

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Integrated Performance Report, 2016/17 Quarter 3

Meeting/Date: Overview and Scrutiny (Performance and Customers)
Panel, 1 February 2017
Cabinet, 9 February 2017

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

Report by: Corporate Team Manager and Head of Resources

Ward(s) affected: All

Executive Summary:

The purpose of this report is to brief Members on progress against the Key Actions and Corporate Indicators listed in the Council's Corporate Plan for 2016-18 for the period 1 October 2016 to 31 December 2016. The report also incorporates progress reporting for current projects being undertaken and Financial Performance Monitoring Suite information at the end of December.

An update on the Commercial Investment Strategy includes details of the investments to date and the level of returns these are expected to generate.

A progress report on achievement of the Peer Challenge action plan is now included following Cabinet approval of the action plan in November 2016.

Recommendations:

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.

Cabinet is also invited to consider and comment on the Council's financial performance at the end of December, as detailed in Appendices D and E.

1. PURPOSE

- 1.1 The purpose of this report is to present performance management information on the Council's Corporate Plan for 2016/17 and progress updates for current projects.

2. BACKGROUND

- 2.1 The Council's Corporate Plan 2016-18 was adopted as a two-year plan in 2016, setting out what the Council aims to achieve in addition to its core statutory services. The information in the summary at Appendix A and the performance report at Appendix B relates to the Key Actions and Corporate Indicators listed for 2016/17.
- 2.2 As recommended by the Project Management Select Committee, project updates are included in this performance report at Appendix C. There are currently 33 open, pending approval or pending closure projects and 1 closed project logged on the SharePoint site across all programmes. This report covers all of these projects, including all Capital Projects.
- 2.3 This report also incorporates financial performance to the end of December. Performance is summarised in sections 4-6 below and details are listed in the Financial Performance Monitoring Suite at Appendix D. A review of the position of Zero Based Budgeting (ZBB) savings to date has been carried out and a RAG (Red, Amber or Green) rating for each item is listed in the table at Appendix E.

3. PERFORMANCE MANAGEMENT

- 3.1 Members of the Overview and Scrutiny (Performance and Customers) Panel have an important role in the Council's Performance Management Framework and a process of regular review of performance data has been established. The focus is on the strategic priorities and associated objectives to enable Scrutiny to maintain a strategic overview. Their comments on performance in Quarter 3 will be circulated to Cabinet following their meeting on 1 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. Targets for Corporate Indicators and target dates for Key Actions have been set by the relevant Head of Service after discussion with the appropriate Portfolio Holder.
- 3.4 The table below summarises Quarter 3 progress in delivering Key Actions for 2016/17:

Status of Key Actions	Number	%
Green (on track)	29	78%
Amber (within acceptable variance)	8	22%
Red (behind schedule)	0	0%
Awaiting progress update	0	0%
Not applicable	1	n/a

Over three-quarters of the Key Actions were on track at the end of Quarter 3. Eight were listed as Amber, meaning they were within acceptable variance. None of the Key Actions had a Red status indicating that they were behind schedule.

- 3.5 Quarter 3 results for 2016/17 Corporate Indicators are shown in the following table:

Corporate Indicator results	Number	%
Green (achieved)	23	66%
Amber (within acceptable variance)	10	29%
Red (below acceptable variance)	2	6%
Awaiting progress update	0	0%
Not applicable (annual/data unavailable)	11	n/a

Excluding the indicators with no results available, this shows that the Council achieved nearly two-thirds of its targets at the end of Quarter 3. Targets were missed by more than acceptable levels of variance for only two indicators.

Our target to reduce staff sickness absence was missed mainly due to a high level of long-term absence throughout the year but the recent direction of travel is positive. At the end of Quarter 3, our sickness absence rate was lower than at the same point last year and the year-end outturn is expected to show significant improvement compared with the 2015/16 result. The Council remains committed to reducing sickness absence and the adoption of a new Sickness Absence and Attendance Policy in November appears to have already had a positive impact on attendance rates. Further information will be included in the Workforce Report due to be considered by the Employment Committee in February.

The percentage of CCTV cameras operational was below target at 86%. We are in the process of replacing one camera in Huntingdon which was damaged as a result of a road traffic collision. Two further cameras are being investigated as they are attached to buildings which have become vacant with power being lost. The camera network is getting towards the end of its realistic life and procurement activity has commenced to look at the replacement of the ageing camera network.

3.6 The status of corporate projects at the end of December is shown below:

Corporate project status	Number	%
Green (progress on track)	15	45%
Amber (progress behind schedule, project is recoverable)	5	15%
Red (significantly behind schedule, serious risks/issues)	6	18%
Pending closure	6	18%
Closed (completed)	1	3%

One project has recently been closed down following sign-off of close-down reports by the Project Management Governance Board, with another six projects currently in the close-down stage. Business cases for a further four projects have not yet been approved by the Board.

Of the projects currently in the delivery stage, six were Red at the end of Quarter 3 as they were either significantly behind schedule, had serious risks or issues identified or had a lack of governance documentation. Four of these had been rated as Red at the end of September. The Door Access Card Reader project was previously Amber and the Financial Management System project was previously Green. Details of all Red projects can be found in Appendix C.

Two projects which were previously Red at the end of Quarter 2 had progressed to a Green status by the end of Quarter 3. These were the Refit energy efficiency project and the Waste and Recycling Reconfiguration project.

4. FINANCIAL PERFORMANCE

4.1 Attached at **Appendix D** is the Quarter 3 Financial Performance Monitoring Suite (FMPS). With regard to the Quarter 3 forecast outturn for 2016/17, key highlights are shown in paragraphs 4.2 to 4.5 below. Other aspects of the FMPS are shown at paragraphs 4.6 to 4.13.

Approved Revenue Budget

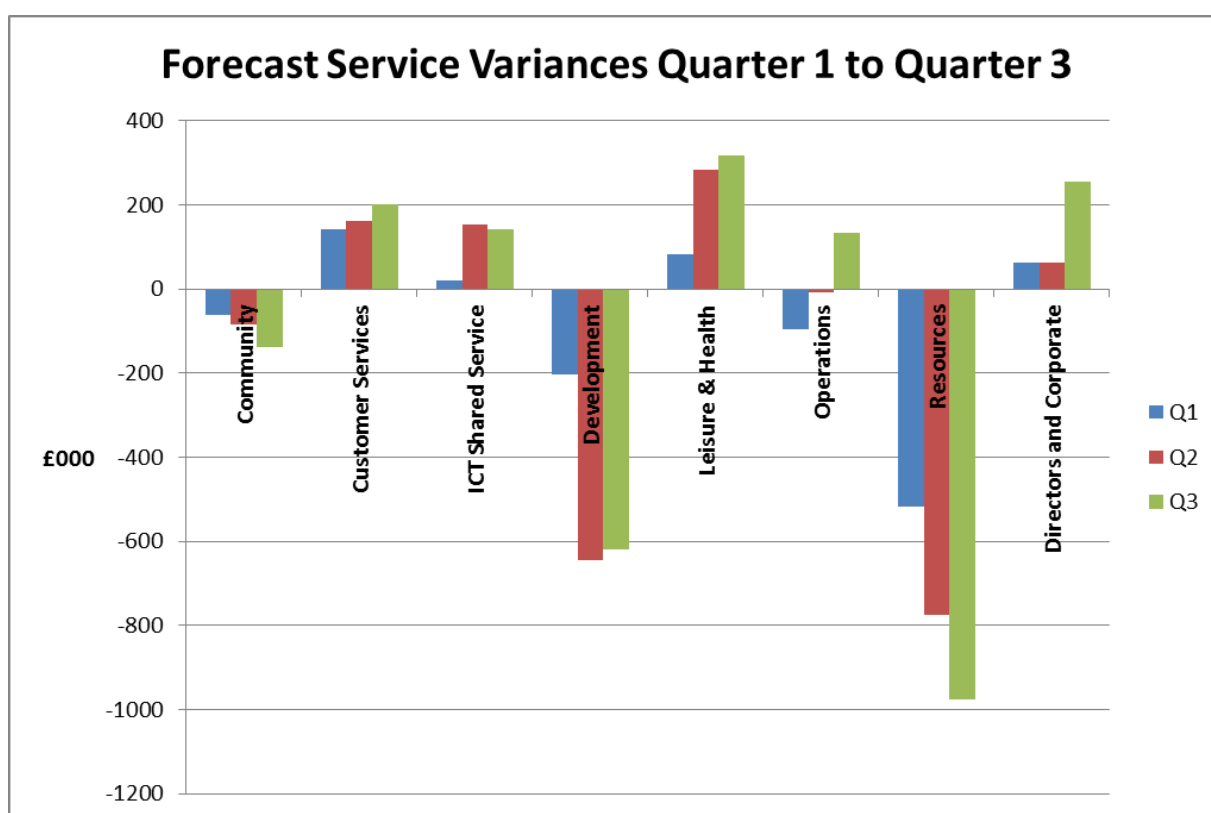
4.2 Following the approval of the Councils budget in February 2016, the Councils budget for 2016/17 was:

- Net revenue expenditure budget of £17.9m
- Contribution to reserves of £2.3m, and
- Budget Requirement of £20.2m

Revenue Forecast Outturn and Variations in Revenue Spend

4.3 As shown in Section 2 of **Appendix D**, the year end forecast outturn revenue position for 2016/17 is a net revenue spend of £17.2m; resulting in a saving against budget of £687,000. Appendix D contains explanations for the main variances across all services.

4.4 The graph below shows how the forecast outturn variances have moved from Quarter 1 through to Quarter 3 (negative numbers indicate a forecast underspend).



4.5 Explanations for the key movements on the above graph are:

- ICT Shared Service – the gross overspend on the service is £412,000 but a proportion of this will be recharged to our partners. The HDC element is £141,000 and is as a result in additional hired staff over and above the current establishment and to date being able to identify savings that were required as part of the establishment of shared services. This position is under constant review and it is anticipated the current position will improve during the year as further savings are identified.
- Development Services – The increased underspend is as a result of additional CIL admin fees (£289k) and additional planning application fees (£321k). The additional CIL admin fees will be moved to an earmarked reserve at year end.
- Leisure and Health – The difference between forecasted surplus out-turn and budget is primarily due to a reduced Impressions direct debit line. The full effect of changing Impressions memberships and additional competition was not apparent at the time of

budget setting, however there is a recovery action plan in place to pull back the loss of income within year

- Operational Services – The overspend is primarily as a result of ZBB savings targets for additional income from Car Parking and the County Council for grass cutting not being achieved this year.
- Resources – The increased underspend is primarily a result of an additional income for CIS and an underspend in the budget for the new Financial Management System (FMS).

ZBB Savings Progress

4.6 As part of the budget setting process for 2016/17 £2.3m of new ZBB savings were approved. A review of the position of these savings to date has been carried out and a RAG (Red, Amber, Green) rating given. There are 2 sets of RAG reporting:

- A RAG status on the implementation plan:
 - Green started and on track or not yet started but will be commenced in line with original timescales,
 - Amber timescales slippage,
 - Red Saving not being implemented in 2016/17
- A RAG status on the achievement of the savings:
 - Green savings will be achieved in full,
 - Amber reduced savings achievable in 2016/17,
 - Red saving not achievable in 2016/17 and possibly future years)

4.7 **Appendix E** shows the RAG status for all individual projects and these are summarised in the table below:

	Achievement of Savings £'000	Achievement of Savings (%)	Achievement of Savings (Numbers)	Implementation	Implementation (%)
Red	282 [372]	12 [16]	6 [3]	6 [1]	13 [3]
Amber	428 [410]	19 [18]	7 [5]	7 [3]	15 [8]
Green	1,550 [1,478]	69 [65]	35 [32]	35 [36]	73 [90]

Figures in brackets are the 2nd quarter's comparators

Risks - Homelessness

4.8 In Quarter 3, homelessness continues to be an issue for the Council and its customers, with levels of Temporary Accommodation and B&B running at levels seen in Quarter 2. A number of actions are in hand to try to deal with this, from short term tactical solutions through to longer term strategic planning. This work sits within an action plan that is overseen by the Executive Councillor for Operational Resources and the Executive Councillor for Planning Policy, Housing and Infrastructure, and they meet regularly with Officers to monitor progress. Agreed measures will be included in the new Housing Strategy which will be considered by an Overview and Scrutiny Panel prior to adoption at Cabinet (see KA24).

4.9 For example, officers are:

1. Accelerating occupation of properties by homeless clients by using 'direct lets' outside of the normal bidding/placement cycle
2. Ensuring HDC is accepting homeless cases appropriately, including asking other Councils to review some of our cases as a 'critical friend'
3. Working to maintain current levels of Temporary Accommodation in the District at a time when providers are reviewing their business models. Specific discussions are being held with Metropolitan Housing Association regarding the ongoing use of Coneygear Court.

4. Exploring opportunities with Housing Associations to bring more Temporary Accommodation into the available stock
5. Talking with partners such as MoD, CCC and others to identify potential sites for suitable development, the Council is also looking for development opportunities directly
6. Robustly challenging developers to ensure that they deliver the maximum amount of affordable housing that is viable on sites.

4.10 These actions are tackling an issue that is affecting the Country as a whole. The continued pressures of rented properties becoming less affordable, welfare reform and low levels of supply of new affordable rented homes are all long term strategic factors the Council will continue to deal with.

Capital Forecast Outturn and Variations in Capital Spend

4.11 Following the approval of the Councils "net" capital programme in February 2016 of £9.5m and Cabinet approval of slippage of £1.5m in June 2016, the Council's final 2016/17 "net" capital programme is £11.0m. This is now increased to £12.187m for the Investment in General Trading Company, Huntingdon Town Council loan and a payment for Medway Centre.

4.12 **Appendix D** shows the detailed Capital Programme budget, spend to date and projected outturn position. Spend to date is £3.892m and the projected outturn is £9.095m, an underspend of £3.092m. Of this, £2.558m is anticipated delays in the implementation of schemes and other variations of £534,000.

4.13 It should be noted that for the past few years the Capital Programme has had substantial scheme slippage in the final Quarter resulting in underspends occurring. The implication of this was less borrowing was required and is resulting in an underspend in the current year on MRP in the revenue budget (the current years MRP budget is underspending by £180,000). There is a high risk that this will incur in 2016/17 and will again result in a MRP budget for 2017/18 being set at a level higher than is required.

General Fund Reserve

4.14 Members will recall that in December 2015 Cabinet approved that the minimum level of the General Fund was to be maintained at 15% of net expenditure.

4.15 The 2016/17 opening General Fund balance was £2.5m and is budgeted to increase to £2.7m. As a result of the projected underspend on net revenue expenditure the minimum level requirement has dropped to £2.6m, with the reduced requirement (£100,000) to be transferred into the Budget Surplus Reserve.

Non Domestic Rates (NDR) and Council Tax Income

4.16 Page 14 of **Appendix D** shows the current level of bills raised for NDR (£60.5m) and Council Tax (£97.6m) and the expected level of collection. These represent the total bills raised but the Council's share of this, and any subsequent bad debt, is 40% and 13% respectively.

New Homes Bonus

4.17 Page 15 of **Appendix D** shows the current position in relation to New Homes Bonus. The revised target for the number of new homes in the year October 2015 to September 2016 is 541. The number of new homes as at the end of September 2016 is 577, 36 above the target growth.

Miscellaneous Debt

- 4.18 Page 15 shows the current position of outstanding miscellaneous debt. As at 31 December 2016, the total overdue debt is £1.011m. Of this, £0.797m relates to prior years – a reduction of £1.797m on the figure as at 31 March 2016.

5. UPDATE ON THE COMMERCIAL INVESTMENT STRATEGY

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

- 5.2 At the end of Quarter 3 the financial projections for the CIS are:

Budget Heading	Budget (£'000)	Forecast Outturn (£'000)	Variance (£'000)
CCLA Property Fund	0	(104)	(104)
Property Rental Income	(875)	(514)	361
Management Charge	144	20	(124)
MRP	885	0	(885)
Total	154	(598)	(752)

5.3 INVESTMENTS

Between April and December 2016, 59 properties have been investigated as potential CIS investment opportunities. The Council has invested in 2 of the properties and the details of these investments are shown below. The reasons for rejecting the other 57 properties are summarised in **Appendix F**.

A further investment into the CCLA property fund is being considered, the decision whether to invest will depend on what other property investments emerge.

Property: 80 Wilbury Way, Hitchin.

- Property Type: Office Block
- Purchased on 8 July 2016
- Purchase Cost (excluding completion costs) £2.2m
- Modelled rate of return 7.4%
- Rent reserved £0.175m pa
- Earmarked reserves have been used to finance the purchase of this investment, which means there is no requirement for the council to set aside funds to provides for the future debt repayments (MRP)

Property: Shawlands Retail Park, Sudbury.

- Property Type: Retail Park
- Purchased on 13 September 2016
- Purchase Price (excluding completion costs) £6.5m
- Modelled rate of return 6.9%
- Rent reserved £0.483m pa
- Earmarked reserves have been used to finance the purchase of this investment, which means there is no requirement for the council to set aside funds to provides for the future debt repayments (MRP)

The approval for this purchase was in line with delegated powers.

- 5.4 To date all of the Council's investments have been funded from the earmarked reserves and no new borrowing has been required and it is currently anticipated that this will remain the case for any further investments that are made during 2016/17. The result of this will be a saving in the 2017/18 Budget of MRP.

6. COMMENTS OF OVERVIEW & SCRUTINY PANELS

- 6.1 Due to the timing of meetings, comments from the Overview and Scrutiny (Performance and Customers) Panel meeting on 1 February 2017 will follow the report to Cabinet.

7. RECOMMENDATIONS

- 7.1 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.
- 7.2 Cabinet is also invited to consider and comment on financial performance at the end of December, as detailed in Appendices D and E.

8. LIST OF APPENDICES INCLUDED

Appendix A - Performance Summary Quarter 3, 2016/17
Appendix B – Corporate Plan Performance Report
Appendix C – Project Performance
Appendix D – Financial Performance Monitoring Suite, December 2016
Appendix E – ZBB Savings Agreed 2016/17 Budget Setting - RAG Status
Appendix F – Reasons for rejecting CIS investment opportunities
Appendix G – Peer Challenge Action Plan Progress Report

CONTACT OFFICERS

Corporate Plan Performance Monitoring (Appendices A and B)

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

Projects and Peer Challenge Action Plan (Appendix C and G)

Adrian Dobbyne, Corporate Team Manager ☎ (01480) 388100

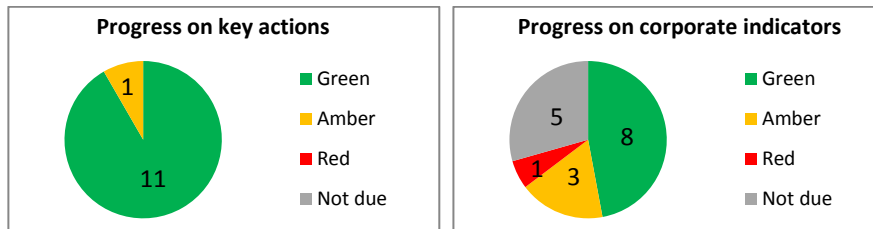
Financial Performance (Appendices D, E and F)

Adrian Forth, Finance Manager ☎ (01480) 388605

Performance Summary Quarter 3, 2016/17

Enabling communities

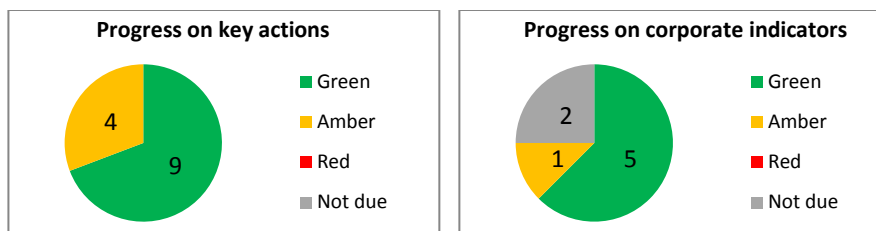
We want to make Huntingdonshire a better place to live, to improve health and well-being and for communities to get involved with local decision making



Highlights include a reduction in the average length of stay of all households placed in B&B accommodation.

Delivering sustainable growth

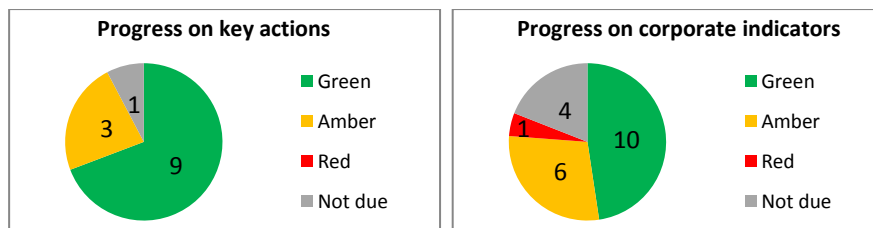
We want to make Huntingdonshire a better place to work and invest and we want to deliver new and appropriate housing



Highlights include completion of 108 affordable homes up to the end of December, compared to 53 for the whole of 2015/16.

Becoming a more efficient and effective council

We want to continue to deliver value for money services



Highlights include further improvements to the average time taken to process both new claims and changes of circumstances for Housing Benefit and Council Tax Support.

STRATEGIC THEME – ENABLING COMMUNITIES

Period October to December 2016

Summary of progress for Key Actions

G	Progress is on track	A	Progress is within acceptable variance	R	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
	11		1		0		0		0

Summary of progress for Corporate Indicators

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
	8		3		1		0		5

Red Corporate Performance and Contextual Indicators

Performance Indicator	Full Year 2015/16 Performance	Q3 2015/16 Performance	Q3 2016/17 Target	Q3 2016/17 Performance	Q3 2016/17 Status	Annual 2016/17 Target	Forecast Outturn 2016/17 Performance	Predicted Outturn 2016/17 Status
PI13. Percentage of CCTV cameras operational Aim to maximise	99%	n/a	95%	86%	R	95%	90%	A
Comments: (Community) We are in the process of replacing one camera in Huntingdon having been damaged as a result of a road traffic collision, two further cameras are being investigated as they are attached to buildings which have become vacant and the power has been lost. The camera network is getting towards the end of its realistic life and procurement activity has commenced to look at the replacement of the ageing camera network. Further work has commenced to ensure that this performance indicator is reporting the true position of the camera network across Huntingdonshire, and to seek to ensure that further commentary on improvements in performance can be reported.								

STRATEGIC THEME – DELIVERING SUSTAINABLE GROWTH

Period October to December 2016

Summary of progress for Key Actions

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

Summary of progress for Corporate Indicators

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
	5		1		0		0		2

STRATEGIC THEME – BECOMING A MORE EFFICIENT AND EFFECTIVE COUNCIL

Period October to December 2016

Summary of progress for Key Actions

G	Progress is on track	A	Progress is within acceptable variance	R	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
9		3		0		0		1	

Summary of progress for Corporate Indicators

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
10		6		1		0		4	

Red Corporate Performance and Contextual Indicators

Performance Indicator	Full Year 2015/16 Performance	Q3 2015/16 Performance	Q3 2016/17 Target	Q3 2016/17 Performance	Q3 2016/17 Status	Annual 2016/17 Target	Forecast Outturn 2016/17 Performance	Predicted Outturn 2016/17 Status
PI37. Staff sickness days lost per full time employee Aim to minimise	11.7 days/FTE	8.8 days/FTE	6.5 days/FTE	8.3 days/FTE	R	9.0 days/FTE	10.8 days/FTE	R
Comments: (Corporate Team) While the cumulative result at the end of Quarter 3 is below target, the Quarter 3 result of 2.6 days/FTE was better than both Q1 and Q2 (2.9 and 2.7 respectively), with further improvement expected. It is highly unlikely that year end results will be low enough for the challenging annual target to be achieved but the introduction of a new Sickness Absence and Attendance Policy in November 2016 appears to have had a positive impact on attendance already. Managing sickness absence is a key priority for our Senior Management Team, with management, HR and Occupational Health actions all being monitored closely in order to ensure that appropriate steps are being taken to facilitate prompt return to work wherever this is possible.								

Appendix C – Project Performance

<p>Red = Project is significantly behind schedule, serious risks/issues have been identified or there is a lack of governance documentation</p>	<p>Amber = Progress is behind schedule, some risks/issues have been identified or some documentation is missing. The project may be recoverable</p>	<p>Green = Progress is on track with no impact to delivery</p>	<p>Pending Closure = In close-down stage</p>	<p>Pending Approval = Business Case to be approved</p>	<p>Closed = Project is closed. Closedown report approved by Project Board and Project Management Governance Board.</p>
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Title and purpose of project	Programme	PM	Target End Date	Expected End Date	Programme Office comments	RAG Status	Latest Update Date
<p>Phoenix Industrial Unit Roof Replace industrial roofs to address H & S and fulfil Council obligations.</p>	Capital 2015/16	Golby, Jackie (Estates)	31/05/16	30/06/17	<p>Project has been handed over to a new PM who is looking towards a best solution outcome; recruiting an external PM and building surveyor for all three roofs.</p> <p>Tenders being appointed in January, Specifications and Contractors Tenders to go out February with an aim for works to start before 1st April.</p> <p>Project has a RED status as classified by the PM and Programme Office for multiple delays.</p>	Red	Within last month
<p>In Cab Systems The project will replace the existing manual process for logging waste collection issues and involve delivery of that information in a timely manner from the refuse collection vehicle to the call centre. This will involve the purchase of a new bespoke system including hardware devices for the refuse collection vehicles.</p>	Capital 2016/17	Connor, Sharon (Operations)	31/01/17	31/10/17	<p>Project has a RED status as classified by the PM due to significant delay arriving from the decision to take a wider corporate approach and consider provision as part of the existing 3C Shared Service.</p> <p>The user requirements for operations back office and in-cab technology is currently being established by 3C IT across South Cambridgeshire, Cambridge City and Huntingdonshire District Council. Workshops are complete and the requirements are due to be concluded end March 2017 to allow authorities to consider best</p>	Red	Within last month

Red = Project is significantly behind schedule, serious risks/issues have been identified or there is a lack of governance documentation	Amber = Progress is behind schedule, some risks/issues have been identified or some documentation is missing. The project may be recoverable	Green = Progress is on track with no impact to delivery	Pending Closure = In close-down stage	Pending Approval = Business Case to be approved	Closed = Project is closed. Closedown report approved by Project Board and Project Management Governance Board.
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Title and purpose of project	Programme	PM	Target End Date	Expected End Date	Programme Office comments	RAG Status	Latest Update Date
					solution to requirements. This project will not continue in isolation to the back office system and a new business case will need to be put forward for a proposed solution.		
Door Access Card Reader Replacement The change to Proximity Card reader from Magnetic Readers at CCC and configure or replace Card Readers at SCDC and HDC. This will improve the security at CCC and provide one card access solution for the three council sites.	3C Shared Services	Solanki, Raj (3C ICT)	31/07/16	16/12/16	Arranged for OpenView engineers to go to work with Northgate to make sure the rest of Door access units (ACU's) can be communicated via the server. Meeting with OpenView to discuss revised go live date. During testing at HDC the suppliers encountered some technical issues with the readers recognising the cards. The suppliers are working on the issue, due to this we have decided to halt roll out of the card readers at HDC until the supplier has successfully resolved this. Once further testing is completed we can revisit the roll out plan. Project has a RED status as classified by the PM due to project having ongoing issues with external partners and slippage to project end date.	Red	Within last month
Clifton Road Roofs The capital bid is for funds to replace the roofs at the Clifton Road Industrial Estate, to make weather proof.	Capital 2016/17	Golby, Jackie (Estates)	28/02/17	30/06/17	Project has been handed over to a new PM who is looking towards a best solution outcome; recruiting an external PM and building surveyor for all three roofs.	Red	Within last month

<p>Red = Project is significantly behind schedule, serious risks/issues have been identified or there is a lack of governance documentation</p>	<p>Amber = Progress is behind schedule, some risks/issues have been identified or some documentation is missing. The project may be recoverable</p>	<p>Green = Progress is on track with no impact to delivery</p>	<p>Pending Closure = In close-down stage</p>	<p>Pending Approval = Business Case to be approved</p>	<p>Closed = Project is closed. Closedown report approved by Project Board and Project Management Governance Board.</p>
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Title and purpose of project	Programme	PM	Target End Date	Expected End Date	Programme Office comments	RAG Status	Latest Update Date
					<p>Tenders being appointed in January, Specifications and Contractors Tenders to go out February with an aim for works to start before 1st April.</p> <p>Project has a RED status as classified by the PM and Programme Office for multiple delays.</p>		
<p>Levellers Lane Replace industrial roofs to address H & S and fulfil Council obligations.</p>	Capital 2016/17	Golby, Jackie (Estates)	28/02/17	30/06/17	<p>Project has been handed over to a new PM who is looking towards a best solution outcome; recruiting an external PM and building surveyor for all three roofs. Tenders being appointed in January, Specifications and Contractors Tenders to go out February with an aim for works to start before 1st April.</p> <p>Project has a RED status as classified by the PM and Programme Office for multiple delays.</p>	Red	Within last month
<p>Implementation of Financial Management System To introduce a new Financial Management System across the council.</p>	3C Shared Services	Buckell, Andrew (3C ICT)	31/05/17	31/10/17	<p>The project manager is in the process of producing a revised project plan for agreement by the project board on 26 January, along with approval of the final Solution Design. Project has RED status as classified by the PM and Programme Office as Technology One confirming delay in AR/C&B and resources needed to develop.</p>	Red	Within last month

Financial Performance Monitoring Suite December 2016

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Prepared By:

Sue Martin, Principal Accountant

Oliver Colbert, Principal Accountant (Technical)

1. Financial Performance Headlines

Revenue The Forecast Net spend for November is £17.2m which is an underspend of £0.7m (£0.6m for November) compared to the Budget. The financing income for November is improved by £1.073m due to additional business rates receipts for renewable energy schemes and enterprise zone reliefs that were not budgeted for.

Capital The Forecast capital spend for December is £9.1m and compared to the Budget of £11.0m is an underspend of £1.9m (£1.6m for November).

Reserves **Total forecast contribution to reserves £2.9m is as follows:**

- The Budget Surplus Reserve is currently £3.5m – this is the excess of the 15% minimum threshold set for the General Fund reserve and will be held to cover future years budget deficits.
- CIL Reserve £0.2m – this represents the additional 5% of CIL receipts.
- The Collection Fund Reserve has increased for November by £1.073m in relation to the additional NDR receipts.
- Adjustments have been made to Earmarked Reserves for the FMS budget underspend (£65,000) which will be utilised in 2017/18 and the financing the asset transfer between HDC and HTC (£300,000) and the new company set up costs (£100,000).

Summary Revenue Forecast variances by Service

The table below shows the total variances for each Service and the main reasons. Further analysis by Service are shown in the following pages.

	Forecast (underspend) / overspend £000	Main reasons for variance
Community	(140)	One-off vacancies in Commercial, Environmental Protection and Environmental Health Teams partly offset by a redundancy payment
Customer Services	200	Mainly due to previously reported impact of increased B & B and Temporary Accommodation costs for homelessness. Variation also due to reduced Document Centre income with plans in place to look at an alternative commercial model.
ICT	140	Various, but mainly additional agency costs and plans to bring about full expected savings within the service still being implemented.
Development	(619)	Additional CIL income and additional planning application income. The CIL additional income has been transferred to the earmarked reserve.
Leisure and Health	318	One Leisure is not forecasting the surplus as per the Budget. This is primarily due to the membership income not achieving the level predicted as part of the Budget setting process. The impact of membership package changes had not been fully realised which would lead to reduced membership sales and cancellations.
Operations	132	Mainly due to car park income down due to decisions not to increase car parking charges.
Resources	(977)	Additional income from CIS and an underspend in the budget for the new FMS implementation due to the slippage of the implementation date (this is transferred to an earmarked reserve to meet these costs in the next financial year).
Directors and Corporate	257	Re-invigoration and Transformation Manager team costs which will be met from reserves.
Total	(687)	

2. Revenue and Reserve Forecast

Revenue Forecast Outturn	2015/16		2016/17		
	Outturn £'000	Budget £'000	Forecast £'000	Forecast Variation £'000	%
Revenue by Service:					
Community	1,676	1,911	1,772	(139)	-7.3
Customer Services	3,628	2,355	2,555	200	8.5
ICT Shared Service	494	1,796	1,938	142	7.9
Development	1,204	1,370	751	(619)	-45.2
Leisure & Health	(141)	(270)	48	318	-117.8
Operations	4,173	3,968	4,100	132	3.3
Resources	4,153	4,492	3,515	(977)	-21.7
Directors and Corporate	2,112	2,291	2,547	256	11.2
Technical Adjustments	(177)	0	0	0	0.0
Net Revenue Expenditure	17,122	17,913	17,226	(687)	-3.8
Contributions from Earmarked Reserves	0	0	(255)	(255)	0.0
Contribution to Earmarked Reserve (CIL)	0	0	272	272	0.0
Service Contribution to Reserves	2,555	2,276	2,947	671	29.5
Budget Requirement (Services)	19,677	20,189	20,190		
Financing:-					
NDR & Council Tax surplus	(2,750)	(3,933)	(5,006)	(1,073)	27.3
Government Grant (Non-specific)	(7,668)	(8,351)	(8,351)	0	0.0
Contribution from Collection Fund Reserve	(1,492)	0	1,073	1,073	0.0
Council Tax for Huntingdonshire DC	(7,767)	(7,905)	(7,906)		
General Fund Reserve					
	2015/16		2016/17		
	Outturn £'000	Budget £'000	Forecast £'000	Forecast Variation £'000	%
Balance as at 1st April	9,287	2,537	2,537	0	0.0
Service Contribution to Reserves	2,555	2,276	2,947	671	29.5
Contribution to/(from) Collection Fund Reserv	(1,492)	0	1,073	1,073	0.0
Transfers to/from Other Reserves	1,055	0	272	272	0.0
Transfer to NDR Reliefs Reserve	(300)	0	0	0	0.0
Transfer to Earmarked Reserve	(805)	(2,126)	(4,245)	(2,119)	99.7
Transfer to Commercial Investment Reserve	(7,763)	0	0	0	0.0
Outturn forecast as at 31 March (15% of Net Revenue Expenditure)	2,537	2,687	2,584	(103)	-3.8
Earmarked Reserves					
	2015/16		2016/17		Commentary
	Outturn £'000	Addition £'000	Deduction £'000	Forecast £'000	
S106 agreements	1,233			1,233	
Commutated S106 payments	1,725			1,725	
Repairs and Renewals Funds	981			981	
Collection Fund	2,702	1,317		4,019	
Commercial Investment	12,390	40	(9,200)	3,230	
Budget Surplus	805	3,172	(499)	3,478	To be held to meet future years budget deficit
NDR Reliefs	300			300	
Special Reserve	2,325		(1,000)	1,325	To Transformation Reserve
Transformation Reserve	0	1,000		1,000	From Special Reserve
Other Reserves	1,549			1,549	
Total Earmarked Reserves	24,010	5,529	(10,699)	18,840	

Definitions

2016/17 Budget
2015/16 Outturn

As approved by Council, February 2016

Final figures for 2015/16, so these may vary slightly to the Provisional Outturn figures reported to Cabinet in June 2016.

3. Service Commentary

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

Service Forecasts as at 31st December 2016				
Service	2016/17 Updated Budget	2016/17 Forecast Outturn	Variance	Comments on Variance +/- £10,000
	£	£	£	
Head of Community				
Head Of Community	79,602	82,573	2,971	
Community Team	706,813	676,578	(30,235)	Combination of overspends on building rental of £13k and provision of new electricity apply £5k. Saving from vacant post in the establishment £45k Reduced demand on pest control service giving a £3k shortfall in income along with the Priory Centre income of £5k not being realised. Legal Service saving of £5k and balancing of KP21 showing saving of £9k.
Commercial Team	349,121	282,811	(66,310)	Vacancy post 41k. £kk savings on legal services. £7k materials savings. £3k laboratory services savings. Other small savings £9k
Environmental Protection Team	411,550	346,912	(64,638)	Vacancy post 44k. £5k savings on legal services. £7k materials savings. £3k laboratory services savings. Other small savings £9k
Environmental Health Admin	143,779	110,178	(33,601)	Vacant post 22k, plus additional income from licence fees £8k
Projects And Assets	140,022	245,958	105,936	Pay projected to 28.11.16, includes redundancy etc £99k Action on Overspend - To be covered from underspending across the service
C C T V	(71,000)	(66,636)	4,364	
C C T V Shared Service	212,244	212,726	482	
Licencing	(161,246)	(214,614)	(53,368)	Increased demand on the licencing service giving higher than expected income at this point in the year
Corporate Health & Safety	100,608	95,296	(5,312)	
	1,911,493	1,771,781	(139,712)	
Head of Customer Services				
Head of Customer Services	96,477	99,909	3,432	
Local Tax Collection	140,286	121,935	(18,351)	Restructure underway, some vacancies held open pending outcome
Housing Benefits	403,556	569,149	165,593	Higher than planned use of B&B to deal with homelessness has resulted in an overspend Action on Overspend - Working on options across the short, medium and long-term - but in 16/17 an overspend is likely
Council Tax Support	(122,950)	(158,348)	(35,398)	Grant funding provided by DCLG to HDC, amount not known at the time the budget is set. Forecasting a larger grant than originally expected
Housing Needs	777,737	814,113	36,376	Additional expenditure in year to maintain Coneygear Court temporary accommodation Action on Overspend - This will be an overspend at year-end - this site provides 30% of HDC Temporary Accommodation - the alternative is more costly B&B for homeless clients
Customer Services	829,303	839,330	10,027	£220k saving in 16/17 from restructure implemented at start of year. Staffing changes meant some use of temporary resource to maintain front-line service Action on Overspend - Posts filled and structure complete. Budget will be met in future years
Document Centre	230,803	263,597	32,794	Less income than forecast in MTFs and work looking at potential commercial partnership is progressing. Business case to be presented in Feb-17 Action on Overspend - Work looking at potential commercial partnership progressing, and new clients being sought
Information Management	0	5,108	5,108	2015/16 items not accrued at year end, not an ICT Shared Service item
	2,355,212	2,554,793	199,581	

Service	2016/17 Updated Budget £	2016/17 Forecast Outturn £	Variance £	Comments on Variance +/- £10,000
Head of ICT Shared Service				
ICT Shared Service	1,796,334	1,937,540	141,206	<p>This is a combined figure based on several budget codes, as such this needs multiple explanations. There has been accurate forecasting for budget code 240/248 however this forecast was based on incomplete budget information provided by one partner, once the correct budget details were understood we were able to adjust the forecast incurring a projected overspend. The budget code 203 for IT hardware has had several purchases made against it which are yet to be recharged to the purchasing partner. Work is continuing to confirm and process the recharges which will bring this component of the budget down and hopefully within tolerance.</p> <p>Budget code 511 for maintenance has seen an increase due to maintenance on aging infrastructure and due to contract costs being higher due to USD/GBP fluctuations. There has been 50% of this component cost already identified as rechargeable and therefore following recharge the figure will reduce. Action on Overspend - Work has always been in place to challenge and validate the budget figures on the original transferred budgets, unfortunately until a full year cycle has completed the full accurate picture was never going to show itself. This test and challenge continues but once the year end is out the full picture for 17/18 will be set.</p> <p>The process for recharge needs to be more robust as when the budget was set and transferred (some items where inadvertently omitted) but it was never anticipated that anything other than basic inflation would impact the cost of maintenance and software. In the ICT world the Brexit fallout has impacted significantly many purchases and licencing prices in some cases to the tune of 20% uplift. We continue to work hard with suppliers and the market in general to demonstrate and receive best value for the authorities' purchases.</p>
	1,796,334	1,937,540	141,206	
Head of Development				
Head of Development	77,802	80,712	2,910	
Building Control	91,600	114,500	22,900	Anticipated increase in charge from shared service.
Economic Development	182,062	183,466	1,404	
Planning Policy	904,715	529,495	(375,220)	Due to increased CIL forecast of £289K against budget. £25.5K for S106 monitoring fees; £20k additional NP income. £35K staff savings resulting from time taken to fill vacancies following restructure & as staff leave.
Transportation Strategy	65,020	54,325	(10,695)	Balances to zero when adding variance to Public Transport
Public Transport	19,200	29,895	10,695	Balances to zero when adding variance to Transportation Strategy
Development Management	(192,510)	(454,537)	(262,027)	£32K due to compensation payment in relation to TPO'd tree. £321K variance is due to increase in planning application income. £73k overspent on consultants (St Ives West Legal and Wintringham Park Consultants) and £5605 credit budget against 799 taken out to reduce to zero, plus £22k overspend on consultant, £7k overspend on postage, £8k overspend on photocopying and scanning. £88K salary savings resulting from time taken to fill vacancies following restructure and as staff leave.
Housing Strategy	222,047	212,680	(9,367)	
	1,369,936	750,536	(619,400)	

Service	2016/17 Updated Budget	2016/17 Forecast Outturn	Variance	Comments on Variance +/- £10,000
	£	£	£	
Head of Leisure & Health				
Head of Leisure & Health	77,822	80,095	2,273	
One Leisure Active Lifestyles	222,879	212,400	(10,479)	Additional funding from Public Health
One Leisure	(570,764)	(244,414)	326,350	Current forecast represents worst case scenario. Evidence from Impressions DD collections shows that the monthly collection is slowly improving. We plan to project this to the year end for next month's report. Action on Overspend - Improvement plan as previously reported. However, December has not shown any improvement due to the time of year and as predicted.
	(270,063)	48,081	318,144	
Head of Operations				
Head of Operations	78,302	120,036	41,734	£35k HoS interim consultant; £7k Recruitment costs Action on Overspend - Covered by one off in year service savings
Environmental & Energy Mgt	97,332	53,664	(43,668)	(£26k) Sustainability advice for SCDC; (£14k) County one off energy efficiency grant
Street Cleansing	826,877	788,223	(38,654)	(£12k) Litter Bin saving; (£32k) Weed spraying contract saving; £8k Mini Sweepers
Green Spaces	1,071,021	1,024,551	(46,470)	(£122k) One off in year savings; £22k to recover hedge cutting to standard; £26k Underachievement of ZBB target for CCC income; £20k Play equipment (Paint ramps)
Public Conveniences	13,400	11,210	(2,190)	
Waste Management	2,104,683	2,252,842	148,159	£200k Start of round rescheduling reprofiled; (£20k) insurance settlement relating to 2015/16; (£16k) Recycling credits c/f from 2015/16; (£34k) Recycling credit increase; (£34k) Trade waste income increased; (£29k) one off in year saving; (£23k) fuel price maintained low; (£14k) increased 2nd Green Bin income; (£11k) pension saving; £53k Round config Communications Costs Action on Overspend - Introduction of the revised round schedule is anticipated on 01st March. Although delayed this will then start to realise the savings.
Operations Mangement	28,891	4,785	(24,106)	(£25k) One off in year savings
Facilities Management	1,041,289	975,788	(65,501)	(£9k) EFH rent to CAB; (£31k) rent top floor of PFH; (£12.8k) rent top floor for 2015/16; (£16k) NNDR saving; £35k NNDR new costs for subletting PFH
Fleet Management	249,228	272,026	22,798	£20k for pressure washer Action on Overspend - Funded by savings from vehicle cleaning in other budgets
Markets	(47,885)	(61,778)	(13,893)	(£8k) increased Market income
Car Parks	(1,495,224)	(1,341,738)	153,486	£110k Fee increase delayed until 01st Apr; £10k ZBB Free after 3 reintroduced; £30k Excess charge shortfall; £20k shortfall in season tickets; (£33k) increase in casual income volume; £20k specialist consultancy to inform car parking strategy in 2017/18 Action on Overspend - Introduction of revised fees and charges anticipated 01st Apr
	3,967,914	4,099,609	131,695	

Service	2016/17 Updated Budget	2016/17 Forecast Outturn	Variance	Comments on Variance +/- £10,000
	£	£	£	
Head of Resources				
Head of Resources	88,022	92,341	4,319	
Corporate Finance	4,413,876	3,950,085	(463,791)	Apprentice Levy not required in 16/17 (73k), additional income from RSL investments (43k) and CIS investments (104k). Capital programme forecast underspend resulting in reduced MRP (180k) and less external borrowing (62k).
Legal	211,838	207,087	(4,751)	
Audit & Risk Management	611,141	572,241	(38,900)	Insurance retender lower premiums
Procurement	64,431	65,480	1,049	
Finance	658,934	708,576	49,642	Additional 2 interims, partly offset by vacancies (115k). Delay in the implementation of the new FMS (-66k); however, the saving on the FMS will be earmarked and carried forward to 2017/18. Action on Overspend - The overspend on the Finance Manager interim appointment can be covered from reserves as it is budget development work. However, this is not being used as overall underspends within Resources are off-setting these overspends
Commercial Estates	(1,556,757)	(2,081,021)	(524,264)	Net saving of £62k for additional estate management costs (insurance, lost NDR income, repairs and general management). Lost income from Voids and Rent Reviews (£73k) and as a consequence of not acquiring as many properties as planned but also not undertaking external finance to fund the acquisitions made, there is a net increase in the CIS surplus of £535k (MRP -885k less reduced income of £350k).
	4,491,485	3,514,789	(976,696)	
Corporate Team Manager				
Democratic & Elections	733,932	702,742	(31,190)	Final accounts reconciliation for PCC Elections showed more favourable variance than budgeted. Final accounts due next month on Referendum
Directors	468,855	723,145	254,290	£35k excess of AK over salary budget; £13k Recruitment costs; £174k Reinvigoration & Transformation; £20k Devolution Action on Overspend - Devolution and Transformation costs to be funded from reserves
Corporate Team	1,087,688	1,121,395	33,707	£29k Tupe consultancy; £11k OH increase due to Sick policy; (£29k) general savings; £22k Resourcelink additional modules
	2,290,475	2,547,281	256,806	
HDC Totals	17,912,786	17,224,410	(688,376)	

4. Capital Programme

The table below shows the position on the capital programme as at quarter 3. As can be seen the spend to date is only £3.892m (32% of budget) but the capital programme is forecast to only have an underspend and rephase this year of £3.092m. There is a risk that this spend will not happen as the majority of schemes are still waiting to be started, even though plans are in place, contracts let etc. with a number of these.

The net spend on the Council's capital programme is financed via borrowing which has a revenue implication through the Minimum revenue Provision (MRP) the MRP budget will be set based on the period 8 forecast outturn, therefore any significant further slippage will result in a higher budget for the 2017/18 MRP being set.

Budget Summary	Budget	Actual	Committed	Forecast Outturn	Variance
	£000s	£000s	£000s	£000s	£000s
Services					
Community Services	330	0	0	0	(330)
Development Services	1,164	780	685	1,218	54
Leisure and Health	1,547	238	58	657	(890)
Resources	5,057	1,949	1,044	4,257	(800)
Customer Services	161	28	4	31	(130)
ICT	370	1	470	580	210
Operational Services	3,558	896	1,308	2,352	(1,206)
Total	12,187	3,892	3,569	9,095	(3,092)
Reasons for Variances					
Potential Rephase to 2017/18					(2,558)
Overspend					246
Underspend					(265)
Cancelled					(117)
Other					(293)
Increased Grants & Contributions					(105)
					(3,092)

Variation Commentary		£000s
1	Rephasing to 2017/18	
	CCTV Schemes (Camera Replacement, PFH Resilience, Wi-Fi, Lone Worker) The CCTV commercialisation programme is still being formulated, as a result the CCTV schemes are not deliverable in 2016-17.	(320)
	Alconbury Weald Remediation – Expenditure The planned project will not now proceed, and a new partner is being sought. The most likely partner is Urban and Civic and the expenditure will probably be in the form of a loan. In this instance capital sum repayments would still be governed by the grant determination letter. Alconbury Weald Remediation – Grant The planned project will not now proceed, and a new partner is being sought.	(0)
	One Leisure Huntingdon Development Lease negotiations with regard to the Leisure centre site have delayed the start of the project until the end of 2016 or the start of 2017. With the result that although some of the planning and design stage will be undertaken in 2016-17 the building works cannot commence until 2017-18.	(779)
	One Leisure Improvements Bookings for Burgess Hall mean work cannot be undertaken in 2017/18, and in addition works at St Neots Pool are delayed due to programming issues.	(96)
	Building Efficiencies – Salix Savings to the fund have been at a reduced rate, as a result the amount available to spend has been reduced in this year.	(36)
	Retro-Fitting Buildings Delays to the installation of the energy saving equipment have resulted from protracted lease negotiations at One Leisure buildings, so some expenditure has been delayed to 2017-18. The sites to be completed in 2016-17 are OL St Ives, Huntingdon, and Sawtry. An exclusion clause is to be included in the contract to deal with unresolved site lease issues.	(94)
	Bridge Place Car Park An analysis of the requirements for parking in Huntingdon is complete, this analysis shows that there is insufficient existing capacity without a replacement car park. Whilst some initial works will commence in 2016-17, the majority of the works will not take place until 2017-18.	(313)
	In-cab Technology This scheme is now part of a larger back office system for Operations, as a result it is unlikely to commence until Summer/Autumn of 2017.	(75)
	Industrial Unit Roofs An external project manager is due to be appointed to manage these schemes, however although the schemes may be started in 2016-17, it is likely that the schemes cannot be completed this year. In particular because the schemes will be dependent on good weather.	(262)
	VAT Partial Exemption The One Leisure and roof replacement schemes which are resulting in costs that cannot be claimed back have been delayed and as a result the VAT cost have also been rephased.	(29)
	Vehicle Replacements Refuse vehicles have been moved to next financial year as the	(542)

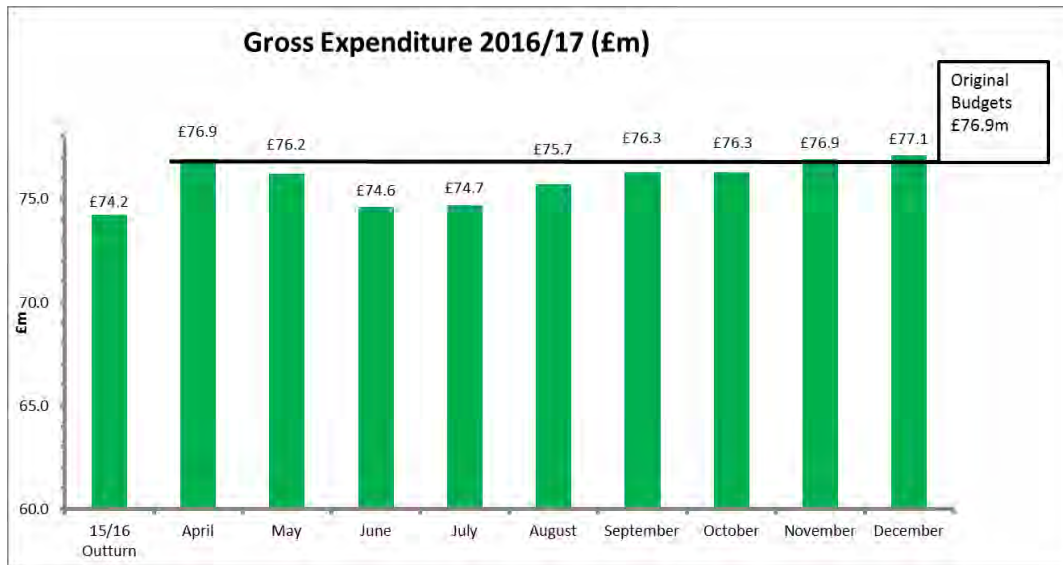
	order is not likely to be placed because of the need to evaluate the impact of the round reshuffling. In addition 13 vehicles that were expected in before the end of the financial year, have been delayed by the supplier until May 2017 due to issues relating to Euro6C legislation.	
	Financial Management System Replacement The implementaiton of the new financial management system (Technology One) has been delayed until October 2017.	(12)
	Total	(2,558)
2	Overspends	
	One Leisure St Ives String Bowling The whole life costs of the scheme have been assessed, there is a cost benefit in spending more on the equipment which will result in lower on-going revenue costs.	6
	Virtual Server Tenders have been received and have been assessed, the costs indicated in the tender are higher than the budget, and it has been decided that due to resilience issue and cost effectiveness that the implementation of the server upgrade would be in 2016-17 rather than across two years. It has been agreed by the Finance and Procurement Governance Board that the additional expenditure could be met from savings elsewhere in the programme.	175
	Telephone System The capital programme includes a scheme to replace the telephony switches and infrastructure. This was split £0.1m in 2016-17 and £0.1m in 2017-18. Now the procurement process has been undertaken, it is evident there would be significant savings if the purchase of equipment were phased across two years. The total Expenditure will be £0.165m as opposed to £0.2m budgeted. If the expenditure were phased across two years it would total £0.187m. Underspending in 2016-17 has been utilised to gain this saving.	65
	Total	246
3	Underspends	
	Eforms The contract with the supplier is now agreed and is less than that estimated.	(13)
	One Leisure Replacement Equipment This scheme is now complete, the equipment cost less than was anticipated.	(20)
	CCTV Camera Replacements The expected expenditure has been reduced because, there has been no need to replace cameras so far this year.	(10)
	Wheeled Bins Increase use of returned bins, smaller bins for trade waste customers, and less demand as a result of a reduced number of new developments, have reduced expenditure.	(54)
	Vehicle Fleet Replacement A saving as a result of the cost of various vehicles being less than originally estimated.	(126)
	Play Equipment The condition of the equipment has been assessed, and as a result the need for replacements has been reduced.	(5)
	Flexible Working	(30)

	The procurement of this software has been on a cost model that has a higher revenue cost but as a result reduces the upfront capital costs.	
	VAT Partial Exemption Costs A recalculation of the costs associated with VAT partial exemption has led to a small saving.	(7)
		(265)
4	Cancelled Schemes	
	CRM Software Upgrade The upgrade to this software has been postponed to allow consideration to a scheme covering the 3Cs partnership.	(117)
	Total	(117)
5	Other	
	Private Sector Grants (Housing) This scheme of grants is now complete, the expenditure for the remaining commitments exceeds the budget. Whilst there was an underspend in 2015-16 this was not rephased due the small amount.	6
	Community Infrastructure Levy The CIL payment for the Hunts West relief road has increased, this will be funded from the CIL reserve.	48
	Capita Software Upgrade Extra work has been identified in addition to the Capita upgrade. This work is required to move interfaces from an in-house system to Capita AIM, and make more efficient use of this software. In addition Capita will train up in-house staff so that they are able to carry out future works.	23
	Doorstep Greens and Neighbourhood Gardens Funds were allocated in accordance with a supplementary planning agreement to provide neighbourhood gardens as a result of the Oxmoor Estate action plan which finished in 2010. Whilst some of the scheme has been funded from an earmarked reserve the remainder of the cost need to be funded from the capital programme. This expenditure will be added to £25,000 set aside in a reserve	22
	Loan to Luminus When the Loan to Luminus was approved by Cabinet, a facility was provided up to £5.5m, the forecast for the loan is that it will be only now be up to a total of £5m.	(500)
	Audio Visual Equipment – Civic Suite The audio visual equipment in the Civic Suite has proved to be unreliable and prone to failures, a quote has now been received to replace the equipment, with the additional expectation that the new equipment will be capable of recording video for broadcast.	108
	Total	(293)
	Total Expenditure Variations	(2,987)
6	Contributions and Grants	
	Increased contributions from developers for wheeled bins. Receipts from developers are exceeding that expected.	(54)
	Land Sales The pieces of land identified for sale have achieved higher selling prices than expected.	(12)
	Loves Farm Community Centre Additional s106 contributions have been received for the construction of this facility.	(39)

	Total	(105)
	Net Variations	(3,092)
	The following schemes have been added to the Updated Budget	
	Investment in General Trading Company Cabinet on the 17 th November agreed the principle of the setting up of a trading company to encompass the Council's commercial activities. It was in addition agreed by Cabinet that an investment of £0.1m would be made, to purchase one ordinary share in the company.	100
	Huntingdon Town Council – Loan At Cabinet on the 17 th November it was agreed that as part of the asset exchange of the Medway Centre and One Leisure Huntingdon that a loan facility of £0.8m would be made available to Huntingdon Town Council. As this will be repaid on a regular basis no MRP will be set aside.	800
	Huntingdon Town Council – Payment Relating to Medway Centre At Cabinet on the 17 th November it was agreed that as part of the asset exchange of the Medway Centre and One Leisure Huntingdon that a cash payment of £0.3m would be made to Huntingdon Town Council. This cash payment will be financed from either the forecast underspend or from the special earmarked reserve.	300
		1,200

Financial Dashboard

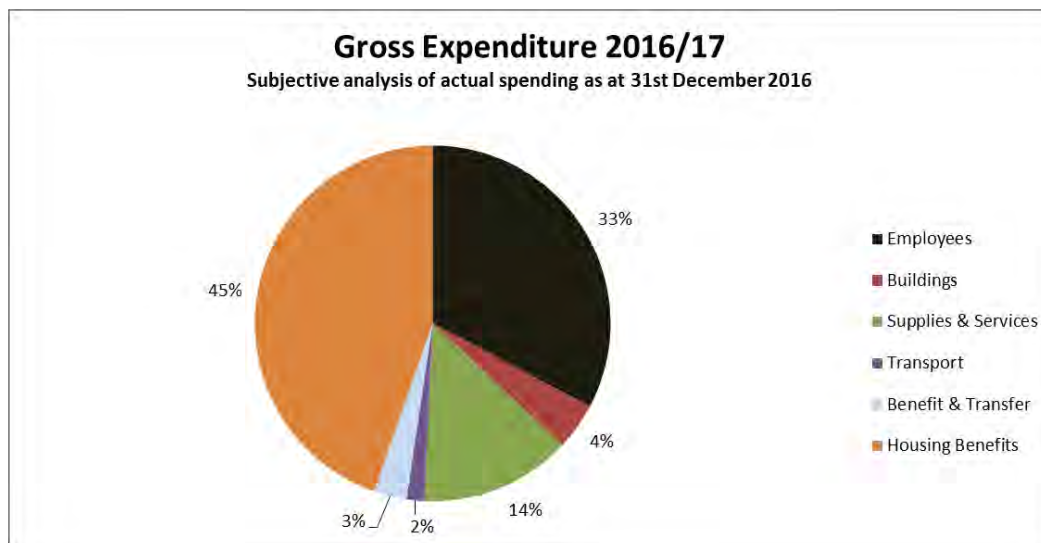
Revenue Expenditure



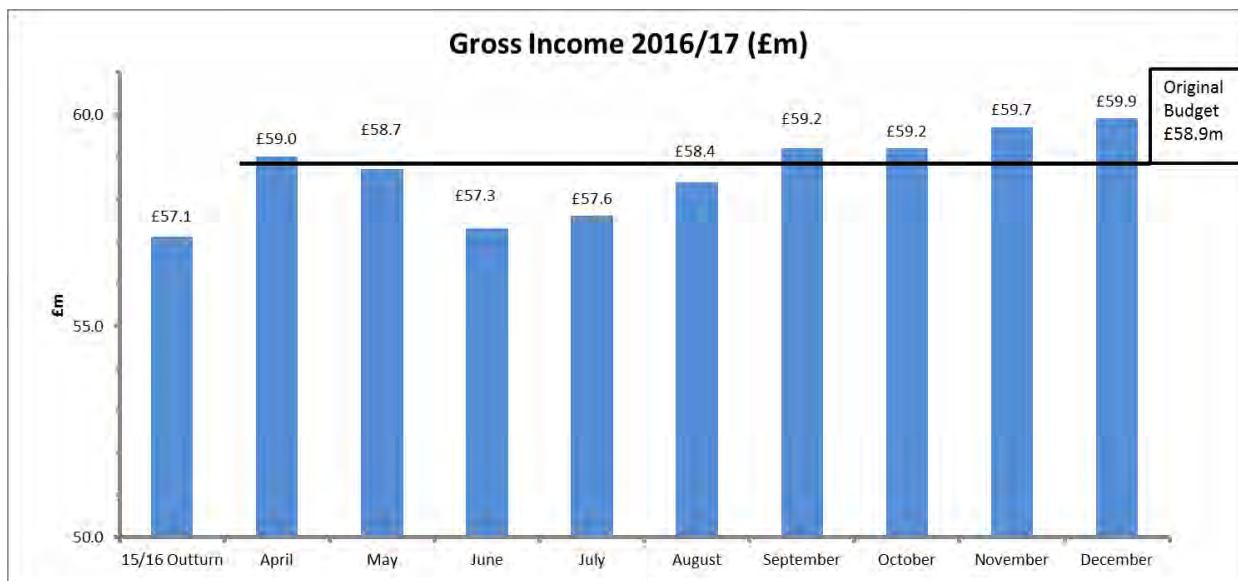
The 2016/17 gross revenue expenditure budget is £76.9m, which is £2.7m above the outturn for 2015/16. Most of this increase is explained by the impact of shared services, (HDC is hosting the ICT Shared Service which increases expenditure by £2.4m when compared to the 2015/16 outturn) and the budgeted increase to the Minimum Revenue Provision (£1m) mainly due to the Commercial Investment Strategy. These increases have been off-set by savings that services are expected to generate following service reviews.

Forecasting the ICT Shared Service expenditure remains difficult. Work is still being undertaken to identify on-going commitments and further fluctuations to their figures may arise over the next few months.

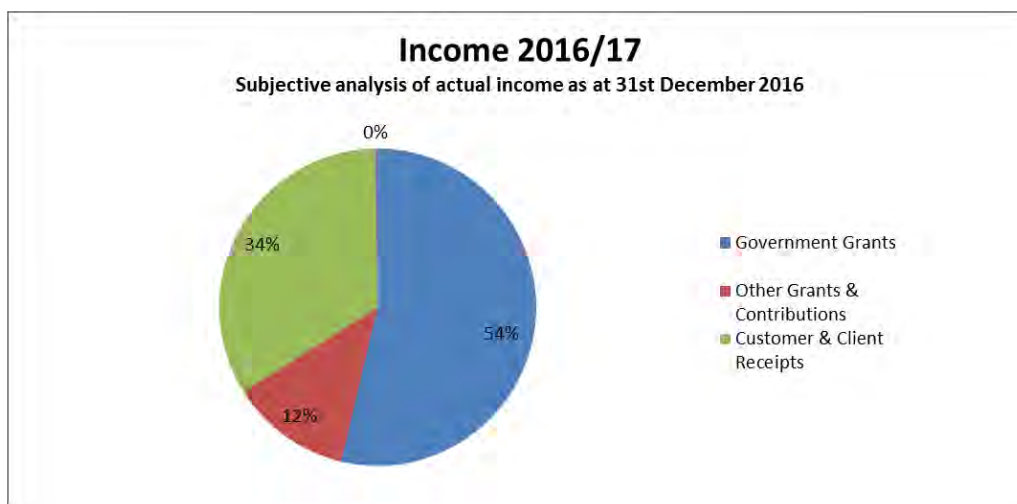
As shown below the main area of expenditure is Housing Benefits and employees.



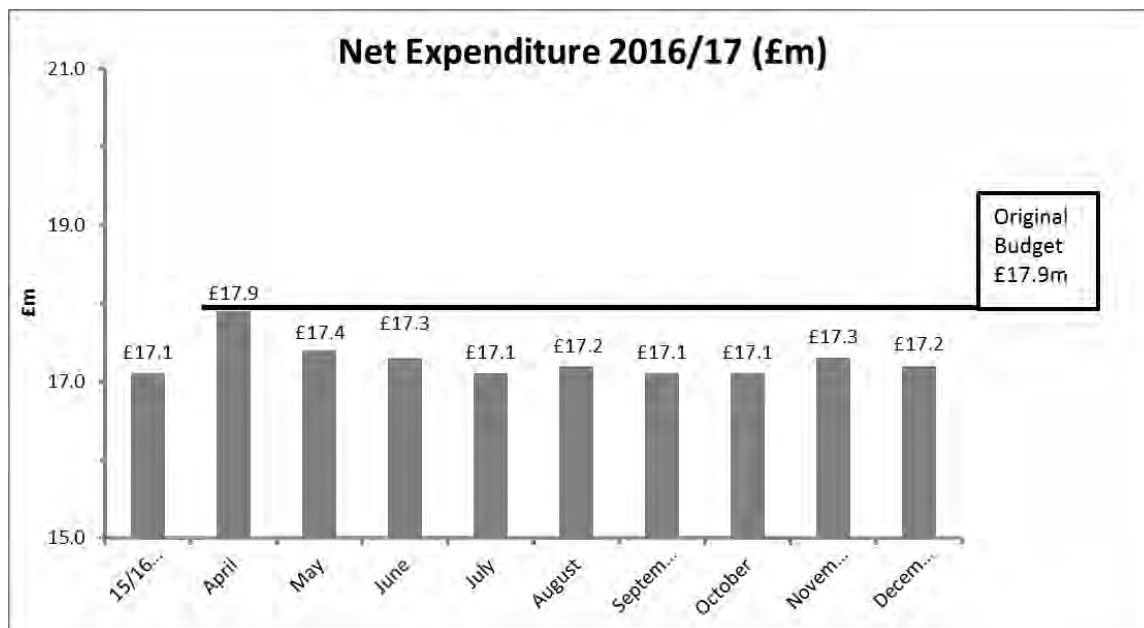
Revenue Income



The gross revenue income budget as approved in February 2016 is £58.9m, £1.8m above the outturn for 2015/16. The main reason for this increase is due to the impact of shared services, HDC will receive £2.4m for the ICT shared service but £0.3m of Building Control income will now go to Cambridge City Council. Additional Income will also be generated by the CIS acquisitions but some one-off income items in 2015/16 have not been budgeted for in 2016/17.



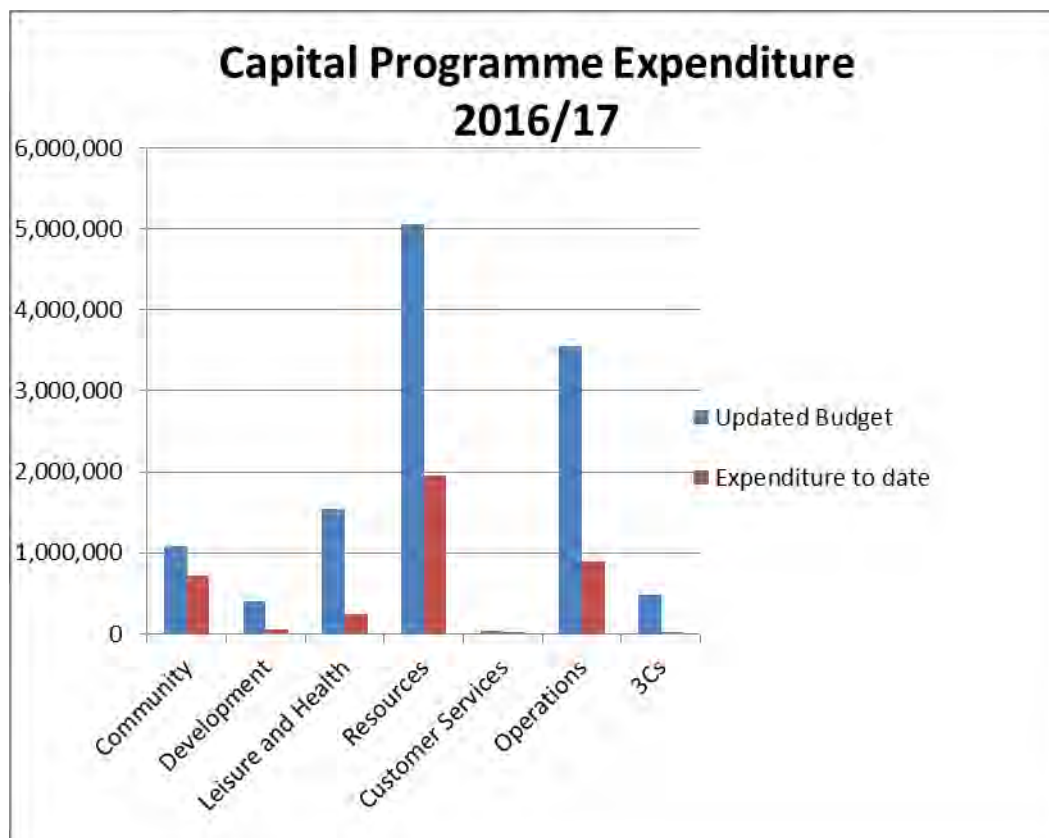
Revenue Net Position



At the end of December 2016 the net revenue expenditure is forecast to be at £17.2m, £0.7m below the net budget of £17.9m. Taking into account the budgeted contribution to reserves, the overall service related surplus is expected to be £2.9m by the year end.

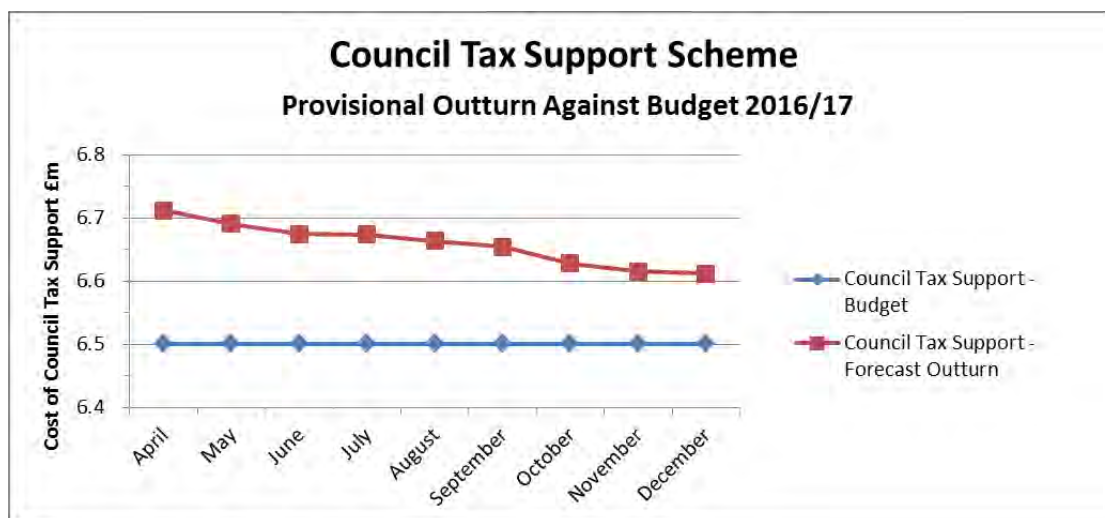
Capital Programme

Budget and Expenditure Update



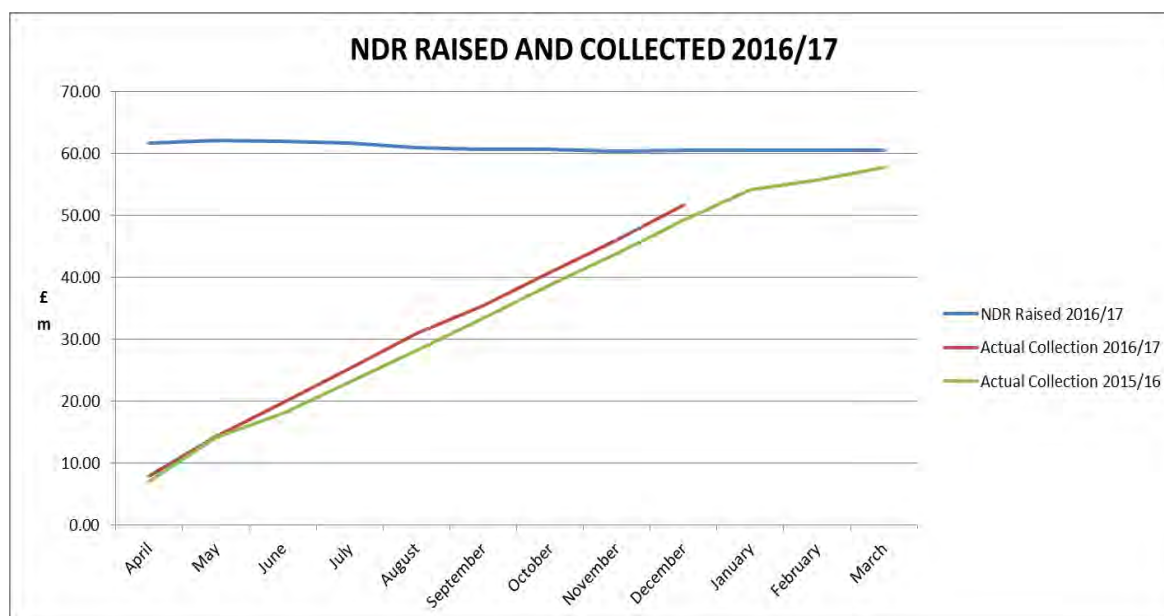
Council Tax Support Scheme

Currently, the actual take-up of Council Tax Support is running approximately £0.1m above the budgeted £6.5m. Any 2016/17 increase in Council Tax Support will impact in 2017/18.



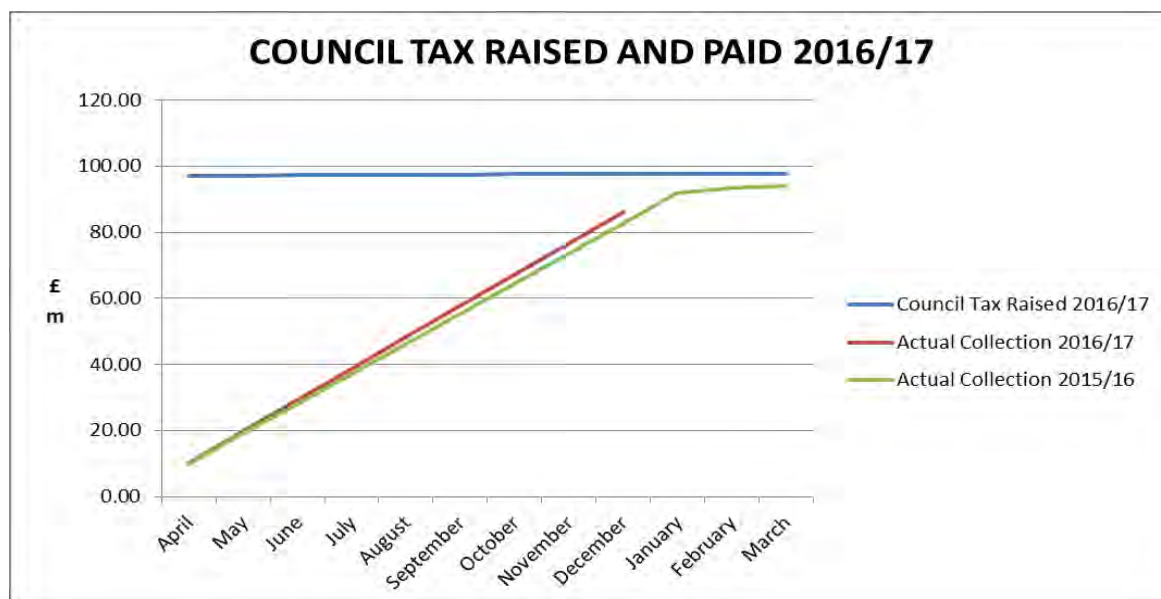
The impact of this increase on HDC will be proportionate to all Council Tax precepts (13.8% for HDC including parishes).

Collection of NDR



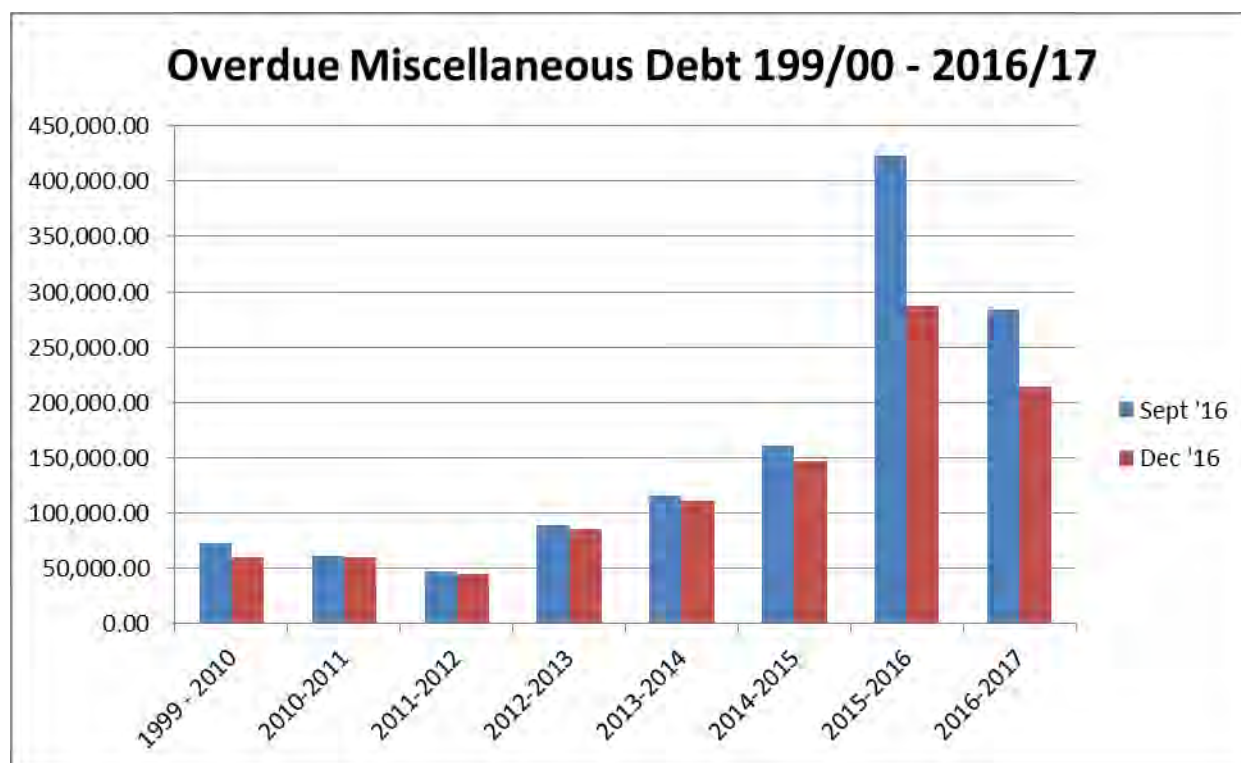
The graph above shows the total amount of NDR bills raised in 2016/17 and the actual receipts received up to end of December, with a forecast for receipts through to the end of the year, based on historical collection rates. The estimated NDR raised is £60.51m.

Collection of Council Tax



The graph above shows the total amount of Council Tax bills raised in 2016/17 and the actual receipts received up to end of December, with a forecast for receipts through to the end of the year, based on historical collection rates. The estimated Council Tax raised is £97.55m.

Miscellaneous Debt



The total outstanding debt as at 31 December 2016 is £1.011m (£1.351m September 2016) of which £0.797m is prior year debt (£0.970m September 2016), down from £1.797m as at 31 March 2016.

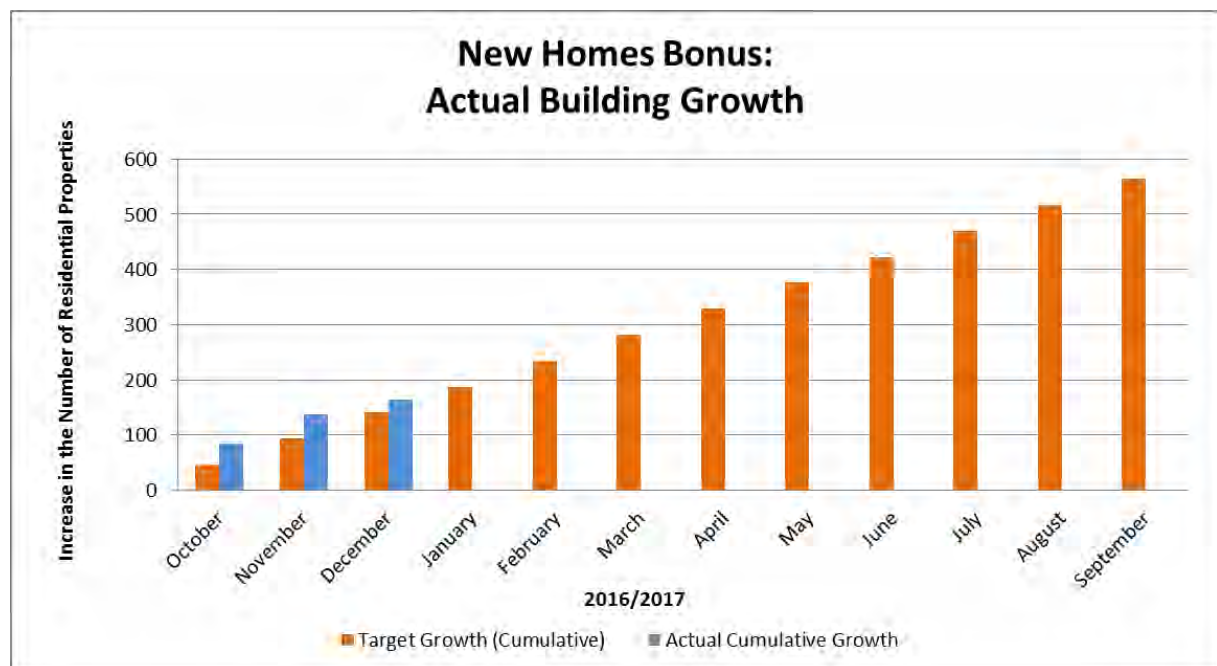
The graph shows the level of overdue miscellaneous income debt (debt is overdue when it is older than 21 days). Even though the 2015/16 debt position is currently showing a large outstanding amount the majority of this (£166k) is being collected via direct debit and will be paid by the end of the current financial year.

New Homes Bonus

The 2015/16 reporting cycle (October 2015 to September 2016) is now complete, and we were 96 units ahead of the target with 637 new homes completed compared to the target of 541. The impact of these additional units will come through in 2017/18 however any growth may be tempered by potential changes to the New Homes Bonus scheme that the Government will be introducing.

The new reporting cycle has just started and the target number of completions for 2016/17 (October 2016 to September 2017) in the Planning Annual Monitoring Report (December 2015) is 940. The draft Planning Annual Monitoring Report (December 2016) is showing a reduced completions target for 2016/17 of 567. This lower figure has been used to assess the impact actual completions will have on NHB receipts.

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



New Homes Bonus: Band D Equivalent Growth



Service	Recommendation	2016/17 (£'000)	RAG Status (Savings)	RAG Status (Implementation)	Comments
Operational Services					
Waste Management	Reconfiguration of rounds for residual waste, green waste & recycling to bring about more efficient collection	(207)	AMBER	AMBER	Reprofiled implementation to ensure accuracy of new models of collection revised start date 27 February
Whole Service	Staff Restructuring	(300)	GREEN	GREEN	
Whole Service	- Parking Services - Increased Fees	(110)	RED	RED	Proposal withdrawn by Members
	- Parking Services - Stop "Free after 3 at Xmas"	(10)	RED	RED	Proposal withdrawn by Members
	- Parking Services - MSCP 3rd Flr Licence	(10)	AMBER	AMBER	Due to complexity of negotiation, expected to achieve in February 2017
	- Parking Services - Increased ECN Productivity	(20)	RED	RED	Long term sickness has meant that this has been missed
	- Trade Waste	(20)	GREEN	GREEN	Target over achieved in year one. Target for 2019/20 already achieved
	- Grounds Maintenance - County	(70)	RED	RED	Proposal withdrawn by Members
	- Grounds Maintenance - Luminus	(30)	GREEN	GREEN	All OK
	- Street Cleansing - County				
	- Street Cleansing - Luminus				
	- Street Cleansing - Regime change and fully charge services to Parishes				
	- Countryside Service	(30)	AMBER	AMBER	Income target achieved, however increased costs have reduced the net position to £12k in 2016/17
Grounds Maintenance	Operational efficiencies in the provision of the grounds maintenance service	(50)	GREEN	GREEN	
Facilities	Additional income from external lettings at PFH and EFH	(3)	GREEN	GREEN	Muir in place £31,500, CAB in EFH £8,000, DWP 2017/18 £35,000, Interaction 2017/18 £30,000; currently only £20k short of 2019/20 target
TOTAL OPERATIONAL SERVICES		(860)			
Customer Services					
Customer Services	Reductions in Service offer	(39)	GREEN	GREEN	
	Restructure of Customer Services and relocation of Call Centre to Pathfinder House	(183)	GREEN	GREEN	
	Creation of Multi-Agency Customer Service HUB at Pathfinder House	(17)	GREEN	GREEN	
	Review the costs and benefits of the CSC's at Yaxley, St Neots & Ramsey	0	GREEN	GREEN	
Document Centre	Re-procurement and rationalisation of print and postage services	(31)	GREEN	GREEN	
	Increased income generation from external customers	(60)	AMBER	AMBER	Work looking at potential commercial partnership progressing. MTFs is proposed for adjustment in the budget papers going to Members in Q4
Housing Needs	Re-procurement of Information Technology Systems	(10)	GREEN	GREEN	
	Reduction in Homelessness Prevention Budget	(20)	GREEN	GREEN	
	Reduce Homelessness related Housing Benefits due to reduced use of temporary accommodation	(60)	RED	RED	2016/17 has seen an increase in homelessness and use of temporary accommodation. MTFs is proposed for adjustment in the budget papers going to Members in Q4
Local Taxation	Changes to billing - single bills with HB and e-billing	(2)	GREEN	GREEN	
	Online self service for customers	(21)	GREEN	GREEN	
	Changes to telephone answering standards	(21)	GREEN	GREEN	
Housing Benefits & Fraud	Online self service for customers	(55)	GREEN	GREEN	
	Send single annual bill and benefit entitlement	(12)	GREEN	GREEN	
	Review of benefits surgery in St Ives	(5)	GREEN	GREEN	
	Increased recovery of HB Overpayments	(7)	GREEN	GREEN	
TOTAL CUSTOMER SERVICES		(543)			
Leisure & Health - Phase 3					
	Budget realignment of prior year budget error	(51)	GREEN	GREEN	
Sports & Leisure	Income generation from activities	(8)	GREEN	GREEN	
	Staffing efficiencies through better balance of permanent and casual staffing	(21)	GREEN	GREEN	
	General efficiency savings and savings following ending of DAS project	(22)	GREEN	GREEN	
TOTAL LEISURE & HEALTH SERVICES		(102)			
Community Services					
Strategic Assets & Projects	Restructuring	(88)	AMBER	AMBER	Amber - slippage in delivery, project completion 28th November 2016; £10k reserve to Development Management from 2016/17 (£5k) and 2017/18 (£5k); and 0.5 FTE Grade G permanent post being created in Operations (£18.5k)
	Reductions in Environmental Improvement Budgets	(10)	GREEN	GREEN	Green - £10k removed in 2016/17 budget compared to 2015/16 (£E90); further £5k to be removed 2017/18 - but this is now under the control of Operations
Licensing	Removal of vacant post	(12)	RED	RED	Red - this will not be delivered, £12k funded from elsewhere in Community salary budgets as part of restructure
	Wireless CCTV cameras	(25)	AMBER	AMBER	Amber
TOTAL COMMUNITY SERVICES		(135)			

Service	Recommendation	2016/17 (£'000)	RAG Status (Savings)	RAG Status (Implementation)	Comments
Development Services					
Economic Development	Various Grants	(30)	GREEN	GREEN	
Development Management & Planning	Changes to working practices	(80)	GREEN	GREEN	
Policy	Pre-Planning Application fee increases	(10)	GREEN	GREEN	
	Reduction in Consultants budgets for redevelopment proposals	(140)	GREEN	GREEN	
Housing Strategy	Changes to working practices	(34)	GREEN	GREEN	
	Procurement Savings	(20)	GREEN	GREEN	
TOTAL DEVELOPMENT SERVICES		(314)			
Resources					
Estates	Reduced Repairs & Maintenance	(8)	AMBER	AMBER	Not expecting to achieve due to the removal of the reserve budgets. Works that were originally earmarked to spend against reserves will now need to be funded alternatively. One of the alternatives will be the revenue budget
	Increased and new fees and charges	(77)	GREEN	GREEN	
TOTAL RESOURCES		(85)			
Corporate Services					
	Improved efficiencies within team, through deleting vacant posts and realignment of duties.	(127)	GREEN	GREEN	
	Miscellaneous savings across supplies and services	(30)	GREEN	GREEN	
	Review of LGSS Contract	(4)	GREEN	GREEN	
	Efficiencies through the centralisation of training across the Council.	(60)	GREEN	GREEN	
TOTAL CORPORATE SERVICES		(221)			
TOTAL SAVINGS		(2,260)			

Appendix F

CIS Investment Investigations

The following table is a summary of the reasons for rejecting investment opportunities that arose between April and December 2016:-

Rejected because;	
Already under offer	10
Yield too low	7
Leasehold and not freehold	4
Distance too great	4
Risk too high	10
Lack of diversity against current portfolio	3
Too management intensive	2
Concerns about condition	2
Concerns about flats above	1
Concerns about the tenant's business model	2
Too geographically diverse	4
Joint venture do not materialise	1
Other	7
Total	57

Recommendation	Actions	Deadline	Responsible Person	Key Contributors and Partners	Link to Policy and/or responsible Executive Member	RAG Status	Commentary (Completed)
1. Develop a long term narrative of the future of Huntingdonshire to inform place shaping, direct decision making and future forms of partnership working. This should make use of local evidence and context, along with national data of future trends and projections, to underpin this.	1a. Give further consideration to this recommendation once a decision on devolution is made by Council in October 2016.	Jan-17	Jo Lancaster	Cabinet, O&S, Local Stakeholders	Cambridgeshire and Peterborough Devolution Agreement (Cllr Howe)	G	
	1b. Statutory consultation on proposed Local Plan to 2036 submission.	May-July 2017	Andy Moffat	Planning Policy, Cambridgeshire County Council Transport	Local Plan to 2036 (Cllr Harrison)	A	
	1c. Analyse a range of data, including Economic, Health, Demography and housing trends to identify future trends and areas of concern that may present barriers to achieving our long term vision for Huntingdonshire.	Apr-17	Adrian Dobbyne	Dan Buckridge	Local Plan to 2036, Housing Strategy (Cllr Bull) and Skills and Enterprise Policy (Cllr Harrison)	G	
	1d. Work with Cabinet to ensure decisions are made based on the evidence and for them to proactively work to inform residents and partners on the vision for Huntingdonshire. For example, providing report writing training for senior officers.	Year end	Jo Lancaster	Cabinet	Cllr Cawley	G	
2. Ensure the Corporate Plan drives the budget and delivery - this will mean changing the footprint of existing service delivery to focus on new priorities.	2a. Involve Members in reviewing the Corporate Plan and deciding what our key actions and performance indicators should be.	Mar-17	Adrian Dobbyne	O&S/Cabinet	Plan on a Page, Budget and MTFS (Cllr Gray)	G	
	2b. Make clear decisions on what our services standards should be based on cost and customer need, to include reviewing the provision of non-statutory services.	Feb-17	HoS / PFH	Council	Plan on a Page, Budget and MTFS (Cllr Gray)	G	
	2c. Quantify the workstreams on the reworked Plan on a Page to better link finances and delivery.	Oct-17	Clive Mason / Jo Lancaster	PFH Resources	Plan on a Page, Budget and MTFS (Cllr Gray)	G	✓
	2d. Introduce charging options for higher levels of service.	Dec-17	HoS / PFH	O&S/Council	Review of Parking Fees and Charges (Cllr Tysoe)	G	
	2e. Use benchmarking data to ensure resources are achieving maximum value within 2017/18 service plans.	Feb-17	HoS / PFH	HoS	Cllr Cawley	A	
	2f. Use the budget challenge process to focus budgets on achieving Corporate Plan priorities.	Nov-16	Anthony Kemp	O&S/Council	Plan on a Page, Budget and MTFS (Cllr Gray)	G	✓

Recommendation	Actions	Deadline	Responsible Person	Key Contributors and Partners	Link to Policy and/or responsible Executive Member	RAG Status	Commentary (Completed)
3. Recast the approach to working in partnership, recognising that this means not always leading, to secure benefits for the wider area and the community.	3a. Build on the decision to award two contracts, one for advice based services and the other for infrastructure services, to the voluntary sector in order to ensure the sector is in the best possible position to support the community.	Mar-17	Nigel McCurdy	Third sector/O&S	Community Resilience Plan (Cllr Dickinson)	A	
	3b. Ensure formal contracts with partners are written to protect the interests of the Council and its residents.	Year end	Clive Mason	Corporate Governance Committee	Cllr Brown	G	Where the Council has contractual relationships with contractors, 3rd Sector and other partners, all such contracts will adhere to the Councils Code of Procurement".
	3c. Develop an asset disposal/asset management plan for HDC land and property.	Year end	Clive Mason	Cabinet	Use of Council Assets (Cllrs Gray and Howe)	G	✓
	3d. Use the Making Assets Count programme to maximise benefits from colocation or better use of existing assets.	Year end	Nigel McCurdy	County / Districts / Public Sector	Use of Council Assets (Cllrs Gray and Howe) and County Council Land Swap and Maintenance (Cllrs White and Gray)	A	
4. Use all Members' democratic position, as ambassadors of the Council, to engage and influence partners and forms of partnership working.	4a. All Members appointed as representatives on organisations to be responsible for reporting to O&S on a quarterly basis.	Apr-17	Adrian Dobbyne	Group Leaders	Cllr Cawley	G	
	4b. Introduce a Council Champion approach and ask all members to sign up to the principle of acting as an ambassador of the Council.	Apr-17	Adrian Dobbyne	Group Leaders	Relationships with County, Town and Parish Councils (Cllr Dickinson)	G	
	4c. Encourage all members to keep themselves up to date on HDC decisions via existing mechanisms.	Apr-17	Adrian Dobbyne	Group Leaders	Cllr Howe	G	
	4d. Remind officers of the need to ensure Members are aware of key decisions on service provision in their wards.	Jan-17	Adrian Dobbyne	All Councillors	Cllr Howe	G	
5. Improve the relationship, the Council offer and partnership working with the business sector.	5a. Work with the LEP to improve insight and intelligence into the local economy and businesses based in Huntingdonshire	Apr-17	Jo Lancaster	Leader/ PFH	Skills and Enterprise Policy (Cllr Harrison)	A	
	5b. Through our connections, work with Town Councils and small businesses to improve insight and intelligence into local economy and small business sector	Apr-17	Jo Lancaster		Cllr Howe/ Cllr Dickinson	A	

Recommendation	Actions	Deadline	Responsible Person	Key Contributors and Partners	Link to Policy and/or responsible Executive Member	RAG Status	Commentary (Completed)
6. Retain the Council's focus on continued growth, including meeting the full range of housing need. Growth will be contingent upon increased housing.	6a. Present details of progress indicated in the Annual Monitoring Report to O&S and Cabinet.	Jan-17	Andy Moffat	O&S / Cabinet	5 Year Housing Land Supply and Housing Strategy (Cllrs Harrison and Bull)	G	✓
	6b. Undertake a longer term assessment of options to generate more affordable housing and temporary accommodation in the district.	Dec-16	Andy Moffat / Jon Collen	O&S E28/ Cabinet	Homelessness Accommodation (Coneygear Court) (Cllr Fuller) and Housing Strategy (Cllr Bull)	G	Reports considered at Nov 16 and due to be considered at Jan 17 PDG meetings
7. Conduct further work on refining the organisational understanding of efficiency that extends beyond just financial savings. This should link efficiency with the other two Council priorities of growth and enabling communities. New ways of working can lead to outcomes that include redefining models of delivery, service improvement and improved satisfaction.	7a. Commence a programme of work relating to continuous improvement to enable the business to work smarter and achieve more with less.	Dec-16	CMT	SMT / Cabinet	Commercialisation (Cllrs Brown), improvement (Cllr Cawley)	G	
	7b. Develop measures to monitor customer satisfaction and implement the Customer Service Strategy.	Mar-17	Adrian Dobbyne / John Taylor	O&S / Cabinet	Cllr Cawley	A	All HoS have actions in their service plans to deliver the Customer Service Strategy. In addition work will be happening in the transformation programme to develop measures that suit a new delivery model
8. Extend benchmarking activity so that the Council can benefit from understanding the 'value for money' of its services compared with other councils. This would assist the Council in its decision making on service cost, quality and performance.	Related actions already listed under 2e, 7a and 7b.					N/A	

Recommendation	Actions	Deadline	Responsible Person	Key Contributors and Partners	Link to Policy and/or responsible Executive Member	RAG Status	Commentary (Completed)
9. Enhance and develop the organisational understanding of demand management to form the cornerstone of the enabling communities and community resilience priority. Initiate an internal and external debate on what an enabling communities programme might look like and use this to inform the production of an Enabling Communities Strategy. This would guide Council activity on this priority with greater assurance and understanding of resources required.	9a. Engage with internal and external stakeholders to develop a Community Resilience Plan.	Mar-17	Chris Stopford	Cllr Criswell	Community Resilience Plan (Cllr Dickinson)	A	
	9b. Create an action plan to deliver the plan.	Apr-17	Chris Stopford	Cllr Criswell	Community Resilience Plan (Cllr Dickinson) and Relationships with County, Town and Parish Councils (Cllr Dickinson) and updated / expanded Community Planning Guide (Cllrs Dickinson and Bull)	A	
10. Continue to develop the model of Commercial Investment Strategy to produce future income streams. As part of this evaluate how the Strategy could both deliver economic growth and housing priorities within the area while also generating important income streams.	10a. Review options for investment in housing and any savings that could be achieved against housing support costs.	Feb-17	Clive Mason / Andy Moffat	Cllr Gray / Cllr Bull	Homelessness Accommodation (Coneygear Court) (Cllr Fuller) and Use of Council Assets (Cllrs Gray and Howe)	G	This is ongoing. DISPOSALS 10 property disposal programme is being reviewed for temp / affordable housing / planning considerations. Other disposals will be reviewed on an as-and-when basis. ACQUISITIONS Where commercial acquisitions can be made, housing opportunities are included in the mix of propositions. Where specific housing needs can be addressed by "investment", these will be looked at on their own merit. The forthcoming Housing Strategy will address this issue.

Recommendation	Actions	Deadline	Responsible Person	Key Contributors and Partners	Link to Policy and/or responsible Executive Member	RAG Status	Commentary (Completed)
	10b. Start to consider the impact of changes to NNDR retention when making commercial property investment decisions, along with the employment opportunities that may be presented.	Apr-17	Clive Mason / John Taylor	Cllr Tysoe	Use of Council Assets (Cllrs Gray and Howe)	G	The CIS is aimed at propositions both inside and outside the Councils boundary. Where investments can be made inside the boundary, including development / build, such propositions will be looked at on their merits.
	10c. Services to review their commercialisation and income generation opportunities.	Feb-17	HoS	Cabinet	Commercialisation (Cllrs Palmer and Brown)	A	
11. The relationship with the Local Enterprise Partnership needs to be 'reset' and built afresh, taking a different approach from that to date, recognising the constraints both organisations are under.	11a. Use devolution as a catalyst to reset the relationship with the LEP.	Year end	Nigel McCurdy / Jo Lancaster	LEP / Cllr Harrison	Cambridgeshire and Peterborough Devolution Agreement (Cllr Howe)	A	
12. Produce a formal transformation strategy and implementation plan.	12a. Produce a formal transformation strategy and implementation plan.	Dec-17	Anthony Kemp	Cabinet / E29SMT	Cllr Cawley	G	
	Related action already listed under 7a.					N/A	