

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Integrated Performance Report, 2017/18 Quarter 3

Meeting/Date: Cabinet, 8 February 2018

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 October to 31 December 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 and/or 2. These continue to affect results throughout the year even where subsequent performance has exceeded targets. Scheduled performance clinics focus on delivering continuous improvements in all services.

The report also incorporates Financial Performance Monitoring Suite information setting out the financial position at December. 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 £0.7m.

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

Capital programme – the forecast outturn is an estimated underspend of £1.1m.

An update on the Commercial Investment Strategy includes details of investments to date and the level of returns these are expected to generate, with information on potential investment opportunities reviewed in Quarter 3 attached at Appendix H.

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 December, 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 3.
- 2.2 As recommended by the Project Management Select Committee, updates for projects with a 'Red' status based on latest approved end dates are included at **Appendix C**. There are currently 27 projects which are open, pending approval or pending closure and one recently closed project logged across all programmes.
- 2.3 This report also incorporates financial performance to the end of December. 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 3 will be circulated to Cabinet following their meeting on 31 January.
- 3.2 Progress against Corporate Plan objectives is reported quarterly. The report at **Appendix B** includes details of all Key Actions and Corporate Indicators which had a 'Red' status at the end of Quarter 3. **Appendix C** provides information about projects with a 'Red' status, including the purpose of the project and comments from the Programme Office as to the current status of each project's SharePoint site as part of the new governance arrangements.
- 3.3 Performance Indicator data has been collected in accordance with standardised procedures. Targets for Corporate Indicators and target dates for Key Actions have been set by the relevant Head of Service after discussion with the appropriate Portfolio Holder.
- 3.4 The following table summarises Quarter 3 progress in delivering Key Actions for 2017/18:

Status of Key Actions	Number	Percentage
Green (on track)	35	81%
Amber (within acceptable variance)	7	16%
Red (behind schedule)	1	2%
Awaiting progress update	0	0%
Not applicable	0	0%

Over four-fifths of Key Actions were on track at the end of Quarter 3, with just one significantly behind schedule. This was the action to maintain clean open spaces, which is subject to seasonal variation but where performance has also been affected by the performance of the Weed Spraying contractor. The number of inspections completed has been increased significantly from the previous Quarter and performance is being rectified with the contractor.

3.5 Quarter 3 results for 2017/18 Corporate Indicators are shown in the following table:

Corporate Indicator results	Number	Percentage
Green (achieved)	27	54%
Amber (within acceptable variance)	13	26%
Red (below acceptable variance)	8	16%
Awaiting progress update	0	0%
Not applicable (annual/data unavailable)	2	4%

Excluding the indicators with no results available, this shows that the Council was achieving the majority of its targets at the end of Quarter 3. Eight indicators missed targets by more than acceptable variance, with some still affected by poor performance in previous Quarters. Performance clinics will be focussing on delivering continuous improvements in all services.

The average length of stay of households in B&B accommodation went above the 6 week maximum within the Quarter, with an average length of stay of 7.8 weeks. This is affected by our ability to move households into alternative forms of temporary accommodation and ultimately into a more settled home – directly influenced by the number of social rented properties becoming available. Successful preventions have increased and Quarter 3 saw a reduction in homelessness acceptances compared to the previous year. Alternative sources of temporary accommodation continue to be brought on-line with two suppliers now offering nightly paid self-contained accommodation as an alternative to B&B. There are c.20 units of this type in use as well as c.20 households placed in B&B. It provides a better quality and more cost effective option than B&B but the main objective remains to prevent homelessness in the first place thereby avoiding the need to place households into temporary accommodation.

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. The new Home Improvement Agency Manager is putting improvement measures in place and presented a performance plan to the Overview & Scrutiny Panel (Communities and Environment) meeting in December 2017. Performance of 41.1 weeks in Quarter 3 was below target but an improvement on Quarter 1 (44.7 weeks) and Quarter 2 (44.4 weeks).

The level of missed bins remains above target but continues to improve, with 0.91 bins missed per 1,000 household collections in Quarter 3 compared to 1.54 in Quarter 1. The waste minimisation team have continued efforts with collection crews to highlight frequently missed households and communication with residents has helped to ensure bins are put out for collection on time and at the appropriate collection point.

The overall sickness absence rate for the year to date is a whole day lower than at the same point last year. While the year-end target of 9 days/FTE will not be achieved, it is now likely that the full year performance will fall below 10 days/FTE for the first time since 2013/14.

The indicator relating to achievement of planned net budget reductions is rated Red due to an overall forecast overspend of £0.7m. Detailed explanations of the revenue budget overspends can be found in section 4 below.

There has been further improvement in the percentage of calls to the Call Centre answered, now reported at 87.4% compared to 76.2% in Quarter 2 and 65% in Quarter 1. The answered rate is likely to go down in the final quarter but Customer Services are working with the Transformation team to reduce calls where advisors can't get through to back offices.

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

The website satisfaction rate has fallen to 57% but is based on a small sample with only 10-20 customers rating it each month. The website was rated 4 stars in the Socitm Better Connected Survey last year and the Digital team are considering other methods to measure satisfaction.

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

Corporate project status	Number	Percentage
Green (progress on track)	8	33%
Amber (progress behind schedule, project is recoverable)	6	25%
Red (significantly behind schedule, serious risks/issues)	5	21%
Pending closure	4	17%
Closed (completed)	1	4%

One project has recently been completed with a close-down report signed off and three other projects are currently in the close-down stage. Business cases for a further four projects have not yet been approved. Of the projects currently in the delivery stage, five were Red at the end of Quarter 3 as they were either significantly behind schedule, had serious risks or issues identified or had a lack of governance documentation. 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 £17.9m which is an overspend of £0.7m. This represents a reduction of £0.1m from last month's Forecast overspend 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 The MTFS has been updated as part of the 2018/19 Budget setting process and any 2017/18 variations that have an impact on future years has been incorporated into the new MTFS.

Capital The approved Budget is £9.3m plus the re-phasing of £3.1m giving a revised total Capital Programme of £12.446m (£8.818m net, after taking account specific grants and contributions). The net Forecast outturn is £7.715m giving an underspend of £1.103m compared to last month's Forecast overspend of £0.4m. The reasons for this change are detailed in paragraph 5.6.

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.

	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	2,396	2,525	13	2,538	142	<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	2,031	0	2,031	310	<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)	83	4	87	247	<ul style="list-style-type: none"> Burgess Hall and Impressions are the two main areas where, despite efforts to attract more customers, the income is not achieving the budget target. 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	4,032	4,597	(7)	4,590	558	<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	4,281	16	4,297	(129)	<ul style="list-style-type: none"> Higher insurance premium costs CIS acquisitions behind schedule which is reducing income MRP saving and higher income from existing commercial properties is off-setting the items above
Directors and Corporate	1711	2105	(725)	1,380	(331)	<ul style="list-style-type: none"> Surplus from Mayoral and County Elections Saving from having no District elections this year staff savings due to some seconded officers not being backfilled and other vacancies held
Other services	3,085	3,376	(369)	3,007	(78)	Net Underspends for Community and Development
Total	17,211	18,998	(1,068)	17,930	719	

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		719
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		266

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	
	Savings target	Proportion by category	Savings target	Proportion by category
	£000	%	£000	%
Red	88	11	63	9
Amber	297	35	241	34
Green	450	54	397	57
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 £0.7m and some of this will impact on the MTFS. Over the last three months the MTFS has been reviewed as part of the Budget setting process and the new MTFS that is being presented to Cabinet and Council for approval has picked up any growth or savings items that are impacting on 2017/18 and that will continue to have an impact over the new MTFS period (2019/20 to 2022/23).

5. CAPITAL PROGRAMME

5.1 The approved gross Capital Programme 2017/18 is £9.346m plus the rephrasing of £3.1m giving a revised total Capital Programme for 2017/18 of £12.446m.

5.2 The gross expenditure to date is £4.6m (37% of Budget, 75% of the year) and the Capital Programme is forecast to have a net underspend of £1.103m, this includes underspends, rephasings and other variations. The forecast overspend on DFGs is partly funded from additional grants.

Variation Commentary Summary		£000s
	Overspend	
	Development – DFGs The projected overspend is based on the current and projected level of demand from clients and jobs expected to be completed this year.	750
	Industrial Estate Roofs The tenders have now been received, and they 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.	310
	Underspend	
	Operations - Vehicle Fleet Replacement A saving has resulted from actual prices of vehicles being less than that estimated at the procurement stage.	(144)
	Resources – Loan to Huntingdon Town Council, Medway Replacement Draft drawings have been completed with a Pre-App meeting already held, from which the architect is now completing final drawing ready for submission for Planning Permission during this month. There is a 13 week planning period and 6 week tender period, the anticipated draw down is programmed for June 2018. There is no MRP on this scheme.	(800)
	Resources – Clifton Road Industrial Unit This scheme has been cancelled	(70)
	Rephase	
	Operations – Back Office This scheme has been moved to 2018/19 while options have been considered	(135)
	Resources – Bridge Place Car Park This scheme has been delayed while Secretary of State approval is sought to use common land to park on	(318)
	Leisure – Astro turf Pitch and Pool St Neots One Leisure Lease negotiations between HDC & St. Neots Learning Partnership has now been successfully concluded, with the main sticking point over the Security of Tenure having been resolved. The school have now forwarded the Lease Agreement to the Dept of Education for the authorisation to release the land. The Draft Lease was sent to the Dept of Education in Nov. 2017 and an outcome is anticipated in early 2018. The goal is for the pool works to be completed prior to the 2018 summer holidays and the 3G pitch to be completed in time for the start of the new academic year in Sept. 2018.	(406)
	Operations – Refit Projects Following the finalisation of the lease at One Leisure St Neots, the refit improvements to that centre has now been put back into the programme. Work on the boilers at St Ives and building engineering management at each site has also been rephased.	(370)
	Other	80
	Total	(1,103)

- 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).

5.6 Main Changes to the November Forecast

The November Forecast outturn was an estimated overspend of £0.4m where as at December it is estimated as an underspend of £1.1m giving a movement of £1.5m. The table below shows the main changes:

	Scheme	November 2017 Forecast variance	December 2017 Forecast variance	Change
		£000	£000	£000
1	Loan to HTC, Medway replacement	0	(800)	(800)
2	Astroturf pitch and Pool St Neots	0	(406)	(406)
3	Operations - Refit projects	(104)	(370)	(266)
	Total			(1,472)

- 1. Loan to HTC, Medway replacement** – the completion of the final drawing by the architect will be completed and submitted for planning permission in January. There is a 13 week planning period and 6 week tender period with anticipated draw down of the loan in June 2018.
- 2. Astroturf pitch and Pool St Neots** – rephasing following on from the finalisation of the lease.
- 3. Operations - Refit projects** – rephasing of the refit projects at One Leisure St Neots following on from the finalisation of the lease.

5.7 Appendices E and F provide the following information:

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

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 3 the financial projections for the CIS are:

Budget Heading	Budget (£'000)	Forecast Outturn (£'000)	Variance (£'000)
CCLA Property Fund	(162)	(165)	(3)
Property Rental Income	(5,038)	(3,316)	1,722
Management Charge	144	144	0
MRP	1,896	0	(1,896)
Total	(3,163)	(3,337)	(177)

6.3 Investments

Between October 2017 and December 2017, 31 properties have been investigated as potential CIS investment opportunities. The Council successfully completed the purchase on one property at Fareham in Quarter 3. An expectation that the budget would bring restrictions on investment out of district led the team to focus on new leads for Investments within

Huntingdonshire with opportunities at Alconbury Weald, St Neots and Hinchingsbrooke under consideration. 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 the majority of the Council's investments have been funded from earmarked reserves or cash balances with a £5m loan from PWLB secured for the acquisition at Fareham, the balance of the purchase price and acquisition costs was met from earmarked reserves.

7. COMMENTS OF OVERVIEW & SCRUTINY PANELS

7.1 Comments from the Overview and Scrutiny (Performance and Customers) Panel meeting on 31 January 2018 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 December, 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 3, 2017/18

Appendix B – Corporate Plan Performance Report ('Red' status), Quarter 3 2017/18

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

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

Appendix E – Capital Programme Forecast by Scheme, December 2017

Appendix F – Financing of the Capital Programme, December 2017

Appendix G – Financial Dashboard, December 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)

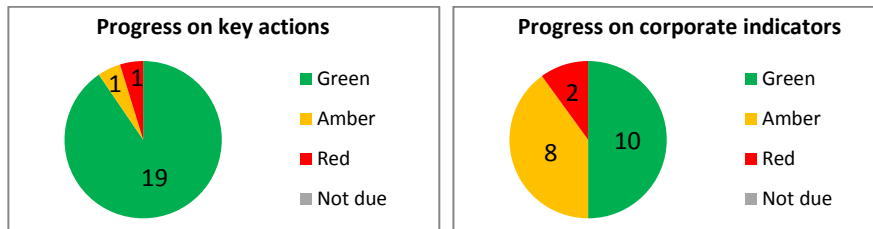
Adrian Forth, Finance Manager ☎ (01480) 388605

Appendix A

Performance Summary Quarter 3, 2017/18

Enabling communities

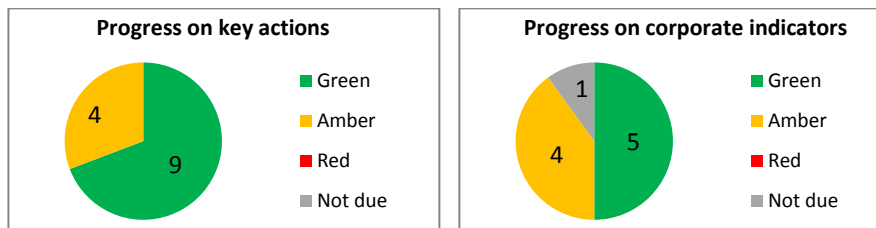
We want to make Huntingdonshire a better place to live, to improve health and well-being and for communities to get involved with local decision making



Highlights include the initial phase of One Leisure Huntingdon developments works opening as planned in late December 2017.

Delivering sustainable growth

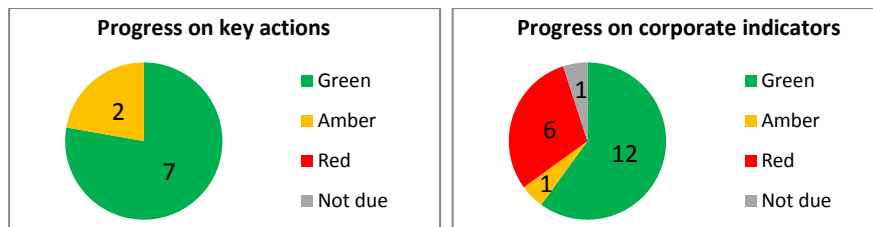
We want to make Huntingdonshire a better place to work and invest and we want to deliver new and appropriate housing



Highlights include an appeal decision received in December confirming that we have a 5 year housing land supply and the Annual Monitoring Report demonstrating a 5.78 year supply.

Becoming a more efficient and effective council

We want to continue to deliver value for money services



Highlights include the recruitment of 10 apprentices who have joined the Council's Apprenticeship Academy on an 18 month Business Administration Apprenticeship following a successful assessment day in October.

CORPORATE PLAN – PERFORMANCE REPORT

Appendix B

STRATEGIC THEME – ENABLING COMMUNITIES

Period October to December 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
	19		1		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
	10		8		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	722 inspections have been completed from October 2017 to December 2017, bringing our cumulative pass rate to 70.1%. Although this indicator is impacted by seasonal variation, performance is being rectified with a weed spraying contractor. An increased revenue bid to bring the weed spraying service in house was declined by SMT, so this service will remain with a contractor at the same service level for the foreseeable future.

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	Q3 2016/17 Performance	Q3 2017/18 Target	Q3 2017/18 Performance	Q3 2017/18 Status	Annual 2017/18 Target	Forecast Outturn 2017/18 Performance	Predicted Outturn 2017/18 Status
PI 6. Average length of stay of all households placed in B&B accommodation Aim to minimise	5.1 weeks	4.6 weeks	6 weeks	7.8 weeks	R	6 weeks	7 weeks	R
<p>Comments: (Customer Services) The average length of stay of households in B&B remains higher than the previous year with Q3 seeing the average length of stay going above the 6 week maximum within the quarter (ave length of stay of 7.8 weeks). The average length of stay for Q1 to Q3 is now 6.3 weeks. The figure is affected by our ability to move households into alternative forms of temporary accommodation and ultimately into a more settled home – directly influenced by the number of social rented properties becoming available (relets of existing properties and the delivery new build rented properties). Successful preventions have increased, stemming but not reducing the flow of households into temporary accommodation. Q3 saw a reduction in homelessness acceptances compared to the same quarter in the previous year. This has resulted in the number of households in the first three quarters of this year being comparable to the previous year, over the same period.</p> <p>Alternative sources of temporary accommodation continue to be brought on-line with two suppliers now offering nightly paid self-contained accommodation as an alternative to B&B. There are c.20 units of this type in use as well as c.20 households placed in B&B. It provides a better quality and more cost effective option than B&B but the main objective remains to prevent homelessness in the first place thereby avoiding the need to place households into temporary accommodation.</p> <p>Comments: (Leisure and Health) Walking sports and disability care homes continue to perform well.</p>								
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 Weeks	28 weeks	41.1 weeks	R	28 weeks	43 weeks	R
<p>Comments: (Development) The Cambs Home Improvement Agency recruited a new manager in Summer 2017. The new manager has introduced a performance plan to improve the time taken to complete DFGs and presented the plan at the December 2017 Overview & Scrutiny Panel (Communities and Environment) meeting. Although the time taken to complete a DFG is still much longer than the target, the service is improving: time taken between referral and completion in Quarter 1 = 44.7 weeks and in Quarter 2 = 44.4 weeks.</p>								

STRATEGIC THEME – DELIVERING SUSTAINABLE GROWTH

Period October to December 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		4		0		0		1	

STRATEGIC THEME – BECOMING A MORE EFFICIENT AND EFFECTIVE COUNCIL

Period October to December 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
12		1		6		0		1	

Performance Indicator	Full Year 2016/17 Performance	Q3 2016/17 Performance	Q3 2017/18 Target	Q3 2017/18 Performance	Q3 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	1.16	R	0.75	1.1	R
Comments: (Operations) Calculation errors for Q2 have now been rectified and the accurate data shows a definite improvement in the number of missed bins as follows: Q1=1.54, Q2=1.04 & Q3=0.91. This gives a cumulative figure of 1.16 for the year. The waste minimisation team have continued efforts with collection crews to highlight frequently missed households and communication with residents has helped to ensure bins are put out for collection on time and at the appropriate collection point.								
PI 32. Staff sickness days lost per full time employee (FTE) Aim to minimise	10.7 days/FTE	8.3 days/FTE	6.5 days/FTE	7.3 days/FTE	R	9.0 days/FTE	9.9 days/FTE	A
Comments: (Corporate Team/Resources) An average 2.4 days per FTE were lost during Q3, which is the best Q3 result since October-December 2013. This has reduced the gap between actual and target and has increased the likelihood of the full year performance falling below 10 days/FTE for the first time since 2013/14.								
PI 34. Planned net budget reductions achieved Aim to maximise	£1.9m	£1.2m	£1.12m	£0m	R	£1.5m	£0m	R

Performance Indicator	Full Year 2016/17 Performance	Q3 2016/17 Performance	Q3 2017/18 Target	Q3 2017/18 Performance	Q3 2017/18 Status	Annual 2017/18 Target	Forecast Outturn 2017/18 Performance	Predicted Outturn 2017/18 Status
Comments: (Resources) The planned net budget reductions are not currently being achieved as the Quarter 3 financial performance monitoring shows an overall forecast revenue overspend of £0.7m. However, the overall position includes some savings that have been made as planned where Zero Based Budgeting 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	89%	89%	98%	80%	R	98%	Over 80%	R
Aim to maximise								
Comments: (Corporate Team) 100% responded to on time in Q3. Cumulative year to date performance remains below target due to 3 complaints dealt with late in Q1.								
PI 39. Website satisfaction rate	75%	56%	75%	57%	R	75%	57%	R
Aim to maximise								
Comments: (ICT Shared Service) Quality of satisfaction data is poor as it is based on an extremely small sample size. The Council's website attracts 45k plus visitors each month but only circa 10-20 customers take part in the survey. The Digital team are considering other methods to obtain this data. The HDC website is ranked as one of the best district sites in the country (rated 4 stars in Socitm's 'Better Connected 2016-17' survey).								
PI 40. Percentage of calls to Call Centre answered	n/a	n/a	90%	87.4%	R	90%	85%	R
Aim to maximise								
Comments: (Customer Services) This is an improvement on last quarter's figure of 76.2%, but call volumes are low in December which helped us. The answered rate is likely to go down in the January to March quarter but we are working with the Transformation team to reduce the number of calls where advisors can't get through to back offices.								

Appendix C: Project Performance

Red = Project is significantly behind schedule, seriously over budget, serious risks/issues have been identified or there is a lack of governance documentation	Amber = Progress is behind schedule, over budget, 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
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	12/01/18 The Department for Education send SNLP the decision letter confirming consent had been granted to the lease of the land to HDC under the agreed Heads of Terms. 15/01/18 HDC received, from SNLP, notification that the Department of Education had agreed to the land lease for a 25 year period. On the same date, HCB Group were contacted for a progress report on the Lottery Funding Agreement.	Red	Red	17-Jan-18
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	31/03/19	31/10/17	Currently in the Procurement Stage, letters are going out to unsuccessful tenderers and then standstill will occur until 26 th January 2018.	TBC	Red	19-Jan-18

<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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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
<p>Implementation of Financial Management System To introduce a new Financial Management System across the council.</p> <p>3C Shared Services Andrew Buckell (3C ICT)</p>	TBC		31/10/17	<p>Officially, the implementation date is still December; however there are a number of issues pertaining to elements of the overall implementation which means that this date will not be achieved.</p> <p>There are currently four options the Project Board are considering.</p>	TBC	Red	31-Oct-17
<p>Waste Services Review (SOSP) 3C Shared Services Tony Allen (3C ICT)</p>	TBC		TBC*	<p>Site visits and final moderations concluded in December. Preferred bidder identified. We're going to speak to Counsel to advise them on our plan.</p> <p>* 31/01/2018 for Procurement and TBC for Implementation</p>	TBC	Red	09-Jan-18
<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		31/03/18	<p>Test devices have been set up for SCDC. Councillors will be coming in 11/01 to be set up. 6 test users will also be set up on iPhones. Looking at SCDC roll out plan.</p>	TBC	Red	09-Jan-18

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	1,953	1,919		7	1,926	(27) ●	-1.4
Customer Services	2,396	2,525	(13)	26	2,538	142 ●	5.9
ICT Shared Service	1,721	2,031			2,031	310 ●	18.0
Development	1,132	1,457	(378)	2	1,081	(51) ●	-4.5
Leisure & Health	(160)	83	(21)	25	87	247 ●	154.4
Operations	4,032	4,597	(125)	118	4,590	558 ●	13.8
Resources	4,426	4,281	(80)	96	4,297	(129) ●	-2.9
Directors and Corporate	1,711	2,105	(725)		1,380	(331) ●	-19.3
Net Revenue Expenditure	17,211	18,998	(1,342)	274	17,930	719 ●	4.2
Contributions to/(from) Earmarked Reserves	0	(1,068)				(1,068)	0.0
Service Contribution to Reserves	2,966	2,247				(719)	-24.2
Budget Requirement (Services)	20,177	20,177					
Financing:-							
Taxation & Government Grants	(10,477)	(12,198)				(1,721)	16.4
Contribution to/(from) Reserves	(1,534)	187				1,721	-112.2
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 31 December 2017

NOVEMBER FORECAST		DECEMBER 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							
3,804	Head Of Community Total	89,875	87,237	6,612	93,849	3,974	
3,280	C C T V Total	(70,393)	(65,352)		(65,352)	5,041	
(20,760)	C C T V Shared Service Total	256,389	261,310		261,310	4,921	
(13,344)	Commercial Team Total	293,803	333,216		333,216	39,413	Savings from the delayed recruitment to posts vacated during the restructure of the service (-£21k), redundancy costs (+£53k) charged to service, lower than expected income from traded activities including training and primary authority (+7k) Action on Overspend - the redundancy costs are one-off and can be covered by savings within the division.
(7,962)	Corporate Health & Safety Total	102,622	95,232		95,232	(7,390)	
(35,012)	Licencing Total	(137,464)	(164,825)		(164,825)	(27,361)	Predicting higher than expected income on licensing 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 (+£20k)
(20,962)	Community Team Total	624,634	601,042		601,042	(23,592)	Promotion of the Council's pest control service during 2017/18 seeks to increase income (-£7k) along with increased Environmental Enforcement activity resulting from the Community restructure. Savings predicted from the salaries budget due to part-time working within a number of the Community team posts (-£35k). Impacted by costs of implementation for the Public Space Protection Order for Dog Control, including the purchase of replacement PSPO signage, and higher than expected rental costs (+£19k)
(18,244)	Environmental Protection Team Total	379,555	356,413		356,413	(23,142)	Savings from the recruitment to posts arising from the restructure of the Community service (-£20k) combined with better than expected income (-£13k), offset by higher than budgetted supplies and services (£10k)
5,880	Emergency Planning Total	11,575	17,476		17,476	5,901	
(5,348)	Environmental Health Admin Total	139,140	133,633		133,633	(5,507)	
(1,424)	Document Centre Total	263,426	263,697		263,697	271	Whilst this variance is currently less than the £10k detailed action threshold, note the fire in the Doc Centre on the 20th October 2017 and the possible impact of uninsured losses, outsourcing of urgent work, and loss of income is being closely monitored
(110,092)		1,953,162	1,919,078	6,612	1,925,690	(27,472)	

NOVEMBER FORECAST	DECEMBER 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						
(8,026)	Head of Customer Services	97,080	71,070	25,668	96,738	(342)	One-off savings on vacant post - will be used to fund AD Transformation Post
(5,373)	Local Tax Collection	(226,770)	(232,140)		(232,140)	(5,370)	
76,004	Housing Benefits - Homeless	281,996	338,000		338,000	56,004	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.
147,133	Housing Benefits - Other	637,731	772,575	(12,700)	759,875	122,144	Additional contribution to bad debt provision of £64k is required. Net £40k increase on benefits payments - this is a very large budget with £33million in benefit payments moving in/out of it annually, a variation of this amount is not uncommon. Of the remaining variation, £13k will be covered by reserves Action on Overspend - Ongoing monitoring will continue, and last financial year the outturn variance was <1%.
(12,036)	Council Tax Support	(134,894)	(151,847)		(151,847)	(16,953)	(£15k) of old Council Tax Benefits overpayments recovered.
(1,482)	Housing Needs	917,332	904,162		904,162	(13,170)	New Burdens grant for Homeless Act implementation (£56k), likely expenditure on implementation £17k. Higher bad debt provision £60k. Staff savings on vacant posts (£30k).
38,081	Customer Services	823,404	823,560		823,560	156	Staff savings in the main CSC (-£34k) are now off-setting additional costs of keeping the satellite offices open £30k.
234,301		2,395,879	2,525,380	12,968	2,538,348	142,469	

NOVEMBER FORECAST	DECEMBER 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							
310,060	ICT Shared Service	1,721,333	2,031,393		2,031,393	310,060	<p>Dec 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, work is progressing to collate these transactions for recovery. 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 for HDC.</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.</p> <p>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 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.</p> <p>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 - Only 2 contractors in post that will join us perm very shortly which will allow the service to maximise staff savings within the business case. We have invited Northgate to provide a joint support proposal and are challenging on cost. Intention is to invite additional suppliers to look for short term savings opportunities. Several savings opportunities lined up for the 2018/19 financial year.</p>
310,060		1,721,333	2,031,393	0	2,031,393	310,060	

NOVEMBER FORECAST		DECEMBER 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							
2,188	Head of Development	81,516	83,628		83,628	2,112	
(277)	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.
(31,823)	Economic Development	253,389	217,583		217,583	(35,806)	Delay in recruiting to new posts.
(69,253)	Planning Policy	657,284	784,281	(214,341)	569,940	(87,344)	£94k due to forecasting increase in CIL admin income. JSPU disbanded and £5.5k contribution no longer required. Forecasting net £9k decrease in Neighbourhood planning fees over costs. £30k additional staff cost but £25K income for Wintringham Park staffing. £214K additional Local Plan consultants costs. Smaller variances amounting to £1.5k. £214K of Local Plan spend, principally on Strategic Transport Study, to be funded from Local Plan Earmarked Reserve.
0	Transportation Strategy	56,120	56,120		56,120	0	
1,600	Public Transport	26,100	27,700		27,700	1,600	
98,790	Development Management	(309,512)	(208,746)		(208,746)	100,766	Received £96k for Wintringham Park Appeal Costs (Paid for in 1617) Planning App income - Forecast per Trends sheet using averages to be £100k lower. Appeal overspend of £88k. Smaller variances amounting to £9K. Action on Overspend - Application fee income being kept under review.
(25,519)	Housing Strategy	219,892	222,485	(35,380)	187,105	(32,787)	£30k Reassessed staff costs forecast for 2017/18, £37k to be paid out and funded from Section 106 Funds. £3k Additional costs at Mobile Home Park.
(24,293)		1,132,459	1,457,020	(376,298)	1,080,722	(51,737)	

NOVEMBER FORECAST		DECEMBER 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							
(323)	Head of Leisure & Health	80,980	80,625		80,625	(355)	
(6,092)	One Leisure Active Lifestyles	203,274	197,270		197,270	(6,004)	
194,131	One Leisure	(444,236)	(195,083)	3,500	(191,583)	252,653	The significant variance from this months forecast to the previous month is due reduced forecast Income in the region of £59K. Specifically Burgess Hall performance, with a reduction of £22K for functions and room hire, £7K reduction in bars and catering, Mebership £14K and Fitness Class income down by £4K. Due to the delays in the Lease being signed at OLSN it is unlikely that the works will commence prior to the end of the financial year so the removal of Swimming Lesson Income and Instructor costs has been reversed, however due to the down-turn at swimming attendance at OLSN this does not net itself off. The severe weather during the month is believed to have impacted upon business in the region of £13K in the period leading up to Christmas.
187,716		(159,982)	82,813	3,500	86,313	246,295	Action on Overspend - To mitigate against this - all non-essential expenditure has been stopped, there may be some further savings if nothing 'goes wrong'. The general advertising and raising awareness campaign has started however it is too early to see the impact of this on the business. The annual fitness promotion has started, with early indications showing that there is growth on the previous year. A visioning session is taking place with key personnel to look at Burgess Hall, Events and Functions to identify the key area's of focus to improve commercial returns and drive up income levels. Whilst the results of this may not be immediate - it will provide a strong foundation for the future.

NOVEMBER FORECAST		DECEMBER 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 Operations							
5,064	Head of Operations	78,789	83,860		83,860	5,071	
6,353	Environmental & Energy Mgt	77,167	83,735		83,735	6,568	
(31,906)	Street Cleansing	793,949	764,668		764,668	(29,281)	£40k saving from carrying 3 vacancies for 1st Quarter (0.75 FTE) and other vacancies November to March. Additional income £7k. Higher vehicle maintenance costs £10k
44,638	Green Spaces	1,165,650	1,355,580	(125,331)	1,230,249	64,599	£79k staff saving from 3x6 month posts not filled and other vacancies for part year. £151k funding due from S106 receipts is now expected to reduce to £125k. Additional play equipment maintenance costs £25k. Vehicle costs up £23k. £28k reduced income from Arb and charges to Towns and Parishes. £18k urgent Watercourses work, water courses have been neglected and current budget is too low.
(4,517)	Public Conveniences	13,400	8,263		8,263	(5,137)	
468,910	Waste Management	2,000,856	2,504,275		2,504,275	503,419	Additional staff costs £314k 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 £37k. Diesel usage up £74k Action on Overspend - Service Review to be carried out
(1,455)	Facilities Management	1,065,592	1,085,981		1,085,981	20,389	£47k Rent to DWP not anticipated to start this year. £44k NNDR Refund
6,509	Fleet Management	256,247	265,267		265,267	9,020	
14,966	Markets	(67,542)	(49,632)		(49,632)	17,910	
(37,952)	Car Parks	(1,352,616)	(1,504,890)	118,213	(1,386,677)	(34,061)	NDR Refunds £173k. NDR Consultants £15k. Consultants costs to inform parking strategy £41k. Additional income expected £32k.
470,611		4,031,492	4,597,106	(7,118)	4,589,988	558,496	

NOVEMBER FORECAST		DECEMBER 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							
383	Head of Resources	87,865	88,157		88,157	292	
(247,072)	Corporate Finance	4,604,336	4,401,694	(80,000)	4,321,694	(282,642)	Redundancy payments and strain which will be covered by reserves (+£119k), Income from loans to rsls (-£94k) and reduced MRP (-£164k)
(6,252)	Legal	218,060	226,251		226,251	8,191	
89,350	Audit & Risk Mgmt	560,175	645,175		645,175	85,000	Net saving on Secondment against external supplier costs (-£9k), increased costs relating to insurance premiums (+91k). 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.
(261)	Procurement	60,226	60,375		60,375	149	
29,747	Finance	687,208	760,091	5,780	765,871	78,663	Delay in FMS has resulted in staffing resources needed for longer and additional temp staff for back filling and covering longterm sickness (+£107k), Delay in new FMS resulting in reduced software licensing costs (-£33k) Action on Overspend - There are one-off costs relating to the implementaiton of the FMS; they should not be repeated next year.
325,253	Commercial Estates	(2,633,916)	(2,521,155)	90,000	(2,431,155)	202,761	Property Maintenance costs and additional insurance (+£70k), higher staffing costs as part of Comm Estates (+£158k), reduced CIS income due to highly competitive market and therefore reduced CIS propositions being acquired (+£158k) (this variance is a mix of reduced MRP expenditure and reduced CIS income). Increased estates income excl CIS (-£332k) 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.
(168,996)	HR and Payroll	841,561	620,709		620,709	(220,852)	Vacancies in HR (-£84k), Saving in Apprenticeship scheme which started in Sept (-£154k)
22,152		4,425,515	4,281,296	15,780	4,297,076	(128,439)	

NOVEMBER FORECAST		DECEMBER 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
£		£	£	£	£	£	
(118,346)	Democratic & Elections	776,150	658,771		658,771	(117,379)	(£53k) saving from no district elections this year; (£41k) Electoral Registration; (£59k) surplus on other Elections(Mayoral, County, EU, P&CC); (£21k) Member Allowances; £5k Member Code of Conduct Enquiries; £60k Land Charges
(59,564)	Directors	499,847	440,881		440,881	(58,966)	(£28k) Corporate Director Vacancy, other PA vacancies (£33k)
(134,482)	Corporate Team	434,710	332,468	(52,000)	280,468	(154,242)	(£93k) Several members of staff moved to Transformation; (£30k) Marketing Post moved to One Leisure; (£32k) holding vacancies; £52k 3C Shared Service Hub (Funded from Reserves)
0	Transformation	0	673,347	(673,347)	0	0	0 Programme streams expenditure profile now shows that some expenditure will slip to later years of the transformation programme. £1m of reserves set aside to fund the transformation programme.
(312,391)		1,710,707	2,105,467	(725,347)	1,380,120	(330,587)	
778,063	HDC Totals	17,210,565	18,999,554	(1,069,903)	17,929,651	719,086	

Appendix E

Capital Programme Forecast 2017/18		December									
Table 1 Expenditure	Status	RAG	Budget Manager	Approved Budget £	Slippage or Supplementary £	Updated Budget £	Expenditure to date £	RAG	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			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	
Lane Worker Software			Chris Stopford	20,000		20,000	0		20,000	0	
Development											
Disabled Facilities Grants	Overspend forecast due to excess demand		Caroline Hannon	1,300,000		1,300,000	1,652,712		2,311,876	1,011,876	
Disabled Facilities Grants - Grant Funding				(1,000,000)		(1,000,000)	(1,121,243)		(1,261,876)	(261,876)	
Huntingdon West Development	CPO expenditure expected		Clare Burton		35,000	35,000	76,101		35,000	0	
Alconbury Weald Remediation	Agreement with ULG for a loan in progress		Sue Bedlow	1,985,000		1,985,000	0		1,940,968	(44,032)	
Leisure and Health											
One Leisure Improvements	Projects being assessed		Pete Corley	205,000	(40,000)	165,000	114,927		165,000	0	
Burgess Hall	Project underway		Brian Gray	305,000		305,000	240,257		305,000	0	
One Leisure Huntingdon Changing Facilities	Complete		Karen Martin-Peters		72,000	72,000	282,309		324,754	252,754	
One Leisure Huntingdon Changing Facilities - Grant Funding							(208,000)		(248,800)	(248,800)	
									5,954		
One Leisure Huntingdon Development	Project underway		Paul France	778,000	31,000	810,000	144,910		810,000	0	
One Leisure St Neots Synthetic Pitch	Project delayed		Jon Clarke		390,000	390,000	0		0	(390,000)	
One Leisure St Neots Synthetic Pitch - Grant Funding					(274,000)	(274,000)	0		0	(274,000)	
									0	(116,000)	
One Leisure St Ives Redevelopment	Retention from 2011 scheme			0	0	0	44,187		44,187	44,187	
OLSt Neots Pool	Project delayed		Jon Clarke	290,000		290,000	8,892		0	(290,000)	
Resources											
Phoenix Court Lane Industrial Unit Roof Enhancement	Tenders returned - over budget. Best estimate now adopted as realistic price but subject to building surveyor review		Jackie Golby	157,000	40,000	197,000	0		367,515	170,515	
Javelles Lane Industrial Unit Roof Enhancement			Jackie Golby	56,000	22,000	78,000	0		218,246	140,246	
Clifton Road Industrial Unit Roof Enhancement			Jackie Golby	48,000	21,000	70,000	0		0	(70,000)	
Cash Receipting System	Specification issued to Capita and testing in progress		Adrian Forth		26,000	26,000	0		26,000	0	
Financial Management System Replacement	Go live April, development in progress		Adrian Forth		27,000	27,000	57,582		70,000	43,000	
FMS Archive	Order with ABS		Adrian Forth	14,000		14,000	0		0	(14,000)	
VAT Exempt Capital	Related to roofs		Adrian Forth	29,000	59,000	88,000	0		88,000	0	
Capital Grant to Huntingdon Town Council	Paid		Adrian Forth	338,000		338,000	300,000		338,000	0	
Loan Facility to Huntingdon Town Council	Required June 2018		Adrian Forth	800,000		800,000	0		0	(800,000)	
Investment in Company	Company registered, company set up in progress		Adrian Forth		100,000	100,000	0		100,000	0	
Customer Services											
Printing Equipment	Tenders received		Andy Lusha	176,000		176,000	0		176,000	0	
E-forms	Finished		Amanda Burns		3,000	3,000	54,982		3,000	0	
BC ICT											
Flexible Working - BCSS	Order placed with O2		Emma Alterton	50,000		50,000	0		50,000	0	
Telephones - BCSS	Project complete		Emma Alterton		28,000	28,000	26,732		27,000	(1,000)	
Virtual Server - BCSS	Project in progress		Emma Alterton		81,000	81,000	1,950		81,000	0	
Operations											
Building Efficiencyes (Salix)	Committed to Floodlighting at EFH and OL sites.		Chris Jablonski	28,000	54,000	82,000	5,592		52,000	(30,000)	
Wheeled Bins	Outstanding orders total £21,000		Heidi Field	231,000		231,000	99,891		231,000	0	
Wheeled Bins - Grant Funding				(89,000)		(89,000)	(42,706)		(89,000)	0	
Vehicle Fleet Replacement	Vehicles in excess of ELM have been ordered and are being delivered		David Rook	1,148,000	367,000	1,515,000	1,197,641		1,368,742	(144,258)	
Operations Back Office Development	IT examining business case		Matt Chudley	135,000		135,000	0		0	(135,000)	
Play Equipment	Options being examined for area schemes		Helen Jack	24,000		24,000	7,960		24,000	0	
Re-Fit Buildings	Part completed some works to be re phase		Chris Jablonski	311,000	481,000	792,000	272,090		422,000	(370,000)	
Bridge Place Car Park Godmanchester	Order with Breheny to produce a design but on hold pending sale of land		George McDowell	218,000	100,000	318,000	0		0	(318,000)	
Pathfinder House Reception (DWP)	Project manager appointed completion expected Feb 2018		Chris Jablonski	305,000		305,000	0		305,000	0	
Pathfinder House Reception (DWP) - Grant Funding				(278,000)		(278,000)	0		(278,000)	0	
In Cab Technology			Matt Chudley	75,000	(75,000)	0	0		0	0	
Civic Suite Audio Equipment	Works in progress		Emma Alterton		108,000	108,000	0		140,000	32,000	
Transformation											
Transformation Schemes	Business cases being assessed for CRM upgrade, business process repository, business intelligence software.		John Taylor	1,000,000		1,000,000	0		1,000,000	0	
Total Expenditure				7,979,000	2,824,000	10,803,000	3,210,366		9,656,612	(1,146,388)	

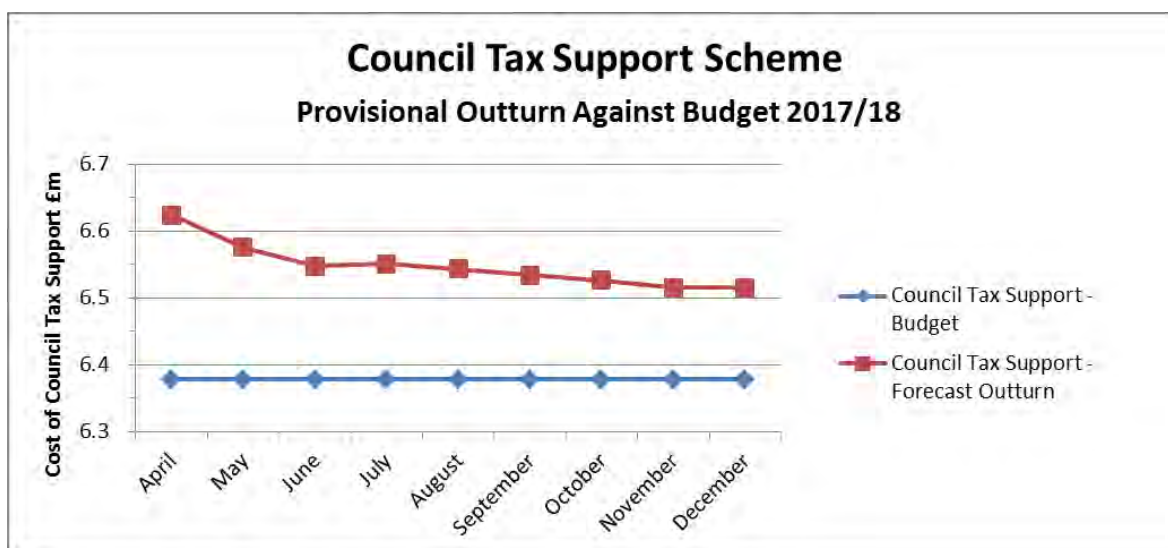
APPENDIX F

Capital Programme Forecast 2017/18			December						
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			0			0
Pathfinder House Reception			Chris Jablonski			0			0
Wheeled Bins			Heidi Field			0			0
Synthetic Pitch			Jon Clarke			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			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		50,000	23,000
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			0		61,332	61,332
To Earmarked Reserves				1,014,000	427,000	1,441,000	0	1,525,332	84,332
Total Funding				3,819,000	427,000	4,246,000	0	4,286,300	40,300
Net to be funded by borrowing				4,160,000	2,397,000	6,557,000	3,210,366	5,330,312	(1,226,688)

Financial Dashboard

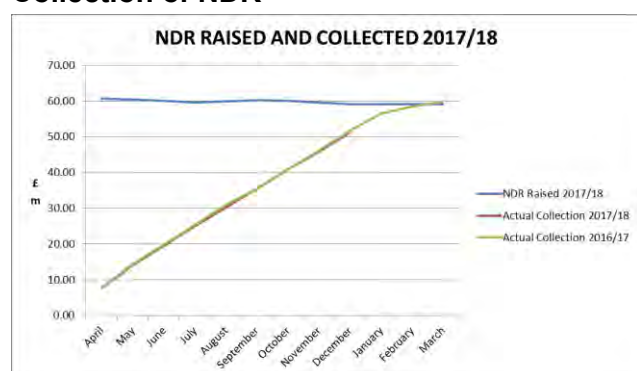
Council Tax Support Scheme

Currently, the actual take-up of Council Tax Support is running approximately £0.15m above the budgeted £6.4m. Any 2017/18 increase in Council Tax Support will impact in 2018/19.

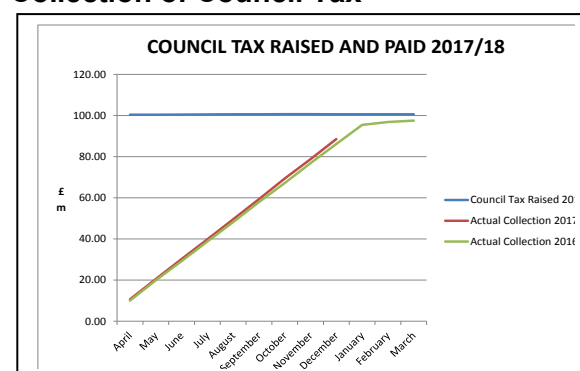


The impact of this increase on HDC will be proportionate to all Council Tax precepts (13.8% for HDC including parishes).

Collection of NDR



Collection of Council Tax



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

Miscellaneous Debt

The total outstanding debt as at the end of December 2017 is £1.663m, £0.702m is prior year debt of which £0.296m relates to 2016/17.

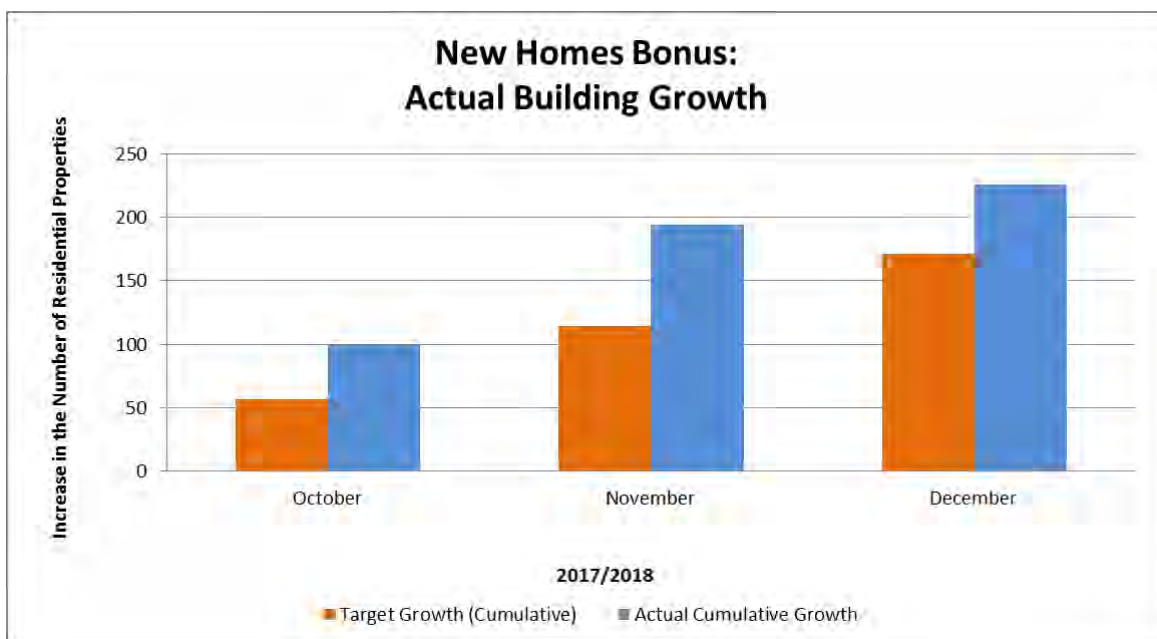
The 2016/17 and 2017/18 debt position is currently showing a large outstanding amount, £484k relates to Commercial Rents, £162k relates to homeless accommodation/prevention and £158k relates to schools and other customers use of One Leisure facilities. Currently, £354k is being collected via direct debit and will be paid by the end of the current financial year.

New Homes Bonus

The 2016/17 reporting cycle (October 2016 to September 2017) saw 695 completions which was 128 ahead of the target of 567. The impact of these additional units will come through in 2017/18.

The current reporting cycle (October 2017 to September 2018) has a target number of completions of 1,135, as published in the draft Planning Annual Monitoring Report (December 2016). However, this is likely to be revised downwards to 689 in the December 2017 Planning Annual Monitoring Report and so this lower figure has been used as our target for this year. Currently, 226 properties have been completed in the first three months of this new reporting cycle.

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.



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 September – December 2017 (Quarter 3)

Over the above period, 31 propositions were reviewed up to stage 1, of which 7 reviewed up to stage 2. Almost all opportunities were outside the District. It was anticipated that the Autumn Budget would bring be a crackdown on Local Authority investment outside boundaries and therefore focus was redirected to actively seek opportunities within the District. At the end of December detailed due diligence is being undertaken on three properties within HDC boundaries. By property type, the 31 propositions were as follows:

Office	11	Mixed use	3
Retail high street	4	Other (leisure/laboratories/trade counter etc)	8
Retail warehouse	1		
Industrial/warehouse	4		