

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Integrated Performance Report, 2017/18 Quarter 1

Meeting/Date: Overview and Scrutiny (Performance and Customers)
Panel, 6 September 2017
Cabinet, 11 October 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 April 2017 to 30 June 2017. The report also incorporates progress reporting for current projects being undertaken and Financial Performance Monitoring Suite information at the end of June.

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 1 attached at Appendix F.

Recommendations:

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

The Panel is also invited to consider and comment on the Council's financial performance at the end of June, as detailed in Appendices D and E, and the register of reviews of Commercial Investment Strategy propositions at Appendix F.

1. PURPOSE

- 1.1 The purpose of this report is to present performance management information on the Council's Corporate Plan for 2016-18 and updates on project delivery and financial performance.

2. BACKGROUND

- 2.1 The Council's Corporate Plan 2016-18 was refreshed for 2017/18 in March 2017 and sets out what the Council aims to achieve in addition to its core statutory services. The information in the summary at Appendix A and the performance report at Appendix B relates to the Key Actions and Corporate Indicators listed for 2017/18.
- 2.2 As recommended by the Project Management Select Committee, project updates are included in this performance report at Appendix C. There are currently 27 open, pending approval or pending closure projects and six closed projects 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 June. 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. Commercial investment propositions reviewed are at Appendix F.

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 1 will be circulated to Cabinet following their meeting on 6 September.
- 3.2 Progress against Corporate Plan objectives is reported quarterly. The report at Appendix B includes performance data in the form of a narrative of achievement and a RAG (Red/Amber/Green) status against each Key Action in the Corporate Plan and results for each Corporate Indicator. Appendix C gives a breakdown of projects including the purpose of the project and comments from the Programme Office as to the current status of each project's SharePoint site as part of the new governance arrangements.
- 3.3 Performance Indicator data has been collected in accordance with standardised procedures. Targets for Corporate Indicators and target dates for Key Actions have been set by the relevant Head of Service after discussion with the appropriate Portfolio Holder.
- 3.4 The following table summarises Quarter 1 progress in delivering Key Actions for 2017/18:

Status of Key Actions	Number	Percentage
Green (on track)	37	88%
Amber (within acceptable variance)	4	10%
Red (behind schedule)	1	2%
Awaiting progress update	0	0%
Not applicable	1	n/a

Nearly 90% of the Key Actions were on track at the end of Quarter 1.

Only one of the Key Actions had a Red status indicating that it was behind schedule. This was the action to maintain clean open spaces, where nearly a third of work was not to standard. This work is subject to seasonal variation but this performance was uncharacteristically low. Details of the problems encountered and actions taken to resolve these are listed at 3.5 below.

3.5 Quarter 1 results for 2017/18 Corporate Indicators are shown in the following table:

Corporate Indicator results	Number	Percentage
Green (achieved)	27	57%
Amber (within acceptable variance)	11	23%
Red (below acceptable variance)	9	19%
Awaiting progress update	0	0%
Not applicable (annual/data unavailable)	3	n/a

Excluding the indicators with no results available, this shows that the Council achieved the majority of its targets at the end of Quarter 1. Targets were missed by more than acceptable levels of variance for nine indicators. Details of these Red indicators are listed below.

The percentage of sampled areas which were clean or predominantly clean of litter, detritus, graffiti, flyposting or weed accumulations was uncharacteristically low in the quarter at 68.5%. 349 inspections have been undertaken and details of passed inspections for each of these categories are shown below:

Category:	April	May	June
Weeds	63%	34%	30%
Litter	88%	100%	96%
Detritus	63%	66%	74%
Graffiti	96%	100%	100%

The overall performance has been adversely impacted by poor weed control performance by the contractor which is now under close management and corrective deep cleansing action has been implemented. This will be in-sourced next year to resolve these issues fully. Detritus has also been an issue, due to lack of trained operatives to deploy heavy machinery. However, alternative approaches helped to improve performance during Q1 and the issue has been corrected so future performance will show an improvement with heavy machinery deployed.

The percentage of grounds maintenance works inspected which pass the Councils agreed service specification was also below target at 71.2%. 349 inspections were completed over the quarter and the percentage of inspections passed each month is shown below:

Performance:	April	May	June
Overall Grounds Maintenance	68%	80%	89%

April's performance was down on target at 68% due to initial grass cutting being out of specification. This is not unusual due to the length of the grass before cutting and the damp mornings. The teams worked hard during this month to get things into specification and have subsequently delivered high standards.

The average time between date of referral of Disabled Facilities Grants (DFGs) to practical completion for minor jobs up to £10,000 was well below target at 44.7 weeks, with the Home Improvement Agency shared service not performing as well as is expected. A new experienced manager is in post at the HIA and it is expected that performance will improve. The introduction of a contractors' framework is due to be implemented and is expected to increase the number of contractors available and therefore the speed with which DFGs are completed, although this may not show significant improvements until Q4. The pressure on the HDC budget has also resulted in an increased time for approval of grant applications.

The number of visitors to leisure centres is below target and down on the level recorded for Q1 last year. A significant reduction in use by schools (c.20,000 fewer visits in the year to date) accounts for nearly half of the reduction/shortfall against target as schools are cutting budgets. Impressions fitness activities at some sites are showing improvements but fitness class

numbers are falling still across the board. A review of class structures and instructor pay is underway.

Following new waste collection rounds being implemented on 29 February, the number of missed bins increased as the collection crews were getting used to their new rounds. A lot of work has taken place to assist the crews in locating properties and ensuring further missed collections don't happen. With this additional support for the collection crews, and the crews becoming more familiar with their rounds, further missed bins will decrease. The table below shows how performance varied from April to June, with more than twice as many bins missed during April compared to May and June. Although the volume of bins missed was far higher than usual, more than 99.7% of bins were collected as scheduled in each of these months.

Month:	Total missed bins	Missed bins per 1,000 household collections	Percentage missed
April	1,213	2.7	0.27%
May	467	0.9	0.09%
June	599	1.2	0.12%

The number of missed bins also had a significant impact on dealing with complaints on time. The Council dealt with more than five times the number of complaints received in Q1 2016/17 and the majority of these related to missed bin collections. The high volume of complaints meant many were not resolved within 20 working days. While complaints have fallen and future performance should return to normal, it is highly unlikely that 2017/18 performance will recover by the end of the year.

The percentage of calls answered by the Call Centre was also affected by the new waste collection rounds and the volume of calls this generated, as well as the impact of the unplanned General Election which resulted in over 1,600 additional elections calls. Both of these call types are time consuming to resolve and put service levels under pressure. In spite of this, customer satisfaction remained high.

The Council's financial performance in achieving planned net budget reductions was also rated Red due to an overall forecast overspend of £0.4m, as stated in section 4.1 below. However, the overall position does include savings made as planned where Zero Based Budget (ZBB) and Line by Line Review savings have been achieved. Detailed explanations of the Council's revenue and capital budget overspends can be found at Appendix D.

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

Corporate project status	Number	Percentage
Green (progress on track)	11	33%
Amber (progress behind schedule, project is recoverable)	10	30%
Red (significantly behind schedule, serious risks/issues)	5	15%
Pending closure	1	3%
Closed (completed)	6	18%

Six projects have recently been completed with close-down reports received by the Project Management Governance Board, with another project currently in the close-down stage. Business cases for a further three projects have not yet been approved by the Board.

Of the projects currently in the delivery stage, five were Red at the end of Quarter 1 as they were either significantly behind schedule, had serious risks or issues identified or had a lack of governance documentation. All five had previously been rated as Red at the end of March. Details of all Red projects can be found in Appendix C.

4. FINANCIAL PERFORMANCE

4.1 Attached at **Appendix D** is the Quarter 1 Financial Performance Monitoring Suite (FPMS), which provides details on:

- **Revenue and Reserves 2017/18** – the approved Budget is £17.2m and the forecast is £17.6m which is an overspend of £0.4m.
- **Capital Programme 2017/18** – the approved Budget is £9.3m plus the re-phasing of £3.1m giving a revised total Capital Programme of £12.4m. The forecast is £12.8m giving an overspend of £0.36m which is being funded from additional grants and contributions.

4.2 ZBB Savings Progress

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

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

	ZBB		Line by Line	
	Achievement of savings	Achievement of savings	Achievement of savings	Achievement of savings
	£000	%	£000	%
Red	3	0	57	8
Amber	418	50	351	50
Green	414	50	292	42
Total	835	100	700	100

Red – savings not achieved

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

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

4.3 Risks - Homelessness

Homelessness continues to be an issue for the Council and its customers. A number of actions are in hand to try to deal with this, from short term tactical solutions through to longer term strategic planning. Examples of this include:

1. Accelerating occupation of properties by homeless clients by using 'direct lets' outside of the normal bidding/placement cycle – placing them quickly into accommodation.
2. 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. HDC is also exploring opportunities with other Housing Associations to bring more Temporary Accommodation into the available stock.
3. The Council is also looking for development opportunities directly on its own land holdings, and this is a key part of any asset disposal consideration.
4. Robustly challenging developers to ensure they deliver the maximum amount of affordable housing that is viable on sites.
5. The recent approval of the Council's Housing Strategy containing ambitious plans and actions to increase the supply of an appropriate housing mix into the District.

The Council is also part of a £750k Trailblazer project across Cambridgeshire. The project has four broad areas and works across the public sector. It will:

1. Improve the intervention and management of potential homelessness cases by joining together processes across the public sector to offer high-quality intervention activities earlier.
2. Work in the private rented sector to offer a 'rent solution' service to work alongside private landlords to reduce the amount of tenancies that are terminated.
3. Provide advice and action within the private landlord sector to increase the number of low cost tenancies that are available.
4. Develop, with a range of partners, improved support toolkits such as online budget advice or tenancy related advice and information.

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.

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 1, the financial projections for the CIS are:

Budget Heading	Budget (£'000)	Forecast Outturn (£'000)	Variance (£'000)
CCLA Property Fund	(165)	(165)	0
Property Rental Income	(5038)	(4465)	573
Management Charge	144	108	(36)
MRP	1896	1422	(474)
Total	(3163)	(3100)	63

5.3 Investments

Between April 2017 and June 2017, 14 properties have been investigated as potential CIS investment opportunities. The Council bid on three properties, but were unsuccessful due to a highly competitive market and shortage of quality investments on the market in the first quarter. A summary is included in Appendix F.

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

To date all of the Council's investments have been funded from the earmarked reserves and no new borrowing has been required.

6. COMMENTS OF OVERVIEW & SCRUTINY PANELS

6.1 Comments from the Overview and Scrutiny (Performance and Customers) Panel meeting on 6 September 2017 will be inserted into the report to Cabinet here.

7. RECOMMENDATIONS

- 7.1 The Panel is invited to consider and comment on progress made against Key Activities and Corporate Indicators in the Corporate Plan and current projects, as summarised in Appendix A and detailed in Appendices B and C.
- 7.2 The Panel is also invited to consider and comment on financial performance at the end of June, as detailed in Appendices D and E, and the register of reviews of Commercial Investment Strategy propositions at Appendix F.

8. LIST OF APPENDICES INCLUDED

Appendix A - Performance Summary, Quarter 1, 2017/18
Appendix B – Corporate Plan Performance Report, Quarter 1 2017/18
Appendix C – Project Performance, June 2017
Appendix D – Financial Performance Monitoring Suite, June 2017
Appendix E – ZBB Savings Agreed 2017/18 Budget Setting – RAG Status, June 2017
Appendix F – Register of reviews of CIS investment propositions 2017/18

CONTACT OFFICERS

Corporate Plan Performance Monitoring (Appendices A and B)

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

Project Performance (Appendix C)

Adrian Dobbyne, Corporate Team Manager ☎ (01480) 388100

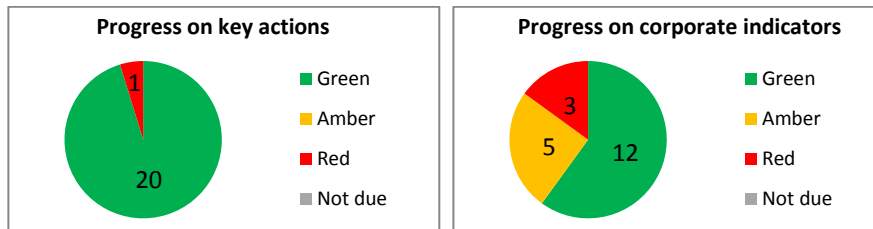
Financial Performance (Appendices D, E and F)

Adrian Forth, Finance Manager ☎ (01480) 388605

Performance Summary Quarter 1, 2017/18

Enabling communities

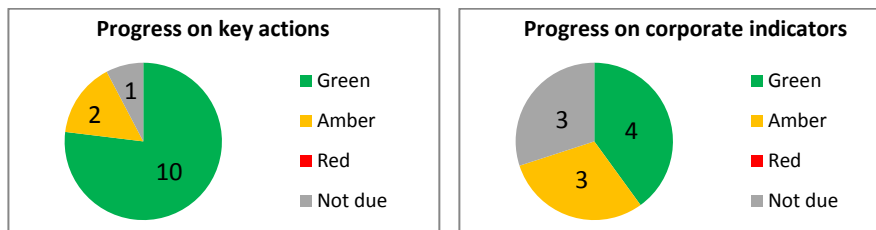
We want to make Huntingdonshire a better place to live, to improve health and well-being and for communities to get involved with local decision making



Highlights include 62% of household waste being diverted from landfill via green waste and recycling collections.

Delivering sustainable growth

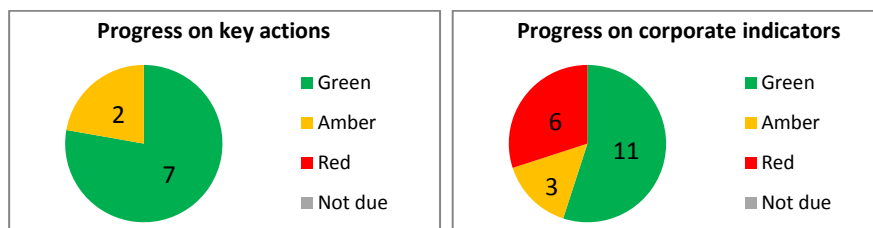
We want to make Huntingdonshire a better place to work and invest and we want to deliver new and appropriate housing



Highlights include the adoption of a new Housing Strategy by Cabinet in June 2017.

Becoming a more efficient and effective council

We want to continue to deliver value for money services



Highlights include the Council's website being rated by SOCITM as one of the top district council websites, scoring 4 out of 4 stars through assessment of a number of online services from the customer's perspective.

CORPORATE PLAN – PERFORMANCE REPORT

Appendix B

STRATEGIC THEME – ENABLING COMMUNITIES

Period April to June 2017

Summary of progress for Key Actions

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

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

Summary of progress for Corporate Indicators

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
	12		5		3		0		0

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

Status	Key Actions for 2017/18	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
R	KA 5. Maintain clean open spaces to DEFRA Code of Practice on Litter and Refuse, compliant with the Environmental Protection Act	Ongoing	Cllr J White	Neil Sloper	349 inspections have been completed from April 2017 to June 2017, of which 68.4% of work was to standard. Although this indicator is impacted by seasonal variation, performance in this quarter is uncharacteristically low. This was due to poor weed control performance by our contractor and a lack of trained staff to deploy heavy machinery to clear detritus. These issues were temporary and corrective actions have been implemented.

Corporate Performance and Contextual Indicators

Key to status

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
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Performance Indicator	Full Year 2016/17 Performance	Q1 2016/17 Performance	Q1 2017/18 Target	Q1 2017/18 Performance	Q1 2017/18 Status	Annual 2017/18 Target	Forecast Outturn 2017/18 Performance	Predicted Outturn 2017/18 Status
PI 1. Percentage of sampled areas which are clean or predominantly clean of litter, detritus, graffiti, flyposting or weed accumulations Aim to maximise	86.89%	82.09%	80%	68.48%	R	80%	80%	G
Comments: (Operations) Although this indicator is impacted by seasonal variation, performance in this quarter is uncharacteristically low. This was due to poor weed control performance by our contractor and a lack of trained staff to deploy heavy machinery to clear detritus. These issues were temporary and corrective actions have been implemented. Weed control services will be in-sourced next year to resolve weed control issues fully.								
PI 8. Average time between date of referral of Disabled Facilities Grants (DFGs) to practical completion for minor jobs up to £10,000 Aim to minimise	35.8 weeks	32.1 weeks	28 weeks	44.7 weeks	R	28 weeks	35 weeks	R
Comments: (Development) The Home Improvement Agency shared service is not performing as well as is expected. However, a new experienced manager is in post at the HIA and it is expected that performance will improve. Additionally, the introduction of a contractors' framework has been delayed but is still due to be implemented and is expected to increase the number of contractors who are available and therefore the speed with which DFGs are completed, although this may not show significant improvements until Q4. The pressure on the HDC budget has also resulted in an increased time for approval of grant applications.								
PI 12. Number of visits to One Leisure – leisure centres Aim to maximise	2,333,072	597,426	604,344	555,710	R	2,324,400	2,150,000	R

STRATEGIC THEME – DELIVERING SUSTAINABLE GROWTH

Period April to June 2017

Summary of progress for Key Actions

G	Progress is on track	A	Progress is within acceptable variance	R	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
	10		2		0		0		1

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

Summary of progress for Corporate Indicators

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
	4		3		0		0		3

STRATEGIC THEME – BECOMING A MORE EFFICIENT AND EFFECTIVE COUNCIL

Period April to June 2017

Summary of progress for Key Actions

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

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

Summary of progress for Corporate Indicators

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
11		3		6		0		0	

Corporate Performance and Contextual Indicators

Key to status

G	Performance is on track	A	Performance is within acceptable variance	R	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
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Performance Indicator	Full Year 2016/17 Performance	Q1 2016/17 Performance	Q1 2017/18 Target	Q1 2017/18 Performance	Q1 2017/18 Status	Annual 2017/18 Target	Forecast Outturn 2017/18 Performance	Predicted Outturn 2017/18 Status
PI 23. Percentage of grounds maintenance works inspected which pass the Councils agreed service specification Aim to minimise	93.50%	86.46%	82%	71.22%	R	82%	82%	G
Comments: (Operations) Although this indicator is impacted by seasonal variation, performance in this quarter is uncharacteristically low. April's performance was down at 68% due to initial grass cutting being out of specification. This is not unusual due to the length of the grass before cutting and the damp mornings. The teams worked hard during this month to get things into specification and have subsequently delivered high standards.								

Performance Indicator	Full Year 2016/17 Performance	Q1 2016/17 Performance	Q1 2017/18 Target	Q1 2017/18 Performance	Q1 2017/18 Status	Annual 2017/18 Target	Forecast Outturn 2017/18 Performance	Predicted Outturn 2017/18 Status
PI 24. Number of missed bins per 1,000 household collections Aim to minimise	N/A	N/A	TBC	1.53	R	TBC	TBC	G
Comments: (Operations) This is a new indicator for 2017/18 and further work on setting an appropriate target is required. The new waste collection rounds were implemented on 29 February and the number of missed bins increased as the collection crews were getting used to their new rounds. A lot of work has taken place to assist the crews in locating properties and ensuring further missed collections don't happen. With this additional support for the collection crews, and crews becoming more familiar with their rounds, further missed bins will decrease. Performance for the quarter is 'Red' but did improve during the quarter and should continue to improve.								
PI 34. Planned net budget reductions achieved Aim to maximise	£1.9m	£0.283m	£0.475m	£0	R	£1.5m	£0	R
Comments: (Resources) The planned net budget reductions are not currently being achieved as Quarter 1 Financial Performance monitoring shows an overall forecast overspend of £0.4m. However, the overall position includes some savings made as planned where Zero Based Budget and Line by Line Review saving items have been achieved. Detailed explanations of the Council's forecast revenue and capital budget overspends can be found at Appendix D.								
PI 38a. Percentage of stage 1 complaints resolved within time Aim to maximise	78%	88%	98%	26%	R	98%	50%	R
Comments: (Corporate Team) Out of 280 complaints received in Q1, just 74 were responded to within 20 days. None of the three complaints relating to Development and just 67 out of 270 complaints relating to Operations services were dealt with on time. The majority of the Operations complaints related to missed bin collections. Due to the extremely large volume in Q1, it is highly unlikely that 2017/18 performance will recover by the end of the year.								
PI 38b. Percentage of stage 2 complaints resolved within time Aim to maximise	89%	0%	98%	73%	R	98%	95%	A
Comments: (Corporate Team) Eleven stage 2 complaints were received and three did not receive a response within 20 working days. Two of these related to missed bin collections and the other was a complex planning case requiring a site visit to progress the complaint.								
PI 40. Percentage of calls to Call Centre answered Aim to maximise	n/a	n/a	90%	65%	R	90%	85%	A
Comments: (Customer Services) We had an extremely busy quarter with the unplanned General Election and operations bin round changes generating a large number of additional calls and emails over a prolonged period. We had over 1,600 additional Elections calls alone. Operations and Elections call types are time consuming to resolve and put our service level under pressure. In spite of this customer satisfaction remains high (see PI 36).								

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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Projects relating to Huntingdonshire District Council services/facilities only:

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 (Resources)	30/11/17	30/06/17	<p>July 2017 - building surveyors were appointed and initial investigations and project costs received showing anticipated costs over capital budget for this project.</p> <p>Tender process has now completed and revealed a wide range of pricing (£190k to £485k) and approach to the roof problems. Tenders were issued in conjunction with other roof projects at Clifton Road and Levellers Lane to ensure any value is engineered through multiple projects/single tender approach.</p> <p>HDC appointed building surveyors are undertaking further evaluation of the tenders to make a recommendation early August. The forecast spend has been increased to £205k + £4k fees.</p> <p>Anticipated work order to be placed in time for early Autumn works.</p>	Red	Within last month
<p>Leisure Invest to Save Opportunities Explore further opportunities for invest to save schemes including the conversion of synthetic pitch at St Neots.</p>	Facing the Future	Clarke, Jon (Leisure)	30/09/15	31/03/17	<p>There are still ongoing legal issues regarding the lease at St Neots which have prevented any progress from occurring. Project site to be updated.</p>	Red	Over 6 months ago

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
In Cab Systems The project will replace the existing manual process for logging waste collection issues and involve delivery of that information in a timely manner from the refuse collection vehicle to the call centre. This will involve the purchase of a new bespoke system including hardware devices for the refuse collection vehicles.	Capital 2016/17	Connor, Sharon (Operations)	31/01/17	31/10/17	Project has a RED status due to significant delay arriving from the decision to take a wider corporate approach and consider provision as part of the existing 3C Shared Service. User requirements for operations back office and in-cab technology are being established by 3C IT across South Cambridgeshire, Cambridge City and HDC. Workshops are completed. HDC awaiting sign off of spec by South Cambridgeshire and Cambridge City.	Red	Within last month

Joint projects with Cambridge City Council and/or South Cambridgeshire District Council:

Implementation of Financial Management System To introduce a new Financial Management System across the council.	3C Shared Services	Buckell, Andrew (3C ICT)	31/05/17	31/10/17	The project status is red due to the Accounts Receivable module requiring further development by the supplier. The supplier has withdrawn a consultant until early August and the interface build and B-ETL build are behind schedule.	Red	Within last month
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	This is showing as red due to the length of time (over 18 months) it has taken to procure and then implement. The delays have come from both the supplier and the availability of Council staff to progress the project. The door readers at the Guildhall offices have been commissioned, 3C ICT has requested and been granted by MBSS a sponsor for this project.	Red	Within last month (Bitrix)

Financial Performance Monitoring Suite June 2017

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Prepared By:

Sue Martin, Principal Accountant

Oliver Colbert, Principal Accountant (Technical)

1. Financial Performance Headlines

This financial year the monthly management accounts not only include the forecast position for the financial year but also over the MTFS period. Also, the revenue statements show the gross expenditure by service and where some costs are funded by reserves this is shown to then provide the net position.

Revenue The approved Budget is £17.2m and the forecast is £17.6m which is an overspend of £0.4m.

MTFS Any impacts of the forecast that potentially will carry on over the MTFS period are detailed in the table at page 10. Currently this shows an additional cost of £141k per year.

Capital The approved Budget is £9.3m plus the re-phasing of £3.1m giving a revised total Capital Programme of £12.4m. The forecast outturn is £12.80m giving an overspend of £0.36m which is being funded from additional grants and contributions.

2. 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	(49)	Additional Licencing income and staff savings.
Customer Services	56	Housing benefit costs higher than expected but Document Centre staff savings are off-setting some of this.
ICT	256	This is the net over spend to HDC, the overall forecast of the 3Cs ICT is an overspend of £798k. The main reasons are the savings have not been identified and a new Business Case is being prepared.
Development	(44)	Combination of staff savings and additional CIL income.
Leisure and Health	(42)	Impressions income not recovering as quickly as expected however staff savings are more than off-setting this at the moment, however this is not sustainable as this will impact upon the business.
Operations	211	Complexity of waste management rounds rescheduling will mean full saving will not be achieved this year, in order to protect delivery of service.
Resources	169	Commercial investment Strategy acquisitions behind schedule so income forecasts reduced.
Directors and Corporate	(185)	Staff savings as some seconded to the Transformation Programme and other vacancies.
Total	372	

3. Revenue and Reserve Forecast

Revenue Forecast Outturn	2016/17		2017/18				
	Provisional 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 %
Revenue by Service:							
Community	1,697	1,690	1,634		7	1,641	(49) ● -2.9
Customer Services	2,816	2,659	2,715			2,715	56 ● 2.1
ICT Shared Service	1,972	1,721	1,977			1,977	256 ● 14.9
Development	578	1,355	1,473	(164)	2	1,311	(44) ● -3.2
Leisure & Health	55	(160)	(227)		25	(202)	(42) ● -26.3
Operations	4,292	4,030	4,241			4,241	211 ● 5.2
Resources	3,221	4,205	4,374			4,374	169 ● 4.0
Directors and Corporate	2,693	1,711	2,526	(1,000)		1,526	(185) ● -10.8
Net Revenue Expenditure	17,324	17,211	18,713	(1,164)	34	17,583	372 ● 2.2
Contributions from Earmarked Reserves	(757)	0	(1,164)				(1,164) ● 0.0
Contributions to Earmarked Reserves	607	0	34				34 ● 0.0
Service Contribution to Reserves	3,015	2,966	2,594				(372) ● -12.5
Budget Requirement (Services)	20,189	20,177	20,177				
Financing:-							
NDR & Council Tax surplus	(7,108)	(4,622)	(5,779)				(1,157) ● 25.0
Government Grant (Non-specific)	(8,404)	(5,855)	(6,333)				(478) ● 8.2
Contribution to/(from) Collection Fund Reserve	3,214	(1,534)	(1,534)				0 ● 0.0
Contribution to/(from) Reserves	14		1,635				1,635 ● 0.0
Council Tax for Huntingdonshire DC	(7,905)	(8,166)	(8,166)				

General Fund Reserve	2016/17		2017/18		
	Outturn	Budget	Forecast	Forecast Variation	
	£'000	£'000	£'000	£'000	%
Balance as at 1st April	2,537	2,568	2,598	30	1.2
Service Contribution to Reserves	3,015	3,032	2,594	(438)	-14.4
Funding Contribution to Reserves	14	0	1,635	1,635	0.0
Transfers to/from Earmarked Reserves	(150)	0	0	0	0.0
Transfer to Earmarked Reserve	(2,818)	(3,018)	(4,190)	(1,172)	38.8
Outturn forecast as at 31 March (15% of Net Revenue Expenditure)	2,598	2,582	2,637	55	2.1

Earmarked Reserves	2016/17		2017/18		Commentary
	Outturn	Addition	Deduction	Forecast	
	£'000	£'000	£'000	£'001	
S106 agreements	1,077			1,077	
Commutated S106 payments	1,322			1,322	
CIL Admin Reserve	282			282	
Repairs and Renewals Funds	1,009	34		1,043	In year budgeted contributions
Collection Fund	1,962		(1,534)	428	
Commercial Investment	3,787			3,787	
Budget Surplus	75	4,190		4,265	To be held to meet future years budget deficit
NDR Reliefs	300			300	
Special Reserve	1,300			1,300	
Transformation Reserve	1,037		(1,000)	37	Funding 2017/18 forecast expenditure on transformation
Other Reserves	2,949		(127)	2,822	Building Control reserve passed to Cambridge City Council
Total Earmarked Reserves	15,100	4,224	(2,661)	16,663	

Definitions

2017/18 Budget
2016/17 Outturn

As approved by Council, February 2017
Final figures for 2016/17, so these may vary slightly to the Provisional Outturn figures reported to Cabinet in June 2017.

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

Forecast outturn	£000
2017/18 Forecast outturn	278
ZBB savings reversed	(453)
2017/18 Forecast outturn – if ZBB proposals had not been reversed	(175)

ZBB savings reversed	£000
Closure of Customer Services Centres	(23)
Document Centre (income foregone)	(67)
Car parks (income foregone and rationalisation)	(268)
Grass cutting (income foregone)	(70)
CCTV (income foregone)	(25)
Total	(453)

4. 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 30 June 2017						
Service	2017/18 Updated Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
	£	£	£	£	£	
Head of Community						
Head Of Community	89,875	83,000	6,612	89,612	(263)	
C C T V	(70,393)	(59,258)		(59,258)	11,135	Income forecast lower than expected from Service Level Agreements and Contract work (£11k)
C C T V Shared Service	256,389	265,167		265,167	8,778	
Commercial Team	293,803	293,753		293,753	(50)	
Corporate Health & Safety	102,622	103,902		103,902	1,280	
Licensing	(137,464)	(170,442)		(170,442)	(32,978)	Predicting higher than expected income on licensing at this point in the year, particularly from Licensing Act 2003 licensed premises, and in increase in the number of licensed Hackney Carriage and Private Hire vehicles (£33k)
Community Team	624,634	595,304		595,304	(29,330)	Promotion of the Council's pest control service during 2017/18 seeks to increase income (£5k) along with increased Environmental Enforcement activity resulting from the Community restructure (£2k). Savings predicted from the salaries budget due to part-time working within a number of the Community team posts (£22k)
Environmental Protection Team	379,555	376,978		376,978	(2,577)	
Emergency Planning	11,575	11,460		11,460	(115)	
Environmental Health Admin	139,140	134,209		134,209	(4,931)	
	1,689,736	1,634,072	6,612	1,640,684	(49,052)	

Service	2017/18 Updated Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
	£	£	£	£	£	
Head of Customer Services						
Head of Customer Services	97,080	97,753		97,753	673	
Local Tax Collection	7,536	10,830		10,830	3,294	
Housing Benefits	685,421	769,495		769,495	84,074	This is a very large budget with £35million in benefit payments moving in/out of it annually. Variation of this amount is not uncommon. Action - Ongoing monitoring will continue, and last financial year the outturn variance was <1%
Council Tax Support	(134,894)	(135,803)		(135,803)	(909)	
Housing Needs	917,332	905,841		905,841	(11,491)	Small salary underspend whilst recruitment into vacant post occurred.
Customer Services	823,404	834,313		834,313	10,909	Variance will need to be reviewed as the plans to close the Customer Service Centres have changed. Likely to be an overspend at year end. Work in hand to assess the scale of this.
Document Centre	263,426	232,500		232,500	(30,926)	Salary underspend within the team.
	2,659,305	2,714,929	0	2,714,929	55,624	

Service	2017/18 Updated Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
	£	£	£	£	£	
Head of ICT Shared Service						
ICT Shared Service HDC	1,721,333	1,976,706		1,976,706	255,373	Original budget set in November was not aligned with the business case for the shared service. There is a delta of over £100k omitted from the budget as well as significant problems with salary budgetting approach vs business case. Also, staff budgets were set in advance of changes due to Northgate transition to 3C ICT. The forecast for services is based on actuals from 2016/17 spend with a 2% uplift, hence the excessive variance but this is inline with last years spend profile. Staff salaries are overspent to date due to use of contractors in first quarter which is being phased out over the forthcoming months. Based on actuals from last year forecast is realistic, budget was not set properly in line with business case. This is understood. Action - We will continue to remove dependancy on hired staff to maximise savings vs business case but the budget will remain overrun due to incorrect setup. We will continue to look for savings in the services area but this will have a relatively small effect until large software consolidation takes place for a major line of business system across the 3 partners. We will be inviting suppliers to return and reduce.
	1,721,333	1,976,706	0	1,976,706	255,373	

Service	2017/18 Updated Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
	£	£	£	£	£	
Head of Development						
Head of Development	81,516	81,004		81,004	(512)	
Building Control	147,670	274,247	(126,577)	147,670	0	Variance relates to HDC paying over to Cambridge City Council the balance on the Building Control Reserve. Action - Variance will be covered from earmarked reserves.
Economic Development	253,389	231,307		231,307	(22,082)	Delay in recruiting to new posts.
Planning Policy	702,734	651,838		651,838	(50,896)	£11k additional cost due to additional overtime for inquiry and local plan & Maternity Leave. £94k due to forecasting increase in CIL admin income. Forecasting £20k decrease in Neighbourhood planning fees. Smaller variances amounting to some £12k.
Transportation Strategy	58,120	58,120		58,120	0	
Public Transport Total	26,100	26,100		26,100	0	
Development Management	(354,962)	(302,553)		(302,553)	52,409	Received £96k for Wintringham Park Appeal Costs (Paid for in 1617) Planning App income - Forecast per Trends sheet using averages to be £118k lower. Appeal overspend of £32k. Action - Within overall Planning budget. Application fee income being kept under review.
Housing Strategy	219,892	232,250	(35,380)	196,870	(23,022)	Reassessed staff costs forecast for 2017/18.
Apprentice Scheme	220,980	220,980		220,980	0	
	1,355,439	1,473,293	(161,957)	1,311,336	(44,103)	
Head of Leisure & Health						
Head of Leisure & Health	80,980	80,847		80,847	(133)	
One Leisure Active Lifestyles	203,274	199,972		199,972	(3,302)	
One Leisure	(444,236)	(508,079)	25,000	(483,079)	(38,843)	The majority of the variance is still due to Impressions income not meeting anticipated budget targets. A previous "recovery plan" was too ambitious and although signs of previous issues being turned around, likelihood of it happening in a short timescale is low. However, this problem is currently being offset by projected savings on staffing (£79k). Action - A full root and branch review of Impressions is underway and as areas are tackled, actions are put in place to correct any issues.
	(159,982)	(227,260)	25,000	(202,260)	(42,278)	

Service	2017/18 Updated Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
	£	£	£	£	£	
Head of Operations						
Head of Operations	78,789	78,840		78,840	51	
Environmental & Energy Mgt	77,167	77,301		77,301	134	
Street Cleansing	793,949	768,521		768,521	(25,428)	Carrying 3 vacancies for 1st Quarter. 0.75 FTE
Green Spaces	1,163,650	1,131,488		1,131,488	(32,162)	Saving from 3x6 month posts not filled
Public Conveniences	13,400	13,830		13,830	430	Huntingdon PC not being supported by HTC, PC closed so saving cleaning costs to offset
Waste Management *	2,000,856	2,187,097		2,187,097	186,241	£180k Round rescheduling overspend due to complexity of project. Only 2 of the 3 rounds expected to save as indicated to Cabinet in Jan-2017. Action - Full Round Rescheduling not anticipated in this current year
Operations Management	0	0		0	0	
Facilities Management	1,065,592	1,128,839		1,128,839	63,247	£47k Rent to DWP not anticipated to start this year; £6k rates increase due to Solar PV Tax for EFH
Fleet Management	256,247	258,942		258,942	2,695	
Markets	(67,542)	(64,158)		(64,158)	3,384	
Car Parks	(1,352,616)	(1,339,900)		(1,339,900)	12,716	£10k shortfall in excess charges so far this year due to sickness
	4,029,492	4,240,801	0	4,240,801	211,309	
Head of Resources						
Head of Resources	87,865	87,736		87,736	(129)	
Corporate Finance	4,604,336	4,545,853		4,545,853	(58,483)	Main reason is the increased income from loans to Rsls (100k), redundancy payments +33k, less borrowing required (19k)
Legal	218,060	212,206		212,206	(5,854)	
Audit & Risk Management	560,175	638,686		638,686	78,511	Increase in insurance tender +82k, saving from BDO covering seconded staff member (3k)
Procurement	60,226	59,781		59,781	(445)	
Finance	687,208	678,410		678,410	(8,798)	
Commercial Estates	(2,633,916)	(2,477,350)		(2,477,350)	156,566	Unsuccessful bid on CIS properties has resulted in reduced forecasted income as well as reduced forecasted expenditure on MRP and management charge
HR and Payroll Services	620,581	628,732		628,732	8,151	
	4,204,535	4,374,054	0	4,374,054	169,519	

Service	2017/18 Updated Budget	2017/18 Forecast Outturn (Gross)	Transfers to/ (from) Earmarked Reserves	2017/18 Forecast (Net)	Variance (Net)	Comments on Variance +/- £10,000
	£	£	£	£	£	
Corporate Team Manager						
Democratic & Elections	776,150	723,772		723,772	(52,378)	(£53k) saving from no district elections this year
Directors	499,847	426,233		426,233	(73,614)	(£25k) Corporate Director Vacancy, (£44k) Post trf to Corporate
Corporate Team	434,710	375,708		375,708	(59,002)	(£74k) Several members of staff moved to Transformation; (£29k) Comms moved to HOSLES, £44k Post trf from Directors
Transformation	0	1,000,000	(1,000,000)	(0)	(0)	Not all seconded staff are being backfilled by the service, ergo there could be savings in other services. Action - Overspend will be funded by reserves £1m
	1,710,707	2,525,712	(1,000,000)	1,525,712	(184,995)	
HDC Totals	17,210,565	18,712,306	(1,130,345)	17,581,961	371,396	

* There is a possibility of extra costs of £190,000 due to a supplier erroneously holding onto recycling and subsequently sending it to landfill, meaning that we should not receive the credit - this error affects several councils in the area, currently under dispute

5. Medium Term Financial Strategy

2018/19 to 2021/22 MTFS (Approved February 2017)					
MTFS Service	Budgets				Comment on Variation (Incl if unavoidable, if action to rectify can be taken)
	2018/19	2019/20	2020/21	2021/22	
	£'000	£'000	£'000	£'000	
Head of Community Approved Total	1,648	1,648	1,690	1,724	
<i>Forecast Changes</i>					
Dog Control	(5)	(5)	(5)	(5)	Woodgreen Contract cost reduced.
CCTV					Commercialisation strategy will impact on later years but this is still being evaluated
New MTFS Totals	1,643	1,643	1,685	1,719	
Head of Customer Services Approved Total	2,591	2,615	2,677	2,734	
<i>Forecast Changes</i>					
Currently no changes					
New MTFS Totals	2,591	2,615	2,677	2,734	
Head of ICT Shared Service Approved Total	1,730	1,738	1,753	1,769	
<i>Forecast Changes</i>					
ICT Shared Service					New Business Case being formulated which will provide realistic savings totals and timings. Currently being evaluated.
New MTFS Totals	1,730	1,738	1,753	1,769	
Head of Development Approved Total	1,352	1,411	1,458	1,505	
<i>Forecast Changes</i>					
Currently no changes					
New MTFS Totals	1,352	1,411	1,458	1,505	
Head of Leisure & Health Approved Total	(284)	(298)	(236)	(153)	
<i>Forecast Changes</i>					
One Leisure					Expected recovery of falling membership income currently slower than expected. Root causes to be being tackled. Impact currently being evaluated.
New MTFS Totals	(284)	(298)	(236)	(153)	
Head of Operations Approved Total	3,811	3,817	3,922	4,029	
<i>Forecast Changes</i>					
Facilities Management	6	6	6	6	Increase in rates for Solar Panels
Waste Management	90	90	90	90	Recycling round rescheduling savings cannot be achieved (see Cabinet report January)
New MTFS Totals	3,907	3,913	4,018	4,125	
Head of Resources Approved Total	4,312	4,384	4,414	4,425	
<i>Forecast Changes</i>					
Commercial Investment Strategy	50	50	50	50	Line by line review savings not achievable
New MTFS Totals	4,362	4,434	4,464	4,475	
Directors & Corporate Team Approved Total	1,650	1,662	1,687	1,704	
<i>Forecast Changes</i>					
Currently no changes					
New MTFS Totals	1,650	1,662	1,687	1,704	
MTFS Forecast Total	16,951	17,118	17,506	17,878	
Existing MTFS Total	16,810	16,977	17,365	17,737	
Expected Total Variation	141	141	141	141	

6. Capital Programme

The approved gross Capital Programme 2017/18 is £9.346m. As part of the Quarter 4 Integrated Performance Suite, Cabinet on 22 June 2017 approved the rephasing schemes from 2016/17 to 2017/18 totalling £3.1m.

The gross expenditure to date is £1.119m (9% of Budget, 25% of the year) and the Capital Programme is forecast to have an overall overspend of £0.355m. This forecast overspend is funded from additional grants (DFGs) and contributions (Sports England).

Variation Commentary Summary		£000s
Overspend		
Development – DFGs		363
The overspend is based on the current level of demand from clients. This is partly offset by private donations which are forecast to exceed the budget by £0.119m		
Development – Huntingdon West Development		61
A Community Infrastructure Levy payment has been made to Cambridgeshire County Council, this will be funded from the CIL reserve.		
Underspend		
Operations - Vehicle Fleet Replacement		(61)
A saving has resulted from actual prices of vehicles being less than that estimated at the procurement stage.		
Operations – Salix		(30)
The budget available has been reduced based on the amount of work that was completed in previous years.		
Operations – Refit Projects		(142)
The works at One Leisure St Neots have now been removed from the programme.		
Rephase		
Development – Alconbury Weald		(44)
The Alconbury Weald reserve will now be used to make loans, instead of direct expenditure.		
Other		
Leisure and Health – OL Huntingdon Changing Facilities		208
This scheme was originally netted off against external grant, it has now been grossed up to show the expenditure an income separately.		
Total		355

There is a risk that this level of forecast will not happen as there are schemes that have not started yet. This process is managed by the Finance and Performance Governance Board. 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 next 2 tables provide the following information:

Table 1 – the Capital Programme by scheme with proposed rephasing, expenditure to date and forecast outturn.

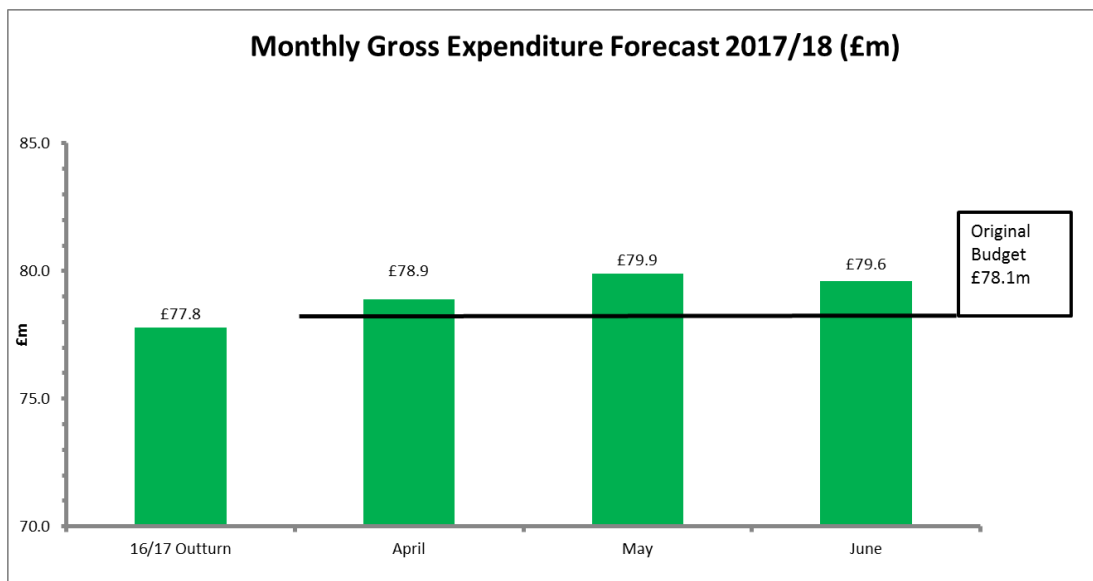
Table 2 – the financing of the Capital Programme showing the funding from grants and contributions, capital receipts, use of earmarked and capital reserves and internal borrowing.

Capital Programme Forecast 2017/18		June							
Table 1 Expenditure	Budget Manager	Approved Budget £	Slippage or Supplementary £	Updated Budget £	Expenditure to date £	Forecast £	Variance £		
Community									
CCTV Camera Replacements	Chris Stopford	190,000	30,000	220,000	0	220,000	0		
CCTV Pathfinder House Resilience	Chris Stopford	20,000		20,000	0	20,000	0		
CCTV Wi-Fi	Chris Stopford	250,000		250,000	0	250,000	0		
Lone Worker Software	Chris Stopford	20,000		20,000	0	20,000	0		
Development									
Disabled Facilities Grants	Caroline Hannon	1,300,000		1,300,000	297,408	1,663,716	363,716		
Huntingdon West Development	Claire Burton		35,000	35,000	61,332	96,332	61,332		
Alconbury Weald Remediation	Sue Bedlow	1,985,000		1,985,000	0	1,940,968	(44,032)		
Leisure and Health									
One Leisure Improvements	Pete Corley	205,000	(40,000)	165,000	26,680	165,000	0		
Burgess Hall	Brian Gray	305,000		305,000	2,028	305,000	0		
One Leisure Huntingdon Changing Facilities	Karen Martin-Peters		72,000	72,000	169,376	280,000	208,000		
One Leisure Huntingdon Development	Paul France	779,000	31,000	810,000	16,750	810,000	0		
One Leisure St Neots Synthetic Pitch	Jon Clarke		390,000	390,000	0	390,000	0		
OL St Neots Pool	Jon Clarke	290,000		290,000	2,027	290,000	0		
				0			0		
Resources									
Phoenix Court Lane Industrial Unit Roof Enhancement	Jackie Golby	157,000	40,000	197,000	0	197,000	0		
Levellers Lane Industrial Unit Roof Enhancement	Jackie Golby	56,000	22,000	78,000	0	78,000	0		
Clifton Road Industrial Unit Roof Enhancement	Jackie Golby	49,000	21,000	70,000	0	70,000	0		
Cash Receipting System	Adrian Forth		26,000	26,000	0	26,000	0		
Financial Management System Replacement	Adrian Forth		27,000	27,000	11,383	27,000	0		
FMS Archive	Adrian Forth	14,000		14,000	0	14,000	0		
VAT Exempt Capital	Adrian Forth	29,000	59,000	88,000	0	88,000	0		
Capital Grant to Huntingdon Town Council	Adrian Forth		338,000	338,000	300,000	338,000	0		
Loan Facility to Huntingdon Town Council	Adrian Forth		800,000	800,000	0	800,000	0		
Investment in Company	Adrian Forth		100,000	100,000	0	100,000	0		
Customer Services									
Printing Equipment	Andy Lusha	176,000		176,000	0	176,000	0		
E-forms	Ian Davies		3,000	3,000	12,541	3,000	0		
3C ICT									
Flexible Working - 3CSS	Emma Alterton	50,000		50,000	0	50,000	0		
Telephones - 3CSS	Emma Alterton		28,000	28,000	26,081	28,000	0		
Virtual Server - 3CSS	Emma Alterton		81,000	81,000	1,950	81,000	0		
Operations									
Building Efficiencies (Salix)	Chris Jablonski	28,000	54,000	82,000	0	52,000	(30,000)		
Wheeled Bins	Heidi Field	231,000		231,000	40,052	231,000	0		
Vehicle Fleet Replacement	David Rook	1,146,000	367,000	1,513,000	148,813	1,452,065	(60,935)		
Operations Back Office Development	Matt Chudley	135,000		135,000	0	135,000	0		
Play Equipment	Helen Lack	24,000		24,000	0	24,000	0		
Re-Fit Buildings	Chris Jablonski	311,000	481,000	792,000	2,340	649,000	(143,000)		
Bridge Place Car Park Godmanchester	Colin Luscombe	218,000	100,000	318,000	0	318,000	0		
Pathfinder House Reception (DWP)	Chris Jablonski	303,000		303,000	0	303,000	0		
In Cab Technology	Matt Chudley	75,000	(75,000)	0	0	0	0		
Civic Suite Audio Equipment	Chris Jablonski		108,000	108,000	0	108,000	0		
Transformation									
Transformation Schemes	Karen Middleton	1,000,000		1,000,000	0	1,000,000	0		
Total Expenditure		9,346,000	3,098,000	12,444,000	1,118,761	12,799,081	355,081		

Capital Programme Forecast 2017/18		June					
Table 2 Funding of Capital Programme	Budget Manager	Approved Budget £	Slippage or Supplementary £	Updated Budget £	Expenditure to date £	Forecast £	Variance £
Grants and Contributions							
DFGs	Caroline Hannon	1,000,000		1,000,000	(9,560)	1,118,716	118,716
Pathfinder House Reception	Chris Jablonski	278,000		278,000	0	278,000	0
Wheeled Bins	Heidi Field	89,000		89,000	(21,444)	89,000	0
Synthetic Pitch	Jon Clarke		274,000	274,000	0	274,000	0
One Leisure Huntingdon Changing Facilities		0	0	0	0	208,000	208,000
Total Grants and Contributions		1,367,000	274,000	1,641,000	(31,004)	1,967,716	326,716
Use of Capital Reserves							
Alconbury Remediation Works Reserve	Sue Bedlow	1,985,000		1,985,000	0	1,940,968	(44,032)
Total Capital Reserves		1,985,000	0	1,985,000	0	1,940,968	(44,032)
Capital Receipts							
Loan Repayments	Adrian Forth	320,000		320,000		320,000	0
Housing Clawback Receipts	Adrian Forth	500,000		500,000		500,000	0
Total Capital Receipts		820,000	0	820,000	0	820,000	0
Use of Earmarked Reserves							
Financial Management System Replacement	Adrian Forth		27,000	27,000		27,000	0
Capital Grant to Huntingdon Town Council	Adrian Forth		300,000	300,000		300,000	0
Investment in Trading Company	Adrian Forth		100,000	100,000		100,000	0
ICT Transformation	Clive Mason	1,000,000		1,000,000		1,000,000	0
FMS Archive	Adrian Forth	14,000		14,000		14,000	0
CIL Reserve	Andy Moffat					61,332	61,332
To Earmarked Reserves		1,014,000	427,000	1,441,000	0	1,502,332	61,332
Total Funding		5,186,000	701,000	5,887,000	(31,004)	6,231,016	344,016
Net to be funded by borrowing		4,160,000	2,397,000	6,557,000	1,149,765	6,568,065	11,065

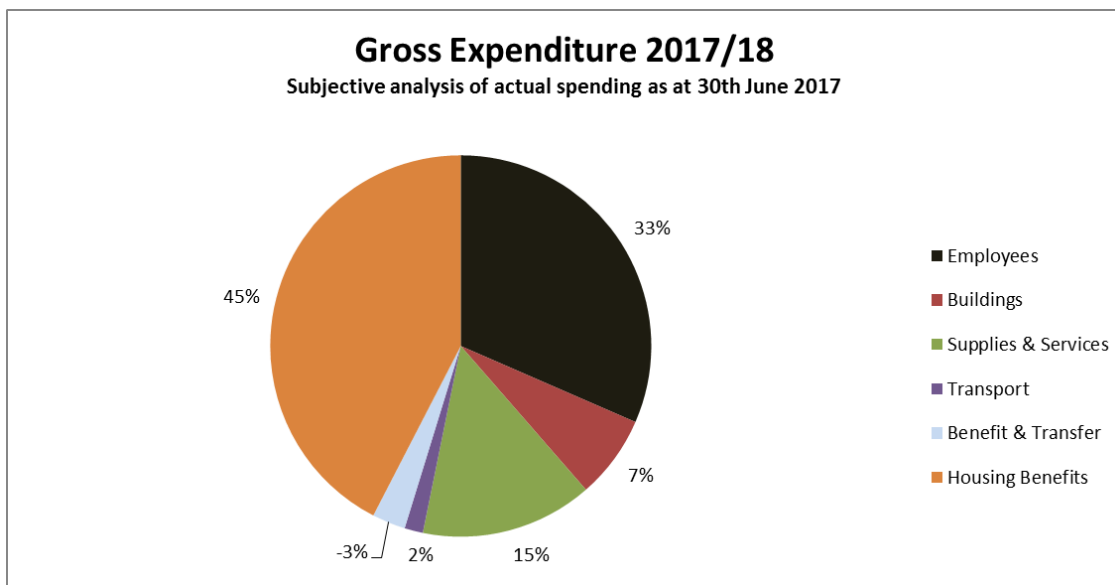
7. Financial Dashboard

Revenue Expenditure

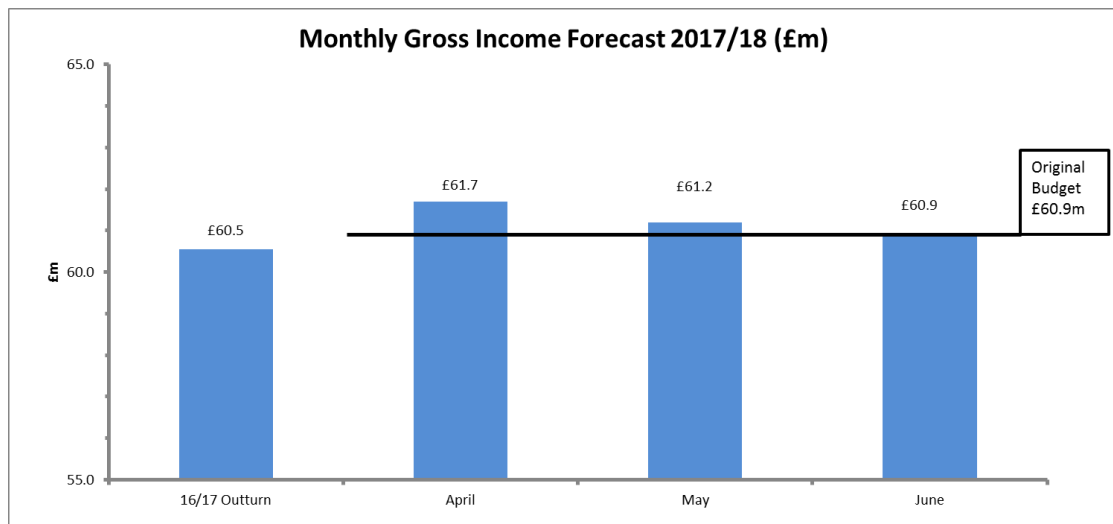


The 2017/18 gross revenue expenditure Budget is £78.1m.

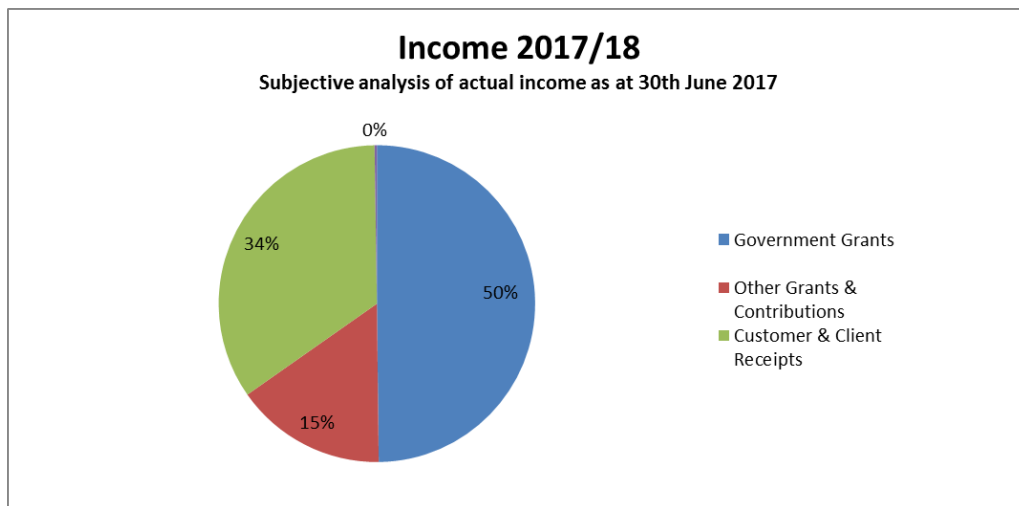
As shown below the main area of expenditure is Housing Benefits and employees.



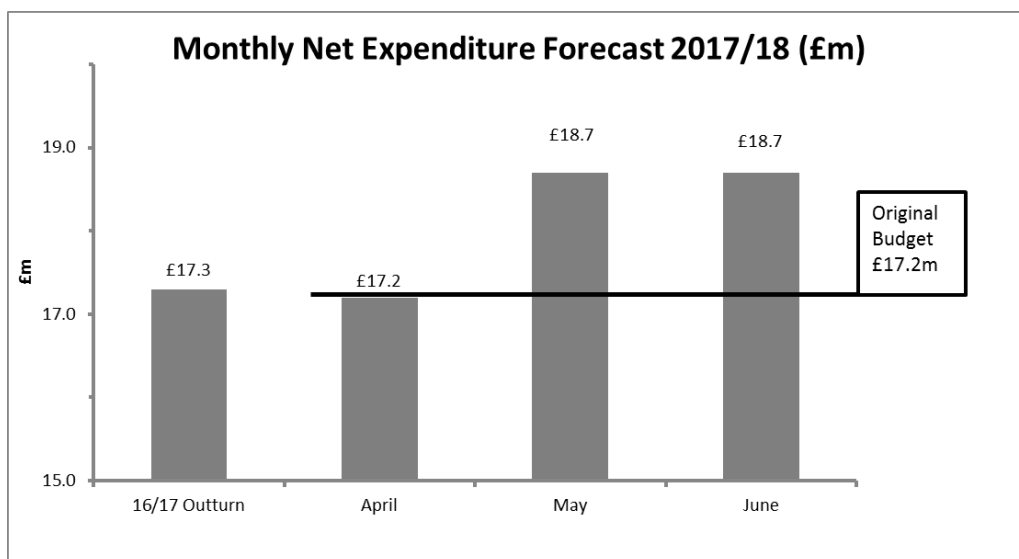
Revenue Income



The gross revenue income Budget is £60.9m,

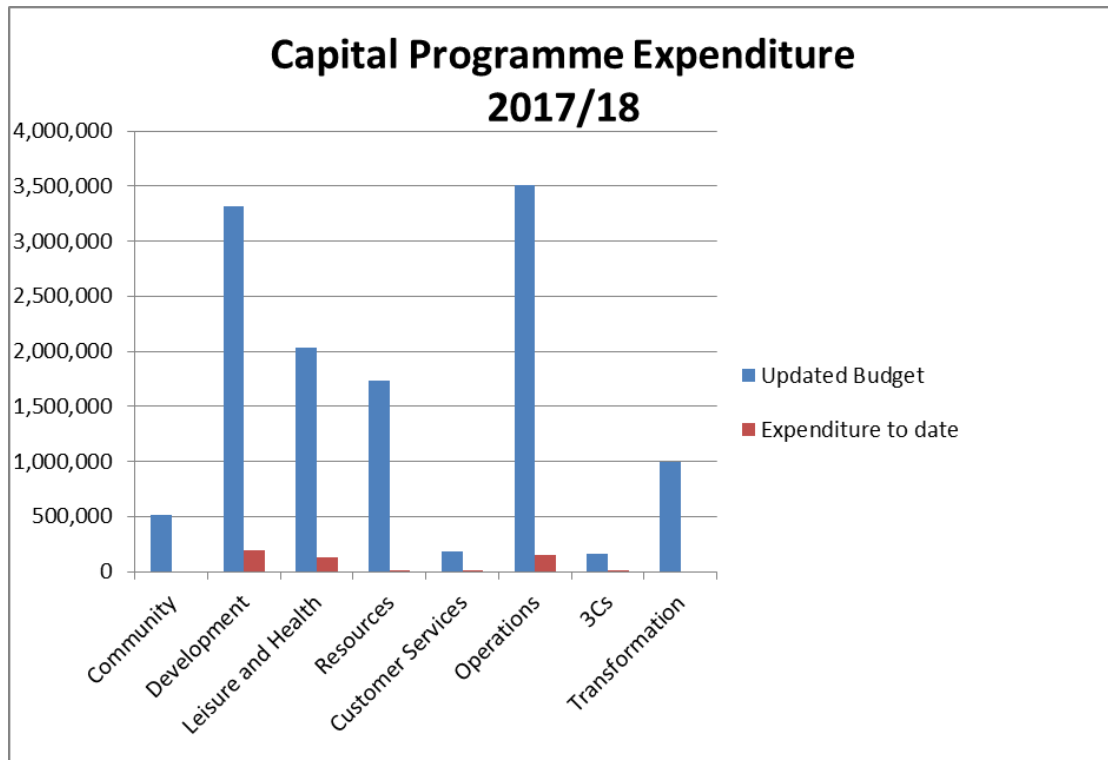


Revenue Net Position



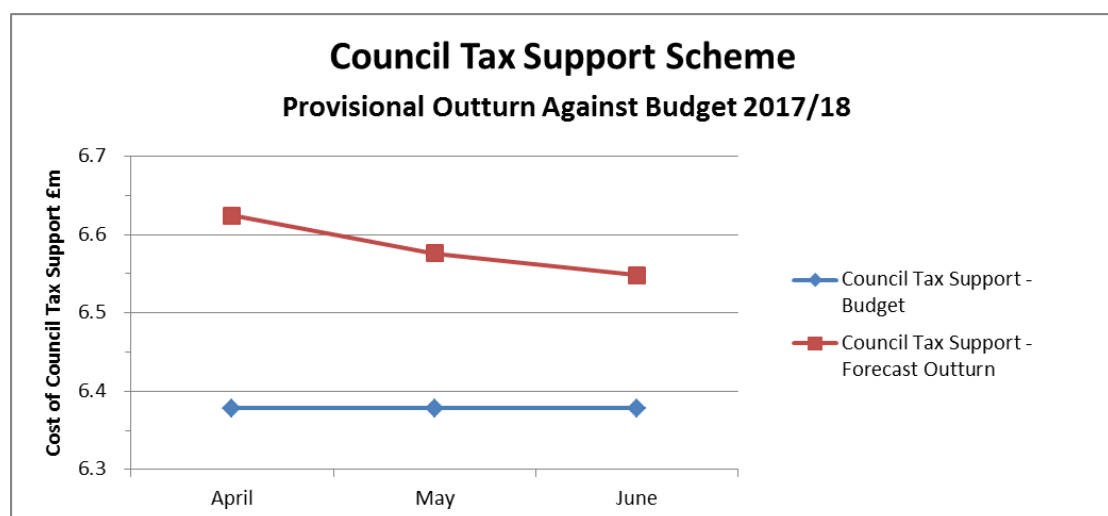
At the end of June 2017 the net revenue expenditure is forecast to be at £18.71m, however, £1.13m of this will be covered by earmarked reserves. Therefore, after allowing for movements to/from reserves the net expenditure is expected to be £0.37m above the net Budget of £17.2m. If this overspend continues then additional savings will have to be identified over and above of what is in the MTFS.

Capital Programme - Expenditure Forecast



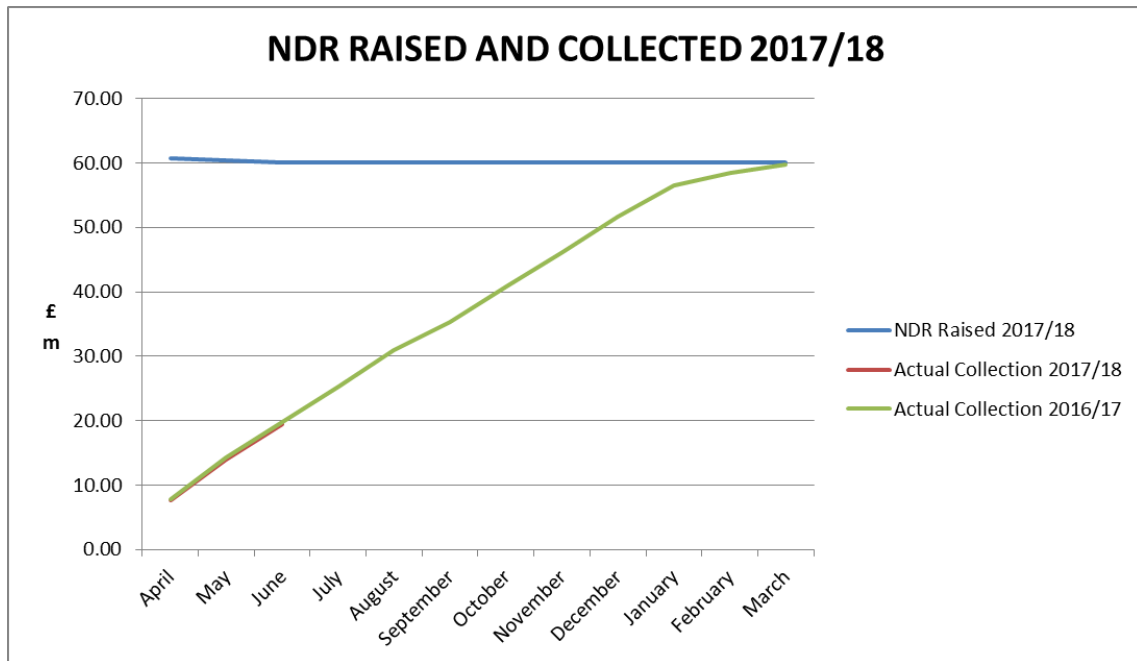
Council Tax Support Scheme

Currently, the actual take-up of Council Tax Support is running approximately £0.17m above the budgeted £6.4m. Any 2017/18 increase in Council Tax Support will impact in 2018/19.



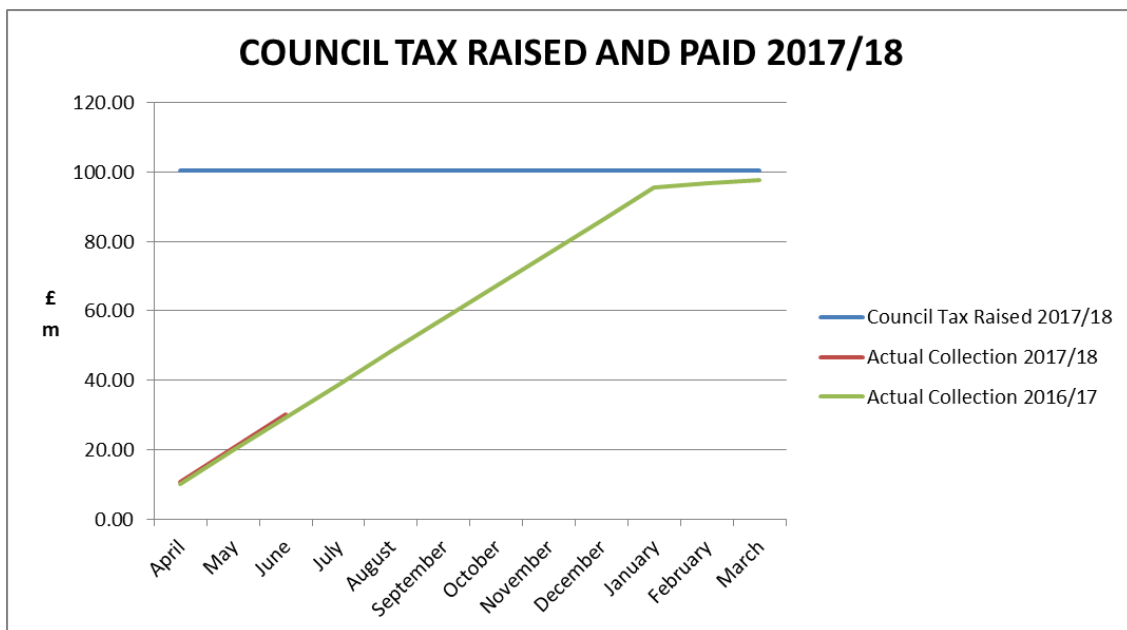
The impact of this increase on HDC will be proportionate to all Council Tax precepts (13.8% for HDC including parishes).

Collection of NDR



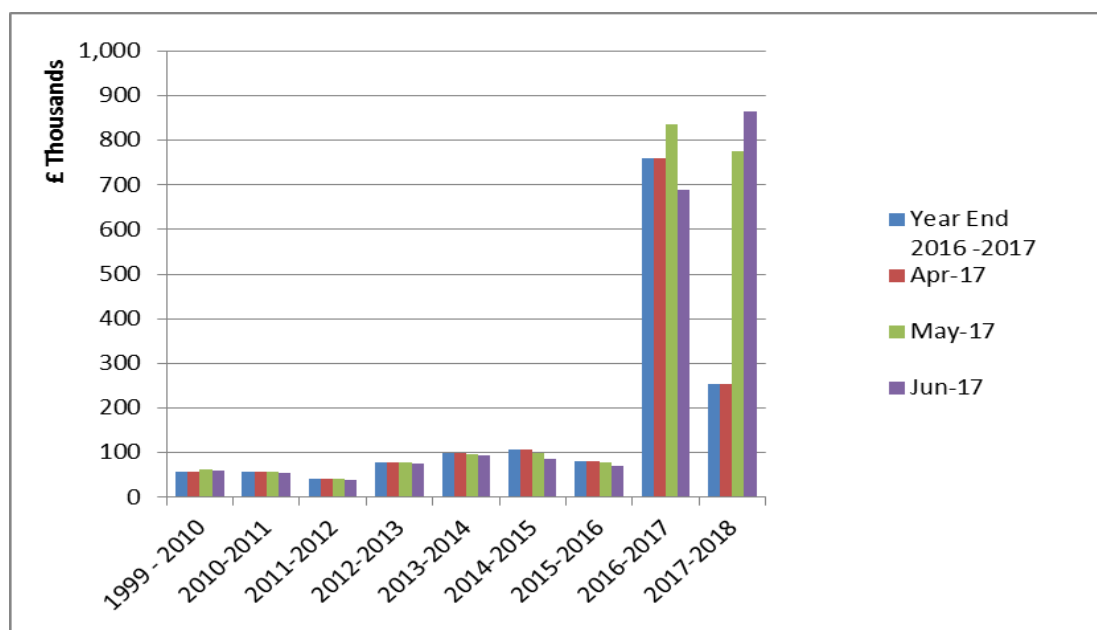
The graph above shows the total amount of NDR bills raised in 2017/18 and the actual receipts received up to end of June, with a forecast for receipts through to the end of the year, based on historical collection rates. The estimated NDR raised is £60.15m.

Collection of Council Tax



The graph above shows the total amount of Council Tax bills raised in 2017/18 and the actual receipts received up to end of June, with a forecast for receipts through to the end of the year, based on historical collection rates. The estimated Council Tax raised is £100.5m.

Miscellaneous Debt



The total outstanding debt as at June 2017 is £2.032m, £1.166m is prior year debt of which £0.688m relates to 2016/17.

The graph shows the level of overdue miscellaneous income debt (debt is overdue when it is older than 21 days). The 2016/17 and 2017/18 debt position is currently showing a large outstanding amount, £838k relates to Commercial Rents and £200k relates to schools use of One Leisure facilities. Currently, £779k is being collected via direct debit and will be paid by the end of the current financial year.

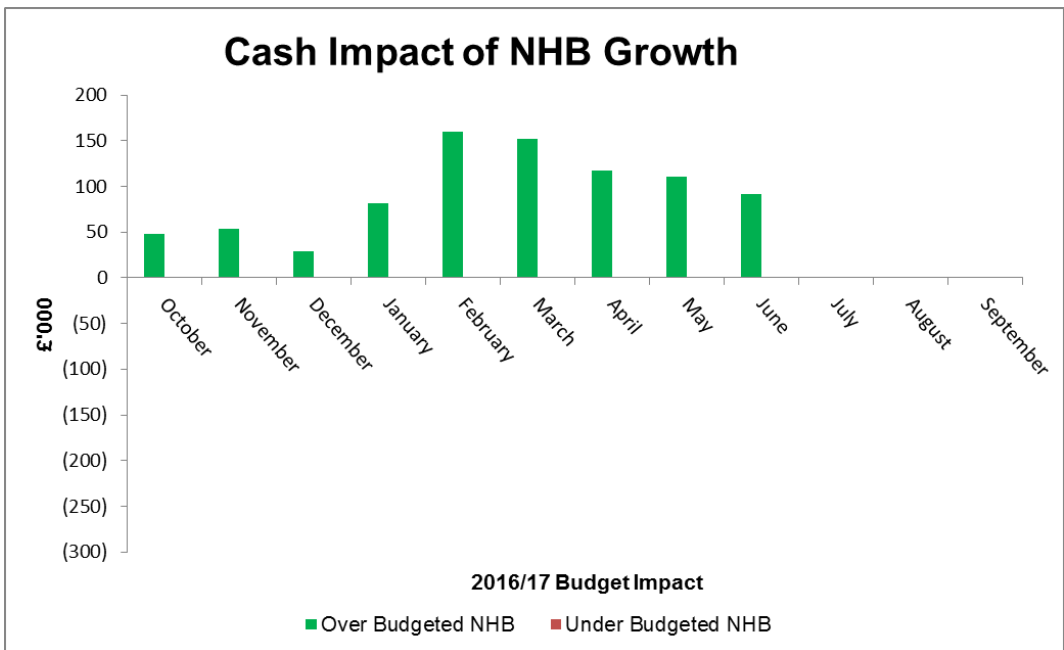
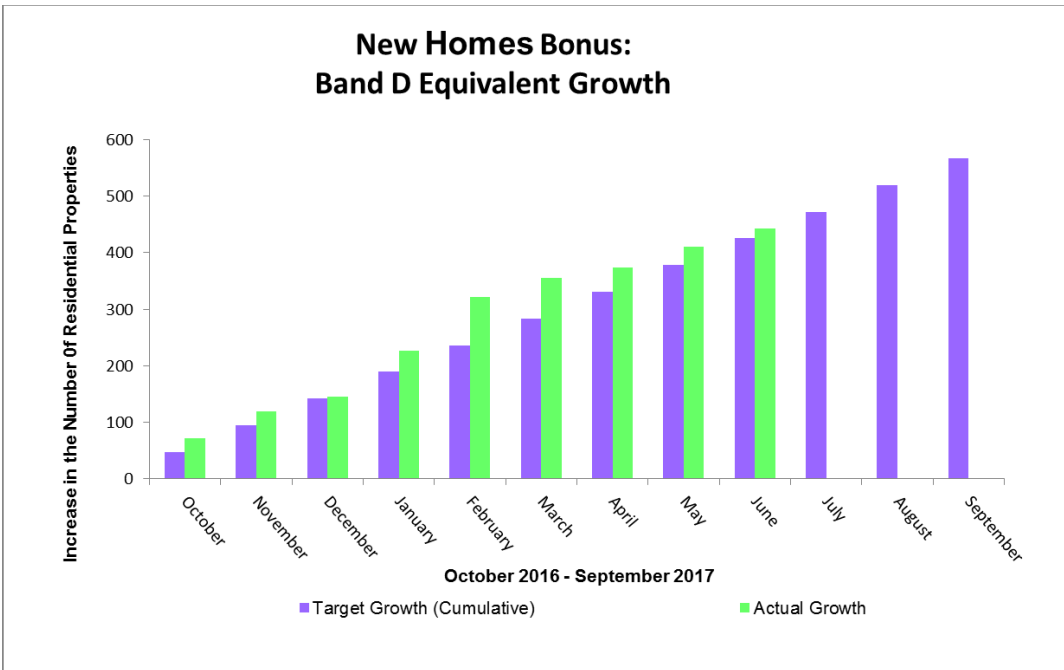
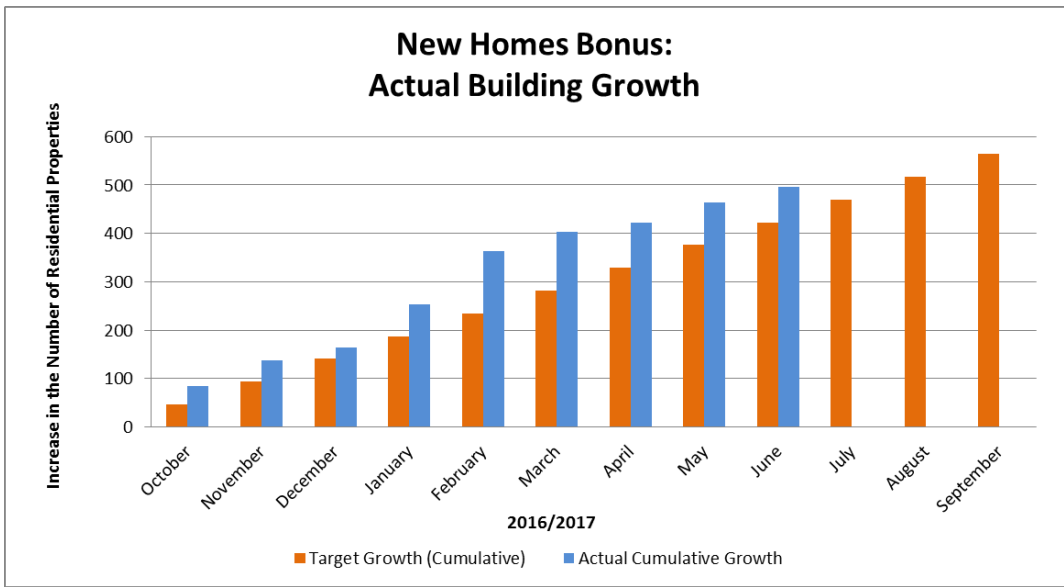
Further details on the age analysis of the debts are shown on page 22 of this report.

New Homes Bonus

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

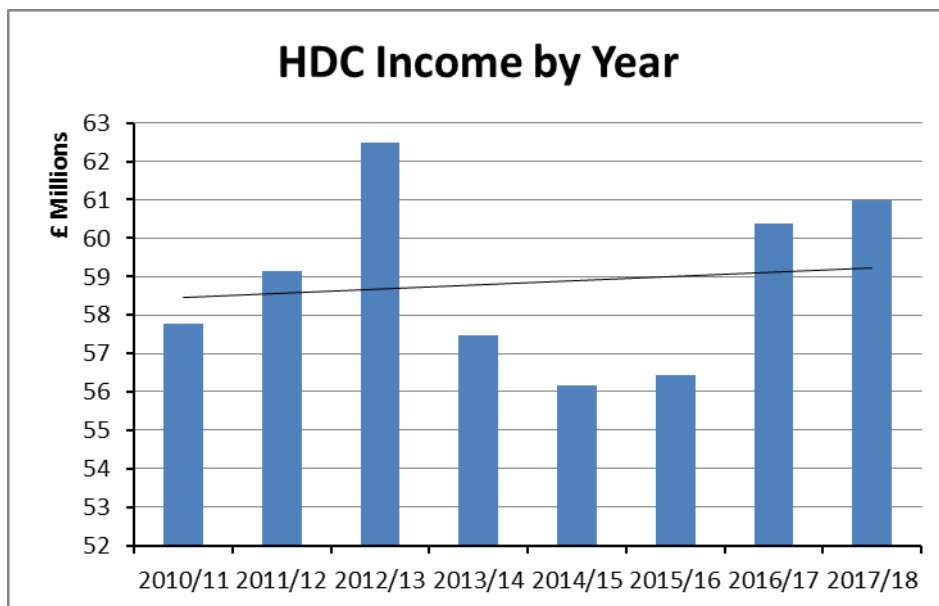
The current reporting cycle (October 2016 to September 2017) has a target number of completions of 567, as published in the draft Planning Annual Monitoring Report (December 2016). Currently, 496 properties have been completed and if completions continue at the recent rate of approximately 30 per month then we will finish slightly ahead of target.

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



HDC Income and Expenditure Trends:-

Income



Comments on annual changes:-

The income figures used in the graph do not include Council Tax, NDR and Non Specific Government Grants receipts.

Housing Benefits (and previously Council Tax Benefits) account for over half of the income received by HDC. Therefore changes to these income streams have quite an impact on the Councils total income figures.

Housing Benefits (HB) and Council Tax Benefits subsidy increased by £2m between 2010/11 and 2011/12 and by £3m between 2011/12 and 2012/13. In 2013/14 Council Tax Benefits were replaced by the Council Tax Support Scheme and this removed £8m of subsidy from the income figures (Council Tax Support awarded impacts the collection fund not the General Fund revenue account). Housing Benefit Subsidy increased by £0.5m. Housing Benefit subsidy fell by £2m between 2013/14 and 2014/15 it remained at £35m in 2015/16 but fell by £1m in 2016/17.

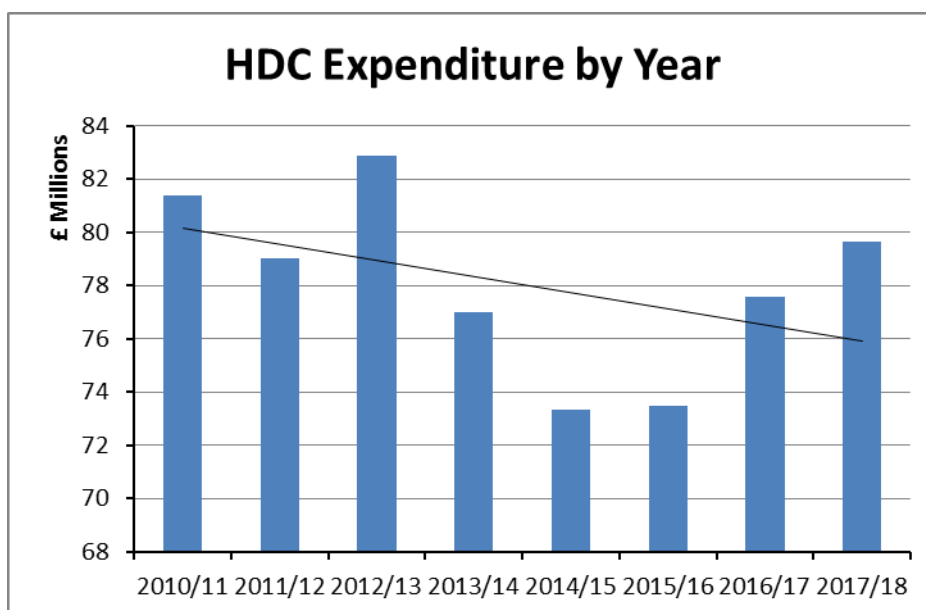
The more recent increases are due to the following:-

- From 2015/16 shared services charges to partners have increased income by £0.75m in 2015/16 and £4.7m in 2016/17.
- Commercial Estates income has risen from £1.9m in 2015/16 to £2.5m in 2016/17 and a forecast £4.6m in 2017/18. This is due to the Commercial Investment Strategy that has led to the acquisition of new commercial sites.

Other items to note are:-

- Planning application fee income has risen steadily over the years from £0.7m to £1.5m in 2016/17 and a forecast £1.6m in 2017/18.
- Car Park income has risen from £1.5m in 2010/11 to £2.4m in 2016/17 and a forecast £2.5m in 2017/18.
- One Leisure income has risen from £5.8m in 2010/11 to £6.8m in 2016/17 and a forecast £7.0m in 2017/18.

Expenditure



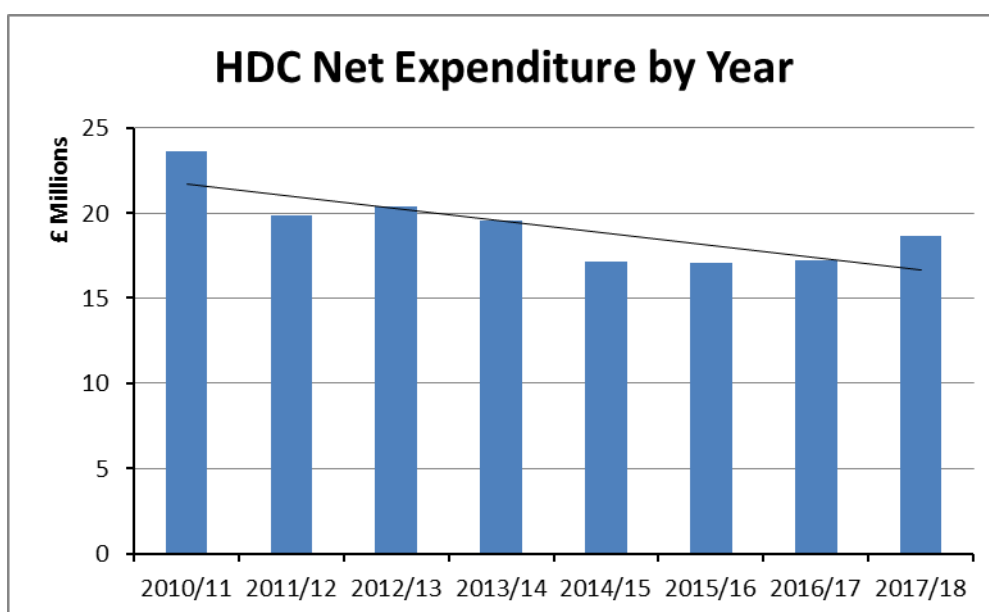
Comments on annual changes:-

The voluntary redundancy scheme offered in 2010/11 increased employee costs in that year.

As with income, Housing Benefit and Council Tax Benefit expenditure rose sharply from 2010/11 to 2012/13 and then fell by a net £7m in 2013/14 when the Council Tax Support scheme replaced the Council Tax Benefits scheme. Since 2014/15, Housing Benefit expenditure has been falling.

The ICT shared service, where the base budget was reduced on merger, impacted on expenditure in 2015/16 but the full impact (£4.0m) was felt in 2016/17.

Net Expenditure



Miscellaneous Debt

The table below provides the analysis of the age of debt each month to date for 2017/18 with some comparative figures for 2016/17.

	Total	21 days	21 to 40 days	41 to 70 days	71 to 100 days	100 + days
First Available Sept 2016	4,885,560.73	3,531,598.80	91,947.82	25,776.57	52,279.75	1,183,957.79
2016 Oct 2016	1,551,528.69	258,334.22	92,006.76	77,810.72	20,962.50	1,102,414.49
Year End Mar 2017	2,313,295.32	608,975.80	894,763.40	83,356.69	24,047.21	702,152.22
2017/18						
Apr-17	2,114,135.25	162,571.40	480,234.88	755,884.91	61,732.78	653,711.28
May-17	2,422,915.69	298,441.12	562,164.60	327,267.33	560,163.89	674,878.75
Jun-17	2,031,792.94	451,782.56	192,838.19	42,189.44	278,680.47	1,066,302.28
Jul-17						
Aug-17						
Sep-17						
Oct-17						
Nov-17						
Dec-17						
Jan-18						
Feb-18						
Mar-18						

Appendix E

ZBB Savings Agreed 2017/18 Budget Setting - RAG Status			
Service		2017/18 £	RAG Status
Community Services			
	CCTV Shared Services Hosting	(28,000)	
Customer Services			
	Council Tax Management	(76,000)	
	Benefits Management	(65,000)	
	Community Centres	(5,500)	
	Printing	(40,000)	
	Call Centre	(1,000)	
	Customer Service Centres	(500)	
Leisure and Health			
	Healthy Walks	(1,200)	
	Exercise Referral	(1,000)	
	Sports Development	(900)	
	Active At 50	(1,000)	
	Dash Sports England	(16,900)	
	Swimming	(10,694)	
	Site & Centre Management	(22,306)	
Operations			
	Recycling Collections	(8,500)	
	Domestic Waste Collection	(60,500)	
	Trade Refuse	(10,000)	
	Street Cleansing	(20,000)	
	Hinchingbrooke Park Cafe	(10,000)	
	Parks & Open Spaces	(30,000)	
	Pathfinder House	(87,600)	
	Car Parks Operational Mgt	(168,000)	
	Projects & Env Imps Management	(6,000)	
Corporate Team			
	Corporate Team	(17,000)	
ICT Services			
	Head Of Ict Shared Service	(500)	
Resources			
	Commercial Properties	(62,000)	
	Hr & Payroll Services	(85,000)	
	TOTAL 2017/18 ZBB SAVINGS	(835,100)	

Line by line review savings Agreed 2017/18 Budget Setting - RAG Status			
Service		Line by Line review Savings Lite	RAG status
Community			
	Head Of Community	(2,000)	
	Head Of Community	(1,500)	
	Dog Control	(500)	
	Dog Control	(2,500)	
	Vehicles and Licences	(20,000)	
	Ramsey Neighbourhood	(2,000)	
	Commercial Team	(11,000)	
	Neighbourhood Intervention	(7,000)	
	Community Safety	(5,500)	
		(52,000)	
Customer			
	Benefits Management	(18,000)	
	Community Centres	(1,546)	
	Call Centre	(3,494)	
	Customer Service Centres	(3,051)	
		(26,091)	
Development			
	Dm Application Processing	(200,000)	
	Renovation/Improvement Grants	(11,000)	
	Development Management	(5,000)	
	Planning Policy	(7,000)	
		(223,000)	
Operations			
	Environmental projects	(16,000)	
	Arboricultural Team	(3,500)	
	Grounds Maintenance	(22,500)	
	Recycling Collections	(37,000)	
	Domestic Waste Collection	(22,000)	
	Bulky Refuse	(3,000)	
	Trade Refuse	(10,000)	
	Street Cleansing	(98,500)	
	Water & Sewerage	(2,000)	
	Buildings	(2,000)	
	Market Income	(5,500)	
	Car Parks Operational Mgt	(25,000)	
	Projects	(3,200)	
		(250,200)	
Corporate Services			
	Apprenticeships	(20,000)	
	Other services	(16,000)	
		(36,000)	
Resources			
	Head Of Resources	(2,850)	
	Commercial Investment Strategy	(50,000)	
	Head Of Resources (Corporate Budgets)	(4,000)	
	Insurance	(57,000)	
		(113,850)	
	TOTAL 2017/18 LINE BY LINE SAVINGS	(701,141)	

Appendix F

Register of Reviews of CIS Propositions 2017/18

The process of considering CIS opportunities is as follows:

Step 1

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

Step 2

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

Step 3

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

Step 4

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

Step 5

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

Reviews Undertaken April to June 2017 (Quarter 1)

Over the above period, 14 propositions reached Stage 2, of which 3 reached Stage 3 and formal bids were submitted. By property type, the 14 propositions were as follows:

Industrial	2 (1 estate, 1 stand alone)
Office	4 (2 high grade, 2 low grade), of which 2 were bid on
Business Park	1
Major Shopping Centre	1
Distribution	1, which was bid on
Leisure	1
Retail	3 (1 prime high street, 2 secondary high street)
Trade Counter	1