. This has been support by a new approach to starting projects and regular usage of data in management meetings to drive conversations about change.
G	KA 27. Develop the Council's approach to performance management and business intelligence	Ongoing	Cllr Gray	Tony Evans	Work is continuing to make better use of new technology available through Council Anywhere to reduce duplication and improve efficiency in monitoring and reporting on performance across services. The Operational Board is reviewing service performance and finances monthly with a focus on improving productivity. From the end of March onwards much of our focus has been to identify and contact vulnerable people as part of our response to Covid 19. Review of the Corporate Plan 2020/21 work is ongoing and this will need to take the impact of Covid 19 of our planned activities into account.
G	KA 28. Deliver the Council Anywhere project to introduce new digital technology and ways of working remotely to improve productivity and flexibility for staff	March 2020	Cllr Keane	Sam Smith / Tony Evans	The majority of devices have been issued, though some work remains as this was interrupted due to COVID-19. The Council Anywhere platform has supported our transition to working from home as a result of COVID-19 and has provided us the ability to stand up new solutions and support collaborative working that would have been impossible before. There remains some further work within 3C ICT to maximise the improvements in efficiency within support operations.



**WE WANT TO: Become a more customer focussed organisation**

Status	Key Actions for 2019/20	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
A	KA 29. Develop our Customer Portal to offer improved online and out of hours access to our services and work with partners to deliver better multi-agency customer services	Ongoing	Cllr Keane	Michelle Greet / Tony Evans	Work continues to develop the portal and bring more services into the portal to enable out of hours operation and access to information. Integrated Operations Streetscene requests have gone live in May. The portal will be supplemented by voice bots technology funded by a Local Government Association grant. Our "Front Door" technology used in Oxmoor and GP Practices was deployed to support our response to COVID-19. We will be adopting a changed approach to rolling out digital with more central support and design to move services online based on need and cost rather than service preference.
A	KA 30. Introduce a new electronic pre-application planning advice service	Ongoing	Cllr Neish	Jacob Jaarsma	Launching of new new electronic pre-application planning advice service pushed back to December 2020 and subject to successful recruitment to fill vacancies in Development Management as agreed with the Chief Operating Officer.

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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 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
PI 29. Total amount of energy used in Council buildings (cumulative year to date)  Aim to minimise	10,221,544 kWh (10.97% down on 2017/18)	9,710,467 kWh (5% down on 2018/19)	11,265,569 kWh (10% increase on 2018/19) *As at Q3 and compared with Q3 2018/19	<b>R</b>
Comments: (Operations) Due to transfer of Sawtry One Leisure (end November 2019), overall energy use for the year will be lower than our usage for the year 2018/19. System software failure (under investigation) means that like for like comparison and analysis for Q4 is not yet available. Therefore the figure on overall energy use reported is as at Q3, which was 3.4% higher than at the same point last year.				
PI 30. Percentage of Business Rates collected in year (cumulative year to date)  Aim to maximise	98%	99%	99%	<b>G</b>
Comments: (Revenues & Benefits) Performance remained consistent throughout the year.				
PI 31. Percentage of Council Tax collected in year (cumulative year to date)  Aim to maximise	98%	99%	98%	<b>A</b>
Comments: (Revenues & Benefits) Despite efforts by the team to maximise Council Tax collection including carrying out an extra reminder run, the target was not met.				
PI 32. Percentage of invoices from suppliers paid within 30 days (cumulative year to date)  Aim to maximise	92%	98%	92%	<b>A</b>
Comments: (Resources) The target has not been met, however during the last quarter there was an improvement January (87%) to March (90%), and the % attained should be taken in the context that over 7,400 invoices were paid on time. Budget managers are being contacted on a monthly basis with a late paid invoices listings to identify invoices that were in dispute, and it is expected that this process will improve payment times back up to the required target.				
PI 33. Staff sickness days lost	9.2	9.0	6.5	<b>G</b>

Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
per full time employee (FTE) (cumulative year to date)	days/FTE	days/FTE	days/FTE	
Aim to minimise				
Comments: (Resources) 6.5 days FTE excludes Covid 19 Absences, 7.2 FTE if absences related to C19 were included.				
PI 34d. The percentage of the Staff Survey action plan on track (one off annual result)	N/a – new measure	90%	55%	R
Aim to maximise				
Comments: (Resources) The Draft Action Plan is in place. Some measures are ongoing actions. Some actions were planned to complete within the year from the survey, taking it beyond the financial year. Some of the activity planned will need reassessing with different ways of working and priorities responding to Covid-19.				
PI 35. Call Centre telephone satisfaction rate (cumulative year to date)	89%	80%	89%	G
Aim to maximise				
Comments: (Customer Services) We did not send out surveys this quarter due to concerns and preparation for COVID. The percentage recorded is the cumulative result for the 2019/20 financial year.				
PI 36. Customer Service Centre satisfaction rate (cumulative year to date)	93%	80%	95%	G
Aim to maximise				
Comments: (Customer Services) We did not send out surveys this quarter due to concerns and preparation for COVID. The percentage recorded is the cumulative result for the 2019/20 financial year				
PI 37. Percentage of calls to Call Centre answered (cumulative year to date)	82%	80%	83%	G

Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
Aim to maximise				
<p>Comments: (Customer Services) We were recruiting seven new staff members in Q3 which put service levels under pressure in the final quarter of the financial year as we had to take some experienced staff off the phones to support our new starters. We have been able to meet service level for the year.</p> <p>During Q4, Customer Services are also dedicating resource to implementing the Dynamics Customer Relationship Management system replacement ready for the deadline June 2020 when Dynamics support runs out.</p>				
PI 38. Percentage reduction in avoidable contacts (cumulative year to date)	-14.6% (compared to 2017/18)	-15%	2%	R
Aim to maximise				
<p>Comments: (Customer Services) The reduction in avoidable contact has reversed since the 14.6% fall we saw last year. The introduction of the integrated Operations forms has been delayed until May 2020 due to delays in the implementation of the Yotta system in Operations. We continue to expand the online customer portal and as the integrations go online we expect to see further reductions in avoidable contact in 2020/21.</p>				
PI 39. Percentage of households with customer accounts generated (latest result)	2%	8%	15%	G
Aim to maximise				
<p>Comments: (Customer Services) We now have 12K accounts on the OneVu platform. A small proportion of these are registered to addresses outside the district.</p>				
PI 40. Percentage of Stage 1 complaints resolved within time (cumulative year to date)	85%	90%	87%	R
Aim to maximise				
<p>Comments: (Customer Services) Unfortunately we did not meet our target as Q4 resulted in five more late responses. In the entire year, we had 37 late responses out of 280, giving us a figure of 87%. Operations had the majority of late responses with 27 out of 161 late (83% on time), while Development had 10 out of 44 late (77% on time), seven of Development's late responses were in Q3 when the service was</p>				

Performance Indicator	Full Year 2018/19 Performance	Annual 2019/20 Target	Outturn 2019/20 Performance	Outturn 2019/20 Status
going through significant structural change, Operations also had a high number of late responses in Q3.				
PI 41. Percentage of Stage 2 complaints resolved within time (cumulative year to date)  Aim to maximise	81%	90%	76%	R
Comments: (Customer Services) 17 Stage Two complaints were resolved in 2019/2020. Two in Customer Services, eleven in Development, one in Leisure & Health, one in Operations, one in Resources and one cross cutting (Resources & Development). For the current year we have had 13 of 17 responded to on time. The four not responded to on time were in Development. There were no stage 2 complaints received in February or March 2020.				
PI 42. Net expenditure against approved budget (latest forecast)  Aim to minimise variance	Overall -1.4% variance	Overall <5% & Services within 10%	-1.5%	G
Comments: (Resources) Underspend of £0.265m against a budget of £17.1m giving an actual outturn of £16.89m. There were significant reductions in income in the last two weeks of the financial year due to the Covid-19 lockdown of £308k, reducing the expected forecasted underspend in Q3 of £0.569m to £0.265m.				
PI 43. Income generated from Commercial Estate Rental & Property Fund Income (cumulative year to date)  Aim to maximise	£3.6m	£3.3m	£4.9m	G
Comments: (Resources) Two further lettings completed in Q4 at Clifton Road and 30 Levellers Lane, bringing additional net new annual income income this year to £53.8k p.a. Other "one off" income has been secured from release of restrictive covenants, granting of wayleaves etc totalling £69.9k this year. A number of lettings and lease renewals stalled in the last few weeks of the year due to uncertainty over Covid 19.				

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Project Name	Project Description	Original Approved End Date	Planned Delivery Date	RAG Status	Performance Summary	Last updated	Service Area	Project Sponsors	Project Managers
Customer Portal	Development of a customer portal and the processes that support the portal that allow for the creation of end to end digital services that integrate with back office system. This also includes the replacement of Dynamics as a tool in the contact centre. This includes the deliver of forms for Operations, Taxi Licensing and eBilling.	31-Oct-19	30-Dec-20	R	<p>Customer Portal Project</p> <p>Yotta Alloy project changes and slippage have affected the portal programme, streets forms are now scheduled for release during Q2 and dates are being looked at for Waste or Grounds integrations. SLT have agreed a change in approach, with dedicated resource in Transformation being created to deliver digital for (and with) services. eBilling on hold till new print supply contract award. Data analytics proceeding but slow going due to issues getting data.</p> <p>Dedicated, and increased, project resource allocated from Customer Services - but needs to be reassessed in light of Covid-19, Project Team meets 17/4.</p> <p>Dynamics Replacement Project</p> <p>Solution must go live by June 2020 due to Dynamics no longer being supportable. Challenges in communicating goal and purpose of the project have been partially addressed. Customer services are developing policy and processes to handle the new functionality and decisions that need to be made in using the new system. Data have been extract from Dynamics to allow us to understand current usage and build based on this. Work has begun on migrating information request content to the portal and a full review of all SRs is scheduled to generate a list of needed webforms. Customer Services team are developing training processes and we plan to dual run Dynamics and IEG4 to allow agents to learn the new functionality a piece at a time.</p>	14-Apr-20	Transformation	John Taylor	Tony Evans
Council Anywhere	Council Anywhere	29-Jan-19	31-Mar-20	R	All teams at SCDC and Hunts in terms of project are 100%. All devices are built, vacant post laptops have been built and stored in the IT store room for Desktop to hand out when required. PM currently risk assessing rebuilds of laptops. HDC Customer services are having their full rebuild this week. PM still continuing with SWPS that are not impacted by Covid-19.	14-Apr-20	3C Shared Services	Oliver Morley	Paul Ashbridge
Eastnet MLL Migration	Eastnet MLL Migration	-	30-Jun-20	A	<p>The core: All core services and data centres are now migrated to Eastnet. Some performance issues experienced accessing services hosted in Pathfinder House. Agreement to failover traffic for HDC to Shire Hall to check if this improves performance.</p> <p>The edge: The site burndown report - 60 sites total. Currently 42 sites connected. Main blockers are Cambridge sites (Mandela House, plus Civils at Grand Arcade, Ditchburn Place and Brown's Field). All sites are extended until 30th June 2020. Ramsey One Leisure which is due to be cut off on 31st March, challenges with rural location.</p> <p>Forecast, remaining sites by the end of March after which the project will have delivered all the changes needed and will then be considered for closure. It is possible that there may be 3 or 4 sites in April that need some extended attention.</p> <p>The project has agreed to merge Clearpass deployments where needed at the remaining site migrations as Clearpass cannot be deployed at sites until Eastnet is connected.</p>	14-Apr-20	3C Shared Services	Oliver Morley	Peter Holmes

Project Name	Project Description	Original Approved End Date	Planned Delivery Date	RAG Status	Performance Summary	Last updated	Service Area	Project Sponsors	Project Managers
CCTV upgrade	CCTV Control Room, Camera and Network Upgrade	03-May-19	31-Mar-20	G	<p>All but 2 cameras in Huntingdon have been replaced, remaining require BT ethernet conversion to links ready that has been ordered. 11 more BT analogue circuits are now cancelled for St Neots that will save on future revenue costs for the service now Huntingdon almost completed. Additional power ordered for other towns due to network design changes with utility company though may be issues with some locations if used for Xmas decorations and that may affect further rollout of some cameras and is being investigated.</p> <p>Project Manager reports that project still Amber until digital camera rollout completed to allow assessment if existing targets can be met or need to be reviewed. Issues on roll out of Cambridge cameras continue due to complexity of permissions of listed buildings and associated negotiations. Huntingdon Complete, some issues in connecting up St Ives due to network provision organised by contractor which was escalated by Head Of Service this week. Service is now connected to external internet to progress new system set up. Secondment established to achieve this by end March 2020. Difficulties in business continuity during network change over with work arounds in place. Legacy systems will be de-commissioned once new digital system set up. Service Planning of stabilised service underway. Plan in place to set up digital cameras and camera roll out will be fully concluded end of January. Desk based accreditation on track end of March with full Kite Mark, interior completion on track end March. Team using digital back office, superuser training done. reporting being reviewed to generate performance indicators. All HDC cameras done, Yaxley needs connection, Huntingdon Multi-Storey Car Park needs finalisation. City 2/4 car parks done. All on track for revised completion of 31st March for all works. Independent system test commissioned to check delivery of £350k project with quality assurance.</p>	17-Mar-20	Operations	Neil Sloper	Eddy Gardner
Payment Card Industry Data Security Standards (PCIDSS)	Following recommendation from NCC Group who were invited to analyse what the 3 authorities need to do to become PCI DSS compliant, this project was implemented. This is phase 1 of the project where we will focus on becoming PCI DSS P2PE compliant at the 3 authorities by updating PED (Chip and Pin).	31-Dec-18	30-Jun-20	G	Qualified Security Assessor audit planned for 22 - 24 April. Lined up relevant people to take part. Working with NCC about doing the audit remotely.	14-Apr-20	3C Shared Services	Tony Allen	DK
Environmental Health System Procurement / Implementation	Project has been broken down into two phases. Selection and Implementation. The Selection project is for the three Councils to choose a single supplier to replace current environmental health systems with a single system. SCDC is leading on the project on behalf of the three Councils.	31-Mar-20	31-Jan-21	G	Contract executed. Project governance agreements underway between 3 Councils.	14-Apr-20	3C Shared Services	John Taylor	David Pope



Project Name	Project Description	Original Approved End Date	Planned Delivery Date	RAG Status	Performance Summary	Last updated	Service Area	Project Sponsors	Project Managers
Outsourced Hybrid Mail & Printing Project	Outsourced Hybrid Mail & Printing Project	-	30-Sep-20	G	Progress has been made. Plans to outsource printing are now moving at pace. HDC is partnering with Cambs City and our requirements have been produced. Decisions concerning TUPE transfer of a member of staff have been resolved. Original Approved End Date not known due to departure of Head of Service.  There is some possible slippage in timescales, due to delays in procurement. Project Manager tasked to respond to John Taylor.	30-Mar-20	Community	John Taylor	Andy Lusha
Windows Server 2008 Migration	There are a number of servers running Windows Server 2008 across the 3 councils. Windows Server 2008 currently due to fall out of support in January 2020. Services and applications hosted on these platforms will need to be migrated to a new platform and tested.	28-Feb-20	18-Dec-20	G	No progress since last review as Telephony ramping up. Last two Project Team meetings were postponed due to lack of attendance. Reviewed the Server Spreadsheet with Alex Young and have categorised servers based on the required team's input. To review with Andrew Howes to confirm.	14-Apr-20	3C Shared Services	Sagar Roy	Peter Holmes
Operations Back Office System Potta	Streets/Grounds/Recycling and Waste Services: Phase 1: Streets April 2019 / Phase 2: Grounds Sept 2019 / Phase 3: Waste Services May 2020 / 3C project across the three authorities.	07-May-19	30-Apr-20	R	HDC Currently testing workflows with integrated eForms. Awaiting resolution of workflow issue due April, though Yotta monitoring & cancelling large jobs. Rollout needs to be re-looked at due to social distancing rules.	14-Apr-20	3C Shared Services	(Joel Carre (CCC)) Neil Sloper	Tony Allen
One Leisure Ramsey - 3G Artificial Pitch	3G Artificial Pitch (2018/19 Capital programme) (M10)	31-Dec-18	31-Mar-20	A	Delayed due to Covid-19 to get contractors onsite. Next stage is for Archaeology work to be undertaken and was planned to commence week commencing 11 May.	11-May-20	Leisure & Health	Jayne Wisely	Martin Grey
One Leisure St Ives Changing Rooms	Capital 2019/20	TBC	TBC	G	Being discussed through Head of Service with SLT. Significant customer dissatisfaction with the facility now the biggest single cause of disruption across the whole One Leisure with NPS (Customer Satisfaction Score) less than 10 at St Ives (directly attributable to Changing Rooms) whilst other sites sit at or above the national average of around 42.	09-Mar-20	Leisure & Health	Paul France	Chris Keeble
One Leisure St Ives - Outdoor Fitness Facility	Outdoor Fitness Facility (2018/19 Capital programme)	31-Jan-18	10-Feb-20	G	Completed on time and now open and fully functioning. Final account (minus retention) being agreed and signed off	09-Mar-20	Leisure & Health	Paul France	Pete Corley
One Leisure Impressions - Equipment Refresh	Capital Refresh 2019/20 - Gym Equipment Refresh and Access Control	24-Dec-19	07-Dec-19	G	Complete	03-Feb-20	Leisure & Health	Paul France	Dan Gammons

Project Name	Project Description	Original Approved End Date	Planned Delivery Date	RAG Status	Performance Summary	Last updated	Service Area	Project Sponsors	Project Managers
Alms Close, Huntingdon - Land development	Development of Land at Alms Close, Huntingdon	31-Oct-19	18-Sep-20	A	SLT approved scheme on the 20th August 2019 and again in September following a 2nd meeting. Treasury and Capital Management Group approved Development 30.09.2019, Project could not progress further until this was approved which delayed start date. Contractor to be requested to confirm tender still stands and on acceptance a notice will be put on PROCONTRACT. Contract Commenced 07/01/2020. The project completion date is likely to be revised due to the Coronavirus pandemic and the restart of the project will be subject to general working conditions returning to normal. There will be no increased costs from the suspension as the matter is deemed one of Force Majeure.	26/03/2020	Resources	Justin Andrews	Carl Egonu
Litter Innovation Fund	Introduce automated forms into business systems	TBC	31-Mar-21	A	Project is in the process of being initialised after DEFRA funding received. Works planned, layby litter bin initiative working with Highways England on the new A14 will be completed by end March 2020. Problems with A14 engagement so have prioritised other key roads and laybys. Covid-19 has halted progress as non-essential works.	02-Apr-20	Operations	Neil Sloper	Kristie Wilson
Consolidate Server Rooms	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.	12-Dec-17	30-Nov-19	G	Project complete and closure agreed by the Project Board. End of project report completed dated 20th November. Other than retrospective mop up work, work closed. Proposing having a governance board to pick up kind of issues emerging from this work stream.	31-Mar-20	3C Shared Services	(Fiona Bryant (CCC)) Oliver Morley	Peter Holmes

## Financial Performance Monitoring Suite Provisional Outturn (Quarter 4) 2019/20

### Executive summary

This report sets out the provisional outturn for 2019/20, based on information at the end of March, for revenue and capital. The headlines are:

**Revenue** - the forecast outturn is an estimated underspend of £0.265m when compared to the approved budget, which is £0.304m lower than the Q3 forecast (£0.569m underspend).

There has been pressure on the budget from:-

- Additional costs incurred from the transfer of One Leisure Sawtry to CMAT
- SLT restructure savings not being achieved in 2019/20
- Falling recycling credits
- The impact of Covid-19 on One Leisure and Car Park income
- Delay in Commercial Estates restructure

However these pressures have been off-set by:-

- Buoyant planning application fee income
- Additional income generated by the commercial investment programme
- Savings from vacant posts across most services

**Capital Programme** – the provisional outturn is an estimated net underspend of £2.814m. This is an increase of £0.758m when compared to the Quarter 3 forecast (£2.056m underspend). Several schemes are now requiring a re-phasing of their expenditure profiles and this is moving £3.368m of expenditure to 2020/21.

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.

Revenue Forecast Outturn	2018/19		2019/20					
	Outturn	Budget	Provisional Outturn (Gross)	Use of Reserves to Fund Exp	Contribution to Reserves	Net Service Outturn	Net Variation	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
<b>Revenue by Service:</b>								
Chief Operating Officer	3,438	4,260	3,699	0	107	3,806	● (454)	-10.7
3C's ICT	2,120	2,145	2,206	(50)	0	2,156	● 11	0.5
Planning Policy Manager	643	908	822	(159)	0	663	● (245)	-27.0
Housing Manager	177	154	139	(27)	0	112	● (42)	-27.3
Programme Delivery Manager	0	0	19	0	0	19	● 19	-
Head of Leisure & Health	279	(20)	267	(40)	25	252	● 272	1360.0
Head of Operations	4,615	3,852	4,365	(193)	186	4,358	● 506	13.1
AD Corporate Services	4,998	5,144	4,470	(63)	248	4,655	● (489)	-9.5
Corporate Leadership Team	774	752	808	0	0	808	● 56	7.4
Transformation	270	(38)	380	(317)	0	63	● 101	265.8
<b>Net Revenue Expenditure</b>	<b>17,314</b>	<b>17,157</b>	<b>17,175</b>	<b>(849)</b>	<b>566</b>	<b>16,892</b>	● (265)	-1.5
Contributions to/(from) Earmarked Reserves	(280)	0	(283)				(283)	0.0
Service Contribution to Reserves	3,274	3,285	3,550				265	8.1
<b>Budget Requirement (Services)</b>	<b>20,308</b>	<b>20,442</b>	<b>20,442</b>					
<b>Financing:-</b>								
Taxation & Government Grants	(11,841)	(11,664)	(11,664)				0	0.0
Contribution to/(from) Reserves	(17)	0	0				0	
<b>Council Tax for Huntingdonshire DC</b>	<b>(8,450)</b>	<b>(8,778)</b>	<b>(8,778)</b>					

**Note:**

Red – over spend by 2% or more & overspend exceeds £40,000

Amber – underspend by more than 4% & underspend exceeds -£40,000

Green – overspend up to 2% and underspend up to 4% & overspend up to £40,000 and underspend up to -£40,000

**2019/20 Provisional Outturn**

Quarter 3 Forecast	Service Area	2019/20 Budget	Provisional Outturn Gross	Gross Variance		Reserves		Provisional Outturn Net	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
<b>Chief Operating Officer</b>											
79,928	Head of Development	86,788	79,991	(6,797)	-7.80	0	0	79,991	(6,797)	-7.80	
152,540	Building Control	152,540	88,514	(64,026)	-42.00	0	0	88,514	(64,026)	-42.00	Accommodation costs recovered not budgeted for and charge, from Cambridge City, for non-fee earning work lower than expected.
(486,303)	Development Management	(319,782)	(429,050)	(109,268)	+34.20	0	0	(429,050)	(109,268)	-34.20	This budget is seeing a number of complex pressures. Income from applications is higher than forecast (£100k) showing demand is high. Staff vacancies have required temporary additional resources to be brought in. Due to Covid 19 restrictions the Service had to keep hold of temp resources longer than anticipated. The overall cost of the additional temporary planning resources will amount to £100k over a 5 month period. The Service is currently trying to recruit permanent members of staff. Finally, £83k costs were awarded against the Council following an appeal that the Council lost (Proposed Dignity Crematorium outside Kings Ripton) this has been off-set by savings on other budgeted application fee processing costs.
77,043	Head of Community	86,494	78,913	(7,581)	-8.80	0	0	78,913	(7,581)	-8.80	
319,489	Environmental Protection Team	314,123	327,241	13,118	+4.20	0	0	327,241	13,118	+4.20	Additional costs incurred dealing with traveller incursions
283,133	Business Team	260,290	286,739	26,449	+10.20	0	0	286,739	26,449	+10.20	Additional expenditure related to costs of Hamerton Zoo enquiry and coroners inquest Sept 19.
554,799	Community Team	584,272	538,101	(46,171)	-7.90	0	0	538,101	(46,171)	-7.90	Additional income in-year from fees and changes, combined within some savings due to recruitment vacancies at the start of the year. Recruitment to vacant posts has been completed and appointments have been made.
104,249	Environmental Health Admin	142,673	99,421	(43,252)	-30.30	0	6,612	106,033	(36,640)	-25.70	Reduced expenditure due to vacancies. Appointments made to all but one of vacant posts
2,000	Closed Churchyards	(13,000)	611	13,611	+104.70	0	0	611	13,611	+104.70	Unable to deliver the expected income for local levy due, recovery plan in place to get this delivered during 2020/21
(170,091)	Licencing	(104,812)	(127,871)	(23,059)	+22.00	0	0	(127,871)	(23,059)	-22.00	Additional income from licencing activities, transition to 3 yrl driver licences partially overset by increased in supplies and services, and salary costs
64,687	Corporate Health & Safety	105,509	54,890	(50,619)	-48.00	0	0	54,890	(50,619)	-48.00	Savings due to vacancies at the start of the year.
11,575	Emergency Planning	11,575	20,383	8,808	+76.10	0	0	20,383	8,808	+76.10	
97,813	Head of Customer Services	107,673	250	(107,423)	-99.80	0	98,557	98,807	(8,866)	-8.20	
(124,270)	Council Tax Support	(122,896)	(134,573)	(11,677)	+9.50	0	0	(134,573)	(11,677)	-9.50	Additional income from the recovery of old CouncilTax Benefit overpayments
(223,894)	Local Tax Collection	(227,770)	(210,582)	17,188	-7.50	0	0	(210,582)	17,188	+7.50	Debt recovery cost higher than forecast

Quarter 3 Forecast	Service Area	2019/20 Budget	Provisional Outturn Gross	Gross Variance		Reserves		Provisional Outturn Net	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
1,057,769	Housing Benefits	1,050,444	985,568	(64,876)	-6.20	0	0	985,568	(64,876)	-6.20	Reduction in expenditure on Temporary Accommodation less than expected and eligible subsidy proportion less than expected. Bad Debt Provision contribution calculation at year end produced a saving of £160k. Impact of universal credit caseload migration on overpayment recovery reduced income by £100k, this links into the bad debt provision saving.
1,006,995	Housing Needs	1,066,215	951,576	(114,639)	-10.80	0	0	951,576	(114,639)	-10.80	£20k reduction in contribution to county-wide Homelessness Trailblazer programme for 2019/20 covered by carry forward of central government grant from 18/19. £30k in year saving due to delay in commissioning strategy with the County Council relating to housing related support services. £63k saving on bad debt provision contribution not known until year -end
791,612	Customer Services	803,951	785,262	(18,689)	-2.30	0	0	785,262	(18,689)	-2.30	Small variations on an number of areas
257,575	Document Centre	247,662	246,883	(779)	-0.30	0	0	246,883	(779)	-0.30	
11,897	Housing Miscellaneous	28,412	3,433	(24,979)	-87.90	0	1,620	5,053	(23,359)	-82.20	Additional income from mobile home park rent and plot sales (£20k).
48,476	Chief Operating Officer	0	52,275	52,275	+0.00	0	0	52,275	52,275	+0.00	Impact of SLT restructure, partially off-set by savings on Head of Community and Head of Customer Services
<b>3,917,022</b>		<b>4,260,361</b>	<b>3,697,975</b>	<b>(562,386)</b>	<b>-13.20</b>	<b>0</b>	<b>106,789</b>	<b>3,804,764</b>	<b>(455,597)</b>	<b>-10.70</b>	
<b>3C's ICT</b>											
2,068,317	ICT Shared Service	2,145,425	2,205,846	60,421	+2.80	(50,000)		2,155,846	10,421	+0.50	Overspend is as a result of EastNet project termination charges and exit costs that were not known at the time of the original project bid. This includes core extension costs, additional staffing, VMB termination / exit fees that were not covered as part of the legacy CPSN contract
<b>2,068,317</b>		<b>2,145,425</b>	<b>2,205,846</b>	<b>60,421</b>	<b>+2.80</b>	<b>(50,000)</b>	<b>0</b>	<b>2,155,846</b>	<b>10,421</b>	<b>+0.50</b>	
<b>Planning Policy Manager</b>											
127,141	Economic Development	181,240	172,800	(8,440)	-4.70	(50,908)	0	121,892	(59,348)	-32.70	Employee savings (£48k) and small saving on supplies and services
495,111	Planning Policy	675,481	611,480	(64,001)	-9.50	(108,319)	0	503,161	(172,320)	-25.50	Employee savings (£88k), additional CIL Income (£45k), additional external funding secured to cover existing staff costs (£53k).
22,957	Public Transport	26,100	22,114	(3,986)	-15.30	0	0	22,114	(3,986)	-15.30	
26,000	Transportation Strategy	25,000	16,000	(9,000)	-36.00	0	0	16,000	(9,000)	-36.00	
<b>671,209</b>		<b>907,821</b>	<b>822,394</b>	<b>(85,427)</b>	<b>-9.40</b>	<b>(159,227)</b>	<b>0</b>	<b>663,167</b>	<b>(244,654)</b>	<b>-26.90</b>	

Quarter 3 Forecast	Service Area	2019/20 Budget	Provisional Outturn Gross	Gross Variance		Reserves		Provisional Outturn Net	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
<b>Housing Manager</b>											
111,521	Housing Strategy	154,297	139,062	(15,235)	-9.90	(27,300)	0	111,762	(42,535)	-27.60	Employees savings (£39k) and other small savings
<b>111,521</b>		<b>154,297</b>	<b>139,062</b>	<b>(15,235)</b>	<b>-9.90</b>	<b>(27,300)</b>	<b>0</b>	<b>111,762</b>	<b>(42,535)</b>	<b>-27.60</b>	
<b>Programme Delivery Manager</b>											
0	Programme Delivery	0	18,750	18,750	0	0	0	18,750	18,750	-	Additional cost associated with SLT restructure
<b>0</b>		<b>0</b>	<b>18,750</b>	<b>18,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18,750</b>	<b>18,750</b>	<b>0</b>	
<b>Head of Leisure &amp; Health</b>											
83,225	Head of Leisure & Health	83,463	83,125	(338)	-0.40	0	0	83,125	(338)	-0.40	
179,608	One Leisure Active Lifestyles	176,686	187,086	10,400	+5.90	(6,008)	0	181,078	4,392	+2.50	
147,005	One Leisure St Ives Outdoor Centre	79,221	214,118	134,897	+170.30	(32,398)	25,000	206,720	127,499	+160.90	The overall outturn picture for One Leisure has been decimated by the impact of COVID-19. Final Outturn figures show a shortfall of £290K which can be attributed to loss of income from customer behaviour and full closure of facilities c£190K, £80K unbudgeted payment to end One Leisure Sawtry contract with the final £20K made up of smaller amounts of income shortfall and additional unbudgeted expenditure (mainly St Ives building maintenance and issues with Pure) This has been off-set by savings on irrecoverable VAT (£81k) where the anticipated refund for 2018/19 off-sets the estimated cost for 2019/20.
432,907	Leisure Centres Corporate	464,742	418,722	(46,020)	-9.90	0	0	418,722	(46,020)	-9.90	A shortfall of £128k is mainly due to losses in income losses from poor weather (February) and COVID-19 effect on membership sales at Training Shed. Although forecasts from November continued to reduce the Training Shed outturn due to decision making which delayed full opening until late February which was then compounded by the COVID-19 pandemic to a total of £75K shortfall on budget.
147,546	One Leisure Management Team	121,299	148,157	26,858	+22.10	0	0	148,157	26,858	+22.10	Savings on back office services salary costs and marketing expenditure.
(327,340)	One Leisure St Neots	(276,475)	(326,426)	(49,951)	+18.10	0	0	(326,426)	(49,951)	-18.10	Increased cost to this budget line due to Support Salary costs now being shown in this budget rather than shared as a proportion across all facilities. The overall position is net neutral,
(156,955)	One Leisure Huntingdon	(169,441)	(179,344)	(9,903)	+5.80	0	0	(179,344)	(9,903)	-5.80	Within budget tolerance as income losses due to COVID-19 were offset due to savings elsewhere. Would have therefore exceeded budget forecast.
(559,915)	One Leisure St Ives	(555,269)	(404,730)	150,539	-27.10	(1,243)	0	(405,973)	149,296	+26.90	The shortfall of £150k is mainly due to losses in income from Burgess Hall events in March (£48K) cancelled due to COVID-19 and the fact that St Ives bears the heaviest brunt of income losses on memberships in fitness and hospitality (c£58K) through the pandemic. Additional expenditure of £30K on budget on maintenance also included an unplanned £8K consultant fee to rectify issues in the heat experience suite.

Quarter 3 Forecast	Service Area	2019/20 Budget	Provisional Outturn Gross	Gross Variance		Reserves		Provisional Outturn Net	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
(24,702)	One Leisure Ramsey	(22,307)	(25,676)	(3,369)	+15.10	0	0	(25,676)	(3,369)	-15.10	An un-budgeted one-off £80k payment, to allow the transfer of OLS management to CMAT was approved at Cabinet on 8 October 2019.
159,974	One Leisure Sawtry	78,062	152,073	74,011	+94.80	0	0	152,073	74,011	+94.80	
<b>81,353</b>		<b>(20,019)</b>	<b>267,105</b>	<b>287,124</b>	<b>-1,434.30</b>	<b>(39,649)</b>	<b>25,000</b>	<b>252,456</b>	<b>272,475</b>	<b>+1,361.10</b>	
	<b>Head of Operations</b>										
(78,518)	CCTV	(89,496)	(64,223)	25,273	-28.20	0	0	(64,223)	25,273	+28.20	Transferred to Operations in November 2019. Historic delay in digital camera implementation overcome in Q3, but anticipated income from +£21k HDC Ventures for 2019/20 not able to be achieved as a result.
343,871	CCTV Shared Service	197,577	314,963	117,386	+59.40	0	0	314,963	117,386	+59.40	Transferred to Operations in November 2019. Historic staffing issues resolved in Q3. Compliance with Green book rates has increased spend £11k, Final staff settlement increased £6k, Final project costs for CCTV monitoring suite £13k, Delayed termination of analogue CCTV network with BT due to additional design work being required, and changes in the corporate communication network with VMB. Analogue lines now terminated but only part-year saving achieved. Increased employee costs due to resolution of historic terms and conditions issues. +£30k one off HDC proportion of employee compensation costs associated with these terms and conditions, now resolved.
84,354	Head of Operations	81,762	87,601	5,839	+7.10	0	0	87,601	5,839	+7.10	
1,075,762	Green Spaces	1,024,402	1,167,766	143,364	+14.00	(117,183)	0	1,050,583	26,181	+2.60	£40k adverse impact of historic savings target which is not achievable. DEFRA grant for stewardship larger than anticipated (-£10k).
252,724	Environmental & Energy Management	215,689	305,319	89,630	+41.60	(46,313)	0	259,006	43,317	+20.10	Previously anticipate work for South Cambs lower than anticipated. +£40k inability to fully offset Energy Officer role costs against energy efficiency measures following completion of ReFit programme this year. Property Services implementation will consolidate two roles into one for 2020.
770,833	Street Cleaning	734,433	788,341	53,908	+7.30	(29,517)	0	758,824	24,391	+3.30	Unavoidable water standpipe cost +£17k, Part achievement of Efficiency from Litter bin reduction +£15k.
23,506	Public Conveniences	18,400	22,581	4,181	+22.70	0	0	22,581	4,181	+22.70	
2,410,723	Waste Management	2,386,322	2,356,817	(29,505)	-1.20	0	0	2,356,817	(29,505)	-1.20	+£15k Part achievement of income from developers for bin delivery (£20k of £50k estimate achieved) due to lag in developments being completed. +£40k pressure on waste disposal costs due increased trade waste sales. (-£21k) Increase in bulky refuse collections will see an increase in bulky refuse charges. (-£21k) Saving arising from vacancy in waste minimisation team, now recruited. £20k of anticipate waste analysis costs now covered by RECAP partnership. £10k saving on expected agency spend due to close management.



Quarter 3 Forecast	Service Area	2019/20 Budget	Provisional Outturn Gross	Gross Variance		Reserves		Provisional Outturn Net	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
844,262	Facilities Management	748,344	617,560	(130,784)	-17.50	0	185,925	803,485	55,141	+7.40	-£85k accrual in respect of the DWP rent +£5k investment in consultants for agreed remedial works to maintain St Ives Bus Station, remedial works to set next financial year . +£18k consultancy fees for a review of Facilities management and compliance, +£90k Income expectation for 3rd floor Pathfinder non-achievable set by Estates, +£10k Budget Bid by Community Services to impose license on bus operators will not progress, -£24k New furniture for PFH will not be needed in this financial year.
252,215	Fleet Management	265,383	253,407	(11,976)	-4.50	0	0	253,407	(11,976)	-4.50	Lower than anticipated cost of repairs to fleet, use of old vehicles for spare parts has been effective this year.
(25,758)	Markets	(64,782)	(12,512)	52,270	-80.70	0	0	(12,512)	52,270	+80.70	Additional loss of income £13k through making pitches free in March to support traders and also markets shrinking to focus on food only. +£36k due difficult trading period at the start of the year. Long term staff absence (now resolved) has required additional cover for safe operation of markets. £5k increase in overtime due to Markets Manager Vacancy. New Markets manager in place for 2020.
(1,591,167)	Car Parks	(1,666,364)	(1,472,374)	193,990	-11.60	0	0	(1,472,374)	193,990	+11.60	+£118k loss of income from free car parking in march due to impact of COVID19, +£35k impact on income due to extended staggered project delivery of new machines and associated tariff changes enabling pay for what you use and +£40k investment in our towns through parking being 'Free After Three' on weekdays in December.
<b>4,362,807</b>		<b>3,851,670</b>	<b>4,365,246</b>	<b>513,576</b>	<b>+13.30</b>	<b>(193,013)</b>	<b>185,925</b>	<b>4,358,158</b>	<b>506,488</b>	<b>+13.10</b>	
	<b>AD Corporate Services</b>										
66,216	Head of Resources	88,731	81,943	(6,788)	-7.70	0	0	81,943	(6,788)	-7.70	
4,876,719	Corporate Finance	5,004,760	4,904,789	(99,971)	-2.00	(43,418)	0	4,861,371	(143,389)	-2.90	- £123k: reduced MRP due to delays in previous years capital programme. + £35k: drainage board (£30k) and apprentice (£5k) levy costs more than budgeted. +£14.5k consultancy fees for Treasury Advice +£42 Pension Strain Costs associated with redundancy +£10.4k contribution to Cambridge City -£43k unforecast use of reserves to fund redundancy costs -£61k bad debt contribution reduction calculated at year end + £31k: additional salary cost due to delay in Transformation change in respect of Payroll/HR processing. + £19k: Redundancy Costs + £165k: additional costs for interim staff due to implementation of Resources restructure. -£17k consultancy fees charged to Corporate Finance + £5k: cost of Exec Recruitment process for Finance Manager. + £17k: 2019/20 Fee for former FMS licence and information storage.
991,615	Finance (Incl Payroll)	744,974	949,958	204,984	+27.50	(19,722)	45,000	975,236	230,262	+30.90	

Quarter 3 Forecast	Service Area	2019/20 Budget	Provisional Outturn Gross	Gross Variance		Reserves		Provisional Outturn Net	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
481,390	Risk Management	480,571	478,817	(1,754)	-0.40	0	0	478,817	(1,754)	-0.40	
205,247	Legal	223,940	206,962	(16,978)	-7.60	0	0	206,962	(16,978)	-7.60	Lower 3C Legal costs Charged by Cambridge City.
838,151	Democratic & Elections	811,208	704,874	(106,334)	-13.10	0	59,540	764,414	(46,794)	-5.80	Expected savings on postage not being achieved. External income from HDC Ventures below budgeted amount. The Covid-19 outbreak led to elections being cancelled and this reduced expenditure in March.
428,730	HR Services	412,824	413,856	1,032	+0.20	(300)	0	413,556	732	+0.20	
151,788	Audit	143,125	154,059	10,934	+7.60	0	0	154,059	10,934	+7.60	Higher staff costs
58,969	Procurement	25,534	59,290	33,756	+132.20	0	0	59,290	33,756	+132.20	Underachieved saving from Procurement transformation.
(3,557,907)	Commercial Estates	(2,792,450)	(3,484,061)	(691,611)	+24.80	0	143,879	(3,340,182)	(547,732)	-19.60	-£749k - Net impact of CIS income from recent CIS acquisitions and consequential MRP/Interest Payable savings. - £85k of consultancy costs transferred to capital programme -£66k on reduced costs on premises expenditure +£84k: Reduced income from pre-CIS estate due to vacancies (void costs i.e. including NDR/lost rental) and the current programme of lease renewal/rent reviews. +£158k due to delay in restructure of Commercial Estates and contribution from reserves not taken +£144k contribution of 6% of rental income to reserves
<b>4,540,918</b>		<b>5,143,217</b>	<b>4,470,487</b>	<b>(672,730)</b>	<b>-13.10</b>	<b>(63,440)</b>	<b>248,419</b>	<b>4,655,466</b>	<b>(487,751)</b>	<b>-9.50</b>	
	<b>Corporate Leadership Team</b>										
502,955	Directors	495,715	505,383	9,668	+2.00	0	0	505,383	9,668	+2.00	
275,433	Executive Support & Business Planning	256,235	303,022	46,787	+18.30	0	0	303,022	46,787	+18.30	External income will not be as high as expected. Expected savings from shared service not achieved.
<b>778,388</b>		<b>751,950</b>	<b>808,405</b>	<b>56,455</b>	<b>+7.50</b>	<b>0</b>	<b>0</b>	<b>808,405</b>	<b>56,455</b>	<b>+7.50</b>	
	<b>Transformation</b>										
56,151	Transformation	(38,187)	379,748	417,935	-	(316,935)	0	62,813	101,000	+264.50	Expected savings from SLT restructure and Customer Portal project not being achieved this year.
<b>56,151</b>		<b>(38,187)</b>	<b>379,748</b>	<b>417,935</b>	<b>-</b>	<b>(316,935)</b>	<b>0</b>	<b>62,813</b>	<b>101,000</b>	<b>+264.50</b>	
<b>16,587,686</b>	<b>HDC Total</b>	<b>17,156,535</b>	<b>17,175,018</b>	<b>18,483</b>	<b>+0.10</b>	<b>(849,564)</b>	<b>566,133</b>	<b>16,891,587</b>	<b>(264,948)</b>	<b>-1.50</b>	

## CAPITAL PROGRAMME – PROVISIONAL OUTTURN

The approved gross Capital Programme 2019/20 is £7.693m. Schemes totalling £2.134m from 2018/19 have been rephased to 2019/20, to give the total gross capital programme for 2019/20 of £9.827m. The approved net Capital Programme 2019/20 is £5.014m and after the inclusion of rephased items, totalling £1.912m, the total net capital programme for 2019/20 is £6.926m.

The net provisional outturn expenditure is £4.112m (59% of the net capital programme). This is a net underspend of £2.814m and will include underspends, overspends rephasings and growth. The table below categorises the total variance:-

	£'000
Programme Slippage	(3,505)
Approved In-Year Growth*	473
Overspends	475
Savings	(257)
<b>Total Variance</b>	<b>(2,814)</b>

\* £223,000 of the approved growth will be funded from CIL or Section 106 receipts.

The variances by scheme are shown in the table 2 above

This level of underspend has been forecast since the end of December (quarter 3). The net spend on the Council's Capital Programme is financed via borrowing which has a revenue implication through the Minimum Revenue Provision (MRP).

Table 1 below shows the capital programme by scheme with the rephasing from 2018/19, actual expenditure for 2019/20 and the forecast outturn that was made at quarter 3. The financing of the capital programme showing the funding from grants and contributions, capital receipts, use of earmarked and capital reserves and internal borrowing.

## CAPITAL PROGRAMME SUMMARY TABLE 1

Capital Programme 2019/20

Provisional Outturn March

Division	Project	Budget Manager	Gross Expenditure						Grants, Contributions and Funding						Net provisional Outturn Expenditure £	Net Provisional Outturn Variance £	
			Approved Budget £	Rephase or Supplementary £	Revised Budget £	Provisional OT Exp £	Previously Forecast £	Variance £	Approved Budget £	Rephase or Supplementary £	Updated Budget £	Provisional OT Inc £	Previously Forecast £	Variance £			
Chief Operating Officer	Scanner	Andy Lusha	16,000		16,000		16,000	(16,000)									(16,000)
	Environmental Health Software	Finlay Flett	40,000		40,000		40,000	(40,000)									(40,000)
	Traveller Security Improvements	Finlay Flett				25,153	30,000	25,153									25,153
	Disabled Facilities Grants	Keith Tayler	2,250,000		2,250,000	2,260,090	2,235,300	10,090	(1,150,000)		(1,150,000)	(1,441,789)	(1,384,100)	(291,789)			818,301
Planning Manager	A14 Upgrade	Clara Kerr	200,000		200,000		200,000	(200,000)									(200,000)
	CIL Infrastructure Projects	Clara Kerr				92,590	76,000	92,590					(76,000)				92,590
Housing Manager	Housing Company Set Up	Clara Kerr	206,000		206,000		206,000	(206,000)									(206,000)
Leisure and Health	One Leisure Improvements	Pete Corley	317,000	178,000	495,000	438,263	535,000	(56,737)									438,263
	One Leisure St Ives Outdoor New Fitness Offering	Pete Corley	125,000	108,000	233,000	535,088	483,500	302,088					(50,000)				535,088
	One Leisure Ramsey 3G	Martin Grey	266,000	334,000	600,000	6,488	754,100	(593,512)	(116,000)	(184,000)	(300,000)		(461,300)	300,000		6,488	
	One Leisure St Ives Swimming Changing Rooms	Chris Keeble	250,000		250,000		250,000	(250,000)									(250,000)
	One Leisure Impressions Fitness Equipment	Daniel Gammons	531,000		531,000	630,082	569,500	99,082				(65,642)			(65,642)		564,440
	One Leisure St Neots Pool	Jon Clarke		14,000	14,000	7,465	7,500	(6,535)									7,465
	One leisure St Neots Synthetic Pitch	Jon Clarke				4,227	6,000	4,227					(399)		(399)		3,828
Resources	Income Management Software	Claire Edwards	62,000		62,000			(62,000)									(62,000)
	Alms Close Development	Carl Egonu	1,022,000		1,022,000	592,771	507,200	(429,229)									592,771
	Oak Tree Remedial Work	Carl Egonu	950,000		950,000	38,189	42,100	(911,811)									38,189
	Oak Tree Centre Development	Carl Egonu				91,523	63,300	91,523					(70,850)	(43,840)	(70,850)		20,673
	Health and Safety Works at Commercial Properties	Jackie Golby		23,000	23,000	7,501	20,000	(15,499)									7,501
	Energy Efficiency Works at Commercial Properties	Jackie Golby	25,000	19,000	44,000		20,000	(44,000)									(44,000)
	Commercial Property Roofs	Jackie Golby				9,350	9,400	9,350									9,350
	VAT Partial Exemption	Claire Edwards	59,000	110,000	169,000	41,519		(127,481)									41,519
	Cash Receipting	Claire Edwards		1,000	1,000	23,263	20,100	22,263									23,263
	FMS Archive	Claire Edwards		3,000	3,000	7,770	10,000	4,770									7,770
	Land Swap with HTC	Claire Edwards				(38,000)			(38,000)								(38,000)
Investment in Company	Claire Edwards		100,000	100,000		100,000	(100,000)									(100,000)	
3C ICT	Robotics	Tony Evans	50,000		50,000		23,000	(50,000)									(50,000)
	Flexible Working	Sam Smith		33,000	33,000	32,883	33,000	(117)									32,883
	Transformation (Council Anywhere)	Sam Smith		353,000	353,000	353,103	353,000	103									353,103
	Insurance Settlement (EFH IT Equipment)	John Taylor				245		245				(245)		(245)			103

Division	Project	Budget Manager	Gross Expenditure						Grants, Contributions and Funding						Net provisional Outturn Expenditure £	Net Provisional Outturn Variance £	
			Approved Budget £	Rephase or Supplementary £	Revised Budget £	Provisional OT Exp £	Previously Forecast £	Variance £	Approved Budget £	Rephase or Supplementary £	Updated Budget £	Provisional OT Inc £	Previously Forecast £	Variance £			
Operations	Fencing	Helen Lack	10,000		10,000	12,773	12,200	2,773								12,773	2,773
	Building Efficiencies (Salix)	Julia Blackwell	19,000	13,000	32,000	26,231	46,200	(5,769)								26,231	(5,769)
	Wheeled Bins	Heidi Field	236,000		236,000	173,785	184,400	(62,215)	(92,000)		(92,000)	(167,146)	(50,000)	(75,146)	6,639	(137,361)	
	Vehicle Fleet Replacement	Colin Moss	35,000	90,000	125,000	69,254	115,200	(55,746)							69,254	(55,746)	
	Play Equipment	Helen Lack	35,000		35,000	111,844	115,000	76,844							111,844	76,844	
	Re-fit Building	Julia Blackwell	37,000	254,000	291,000	63,499	238,000	(227,501)							63,499	(227,501)	
	Parking Strategy	George McDowell	315,000		315,000	224,906	251,400	(90,094)							224,906	(90,094)	
	Bridge Place Car Park	George McDowell	107,000		107,000	19,514	12,700	(87,486)							19,358	(87,642)	
	Bridge Place Car Park (Rephase)	George McDowell	277,000	13,000	290,000			(290,000)				(156)		(156)	19,358	(290,000)	
	Operations Back Office	Matt Chudley	253,000	37,000	290,000	91,608	105,900	(198,392)	(117,000)	(38,000)	(155,000)			155,000	91,608	(43,392)	
	Pathfinder House Reception	Mark Houston				450	450	450							450	450	
	CCTV Camera Replacements	Eddy Gardener		78,000	78,000	325,748	78,000	247,748							325,748	247,748	
	CCTV Pathfinder House Resilience	Eddy Gardener		20,000	20,000		12,000	(20,000)								(20,000)	
	CCTV Wi-Fi	Eddy Gardener		250,000	250,000	6,251	355,100	(243,749)							6,251	(243,749)	
	Lone Worker Software	Eddy Gardener		20,000	20,000			(20,000)								(20,000)	
	Transformation	Customer Relationship Management	Tony Evans		83,000	83,000	19,600	83,000	(63,400)							19,600	(63,400)
Corporate Financing	Loan Repayments	Claire Edwards							(320,000)		(320,000)	(193,000)	(320,000)	127,000	(193,000)	127,000	
	Housing Clawback Receipts	Claire Edwards							(500,000)		(500,000)	(254,126)	(500,000)	245,874	(254,126)	245,874	
	Bridge Place Sale	Claire Edwards							(384,000)		(384,000)	(384,000)	(384,000)	384,000	384,000		
<b>Total Expenditure</b>			<b>7,693,000</b>	<b>2,134,000</b>	<b>9,827,000</b>	<b>6,305,026</b>	<b>8,219,550</b>	<b>(3,521,974)</b>	<b>(2,679,000)</b>	<b>(222,000)</b>	<b>(2,901,000)</b>	<b>(2,193,353)</b>	<b>(3,349,240)</b>	<b>707,647</b>	<b>4,111,673</b>	<b>(2,814,327)</b>	

Net (Underspend)/Overspend    (2,814,327)

## CAPITAL PROGRAMME VARIANCES TABLE 2

2019/20 PROVISIONAL OUTTURN - CAPITAL VARIANCES						
Scheme Details	Slippage £'000	Overspend £'000	Savings £'000	Growth £'000	Total Variance £'000	Comments
<b>Chief Operating Officer</b>						
Scanner	(16)	0	0	0	(16)	Whole scheme delayed to 2020/21
Environmental Health Software	(40)	0	0	0	(40)	Whole scheme delayed to 2020/21
Traveller Security Improvements	(25)	0	0	50	25	Members approved the scheme to limit traveller incursions. Difficulties resourcing materials has delayed completion.
Disabled Facilities Grants	(282)	0	0	0	(282)	£260k additional grant received
<b>Planning Policy Manager</b>						
A14 Upgrade	(200)	0	0	0	(200)	Whole scheme delayed to 2020/21
CIL Infrastructure Projects	0	0	0	93	93	Payments to external infrastructure projects are funded from CIL receipts and so there is no impact on HDC.
<b>Housing Manager</b>						
Housing Company Set Up	(206)	0	0	0	(206)	Whole scheme delayed to 2020/21
<b>Leisure and Health</b>						
One Leisure Improvements	(5)	(52)	0	0	(57)	M&E installations and modernising changing facilities work at OLSI outdoor centre was included in the original project scope but the cost of the work has been included under that project.
One Leisure St Ives Outdoor New Fitness Offering	0	52	0	250	302	Members approved additional £250k expenditure, with £50k being funded from CIL receipts, to cover increased spend on asbestos removal and additional structural works. The scheme costs include work on modernisation of changing facilities and M&E installations which was budgeted for elsewhere.
One Leisure Ramsey 3G	(294)	0	0	0	(294)	Works delayed - to be carried out in 20/21
One Leisure St Ives Swimming Changing Rooms	(250)	0	0	0	(250)	Works delayed - to be carried out in 20/21
One Leisure Impressions Fitness Equipment	0	34	0	0	34	Overspend is due to remedial works on the flooring at St Ives (agreed by SLT) to strengthen a previously under designed space.
One Leisure St Neots Pool	0	0	(7)	0	(7)	Project complete - All costs entered in 19/20, so there will be no further costs in 20/21
One leisure St Neots Synthetic Pitch	0	4	0	0	4	Project complete - All costs entered in 19/20, so there will be no further costs in 20/21

Scheme Details	Slippage £'000	Overspend £'000	Savings £'000	Growth £'000	Total Variance £'000	Comments
<b>Resources</b>						
Income Management Software	0	0	(62)	0	(62)	Project not currently required
Alms Close Development	(429)	0	0	0	(429)	Scheme started later than expected so more expenditure in 2020/21
Oak Tree Remedial Work	(912)	0	0	0	(912)	Scheme started later than expected because of links to the potential development project so more expenditure in 2020/21
Oak Tree Centre Development	0	21	0	0	21	Consultants costs higher than anticipated
Health and Safety Works at Commercial Properties	(15)	0	0	0	(15)	Scheme started later than expected so more expenditure in 2020/21
Energy Efficiency Works at Commercial Properties	(44)	0	0	0	(44)	Whole scheme delayed to 2020/22
Commercial Property Roofs	0	9	0	0	9	Final expenditure on previous year scheme
VAT Partial Exemption	0	0	(127)	0	(127)	2018/19 refund created a saving in 2019/20
Cash Receipting	0	22	0	0	22	Off-set by saving on Income Management Software Scheme
FMS Archive	0	5	0	0	5	Off-set by saving on Income Management Software Scheme
Land Swap with Town Council	0	0	(38)	0	(38)	Prior year adjustment re stamp duty
Investment in Company	(100)	0	0	0	(100)	Company still dormant so our investment has been delayed
<b>3C ICT</b>						
Robotics	(50)	0	0	0	(50)	Works not started in 19/20 therefore budget needs to be moved to 20/21
<b>Operations</b>						
Fencing	0	3	0	0	3	Small overspend on the project
Building Efficiencies (Salix)	(6)	0	0	0	(6)	Minor delay to the scheme
Wheeled Bins	0	0	(137)	0	(137)	Developer income higher than expected and house completions lower than expected
Vehicle Fleet Replacement	(56)	0	0	0	(56)	Some delays in replacing vehicles, budget will be needed next year
Play Equipment	0	0	(3)	80	77	Additional £80k expenditure is funded from S106 receipts
Re-fit Building	(228)	0	0	0	(228)	Scheme not completed in 2019/20 so remaining works costs and retention costs will now be paid in 2020/21
Parking Strategy	(90)	0	0	0	(90)	Scheme start has been delayed, budget needs to be moved to 2020/21
Bridge Place Car Park	(378)	0	0	0	(378)	Scheme start has been delayed, budget needs to be moved to 2020/21

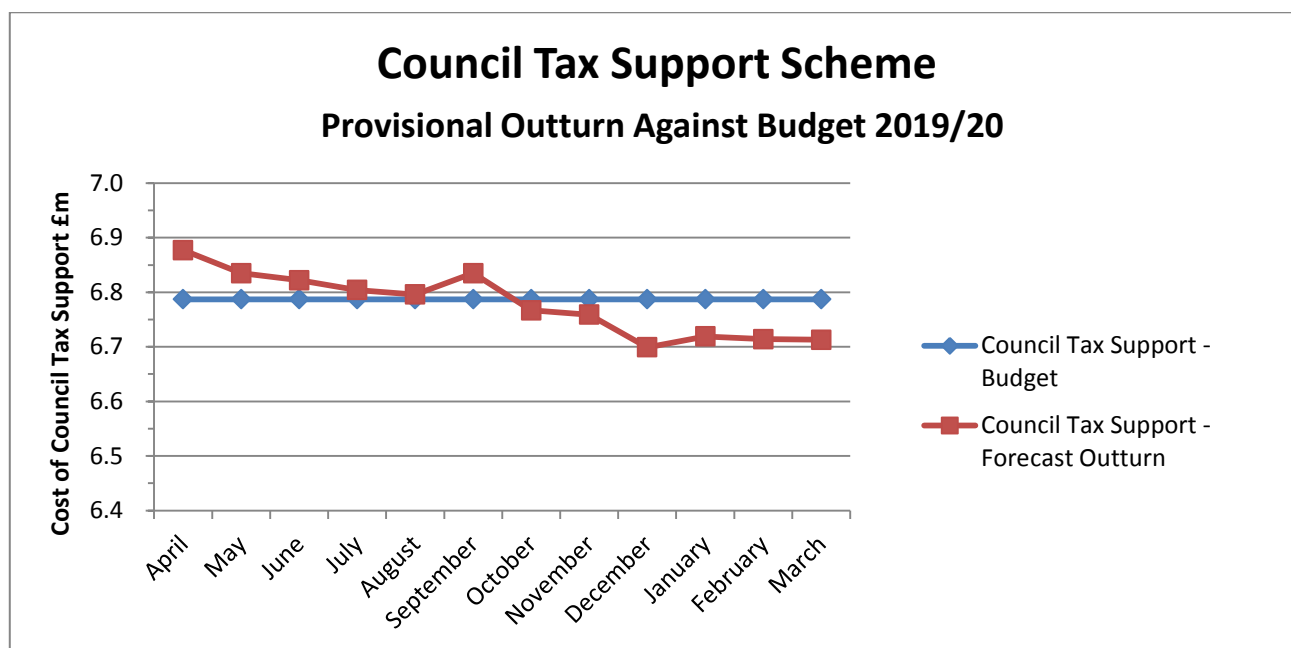
Scheme Details	Slippage £'000	Overspend £'000	Savings £'000	Growth £'000	Total Variance £'000	Comments
Operations Back Office	(43)	0	0	0	(43)	Project has started but some expenditure will now be incurred in 2020/21
CCTV Camera Replacements & Wi-Fi	0	4	0	0	4	Minor overspend - a number of variation orders had to be approved to ensure control room capacity and camera networking issues were resolved.
CCTV Pathfinder House Resilience	0	0	(20)	0	(20)	Revenue maintenance work has reduced the need for capital expenditure
Lone Worker Software	(20)	0	0	0	(20)	Works not started in 19/20 therefore budget needs to be moved to 20/21
<b>Transformation</b>						
Customer Relationship Management	(63)	0	0	0	(63)	Expenditure has been delayed whilst responses on a number of issues is sought from suppliers
<b>Corporate Financing</b>						
Loan Repayments	0	127	0	0	127	Timing of loan affected the timing of the first repayments due. This overspend will be offset by additional income in the last year of the loan
Housing Clawback Receipts	0	246	0	0	246	Number of sales made by Chorus lower than expected
Bridge Place Sale	384	0	0	0	384	Sale not achieved in 2019/20
<b>Total Variance</b>	<b>(3,368)</b>	<b>475</b>	<b>(394)</b>	<b>473</b>	<b>(2,814)</b>	



## Financial Dashboard

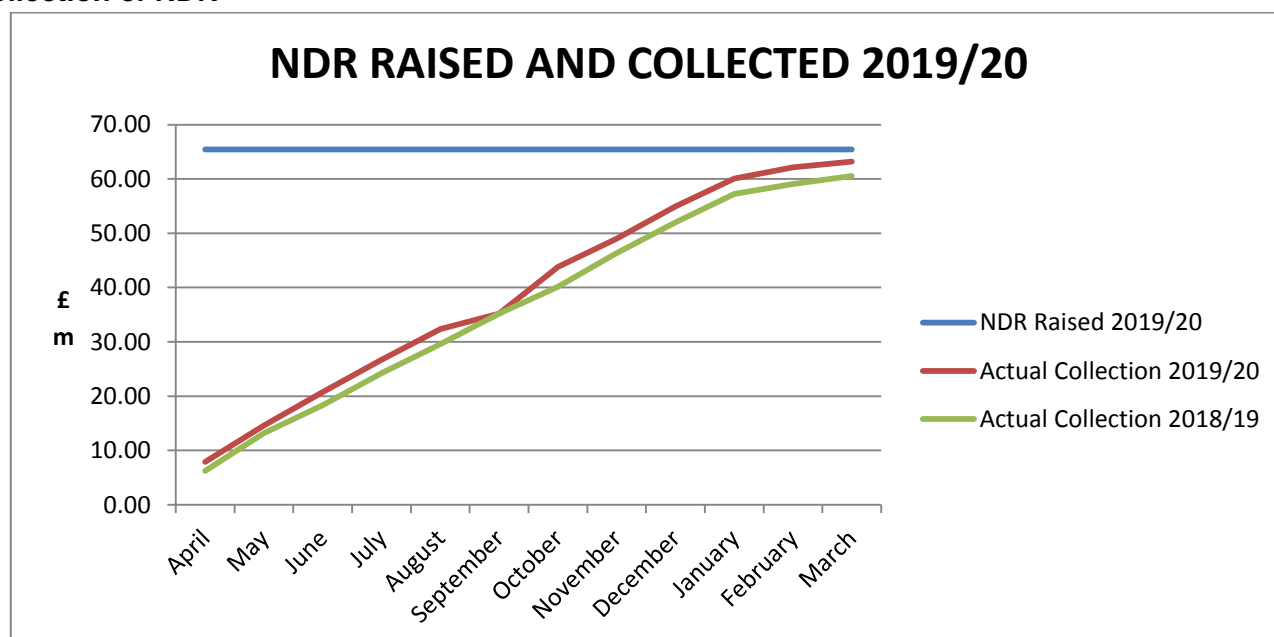
### Council Tax Support Scheme

Currently, the actual take-up of Council Tax Support is running approximately £0.1m below the budgeted £6.8m. Any 2019/20 decrease in Council Tax Support will impact in 2020/21.



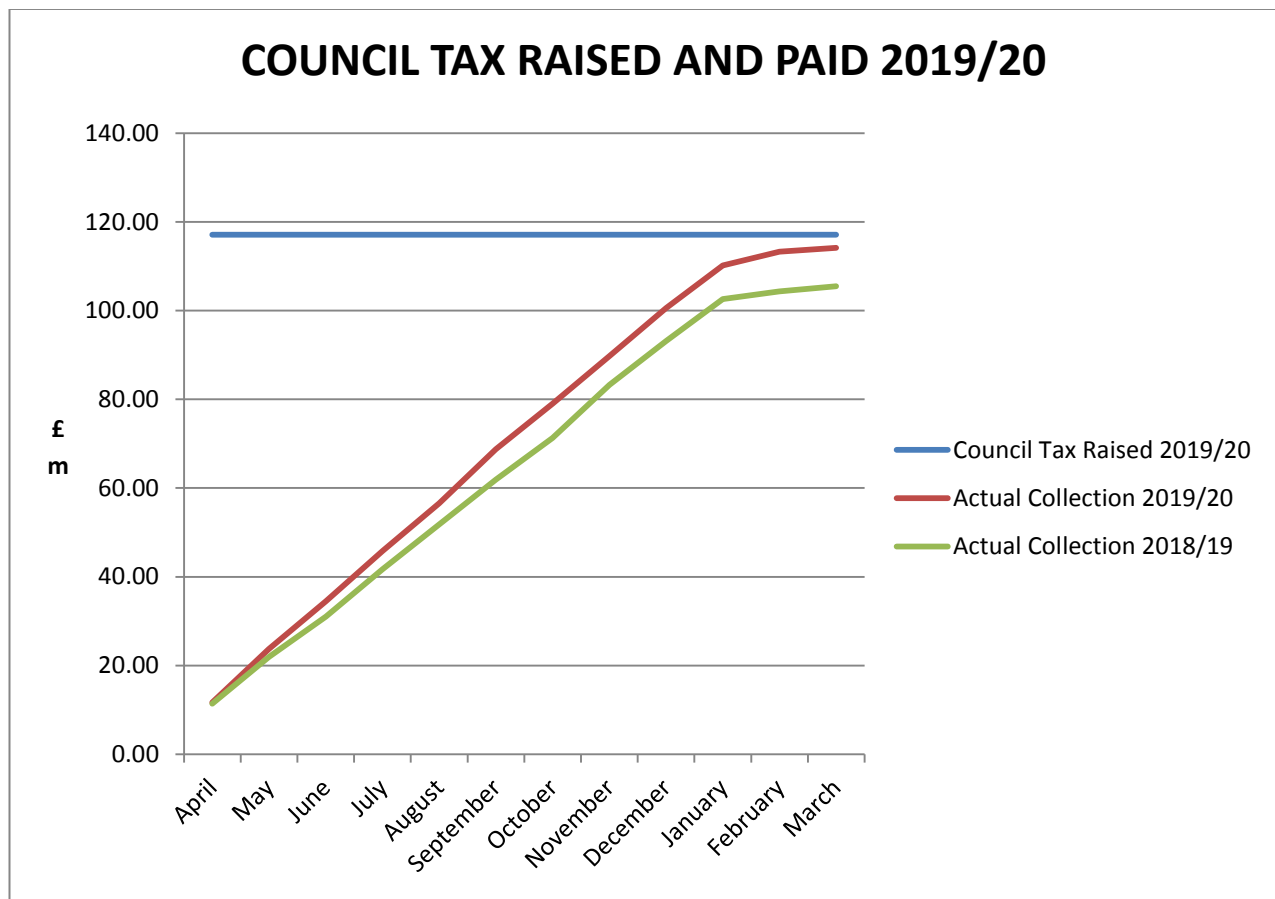
The impact of this decrease on HDC will be proportionate to all Council Tax precepts (13.5% for HDC including parishes).

### Collection of NDR



The NDR graph above shows the total amount of NDR bills raised in 2019/20 and the actual receipts received up to the end of the year. The Council tax graph below provides the same analysis.

## Collection of Council Tax



## Miscellaneous Debt

The total outstanding debt as at 31<sup>st</sup> March 2020 is £1.544m (March 2019, £1.517m). £709k relates to Commercial Rents, £410k relates to homeless accommodation/prevention, £112.2k relates to schools and other customers use of One Leisure facilities and £125.4k relates to Operations.

## New Homes Bonus

As part of the Local Government Financial Settlement 2019/20 issued in December 2018 the Government announced changes to local government financing that included the phasing out of the New Homes Bonus Scheme. After 2018/19 no new NHB will be paid and so the amount we receive will tail off over the next 4 years. The impact of this has been included in the 2019/20 MTFS.

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 January – March 2020 (Q4)**

Over the above period, 28 properties in total were considered, two propositions were considered to Stage 2 these were discounted as too risky being retail properties. By property type the investments considered in Q3 are as follows:

Offices	6	Distribution	5
retail	7	Other	4
Industrial/warehouse	6		

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