

**HUNTINGDONSHIRE DISTRICT COUNCIL**

**Title/Subject Matter:** Integrated Performance Report, 2018/19 Quarter 3

**Meeting/Date:** Cabinet, 14 February 2019

**Executive Portfolio:** Councillor Jonathan Gray, Executive Councillor for Resources  
Councillor Darren Tysoe, Executive Councillor for Digital and Customer

**Report by:** Corporate Team Manager and Finance Manager

**Ward(s) affected:** All

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**Executive Summary:**

The purpose of this report is to brief Members on progress against the Key Actions and Corporate Indicators listed in the Council's Corporate Plan 2018/22 for the period 1 October to 31 December 2018 and on current projects being undertaken. Scheduled performance clinics focus on delivering continuous improvements in all services.

The report also incorporates Financial Performance Monitoring Suite information setting out the financial position at 31 December 2018. It provides outturn figures for revenue and the capital programme. Headlines are:

**Revenue** – the forecast outturn shows an overspend of £0.3m.

**Capital programme** – the forecast outturn shows a net under spend of £1.1m.

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 3 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 December, 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 those with a 'Red' status at the end of December.
- 2.2 As recommended by the Project Management Select Committee, updates for projects with a 'Red' status based on latest approved end dates are included at **Appendix C**. Across all programmes, 29 projects are currently open, pending approval or pending closure.
- 2.3 This report also incorporates financial performance to the end of December. 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 2 will be inserted in section 7 following their meeting on 5 February.
- 3.2 Progress against Corporate Plan objectives is reported quarterly. The report at **Appendix B** includes details of all Key Actions and Corporate Indicators which had a 'Red' status at the end of Quarter 3. **Appendix C** provides information about projects with a 'Red' status, including the purpose of the project and comments from the Programme Office as to the current status of each project's SharePoint site as part of the new governance arrangements.
- 3.3 Performance Indicator data has been collected in accordance with standardised procedures.
- 3.4 The following table summarises Quarter 3 progress in delivering Key Actions for 2018/19:

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

Most were on track at the end of Quarter 3 and only one was significantly behind schedule. This was the action to 'maximise the income generating potential of all traded activities', which is behind schedule due to below target income achieved in One Leisure. This is mainly due to underperformance in Burgess Hall and Bar takings. Further details can be found in Annex A of the Financial Performance Management Suite (Appendix D).

- 3.5 Quarter 3 results for 2018/19 Corporate Indicators are shown in the following table:

Corporate Indicator results	Number	Percentage
Green (achieved)	29	66%
Amber (within acceptable variance)	10	23%
Red (below acceptable variance)	4	9%
Awaiting progress update	1	2%
Not applicable (annual/data unavailable)	5	

There were four indicators where targets were missed by more than acceptable variance. Details of these 'Red' indicators are shown below. Performance clinics are being held monthly to focus on delivering continuous improvements in all services.

1. The number of EDGE customers supported into work (PI 11) has been recorded at 54 against a target of 72. However, it is understood that this is at least partly due to a lack of follow up with customers so there may be further successes not yet captured in this data.
2. 84% of Stage 1 complaints were resolved within time (PI 38a) against a target of 95%, 39 of 46 late responses this year relate to complaints about services provided by Operations.
3. Our responses to Stage 2 complaints (PI 38b) were also below target at 81%, with three not responded to within time this year. Two previous late responses were about services provided by Community and one late response in Quarter 3 related to Development.
4. While there has been a 5.1% reduction in avoidable contacts (PI 40), this is below the 25% target. Customer Services work on reducing avoidable contact with the departments they provide services for as well as through Lean projects. The introduction of the new online customer account portal in January is expected to drive further reductions.

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

Corporate project status	Number	Percentage
Green (progress on track)	11	50%
Amber (progress behind schedule, project may be recoverable)	7	32%
Red (significantly behind schedule, serious risks/issues)	4	18%
On Hold	1	
Pending closure	7	
Closed (completed)	0	

Business cases for a further four projects have not yet been approved.

Of the projects currently in the delivery stage, four were 'Red' at the end of Quarter 3 and three of those were joint partnership or shared service projects (note: progress on delivery at Huntingdonshire District Council is 'Green' for two of the three). The Project Management Governance Board continues to hold one-to-one meetings with project managers where necessary and it has been identified that unrealistic timeframes have been a common theme for 'Amber'/'Red' flags, as well as a lack of up to date governance documentation. Lessons learned are captured through closedown reports and are shared with all project managers. Details of all 'Red' projects can be found in **Appendix C**.

## 4. FINANCIAL PERFORMANCE

### 4.1 Financial Performance Headlines

The Management Accounts include the forecast 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 £17.3m with the forecast outturn being £17.6m which is an overspend of £0.3m. The main reasons are shown on the next page. Action is still needed to be taken to address this level of the forecast overspend.
- MTFS** The MTFS was updated as part of the 2018/19 Budget setting process and is in the process of being updated as part of the 2019/20 Budget setting process in February 2019. The revision of the MTFS will include 2017/18 outturn variations and others occurring or foreseen in 2018/19 that have an impact on future years.
- Capital** The approved Budget is £5.6m plus the re-phasing of £5.1m giving a revised total Capital Programme of £10.7m (£7.4m net, after taking account specific grants and contributions). The net forecast outturn is £6.3m giving an under spend and re-phase of £1.1m. 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.

	Budget £000	Forecast outturn gross £000	Transfers to / (from) reserves £000	Forecast outturn net £000	Forecast (underspend) / overspend £000	Main reasons for variance
Community	1,758	1,721	7	1,728	(30)	<ul style="list-style-type: none"> <li>• CCTV additional camera maintenance</li> <li>• Document Centre external income lower than budgeted</li> <li>• Reduced staffing costs Environmental Protection Team due to vacancies</li> <li>• Reduced costs from delayed recruitment in Business team</li> <li>• Vacant post in Community Team</li> </ul>
Customer Services	2,533	2,562	81	2,643	110	<ul style="list-style-type: none"> <li>• Additional grant allocations</li> <li>• Increased homelessness costs</li> </ul>
ICT	2,128	2,102	0	2,102	(26)	
Development	1,071	664	2	666	(405)	<ul style="list-style-type: none"> <li>• Staff savings</li> <li>• Increased planning income</li> </ul>
Leisure and Health	(190)	291	(140)	151	341	<ul style="list-style-type: none"> <li>• One Leisure income is generally lower than the budget (mainly Burgess Hall)</li> <li>• Expenditure savings are being made where possible to offset the lower income</li> </ul>
Operations	3,911	4,605	(116)	4,489	578	<ul style="list-style-type: none"> <li>• Waste Management fuel, staff and recycling expenditure increasing</li> <li>• Delays to staff restructure is impacting on the budget savings</li> <li>• Pathfinder House rental income is down- no tenant for 3<sup>rd</sup> floor</li> </ul>
Resources	4,429	4,352	(4)	4,348	(81)	<ul style="list-style-type: none"> <li>• Expenditure increasing on insurance premiums, FMS implementation and commercial estates management</li> <li>• Savings arising on HR and apprentice costs</li> </ul>
Directors and Corporate	1,642	1,604	(106)	1,498	(144)	<ul style="list-style-type: none"> <li>• Staff savings</li> <li>• Lower costs on elections, electoral registration and Members Special Duty Allowances</li> </ul>
Transformation	0	284	(284)	0	0	
<b>Total</b>	<b>17,282</b>	<b>18,185</b>		<b>17,625</b>	<b>343</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 2017/18 (post audit) showed an overspend of £0.5m which will have some impact on the MTFs. The new Budget and MTFs for the period 2019/20 to 2023/24 which will be approved in February 2019 will incorporate both the impact of the 2017/18 outturn and any known changes occurring during 2018/19.

### 5. **CAPITAL PROGRAMME**

5.1 The approved gross Capital Programme 2018/19 is £5.6m plus the re-phasing of £5.1m giving a revised total Capital Programme for 2018/19 of £10.7m.

5.2 The forecast net expenditure outturn is £6.3m, an under spend and re-phase of £1.1m. The expenditure to 31 December 2018 was £4.8m (45% of Budget, 75% of the year).

<b>Variation Commentary Summary</b>		<b>£000s</b>
	<b>Overspend</b>	
	<b>Development – DFGs</b>	246
	The overspend is based on the current level of demand from clients. It is possible that increased contributions from clients will reduce this overspend, but this is not yet certain.	
	<b>New FMS</b>	0
	Due to the extended implementation period expenditure has increased by £60,000. This will be funded from the earmarked reserve set up for this purpose.	
	<b>Burgess Hall</b>	2
	Completion of works to carpeting.	
	<b>Pathfinder House Reception</b>	41
	Costs have exceeded that estimated in the business case. Additionally the costs recovered from the DWP are also lower than estimated.	
	<b>Wooden Bridge - Hinchingsbrooke Country Park</b>	23
	Estimates received for the cost of erecting the bridge are higher than originally estimated.	
	<b>CIL Payment Huntingdon West</b>	0
	A payment of £553,000 has been made for the contribution to Huntingdon West Link Road, this is being funded from the CIL reserve. The cost of the CPOs is still under negotiation, this figure is not yet known but could be up to £2m, this will be funded from the CIL reserve.	
	<b>One Leisure Huntingdon Expansion</b>	36
	The final retention payment for the works at One Leisure Huntingdon reception area	
	<b>Commercial Property Roofs</b>	<b>131</b>
	The final payments for the roof works at Levellers Lane St Neots and Phoenix Court Huntingdon, schemes completed in 2017/18. In 2016/17 there was an underspend on this scheme of £48,000.	
		479

<b>Variation Commentary Summary</b>		<b>£000s</b>
	<b>Growth</b>	
	<b>Re-Fit Projects</b>	16
	Additional expenditure was approved by Senior Management Team on the 5 <sup>th</sup> June 2018, to finance works at One Leisure St Neots. The project was signed off on the 7 <sup>th</sup> June 2018.	
		<b>16</b>
	<b>Underspend</b>	
	<b>Health and Safety Works and Energy Efficiency Works – Commercial Properties</b>	(38)
	It is anticipated that some works will be rechargeable to tenants, as a result this reduces the cost to the council (£20,000), also fewer sites require work to meet the compliance requirement, resulting in a saving of £18,000.	
	<b>Customer Relationship Management Software</b>	(80)
	One-Vu software has been procured, to be shared with SCDC and Cambridge City Council. As the software is being shared the cost has been reduced.	
	<b>Wheeled Bins</b>	(14)
	The bins held in stock and the purchases planned for the remainder of the year will cover demand. Some saving have resulted from a change in supplier	
	<b>Vehicle Fleet Replacement</b>	(21)
	Vehicle replacements have cost less than estimated resulting in a small underspend	
	<b>Printing Equipment</b>	(176)
	Following a change in priorities within the Document Centre, the print equipment is no longer required.	
	<b>Transformation Schemes</b>	480
	The costs for Council Anywhere are being met from this budget, the project will replace IT hardware and move users to new Microsoft products . The roll-out is well underway and the costs are now predicted to be £480,000 lower than first estimated	
		<b>(809)</b>
	<b>Rephase</b>	
	<b>Bridge Place Car Park – Godmanchester</b>	(279)
	Works have been delayed whilst the final design and negotiations over land leases are completed.	
	<b>Building Efficiencies (Salix)</b>	(15)
	The works on replacing the boilers at OL Ramsey and lighting at Pathfinder House are likely to be rephased to 2019/20.	
	<b>Re-fit Buildings</b>	(37)
	Works are expected to be completed in 2018/19, with just the retention to pay in 2019/20.	
	<b>Operations Back Office Software</b>	(136)
	The costs for the shared waste management software are lower than expected, because of sharing with Cambridge City and South Cambridgeshire councils.	
	<b>One Leisure St Ives New Fitness Offering</b>	(125)
	The specification for this fitness offering has taken longer than expected to complete. Therefore some of the expenditure is now expected to take place in 2019/20.	

Variation Commentary Summary		£000s
	<b>One Leisure Ramsey 3G Pitch</b>	(150)
	A feasibility study on the pitch construction has indicated that the cost will be higher than estimated (£68,000). The Football Foundation may agree to fund the extra expenditure by increasing their grant. Tenders are still outstanding, the result of these will determine expenditure for the year. In addition the Football Foundation Panel in January will decide whether the project will get the go ahead. There will be a significant amount carried over into 2019/20 budget as a result.	
		(742)
	<b>Total</b>	<b>(1,056)</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 forecast 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 2021/22 it will have in part contributed in reducing this to £1.6m.

6.2 At the end of Quarter 3, the financial projections for the CIS are:

CIS Investments	Budget (£'000)	Outturn (£'000)	Variance (£'000)
<b>Cash Investments</b>			
CCLA Property Fund	(162)	(167)	(5)
<b>Total Cash Investments</b>	<b>(162)</b>	<b>(167)</b>	<b>(5)</b>
<b>Property Investments</b>			
Property Rental Income	(5,235)	(3,574)	1,661
MRP	1,896	139	(1,757)
<b>Net Direct Property Income</b>	<b>(3,339)</b>	<b>(3,435)</b>	<b>(96)</b>
Management Charge	144	0	(144)
<b>Total Property Investments</b>	<b>(3,195)</b>	<b>(3,435)</b>	<b>(240)</b>
<b>TOTAL</b>	<b>(3,357)</b>	<b>(3,602)</b>	<b>(245)</b>

### 6.3 Investments

Between October and the end of December 2018, 26 properties have been investigated as potential CIS investment opportunities. We successfully bid on four industrial units on two sites at Little End Road Industrial Estate and completed the purchase on 20<sup>th</sup> December at a cost of £3.2m, generating a rental income of £214k per year. We are still proceeding with a purchase at St Neots with a bid of £7.7m on a leisure property in St Neots; however construction issues were identified as part of the due diligence building surveys. The seller is currently addressing the issues and we anticipate proceeding late in Q4 with a small reduction in price to reflect the additional work undertaken. A summary of opportunities 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 have increased since the Bank of England raised the base rate to 0.75%.

To date, the majority of the Council's investments have been funded from earmarked reserves or cash balances with a £5m loan from PWLB secured for the acquisition at Fareham, the balance of the purchase price and acquisition costs was met from earmarked reserves.

## **7. COMMENTS OF OVERVIEW & SCRUTINY PANELS**

7.1 Comments will be added here following the Panel's meeting on 5 February 2019.

## **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 December, 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 3, 2018/19

**Appendix B** – Corporate Plan Performance Report ('Red' status), Quarter 3, 2018/19

**Appendix C** – Project Performance ('Red' status), December 2018

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

**Annex A** – Revenue Provisional Outturn and Service Commentary, Dec 2018

**Annex B** – Capital Programme Provisional Outturn, Dec 2018

**Annex C** – Capital Programme Funding 2018/19

**Annex D** – Financial Dashboard, Dec 2018

**Appendix E** – Register of reviews of CIS investment propositions, Quarter 3, 2018/19

## **CONTACT OFFICERS**

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

Daniel Buckridge, Business Intelligence and Performance Manager ☎ (01480) 388065

### **Project Performance (Appendix C)**

Adrian Dobbyne, Corporate Team Manager ☎ (01480) 388100

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

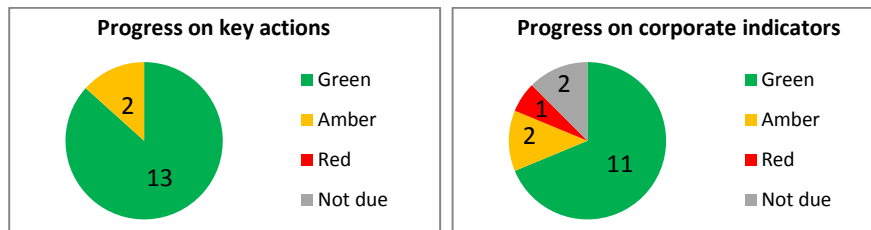
Paul Loveday, Interim Finance Manager ☎ (01480) 388605

# Appendix A

## Performance Summary Quarter 3, 2018/19

### People

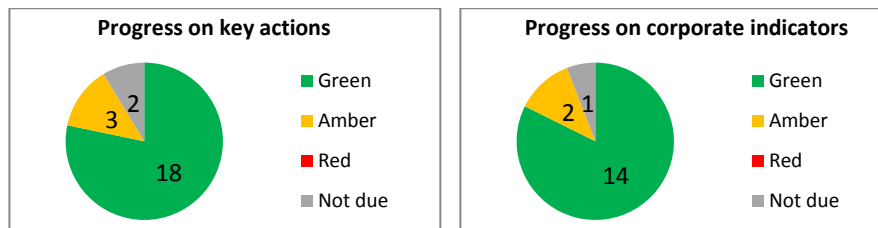
We want to make Huntingdonshire a better place to live, to improve health and well-being and for communities to get involved with local decision making



Highlights include the One Leisure Active Lifestyles team launching the ESCAPE Pain Management Course.

### Place

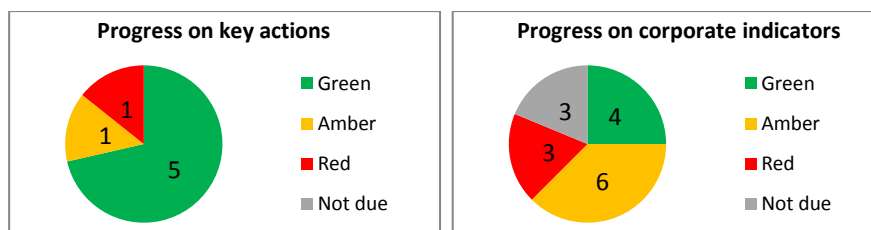
We want to make Huntingdonshire a better place to work and invest and we want to deliver new and appropriate housing



Highlights include filming for a Channel 5 series to raise awareness of how we deal with littering and fly-tipping.

### Becoming a more efficient and effective council

We want to continue to deliver value for money services



Highlights include significant progress with plans for online services and customer accounts, with a soft launch starting in January 2019.

CORPORATE PLAN – PERFORMANCE REPORT

**Appendix B**

STRATEGIC THEME – PEOPLE

Period October to December 2018

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
	13		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
	11		2		1		1		1

Corporate Performance and Contextual Indicators

Performance Indicator	Full Year 2017/18 Performance	Q3 2017/18 Performance	Q3 2018/19 Target	Q3 2018/19 Performance	Q3 2018/19 Status	Annual 2018/19 Target	Forecast Outturn 2018/19 Performance	Predicted Outturn 2018/19 Status
PI 11. Number of EDGE customers supported into work Aim to maximise	n/a – new measure	n/a – new measure	72	54	<b>R</b>	96	80	<b>A</b>
Comments: (Development) With a significant increase in shop footfall and the careers fair in December to prepare for there has not been sufficient resource to make follow up calls to ascertain whether customers have secured work or not. There may be a significant number of successes that are not yet captured by the data.								

**STRATEGIC THEME – PLACE**

**Period October to December 2018**

**Summary of progress for Key Actions**

<b>G</b>	<b>Progress is on track</b>	<b>A</b>	<b>Progress is within acceptable variance</b>	<b>R</b>	<b>Progress is behind schedule</b>	<b>?</b>	<b>Awaiting progress update</b>	<b>n/a</b>	<b>Not applicable to state progress</b>
	<b>18</b>		<b>3</b>		<b>0</b>		<b>0</b>		<b>2</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>	<b>Performance is on track</b>	<b>A</b>	<b>Performance is within acceptable variance</b>	<b>R</b>	<b>Performance is below acceptable variance</b>	<b>?</b>	<b>Awaiting performance update</b>	<b>n/a</b>	<b>Not applicable to assess performance</b>
	<b>14</b>		<b>2</b>		<b>0</b>		<b>0</b>		<b>1</b>

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

Period October to December 2018

**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	<b>?</b>	Awaiting progress update	<b>n/a</b>	Not applicable to state progress
<b>5</b>		<b>1</b>		<b>1</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	<b>?</b>	Awaiting performance update	<b>n/a</b>	Not applicable to assess performance
<b>4</b>		<b>6</b>		<b>3</b>		<b>0</b>		<b>3</b>	

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

Status	Key Actions for 2018/19	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
<b>R</b>	KA 40. Maximise the income generating potential of all traded activities	March 2018/19	Cllr Palmer	Jayne Wisely	Active Lifestyles income for group exercise classes is expected to be 5-8% above last year's outturn. Exercise Referral is on target to hit the new income target of £8k following the change from the free scheme in April 2018. A new programme ESCAPE is being launched in Jan 2019 and is expected to contribute additional income moving forward. OLAL is forecasting approx. £10k saving on budget for 18-19. One Leisure Facilities is still showing a shortfall against budget target due to the delays of delivering the swimming pool project at St Neots and the under performance of the Burgess Hall and One Leisure Huntingdon. One Leisure Ramsey and Sawtry and One Leisure St Ives (Indoor and Outdoor) are performing well in line with expectations. A surplus of around £130K is the current forecast however T1 inaccuracies are causing difficulties in confirming this.

## 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	?	Awaiting performance update	n/a	Not applicable to assess performance
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Performance Indicator	Full Year 2017/18 Performance	Q3 2017/18 Performance	Q3 2018/19 Target	Q3 2018/19 Performance	Q3 2018/19 Status	Annual 2018/19 Target	Forecast Outturn 2018/19 Performance	Predicted Outturn 2018/19 Status
PI 38a. Percentage of Stage 1 complaints resolved within time  Aim to maximise	n/a (Red)	n/a (Red)	95%	84%	<b>R</b>	95%	85%	<b>R</b>
Comments: (Corporate Team) Out of 296 complaints responded to, 46 of them have been responded to late. Operations still account for the majority of complaints received (172 complaints April-December 2018) and they also account for the majority of late responses with 39 of their complaints responded to late.								
PI 38b. Percentage of Stage 2 complaints resolved within time  Aim to maximise	78%	80%	95%	81%	<b>R</b>	95%	81%	<b>R</b>
Comments: (Corporate Team) 13 out of 16 Stage 2 complaints have been responded to on time this year. In Q3, one Stage 2 complaint relating to Development was responded to late out of a total of four complaints received across all services. The target set means even a single late Stage 2 complaint would push this target to Red.								
PI 40. Percentage reduction in avoidable contacts  Aim to maximise	N/A	N/A	-25%	-5.1%	<b>R</b>	-25%	-10%	<b>R</b>
Comments: (Customer Services) The OneVu customer accounts portal will have a soft launch on 18 <sup>th</sup> January 2019 and we expect further reductions in avoidable contact as a result. We work on reducing avoidable contact with the departments we provide services for as well as through Lean projects.								

## Appendix C: Project Performance (Red only) – end of December 2018

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

Title / Purpose of Project / Programme / Project Manager / Sponsor	Original End Date (as PID)	RAG Status to Original Date	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update / Programme Office comments	RAG Status	Latest Update Date
<b>Council Tax Automated Forms</b> Introduce automated forms into business systems. <b>Programme: Facing the Future</b> <b>Project Manager: Ian Davies (Customer Services)</b> <b>Project Sponsor: John Taylor</b>	31/03/17	<b>Red</b> Restructure and lack of resources to test caused delays.	31/03/19	31/03/19	All version 2 forms are live and robotics testing has now begun on Direct Debits.  Latest tests suggest that two out of the three robotic forms will be live by 31/03/19.	<b>Red</b>	14-Jan-19

<b>Red =</b> Project is significantly behind schedule, serious risks/issues have been identified or there is a lack of governance documentation	<b>Amber =</b> Progress is behind schedule, some risks/issues have been identified or some documentation is missing. The project may be recoverable	<b>Green =</b> Progress is on track with no impact to delivery	<b>Pending Closure =</b> In close-down stage	<b>Pending Approval =</b> Business Case to be approved	<b>Closed =</b> Project is closed. Closedown report approved by Project Board and Project Management Governance Board.
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### 3C ICT Projects where customers include HDC

Title / Purpose of Project / Programme / Project Manager / Sponsor	Original End Date (as PID)	RAG Status to Original Date	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update (In Flight) / Programme Office comments	RAG Status	Latest Update Date
<b>Server Room Consolidation Project</b> 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.  <b>Programme: 3C Shared Services</b> <b>Project Manager: Emma Alterton (3C ICT)</b> <b>Project Sponsor: Fiona Bryant</b>	12/12/2017	Red	31/04/2018	30/09/2018	Testing of new SCDC Remote systems signed off by all departments except Planning. Virgin Media Business issues escalated to Oliver Morley. They have now committed to the 22 <sup>nd</sup> Oct for completion.  Work continues in the background at SCDC to ready all systems for moving over the weekend of the 27 <sup>th</sup> following successful completion of the VMB work.  An additional request has been submitted to VMB to allow the Cambridge City migrations to carry on in parallel.	Overall: Red	10-Oct-18
<b>Global Protect</b> This project will: <ol style="list-style-type: none"> <li>1. Make flexible working more viable through better use of existing assets and new technology.</li> <li>2. Improve levels of cross council partner working.</li> </ol>	TBC	TBC	31/04/2018	CCity – Complete SCDC – Oct 18 HDC – Jan 19	CCity – sub-project closure report not yet completed due to Office Accommodation Strategy (OAS) moves and other high priority projects requiring resource.	Overall: Red	08-Jan-19



<p><b>Red =</b> Project is significantly behind schedule, serious risks/issues have been identified or there is a lack of governance documentation</p>	<p><b>Amber =</b> Progress is behind schedule, some risks/issues have been identified or some documentation is missing. The project may be recoverable</p>	<p><b>Green =</b> Progress is on track with no impact to delivery</p>	<p><b>Pending Closure =</b> In close-down stage</p>	<p><b>Pending Approval =</b> Business Case to be approved</p>	<p><b>Closed =</b> Project is closed. Closedown report approved by Project Board and Project Management Governance Board.</p>
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Title / Purpose of Project / Programme / Project Manager / Sponsor	Original End Date (as PID)	RAG Status to Original Date	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update (In Flight) / Programme Office comments	RAG Status	Latest Update Date
<p>3. Reduce the security risk of underused laptops which do not come on the network for weeks at a time and hence miss critical and anti-virus updates.</p> <p><b>Programme: 3C Shared Services</b></p> <p><b>Project Manager: Paul Ashbridge (3C ICT)</b></p> <p><b>Project Sponsor: Emma Alterton</b></p>					<p>SCDC – Proof of Concept testing stalled due to lack of 3C ICT resource.</p> <p>3CSS – Virgin Media Business and 3C ICT working on issues identified. Exploring new solutions.</p>	<p>HDC: Green</p>	

### Projects run by 3C ICT on behalf of other customers

Title / Purpose of Project / Programme / Project Manager / Sponsor	Original End Date (as PID)	RAG Status to Original Date	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update (In Flight) / Programme Office comments	RAG Status	Latest Update Date
<p><b>Waste Services Implementation Phase 1 (SOSP)</b> This phase of the project is to implement Yotta Alloy to the Domestic and Trade teams (Greater Cambridge Shared Waste Service).</p> <p><b>Programme: 3C Shared Services</b></p> <p><b>Project Manager: Tony Allen (3C ICT)</b></p> <p><b>Project Sponsor: Mike Hill</b></p>	TBC	TBC	29/08/2018	29/08/2018	<p>The main part of this project is now complete. The project is at Red RAG status because there are two outstanding issues to resolve before the project can be closed which has meant some milestones haven't been met. The outstanding issues are launching the new bin form and a Finance load in to ETL (extract, transform and load data input). We are continuing to work on these issues and significant progress has been made in the New Year.</p>	<p>Red</p>	08-Jan-19

### **Financial Performance Monitoring Suite As At 31 December 2018**

#### **Executive summary**

This report sets out the financial forecast for January, based on information at the end of December, for revenue and capital. The headlines are:

**Revenue** - the forecast outturn is an estimated overspend of £0.3m which is £0.1m lower than the December forecast. The main service that has shown improvement is Operations (£199k). However, Directors and Corporate Team, Development and Community showed an adverse variance that between them has increased the forecast by £110k.

**Capital programme** – the forecast outturn is an estimated net under spend of £1.1m.

**MTFS** – The MTFS was previously updated as part of the 2018/19 Budget setting process. However, following the completion of the audit of the outturn for 2017/18, and as part of the ongoing budget setting process for the financial year 2019/20 and onwards it is being reviewed and will be updated in February 2019.

## Service Commentary

## Annex A

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

Revenue Forecast Outturn	2017/18		2018/19					
	Outturn	Budget	Forecast Outturn (Gross)	Use of Reserves to Fund Exp	Contribution to Reserves	Net Service Forecast	Net Variation	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
<b>Revenue by Service:</b>								
Community	1,697	1,758	1,721	0	7	1,728	(30) ●	-1.7
Customer Services	2,816	2,533	2,562	0	81	2,643	110 ●	4.3
ICT Shared Service	1,972	2,128	2,102	0	0	2,102	(26) ●	-1.2
Development	578	1,071	664	0	2	666	(405) ●	-37.8
Leisure & Health	55	(190)	291	(165)	25	151	341 ●	179.5
Operations	4,292	3,911	4,605	(116)	0	4,489	578 ●	14.8
Resources	3,221	4,429	4,352	(92)	88	4,348	(81) ●	-1.8
Directors and Corporate Transformation	2,693	1,642	1,604	(106)	0	1,498	(144) ●	-8.8
	0	0	284	(284)	0	0	0	
<b>Net Revenue Expenditure</b>	<b>17,324</b>	<b>17,282</b>	<b>18,185</b>	<b>(763)</b>	<b>203</b>	<b>17,625</b>	<b>343 ●</b>	<b>2.0</b>
Contributions to/(from) Earmarked Reserves	(757)	0	(560)				(560)	0.0
Service Contribution to Reserves	3,015	3,026	2,683				(343)	-11.3
<b>Budget Requirement (Services)</b>	<b>19,582</b>	<b>20,308</b>	<b>20,308</b>					
<b>Financing:-</b>								
Taxation & Government Grants	(15,512)	(10,892)	(11,841)				(949)	8.7
Contribution to/(from) Reserves	3,228	(966)	(17)				949	-98.2
<b>Council Tax for Huntingdonshire DC</b>	<b>(7,298)</b>	<b>(8,450)</b>	<b>(8,450)</b>					

Note:

Red – over spend by 2% or more

Amber – underspend by more than 4%

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

**2018/19 January (Quarter 3) Service Forecasts**

December Forecast (Net)	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		January Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
<b>Head of Community</b>											
90,119	Head of Community	85,288	90,054	4,766	+5.60			90,054	4,766	+5.60	
293,708	Environmental Protection Team	342,384	296,272	(46,112)	-13.50			296,272	(46,112)	-13.50	Reduced staffing expenditure (£35k), increased income in year but not sustainable income (£20k), offset by increased costs of enforcement particularly around unauthorised encampments (£9k)
221,002	Business Team	276,784	237,418	(39,366)	-14.20			237,418	(39,366)	-14.20	Reduced staffing expenditure (£78k) and associated savings on transport costs (£2k), offset by lower than expected income (£8k) and increased costs of consultancy support and legal support relating to a fatal accident investigation (£32k)
577,532	Community Team	615,019	579,911	(35,108)	-5.70			579,911	(35,108)	-5.70	Reduced staffing expenditure (£34k) and additional income in year but not sustainable income (£11k), offset by increased costs of supplies and services (£9k)
140,416	Environmental Health Admin	143,662	133,809	(9,853)	-6.90		6,612	140,421	(3,241)	-2.30	
2,000	Closed Churchyards	2,000	2,200	200	+10.00			2,200	200	+10.00	
(147,778)	Licencing	(103,951)	(121,567)	(17,616)	+16.90			(121,567)	(17,616)	+16.90	Increased income in year but not sustainable income (£31k) and savings of transport costs (£2k), offset by increased staffing expenditure (£11k) and increase costs of supplies and services (£5k)
(68,465)	CCTV	(70,393)	(68,318)	2,075	-2.90			(68,318)	2,075	-2.90	
205,585	CCTV Shared Service	155,326	206,972	51,646	+33.30			206,972	51,646	+33.30	Additional costs of maintaining an aged fleet of CCTV cameras across the shared service (£125k), mitigated by increased income from cost recovery on camera maintenance (£74k). The budget represents the shared service across Huntingdonshire and Cambridge City, both Council's are undertaking significant capital investment in the camera network to mitigate against these additional maintenance costs in 2019/20
100,446	Corporate Health & Safety	104,997	99,509	(5,488)	-5.20			99,509	(5,488)	-5.20	
9,878	Emergency Planning	11,575	8,774	(2,801)	-24.20			8,774	(2,801)	-24.20	
252,332	Document Centre	194,849	255,981	61,132	+31.40			255,981	61,132	+31.40	External and internal print demand reducing income to the service (£165k), mitigated by reduced costs of supplies and services in serving the print demand (£99k) and reduced staffing expenditure (£5k)
<b>1,676,775</b>		<b>1,757,540</b>	<b>1,721,015</b>	<b>(36,525)</b>	<b>-2.10</b>	<b>0</b>	<b>6,612</b>	<b>1,727,627</b>	<b>(29,913)</b>	<b>-1.70</b>	

December Forecast (Net)	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		January Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
<b>Head of Customer Services</b>											
98,042	Head of Customer Services	98,042	17,443	(80,599)	-82.20		80,599	98,042	0	+0.00	
1,011,676	Housing Needs	1,018,645	1,016,237	(2,408)	-0.20			1,016,237	(2,408)	-0.20	
	Customer Services	851,414	839,152	(12,262)	-1.40			839,152	(12,262)	-1.40	Minor savings on operational costs at Yaxley, Ramsey and at Pathfinder House
834,909											
(127,451)	Council Tax Support	(127,354)	(127,201)	153	-0.10			(127,201)	153	-0.10	
(224,467)	Local Tax Collection	(227,770)	(221,539)	6,231	-2.70			(221,539)	6,231	-2.70	
1,066,541	Housing Benefits	919,948	1,037,817	117,869	+12.80			1,037,817	117,869	+12.80	Estimated cost of benefit payments for homelessness accommodation has increased to £990k (from £950k with corresponding subsidy of £446k. Adjustments have been made to take account of impact of Universal Credit on caseload. Offset against new burdens funding from DWP and minor operational adjustments. This is on a total budget of £30m+.
<b>2,659,250</b>		<b>2,532,925</b>	<b>2,561,909</b>	<b>28,984</b>	<b>+1.10</b>	<b>0</b>	<b>80,599</b>	<b>2,642,508</b>	<b>109,583</b>	<b>+4.30</b>	
<b>3C's ICT</b>											
2,095,842	ICT Shared Service	2,128,103	2,102,419	(25,684)	-1.20			2,102,419	(25,684)	-1.20	Savings on the server room consolidaiton are on track and following further investigation additional savings on applications and software have been identified. This has improved the financil position and a small underspend against budget for 2018/19 is now projected.
<b>2,095,842</b>		<b>2,128,103</b>	<b>2,102,419</b>	<b>(25,684)</b>	<b>-1.20</b>	<b>0</b>	<b>0</b>	<b>2,102,419</b>	<b>(25,684)</b>	<b>-1.20</b>	
<b>Head of Development</b>											
83,825	Head of Development	84,715	84,445	(270)	-0.30			84,445	(270)	-0.30	
129,540	Building Control	152,540	129,540	(23,000)	-15.10			129,540	(23,000)	-15.10	(£23K) recharge for accommodation at PFH.
142,851	Economic Development	160,822	134,151	(26,671)	-16.60			134,151	(26,671)	-16.60	(£22K) Underspend on staff costs as a result of vacancies. (£5K) of smaller variances.
583,743	Planning Policy	721,388	594,706	(126,682)	-17.60			594,706	(126,682)	-17.60	(£25K) saving due to changes to posts across Planning. (£94K) underspend on staff costs as a result of reduced costs and vacancies being recruited to. (£12K) saving on LEP contribution. £4K of smaller variances.
(571,983)	Development Management	(343,260)	(521,467)	(178,207)	+51.90			(521,467)	(178,207)	+51.90	£25K Cost due to changes to posts across Planning. (£70K) Underspend on staff costs as a result of reduced costs and vacancies being recruited to. (£89K) Additional fee income. (£32K) DM Application Processing underspend. (£14K) underspend on appeal costs. £1K of smaller variances.
166,858	Housing Strategy	212,478	160,108	(52,370)	-24.60		1,620	161,728	(50,750)	-23.90	(£42K) Underspend on staff costs as a result of vacancies. (£10K) additional net income from mobile home park. £1K of smaller variances.
26,100	Public Transport	26,100	26,100	0	+0.00			26,100	0	+0.00	
56,120	Transportation Strategy	56,120	56,120	0	+0.00			56,120	0	+0.00	
<b>617,054</b>		<b>1,070,903</b>	<b>663,703</b>	<b>(407,200)</b>	<b>-38.00</b>	<b>0</b>	<b>1,620</b>	<b>665,323</b>	<b>(405,580)</b>	<b>-37.90</b>	

December Forecast (Net)	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		January Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
<b>Head of Leisure &amp; Health</b>											
80,946	Head of Leisure & Health	81,788	81,410	(378)	-0.50			81,410	(378)	-0.50	
194,151	One Leisure Active Lifestyles	205,371	353,558	148,187	+72.20	(159,000)		194,558	(10,813)	-5.30	Increases in attendances at Classes and sessions has increased the level of income achieved and reduced the net cost of the service
101,173	One Leisure St Ives Outdoor Centre	73,106	71,818	(1,288)	-1.80		25,000	96,818	23,712	+32.40	a £4K improvement on previous month with improvements to Hospitality and savings on Salaries
422,147	Leisure Centres Corporate	442,394	424,876	(17,518)	-4.00			424,876	(17,518)	-4.00	Savings on Employee costs
110,666	The Club Alconbury Weald	126,461	110,806	(15,655)	-12.40			110,806	(15,655)	-12.40	OL Management Team savings on Employee costs
(153,246)	One Leisure St Neots	(253,048)	(172,857)	80,191	-31.70			(172,857)	80,191	-31.70	Overall - across all facilities, Memberships is up £28K, however the formulae for how the split attributes income to the various elements has resulted in income being up for fitness classes (indoor sports) and creche, with Impressions being reduced. (Except OLR). Behind budget due to the delay in the Capital Works to site. Swimming Pool full effect of closure in current financial year and 3G works taking place during the playing season - whereas budgeted for them in the closed season. An Improving situation from previous month +£19.5K. This is in hospitality (£2.5K), Indoor sports (£5.5K) additional fitness class income and birthday party, and outdoor sports (£11K) now that the date of completion for the 3G has been confirmed by the contractor and due to re-open in early February
(82,533)	One Leisure Huntingdon	(192,301)	(90,031)	102,270	-53.20			(90,031)	102,270	-53.20	Overall the facility is forecasting £100K growth on previous year, however below budget due to the forecast income built into the budget from the redevelopment. There is a £9K improvement on the previous month notably Indoor Sports (£5K), Swimming (£6K), with savings in site and centre management (£9K), with Impressions being down (see comment on split)
(561,333)	One Leisure St Ives	(792,101)	(544,868)	247,233	-31.20			(544,868)	247,233	-31.20	The difference to budget for OLSI is due to the previously reported underperformance of Burgess Hall and Bar. A new interim management structure is in place to steady and start to grow the business again. There is a £17K reduction in the forecast out-turn this month to previous month and this is due to the Burgess Hall with £8K expenditure not previously included in the forecast along with more rigorous forecasting due to the new management structure. There may be an overstatement of Income of £2K for OLSI due to a Tech1 issue that will be reversed next month
(31,908)	One Leisure Ramsey	19,836	(41,046)	(60,882)	-306.90	(6,000)		(47,046)	(66,882)	-337.20	
99,312	One Leisure Sawtry	98,398	97,088	(1,310)	-1.30			97,088	(1,310)	-1.30	
<b>179,375</b>		<b>(190,096)</b>	<b>290,754</b>	<b>480,850</b>	<b>-253.00</b>	<b>(165,000)</b>	<b>25,000</b>	<b>150,754</b>	<b>340,850</b>	<b>-179.30</b>	

December Forecast (Net)	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		January Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
<b>Head of Operations</b>											
92,014	Head of Operations	79,568	92,551	12,983	+16.30			92,551	12,983	+16.30	£4k corporate membership to APSE, APSE frontline manager training for whole Council charged £7,600.
1,233,984	Green Spaces	1,138,441	1,287,633	149,192	+13.10	(108,000)		1,179,633	41,192	+3.60	Loss of S106 funding/commuted sums (£108 offset from S106 draw down from reserves leaving £51k over, £28k of which is Hinchingbrooke Park) £10k Consultancy Costs for Hinchingbrooke Business Case. Costs of emergency watercourse works/repairs exceeding budget by £50,000 (annual budget is £34k) (£6k) HCP Events (£13k) Awarded Grant, (£17k) in year budget control to offset impact of Street Cleansing overspend.
64,378	Environmental & Energy Management	82,760	71,543	(11,217)	-13.60			71,543	(11,217)	-13.60	See facilities commentary for net position
850,902	Street Cleaning	772,646	852,544	79,898	+10.30			852,544	79,898	+10.30	£16k standpipe licences new water authority requirement for licence to draw water direct from standpipes, £20k diesel price increase; £10k vehicle hire; £17k vehicle repairs. £10k additional in year cost of road weed spraying contract. £7k temporary staffing. Action on Overspend - Two Team Leaders only.
8,557	Public Conveniences	13,400	6,842	(6,558)	-48.90			6,842	(6,558)	-48.90	Continued Cost Control on Maintenance
2,527,543	Waste Management	2,196,001	2,464,142	268,141	+12.20			2,464,142	268,141	+12.20	£80k Increase cost of recycling due to contamination/processing cost £30k Reduced level of recycling credits from County Council due to contamination levels in recycling £57k Cost of sickness absence cover (current budget provision £30k a year based on 5 days absence a year for agency cover to maintain service) - growth bid made in MTFs. Context annual staffing budget is £2.4 million. Average sickness reduced 7.4 days per employee since April. £14k Staffing cost of additional round to meet growth in recycling volumes - growth bid made in MTFs £50k Trade Waste and WebAspx routing consultancy to evidence growth bids and ensure future rounds fit for purpose £90k Additional cost of diesel fuel as prices reach 4 year high (£52k) Additional income on Trade Waste/Bin recycling

December Forecast (Net)	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		January Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
1,091,180	Facilities Management	870,109	1,061,858	191,749	+22.00			1,061,858	191,749	+22.00	£97k Income expectation for 3rd floor Pathfinder, Estates team responsible for leasing - progressing ideas but none yet successful. £50k Staffing of Energy Role - Role maintained to deliver savings elsewhere in 2018/19. Future annual saving of £28k for St Neots Leisure Centre. Also avoided £36k growth in gas prices (90% of which is One Leisure use). £22k Staffing of Sustainability Role. From Q3 and Q4 role full cost recovery plus 10% from outside work. £22k due to staff saving part achieved in year (achieved fully for 2019/20).
258,803	Fleet Management	238,846	253,078	14,232	+6.00			253,078	14,232	+6.00	Change in cost apportionment of Recycling and Waste Operations Manager to reflect true costs of service management.
(58,183)	Markets	(60,998)	(61,732)	(734)	+1.20			(61,732)	(734)	+1.20	
(1,380,112)	Car Parks	(1,420,054)	(1,423,210)	(3,156)	+0.20	(8,000)		(1,431,210)	(11,156)	+0.80	In year management of costs and enforcement have recovered previously estimated shortfall.
<b>4,689,066</b>		<b>3,910,719</b>	<b>4,605,249</b>	<b>694,530</b>	<b>+17.80</b>	<b>(116,000)</b>	<b>0</b>	<b>4,489,249</b>	<b>578,530</b>	<b>+14.80</b>	
<b>Head of Resources</b>											
89,655	Head of Resources	88,705	90,290	1,585	+1.80			90,290	1,585	+1.80	
4,552,357	Corporate Finance	4,747,443	4,548,036	(199,407)	-4.20	(6,714)	63,000	4,604,322	(143,121)	-3.00	Increased expected income from CCLA property fund (-£5k), higher interest rates from short term investments (-£45k), loan payments to PWLB lower than budget (-£15k) higher bank charges (+£8k) and savings from recalculated MRP (-£80k), interest from loans to other organisation (-£63k) with (+£63k) Urban and Civic loan interest to be moved to reserves
747,103	Finance	589,930	845,921	255,991	+43.40	(85,000)		760,921	170,991	+29.00	Delay in FMS has resulted in staffing resources needed for longer and additional temp staff for back filling and covering longterm sickness plus savings from vacant posts (+£246k) with (-£85k) to be covered by reserves, due diligence work to be undertaken by Arlingclose (+9k) Action on Overspend - These are one-off costs relating to the implementation of the FMS; they should not be repeated next year.
651,064	Audit & Risk Management	539,902	626,933	87,031	+16.10		25,000	651,933	112,031	+20.80	Increase in insurance premiums reflecting RTA in 01/17 and EFH Fire in Oct 17 (+£110k), 2 vacant posts within Audit (-£27k), final payment in regards to mesothelioma claim after reimbursement from insurers (+8k) with (+£25k) being moved to reserves Action on Overspend - Not possible to reduce in the short-term as this is as a consequence of higher insurance premiums
223,463	Legal	223,940	222,736	(1,204)	-0.50			222,736	(1,204)	-0.50	



December Forecast (Net)	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		January Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
642,288	HR & Payroll Services	865,695	641,412	(224,283)	-25.90			641,412	(224,283)	-25.90	2 FTE posts vacant (-£72k), savings in apprentice scheme employee costs due to several apprentices gaining permanent employment (-£177k), Increase in DBS checks (+£19k)
59,247	Procurement	30,868	59,751	28,883	+93.60			59,751	28,883	+93.60	Undelivered due to delay in procurement outsourcing (+£30k) Action on Overspend - Original intention to outsource delayed and alternative provision being investigated with 3C's partners
(2,650,239)	Commercial Estates	(2,657,038)	(2,682,385)	(25,347)	+1.00			(2,682,385)	(25,347)	+1.00	Higher staffing costs (+£175k), reduced CIS income due to highly competitive market - New income from Little End Road acquisition coming on stream- (+£17k) (this variance is a mix of reduced MRP expenditure and reduced CIS income), savings in management charge (-£144k), increased estates income excl CIS partially offset by slippage due to changes in staff (-£80k), EPC fees and dilapidations schedules for vacating tenants (+£6k)
<b>4,314,938</b>		<b>4,429,445</b>	<b>4,352,694</b>	<b>(76,751)</b>	<b>-1.70</b>	<b>(91,714)</b>	<b>88,000</b>	<b>4,348,980</b>	<b>(80,465)</b>	<b>-1.80</b>	
<b>Corporate Team</b>											
674,554	Democratic & Elections	810,780	833,982	23,202	+2.90	(106,012)		727,970	(82,810)	-10.20	Final accounts have been settled on all Elections (incl. EU Referendum and UK Parliamentary from previous years) and this shows an overall surplus to the accounts. There are some lower costs in Electoral Registration. Members Allowances are reduced to reflect new scheme with reduced volume of Special Duty Allowances, but the forecast is greater than last month due to systme errors in previous months postings being corrected.
484,145	Directors	492,052	487,196	(4,856)	-1.00			487,196	(4,856)	-1.00	
278,899	Corporate Team	339,256	282,818	(56,438)	-16.60			282,818	(56,438)	-16.60	Vacant posts have been held while staff on secondment to Mosaic (Transformation) and whilst pending a Restructure which is now being implemented and new structure reflected in Forecast Outturn.
<b>1,437,598</b>		<b>1,642,088</b>	<b>1,603,996</b>	<b>(38,092)</b>	<b>-2.30</b>	<b>(106,012)</b>	<b>0</b>	<b>1,497,984</b>	<b>(144,104)</b>	<b>-8.80</b>	
<b>Transformation</b>											
0	Transformation	0	283,916	283,916	-	(283,916)		0	0	-	
<b>0</b>		<b>0</b>	<b>283,916</b>	<b>283,916</b>	<b>-</b>	<b>(283,916)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	
<b>17,669,898</b>	<b>HDC Total</b>	<b>17,281,627</b>	<b>18,185,655</b>	<b>904,028</b>	<b>+5.20</b>	<b>(762,642)</b>	<b>201,831</b>	<b>17,624,844</b>	<b>343,217</b>	<b>+2.00</b>	

The approved gross Capital Programme 2018/19 is £5.582m. Schemes totalling £5.111m from 2017/18 have been rephased to 2018/19, to give the total gross Capital Programme for 2017/18 of £10.693m.

The net expenditure to date is £4.800m (45% of the gross budget, 75% of the year) and the Capital Programme is forecast to have a net underspend of £1.057m, this includes underspends, rephasings and other variations. The forecast overspend on DFGs is partly funded from additional grants.

<b>Variation Commentary Summary</b>	<b>£000s</b>
<b>Overspend</b>	
<b>Development – DFGs</b> The overspend is based on the current level of demand from clients. It is possible that increased contributions from clients will reduce this overspend, but this is not yet certain.	246
<b>New FMS</b> Due to the extended implementation period expenditure has increased by £60,000. This will be funded from the earmarked reserve set up for this purpose.	0
<b>Burgess Hall</b> Completion of works to carpeting.	2
<b>Pathfinder House Reception</b> Costs have exceeded that estimated in the business case. Additionally the costs recovered from the DWP are also lower than estimated.	41
<b>Wooden Bridge - Hinchingsbrooke Country Park</b> Estimates received for the cost of erecting the bridge are higher than originally estimated.	23
<b>CIL Payment Huntingdon West</b> A payment of £553,000 has been made for the contribution to Huntingdon West Link Road, this is being funded from the CIL reserve. The cost of the CPOs is still under negotiation, this figure is not yet known but could be up to £2m, this will be funded from the CIL reserve.	0
<b>One Leisure Huntingdon Expansion</b> The final retention payment for the works at One Leisure Huntingdon reception area	36
<b>Commercial Property Roofs</b> The final payments for the roof works at Levellers Lane St Neots and Phoenix Court Huntingdon, schemes completed in 2017/18. In 2016/17 there was an underspend on this scheme of £48,000.	131
	<b>479</b>
<b>Growth</b>	
<b>Re-Fit Projects</b> Additional expenditure was approved by Senior Management Team on the 5 <sup>th</sup> June 2018, to finance works at One Leisure St Neots. The project was signed off on the 7 <sup>th</sup> June 2018.	16
	<b>16</b>
<b>Underspend</b>	
<b>Health and Safety Works and Energy Efficiency Works – Commercial Properties</b> It is anticipated that some works will be rechargeable to tenants, as a result this reduces the cost to the council (£20,000), also fewer sites require work to meet the compliance requirement, resulting in a saving of £18,000.	(38)
<b>Customer Relationship Management Software</b> One-Vu software has been procured, to be shared with SCDC and Cambridge City Council. As the software is being shared the cost has been reduced.	(80)
<b>Wheeled Bins</b> The bins held in stock and the purchases planned for the remainder of the year will cover demand. Some saving have resulted from a change in supplier.	(14)

<b>Variation Commentary Summary</b>		<b>£000s</b>
	<b>Vehicle Fleet Replacement</b> Vehicle replacements have cost less than estimated resulting in a small underspend.	(21)
	<b>Printing Equipment</b> Following a change in priorities within the Document Centre, the print equipment is no longer required.	(176)
	<b>Transformation Schemes</b> The costs for Council Anywhere are being met from this budget, the project will replace IT hardware and move users to new Microsoft products . The roll-out us well underway and the costs are now preicted to be £480,000 lower than first estimated.	(480)
		<b>(809)</b>
	<b>Rephase</b>	
	<b>Bridge Place Car Park – Godmanchester</b> Works have been delayed whilst the final design and negotiations over land leases are completed.	(279)
	<b>Building Efficiencies (Salix)</b> The works on replacing the boilers at OL Ramsey and lighting at Pathfinder House are likely to be rephased to 2019/20.	(15)
	<b>Re-fit Buildings</b> Works are expected to be completed in 2018/19, with just the retention to pay in 2019/20.	(37)
	<b>Operations Back Office Software</b> The costs for the shared waste management software are lower than expected, because of sharing with Cambridge City and South Cambridgeshire councils.	(136)
	<b>One Leisure St Ives New Fitness Offering</b> The specification for this fitness offering has taken longer than expected to complete. Therefore some of the expenditure is now expected to take place in 2019/20.	(125)
	<b>One Leisure Ramsey 3G Pitch</b> A feasibility study on the pitch construction has indicated that the cost will be higher than estimated (£68,000). The Football Foundation may agree to fund the extra expenditure by increasing their grant. Tenders are still outstanding, the result of these will determine expenditure for the year. In addition the Football Foundation Panel in January will decide whether the project will get the go ahead. There will be a significant amount carried over into 2019/20 budget as a result.	(150)
		<b>(742)</b>
	<b>Total</b>	<b>(1,056)</b>

Capital Programme 2018/19		January (Based on Information as at 31st December)							
Table 1 Expenditure	Status	Budget Manager	Approved Budget	Slippage or Supplementary	Updated Budget	Expenditure	Forecast	Net Variance	
			£	£	£	£	£	£	
<b>Community</b>									
CCTV Camera Replacements		Chris Stopford	0	220,000	220,000	2,224	220,000	0	
CCTV Pathfinder House Resilience		Chris Stopford	0	20,000	20,000	0	20,000	0	
CCTV Wi-Fi		Chris Stopford	0	250,000	250,000	0	250,000	0	
Lone Worker Software		Chris Stopford	0	20,000	20,000	0	20,000	0	
					0			0	
<b>Development</b>									
Disabled Facilities Grants		Kaith Tayler	1,900,000	0	1,900,000	1,502,556	2,350,000	450,000	
Huntingdon West CIL		Claire Burton	0	0	0	553,000	553,000	553,000	
Alconbury Weald Remediation		Sue Bedlow	0	979,556	979,556	979,556	979,556	0	
					0			0	
<b>Leisure and Health</b>									
One Leisure Improvements		Pete Corley	366,000	40,000	406,000	63,589	406,000	0	
Burgess Hall		Chris Keeble	0	0	0	0	2,000	2,000	
One Leisure St Ives New Fitness Offering		Daniel Gammons	250,000	0	250,000	3,270	125,000	(125,000)	
One Leisure Ramsey 3G		Martin Grey	600,000	0	600,000	5,693	334,000	(266,000)	
One Leisure St Neots Synthetic Pitch		Jon Clarke	0	390,000	390,000	0	390,000	0	
OL St Neots Pool		Jon Clarke	0	278,957	278,957	264,138	278,957	0	
OL Huntingdon Channing Room - Retention		Karen Martin-Peters	0	0	0	8,887	8,887	8,887	
OL Huntingdon Expansion		Paul France	0	0	0	36,150	36,150	36,150	
					0			0	
<b>Resources</b>									
Health and Safety Works on Commercial Properties		Jackie Golby	60,000	0	60,000	41,132	60,000	0	
Energy Efficiency Works at Commercial Properties		Jackie Golby	50,000	0	50,000	0	21,875	(28,125)	
Cash Receipting System		Paul Loveday	0	2,103	2,103	0	2,103	0	
Financial Management System Replacement		Paul Loveday	0	0	0	60,273	60,000	60,000	
FMS Archive		Paul Loveday	0	14,000	14,000	0	14,000	0	
VAT Exempt Capital		Paul Loveday	208,000	33,000	241,000	0	241,000	0	
Loan Facility to Huntingdon Town Council		Paul Loveday	0	800,000	800,000	(38,000)	800,000	0	
Investment in Company		Paul Loveday	0	100,000	100,000	0	100,000	0	
Commercial Estates Roofs			0	0	0	103,304	131,770	131,770	
					0			0	
<b>Printing Services</b>									
Printing Equipment		Andy Lusha	0	176,000	176,000	0	0	(176,000)	
					0			0	
<b>3C ICT</b>									
Flexible Working - 3CSS		Emma Alterton	50,000	14,770	64,770	(6,795)	64,770	0	
Telephones - 3CSS		Emma Alterton	0	0	0	0	0	0	
Virtual Server - 3CSS		Emma Alterton	0	0	0	0	0	0	
					0			0	
<b>Operations</b>									
Building Efficiencies (Salix)		Chris Jablonski	0	55,358	55,358	(600)	40,085	(15,273)	
Wheeled Bins		Heidi Field	280,000	0	280,000	83,674	191,000	(89,000)	
Vehicle Fleet Replacement		Andrew Rogan	1,033,000	0	1,033,000	884,052	1,012,230	(20,770)	
Operations Back Office Development		Matt Chudley	230,000	135,000	365,000	1,626	112,000	(253,000)	
Play Equipment		Helen Lack	25,000	0	25,000	19,322	38,066	13,066	
Re-Fit Buildings		Chris Jablonski	0	476,467	476,467	81,748	455,468	(20,999)	
Bridge Place Car Park Godmanchester		George McDowell	318,000	(14,037)	303,963	9,921	24,617	(279,346)	
Pathfinder House Reception (DWP)		Chris Jablonski	0	119,853	119,853	120,899	138,418	18,565	
Hinchingbrooke Country Park Wooden Bridge		Judith Arnold	32,000	0	32,000	0	55,000	23,000	
					0			0	
<b>Transformation</b>									
Customer Relationship Management		John Taylor	180,000	0	180,000	0	100,000	(80,000)	
Transformation Schemes		John Taylor	0	1,000,000	1,000,000	0	520,000	(480,000)	
					0			0	
<b>Total Expenditure</b>			<b>5,582,000</b>	<b>5,111,027</b>	<b>10,693,027</b>	<b>4,779,619</b>	<b>10,155,952</b>	<b>(537,075)</b>	

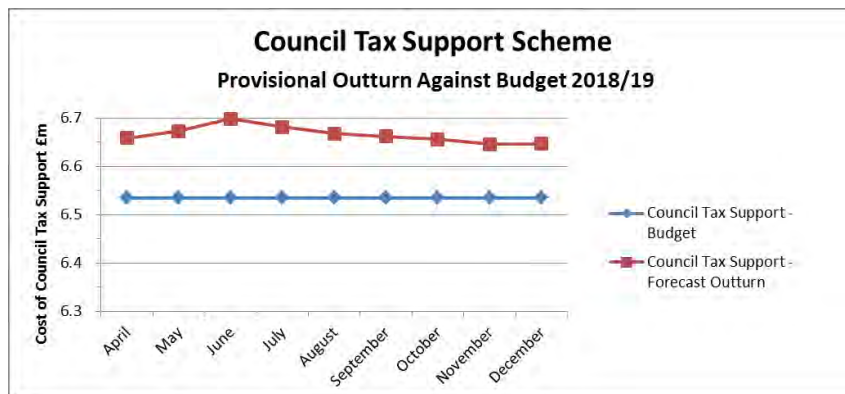
**Capital Programme 2018/19**
**January (Based on Information as at 31st December)**
**Annex C**

<b>Table 2 Funding of Capital Programme</b>	<b>Budget Manager</b>	<b>Approved Budget</b>	<b>Slippage or Supplementary</b>	<b>Updated Budget</b>	<b>Expenditure</b>	<b>Forecast</b>	<b>Variance</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Grants and Contributions</b>							
DFGs	Keith Tayler	(1,100,000)		(1,100,000)	(1,150,000)	(1,304,000)	(204,000)
Huntingdon West CIL	Claire Burton				(553,000)	(553,000)	(553,000)
Pathfinder House Reception	Chris Jablonski		(278,000)	(278,000)		(256,000)	22,000
Wheeled Bins	Heidi Field	(146,000)		(146,000)	(58,446)	(71,000)	75,000
Synthetic Pitch	Jon Clarke		(274,000)	(274,000)		(274,000)	0
One Leisure Ramsey 3G	Martin Grey	(300,000)		(300,000)		(184,000)	116,000
Operations Back Office	Matt Chudley	(229,000)		(229,000)		(112,000)	117,000
Health and Safety Works on Commercial Properties	Jackie Golby			0		(10,000)	(10,000)
Play Equipment	Helen Lack					(13,720)	(13,720)
<b>Total Grants and Contributions</b>		<b>(1,775,000)</b>	<b>(552,000)</b>	<b>(2,327,000)</b>	<b>(1,761,446)</b>	<b>(2,777,720)</b>	<b>(450,720)</b>
<b>Use of Capital Reserves</b>							
Alconbury Remediation Works Reserve	Sue Bedlow	0	(979,556)	(979,556)	(979,556)	(979,556)	0
<b>Total Capital Reserves</b>		<b>0</b>	<b>(979,556)</b>	<b>(979,556)</b>	<b>(979,556)</b>	<b>(979,556)</b>	<b>0</b>
<b>Capital Receipts</b>							
Loan Repayments	Paul Loveday	(320,000)		(320,000)	0	(320,000)	0
Housing Clawback Receipts	Paul Loveday	(500,000)		(500,000)	0	(500,000)	0
<b>Total Capital Receipts</b>		<b>(820,000)</b>	<b>0</b>	<b>(820,000)</b>	<b>0</b>	<b>(820,000)</b>	<b>0</b>
<b>Use of Earmarked Reserves</b>							
Financial Management System Replacement	Paul Loveday			0		(60,000)	(60,000)
Investment in Trading Company	Paul Loveday		(100,000)	(100,000)		(100,000)	0
ICT Transformation	John Taylor		(1,000,000)	(1,000,000)		(520,000)	480,000
FMS Archive	Paul Loveday		(14,000)	(14,000)		(14,000)	0
OI Huntingdon Changing Rooms	Karen Martin-Peters		0	0		(8,887)	(8,887)
<b>To Earmarked Reserves</b>		<b>0</b>	<b>(1,114,000)</b>	<b>(1,114,000)</b>	<b>0</b>	<b>(702,887)</b>	<b>411,113</b>
<b>Total Funding</b>		<b>(2,595,000)</b>	<b>(2,645,556)</b>	<b>(5,240,556)</b>	<b>(2,741,002)</b>	<b>(5,280,163)</b>	<b>(39,607)</b>
<b>Net to be funded by borrowing</b>		<b>2,987,000</b>	<b>2,465,471</b>	<b>5,452,471</b>	<b>2,038,617</b>	<b>4,875,789</b>	<b>(576,682)</b>
<b>Budget Reconciliation</b>							
				<b>Updated Budget</b>	<b>Expenditure</b>	<b>Forecast</b>	<b>Variance</b>
	Gross Expenditure			10,693,027	4,779,619	10,155,952	(537,075)
	Total Grants and Contributions			(2,327,000)	(1,761,446)	(2,777,720)	(450,720)
	Use of Capital and Revenue Reserves			(979,556)	(979,556)	(1,048,443)	(68,887)
	<b>Total</b>			<b>7,386,471</b>	<b>2,038,617</b>	<b>6,329,789</b>	<b>(1,056,682)</b>

## Financial Dashboard

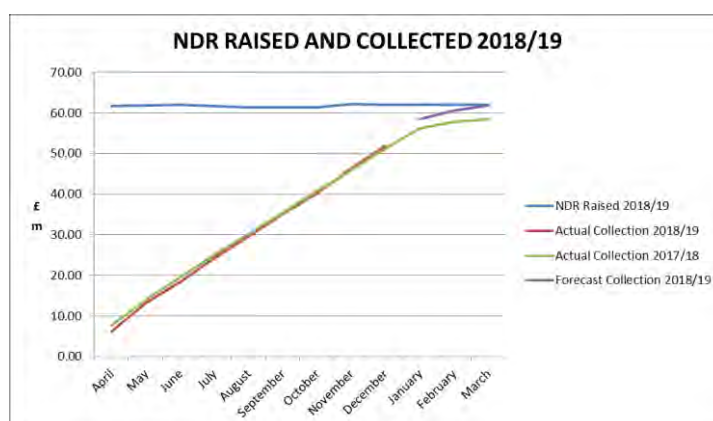
### Council Tax Support Scheme

Currently, the actual take-up of Council Tax Support is running approximately £0.11m above the budgeted £6.5m. Any 2018/19 increase in Council Tax Support will impact in 2019/20.



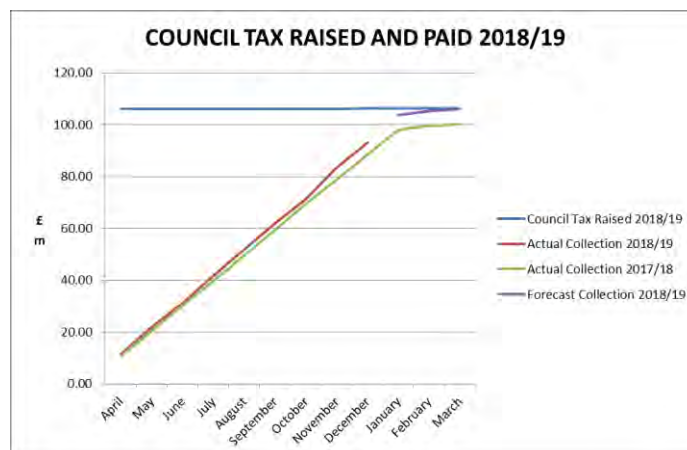
The impact of this increase on HDC will be proportionate to all Council Tax precepts (13.5% for HDC including parishes).

### Collection of NDR



The NDR graph above shows the total amount of NDR bills raised in 2018/19 and the actual receipts received up to the end of December, with a forecast for receipts through to the end of the year, based on historical collection rates. The Council tax graph below provides the same analysis.

### Collection of Council Tax



## Miscellaneous Debt

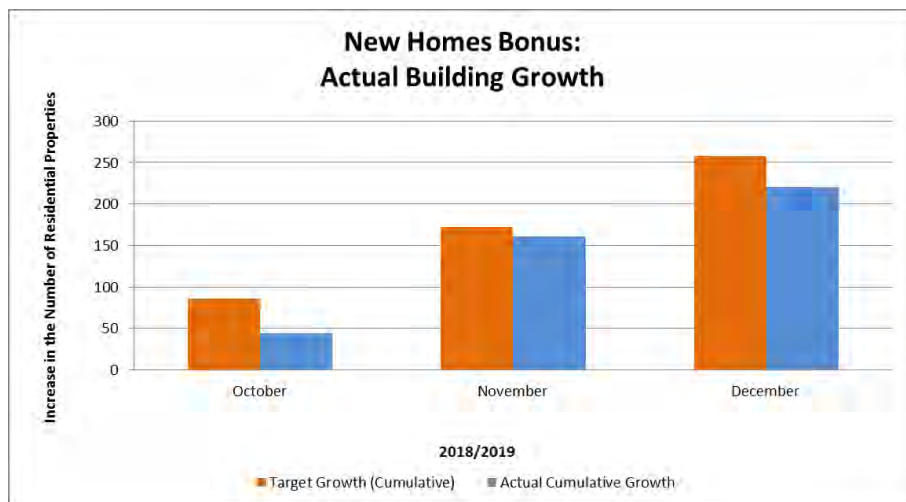
The total outstanding debt as at the end of December 2018 is £1.586m (September 2018, £1.859m), £0.386m (September 2018, £0.709m) is prior year debt of which £62k (September 2018, £0.385m) relates to 2017/18.

The 2017/18 and 2018/19 debt position is currently showing an outstanding amount of £1.262m (September 2018, £1.509m), £63k relates to Commercial Rents, £207k relates to homeless accommodation/prevention, £37k relates to schools and other customers use of One Leisure facilities and £568k relates to shared services recharges.

## New Homes Bonus

The 2017/18 reporting cycle (October 2017 to September 2018) saw 657 completions which was 32 below the target of 689. The impact of this shortfall in completed units will come through in 2019/20.

The current reporting cycle (October 2018 to September 2019) had a target number of completions of 1,613, as published in the draft Planning Annual Monitoring Report (December 2017). However, this has been revised downwards to 1,034 in the December 2018 Planning Annual Monitoring Report and so this lower figure has been used as our target for this year. Currently, 221 properties have been completed in the first three months of this reporting cycle and the table below shows performance against the target to date.



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, October – December 2018 (Q3)**

Over the above period, 26 propositions were reviewed up to stage 1 with one to stage 2. In late Q2, a property at Little End Road, St Neots came to the market and, although marginally outbid (there were five bidders), HDC's offer was accepted. The purchase completed on 20th December for £3.2m and generates £214k of annual income. This was purchased initially from cash reserves.

An opportunity at St Neots from March 2018, approved by Cabinet and in legal hands (stage 5), is still in hand but requires construction works to remediate some defects. The seller is undertaking these within the next few weeks and we hope to be in a position to conclude this purchase soon.

By property type, the investments considered in Q3 are as follows:

Industrial/warehouse	11	Mixed portfolios/other	5
Offices	6	Retail	2
Trade counter	2		