

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter:	Integrated Performance Report, 2018/19 Quarter 2
Meeting/Date:	Cabinet, 22 November 2018
Executive Portfolio:	Councillor Jonathan Gray, Executive Councillor for Resources Councillor Darren Tysoe, Executive Councillor for Digital and Customer
Report by:	Corporate Team Manager and Finance Manager
Ward(s) affected:	All

Executive Summary:

The purpose of this report is to brief Members on progress against the Key Actions and Corporate Indicators listed in the Council's Corporate Plan 2018/22 for the period 1 July to 30 September 2018 and on current projects being undertaken. Scheduled performance clinics focus on delivering continuous improvements in all services.

Key Actions, Corporate Indicators and targets are as included in the final version of the Corporate Plan 2018/22 approved by Council on 17 October.

The report also incorporates Financial Performance Monitoring Suite information setting out the financial position at 30 September 2018. It provides outturn figures for revenue and the capital programme. Headlines are:

Revenue – the forecast outturn shows an overspend of £0.6m.

Capital programme – the forecast outturn shows a net under spend of £0.3m.

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 E.

Recommendations:

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

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

1. PURPOSE

- 1.1 The purpose of this report is to present details of delivery of the Corporate Plan 2018/22, and project delivery, in the context of the Council's financial performance.

2. BACKGROUND

- 2.1 The Council's Corporate Plan is currently being refreshed and once adopted will set out what the Council aims to achieve in addition to its core statutory services. The information in the summary at **Appendix A** relates to Key Actions and Corporate Indicators and the performance report at **Appendix B** details those with a 'Red' status at the end of September.
- 2.2 As recommended by the Project Management Select Committee, updates for projects with a 'Red' status based on latest approved end dates are included at **Appendix C**. Across all programmes there are currently 29 projects which are open, pending approval or pending closure, and two projects logged which have recently closed.
- 2.3 This report also incorporates financial performance to the end of September. This performance was as shown in sections 4-6 below, with further details listed in **Appendix D**. Commercial investment propositions reviewed are at **Appendix E**.

3. PERFORMANCE MANAGEMENT

- 3.1 Members of the Overview and Scrutiny (Performance and Growth) Panel have an important role in the Council's Performance Management Framework and a process of regular review of performance data has been established. The focus is on the strategic priorities and associated objectives to enable Scrutiny to maintain a strategic overview. Their comments on performance in Quarter 2 will be inserted in section 7 following their meeting on 6 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.
- 3.4 The following table summarises Quarter 2 progress in delivering Key Actions for 2018/19:

Status of Key Actions	Number	Percentage
Green (on track)	37	86%
Amber (within acceptable variance)	6	14%
Red (behind schedule)	0	0%
Awaiting progress update	0	0%
Not applicable	2	

Most were on track at the end of Quarter 2 and none were significantly behind schedule.

- 3.5 Quarter 2 results for 2018/19 Corporate Indicators are shown in the following table:

Corporate Indicator results	Number	Percentage
Green (achieved)	28	64%
Amber (within acceptable variance)	8	18%
Red (below acceptable variance)	7	16%
Awaiting progress update	1	2%
Not applicable (annual/data unavailable)	5	

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

1. The average length of stay of all households placed in B&B accommodation (PI 1) was 6.7 weeks against a target of 6 weeks. Our performance is directly influenced by the number of social rented properties becoming available, which affects our ability to move households into alternative forms of temporary accommodation and ultimately into more settled homes.
2. The average number of staff sickness days lost per full time employee (PI 32) has remained at 10 against a target of 9. More than two-thirds of days lost so far this year are due to long-term sickness absences which relate to a low proportion of all staff employed.
3. Only £0.6m of £0.9m planned net budget reductions have been achieved (PI 34), which is linked to forecast overspend on the revenue budget as detailed in section 4 of this report.
4. 79% of Stage 1 complaints were resolved within time (PI 38a) against a target of 95%, 29 of 36 late responses this year related to complaints about services provided by Operations.
5. Our responses to Stage 2 complaints (PI 38b) were also below target at 85%, with two of them not responded to within time. Both late responses related to complaints about services provided by Community. Based on current trends, and the low number of complaints that progress to Stage 2, it is unlikely we will meet the 95% target this year.
6. The percentage of calls answered by the Call Centre (PI 39) remains below the 90% target, although the 80% answered was an improvement on the 76.2% recorded at the same point last year. Customer Services has experienced a high turnover of staff during this period but has been intensively training 3 staff members during September to get them multi-skilled as quickly as possible.
7. While there has been a 10.6% reduction in avoidable contacts (PI 40), this is below the 25% target. Customer Services work on reducing avoidable contact with the departments they provide services for as well as through Lean projects. They are optimistic that the introduction of new online customer accounts platform will drive further reductions.

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)	10	53%
Amber (progress behind schedule, project may be recoverable)	5	26%
Red (significantly behind schedule, serious risks/issues)	4	21%
Pending closure	6	
Closed (completed)	2	

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

Of the projects currently in the delivery stage, four were Red at the end of Quarter 2 and two of those were joint partnership or shared service projects. The Project Management Governance Board has held one-to-one meetings with project managers and has identified that unrealistic timeframes have been a common theme for amber/red flags, as well as a lack of up to date governance documentation. Lessons learned are captured through closedown reports and have recently been shared with all project managers. Details of all Red projects can be found in **Appendix C**.

4. FINANCIAL PERFORMANCE

4.1 Financial Performance Headlines

The Management Accounts include the forecast outturn position for the current financial year and the impact of variations will be incorporated within the MTFS. Revenue statements show gross expenditure by service and where some costs are funded by reserves this is shown to provide the net position.

Revenue The approved Budget is £17.3m with the forecast outturn being £17.9m which is an overspend of £0.6m. The main reasons are shown on the next page. Action is still needed to be taken to address this level of the forecast overspend.

MTFS The MTFS was updated as part of the 2018/19 Budget setting process and is in the process of being updated as part of the 2019/20 Budget setting process which is ongoing. The revision of the MTFS will include 2017/18 outturn variations and others occurring or foreseen in 2018/19 that have an impact on future years.

Capital The approved Budget is £5.6m plus the re-phasing of £5.1m giving a revised total Capital Programme of £10.7m (£7.4m net, after taking account specific grants and contributions). The net forecast outturn is £7.1m giving an under spend and re-phase of £0.3m. The reasons for these variances are detailed in paragraph 5.6.

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

4.2 Summary Revenue Forecast Variances by Service

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

	Budget £000	Forecast outturn gross £000	Transfers to / (from) reserves £000	Forecast outturn net £000	Forecast (underspend) / overspend £000	Main reasons for variance
Community	1,758	1,682	7	1,689	(69)	<ul style="list-style-type: none"> • CCTV additional camera maintenance • Document Centre external income lower than budgeted • Reduced staffing costs Environmental Protection Team due to vacancies • Reduced costs from delayed recruitment in Business Team • Vacant post in Community Team
Customer Services	2,533	2,573	86	2,659	126	<ul style="list-style-type: none"> • Additional grant allocations • Increased homelessness costs
ICT	2,128	2,106	0	2,106	(22)	
Development	1,071	749	2	751	(320)	<ul style="list-style-type: none"> • Staff savings
Leisure and Health	(190)	306	(134)	172	362	<ul style="list-style-type: none"> • One Leisure income is generally lower than the budget (mainly Burgess Hall) • Expenditure savings are being made where possible to offset the lower income
Operations	3,911	4,692	(108)	4,584	673	<ul style="list-style-type: none"> • Waste Management fuel, staff and recycling expenditure increasing • Delays to staff restructure is impacting on the budget savings • Pathfinder House rental income is down – no tenant for 3rd floor
Resources	4,429	4,419	(69)	4,350	(79)	<ul style="list-style-type: none"> • Expenditure increasing on insurance premiums, FMS implementation and commercial estates management • Savings arising on HR and apprentice staff costs
Directors and Corporate	1,642	1,636	(106)	1,530	(112)	<ul style="list-style-type: none"> • Staff savings • Lower costs on elections, electoral registration and Members Special Duty Allowances
Transformation	0	328	(328)	0	0	
Total	17,282	18,491	(650)	17,841	559	

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

4.4 **Medium Term Financial Strategy**

The actual outturn for 2017/18 (post audit) showed an overspend of £0.5m which will have some impact on the MTFs. The new MTFs for the period 2019/20 to 2022/23 which will be compiled during the current budget setting process will be updated where the 2017/18 outturn has an impact.

5. **CAPITAL PROGRAMME**

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

5.2 The forecast net expenditure outturn is £7.1m, an under spend and re-phase of £0.3m. The expenditure to 30 September 2018 was £2.67m (36% of Budget, 50% of the year).

Variation Commentary Summary		£000s
	Overspend	
	Development – DFGs The overspend is based on the current level of demand from clients. It is possible that increased contributions from clients will reduce this overspend, but this is not yet certain.	216
	New FMS Due to the extended implementation period expenditure has increased by £46,000. This will be funded from the earmarked reserve set up for this purpose.	0
	Pathfinder House Reception Costs have exceeded that estimated in the business case. Additionally the costs recovered from the DWP are also lower than estimated.	41
	Wooden Bridge - Hinchbrooke Country Park Estimates received for the cost of erecting the bridge are higher than originally estimated.	14
	CIL Payment Huntingdon West A payment of £553,000 has been made for the contribution to Huntingdon West Link Road, this is being funded from the CIL reserve	0
	One Leisure Huntingdon Expansion The final retention payment for the works at One Leisure Huntingdon reception area	21
	Commercial Property Roofs The final payments for the roof works at Levellers Lane St Neots and Phoenix Court Huntingdon, schemes completed in 2017/18. In 2016/17 there was an underspend on this scheme of £48,000.	103
		395
	Growth	
	Re-Fit Projects Additional expenditure was approved by Senior Management Team on the 5 th June 2018, to finance works at One Leisure St Neots. The project was signed off on the 7 th June 2018.	16
		16
	Underspend	
	Health and Safety Works – Commercial Properties It is anticipated that some works will be rechargeable to tenants, as a result this reduces the cost to the council (£20,000), also fewer sites require work resulting in a saving of £6,000.	(26)

Variation Commentary Summary		£000s
	Operations Back Office Software The costs for the shared waste management software are lower than expected, because of sharing with Cambridge City and South Cambridgeshire councils.	(136)
	One Leisure Ramsey 3G Pitch A feasibility study on the pitch construction has indicated that the cost will be higher than estimated (£68,000). The Football Foundation may agree to fund the extra expenditure by increasing their grant. Construction works are expected to start in late 2018/19 and so will need to be rephased to 2019/20.	(150)
	Customer Relationship Management Software One-Vu software has been procured, to be shared with SCDC and Cambridge City Council. As the software is being shared the cost has been reduced.	(100)
		(412)
	Rephase	
	Bridge Place Car Park – Godmanchester Works have been delayed whilst the final design and negotiations over land leases are completed.	(280)
	Building Efficiencies (Salix) The works on replacing the boilers at OL Ramsey and lighting at Pathfinder House are likely to be rephased to 2019/20.	(18)
	Re-fit Buildings Works are expected to be completed in 2018/19, with just the retention to pay in 2019/20.	(37)
		(335)
	Total	(336)

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

5.4 Appendix D, Annexes C and D provide the following information:

Annex C provides details by scheme with proposed rephasing, expenditure to date and forecast outturn.

Annex D details the financing of the Capital Programme showing the funding from grants and contributions, capital receipts, use of earmarked and capital reserves and internal borrowing

6. UPDATE ON THE COMMERCIAL INVESTMENT STRATEGY

6.1 The Commercial Investment Strategy (CIS) was approved by Cabinet in September 2015 and the CIS Business Plan in December 2015. The implementation of the CIS is seen as a key means by which the Council can generate income to assist it in meeting the forecast gap in the revenue budget, by 2021/22 it will have in part contributed in reducing this to £1.6m.

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

CIS Investments	Budget (£'000)	Outturn (£'000)	Variance (£'000)
Cash Investments			
CCLA Property Fund	(162)	(167)	(5)
Total Cash Investments	(162)	(167)	(5)
Property Investments			
Property Rental Income	(5,235)	(3,468)	1,767
MRP	1,896	139	(1,757)
Net Direct Property Income	(3,339)	(3,329)	10

CIS Investments	Budget (£'000)	Outturn (£'000)	Variance (£'000)
Cash Investments			
Management Charge	144	0	(144)
Total Property Investments	(3,195)	(3,329)	(134)
TOTAL	(3,357)	(3,496)	(139)

6.3 Investments

Between July and the end of September 2018, 21 properties have been investigated as potential CIS investment opportunities. Our bid of £7.7m on a leisure property in St Neots, still stands however construction issues were identified as part of the due diligence building surveys. This has been raised with the vendor and original construction contractor, who have accepted liability but to date have not presented a satisfactory plan to remediate the defects. We bid £3.1m (yield 5.8%) in August on Stukeley Meadows Industrial Estate, a small estate of industrial units, but were outbid by two parties with the estate eventually selling for a yield of 5.4%. The long run average yield for this type of property is usually well over 6% and we acquired the neighbouring Stonehill property in 2016 for 9%. There are more properties coming to the market but very few within District, however two opportunities have just arisen in St Neots and being investigated, one is industrial and the other a trade counter opportunity. Legal advice on the ability to buy out of District is looking favourable but subject to final Counsel advice. A summary of opportunities is included in **Appendix E**.

Returns from the CCLA property fund have remained at the 2016/17 level (circa 4.5%). Other investment vehicles such as bank deposits and money market funds interest rates have increased since the Bank of England raised the base rate to 0.75%.

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

7. COMMENTS OF OVERVIEW & SCRUTINY PANELS

- 7.1 The Panel received the Integrated Performance Report 2018/19, Quarter 2 at its meeting on 6th November 2018.
- 7.2 It was clarified, following a query, that the bulk of complaints received by Operations are now business as usual complaints and not as a result of the waste round reconfiguration. Members were informed that a detailed report on complaints was presented to the Overview and Scrutiny Panel (Customers and Partnerships) at their meeting in October 2018.
- 7.3 A question was raised in regards to the high turnover of staff in Customer Services and the reasons for it. In response the Panel was informed that the main issue is not a high turnover but the short notice period and the amount of training a Customer Services Advisor requires, meaning that the service could be lacking trained Advisors for a prolonged period.
- 7.4 In response to a Member asking for progress on the projects rated Red, the Panel was informed that the RAG Status is linked to the anticipated completion date. The issue is that for the projects listed there have been optimistic completion dates set. In addition, it was noted that the projects have experienced significant historical delays due to matters outside the Council's direct control.
- 7.5 A Member asked about the savings arising from the Human Resources and apprentice staff costs. In response, the Panel was informed that the savings achieved are as a result of half of the apprentices now being employed in alternative permanent posts within the Council, therefore meaning that they are no longer being paid from the dedicated apprentice budget.

7.6 Questions arose regarding the Leisure and Health budget position, to which Members were informed that the service is not projected to make as much income as anticipated, particularly through the Burgess Hall.

7.7 The Panel raised a query on New Homes Bonus and were informed that the sooner that developers build out their permissions, the sooner the income is received by the Council. Members were also informed that there is a potential that the New Homes Bonus scheme will be altered in the future.

8. RECOMMENDATIONS

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

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

9. LIST OF APPENDICES INCLUDED

Appendix A – Performance Summary, Quarter 2, 2018/19

Appendix B – Corporate Plan Performance Report ('Red' status), Quarter 2, 2018/19

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

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

Annex A – Revenue Provisional Outturn and Service Commentary, Sept 2018

Annex B – Capital Programme Provisional Outturn, September 2018

Annex C – Capital Programme Funding 2018/19

Annex D – Financial Dashboard, September 2018

Appendix E – Register of reviews of CIS investment propositions, Quarter 2, 2018/19

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 and E)

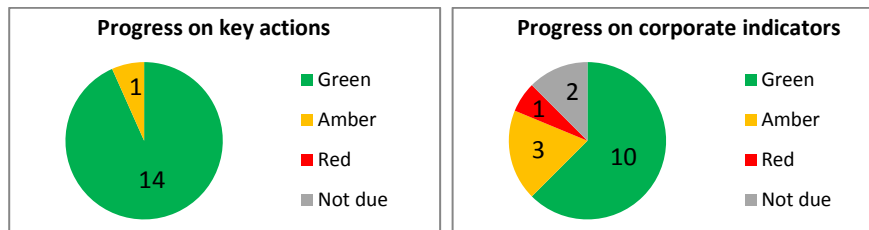
Paul Loveday, Interim Finance Manager ☎ (01480) 388605

Appendix A

Performance Summary Quarter 2, 2018/19

People

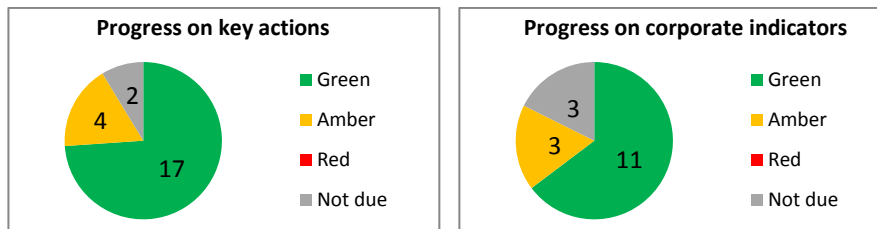
We want to make Huntingdonshire a better place to live, to improve health and well-being and for communities to get involved with local decision making



Highlights include a 17% increase in Active Lifestyles attendances compared to the first six months of last year.

Place

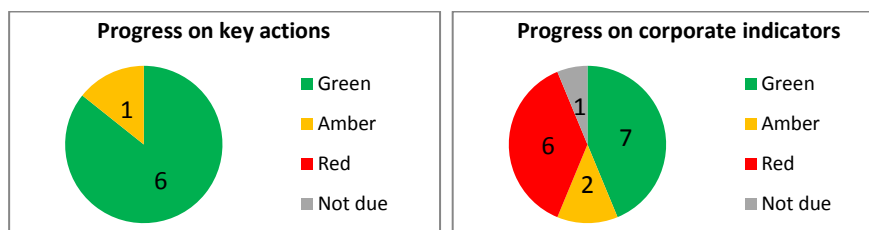
We want to make Huntingdonshire a better place to work and invest and we want to deliver new and appropriate housing



Highlights include Green Flag status being awarded to Hinchingsbrooke Country Park, Paxton Pits and Priory Park.

Becoming a more efficient and effective council

We want to continue to deliver value for money services



Highlights include a large reduction in energy use across the Council's buildings.

CORPORATE PLAN – PERFORMANCE REPORT

Appendix B

STRATEGIC THEME – PEOPLE

Period July to September 2018

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
	14		1		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
	10		3		1		1		1

Performance Indicator	Full Year 2017/18 Performance	Q2 2017/18 Performance	Q2 2018/19 Target	Q2 2018/19 Performance	Q2 2018/19 Status	Annual 2018/19 Target	Forecast Outturn 2018/19 Performance	Predicted Outturn 2018/19 Status
PI 1. Average length of stay of all households placed in B&B accommodation	7 weeks	5.7 weeks	Less than 6 weeks	6.7 weeks	R	Less than 6 weeks	7 weeks	R
Aim to minimise								
<p>Comments: (Customer Services) The average length of stay for the 81 households leaving B&B in Apr to Sep was 6.7 weeks. Our performance in this area 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).</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.55 units of this type in use as well as c.15 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>								

STRATEGIC THEME – PLACE

Period July to September 2018

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
	17		4		0		0		2

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

Summary of progress for Corporate Indicators

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

STRATEGIC THEME – BECOMING A MORE EFFICIENT AND EFFECTIVE COUNCIL

Period July to September 2018

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
6		0		0		1		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
7		2		6		0		1	

Performance Indicator	Full Year 2017/18 Performance	Q2 2017/18 Performance	Q2 2018/19 Target	Q2 2018/19 Performance	Q2 2018/19 Status	Annual 2018/19 Target	Forecast Outturn 2018/19 Performance	Predicted Outturn 2018/19 Status
PI 32. Staff sickness days lost per full time employee Aim to minimise	10.0 days/FTE	5.0 days/FTE	4.0 days/FTE	5.1 days/FTE	R	9.0 days/FTE	10.0 days/FTE	R
<p>Comments: (Resources) More than two-thirds of the days lost in the first two quarters were due to long-term sickness absences. These absences relate to a very low proportion of the staff employed.</p> <p>More details of the sickness absence from July to September will be included in the Workforce Report due to be taken to Employment Committee in November 2018.</p>								
PI 34. Value of planned net budget reductions achieved Aim to maximise	£1.1m	£0m	£0.9m	£0.6m	R	£1.8m	£1.2m	R
<p>Comments: (Resources) The underachievement is linked to the forecast overspend on the revenue budget which is predominantly due to variances within Operations.</p>								

Performance Indicator	Full Year 2017/18 Performance	Q2 2017/18 Performance	Q2 2018/19 Target	Q2 2018/19 Performance	Q2 2018/19 Status	Annual 2018/19 Target	Forecast Outturn 2018/19 Performance	Predicted Outturn 2018/19 Status
PI 38a. Percentage of Stage 1 complaints resolved within time Aim to maximise	n/a (Red)	n/a (Red)	95%	79%	R	95%	81%	R
Comments: (Corporate Team) Of the 168 complaints we know outcomes for, 132 were responded to in time. 29 of the 36 late responses related to complaints about Operations services. Progress has been made in recording reliable complaints data and these figures now include all Leisure & Health complaints.								
PI 38b. Percentage of Stage 2 complaints resolved within time Aim to maximise	78%	77%	95%	85%	R	95%	90%	R
Comments: (Corporate Team) Of 13 Stage 2 complaints received this year, two were not responded to within their time limit. Both late responses related to complaints about services provided by Community. Based on current trends, and the low number of complaints reaching Stage 2, it is unlikely we will meet our target this year.								
PI 39. Percentage of calls to Call Centre answered Aim to maximise	79%	76.2%	90%	80%	R	90%	85%	R
Comments: (Customer Services) Customer Services is experiencing a high turnover of staff during this period. We have been intensively training 3 staff members during September to get them multi-skilled as quickly as possible. The answered rate is an improvement over last year.								
PI 40. Percentage reduction in avoidable contacts Aim to maximise	N/A	N/A	-25%	-10.6%	R	-25%	-25%	A
Comments: (Customer Services) We work on reducing avoidable contact with the departments we provide services for as well as through Lean projects. We are optimistic that the introduction of the new online customer accounts platform will drive further reductions.								

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

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 / Sponsor	Original End Date (as PID)	RAG Status to Original Date	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update / Programme Office comments	RAG Status	Latest Update Date
Leisure Invest to Save Opportunities Explore further opportunities for invest to save schemes including the conversion of synthetic pitch at St Neots. Programme: Facing the Future Project Manager: Jon Clarke (Leisure) Project Sponsor: Cllr John Palmer	30/09/15	Red Historical delays due to legal issues with the lease.	31/12/18	31/12/18	Update from Project Sponsor: Waiting for lottery funding grant to be signed off on, there have been issues with drawing up the plan with the estates team and we are currently awaiting approval from legal. Once approved, we expect works to start in late November 2018.	Red	22-Oct-18
Council Tax Automated Forms Introduce automated forms into business systems. Programme: Facing the Future Project Manager: Ian Davies (Customer Services) Project Sponsor: John Taylor	31/03/17	Red Restructure and lack of resources to test caused delays.	31/12/18	31/12/18	We are busy testing the V2 forms, Direct Debits and Single Person Discounts should go live very soon. • The Blue Prism (robotics) software has been updated in our test system so is ready to go as soon as we are live with the V2 forms. • On-site meeting arranged with IEG4 on 4th October to talk about the robotics testing and looking at the best way of dealing with issues encountered so as to enable prompt resolution. Also hope to discuss use of a possible 2nd robot. Programme Office: Project Board to meet to discuss End Date and New Project Manager	Red	01-Oct-18

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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3C ICT Projects where HDC are customers

Title / Purpose of Project / Programme / Project Manager / Sponsor	Original End Date (as PID)	RAG Status to Original Date	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update (In Flight) / Programme Office comments	RAG Status	Latest Update Date
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. Programme: 3C Shared Services Project Manager: Emma Alterton (3C ICT) Project Sponsor: Fiona Bryant	12/12/2017	Red	31/04/2018	30/09/2018	Testing of new SCDC remote systems signed off by all departments except Planning. Virgin Media Business (VMB) issues escalated to Oliver Morley. They have now committed to the 22 nd Oct for completion. Work continues in the background at SCDC to ready all systems for moving over the weekend of the 27 th following successful completion of the VMB work. An additional request has been submitted to VMB to allow CCity migrations to carry on in parallel. 3C ICT: Progress on HDC's side is Green RAG Status; Main project is Red due to progress at the other two councils.	Red	10-Oct-18
Global Protect Programme: 3C Shared Services Project Manager: Paul Ashbridge (3C ICT) Project Sponsor: Emma Alterton	TBC	TBC	31/04/2018	CCC – Complete SCDC – Oct 18 HDC – Jan 19	SCDC – currently in proof of concept testing. The Application Support Team are testing that all business applications work with the system. 3CSS – work to be completed by Virgin Media and 3C ICT. Awaiting confirmed timeline from Virgin Media. 3C ICT: Progress on HDC's side is Green RAG Status; Main project is Red due to progress at the other two councils.	Red	10-Oct-18

Financial Performance Monitoring Suite September 2018

Executive summary

This report sets out the financial position at the end of September, Quarter 2, and provides forecasts on revenue, the capital programme and the Medium Term Financial Strategy (MTFS). The headlines are:

Revenue - the forecast outturn is an estimated overspend of £0.6m. This level of overspend was forecast at the end of Quarter 1, however, there has been significant changes when looked at on a service level basis. This level of overspend is also continuing the trend from 2017/18.

Capital programme – the forecast outturn is an estimated net under spend of £0.3m.

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

Service Commentary

Annex A

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

Revenue Forecast Outturn	2017/18		2018/19					
	Outturn	Budget	Forecast Outturn (Gross)	Use of Reserves to Fund Exp	Contribution to Reserves	Net Service Forecast	Net Variation	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
Revenue by Service:								
Community	1,697	1,758	1,682	0	7	1,689	(69) ●	-3.9
Customer Services	2,816	2,533	2,573	0	86	2,659	126 ●	5.0
ICT Shared Service	1,972	2,128	2,106	0	0	2,106	(22) ●	-1.0
Development	578	1,071	749	0	2	751	(320) ●	-29.9
Leisure & Health	55	(190)	306	(159)	25	172	362 ●	190.5
Operations	4,292	3,911	4,692	(108)	0	4,584	673 ●	17.2
Resources	3,221	4,429	4,419	(69)	0	4,350	(79) ●	-1.8
Directors and Corporate Transformation	2,693	1,642	1,636	(106)	0	1,530	(112) ●	-6.8
	0	0	328	(328)	0	0	0	
Net Revenue Expenditure	17,324	17,282	18,491	(770)	120	17,841	559 ●	3.2
Contributions to/(from) Earmarked Reserves	(757)	0	(650)				(650)	0.0
Service Contribution to Reserves	3,015	3,026	2,467				(559)	-18.5
Budget Requirement (Services)	19,582	20,308	20,308					
Financing:-								
Taxation & Government Grants	(15,512)	(10,892)	(10,892)				0	0.0
Contribution to/(from) Reserves	3,228	(966)	(966)				0	0.0
Council Tax for Huntingdonshire DC	(7,298)	(8,450)	(8,450)					

Note:

Red – over spend by 2% or more

Amber – underspend by more than 4%

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

2018/19 Quarter 2 Service Forecasts

Quarter 1 Forecast	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
Head of Community											
91,651	Head of Community	85,288	85,891	603	+0.70		6,612	92,503	7,215	+8.50	
	Environmental Protection Team	342,384	304,510	(37,874)	-11.10			304,510	(37,874)	-11.10	Reduced staffing expenditure, after additional costs incurred of recruitment (-£34k) due to vacant posts offset. Additional income (£4k) generated by new business process registrations.
332,244	Business Team	276,784	220,054	(56,730)	-20.50			220,054	(56,730)	-20.50	Reducing income predictions (£18k) from reduced provision of food hygiene training and reduced income from Primary Authority agreement with Cambridgeshire County Council. Being offset by savings from delayed recruitment to vacant posts (£78k). Expectation of late year expenditure on fatal accident investigation and legal process, costs currently unknown.
260,884	Community Team	615,019	573,896	(41,123)	-6.70			573,896	(41,123)	-6.70	Savings from vacant posts (£38k), and higher than budgeted income (£12k), offset by additional costs in delivery of services (-£9k)
598,341	Environmental Health Admin	143,662	135,959	(7,703)	-5.40			135,959	(7,703)	-5.40	
136,688	Closed Churchyards	2,000	2,000	0	+0.00			2,000	0	+0.00	
2,000	Licencing	(103,951)	(143,108)	(39,157)	+37.70			(143,108)	(39,157)	+37.70	Better than expected income at this point in the year (38k), unlikely to be sustained over future financial years
(90,458)	CCTV	(70,393)	(70,772)	(379)	+0.50			(70,772)	(379)	+0.50	
(70,393)	CCTV Shared Service	155,326	189,797	34,471	+22.20			189,797	34,471	+22.20	Additional costs of maintaining an aged fleet of CCTV cameras (£35k). Formal contract award, within the HDC Ventures commercial development has been completed, project to replace camera and wireless network being commenced
199,884	Corporate Health & Safety	104,997	104,369	(628)	-0.60			104,369	(628)	-0.60	
105,072	Emergency Planning	11,575	10,845	(730)	-6.30			10,845	(730)	-6.30	
11,590	Document Centre	194,849	268,851	74,002	+38.00			268,851	74,002	+38.00	External income significantly lower than expected (£37k) along with reduced demand for internal print (54k) showing reduced level of income to the service. Being offset by reduced costs for materials and equipment maintenance and running costs (12k) and reduced staffing costs due to vacant posts within the Service area (£6k). Impact of the fire in the Print Room still in the hand of the Insurance Company, collating the information to finalise the insurance claim now that the repairs to Eastfield House have been completed.
244,663											
1,822,166		1,757,540	1,682,292	(75,248)	-4.30	0	6,612	1,688,904	(68,636)	-3.90	

Quarter 1 Forecast	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
Head of Customer Services											
97,957	Head of Customer Services	98,042	12,286	(85,756)	-87.50		85,756	98,042	0	+0.00	
1,017,460	Housing Needs	1,018,645	1,008,674	(9,971)	-1.00			1,008,674	(9,971)	-1.00	
851,799	Customer Services	851,414	847,072	(4,342)	-0.50			847,072	(4,342)	-0.50	
(127,451)	Council Tax Support	(127,354)	(127,951)	(597)	+0.50			(127,951)	(597)	+0.50	
(227,770)	Local Tax Collection	(227,770)	(225,768)	2,002	-0.90			(225,768)	2,002	-0.90	
	Housing Benefits	919,948	1,058,213	138,265	+15.00			1,058,213	138,265	+15.00	Estimated cost of benefit payments for homelessness accommodation reviewed based on latest expenditure plus adjustments to take account of impact of Universal Credit on caseload. This is on a total budget of £30m+. Offset against new burdens funding from DWP and minor operational adjustments.
850,921											
2,462,916		2,532,925	2,572,526	39,601	+1.60	0	85,756	2,658,282	125,357	+4.90	
3C's ICT											
2,106,741	ICT Shared Service	2,128,103	2,105,806	(22,297)	-1.00			2,105,806	(22,297)	-1.00	
2,106,741		2,128,103	2,105,806	(22,297)	-1.00	0	0	2,105,806	(22,297)	-1.00	
Head of Development											
84,457	Head of Development	84,715	84,092	(623)	-0.70			84,092	(623)	-0.70	
152,540	Building Control	152,540	137,681	(14,859)	-9.70			137,681	(14,859)	-9.70	(£23K recharge for accommodation at PFH). £8K additional cost of service.
151,324	Economic Development	160,822	139,858	(20,964)	-13.00			139,858	(20,964)	-13.00	(£23K) Underspend on staff costs as a result of vacancies being/to be recruited to. £4K of smaller variances.
616,707	Planning Policy	721,388	596,278	(125,110)	-17.30			596,278	(125,110)	-17.30	(£90K) Underspend on staff costs as a result of vacancies being recruited to.
(299,981)	Development Management	(343,260)	(480,004)	(136,744)	+39.80			(480,004)	(136,744)	+39.80	(£48K) Underspend on staff costs as a result of vacancies being recruited to. (£22K) Additional fee income. (£68K) DM Systems Development underspend.
206,924	Housing Strategy	212,478	192,111	(20,367)	-9.60		1,620	193,731	(18,747)	-8.80	(£22K) Underspend of salaries. £4K of smaller variances.
26,100	Public Transport	26,100	23,280	(2,820)	-10.80			23,280	(2,820)	-10.80	
56,120	Transportation Strategy	56,120	56,120	0	+0.00			56,120	0	+0.00	
994,191		1,070,903	749,416	(321,487)	-30.00	0	1,620	751,036	(319,867)	-29.90	

Quarter 1 Forecast	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
Head of Leisure & Health											
81,681	Head of Leisure & Health	81,788	81,215	(573)	-0.70			81,215	(573)	-0.70	
196,057	One Leisure Active Lifestyles	205,371	355,307	149,936	+73.00	(159,000)		196,307	(9,064)	-4.40	
104,157	One Leisure St Ives Outdoor Centre	73,106	83,326	10,220	+14.00		25,000	108,326	35,220	+48.20	OLSIO - £35K down on budget. £14 down on hospitality. £16K up on budget outdoor sports. Site down on budget of £11K which maintenance and employee savings of £6K
563,340	Leisure Centres Corporate	442,394	425,563	(16,831)	-3.80			425,563	(16,831)	-3.80	Staff Saving of £21K and the remainder due to supplies and services
(1,800)	The Club Alconbury Weald	126,461	110,474	(15,987)	-12.60			110,474	(15,987)	-12.60	
(242,098)	One Leisure St Neots	(253,048)	(221,632)	31,416	-12.40			(221,632)	31,416	-12.40	£31K down on budget primarily due to the delays in the Swimming pool and 3G capital project delivery. Pitch hire £41K down on budget due to the works having to take place within the playing season. Swimming £83K down on income due to closures being in full financial year, but offset by £109K savings in salary. Net off £32K. Indoor sports income down by £29K - offset in part by employee savings of £13K. Impressions down by £16K (income down £26K on budget) but up by £9K YTD on previous years. Creche is up by £6K which demonstrates the value of the crèche to the membership package. Hospitality up £2K on budget
(151,981)	One Leisure Huntingdon	(192,301)	(101,205)	91,096	-47.40			(101,205)	91,096	-47.40	£90K variance to budget. Hospitality £21K down - employee costs are being reviewed and setting new targets for increased sales. £80K down on indoor sports (income and fees) £44K down on the allocation of membership income due to delay in the capital project and phasing of income. Reduced schools out income by £12K as only delivering out of OLSI and OLSN for the same cost. Fitness classes down by £6K. Party hire reduced by £5K. Plus various other adjustments made to reflect YTD actuals. Swimming income- due to investment up YTD by £22K on previous YTD and just off budget due to the membership re-allocation of income which is £5K down. Savings on utilities of £9K
(692,292)	One Leisure St Ives	(792,101)	(484,849)	307,252	-38.80			(484,849)	307,252	-38.80	OLSI £178K down on previous month forecast and £307K down on budget. A significant proportion of this is due to reduced income from Burgess Hall and Bar - this equates to a reduced forecast on budget figure of £215K. Savings on employee costs of £9K on Burgess bar and £30K Burgess as well as a reduction in supplies and services of £33K bar and hall of £12K. The net position of £144K hall worse and bar of £40K. There is an additional £54K variance on previous month forecast for utilities which is now reporting £54K is up on budget. Hospitality £24K down on budget mainly due to salary costs but this is being managed to reduce the year end impact. Indoor Sport - £25K down on budget, this is due to fitness classes income. Savings on Salary of £8K for Site management. On a positive Ten Pin Bowling net position is up £8k on previous YTD

Quarter 1 Forecast	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
242,341	Fleet Management	238,846	259,080	20,234	+8.50			259,080	20,234	+8.50	
(55,279)	Markets	(60,998)	(59,746)	1,252	-2.10			(59,746)	1,252	-2.10	
	Car Parks	(1,420,054)	(1,384,715)	35,339	-2.50			(1,384,715)	35,339	-2.50	Lost income in Huntingdon (use of old Waitrose Car park as uncontrolled)
(1,377,034)											Lost income St Ives (Park & Ride offering free long-stay parking)
											Excess Charge Notice Issue lower due to long term sickness (resolved and new staff in place)
4,581,264		3,910,719	4,692,023	781,304	+20.00	(108,000)	0	4,584,023	673,304	+17.20	
Head of Resources											
87,776	Head of Resources	88,705	89,341	636	+0.70			89,341	636	+0.70	
	Corporate Finance	4,747,443	4,600,095	(147,348)	-3.10	(6,714)		4,593,381	(154,062)	-3.20	Increased expected income from CCLA property fund (-£4k), higher interest rates from investments (-£8k), loan payments to PWLB lower than budget (-£65k) and savings from recalculated MRP (-£80k)
4,707,755	Finance	589,930	809,173	219,243	+37.20	(62,000)		747,173	157,243	+26.70	Delay in FMS has resulted in staffing resources needed for longer and additional temp staff for back filling and covering longterm sickness plus savings from vacant posts (+£205k) with (-£88k) to be covered by reserves
680,512	Audit & Risk Management	539,902	653,764	113,862	+21.10			653,764	113,862	+21.10	Action on Overspend - These are one-off costs relating to the implementaiton of the FMS; they should not be repeated next year. Increase in insurance premiums reflecting RTA in 01/17 and EFH Fire in Oct 17 (+£114k), 2 vacant posts with Audit (-£27k), final payment in regards to mesothelioma claim (+33k)
658,265	Legal	223,940	222,577	(1,363)	-0.60			222,577	(1,363)	-0.60	Action on Overspend - Not possible to reduce in the short-term as this is as a consequence of higher insurance premiums.
223,085	HR & Payroll Services	865,695	636,519	(229,176)	-26.50			636,519	(229,176)	-26.50	2 FTE posts vacant (-£72k), savings in apprentice scheme employee costs due to several apprentices gaining permanent employment (-£177k), Increase in DBS checks (+£19k)
610,148	Procurement	30,868	59,967	29,099	+94.30			59,967	29,099	+94.30	Undelivered due to delay in procurement outsourcing (+£30k)
38,726	Commercial Estates	(2,657,038)	(2,652,147)	4,891	-0.20			(2,652,147)	4,891	-0.20	Action on Overspend - Original intention to outsource delayed and alternative provision being investigated with 3C's partners
(2,584,342)											Higher staffing costs (+£170k), reduced CIS income due to highly competitive market (+£87k) (this variance is a mix of reduced MRP expenditure and reduced CIS income), savings in management charge (-£144k), increased estates income excl CIS (-£116k)
											Action on Overspend - The service continues to proactively investigate CIS opportunities, further investments are required to meet income targets
4,421,925		4,429,445	4,419,289	(10,156)	-0.20	(68,714)	0	4,350,575	(78,870)	-1.80	

Quarter 1 Forecast	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
Corporate Team											
	Democratic & Elections	810,780	853,895	43,115	+5.30	(106,012)		747,883	(62,897)	-7.80	Final accounts have been settled on all Elections (incl. EU Referendum and UK Parliamentary from previous years) and this shows an overall surplus to the accounts along with some lower costs in Electoral Registration and Members Allowances Special Duty Allowances.
804,761											
492,195	Directors	492,052	485,456	(6,596)	-1.30			485,456	(6,596)	-1.30	
	Corporate Team	339,256	296,644	(42,612)	-12.60			296,644	(42,612)	-12.60	Vacant posts have been held while staff on secondment to transformation and pending restructure
278,812											
1,575,768		1,642,088	1,635,995	(6,093)	-0.40	(106,012)	0	1,529,983	(112,105)	-6.80	
Transformation											
0	Transformation	0	327,792	327,792	-	(327,792)		0	0	-	
0		0	327,792	327,792	-	(327,792)	0	0	0	-	
17,922,545	HDC Total	17,281,627	18,491,225	1,209,598	+7.00	(769,518)	118,988	17,840,695	559,068	+3.20	

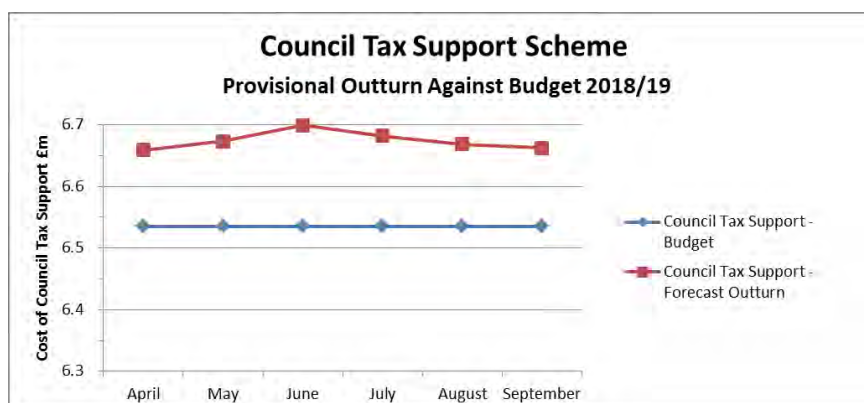
Capital Programme 2018/19		September						
Table 1 Expenditure	Status	Budget Manager	Approved Budget	Slippage or Supplementary	Updated Budget	Expenditure	Forecast	Net Variance
			£	£	£	£	£	£
Community								
CCTV Camera Replacements		Chris Stopford	0	220,000	220,000	0	220,000	0
CCTV Pathfinder House Resilience		Chris Stopford	0	20,000	20,000	0	20,000	0
CCTV Wi-Fi		Chris Stopford	0	250,000	250,000	0	250,000	0
Lone Worker Software		Chris Stopford	0	20,000	20,000	0	20,000	0
					0			
					0			
Development								
Disabled Facilities Grants		Caroline Hannon	1,900,000	0	1,900,000	836,996	2,235,500	335,500
Huntingdon West CIL		Claire Burton	0	0	0	553,026	553,026	553,026
Alconbury Weald Remediation		Sue Bedlow	0	979,556	979,556	979,556	979,556	0
					0			
					0			
Leisure and Health								
One Leisure Improvements		Pete Corley	366,000	40,000	406,000	44,187	406,000	0
Burgess Hall		Gareth Clark	0	0	0	0	0	0
One Leisure St Ives New Fitness Offering		Daniel Gammons	250,000	0	250,000	0	250,000	0
One leisure Ramsey 3G		Martin Grey	600,000	0	600,000	0	334,000	(266,000)
One Leisure St Neots Synthetic Pitch		Jon Clarke	0	390,000	390,000	0	390,000	0
OL St Neots Pool		Jon Clarke	0	278,957	278,957	26,199	278,957	0
OL Huntingdon Expansion		Paul France	0	0	0	29,498	21,000	21,000
					0			
Resources								
Health and Safety Works on Commercial Properties		Jackie Golby	60,000	0	60,000	0	60,000	0
Energy Efficiency Works at Commercial Properties		Jackie Golby	50,000	0	50,000	0	43,750	(6,250)
Cash Receipting System		Paul Loveday	0	2,103	2,103	0	2,103	0
Financial Management System Replacement		Paul Loveday/Andrew Buckell	0	0	0	56,432	46,000	46,000
FMS Archive		Paul Loveday	0	14,000	14,000	0	14,000	0
VAT Exempt Capital		Paul Loveday	208,000	33,000	241,000	0	241,000	0
Loan Facility to Huntingdon Town Council		Paul Loveday	0	800,000	800,000	(38,000)	800,000	0
Investment in Company		Paul Loveday	0	100,000	100,000	0	100,000	0
Commercial Estates Roofs		Paul Loveday	0	0	0	103,304	103,000	103,000
					0			
Printing Services								
Printing Equipment		Andy Lusha	0	176,000	176,000	0	176,000	0
					0			
					0			
3C ICT								
Flexible Working - 3CSS		Emma Alterton	50,000	14,770	64,770	(6,795)	64,770	0
Telephones - 3CSS		Emma Alterton	0	0	0	0	0	0
Virtual Server - 3CSS		Emma Alterton	0	0	0	0	0	0
					0			
					0			
Operations								
Building Efficiencies (Salix)		Chris Jablonski	0	55,358	55,358	(600)	37,085	(18,273)
Wheeled Bins		Heidi Field	280,000	0	280,000	18,751	280,000	0
Vehicle Fleet Replacement		Andrew Rogan	1,033,000	0	1,033,000	879,187	1,033,000	0
Operations Back Office Development		Matt Chudley	230,000	135,000	365,000	0	229,000	(136,000)
Play Equipment		Helen Lack	25,000	0	25,000	13,260	39,550	14,550
Re-Fit Buildings		Chris Jablonski	0	476,467	476,467	0	455,467	(21,000)
Bridge Place Car Park Godmanchester		George McDowell	318,000	(14,037)	303,963	3,190	25,000	(278,963)
Pathfinder House Reception (DWP)		Chris Jablonski	0	119,853	119,853	120,662	138,603	18,750
Hinchingbrooke Country Park Wooden Bridge		Judith Arnold	32,000	0	32,000	0	46,000	14,000
					0			
					0			
Transformation								
Customer Relationship Management		John Taylor	180,000	0	180,000	0	80,000	(100,000)
Transformation Schemes		John Taylor	0	1,000,000	1,000,000	0	1,000,000	0
					0			
Total Expenditure			5,582,000	5,111,027	10,693,027	3,618,853	10,972,367	279,340

Capital Programme 2018/19		September						
Table 2 Funding of Capital Programme		Budget Manager	Approved Budget	Slippage or Supplementary	Updated Budget	Expenditure	Forecast	Variance
			£	£	£	£	£	£
Grants and Contributions								
DFGs	Caroline Hannon	(1,100,000)			(1,100,000)	(133,793)	(1,220,000)	(120,000)
Huntingdon West CIL	Claire Burton						(553,026)	(553,026)
Pathfinder House Reception	Chris Jablonski			(278,000)	(278,000)		(256,000)	22,000
Wheeled Bins	Heidi Field	(146,000)			(146,000)	(58,446)	(146,000)	0
Synthetic Pitch	Jon Clarke			(274,000)	(274,000)		(274,000)	0
One Leisure Ramsey 3G	Martin Grey	(300,000)			(300,000)		(184,000)	116,000
Operations Back Office	Matt Chudley	(229,000)			(229,000)		(229,000)	0
Health and Safety Works on Commercial Properties	Jackie Golby				0		(20,000)	(20,000)
Play Equipment	Helen Lack						(13,720)	(13,720)
Total Grants and Contributions		(1,775,000)	(552,000)	(2,327,000)	(192,239)	(2,895,746)	(568,746)	
Use of Capital Reserves								
Alconbury Remediation Works Reserve	Sue Bedlow	0	(979,556)	(979,556)	0	(979,556)	0	0
Total Capital Reserves		0	(979,556)	(979,556)	0	(979,556)	0	0
Capital Receipts								
Loan Repayments	Paul Loveday	(320,000)			(320,000)	0	(320,000)	0
Housing Clawback Receipts	Paul Loveday	(500,000)			(500,000)	0	(500,000)	0
Total Capital Receipts		(820,000)	0	(820,000)	0	(820,000)	0	0
Use of Earmarked Reserves								
Financial Management System Replacement	Paul Loveday				0		(46,000)	(46,000)
Investment in Trading Company	Paul Loveday		(100,000)	(100,000)			(100,000)	0
ICT Transformation	John Taylor		(1,000,000)	(1,000,000)			(1,000,000)	0
FMS Archive	Paul Loveday		(14,000)	(14,000)			(14,000)	0
CIL Reserve	Andy Moffat				0		0	0
To Earmarked Reserves		0	(1,114,000)	(1,114,000)	0	(1,160,000)	(46,000)	
Total Funding		(2,595,000)	(2,645,556)	(5,240,556)	(192,239)	(5,855,302)	(614,746)	
Net to be funded by borrowing		2,987,000	2,465,471	5,452,471	3,426,614	5,117,065	(335,406)	
Budget Reconciliation					Updated Budget	Expenditure	Forecast	Variance
	Gross Expenditure				10,693,027	3,618,853	10,972,367	279,340
	Total Grants and Contributions				(2,327,000)	(192,239)	(2,895,746)	(568,746)
	Use of Capital and Revenue Reserves				(979,556)	0	(1,025,556)	(46,000)
	Total				7,386,471	3,426,614	7,051,065	(335,406)

Financial Dashboard

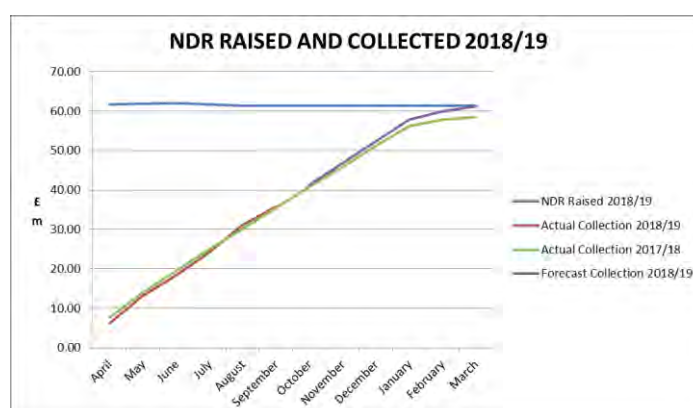
Council Tax Support Scheme

Currently, the actual take-up of Council Tax Support is running approximately £0.13m above the budgeted £6.5m. Any 2018/19 increase in Council Tax Support will impact in 2019/20.



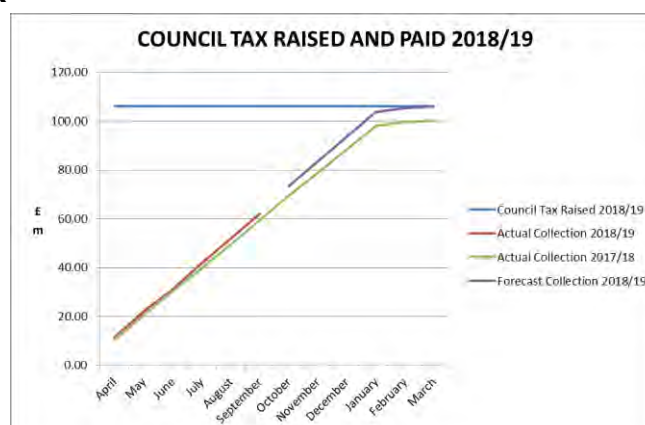
The impact of this increase on HDC will be proportionate to all Council Tax precepts (13.5% for HDC including parishes).

Collection of NDR



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

Collection of Council Tax



Miscellaneous Debt

The total outstanding debt as at the end of September 2018 is £1.859m (June 2018, £3.546m), £0.709m (June 2018, £1.596m) is prior year debt of which £0.358m (June 2018, £1.104m) relates to 2017/18.

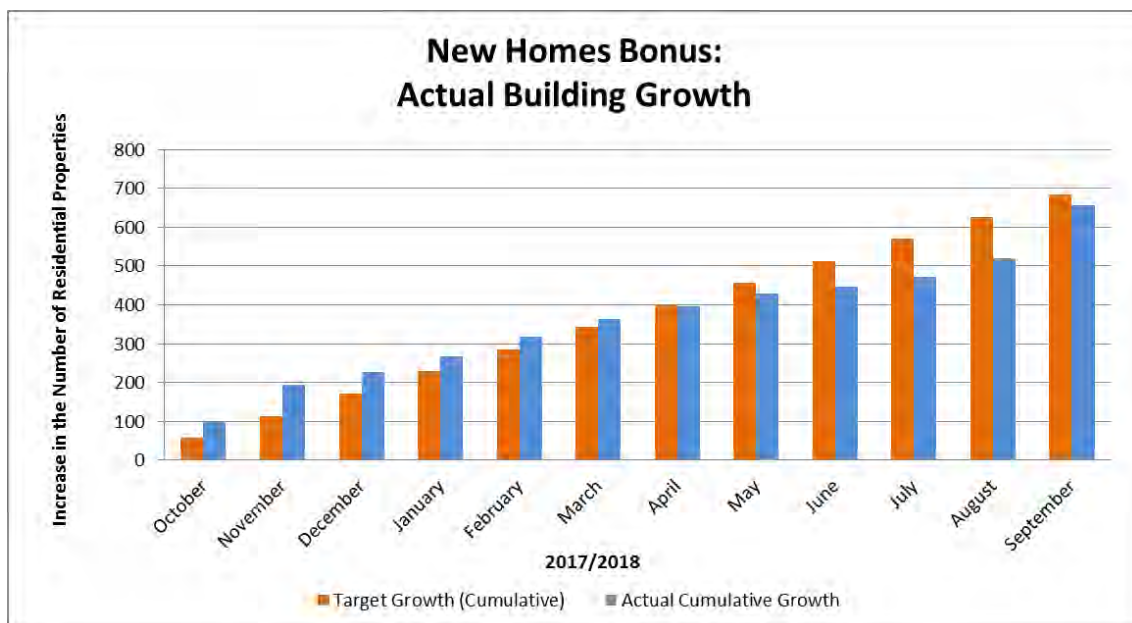
The 2017/18 and 2018/19 debt position is currently showing an outstanding amount of £1,509m (June 2018, £3.055m), £28k relates to Commercial Rents, £168k relates to homeless accommodation/prevention, £43k relates to schools and other customers use of One Leisure facilities and £983k relates to shared services recharges.

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 2018/19.

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 has been 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. This reporting cycle has now been completed and 657 properties have been completed, which is 32 below the target.

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



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 – September 2018 (Q2)

Over the above period, 21 propositions were reviewed up to stage 1 with all bar three outside the District. A bid was made on Stukeley Meadows Industrial Estate in August (stage 3) and two opportunities in St Neots are being investigated (stage 2). An opportunity from March 2018 has been approved by Cabinet and is in legal hands (stage 5) at St Neots but requires construction works to remediate some defects. We are still in discussions with the vendor.

By property type the investments considered in Q2 are as follows:

Offices	6	Development sites (non-investment)	2
Leisure	1	Retail high street	2
Industrial/warehouse	6	Retail warehouse	2
		Other (trade counter /student housing)	2