



Public Document Pack

FINANCE AND RESOURCES OVERVIEW AND SCRUTINY AGENDA

Scrutiny making a positive difference: Member led and independent, Overview & Scrutiny Committees promote service improvements, influence policy development & hold Executive to account for the benefit of the Community of Dacorum.

TUESDAY 5 SEPTEMBER 2017 AT 7.30 PM

CONFERENCE ROOM 2 - THE FORUM

The Councillors listed below are requested to attend the above meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Membership

Councillor Howard	Councillor Silwal
Councillor Herbert Chapman (Chair)	Councillor Taylor
Councillor Douris (Vice-Chairman)	Councillor Tindall
Councillor Clark	Councillor Gbola Adeleke
Councillor E Collins	Councillor Armytage
Councillor Fethney	Councillor McLean

Substitute Members:

Councillors Anderson, Brown, Guest, Link, Matthews, Ransley, W Wyatt-Lowe and England

For further information, please contact

AGENDA

- 1. MINUTES**
To confirm the minutes from the previous meeting
- 2. APOLOGIES FOR ABSENCE**
To receive any apologies for absence
- 3. DECLARATIONS OF INTEREST**

To receive any declarations of interest

A member with a disclosable pecuniary interest or a personal interest in a matter who attends a meeting of the authority at which the matter is considered -

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent

and, if the interest is a disclosable pecuniary interest, or a personal interest which is also prejudicial

- (ii) may not participate in any discussion or vote on the matter (and must withdraw to the public seating area) unless they have been granted a dispensation.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Members' Register of Interests, or is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal and prejudicial interests are defined in Part 2 of the Code of Conduct For Members

[If a member is in any doubt as to whether they have an interest which should be declared they should seek the advice of the Monitoring Officer before the start of the meeting]

4. PUBLIC PARTICIPATION

An opportunity for members of the public to make statements or ask questions in accordance with the rules as to public participation

5. CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO CALL-IN

None

6. ACTION POINTS FROM THE PREVIOUS MEETING (Pages 3 - 4)

7. BUDGET MONITORING REPORT (Pages 5 - 20)

8. LEGAL GOVERNANCE & DEMOCRATIC SERVICES Q1 PERFORMANCE REPORT (Pages 21 - 28)

9. FINANCE & RESOURCES Q1 PERFORMANCE REPORT (Pages 29 - 52)

10. PERFORMANCE, PEOPLE & INNOVATION Q1 PERFORMANCE REPORT (Pages 53 - 74)

11. WORK PROGRAMME (Pages 75 - 78)

Action Points

04/07/17	B Hosier to provide Committee with an update regarding the status of HCC's outstanding invoice.	B Hosier	23/08/2017	I have been in constant contact during August with Roger Arbon from HCC and his property consultants (Lambert Smith Hampton) who have been representing HCC on the Forum. Dialogue has been good and we are very close to agreeing the final 'Service Charge Calculation'. Once this has been agreed HCC will raise a purchase order and DBC will raise an invoice.
04/07/17	B Hosier to provide the Committee with the volume/percentage increase of the £100k car parking income against the previous financial year.	B Hosier	23/08/2017	The pay & display information that we have available to us shows that we issued out a similar number of parking sessions during 2016/17 as we did in 2015/16, this leads us to the assumption that the surplus figure was generated by vehicles staying longer in the car parks and paying a higher charge. The reference to the 'mild and dry year' actually refers to the number of snow days we had last year. On the days the borough has snow, this tends to completely wipe out usage for car parks and has a negative impact on the car parking income.
04/07/17	R Baker to confirm DBC'S rank within Hertfordshire in terms of income received through the AFM.	R Baker	06/07/17	Dacorum ranked first in Hertfordshire for total income received, and second in

				Hertfordshire for income generated per property.
04/07/17	Councillor Elliot to confirm if awarded legal costs in respect of successful JR had been paid.	Cllr Elliot	17/08/17	Costs of £5000 have been paid. This is the maximum the Court was able to order in costs as this was an Aarhus claim (i.e. it had environmental elements to it)).
04/07/17	M Rawdon to highlight the comments made by the committee to the trade union representatives, with the intention of encouraging trade union representatives to fully engage with JNC.	M Rawdon	14/08/17	This was raised via email on 20 July with trade union rep from Unison. The HR team leader has also raised this at the regular TU meeting.



AGENDA ITEM: SUMMARY

Report for:	Finance and Resources Overview and Scrutiny Committee
Date of meeting:	5 September 2017
PART:	1
If Part II, reason:	

Title of report:	Budget Monitoring Quarter 1 2017/18
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance and Resources David Skinner, Assistant Director (Finance & Resources) Caroline Souto, Team Leader Financial Planning & Analysis
Purpose of report:	To provide details of the projected outturn for 2017/18 as at Quarter 1 for the: <ul style="list-style-type: none"> • General Fund • Housing Revenue Account • Capital Programme
Recommendations	<ol style="list-style-type: none"> 1) That Committee note the forecast outturn position. 2) That Committee note the savings identified following outturn 2016/17, which will be transferred to earmarked reserves subject to Cabinet approval. 3) That Committee note the re-phasing of the capital programme to move slippage identified at Quarter 1 into financial year 2018/19.
Corporate objectives:	Delivering an efficient and modern council
Implications:	Financial and Value for Money implications are included within the body of the report.

Risk Implications	Risk implications are included within the body of the report.
Equalities Implications	There are no equality implications.
Health And Safety Implications	There are no health and safety implications.
Glossary of acronyms and any other abbreviations used in this report:	GF – General Fund HRA – Housing Revenue Account

1. Executive Summary

- 1.1 Projected General Fund revenue outturn - a surplus of £322k is forecast on the General Fund revenue account. This includes £400k of ongoing savings identified at outturn 2016/17, which have been factored into base budgets going forward. A budget adjustment to transfer this surplus to earmarked reserves in financial year 2017/18 will be requested at Cabinet 19 September.
- 1.2 Projected Housing Revenue Account outturn – a deficit of £233k is forecast. This deficit will be need to be met from earmarked reserves.
- 1.3 Projected Capital forecast General Fund – slippage of 28%. A proposal to rephase capital schemes into 2018/19 will be made to 19 September Cabinet meeting.
- 1.4 Projected Capital forecast HRA – slippage of 21% on new build schemes. Schemes will be rephased into 2018/19 as above.
- 1.5 The report pack contains the following documents:
 - Appendix A – General Fund Summary Spreadsheet
 - Appendix B – HRA Summary Spreadsheet
 - Appendix C – Capital Programme

2. Introduction

- 1.6 The purpose of this report is to present the Council's forecast outturn for 2017/18 as at 30 June 2017. The report covers the following budgets:
 - General Fund
 - Housing Revenue Account (HRA)
 - Capital Programme

3. General Fund Revenue Account

1.7 The General Fund revenue account records the income and expenditure associated with all Council functions except management of the Council's own housing stock, which is accounted for within the Housing Revenue Account (HRA).

1.8 The current budget is the original budget approved by Cabinet in February 2017, plus the following approved amendments:

Amendments	£000	Approved
2017/18 Original budget - cost of services	20,968	
Funding to support creation of Development Company	200	Council July 2017
2017/18 Current Budget - cost of services	21,168	

1.9 Appendix A provides an overview of the General Fund provisional outturn position. This is in a new format following financial reporting requirement changes for the 2016/17 accounts. The key differences from the previous reporting format are as follows:

- Recharges are no longer included within a “non-controllable” section of the service reporting; instead these are shown on one line in the Transfers between Reserves / Funds section at the foot of the report.
- Capital charges are no longer included in a “non-controllable” section. These do not result in a cash charge to taxpayers.
- Housing Benefit payments and grant income are now shown within Finance and Resources income and expenditure (Transfer Payments and Other Income).
- Investment Property income and expenditure is shown separately on one line of the report. Variances will be addressed in the Finance and Resources section of the report, in line with the scrutiny committee responsibility.

1.10 Variances on corporate items

The forecast for Investment Income is showing a deficit of £137k. This is due to the reduction in the Bank of England base rate during 2016/17. This has been amended for future years in the Medium Term Financial Strategy presented to Cabinet in July 2017.

The forecast for grant income is showing a surplus of £60k due to additional new burdens grants which have been received. Included in this is £53k of funding relating to the revenues and benefits service, and an adjustment of £7k to prior year new homes bonus.

1.11 The table below provides an overview by Scrutiny area of the current forecast outturn for controllable budgets within the General Fund.

	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Finance & Resources	11,377	11,302	(75)	-0.7%
Strategic Planning & Environment	8,047	8,063	16	0.2%
Housing & Community	1,744	1,632	(112)	-6.4%
Total	21,168	20,997	(171)	-0.8%
Investment Property	(3,736)	(3,843)	(107)	2.9%
Non-controllable budgets	(16,607)	(16,541)	66	-0.4%
Earmarked Reserve movements	(826)	(936)	(110)	13.3%
Contribution (to)/from General Fund Working Balance	(1)	(323)	(322)	

1.12 The following sections provide an analysis of the projected outturn and major budget variances shown by Scrutiny area.

4. Finance and Resources

Finance & Resources	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Employees	9,943	9,881	(62)	(0.6%)
Premises	2,025	1,998	(27)	(1.3%)
Transport	215	215	0	0.0%
Supplies & Services	4,002	4,159	157	3.9%
Third-Parties	533	561	28	5.3%
Transfer Payments	47,144	47,144	0	0.0%
Income	(4,901)	(5,072)	(171)	3.5%
Other Income	(47,584)	(47,584)	0	0.0%
	11,377	11,302	(75)	(0.7%)

1.13 Supplies & Services - £157k over budget (3.9%)

Pressure of £125k – Overall the budgeted savings in the Parking service are being achieved, however on the Supplies and Services line there is a pressure on the budget for the Parking Enforcement contract. Savings have been found in other areas within the Parking service, such as employees costs (£30k), and a surplus on parking income (see 4.2).

1.14 Income £171k over-achievement of income (3.5%)

Over-achievement of income of £125k – Parking income is forecast to exceed budget by £125k. This is in line with the overachievement in income realised last financial year, and is due to increased income from Council owned car parks and

from on-street parking. There is also an increase against budget in income from residents' permits from newly created controlled parking zones.

1.15 Investment Property - £107k over-achievement of income (2.9%)

A surplus of income from Investment Property was realised in financial year 2016/17 as a result of turnover based rents on specific sites (£70k) and service charges (£30k) following efficiencies in the methodology for billing tenants. These are ongoing surpluses which can be factored into the base budgets going forward.

A formal increase to the 2017/18 investment property budget will be proposed in 19 September Cabinet, with a corresponding contribution to earmarked reserves.

5. Strategic Planning and Environment

Strategic Planning and Environment	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Employees	9,311	9,387	76	0.8%
Premises	955	996	41	4.3%
Transport	1,288	1,269	(19)	(1.5%)
Supplies & Services	1,910	2,008	98	5.1%
Third-Parties	80	80	0	0.0%
Income	(5,497)	(5,677)	(180)	(3.3%)
	8,047	8,063	16	0.2%

4.1 Employees - £76k over budget (0.8%)

Pressure of £60k – There is a pressure of £60k in the budget for Employee costs in Strategic Planning, due to a newly created post to support the production of a brownfield register. Government legislation came into force in March 2017, which requires local planning authorities to prepare and maintain registers of brownfield land (previously developed land which may be suitable for housing). Additional resource is required which had been previously estimated at £80k for 2017/18, but has been reduced to £60k. A drawdown from earmarked reserves will be requested in the report to Cabinet 19 September 2017 to fund the pressure in 2017/18. A new burdens grant of £15k was received in financial year 2016/17, which formed part of the overall surplus on the corporate grants budget in 2016/17.

4.2 Supplies & Services - £98k over budget (5.1%)

Pressure of £95k – A pressure of £95k is expected from legal costs in Regulatory Services relating to complex legal cases that the council is currently involved in. These costs can be met from the Litigation Reserve, in accordance with its terms of use. This will be proposed in the 19 September Cabinet report.

4.3 Income - £180k over-achievement of budget (3.3%)

Overachievement of income £100k - An additional £100k of income is forecast in the Planning Service from a high volume of planning applications. During the first half of 2016/17 following uncertainty in the housing market after the EU referendum, a decline in planning income was forecast. A reduction of £50k in the base budget was therefore factored into budget 2017/18. Current trends indicate that this was a temporary dip in the market rather than an ongoing one. It is proposed that this £50k reduction be removed from the base budget going forward.

A £50k increase to the 2017/18 planning fee budget will be proposed in 19 September Cabinet, with a corresponding contribution to earmarked reserves.

Over-achievement of income £130k - An additional £100k of income is forecast as a result of incentive payments from Hertfordshire County Council (HCC), to reward Dacorum for improvements in the rate of recycling. This is under the Alternative Financial Model (AFM) methodology. Although the AFM has been reviewed and the overall size of the fund has decreased, the share to Dacorum remains above the budgeted amount. In addition, a surplus of £30k is forecast in recycling credits, following improved co-mingled and green waste tonnages. These increases in income will be factored into the base budget going forward.

A £130k increase to the 2017/18 waste services income budget will be proposed in 19 September Cabinet, with a corresponding contribution to earmarked reserves.

Under-achievement of income of £90k – A pressure of £90k has been identified in the Commercial Waste service. The decline previously seen in the number of customers has not improved, and a deficit in income is forecast. Work is ongoing to understand why customers have left the service. The pressure is offset slightly by a reduction in disposal fees of £20k, to give a net pressure of £70k.

6. Housing and Community

Housing & Community	Current Budget	Forecast Outturn	Variance	
	£000	£000	£000	%
Employees	2,698	2,741	43	1.6%
Premises	789	801	12	1.5%
Transport	16	18	2	12.5%
Supplies & Services	1,786	1,827	41	2.3%
Third Parties	578	578	0	0.0%
Transfer Payments	5	5	0	0.0%
Income	(4,128)	(4,338)	(210)	5.1%
	1,744	1,632	(112)	(6.4%)

4.4 Income - £210k over budget (5.1%)

Overachievement of income £120k - An additional £120k of income is forecast from Temporary Accommodation due to ongoing increases in demand. This follows a surplus achieved last financial year from Council owned properties managed by commercial assets, which are being used to maximise occupancy and to minimise expensive bed and breakfast provision for Housing. This increase will be factored into the base budget going forward.

A £120k increase to the 2017/18 temporary accommodation income budget will be proposed in 19 September Cabinet, with a corresponding contribution to earmarked reserves.

7. Housing Revenue Account (HRA)

4.5 The HRA is a ring-fenced account relating to the Council's Landlord functions. A guiding principle of the HRA is that revenue raised from rents and service charges must be sufficient to fund expenditure incurred. The forecast outturn position for the HRA is shown at Appendix B.

4.6 The projected HRA balance at the end of 2017/18 is in line with the budgeted balance of £2.9m.

4.7 Dwelling Rents - £120k under budget (0.2%)

A pressure is forecast due to properties owned by the General Fund being used for Temporary Accommodation, rather than as budgeted for secured tenancies.

4.8 Tenants' Charges - £80k under budget (15.2%)

A deficit is expected in relation to the newly de-pooled service charges. Detailed calculations for setting rent and de-pooled charges have now been performed, and a shortfall is anticipated.

4.9 Contribution towards Expenditure - £90k overachievement of income (13.7%)

Additional income has been received for legal work carried out, such as issuing a deed of variation and lifting of restrictive covenants.

4.10 Supervision and Management - £105k over budget (0.9%)

A saving of £140k is expected in premises expenditure in Supported Housing, on building repairs, maintenance and utilities for Elderly Persons Dwellings. This is in line with a surplus reported in this area for the previous financial year.

Underspends are anticipated in salaries due to vacancies within the Housing Cleaning Service (£60k) and Supporting People (£80k).

A pressure of £374k is forecast on the Osborne pension liability, following the triennial pensions review. This is as a result of changes to pension regulations to consolidate bonus payments into pensionable pay.

4.11 Transfer to Housing Reserves - £233k under budget (0.9%)

The overall variance on the HRA is currently forecast to reduce balances by £233k. This will need to be funded from HRA earmarked reserves.

8. Capital Programme

4.12 Appendix C shows the projected capital outturn in detail by scheme.

The table below summarises the overall capital outturn position by Scrutiny area.

The 'Rephasing' column refers to those projects where expenditure is still expected to be incurred, but it will now be in 2018/19 rather than 2017/18, or conversely, where expenditure planned initially for 2018/19 will now be in 2017/18.

A revised capital programme for 2017/18 is being taken to Cabinet, and schemes that are being rephased into 2018/19 will be re-profiled into the correct financial year.

The 'Variance' column refers to those projects which are now complete, but have come in under or over budget and those projects which are no longer required.

	Current Budget £000	Projected Outturn £000	Rephasing £000	Variance	
				£000	%
Finance & Resources	4,947	4,289	(646)	(12)	-0.2%
Strategic Planning & Environment	5,429	3,987	(1,595)	153	2.8%
Housing & Community	1,876	671	(1,205)	0	0.0%
G F Total	12,252	8,947	(3,446)	141	1.2%
HRA Total	43,310	33,694	(9,282)	(334)	-0.8%
Grand Total	55,562	42,641	(12,728)	(193)	-0.3%

4.13 General Fund Major Variances

There is an overall underspend of £3.305m on the General Fund. This is a combination of forecast overspend of £141k, and slippage of £3.446m (28%) into 2018/19.

The projected net overspend of £141k includes:

- Line 164: overspend of £184k on the Water Gardens, which is 5% of the overall project budget. This has arisen due to complexities with the project which have caused delays. Additional works and professional fees are therefore required to complete the project.

The rephasing to future years of £3.446m includes:

- Line 75: slippage of £270k on Berkhamsted multi-storey car park. It is envisaged that the contract will be awarded in November, with mobilisation and setup commencing in January allowing the contractor be on site from February.
- Line 97: slippage of £126k on Future Vision of CRM. This project is to develop an in-house solution for CRM from January 2018 when the existing contract with Northgate will cease. Due to recruitment challenges, a portion of the budget will be required in 2017/18 with the balance being in 2018/19.
- Line 120: accelerated spend of £100k on the Verge Hardening Programme. With the future sites having been identified and agreed, the project team have the capacity to deliver more of the programme in this financial year.
- Line 125 and 126: slippage of £1.06m on the Garage Development scheme. It has not been possible to move as quickly as intended on this project, due to a need to carry out a full re-scoping of the project following feedback from Planning.
- Line 127: slippage of £250k on Wood House fit out. As per section 8.4 below, there is a delay to the new build scheme at Wood House, which means that the site will not be complete in 2017/18 to allow for the fit out to take place.
- Line 152: slippage of £1.565m on Fleet Replacement Programme. There has been a delay in the replacement of eight refuse collection vehicles due to the ongoing review of potential changes to collection methods which would incorporate the addition of an increased flats recycling service. The outcome of the review will determine which vehicles are required to deliver the service and investment in the appropriate assets. There are also two loading shovels scheduled for replacement in this year, that are being rephased into 2018/19, as they are deemed to be in good working condition and not incurring significant revenue costs to maintain at this point in time.

4.14 Supplementary Budget for Disabled Facilities Budget funded from additional grant

- Line 156: The disabled facilities budget is fully funded through grant funding received by the Council. Following the formal grant notification for 2017/18, a supplementary estimate of £66k will be sought at Cabinet 19 September to increase the capital budget for Disabled Facilities Grants to match the increased grant award. This will increase the annual budget to £741k.

4.15 HRA Major Variances

There is an underspend on the HRA capital programme of £9.6m.

- Line 193: slippage of £2.3m on New Build General. This budget has been set up for the purchase of land for future developments. It is expected that £4m of the budget will be spent this financial year, with slippage of £2.3m.
- Line 194: slippage of £1.5m on Martindale. This project is approximately 12 months delayed, mainly due to extensive consultation and feedback from residents which resulted in significant changes to the design and layout of the

scheme before resubmitting for planning approval. The planning application has now been submitted against an original plan to have it submitted last year.

- Line 195: slippage of £2.4m on Wood House. Work did not start on site in November 2016 as originally planned but started May 2017. This was largely due to two reasons: firstly, protracted contract negotiations and agreeing amendments to satisfy insurance requirements and secondly, the contractor requested further time to check ground conditions and undertake soil testing, to mitigate against the possibility of sink holes. This resulted in a requirement to enhance the foundation design which delayed the start on site.
- Line 196: slippage of £2.7m on Stationers Place. Works have not started on site yet against a planned date of October 2016. This was due to an extensive amount of unforeseen issues in the ground and requirements of the Environment Agency. There are ongoing issues which are being worked through concerning existing utilities, bore holes, culvert repairs, aquifer layers, foul drainage connections and rights of way.
- Line 198: underspend of £334k on Able House. The scheme has been delivered within the overall project budget as the full contingency sum was not required.
- Line 200: slippage of 457k on Swing Gate Lane. This scheme is in 2 parts: firstly, the build of new housing units, and secondly, the conversion of existing buildings into housing. The conversion work will be procured separately once the new build element is complete, and there will be no spend on this element in financial year 2017/18.

	Month			Year-to-Date			Full Year		
	Budget £000	Actuals £000	Variance £000	Budget £000	Actuals £000	Variance £000	Budget £000	Forecast Outturn £000	Variance £000
Cost of Services									
Finance and Resources	193	463	270	2,325	1,871	(454)	11,377	11,302	(75)
Housing and Community	124	(44)	(168)	592	22	(570)	1,744	1,632	(112)
Strategic Planning and Environment	506	566	60	2,091	1,905	(186)	8,047	8,063	16
Net Cost of Services	823	985	162	5,008	3,798	(1,210)	21,168	20,997	(171)
Other Items									
Investment Property	(80)	(171)	(91)	(1,793)	(1,787)	6	(3,736)	(3,843)	(107)
Investment Income	(20)	(9)	11	(59)	25	84	(236)	(99)	137
Interest Payments and MRP	80	0	(80)	239	0	(239)	956	956	0
Police Precept Payments	0	0	0	739	739	0	739	739	0
Government Grants	(277)	(116)	161	(832)	(1,225)	(393)	(3,330)	(3,390)	(60)
Revenue Contribution to Capital	0	0	0	0	0	0	3,124	3,124	0
Taxation (Council Tax and Business Rates)	(1,161)	0	1,161	(3,484)	0	3,484	(13,937)	(13,937)	0
Surplus / Deficit on Provision of Services	(1,458)	(296)	1,162	(5,190)	(2,248)	2,942	(16,420)	(16,450)	(30)
Transfers between Reserves / Funds									
Net Recharge to the HRA	(39)	301	340	(117)	296	413	(3,923)	(3,934)	(11)
Contribution To / (From) Earmarked Reserves	(69)	0	69	(206)	1	207	(826)	(936)	(110)
Net Movement on General Fund Working Balance	(743)	990	1,733	(505)	1,847	2,352	(1)	(323)	(322)

Interpreting this report**Net Cost of Services**

This subtotal includes those costs which are directly attributable to specific Council services, excluding recharges and capital items.

Other Items

This subtotal shows corporate costs and income, including grants from central government and taxation.

Transfers between Reserves / Funds

This section shows funding from reserves and from the recharge to the HRA.

Net Movement on General Fund Working Balance

This line shows the increase or decrease to the General Fund working balance

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Housing Revenue Account
Revenue Budget Monitoring Report for June 2017

	Original Budget £000	Forecast Outturn £000	Forecast Variance £000 %	
Income:				
Dwelling Rents	(54,649)	(54,529)	120	-0.2%
Non-Dwelling Rents	(82)	(82)	0	0.0%
Tenants Charges	(528)	(448)	80	-15.2%
Leaseholder Charges	(487)	(487)	0	0.0%
Interest and Investment Income	(206)	(188)	18	-8.7%
Contribution towards Expenditure	(655)	(745)	(90)	13.7%
Total Income	(56,607)	(56,479)	128	-0.2%
Expenditure:				
Repairs and Maintenance	11,724	11,724	0	0.0%
Supervision & Management	12,053	12,158	105	0.9%
Rent, Rates, Taxes & Other Charges	14	14	0	0.0%
Interest Payable	11,643	11,643	0	0.0%
Provision for Bad Debts	300	300	0	0.0%
Depreciation	11,640	11,640	0	0.0%
HRA Democratic Recharges	240	240	0	0.0%
Revenue Contribution to Capital	8,993	8,993	0	0.0%
Total Expenditure	56,607	56,712	105	0.2%
Transfer to / from Housing Reserves	0	(233)	(233)	0.0%
HRA Deficit / (Surplus)	(0)	0	0	0.0%
Housing Revenue Account Balance:				
Opening Balance at 1 April 2017	(2,892)	(2,892)	0	
Deficit / (Surplus) for year	(0)	0	0	0.0%
Proposed Contributions to Reserves	0	0	0	
Closing Balance at 31 March 2018	(2,892)	(2,892)	0	

Scheme	Budget Holder	Original Budget	Prior Year Slippage	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
General Fund									
Finance and Resources									
Commercial Assets and Property Development									
42 Strategic Acquisitions	Nicholas Brown	(486,500)	486,500	0	0	0	0	0	0
43 Service Lease Domestic Properties	Nicholas Brown	30,000	0	0	30,000	0	30,000	0	0
44 Demolition of Health Centre/Market Square	Nicholas Brown	0	45,000	0	45,000	4,321	33,000	0	(12,000)
45 Old Town Hall - Cafe Roof and stonework renewal	Nicholas Brown	0	75,000	0	75,000	0	45,000	(30,000)	0
46 Demolition of Civic Centre	Nicholas Brown	1,500,000	(20,066)	0	1,479,934	0	1,479,934	0	0
47 Renew CCTV to Victoria Hall	Nicholas Brown	13,000	0	0	13,000	0	13,000	0	0
48 Old Town Public Convenience Refurbishment	Nicholas Brown	30,000	0	0	30,000	0	30,000	0	0
49 Bennetts End Community Centre - Replace Roof	Nicholas Brown	0	35,000	0	35,000	0	35,000	0	0
50 Highfield Community Centre - Resurface Car Park	Nicholas Brown	18,318	(18,318)	0	0	0	0	0	0
51 Adeyfield Community Centre - replace roof	Nicholas Brown	0	44,230	0	44,230	0	44,230	0	0
52 Tring Community Centre - new play area for Children's Nursery	Nicholas Brown	0	13,110	0	13,110	0	13,110	0	0
53 Bennetts End Community Centre Toilet Provision	Nicholas Brown	0	18,000	0	18,000	23,520	23,520	0	5,520
54 Rossgate Shopping Centre - Structural Works	Nicholas Brown	0	90,910	0	90,910	0	0	(90,910)	0
55 Leys Road - Roof	Nicholas Brown	0	55,000	0	55,000	0	55,000	0	0
56 High Street, Tring - Replace External Cladding & Roof	Nicholas Brown	0	59,274	0	59,274	8,146	59,274	0	0
57 The Denes Shopping Centre - Renew Walkway & Canopy Covering	Nicholas Brown	0	50,000	0	50,000	0	50,000	0	0
58 Commercial Properties - Renew Obsolete Door Entry Controls	Nicholas Brown	20,000	0	0	20,000	0	20,000	0	0
59 Silk Mill - Renew asphalt tanking to stairs	Nicholas Brown	0	16,000	0	16,000	0	16,000	0	0
60 Queen's Square Bin Store Provision	Nicholas Brown	13,000	0	0	13,000	0	13,000	0	0
61 58 High St (Old Town), Hemel - Remove and Rebuild Wall	Nicholas Brown	42,000	0	0	42,000	0	42,000	0	0
62 100 High St (Old Town), Hemel - Window Replacement	Nicholas Brown	14,000	0	0	14,000	0	14,000	0	0
63 Half Moon Yard - Replace soffit/facia & external facade	Nicholas Brown	18,000	0	0	18,000	0	18,000	0	0
64 Dacorum Athletics Track	Nicholas Brown	0	0	50,000	50,000	0	50,000	0	0
65 Kingshill Cemetery - Toilet Provision	Nicholas Brown	0	149,111	0	149,111	0	149,111	0	0
66 Heath Lane Chapel - Replace roof	Nicholas Brown	14,000	0	0	14,000	0	14,000	0	0
67 Kingshill Cemetery Infrastructure (New Burial Area)	Nicholas Brown	40,000	0	0	40,000	0	40,000	0	0
68 Bunkers Farm	Nicholas Brown	114,403	(61,823)	0	52,580	9,829	52,580	0	0
69 Woodwells Cemetery - Improvements to Burial Areas	Nicholas Brown	0	4,619	0	4,619	0	4,619	0	0
		1,380,221	1,041,547	50,000	2,471,768	45,816	2,344,378	(120,910)	(6,480)
Commissioning, Procurement and Compliance									
73 Car Park Refurbishment	Ben Hosier	50,000	186,772	0	236,772	0	195,000	(41,772)	0
74 Water Gardens Car Park - Re-Lining (Asphalt) Top Floor	Ben Hosier	0	0	0	0	2,385	8,885	0	8,885
75 Multi Storey Car Park Berkhamsted	Ben Hosier	(2,313,000)	3,134,106	0	821,106	1,007	551,106	(270,000)	0
76 Multi Functional Devices	Ben Hosier	76,000	(62,435)	0	13,565	0	0	0	(13,565)
		(2,187,000)	3,258,443	0	1,071,443	3,392	754,991	(311,772)	(4,680)
Democratic Services									
80 Election Management System Replacement	Jim Doyle	0	30,000	0	30,000	0	0	(30,000)	0
81 Civic Car Purchase	Jim Doyle	0	30,000	0	30,000	0	30,000	0	0
		0	60,000	0	60,000	0	30,000	(30,000)	0

Scheme	Budget Holder	Original Budget	Prior Year Slippage	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
Finance and Resources (continued)									
Development Management and Planning									
85 Planning Software Replacement	Andrew Horner	0	86,964	0	86,964	0	30,000	(57,000)	36
		0	86,964	0	86,964	0	30,000	(57,000)	36
Housing & Regeneration Management									
89 The Forum (Public Service Quarter)	Mark Gaynor	0	184,674	0	184,674	(204,759)	184,674	0	0
90 Gade Zone	Mark Gaynor	0	73,261	0	73,261	5,112	73,261	0	0
		0	257,935	0	257,935	(199,647)	257,935	0	0
Information, Communication and Technology									
94 Rolling Programme - Hardware	Ben Trueman	490,000	(18,634)	0	471,366	4,889	471,366	0	0
95 Software Licences - Right of Use	Ben Trueman	50,000	0	0	50,000	8,950	50,000	0	0
96 Website Development	Ben Trueman	0	43,478	0	43,478	316	43,478	0	0
97 Future vision of CRM	Ben Trueman	211,650	152,000	0	363,650	0	237,000	(126,650)	0
		751,650	176,844	0	928,494	14,156	801,844	(126,650)	0
People									
101 EIS Replacement	Matt Rawdon	0	70,000	0	70,000	0	70,000	0	0
		0	70,000	0	70,000	0	70,000	0	0
Totals: Finance and Resources		(55,129)	4,951,733	50,000	4,946,604	(136,283)	4,289,148	(646,332)	(11,124)
Housing and Community									
Commissioning, Procurement and Compliance									
109 Telephony upgrade & virtualisation	Ben Hosier	0	4,600	0	4,600	0	4,600	0	0
110 Self Service Kiosks	Ben Hosier	0	19,067	0	19,067	0	19,067	0	0
		0	23,667	0	23,667	0	23,667	0	0
People									
114 Capital Grants - Community Groups	Matt Rawdon	20,000	0	0	20,000	0	20,000	0	0
		20,000	0	0	20,000	0	20,000	0	0
Residents Services									
118 Rolling Programme - CCTV Cameras	Julie Still	25,000	0	0	25,000	0	25,000	0	0
119 Lift Replacement to Theatre - Old Town Hall	Julie Still	0	40,000	0	40,000	0	40,000	0	0
120 Verge Hardening Programme	Julie Still	350,000	8,397	0	358,397	118,862	458,397	100,000	0
121 Storage Facility at Grovehill Adventure Playground	Julie Still	25,000	0	0	25,000	0	25,000	0	0
		400,000	48,397	0	448,397	118,862	548,397	100,000	0
Strategic Housing									
125 Westerdale (Garage Development)	David Barrett	817,000	(2,839)	0	814,161	2,000	39,161	(775,000)	0
126 Northend (Garage Development)	David Barrett	323,000	(2,994)	0	320,006	2,000	40,006	(280,000)	0
127 Wood House - Office Space Fit Out	David Barrett	250,000	0	0	250,000	0	0	(250,000)	0
		1,390,000	(5,833)	0	1,384,167	4,000	79,167	(1,305,000)	0
Totals: Housing and Community		1,810,000	66,231	0	1,876,231	122,862	671,231	(1,205,000)	0

Scheme	Budget Holder	Original Budget	Prior Year Slippage	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
Strategic Planning and Environment									
Commercial Assets and Property Development									
135 Hemel Sports Centre - renew heat and power system	Nicholas Brown	0	99,928	0	99,928	0	179,928	80,000	0
136 Berkhamsted Sports Centre - heating system upgrade	Nicholas Brown	0	15,000	0	15,000	0	15,000	0	0
137 Tring Swimming Pool	Nicholas Brown	504,000	(16,000)	0	488,000	0	488,000	0	0
138 Demolish Gadebridge Park Green-Keeper's Shed	Nicholas Brown	20,000	0	0	20,000	0	20,000	0	0
139 Purchase of Allotments/Caravan Park Booking Software	Nicholas Brown	20,000	0	0	20,000	0	0	0	(20,000)
		544,000	98,928	0	642,928	0	702,928	80,000	(20,000)
Environmental Services									
143 Wheeled Bins & Boxes for New Properties	Craig Thorpe	20,000	0	0	20,000	0	20,000	0	0
144 Play Area Refurbishment Programme	Craig Thorpe	0	225,170	0	225,170	30,000	225,170	0	0
145 Litter Bin Upgrade	Craig Thorpe	0	20,239	0	20,239	20,239	20,239	0	0
146 Waste & Recycling Service Improvements	Craig Thorpe	0	75,000	0	75,000	0	75,000	0	0
147 Play Areas & Open Spaces - replace equipment	Craig Thorpe	0	11,081	0	11,081	0	11,081	0	0
148 Commercial Waste Collection System	Craig Thorpe	25,000	0	0	25,000	0	25,000	0	0
149 Air Conditioning Units at Cupid Depot	Craig Thorpe	45,000	0	0	45,000	34,855	34,855	0	(10,145)
150 Gadebridge Park - Splash Park	Craig Thorpe	150,000	500,000	48,000	698,000	27,447	698,000	0	0
151 Gadebridge Park - Infrastructure Improvements	Craig Thorpe	150,000	0	0	150,000	0	150,000	0	0
152 Fleet Replacement Programme	Craig Thorpe	1,348,756	505,230	0	1,853,986	33,244	290,000	(1,565,000)	1,014
		1,738,756	1,336,720	48,000	3,123,476	145,786	1,549,345	(1,565,000)	(9,131)
Regulatory Services									
156 Disabled Facilities Grants	GM Regulatory Services	675,000	0	0	675,000	141,414	675,000	0	0
		675,000	0	0	675,000	141,414	675,000	0	0
Strategic Planning and Regeneration									
160 Maylands Phase 1 Improvements	Chris Taylor	0	50,000	0	50,000	(15,424)	50,000	0	0
161 Urban Park/Education Centre (Durrants Lakes)	Chris Taylor	90,000	(35,985)	0	54,015	(525)	54,015	0	0
162 Regeneration of Hemel Town Centre	Chris Taylor	0	0	0	0	(61,110)	0	0	0
163 Maylands Business Centre	Chris Taylor	0	377,224	0	377,224	217,577	430,000	0	52,776
164 Water Gardens	Chris Taylor	235,000	(59,071)	0	175,929	53,875	360,000	0	184,071
165 Bus Interchange	Chris Taylor	0	0	0	0	(27,638)	0	0	0
166 Heath Park Gardens Improvements (Fully funded from S106)	Chris Taylor	0	0	0	0	(2,797)	0	0	0
167 Town Centre Access Improvements	Chris Taylor	0	156,839	0	156,839	0	66,839	(90,000)	0
168 Hemel Street Furniture	Chris Taylor	0	110,576	0	110,576	6,351	55,576	0	(55,000)
169 The Bury - Conversion into Museum and Gallery	Chris Taylor	0	62,727	0	62,727	3,000	42,727	(20,000)	0
		325,000	662,310	0	987,310	173,310	1,059,157	(110,000)	181,847
Totals: Strategic Planning and Environment		3,282,756	2,097,958	48,000	5,428,714	460,510	3,986,430	(1,595,000)	152,716
Totals - Fund: General Fund		5,037,627	7,115,922	98,000	12,251,549	447,089	8,946,809	(3,446,332)	141,592

Page 19

Scheme	Budget Holder	Original Budget	Prior Year Slippage	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
Housing Revenue Account									
Housing and Community									
Property & Place									
181 Planned Fixed Expenditure	Fiona Williamson	18,062,000	0	(5,186,813)	12,875,187	3,325,470	12,875,187	0	0
182 Pain/Gain Share (Planned Fixed Expenditure)	Fiona Williamson	0	0	0	0	236,324	0	0	0
183 M&E Contracted Works	Fiona Williamson	0	50,000	600,000	650,000	(95,661)	650,000	0	0
184 Communal Gas & Heating	Fiona Williamson	0	0	2,975,000	2,975,000	(60,196)	2,975,000	0	0
185 DBC Commissioned Capital Works	Fiona Williamson	0	2,142,964	1,611,813	3,754,777	4,101	3,754,777	0	0
186 Housing Asset Management System	Fiona Williamson	0	0	0	0	35,875	0	0	0
		18,062,000	2,192,964	0	20,254,964	3,445,913	20,254,964	0	0
Strategic Housing									
190 New Build - Farm Place Berkhamsted	David Barrett	0	0	0	0	(43,815)	0	0	0
191 Galley Hill / St. Peters Court / The Nokes	David Barrett	0	0	0	0	(37,490)	0	0	0
192 Aspen Court / London Road, Apsley	David Barrett	0	0	0	0	(54,855)	87,487	0	87,487
193 New Build - General Expenditure	David Barrett	6,415,000	0	0	6,415,000	0	4,000,000	(2,327,513)	(87,487)
194 Martindale	David Barrett	1,463,086	41,364	0	1,504,450	22,074	58,086	(1,446,364)	0
195 Wood House	David Barrett	4,206,606	3,215,974	0	7,422,580	421,752	5,043,520	(2,379,060)	0
196 Stationers Place / Apsley Paper Mill	David Barrett	2,951,636	2,069,865	0	5,021,501	0	2,349,570	(2,671,931)	0
197 New Build - Queen Street (Old Tring Depot)	David Barrett	0	0	0	0	(21,250)	0	0	0
198 Able House	David Barrett	0	822,218	0	822,218	189,243	487,818	0	(334,400)
199 New Build - Longlands	David Barrett	0	0	0	0	(31,434)	0	0	0
200 Swing Gate Lane	David Barrett	558,348	1,311,033	0	1,869,381	14,317	1,412,208	(457,173)	0
		15,594,676	7,460,454	0	23,055,130	458,542	13,438,689	(9,282,041)	(334,400)
Totals: Housing and Community		33,656,676	9,653,418	0	43,310,094	3,904,455	33,693,653	(9,282,041)	(334,400)
Totals - Fund: Housing Revenue Account		33,656,676	9,653,418	0	43,310,094	3,904,455	33,693,653	(9,282,041)	(334,400)
Totals		38,694,303	16,769,340	98,000	55,561,643	4,351,543	42,640,462	(12,728,373)	(192,808)



AGENDA ITEM:

SUMMARY

Report for:	Finance and Resources Overview & Scrutiny Committee
Date of meeting:	5 th September 2017
PART:	1
If Part II, reason:	

Title of report:	Quarter 1 Performance Report – Legal Governance and Democratic Services
Contact:	<p>Cllr Neil Harden, Portfolio Holder for Residents and Corporate Services</p> <p>Author/Responsible Officers:</p> <p>Mark Brookes (Solicitor to the Council)</p> <p>Jim Doyle, Group Manager (Democratic Services)</p>
Purpose of report:	To provide Members with the performance report for quarter one in relation to Legal Governance and Democratic Services.
Recommendations	That Members note the report.
Corporate objectives:	Resources and Value For Money; Optimise Resources and Implement Best Practice.
Implications:	<u>Financial</u>
	None.
'Value For Money Implications'	<p><u>Value for Money</u></p> <p>Monitoring Performance supports the Council in achieving Value for Money for its citizens.</p>
Risk Implications	Risk Assessment completed for each service area as part of service planning and reviewed quarterly.
Equalities	Equality Impact Assessment completed for each service area

Implications	as part of service planning and reviewed quarterly.
Health And Safety Implications	None
Consultees:	Cllr Neil Harden, Portfolio Holder for Residents and Corporate Services
Background papers:	Annex 1: Quarter 1 Performance Report Annex 2: Quarter 1 Operational Risk Register

1. Members will find attached to this report the Corvu performance data for Legal Governance and Democratic Services, together with the Operational Risk Register, in relation to quarter 1 of 2017/18.
2. Members will also note that the only Operational Risk which falls within this area is CE_R01 Failure to deliver successful elections.

LEGAL GOVERNANCE

The Legal Team

3. The Legal team have been focussing their attentions on a range of case work in the last quarter. There have been 121 new instructions for new leases, deeds of release and wayleaves plus 20 Right to Buy cases.
4. Work on major case work has included drafting the new Leisure Operating Contract and connected leases for the sports centres in readiness for commencement of the procurement process which went live in August.
5. The team has also been working on a draft Public Space Protection Order (PSPO), which is aimed at providing another enforcement tool to prevent anti-social behaviour in the Town Centre (including the old town and the water gardens). Cabinet agreed in July to progress the PSPO and public consultation will commence in August.

GIS and Address Management

6. The geographical information system is now available to all residents on the Council's web-site and will be further developed and linked to the Council's Residents Portal to provide relevant local information for residents.
7. The team took over the running of the Council's address management function in September 2017 when the contract with Luton Borough Council was terminated. Since that time there have been significant improvements in data quality and data matching rates. This has been recognised nationally and the standard for business data has risen from Below National Standards

to Achieved National Standards. We are now aiming for the Bronze standard.

DEMOCRATIC SERVICES

Elections/Electoral Registration

8. The early part of the summer months were spent on the organisation and implementation of two significant elections: Herts County Council on 4 May and the snap UK Parliamentary General Election held on 8 June. The final part of the summer has been spent implementing the results of the elections e.g updating the website, storing the paperwork and records, inducting the new councillors, etc. Time has been spent clearing up after the election; auditing, repairing and replacing the election equipment; and reviewing the conduct of the two elections. The lessons learned from the review have been noted and incorporated into the plans for future elections.
9. Electoral Registration found themselves particularly stretched over this period and additional resources were brought in to deal with the increased workload as indicated below in the number of alterations to the electoral register generated in the run-up to a General Election:

April	1052
May	2346
June	6793
Total	10,191

Member Support Services

10. During Quarter 1, in addition to helping to organise the two elections, Member Support managed the business as usual and carried out the following:
 - Published 17 agendas
 - Completed 20 sets of minutes
 - Spent 32 hours at evening meetings
 - Processed 38 public speakers at Committee
 - Published 5 Portfolio Holder Decisions
 - Published 3 Officer Decisions
 - Covered 3 meetings for another service
 - Spent 3 hours at daytime meetings

Town & Parish Liaison

11. During the quarter we supported
 - 6 Community Association Meetings,
 - 5 Queens Award for Voluntary Service MeetingsIn June we hosted a Town & Parish Clerks Meeting in the Forum
Finally, as part of the ongoing support for the Mayor, we have had the planning meetings for the High Sheriff Visit and organised for the Mayor to visit Kings Langley Community centre.

Member Development

12. Only one Member Development session (Data Protection/Information Security) took place during this quarter. The session was held in April and 11 members attended.

There was also a staff session on Modern Slavery in June which was attended by 3 councillors.

13. During this quarter the following were recorded:

- 40 councillors didn't attend any of the courses provided
- 8 councillors attended 1 course
- 3 councillors attended both courses

14. Following two Borough Council by-elections, ongoing Induction of two new councillors has been arranged, with a half day training session held in July.

F&R OSC QUARTERLY PERFORMANCE REPORT

Chief Executive's Unit

June 2017



Measure	Owner & Updater	Jun 2017 Result	Mar 2017 Result	Jun 2016 Result	Sign Off	Comments
DPA01 - Percentage of DPA requests met in 40 days	Mark Brookes John Worts	No Data Target: 100	100% (27/27) Target: 100	100% (2/2) Target: 100	✓ Updater	
FOI01 - Percentage FOI requests satisfied in 20 days	Mark Brookes John Worts	No Data Target: 100	98.9% (180/182) Target: 100	95.78% (159/166) Target: 100	✓ Owner	98% is a positive result and an improvement on last quarter.
DPA03 - Percentage of Right to Buy documents sent to tenants/their solicitors within 15 working days of receipt of full instructions	Mark Brookes Christopher Gaunt	100% (21/21) No Target	100% (8/8) No Target	100% (21/21) Target: 100	✓	
LG06 - Percentage of housing possession proceedings commenced within 20 working days of receipt of full instructions	Mark Brookes Barbara Lisgarten	No Incidents (0/0) No Target	100% (2/2) No Target	100% (4/4) Target: 100	✓	
LG09 - Percentage of prosecution proceedings commenced within 20 working days of receipt of full instructions	Mark Brookes Barbara Lisgarten	100% (2/2) No Target	100% (9/9) No Target	100% (1/1) Target: 100	✓	

Measure	Owner & Updater	Jun 2017 Result	Mar 2017 Result	Jun 2016 Result	Sign Off	Comments
MS01 - Average number of training opportunities taken up per Member	Jim Doyle Trudi Coston	No Data No Target	No Data Target: 0	No Data Target: 0		

June 2017

Chief Executive's Unit - Mark Brookes

CE_R01 Failure to deliver successful elections

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: Mark Brookes	Portfolio Holder: Neil Harden	Tolerance: Treating
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Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
4 Very Likely	4 Severe	16 Red	1 Very Unlikely	4 Severe	4 Green

Consequences	Current Controls	Assurance
<p>Legal sanction and re-run of election at DBC expense. Loss of faith in elections process. Intense scrutiny on future referenda Potential 'Failed service' designation from Electoral Commission. Personal Financial liability for Returning Officer. Invalid or unsubstantiated election Results. Dissatisfaction of key stakeholders with the borough council elections and the process for future referenda.</p>	<ul style="list-style-type: none"> - Election Preparation Plan and Risk Assessment - Establish Election Team, allocate resources, audit and prepare equipment - Oversee actual Election - Check Results - Conclude election paperwork - Clear and Store election equipment - Review outcome of election and lessons learnt 	<p>The County Council and Parliamentary elections (May/June 2107) were conducted successfully which demonstrates the effectiveness of a comprehensive action plan which is monitored and updated every two weeks during election preparation by the Chief Executive, as the Returning Officer, the Solicitor to the Council, the Corporate Director (Finance and Operations) and the Group Manager (Democratic Services) as the three Deputy Returning Officers.</p>

Sign Off and Comments

Sign Off Complete

June 2017



Page 28



Report for:	Finance & Resources Overview and Scrutiny Committee
Date of meeting:	5 September 2017
Part:	1
If Part II, reason:	

Title of report:	Finance & Resources Performance and Risk Report Quarter 1 2017/18
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance & Resources Cllr Neil Harden, Portfolio Holder for Residents and Corporate Services David Skinner, Assistant Director (Finance & Resources)
Purpose of report:	To provide Committee with analysis of quarterly performance and risk management within Finance & Resources for the quarter to June 2017
Recommendations	That Committee notes the contents of the report and the performance of Finance & Resources for Quarter 1 2017/18.
Corporate objectives:	The provision of effective financial services and the allocation of resources such as building assets and facilities management support all five of the Council's corporate objectives, with particular reference to the <i>Delivering an efficient and modern council</i> and, through Revenues, Benefits and Fraud division, <i>Building strong and vibrant communities</i> .
Implications:	<u>Financial</u> Contained within the body of the report.
'Value for money' implications	<u>Value for money</u> Contained within the body of the report.
Risk implications	Contained within the body of the report
Equalities implications	None
Health and safety Implications	There are no health and safety implications.
Consultees:	Group Manager (Commercial Assets & Property Development) Group Manager (Financial Services) Group Manager (Revenues, Benefits and Fraud) Group Manager (Procurement, Commissioning & Compliance)

Background papers:	4/7/17 F&R OSC Performance & Risk Report Quarter 4 2016/17
Glossary of acronyms and any other abbreviations used in this report:	F&R OSC – Finance and Resources Overview and Scrutiny Committee

1. Risk and Performance reports are presented to Overview and Scrutiny Committees on a quarterly basis. They provide Members with an opportunity to scrutinise performance against a range of key indicators, and to review how the key risks facing the Services are being managed.
2. The attached appendices provide comprehensive risk and performance information for Finance & Resources for Quarter 1 of 2017/18 (April - June).

Appendix A - Performance Report

Appendix B - Risk Report

3. All scores as set out in the operational risk register at Appendix B have been reviewed during Quarter 1. There have been no changes to report.

F&R OSC QUARTERLY PERFORMANCE REPORT

Finance and Resources

June 2017



Measure	Owner & Updater	Jun 2017 Result	Mar 2017 Result	Jun 2016 Result	Comments
CP01 - Percentage of commercial property occupation	Nicholas Brown Adriana Livingstone	96.99% (580/598) Target: 95	No Data No Target	No Data No Target	Updater With continued effort we are keeping the estate let in a softening market.
CP02 - Percentage arrears on commercial property rents	Nicholas Brown Adriana Livingstone	7.94% (403886/5085000) Target: 7.5	7.28% (433400/5954789) Target: 8.75	7.25% (322627/4447200) Target: 8.75	Updater We will look to ensure that collection rates are enhanced. One tenant is having a strong effect on arrears here.
CSU02 - Percentage of enquiries that are resolved at first point of contact within the Customer Service Centre	Mark Housden Tracy Lancashire	99.11% (16096/16240) Target: 90	99.09% (13779/13905) Target: 90	99.46% (12234/12300) Target: 90	Owner Performance continues to be maintained. The number of visitors has increased by 32% when compared with the same quarter last year.
CSU03 - Percentage of customers satisfied with service received from the Customer Service Centre	Mark Housden Tracy Lancashire	100% (696/696) Target: 80	100% (1423/1423) Target: 80	99.95% (1859/1860) Target: 80	Owner Satisfaction levels continue to be maintained
CSU05 - Percentage of enquiries that are resolved at first point of contact within the Contact Centre	Mark Housden Tracy Lancashire	96.56% (29231/30271) Target: 90	96.27% (30087/31252) Target: 90	97.18% (30312/31191) Target: 90	Owner Performance continues to be maintained

Page 31

CSU06 - Percentage of customers satisfied with service received from the Contact Centre	Mark Housden Tracy Lancashire	99.47% (1126/1132) Target: 80	99.26% (1206/1215) Target: 80	98.99% (2061/2082) Target: 80	Owner Satisfaction levels continue to be maintained
CSU09 - Head of Service Satisfaction Survey Score	Mark Housden Tracy Lancashire	No Data Target: 45	100% Target: 45	No Data Target: 45	
CSU10 - Call Handling: Average wait time	Mark Housden Tracy Lancashire	184.67 Second(s) Target: 210	198 Second(s) Target: 210	202 Second(s) Target: 210	Owner The average wait time for calls being answered in the call centre during this quarter was 3minutes 05 seconds which is below target.
CSU11 - Call Handling: Abandoned Call Rate	Mark Housden Tracy Lancashire	20.85% (7975/38246) Target: 20	21.49% (8556/39808) Target: 20	20.55% (8067/39257) Target: 20	Owner Service levels just missed the target this quarter. This target has proven consistently hard to meet and was set as part of the KPI review. During the quarter we had a number of problems with the telephony systems not being available and this had a negative impact on performance. There were several periods where calls were dropped from the system. This was rectified during June.
CSU12 - Face to Face; Average Wait Time	Mark Housden Tracy Lancashire	198.67S Second(s) Target: 450	245.67S Second(s) Target: 450	375S Second(s) Target: 450	Owner Average time to see customers during the last quarter was 3 minutes 19 seconds which is below target.
CSU13 - Face to Face: Waiting time more than 20 minutes	Mark Housden Tracy Lancashire	3.42% (555/16240) Target: 5	5.09% (708/13905) Target: 5	2.75% (338/12300) Target: 5	Owner Service levels improved and were above target this quarter.

FIN01 - Percentage of creditor trade invoices paid within 30 days	Richard Baker Sally Nunn	97.6% (2797/2865) Target: 97	97.6% (2961/3035) Target: 96.5	96.6% (3205/3319) Target: 96	
FIN03 - General Fund expenditure - outturn forecast against budget	Richard Baker Caroline Souto	£17154000 Target: 17433000	£16804000 Target: 17666000	£19077000 Target: 18438000	
FIN04 - HRA expenditure outturn forecast against budget	Richard Baker Caroline Souto	£56479000 Target: 56607000	£43901000 Target: 44101000	£44353000 Target: 44101000	
FIN05 - HRA income - outturn forecast against budget	Richard Baker Caroline Souto	£56712000 Target: 56607000	£57102000 Target: 57654000	£57701000 Target: 57654000	
FIN06 - General Fund Capital Expenditure - outturn forecast against budget	Richard Baker Caroline Souto	£8947000 Target: 12252000	£19534827 Target: 21892491	£20950713 Target: 25821655	
FIN07 - HRA Capital Expenditure: outturn forecast against budget	Richard Baker Caroline Souto	£33694000 Target: 43310000	£19508610 Target: 27389688	£27932397 Target: 29229902	
FIN08 - Investment income: outturn forecast against budget	Richard Baker Tracy Claridge	£283460 Target: 442000	£471160 Target: 448000	£489720 Target: 448000	
FIN11 - Investment Property Income ytd Budget against ytd actual	Nicholas Brown Caroline Souto	£2077164 Target: 2077075	£5048850 Target: 4447200	£2116621 Target: 2036321	Updater we are currently above the monthly target and will push to ensure that we gain full commercial value from the assets.

Page 35

FIN13 - Car Parking Income ytd budget against ytd actual	Ben Hosier Caroline Souto	£580899 Target: 527535	£2180855 Target: 2085140	£533576 Target: 521285	Updater 10% up on target at month 3. This is due to the increased time of customers using the Council's car parks, which mirrors the trend seen last financial year. Owner This figure represents the quarterly car parking income ytd and is currently above target.
RBF01 - Average time taken to decide a new claim for Housing Benefit	Chris Baker Claire Morrison	19.9 Days (9512/477) Target: 20	22.6 Days (11706/518) Target: 20	20.8 Days (12558/604) Target: 20	Updater Performance remained at a consistently good level during the quarter. Owner This is a good performance level, maintaining consistency despite issues with resourcing.
RBF02 - Average time taken to decide a change event for Housing Benefit	Chris Baker Claire Morrison	7.8 Days (63286/8069) Target: 10	3.2 Days (51938/16357) Target: 11.5	8 Days (60997/7612) Target: 11.5	Owner Performance remains within target, and this is testament to the good allocation of the resources available.
RBF04 - NNDR (Business Rates) in-year collection rate	Chris Baker Jake Seabourne	29% Target: 27.7	97.9% Target: 98.4	27.7% Target: 27.7	Owner The collection level is within the expected range at this point. The variation from the same time last year is mainly due to timing differences for payment of the 1 July instalment from some very large ratepayers.
RBF05 - Council Tax collection rate	Chris Baker Jake Seabourne	30.2% Target: 30.4	98.4% Target: 98.1	30.4% Target: 30.2	Owner The collection level is slightly lower than at the same time last year. Analysis suggests this is due to the increasing proportion of residents choosing to pay council tax over 12 months instead of 10.

RBF06 - Council Tax customer contact response (percentage of contacts responded to within 14 days)	Chris Baker Stuart Potton	90% (8519/9485) Target: 89	99% (9152/9276) Target: 98	91% (10056/11066) Target: 75	Updater This is an excellent start to the year, which is good news for our customers. This has been achieved by the good position we were in with regards to the number of outstanding customer contact documents at annual billing in March 2017.
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OPERATIONAL RISK REGISTER

June 2017



Finance & Resources - David Skinner

CE_R08 The CSGC contractor focuses attention on meeting speed of response targets and not quality of service

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	1 Very Unlikely	4 Severe	4 Green
Consequences		Current Controls		Assurance	
<ul style="list-style-type: none"> • Calls are not resolved at first point of contact. • Insufficient time is dedicated to callers to ensure that calls have been fully resolved in a satisfactory manner. • Reputational damage to the Council. 		<ul style="list-style-type: none"> • New KPI's have been set to provide greater clarity on the quality of the performance • Regular customer & stakeholder surveys • Quarterly quality assessments with GM's • Monthly meetings with back office to assess service delivery and monthly operational Board meetings to escalate issues. • Monitoring of complaints and performance 		<ul style="list-style-type: none"> • Monthly performance reports • Minutes of Operational Board meetings • Quarterly Partnership Board meetings • All performance indicators are on track apart from CSU11 Call Handling: Abandoned Call Rate which missed the target by 0.85%. • The above provide assurances that the CSGC contractor maintains focus on achieving the response targets and quality of service. 	

Sign Off and Comments

Sign Off Complete

Performance has been maintained from 2016/17 with the exception of the Abandoned Call Rate increasing marginally above target as result of some issues with telephony that were resolved in June. The Head of Service Satisfaction score will be completed during quarter 2.

Work has also been ongoing to manage the transition back into DBC which will be reported for Quarter 2 when the service transfers into Performance, People and Innovation.

OPERATIONAL RISK REGISTER

June 2017



FR_CPC01 Failure to comply with procurement legislation and internal controls					
Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Graeme Elliot	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	1 Very Unlikely	4 Severe	4 Green
Consequences		Current Controls		Assurance	
<ul style="list-style-type: none"> The Council would face an increased risk of legal challenge from unsuccessful bidders Contracts could be set aside by the courts The Council could face financial penalties under the Remedies Directive The delivery of contracts could be delayed Lack of a robust and transparent procurement process Unable to demonstrate value for money All of the above would result in damaging the Council's reputation 		<ul style="list-style-type: none"> The Commissioning & Procurement Standing Orders (CPSO's) have been re-written to complement the Public Contract Regulations 2015. The CPSO's have been written to simplify the processes for officers to follow. All OJEU tenders must be supported by an officer of the Commissioning & Procurement team. All procurement officers that manage the OJEU tenders are professionally qualified. 		<ul style="list-style-type: none"> The CPSO's are regularly updated following any policy notes or guidance as issued by Crown Commercial Services Awareness training on the CPSO's is offered to all GM's and their teams. Procurement officers keep abreast of changes in legislation and best practice within the industry. Internal audit have completed a draft report on Contract management that is still in discussions between officers and the internal auditors. The internal audit report has been finalised and provided a full and substantial level of assurance on contract management. 	
Sign Off and Comments					
<p>Sign Off Complete</p> <p>The work of the team in scrutinising contracts and ensuring compliance with legislation is reflected in positive assurance from Internal audit as previously reported to the audit committee.</p>					

FR_CPC02 Continued Non-Authorised procurement expenditure					
Category:	Corporate Priority:	Risk Owner:	Portfolio Holder:	Tolerance:	

OPERATIONAL RISK REGISTER

June 2017



Reputational		Dacorum Delivers		David Skinner	Graeme Elliot	Treating
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score	
4 Very Likely	2 Medium	8 Amber	1 Very Unlikely	3 High	3 Green	
Consequences		Current Controls		Assurance		
<ul style="list-style-type: none"> This expenditure may result in the Council being in breach of procurement legislation This increases the risk of legal challenge and the Council could face penalties under the Remedies Directive Lack of a robust procurement process may increase the risk of fraudulent activity Potential for non-compliance with relevant legislation such as H&S Poor financial management All of the above would result in damaging the Council's reputation 		<ul style="list-style-type: none"> The CPSO's have been re-written to complement the Council's Financial Regulations with regards to officer authorisation levels. The CPSO's clearly define the processes that must be followed by officers when procuring goods, services and works. Contracts have been set up for corporate requirements. 		<ul style="list-style-type: none"> Working with colleagues in finance to implement a 'No PO No Pay' policy. Working with colleagues in finance to roll out the 'Electronic Purchasing Card'. Awareness training on the CPSO's is offered to all GM's and their teams. 		
Sign Off and Comments						
<p>Sign Off Complete</p> <p>The continued success of "No PO No Pay" is continuing with improved compliance levels. The percentage of trade creditor invoices being paid within 30 days has stabilised at 97.6% against a target of 97% and compares favourably with the same point last year of 96.6%.</p>						

FR_F02 Delays to Capital programme

Category:	Corporate Priority:	Risk Owner:	Portfolio Holder:	Tolerance:	
Financial	Dacorum Delivers	David Skinner	Graeme Elliot	Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3	2	6	4	2	8

OPERATIONAL RISK REGISTER

June 2017



Likely	Medium	Amber	Very Likely	Medium	Amber
Consequences		Current Controls		Assurance	
<p>Many of the major projects within the Capital Programme are fundamental to delivery of the Council's corporate objectives. Therefore significant delays can impact on the achievement of the corporate plan.</p> <p>Financial decision-making is negatively affected if the timing of projects in the Capital Programme is wrong. This can result in lost investment income or increased interest costs as the Council moves closer to the point where it will need to borrow.</p> <p>The estimated delivery date is considered as part of the decision to allocate capital funds to one project over another. If estimated timings are not accurate, there is a risk that the allocation of funds is not being decided on appropriately.</p> <p>If inaccurate project management is tolerated, there is a risk that the culture of financial management across the Council will be negatively affected which will have consequences for wider financial decision-making.</p> <p>Not delivering major projects within the timeframe to which it has committed itself exposes the Council to reputational risk.</p>		<p>The controls that have been implemented to mitigate this risk target the robustness of capital bids both at the time they are submitted and throughout the delivery phase of the projects.</p> <p>In particular, scrutiny is focussed on those elements of the capital bid that experience indicates are the primary cause of delays to capital projects. These include</p> <ul style="list-style-type: none"> • How robust are the assumptions on the estimated duration of the procurement exercise? • How realistic is the estimated time taken for contractors to deliver the works? • How realistic are the assumptions on officer availability to manage the project on time? <p>The rationale behind this approach is that an increased culture of challenge will lead to more realistic programming of future capital projects, and therefore a reduced likelihood of slippage.</p> <p>The following controls are in place with a view to developing a culture of scrutiny and challenge for officers to improve the accuracy of future bids:</p> <ul style="list-style-type: none"> • Capital Strategy Steering Group (CSSG) comprising senior officers from across the Council required to challenge new bids for robustness ahead of recommendation to Members: 		<p>The 2013/14 Final Outturn showed that the slippage of capital projects was around 30% against the Original Budget approved by Members in February 2013. This is an improvement on previous years where slippage against Original Budget has been around 60%.</p> <p>As at the end of Quarter 2 2014/15 (the mid-point of the year), the capital forecast on the General Fund is broadly on budget, with no material slippage reported at this stage. Slippage on the HRA capital programme is forecast to be well below 5%.</p> <p>The budget position as at Quarter 3 was reported to Cabinet in February 2015. The report showed that forecast net slippage on the General Fund Capital Programme was low at around 3%. Forecast slippage on the HRA Capital Programme has, however, increased significantly since the Quarter 2 forecast, at around 25%.</p> <p>The Provisional Outturn was reported to Cabinet in May 2015. The report showed that slippage against the full year budget on the General Fund Capital Programme was around 10%. Outturn on the HRA shows slippage of around 24%. These are addressed in more detail in the sign-off notes, below.</p> <p>2014/15 Confirmed slippage into 2015/16 was £10.1m or 10% of the total approved capital programme according to the 2014/15 approved accounts.</p>	

OPERATIONAL RISK REGISTER

June 2017



Page 40

- Monthly meetings take place between accountants and budget holders to monitor progress against original timeframes and costs;
- Corporate Management Team (CMT) receive a monthly report on the progress of capital projects against anticipated timeframes;
- Performance Group comprising Chief Officers and cabinet Members receive a monthly report on the progress of current projects;
- Reports go to Cabinet and all Overview and Scrutiny Committees (OSC) every quarter. These reports have been redesigned to focus on the more immediate risk of in-year delivery, highlighting higher risk areas to invite closer scrutiny from Members.

The Provisional Outturn was reported to Cabinet in May 2016. The report showed that slippage against the full year budget on the General Fund Capital Programme was around 28%. Outturn on the HRA shows slippage of around 5%.

2015/16 Confirmed slippage into 2016/17 was £8.1m or 28% of the total approved capital programme according to the 2015/16 approved accounts.

As at the end of Quarter 2 2016/17 (the mid-point of the year), the capital forecast on the General Fund is broadly on budget, with no material slippage reported at this stage. Slippage on the HRA capital programme is forecast to be 8% or c£2m.

AS at the end of Quarter 3 the HRA capital programme is on track with no material slippage. The forecast for the General Fund is reporting slippage of 5% (£873k).

The Provisional Outturn was reported to May Cabinet. It shows the HRA capital programme is forecasting slippage of 29% (£7,881k).

The General Fund is on track reporting slippage of 8.6% (£1,844k)

As at the end of quarter 1 forecast slippage for Capital schemes for the general Fund is 27%. The HRA capital programme is forecasting 22% slippage. Reports to Cabinet for September will re-profile the programme to reflect the latest updated position.

Sign Off and Comments

Sign Off Complete

OPERATIONAL RISK REGISTER

June 2017



An action plan has been drafted for consideration to examine escalation and trigger points for capital projects. A review by the finance team has set out a rephrasing of the capital budgets that will re-profile £3.5m GF capital expenditure and £12.7m HRA capital expenditure into 2018/19 and will therefore bring the capital programme back on track.

FR_F03 Variances in General Fund revenue budget

Category: Financial	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Graeme Elliot	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	2 Medium	6 Amber	2 Unlikely	2 Medium	4 Green
Consequences		Current Controls		Assurance	
<p>Accurate, well-controlled budgeting relates directly to the achievement of the Dacorum Delivers corporate objective, and indirectly, through the financial decision-making process, to the achievement of all of the Council's corporate objectives.</p> <p>Inaccurate budgeting negatively affects the Council's ability to make evidence-based decisions. A significant underspend at year-end could indicate that funds have been needlessly diverted from a competing priority. A significant overspend at year-end could result in reserves being used to support lower priority objectives. Both of these could result in reputational damage for the Council.</p> <p>Failure to address the causes of inaccurate budgeting could negatively impact the Council's culture of financial management, which in turn increases the risk of poor</p>		<p>The following controls aim to reduce the probability of there being a variance in the General Fund Revenue Budget by ensuring that there is strong challenge put to Budget Holders on the robustness of their assumptions, from a range of audiences.</p> <p>It is intended that these controls will increase the opportunity for flawed assumptions to be exposed as soon as possible, as well as inculcating a stronger culture of financial management across the Council leading to continuous improvement in the setting of accurate budgets.</p> <p>The annual budget-setting process consists of an ongoing scrutiny process in which senior officers from across the Council, together with the Financial Services team, challenge the following year's budget bids from Group Managers.</p>		<p>The Council's budgetary controls are assessed each year by Internal Audit. In January 2013, the Council received a 'Full' level of assurance.</p> <p>A further Internal Audit on the Council's budgeting process, undertaken in September 2014, resulted in a 'Substantial' level of assurance. Despite this being a lower mark than the exceptional one achieved in the previous audit, it should be noted that it remains a good result.</p> <p>The recommendations of the Internal Auditor that led to the reduced marking were not systemic in nature, and they do not pose a material threat to the overall control environment of the budget-setting process. Efforts have, however, been redoubled, and the causes of the recommendations have been addressed.</p>	

OPERATIONAL RISK REGISTER

June 2017



<p>financial decision-making.</p> <p>Page 42</p>	<p>This scrutiny process is augmented by the Budget Review Group (BRG), consisting of Chief Officer Group and representatives from the Portfolio Holder group, which provides early Member-level challenge.</p> <p>There are two opportunities for OSCs to scrutinise the budget proposals and directly question the relevant officers before the budget report is finalised and considered by Cabinet and Council.</p> <p>Once approved, in-year budget performance is managed through monthly meetings between accountants and budget holders, which underpin monthly reports to CMT and quarterly reports to Cabinet and OSCs.</p> <p>The Council's Financial Regulations provide a guide to all budget-holders and are subject to annual review.</p>	<p>An Internal Audit report on the Council's 'Main Accounting' function was presented to Audit Committee in February 2015, in which a 'Full' level of assurance was awarded. This audit covered a range of areas including integrity of transactions, manual adjustments, and year-end procedures. All of these areas contribute to the accuracy of the in-year monitoring reports that the Finance team is able to produce. Consequently, Members can draw assurance from this audit opinion that the chances of this risk crystallising are reduced by the robust financial management procedures the Council has in place.</p> <p>Final confirmed outturn for 2014/15 was within £48k of budget (after contributions to and from reserves) as reported to Audit committee and approved as part of the audited accounts and was consistent with the budget monitoring over the preceding year.</p> <p>An Internal Audit report on the Council's 'Budgetary Control' function was presented to Audit Committee in April 2016, in which a 'Full' level of assurance was awarded. This audit covered a range of areas including budget setting; budget upload; budget monitoring and savings realization; budget alterations and virements; and management information. All of these areas contribute to the accuracy of the in-year monitoring reports that the Finance team is able to produce. Consequently, Members can draw assurance from this audit opinion that the chances of this risk crystallising are reduced by the robust financial management procedures the Council has in place.</p> <p>The 2015/16 audit of Core Financial Svstems was also</p>
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OPERATIONAL RISK REGISTER

June 2017



		<p>reported to have either Full or Substantial levels of assurance.</p> <p>Final confirmed outturn for 2015/16 was within 2% of budget (after contributions to and from reserves) as reported to Audit committee and approved as part of the audited accounts and was consistent with the budget monitoring over the preceding year.</p> <p>Provisional Outturn reported to Cabinet in May 2016 demonstrated that the Council was on target (after contributions to and from reserves). Additional income was included within the outturn reported to Cabinet and meant that additional contributions could be made to reserves.</p>
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Page 43

Sign Off and Comments

FR_03 is GREEN and is projecting a favourable variance of £279k. This is consistent with the 2016/17 outturn position.

FR_I02 Failure to optimise income generated by commercial assets

Category: Infrastructure	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Graeme Elliot	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	3 High	9 Amber	2 Unlikely	3 High	6 Amber
Consequences		Current Controls		Assurance	
The council has a significant portfolio of commercially let properties, which provides one of the council's largest sources of income.		The following controls aim to mitigate the risk of under-performance of the Council's commercial assets by maintaining good communication links between relevant Council services. and by regularly monitoring		The year-end performance figures for 2013/14 demonstrate that occupation rates are above target (98.8% against a target of 95%), and that the level of arrears is also better than target (at 7.32% against a	

OPERATIONAL RISK REGISTER

June 2017



Council officers must attempt to maximise income from these assets whilst avoiding the risk of vacant properties and increasing bad debts, which could arise if rents are set too high, and would jeopardise the council's achievement of its corporate objectives of Regeneration and Dacorum Delivers.

The continuing recession and the difficulties it brings for local businesses increases the likelihood of this risk crystallising.

Page 44

performance against targets (see KPIs CP01 and CP02) to ensure that underperformance is identified and addressed as quickly as possible. The existence of these controls has led to the 'Inherent Probability' of this risk occurring reducing from a score of 3, which is shown in the Residual Probability (i.e. after controls implemented) being a 1.

Estates officers responsible for negotiating rent reviews hold monthly meetings with the Debtors team to track current bad debtors. This increases their understanding of the economic pressures businesses are facing, and how it can impact on council income.

There are currently Corvu performance targets to maintain the number of voids (empty properties) below 5%, and to keep the rent arrears below 10%. Failure to meet either of these targets would prompt further investigation.

target of 9.5%).

The year-end performance figures for 2014/15 demonstrate an occupation rate of 98.3% against a target of 95%. The level of arrears is at 6.5% against a target of 9.5%.

Quarter 1 performance for 2015/16 are above target and demonstrate an occupation rate of 98.66 versus a target of 95%. The level of arrears has increased slightly to 7.3% versus a target of 9%.

Q2 occupation levels are holding up well at 98.49% and arrears are being held within acceptable levels at 8.1%. Q3 occupation levels are marginally down at 97.99% and arrears have improved significantly by 1.7% to 6.4%.

Q4 occupation rates have increased slightly to 98.49% and arrears have reduced from 6.45 down to 5%.

Q1 occupation rates have reduced slightly to 97.99% versus a target of 95% and arrears have slightly increased to 7.3% versus a target of 8.8%

Q2 occupation rates are 97.32% versus a target of 95% and arrears are at 8.1% versus a target of 8.8%. Investment property income is exceeding target and is £324k ahead of the Q2 result for 2015/16.

Q3 occupation rates are 97.16% versus a target of 95% and arrears have reduced to 5.3% against a target of 8.8%. Investment property income is slightly ahead of target by 1% (£42k).

OPERATIONAL RISK REGISTER

June 2017



		<p>2016/17 Q4 occupation rates have stabilized at 97.16% versus a target of 95% and arrears have increased slightly to 7.3% against a target of 8.8%. Investment property income is exceeding target by £475k.</p> <p>Quarter 1 performance for 2016/17 is above target and demonstrate an occupation rate of 96.99 versus a target of 95%. The level of arrears has increased slightly to 7.94% versus a target of 7.5%.</p>
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Sign Off and Comments

Sign Off Complete

Delivery on both occupation rates and arrears levels continues to be strong but with a slight deterioration in arrears. This is a result of arrears on one significant tenant. Investment property income is exceeding target as a result of turnover based rents exceeding historic trends and improved methods for the recovery of service charges.

FR_I04 Failure to maintain an effective business continuity plan for all relevant service areas

Category: Infrastructure	Corporate Priority: Safe and Clean Environment	Risk Owner: David Skinner	Portfolio Holder: Graeme Elliot	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber
Consequences		Current Controls		Assurance	
Disruption caused by service failure leading to hardship for individuals, potential loss of business and significant reputational damage		These controls are implemented to ensure that the Council is adequately prepared and able to continue providing key services in the event of an emergency situation. Through this control. the probailtv of the		A CMT emergency planning exercise was conducted in October which all members of the Finance and Resources DMT attended.	

OPERATIONAL RISK REGISTER

June 2017



	<p>Council being unable to respond to such an emergency is reduced.</p> <ul style="list-style-type: none"> - Annual review process. - Corporate business continuity process and procedures set out in emergency response toolkit. 	
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Sign Off and Comments

Sign Off Complete

Departmental business continuity plans have been reviewed to reflect the move to the Forum and will be monitored for on-going changes.

PR01 Council Tax and Business Rates collections rates drop below budget					
Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Graeme Elliot	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	2 Medium	6 Amber	3 Likely	2 Medium	6 Amber
Consequences		Current Controls		Assurance	
Distribution of collection fund to other preceptors is based on the budgeted collection level, if collection falls short this could lead to a cashflow issue within the Council's finances. The fund distribution is balanced after the end of the financial year.		The following controls aim to identify as quickly as possible if the Council is falling behind on its collection rates target for the year. If a problem is identified, the Council is then able to invoke a range of options to minimise the ongoing negative impact on collection.		The full year Council Tax Collection Rate for 2013/14 (Performance Indicator RBF05) was 97.7% against a budget of 97.5%.	
Reputational risk if collection rate falls significantly – this could also impact on future years' council tax base leading to increased budget pressures.		Profiled monthly collection rates are monitored monthly - see KPIs RBF04 and RBF05. Reasons for variances are then investigated in order to address problems quickly as possible.		The full year Business Rates collection rate in 2014/15(Performance Indicator RBF04) was under budget at 98.1% against a target of 99%.	
Financial risk in relation to business rate retention scheme if rates collection falls below government set		Direct debit payment is recommended for all customers		Q1 Council Tax collection rates is 30.2% versus a target of 30.1% Q1 Business Rates collection is 30.2% versus a target of 24.8%	

OPERATIONAL RISK REGISTER

June 2017



<p>baseline.</p> <p>Page 47</p>	<p>– a pre-filled instruction is sent to all non-DD payers with their annual bill or a first bill for a new taxpayer. The direct debit method reduce the risk of under-collection because it eliminates the risk of a payer forgetting to make a monthly payment.</p> <p>There is an active programme for taking formal recovery action against non payers.</p>	<p>Q2 Business rates collection is 52.6% achieved versus a target of 51.5%. Council tax collection is on target at 58%.</p> <p>Q3 Business rates collection is 77.2% and is running at 0.5% ahead of target. Council tax collection is at 86.2% which is 0.2% off target but is a 0.1% improvement from the same period last year.</p> <p>Internal Audit have performed a routine assessment of the control environment within Council Tax collection and have given an assurance of Full/Substantial . This is a good result and has highlighted a number of minor improvements that can be made to the timeliness of some work. This does however provide assurance to members that the fundamental design and operation of the control processes are robust.</p> <p>Members can gain additional assurance from the routine Internal Audit assessment of Business Rates as being at Full/Substantial levels.</p> <p>Council tax collection for 2015/16 was 98% which is 0.3% improvement on 2014/15. Business rate collection was 98.3% narrowly missing the target of 99% but improving on the 2014/15 performance by 0.2%.</p> <p>Q1 Business Rates collection is 27.7% which is exactly on target and Council tax Collection is 30.4% which is 0.2% up on target.</p>
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OPERATIONAL RISK REGISTER

June 2017



Page 48		<p>Q2 Business Rates collection is 52.3% which is ahead of target (51.6%) and Council tax Collection is 58.2% which is 0.2% up on target.</p> <p>Q3 Business rates collection is slightly ahead of target (76.2) at 77.5%. Council tax collection is broadly on target (86%) at 86.2%.</p> <p>Internal audit have presented two reports to audit committee giving 3/4 full levels of assurance to members on Council Tax and NNDR.</p> <p>2016/17 Q4 Business Rates collection is slightly below target (98.4%) at 97.9%. Council tax collection is ahead of target (98.1%) at 98.4%.</p> <p>2017/18 Q1 Business Rates collection is 29% which is ahead of target of 27.7% and ahead of the same point last year. Council Tax Collection is 30.2% which is 0.2% down on target and the same point last year.</p>
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Sign Off and Comments

Sign Off Complete

The team continue to improve Business Rates Collection rates and this approach coupled with the assurance statements from internal audit will allow them to continue to develop the approaches required to deliver the high levels of collection required. The drop in Council Tax collection reflects the increasing trend towards payment in 12 instalments instead of the traditional 10 instalments. The team are working to look at re-profiling the collection rate to reflect the emerging trend.

FR_R02 Delays and errors in the processing of Benefits claims

Category:	Corporate Priority:	Risk Owner:	Portfolio Holder:	Tolerance:
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OPERATIONAL RISK REGISTER

June 2017



Reputational		Dacorum Delivers		David Skinner	Graeme Elliot	Treating
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score	
4 Very Likely	3 High	12 Red	3 Likely	2 Medium	6 Amber	
Consequences		Current Controls		Assurance		
<p>This risk links to the corporate objective Dacorum Delivers, focussing on an efficient and effective council.</p> <p>Customers could suffer personal hardship resulting from delays or errors in the processing of claims.</p> <p>Significant reputational risk associated with high-profile errors.</p> <p>Staff time spent on addressing unnecessary errors leads to duplication of effort and is an inefficient use of resources.</p> <p>Government subsidy for housing benefit expenditure is based on external audit certification of the claim made. There is financial risk if errors on cases are identified during their testing.</p> <p>Communications with claimants needs to be well written and jargon-free in order to reduce the risk of repeat queries which puts pressure on limited staff resources.</p>		<p>The controls in place aim to mitigate this risk by closely monitoring performance to assist with effective decision-making around resource allocation. This is a heavily process driven service area and close monitoring also helps to identify bottle necks in the process which need to be improved to optimise performance. By subjecting the process to this regular in-depth scrutiny the Service is able to reduce the probability of the risk crystallising, hence the reduction between the Inherent Risk score (4) and the Residual Risk score (2) after the controls have been taken into account.</p> <p>Quality checking and individual performance management is in place. These mean that each officer has targets for their personal productivity and accuracy, and information from quality checks is fed back in order to sustain improvement.</p> <p>Average time taken for processing new claims and changes in circumstances forms part of monthly monitoring.</p> <p>Processes are in place to expedite cases where the customer is vulnerable or facing eviction. These processes start when a case is identified within benefits, or by customer services, homelessness, housing etc.</p> <p>Monthly meetings are held between senior officers</p>		<p>The successful and continuously improving management of this risk can be seen in the improved performance of KPI RBF01a - Average Time Taken to Decide a New Benefit Claim.</p> <p>Performance for the full year 14/15 was 22.9 days, which was within the target of 23 days for the first time.</p> <p>This represents an improvement of 4.5 days over the 27.4 days average in 2014/15, and an improvement of 9.9 days against the 12/13 result of 32.8 days.</p> <p>It should be noted that these improvements have been achieved without additional resource. It has purely been the result of improved process design and increased efficiency.</p> <p>Average time taken to decide a new claim for Housing benefit is 22.7 days versus a target of 23. This is the first quarter since the same period last year where the target has been met.</p> <p>Average time taken to decide a change event in Housing Benefit is at 12.3 days versus a target of 13.0.</p> <p>Q2 performance has been very good in relation to new claims. The team have achieved 19.6 days versus a target of 23 days.</p>		

OPERATIONAL RISK REGISTER

June 2017



<p>Page 50</p>	<p>within Finance & Resources to monitor detailed performance levels at each stage of the claims process.</p> <p>This enables intermediary targets to be set for discrete elements of the process, which in turn enables the more effective monitoring which has resulted in significantly improved performance over the last 6 months.</p>	<p>Q3 performance has been very good. New claims are now being processed within 17.4 days versus a target of 23 days. This is an improvement of 9.2 days on the same period last year and 2.2 days improvement on the previous quarter.</p> <p>The average time taken to decide on a change event in Housing benefit is 10.8 days versus a target of 13 days. This is an improvement of 5.6 days on the same period last year and an improvement of 1.5 days on the previous quarter in this year.</p> <p>Q4 performance has been very good. New claims are now being processed within 18.4 days versus a target of 23 days. This is an improvement of 6.2 days on the same period last year.</p> <p>The average time taken to decide on a change event in Housing benefit is 4.9 days versus a target of 13 days. This is an improvement of 2.2 days on the same period last year and an improvement of 5.9 days on the previous quarter in this year. This reflects the inclusion of calculations relating to annual benefit uprating and rent changes but is still better than last year when similar changes occurred.</p> <p>Q1 performance for the average time taken to decide a new claim for Housing Benefit is 20.8 days versus a target of 20 days. This is still 1.9 days better than the same point last year.</p> <p>The average time taken to decide a change event is 8 days versus a target of 11.5 and is 4.3 days better than the same point last year.</p> <p>Q2 performance for the average time taken to decide a</p>
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OPERATIONAL RISK REGISTER

June 2017



Page 51

new claim for Housing Benefit is 17.4 days versus a target of 20 days. This is an improvement of 2.2 days on the same point last year.

The average time taken to decide a change event is 9.9 days versus a target of 11.5 and is 5.4 days better than the same point last year.

Q3 performance for the average time taken to decide a new claim has improved to 15.3 days against a target of 20 days. This is an improvement of 2.1 days on the previous quarter.

The average time taken to decide a change event is 9.3 days against a target of 11.5 days. This shows an improvement of 0.6 days on the previous quarter.

Q4 performance for the average time taken to decide a new claim increased to 22.6 days against a target of 20 days. This was an increase of 7.3 days on the previous quarter and reflects the resourcing shortages experienced during the year.

The average time taken to decide a change event is 3.2 days against a target of 11.5 days. This shows an improvement of 1.7 days on the same period last year.

2017/18 Q1 performance for the average time taken to decide a new claim for Housing Benefit is 19.9 days versus a target of 20 days. This is 0.9 days better than the same point last year.

The average time taken to decide a change event is 7.8 days versus a target of 10 days and is 0.2 days better than the same point last year.

Sign Off and Comments

Sign Off Complete

OPERATIONAL RISK REGISTER

June 2017



The sustained improvements in performance reflects the ongoing prioritization of workload with a higher than anticipated staff turnover levels within the team. The average time taken to decide new claims and change events reflects the sustained year on year improvement in team performance. The risk score is maintained at amber to reflect the risk of performance reducing if we are unable to recruit new staff.



AGENDA ITEM:

SUMMARY

Report for:	Finance and Resources Overview & Scrutiny Committee
Date of meeting:	5th September 2017
PART:	1
If Part II, reason:	

Title of report:	Performance and Risk report Quarter 1 2017/18 – Performance, People & Innovation
Contact:	Neil Harden, Portfolio Holder for Residents and Corporate Services Author/Responsible Officer: Robert Smyth, Assistant Director - Performance, People & Innovation
Purpose of report:	To provide the Committee with analysis of performance and risk management for the services and functions provided by the Performance, People & Innovation Division.
Recommendations	That the Committee notes the contents of the report and the performance of the division for Quarter 1 2017/18.
Corporate objectives:	The Performance, People & Innovation division supports the delivery of all corporate objectives, although there is a particular focus on ‘modern and efficient council’. That is why it is important that it is able to meet its performance objectives and manage risk.
Implications:	<u>Financial</u> Poor performance could lead to increases in costs as well as reducing the value of our service offer.
‘Value For Money Implications’	<u>Value for Money</u> The work of the division supports the achievement of value for money in the pursuit of the Council’s objectives
Risk Implications	Risk Assessment reviewed August 2017.
Equalities Implications	There are no equalities implications arising from this report.

Health And Safety Implications	There are no health and safety implications arising from this report.
Consultees:	None
Background papers:	Attached: 1. Quarter 1 Operational Risk and Performance reports
Historical background <i>(please give a brief background to this report to enable it to be considered in the right context).</i>	<p>This is a regular report to the committee detailing the performance of the division over the last quarter.</p> <p>The review also considers operational risks and highlights any additional controls and assurances needed to address the issues raised.</p> <p>The focus of the service has recently expanded and it now includes:</p> <ul style="list-style-type: none"> - Performance, innovation and project management - IT and digital services - Corporate admin and support - HR and organisational development - Communications - Community partnerships and leisure
Glossary of acronyms and any other abbreviations used in this report:	<ul style="list-style-type: none"> • IT – Information Technology team • FirstCare – The Council’s sickness management system • KPIs – Key performance indicators

Introduction

- 1.1 Performance reports are produced on a quarterly basis with information collated in the Council's new performance management system (Rocket).
- 1.2 The performance report for the division is attached and it examines progress in relation to three key themes:
 - 1.2.1 Complaints handling
 - 1.2.2 Human Resources
 - 1.2.3 IT and Digital Services
- 1.3 Targets are included in those areas where it would act as a positive driver on performance behaviour.

Monitoring Performance

Summary

- 2.1 Following an annual review (and linked to the new Service Plan) the Department has amended the indicator list, to ensure that performance monitoring focuses on the most important areas.
- 2.2 Based on the new list, overall performance in quarter 1 is mixed. Of the five targetable indicators, two were green, one was amber and two were red.
- 2.3 The two red indicators relate to complaints and this was caused by transitional issues (including data recording) as we moved to a new complaints system and policy. This has now been resolved and we expect performance to improve significantly.

Detailed Analysis

Complaints Handling

- 2.4 The total number of Stage 1 complaints (45) is significantly just below the previous quarter, although some of this is due to data recording and issues in the transition.
- 2.5 Nevertheless, we are seeing a monthly reduction, which is to be expected given the change in the process. Three Stage 2 complaints were unresolved.

HR

- 2.6 The total days lost through sickness, absence has reduced by 23% compared to the last quarter. However, the figure is worse than the same period the previous year. The primary cause is long-term sickness and the Council is developing a new project to understand and address this.
- 2.7 Staff turnover is a new indicator, which can help the organisation to understand its performance in relation to employee retention and motivation. The average rate in Q1 was 8% compared to a public sector average of 12% and a broader business average of 15%.

IT and Digital Services

2.8 The percentage of incidents resolved in less than two days (92.06%) was above target, despite a 116% increase in the number of incidents.

2.9 The Team are working to understand the cause of the increase in incidents and what, if anything can be done to address this.

2.10 The number of website users in the quarter is 132,907.

Risk Management

PP_R011 Failure to deliver Digital Dacorum leads to poor customer experiences and increased costs from calls and face to face visits

2.11 In the last quarter, the focus has been on developing the Council's new resident self-service portal.

2.12 We have seen 137,349 unique website visits in the quarter and 82% of all payments are made in a digital or automated way. There were also 1085 electronic Direct Debit sign-ups.

PP_R012 Failure to deliver an effective approach to the management of performance, projects and complaints

2.13 The majority of projects are being delivered on time and 70% of KPIs are on target.

PP_R014 Failure to achieve the service outcomes outlined in each of the new community and Leisure contracts (reworded risk)

2.14 All community contracts have completed the procurement process and have gone live. We have held a number of contract meetings with each of the service providers.

2.15 Planning is underway for the commissioning of a leisure operator to manage our facilities. The procurement process will begin in August.

PP_R015 Failure to effectively and proactively manage the media profile of DBC including social media

2.16 In Q1 we posted over 1,906 outbound messages across our 18 social media accounts, received 557 direct messages and had a total twitter reach of 9.21 million viewers.

PP_R016 Failure to effectively and proactively manage all aspects of employee relations

2.17 The HR team provides dedicated support and coaching for all managers engaged in employee relation issues. We also continue to enjoy good relations with our recognised Trade Unions (Unison and Unite).

PP_R017 Failure to support the organisation, and in particular the leadership team, to manage organisational change and staff development including the move to the Forum

2.18 In the last quarter the Improvement and Innovation team have provided 40 days of internal 'change consultancy' to help services.

PP_R018 Failure to understand and respond to the current and future technology needs of the Council

2.19 Work is underway to prepare the replacement of existing PCs, including the implementation of Skype for Business, Direct Access and to introduce tablets to field officers.

PP_R04 Failures in ICT resilience or security leading to significant system downtime

2.20 In Q1 overall systems availability was 99.99%. The Council also received a successful cyber audit and we continue to achieve PSN compliance.

F&R OSC QUARTERLY PERFORMANCE REPORT

Performance and Projects

June 2017



Measure	Owner & Updater	Jun 2017 Result	Mar 2017 Result	Jun 2016 Result	Sign Off	Comments
CS02a - Percentage stage 1 complaints resolved in 15 days for the Council	Matt Rawdon Cassie O'Neil	71.11% (32/45) Target: 80	89.6% (112/125) Target: 80	97.78% (132/135) Target: 80	✓	Updater A new complaints system has been launched, which will streamline the process and deliver a number of benefits. However as part of the transition, there have been some issues with data recording and Officer response times. It is expected that next quarter should see improvements in performance.
CS02b - Percentage stage 2 complaints resolved in 15 days for the Council	Matt Rawdon Cassie O'Neil	25% (1/4) Target: 80	78.57% (11/14) Target: 80	84.62% (11/13) Target: 80	✓	Updater The implementation of a new system will deliver a number of new benefits. However, there were some transitional issues. These have now been resolved.

Page 59

Measure	Owner & Updater	Jun 2017 Result	Mar 2017 Result	Jun 2016 Result	Sign Off	Comments
HR02a - Turnover of staff	Matt Rawdon Anne Stunell	8 % Info Only	No Data Info Only	No Data Info Only	✓	Updater There were 14 voluntary leavers in the quarter. While this is a new indicator, the overall level (8%) is comparatively low compared to the public sector (12%) and UK turnover as a whole (15%).
HR03 - Total days lost through sickness absence	Matt Rawdon Anne Stunell	1233.75 Days Info Only	1605 Days Info Only	1019.25 Days Info Only	✓	Updater Lower than last quarter and substantially higher than last year Owner This is principally driven by our long term sickness cases, there appears to be a peak of staff who have taken 10 plus days off which would need to be signed off by their GP.
HR04a - Total days lost through SHORT TERM sickness absence	Matt Rawdon Anne Stunell	293.75 Days Info Only	471.5 Days Info Only	369.75 Days Info Only	✓	Updater Substantially lower than last quarter and last year
HR04b - Total days lost through LONG TERM sickness absence	Matt Rawdon Anne Stunell	940 Days Info Only	1133.5 Days Info Only	649.5 Days Info Only	✓	Updater Substantially lower than last quarter and substantially higher than last year
HR05 - Average days lost due to sickness absence per FTE - profiled target	Matt Rawdon Anne Stunell	0.64 Days (411/647) Target: 0.54	0.82 Days (535/652) Target: 0.67	0.51 Days (340/660) Target: 2	✓	Updater Lower than last quarter. Higher than last year. Above target
ICT01 - Percentage of incidents resolved in less than 2 days	Ben Trueman Amanda Jeffries	92.06% (2121/2304) Target: 90	88.87% (2020/2273) Target: 90	89.46% (951/1063) Target: 90	✓	Owner A great performance from a settled team

Measure	Owner & Updater	Jun 2017 Result	Mar 2017 Result	Jun 2016 Result	Sign Off	Comments
ICT02 - Availability of primary systems (office hours)	Ben Trueman Amanda Jeffries	99.9% Target: 99	99.99% Target: 99	100% Target: 99	✓	Owner Consistently good availability
ICT06 - Total number of incidents and service requests reported (ICT)	Ben Trueman Amanda Jeffries	3558 Info Only	3743 Info Only	2374 Info Only	✓	Owner Call levels consistently higher since move to the Forum
WEB03 - Number of Website Users	Ben Trueman Murtaza Maqbool	132907 Info Only	No Data Info Only	123748 Info Only	✓	Owner Slight rise on previous quarter - possibly related to election information. We would expect this figure to drop over the summer holiday months.

OPERATIONAL RISK REGISTER

June 2017



Performance and Projects - Robert Smyth

PP_R011 Failure to deliver Digital Dacorum leads to poor customer experiences and increased costs from calls and face to face visits

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Neil Harden	Tolerance: Treating
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Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber

Consequences	Current Controls	Assurance
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<p>85% of adults use the internet regularly and people expect services that reflect their 24/7 online lives.</p> <p>Digital services also provide an opportunity to use new technology to reduce costs while maintaining or improving service quality.</p> <p>However if we don't deliver our digital vision (Digital Dacorum) this will have major consequences.</p> <p>It will mean that we can't provide services in the most effective way. It will also lead to improvements and savings not being realised. Also systems and processes will fall further behind the expectations of residents.</p> <p>Failure to deliver an effective approach to digital services will also result in reputational damage.</p> <p>The customer experience will also suffer as residents</p>	<p>We created a detailed Digital Dacorum programme and plan of 10 projects which will transform our digital approach and ensure that we deliver a modern, 24/7 experience.</p> <p>This has now been delivered and we are moving onto the next phase which will be delivered through our Technology and Digital Transformation Strategy and our Transforming the way we work strategy.</p> <p>These actions are managed and supported by the Digital team and governed by a Digital Project Board. They are also monitored at the monthly Performance Board.</p>	<ul style="list-style-type: none"> - Specialist digital staff are in place - ICT and Digital Transformation Strategy and Transforming the way we work Strategy - New website has gone live - New content management and governance process has been introduced - Schedule for re-design and development has been agreed - New online payment portal has gone live
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OPERATIONAL RISK REGISTER

June 2017



cannot access services at a time and in a way that is best for them.

Sign Off and Comments

Sign Off Complete

In terms of residents, we have primarily focused on the development of the Council's new resident self-service portal. This aims to give people a 'personalised' experience when they go online, saving them time and improving their interactions with the Council. This is due to go live in September with a number of functions including missed bin reporting and 'about my area' which shows location based information such as local councillors, dog bins, hospitals, etc. More functionality will be added in phase 2 of the development.

Internally we have launched a new online expenses form and we have introduced a new smart printing system for letters. We have also continued to reduce postage costs by 25% in Q1 2017 compared to Q1 2016. In Q1 we have seen 269,901 sessions from 137,349 unique users on our website. 82% of payments have come from automated means. There were 1085 DD signups electronically and 1237 residents are signed up to the Housing Account. In order to keep up this progress we have published a new strategy and have begun work to deliver an action plan of improvement projects.

PP_R012 Failure to deliver an effective approach to the management of performance, projects and complaints

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber
Consequences		Current Controls		Assurance	
The ability to manage performance, projects and complaints is vital if we are going to successfully deliver the Council's objectives and priorities. Effective project and performance management ensures that we can deliver what's expected on time and under		We have recently launched Managing Projects Successfully, our new approach to project management. This provides detailed step-by-step guidance on how to develop, define, manage and evaluate a project. We have a well established performance management		- We monitor performance, projects and complaints on a monthly, quarterly and annual basis - We have a dedicated performance and project management system (Rocket and PMO online)	

OPERATIONAL RISK REGISTER

June 2017



<p>budget. It also enables us to maximise value for money.</p> <p>However poor project and performance management leads to cost overruns, delays and a failure to achieve outcomes. It also causes opportunity costs and can leads to expensive or ineffective remedial work.</p> <p>Failure to manage complaints can lead to poor service, dissatisfaction and an inability to learn from mistakes and issues.</p>	<p>system (Corvu) underpinned by a detailed performance framework.</p> <p>We have a team of performance and project management specialists and on a monthly basis we produce programme and performance monitoring reports which are scrutinised at a Member led Performance Board and Group.</p> <p>We have a robust complaints policy and a specialist complaints management system.</p>	<p>- We have a project management framework (managing projects successfully)</p> <p>- We have a detailed complaints policy, procedure and system</p>
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Sign Off and Comments

Sign Off Complete

We continue to deliver a robust and effective approach to performance and projects. The majority of projects are being delivered on time and 70% of indicators are in target. The Improvement and Innovation Team have provided over 40 days of internal consultancy helping to support service re-design and innovation. We have rolled-out a new performance reporting system and have made further improvements to project reporting with the aim to allow greater scrutiny.

The new complaints policy and system has also been implemented. We initially experienced some issues during the transition period, however these have now been resolved and we are starting to see the benefits from this new approach.

PP_R014 Failure to achieve the service outcomes for the community and Leisure Contracts					
Category: Organisational/Management	Corporate Priority: Dacorum Delivers		Risk Owner: Robert Smyth	Portfolio Holder: Neil Harden	Tolerance: Treating
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber

OPERATIONAL RISK REGISTER

June 2017



Consequences	Current Controls	Assurance
<p>The community contracts provide vital support services for some of the most vulnerable residents in Dacorum. The contracts are:</p> <ul style="list-style-type: none"> - Information, Advice and Advocacy - Supporting the Voluntary Sector - Reducing Social Isolation - Living Stable Lives - Promoting Healthy Relationships <p>The forthcoming leisure contract will ensure that our leisure facilities are managed in the most effective way possible.</p> <p>However if we don't achieve the outcomes from each contract, the community will receive inadequate services which can have serious consequences.</p> <p>Failure to deliver would also adversely affect the capacity of the local VCS and the community and local sports clubs.</p> <p>There would also be negative implications for the reputation of the Council and for the services involved.</p>	<p>We have introduced a number of controls which manage the risk of not achieving the service outcomes:</p> <p>We have and are undertaking a comprehensive and robust commissioning process, which ensures that we select providers that can deliver on our objectives.</p> <p>We will agree KPIs with each contract.</p> <p>We will conduct regular contractual performance meetings and we have a well established process for dealing with any issues.</p> <p>All the contracts will be managed by senior officers with oversight from the Group Manager and Assistant Director.</p> <p>We have also commissioned audits of our processes by Mazars.</p> <p>We have commissioned specialist advice from legal and leisure consultants.</p>	<ul style="list-style-type: none"> - Commissioning Tender Returns - Contracts and Agreements - KPI Monitoring Reports/Surveys etc.
Sign Off and Comments		
Sign Off Complete		

OPERATIONAL RISK REGISTER

June 2017



Community Contracts:

The community contracts have been let. We have held a number contract meetings with each of the service providers. We have also held two breakfast networking meeting which enable the providers to work closely together.

Leisure

We have been planning and preparing the leisure commissioning process and this is due to go live in August. This includes consultation with clubs and users, a detailed report and analysis of what other authorities offer. Cabinet also approved the key principles for the service specification. The procurement process has also been audited by Mazars and they found this was undertaken in line with good practice and Council rules.

PR R015 Failure to effectively and proactively manage the media profile of DBC including social media

Category: Service Delivery	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
2 Unlikely	4 Severe	8 Amber	1 Very Unlikely	4 Severe	4 Green
Consequences		Current Controls		Assurance	
<p>The media profile of the organisation is a major issue.</p> <p>If our media profile is not professionally managed, it could lead to reputational risk for the council. This includes reputational risk/damage to members and council staff, and questions being asked about service delivery (as a council) and value for money.</p> <p>A positive media profile also offers a real opportunity to attract new investment and resources.</p>		<p>We have a number of controls in place to mitigate these risks:</p> <p>For press and media coverage we use a press management system called Vuelio. This enables us to plan for both proactive and reactive issues and maintain control of all outbound and inbound media activities.</p> <p>We have developed good working relationships with the local press and media and continue to involve them in our important activities. Similarly the press are in</p>		<p>- We have a dedicated and experienced communications team with expertise across all forms of media.</p> <p>- The majority of press coverage has been positive with a large emphasis on the Hemel Evolution programme and the various zones that have been completed.</p> <p>- Due to our relationship with the press, we are regularly contacted for a statement or comment on the article being published.</p>	

OPERATIONAL RISK REGISTER

June 2017



Page 67	<p>The risks from social media occur either because we aren't using the tool to engage residents restricting our contact with key demographics, or because our reputation has been damaged due to inappropriate or negative use or postings.</p>	<p>regular contact with the communications team for comments or further information regarding campaigns and activities.</p> <p>For social media we use Crowd Control (CCHQ) which is the UK's leading risk management software for managing all social media accounts across the council. CCHQ is a web-based risk management platform that enables us to efficiently control access to our social pages, keeping them safe and secure.</p> <p>We also require all staff to read, understand and sign a number of policies relating to the use of social media and ICT.</p>	<p>- With social media, the risk management software allows us to setup word libraries that will automatically delete posts (using specific words) from the respective social media channels.</p> <p>- We have a communications strategy and a social media strategy. We also have a detailed service plan for communications.</p>
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Sign Off and Comments

Sign Off Complete

In Q1 we posted over 1,906 outbound messages across our 18 social media accounts, received over 557 direct messages which were responded to in accordance with our social media policy and guidance, and had a total potential twitter reach of 9.21 million viewers across our social media networks. We continue to operate a proactive and engaged social media programme, which is managed by a Communications Team with significant social media experience.

Some of the campaigns (from the 1,906 posts) include that of the general election, resident events (e.g. Armed Forces Day), recycling and environmental services (e.g. Keep Britain Tidy campaign). The success of our social media work is reflected in the local government ranking (source: net natives) which regularly places Dacorum Borough Council as one of the highest ranked (of the 10 borough councils in Hertfordshire).

PP_R016 Failure to effectively and proactively manage all aspects of employee relations

OPERATIONAL RISK REGISTER

June 2017



Category: Service Delivery	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber
Consequences		Current Controls		Assurance	
<p>Having highly motivated and productive staff is central to everything we do.</p> <p>Failure to effectively manage all aspects of employee relations can have a number of implications.</p> <p>A less motivated and productive workforce will lead to issues of poor service and performance. It can also cause high levels of sickness and dissatisfaction.</p> <p>It could also result in appeals and employment tribunal cases and staff turnover will increase causing additional disruption and cost.</p>		<p>We have a number of controls in place to mitigate these risks:</p> <p>We have robust employment policies that are reviewed regularly to ensure they are in line with good practice and the latest employment legislation.</p> <p>We have regular employee relation meetings with trade unions and we consult with them on changes to any relevant policies and procedures.</p> <p>We provide training for managers on employment policies and all managers leading employee relation cases are supported by a qualified HR professional.</p> <p>We also undertake staff surveys and have recently set up a project to understand and respond to the findings of the most recent survey.</p>		<p>- No Employment Tribunals over the last two years and very few employment appeals to Members.</p> <p>- Staff turnover is low. Across 2015/16 the Council had a voluntary annual turnover rate of 10.6% (76 staff). This compares positively to the public sector average (18%) and it is below the level within local government (11.9%). It is also lower than average for district councils (11%).</p> <p>- Services are well received from the public. According to the Herts Tracker Survey 72% of our residents are satisfied with our services, which is the second best in Hertfordshire.</p>	
Sign Off and Comments					
Sign Off Complete					

OPERATIONAL RISK REGISTER

June 2017



We continue to enjoy good relations with our recognised Trade Unions (Unison and Unite) and we ensure that our employment policies and procedures are robust and reflect good practice and the latest developments in Employment Law. The HR team provides dedicated support and coaching for all managers. Staff turnover remains low at 8%. The new People Strategy has been implemented and a number of critical projects including: a new approach to corporate training, recruitment & selection and staff recognition.

PP_R017 Failure to support the organisation, and in particular the leadership team, to manage organisational change and staff development including the move to the Forum

Category: Service Delivery	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber
Consequences		Current Controls		Assurance	
<p>Managing and adapting to change is key if we are going to deliver the Council's vision.</p> <p>That's why we need to develop and foster a workforce that is flexible, responsive and able to manage organisation change.</p> <p>The consequences of this risk include dis-engaged staff, service delivery issues and low productivity.</p> <p>We could also experience high levels of turnover and a likelihood that key staff would relocate to other organisations.</p>		<p>We have introduced a number of controls which manage the risk:</p> <p>Our Corporate training programme (featuring mandatory training courses) ensures that staff have the right skills.</p> <p>We have created a Forum Cultural Board to ensure we have the right tools and culture to work in a modern and efficient way.</p> <p>The Managing in Dacorum Programme – identifies and develops key management skills in our Leaders.</p>		<p>- 87% of staff are willing to work with change (staff survey)</p> <p>- Regular staff forum briefings with a bespoke information section on the intranet</p> <p>- Good attendance in the managing in Dacorum Programme</p> <p>- Services are well received from the public. According to the Herts Tracker Survey 72% of our residents are satisfied with our services, which is the second best in Hertfordshire.</p>	

OPERATIONAL RISK REGISTER

June 2017



<p>Staff not understanding the new culture within the forum could also cause productivity issues and relationship problems.</p>	<p>The Organisational transformation group provides strategic advice and support.</p> <p>We are currently developing a people strategy to ensure staff have to skills, values and experience.</p> <p>Our Service Efficiency Programme (overseen by the Chief Operating Group) will also help to develop the change attitude within the organisation.</p>	
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Sign Off and Comments

Sign Off Complete

We have continued to carry out a range of activities, projects and programmes to support organisational change and build up a culture of innovation. For example streamlining and automating elements of the New Starter process for HR, as well as working on automation for the procurement process to prevent double entry. We have also been working on data analysis of staff ICT ability and on how to best get new residents and those who have moved to take up 'good habits' through partnership with the Old Town Hall and Sportspace.

We have created a transformation strategy which will help develop the skills and behaviours required to work within the changing environment. This strategy will exist alongside the ICT digital strategy and the people strategy to ensure we have the right people with the right skills, working in an environment that is efficient and digitally minded.

PP_R018 Failure to understand and respond to the current and future technology needs of the Council

Category: Technical/Operational	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber
Consequences		Current Controls		Assurance	

OPERATIONAL RISK REGISTER

June 2017



<p>ICT is central to the performance of departments. This includes both hardware and business applications (i.e. software) as well as the service desk and special projects.</p> <p>Poor ICT makes it difficult for departments to provide their services effectively. Issues with ICT can also have a negative impact on the reputation of DBC.</p> <p>In addition there can be significant knock-on costs as a result of problems with IT including delays in processing benefits or responding to service requests.</p> <p>It will also make other agenda's like Digital Dacorum harder to implement.</p>	<p>We have put in place the necessary structure, strategy, plans, budgets and vision to ensure we respond to the current and future needs of the business.</p> <p>The service is based around four core elements:</p> <ul style="list-style-type: none"> - the service desk - infrastructure - special projects - business applications <p>In terms of controls we have a detailed ICT Strategy and Improvement Plan.</p> <p>We also have an established staffing compliment and budget which has been shaped around the ICT needs of DBC.</p> <p>Having a technical project Manager in place has also ensured that further improvements are made.</p> <p>Each service has an in-team specialist business applications resource and there is a central applications lead to coordinate work.</p> <p>All staff are provided with the necessary hardware including the roll out of laptops as part of the Dacorum Anywhere programme.</p> <p>We have regular conversations with other council</p>	<ul style="list-style-type: none"> - Regular dialogue between ICT and other services. - Technology is discussed regularly at Leadership Team meetings - ICT Strategy and Service Plan. - TOR for joint Customer Insight working group. - Digital Dacorum Strategy
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OPERATIONAL RISK REGISTER

June 2017



services and we take a category management approach to procurement.

Sign Off and Comments

Sign Off Complete

The Council's new Technology & Digital Transformation Strategy has gone live and work is continuing to deliver a series of improvement projects associated within the plan. This includes the plan to replace current PCs, including the implementation of Skype for Business and Direct Access, and to introduce suitable mobile devices for field officers. Roll-out of the new technology will begin in the autumn with one third of replacements to be completed by March 2018. A new Applications Roadmap will shortly be launched and a new Technology Strategy Board has been set up to help manage the long term development of our applications estate. Two new developers are also being recruited and the Web Team are leading on the implementation of a new CRM system.

PR04 Failures in ICT resilience or security leading to significant system downtime

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber
Consequences		Current Controls		Assurance	
ICT is central to the performance of departments. A failure in ICT resilience or security would see loss of access to some or potentially all ICT applications and services. This would have serious consequences for productivity, communication links with the public and would have a		We have introduced a number of controls which manage the risk: Technical Controls - The Council has a secondary data centre in Aylesbury which can be put into action in the event of a serious failure of the primary data centre.		Assurance - KPI's - ICT01 - % of incidents resolved in less than 2 days. ICT02 - Availability of primary systems. WEB01 - Website availability - High Level Recovery Plan available on request	

OPERATIONAL RISK REGISTER

June 2017



major impact on public facing services.

It could also lead to reputational damage or concerns about our capacity.

Our Wide Area Network design provides resilient connectivity (diverse routing) so that if the direct connection from the Civic Centre to the primary data centre (Amersham) is severed, traffic will be re-routed to run via the secondary data centre (Aylesbury). NB: currently there is a common path to both connections between the Civic Centre and the nearest BT exchange.

Servers exist in a virtual environment and are hosted across multiple physical machines, meaning there is less dependence on individual components.

Data is replicated across the two data centres and is also backed up so that it can be called back and restored if required.

Process controls -

Data back-ups are stored off site at Cupid Green.

Security -

We have a number of security processes in place, all of which is underpinned (and assured) by our PSN compliance.

These include corporate firewalls, anti-virus software on end point devices, end point security solutions to block unknown devices, encrypted hard drives, managed

- Successful tests of DR procedure – assuring that services can be restored within the secondary data centre using replicated data.

- PSN Compliance.

Page 73

OPERATIONAL RISK REGISTER

June 2017



permissions and a two factor authentication process (name and crypto card).

Sign Off and Comments

Sign Off Complete

Our approach to ICT resilience continues to be robust and effective. Overall systems availability in Q1 was 99.99%. Our recent cyber security audit gave the Council a rating of Full/Substantial and the Council continues to maintain its PSN compliance (ahead of reaccreditation in October). This includes anti-virus software, corporate firewalls and various authentication processes. Continued work to roll out a new remote working solution will support this and we have taken steps to remove some higher risk operating systems. Work is also progressing on delivery of resilient lines on the BT network to the Council's data centre following continued from DBC and its partners. We are also working on a project to improve the technology skills and confidence of staff.

Page 74

FINANCE AND RESOURCES Overview & Scrutiny Committee: Work Programme 2017/18

***Scrutiny making a positive difference:** Member led and independent, Overview & Scrutiny Committee promote service improvements, influence policy development & hold Executive to account for the benefit of the Community of Dacorum.*

Meeting Date:	Report Deadline	Items:	Contact details:	Background Information
5 September 2017	23 August 2017	<p>Action Points (from previous meeting)</p> <p>Budget Monitoring Report</p> <p>Quarter 1 Performance Reports (& Quarter 1 Operational Risk Reports)</p> <p><i>Legal Governance & Democratic Services</i></p> <p><i>Performance, People & Innovation</i></p> <p><i>Finance & Resources</i></p>	<p><i>(PH – Cllr Harden & Cllr Elliot)</i></p> <p>Chairman</p> <p>D Skinner, Assistant Director, Finance & Resources</p> <p>M Brookes, Solicitor to the Council</p> <p>R Smyth, Assistant Director, Performance, People & Innovation</p> <p>D Skinner, Assistant Director, Finance & Resources</p>	

Meeting Date:	Report Deadline	Items:	Contact details:	Background Information
4 October 2017	21 September 2017	Action Points (from previous meeting)		
7 November 2017	25 October 2017	<p>Action Points (from previous meeting)</p> <p>Budget Monitoring Report</p> <p>Quarter 2 Performance Reports (& Quarter 2 Operational Risk Reports)</p> <p><i>Legal Governance & Democratic Services</i></p> <p><i>Performance, People & Innovation</i></p> <p><i>Finance & Resources</i></p>	<p><i>PH – Cllr Harden & Cllr Elliot)</i></p> <p>Chairman</p> <p>D Skinner, Assistant Director, Finance & Resources</p> <p>M Brookes, Solicitor to the Council</p> <p>R Smyth, Assistant Director, Performance, People & Innovation</p> <p>D Skinner, Assistant Director, Finance & Resources</p>	

Meeting Date:	Report Deadline	Items:	Contact details:	Background Information
Joint Budget 5 December 2017	22 November 2017	Joint Budget OSC <i>Ideally no further items to be added</i>	J Deane, Director (Finance & Resources) D Skinner, Assistant Director (Finance & Resources) R Baker, Group Manager (Finance & Resources)	
9 January 2018	27 December 2017	Action Points (from previous meeting)		
Joint Budget 6 February 2018	24 January 2018	Joint Budget OSC <i>Ideally no further items to be added</i>	J Deane, Director (Finance & Resources) D Skinner, Assistant Director (Finance & Resources) R Baker, Group Manager (Finance & Resources)	
6 March 2018	21 February 2018	Action Points (from previous meeting) Budget Monitoring Report Quarter 3 Performance Reports (& Quarter 3 Operational Risk Reports)	(PH – Cllr Harden & Cllr Elliot) Chairman D Skinner, Assistant Director, Finance & Resources	

Meeting Date:	Report Deadline	Items:	Contact details:	Background Information
		<p><i>Legal Governance & Democratic Services</i></p> <p><i>Performance, People & Innovation</i></p> <p><i>Finance & Resources</i></p>	<p>M Brookes, Solicitor to the Council</p> <p>R Smyth, Assistant Director, Performance, People & Innovation</p> <p>D Skinner, Assistant Director, Finance & Resources</p>	

Items to be scheduled: