

HUNTINGDONSHIRE DISTRICT COUNCIL

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

Meeting/Date: Cabinet, 16 November 2017

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

Report by: Corporate Team Manager and Finance Manager

Ward(s) affected: All

Executive Summary:

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

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

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

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

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

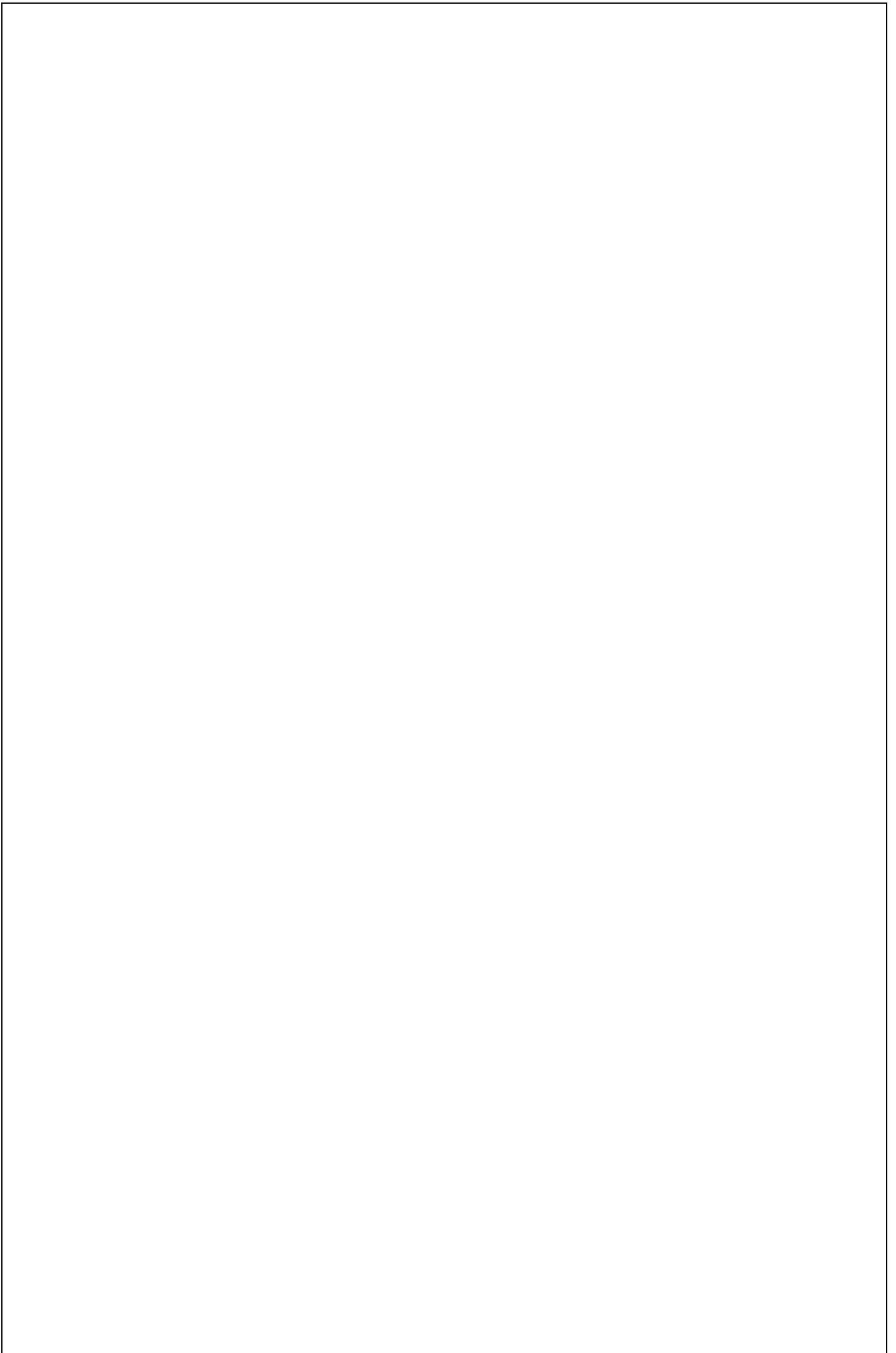
An update on the Commercial Investment Strategy includes details of investments to date and the level of returns these are expected to generate, with information on potential investment opportunities reviewed in Quarter 2 attached at Appendix H.

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

Recommendations:

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

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



1. PURPOSE

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

2. BACKGROUND

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

3. PERFORMANCE MANAGEMENT

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4. FINANCIAL PERFORMANCE

4.1 Financial Performance Headlines

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

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

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

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

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

4.2 Summary Revenue Forecast variances by Service

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

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

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

4.4 ZBB Savings Foregone

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

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

4.5 ZBB and Line by Line Review Savings Progress

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

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

Red – savings not achieved

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

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

4.6 Medium Term Financial Strategy

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

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

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

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

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

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

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

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

5. CAPITAL PROGRAMME

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

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

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

5.3 **Appendix E** provides details by scheme with proposed rephasing, expenditure to date and forecast outturn. **Appendix F** details the financing of the Capital Programme showing the funding from grants and contributions, capital receipts, use of earmarked and capital reserves and internal borrowing.

5.4 There is a risk that this level of forecast will not happen as there are schemes that are forecasted to overspend or underspend. This process is managed by the Finance and Performance Governance Board.

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

6. UPDATE ON THE COMMERCIAL INVESTMENT STRATEGY

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

6.2 At the end of Quarter 2, the financial projections for the CIS are:

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

6.3 Investments

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

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

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

7. COMMENTS OF OVERVIEW & SCRUTINY PANELS

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

8. RECOMMENDATIONS

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

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

9. LIST OF APPENDICES INCLUDED

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

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

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

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

Appendix E – Capital Programme Forecast by Scheme, September 2017

Appendix F – Financing of the Capital Programme, September 2017

Appendix G – Financial Dashboard, September 2017

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

CONTACT OFFICERS

Corporate Plan Performance Monitoring (Appendices A and B)

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

Project Performance (Appendix C)

Adrian Dobbyne, Corporate Team Manager ☎ (01480) 388100

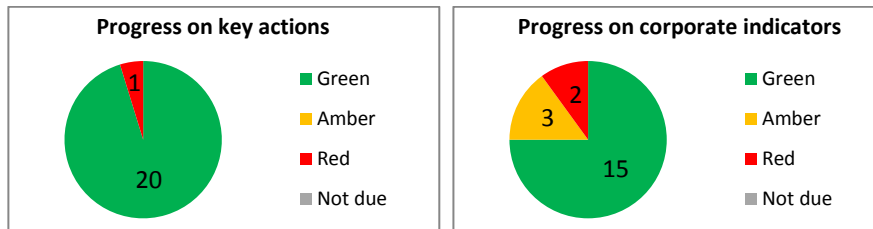
Financial Performance (Appendices D, E, F, G and H)

Adrian Forth, Finance Manager ☎ (01480) 388605

Performance Summary Quarter 2, 2017/18

Enabling communities

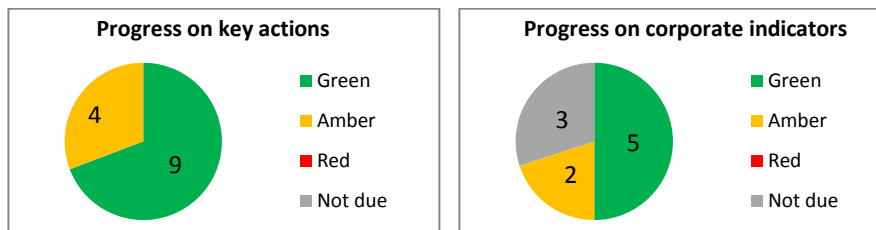
We want to make Huntingdonshire a better place to live, to improve health and well-being and for communities to get involved with local decision making



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

Delivering sustainable growth

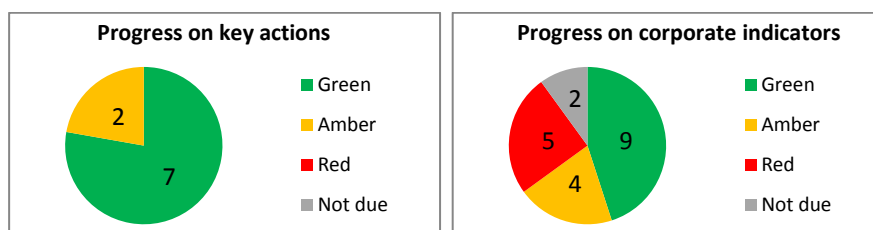
We want to make Huntingdonshire a better place to work and invest and we want to deliver new and appropriate housing



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

Becoming a more efficient and effective council

We want to continue to deliver value for money services



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

CORPORATE PLAN – PERFORMANCE REPORT

Appendix B

STRATEGIC THEME – ENABLING COMMUNITIES

Period July to September 2017

Summary of progress for Key Actions

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

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

Summary of progress for Corporate Indicators

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

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

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

Corporate Performance and Contextual Indicators

Key to status

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

STRATEGIC THEME – DELIVERING SUSTAINABLE GROWTH

Period July to September 2017

Summary of progress for Key Actions

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

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

Summary of progress for Corporate Indicators

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

STRATEGIC THEME – BECOMING A MORE EFFICIENT AND EFFECTIVE COUNCIL

Period July to September 2017

Summary of progress for Key Actions

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

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

Summary of progress for Corporate Indicators

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

Corporate Performance and Contextual Indicators

Key to status

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

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

Appendix C – Project Performance

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

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

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

3C IT Projects where HDC are customers

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

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

Service Commentary

Appendix D

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

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

Note:

● Red – over spend by 2% or more

● Amber – underspend by more than 4%

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

Service Forecasts as at 30 September 2017

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

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

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

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

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

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

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

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

APPENDIX E

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

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

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

Capital Programme Forecast 2017/18

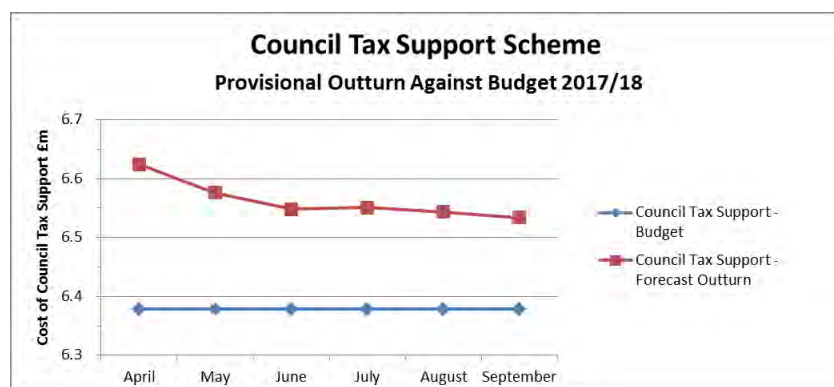
APPENDIX F

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

Financial Dashboard

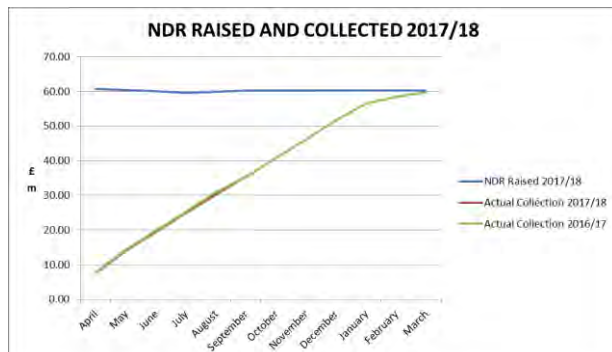
Council Tax Support Scheme

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

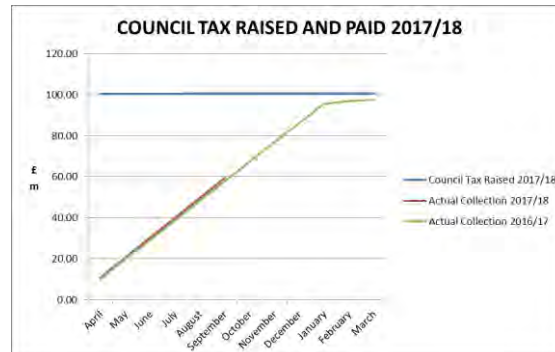


The impact of this increase on HDC will be proportionate to all Council Tax precepts (13.8% for HDC including parishes).

Collection of NDR



Collection of Council Tax



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

Miscellaneous Debt

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

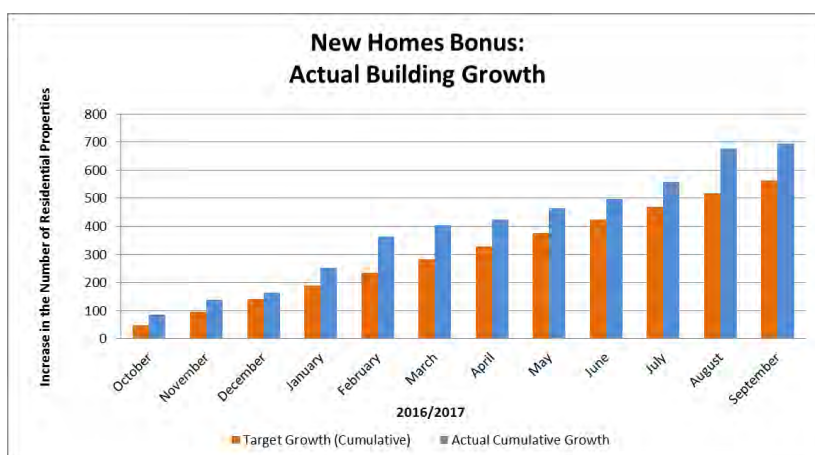
The table shows the level of overdue miscellaneous income debt (debt is overdue when it is older than 21 days). The 2016/17 and 2017/18 debt position is currently showing a large outstanding amount, £701k relates to Commercial Rents and £192k relates to schools and other customers use of One Leisure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

New Homes Bonus

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

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

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



Appendix H

Register of Reviews of CIS Propositions 2017/18

The process of considering CIS opportunities is as follows:

Step 1

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

Step 2

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

Step 3

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

Step 4

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

Step 5

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

Reviews Undertaken July to September 2017 (Quarter 2)

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

By property type, the 35 propositions were as follows:

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

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