



CABINET AGENDA

**TUESDAY 21 MAY 2019 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 to be confirmed

For further information, please contact Corporate and Democratic Support or 01442 228209

AGENDA

1. MINUTES (Pages 3 - 13)

To confirm the minutes of the meeting held on 19 March 2019.

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 and ask questions in accordance with the rules as to Public Participation.

5. REFERRALS TO CABINET

There were no referrals to Cabinet

6. CABINET FORWARD PLAN (Page 14)

7. FINANCIAL OUTTURN REPORT (Pages 15 - 30)

8. VEHICLE REPAIR SHOP (Pages 31 - 36)

9. PEER REVIEW (Pages 37 - 51)

10. EXCLUSION OF THE PUBLIC

To consider passing a resolution in the following terms:

That, under s.100A (4) of the Local Government Act 1972 Schedule 12A Part 1 as amended by the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during the items in Part 2 of the Agenda for this meeting, because it is likely, in view of the nature of the business to be transacted, that, if members of the public were present during those items, there would be disclosure to them of exempt information relating to the financial and business affairs of the Council and third party companies/organisations.

Local Government Act 1972, Schedule 12A, Part 1, paragraph 3.

Agenda Item 1

MINUTES

CABINET

19 MARCH 2019

Councillors: Williams (Leader)
Griffiths (Deputy Leader)
Elliot
Harden
Marshall
G Sutton
D Collins

Officers:	Mark Brookes	Assistant Director - Corporate and Contracted Services
	James Deane	Corporate Director - Finance and Operations
	Mark Gaynor	Corporate Director - Housing & Regeneration
	Sally Marshall	Chief Executive
	Katie Mogan	Corporate and Democratic Support Lead Officer
	David Austin	Assistant Director - Neighbourhood Delivery
	Dawn Rhoden	Regulatory Services Operations Team Leader

Also Attendance:

Councillor John Birnie
Councillor Ron Tindall

The meeting began at 7.30 pm

CA/28/19 MINUTES

The minutes of the meeting held on 12 February 2019 were agreed by Members present and signed by the Chair.

CA/29/19 APOLOGIES FOR ABSENCE

There were no apologies of absence.

CA/30/19 DECLARATIONS OF INTEREST

There were no declarations of interest.

CA/31/19 PUBLIC PARTICIPATION

There was no public participation

CA/32/19 REFERRALS TO CABINET

There were no referrals to Cabinet.

CA/33/19 CABINET FORWARD PLAN

The forward plan was noted with the following changes:

- Remove Leisure Action Plan from May agenda
- Add Car Parking Supplementary to May agenda

CA/34/19 DOG PSPO**Decision**

1. That the implementation of a Public Space Protection Order under the Anti-Social Behaviour, Crime and Policing Act 2014 with restrictions relating to the control of dogs Borough wide as set out in paragraph 4 of the report from 1st July 2019 be approved with the addition that Order 5 is extended to include "within 3 metres of play equipment in unfenced children's play areas"
2. That £75 is set as the sum payable for a fixed penalty notice.

Corporate objectives

Safe and Clean Environment

Maintain a clean and safe environment

Monitoring Officer/S.151 Officer Comments**Monitoring Officer:**

The PSPO will assist with the prevention of anti-social behaviour in the borough. There will need to be a proportionate approach to enforcement particularly where the order is being breached by young and vulnerable persons.

Deputy S.151 Officer

The implementation of this recommendation will be funded through existing approved budgets.

Advice

Councillor Harden introduced the report to members. The consultation had been positively received and this report contains the final wording to be included in the PSPO.

Councillor Marshall said she was delighted to see these PSPOs and referred to the revised Schedule 1 and said she assumed this was to ensure new playgrounds would be covered. She was concerned that open playgrounds were not included and therefore unprotected. PSPOs were to be used as necessary and are an advantage and an aid to officers. Unfenced areas should not be left unprotected like the new play area in Gadebridge Park and The Moor in Berkhamsted. Councillor Marshall proposed an addition to Order 5 to say that PSPOs will be effective within three metres of play areas.

M Brookes said this could be workable from an enforcement perspective.

D Rhoden said that the only concern is that this could be easily challenged by members of the public.

Councillor Harden said there could be issues about proving the distance.

M Brookes suggested that this be further clarified to state that the PSPOs are effective within three metres of play equipment as it gives a physical structure to measure against.

Councillor Elliot said this was clearly a welcome development but wanted to clarify that the council is not attacking people who want to walk their dogs.

Councillor Harden said this was about challenging irresponsible dog owners with enforcement back up from the council.

Councillor Birnie asked if this covered all areas under council ownership and questioned if it could cover sport fields etc.

M Brookes said it had to be an open space accessible to the public.

Councillor G Sutton said he supported the comments from both Councillor Marshall and Harden. He said his main concern was dog walkers that have multiple dogs that are off the lead. They cannot control all the dogs and this causes problems.

Councillor Griffiths said this was not just about play areas, this covered all open spaces and land.

Councillor Marshall asked if this would cover Boxmoor Trust land.

D Rhoden said yes. National Trust land wanted to be excluded from the dog fouling order as they have their own preferred method for disposing of dog excrement. They are keen to join but not regarding enforcement action.

Cabinet agreed to the PSPOs with the addition to Order 5 about enforcing PSPOs within three metres of any play equipment.

Voting

None

CA/35/19 STRATEGIC RISK REGISTER**Decision**

1. That the position on the Strategic Risk Register as at the end of Quarter 3, 2018/19 be noted; and,

2. The recommended approach to the further integration of the Strategic Risk Register, Corporate Plan, and Key Performance Indicators be approved.

Corporate objectives

Delivering an Efficient and Modern Council – risk management is an essential part of ensuring that the Council meets all of its objectives.

Monitoring Officer/S.151 Officer Comments**Monitoring Officer**

No comments to add to the report.

S.151 Officer

This is a S151 Officer report.

Advice

Councillor Elliot introduced the report which shows the position of the risk register at the end of quarter three. There are some changes resulting from a review of the register from Mazaars, Cabinet, Leader of the Opposition and the Chief Officers Group. The updated risks are substantially the same with an additional risk included relating to Brexit. The updated report has gone to Audit who have no further comments to make. The next review will take place following an update of the Council's corporate priorities in 2020.

Voting

None

CA/36/19 SAFEGUARDING & DOMESTIC ABUSE POLICIES**Decision**

That the following policies be agreed:

1. Children, Young People & Adult at risk Safeguarding Policy and Procedures with amendments agreed by Cabinet.
2. Domestic Abuse Policy

Corporate objectives

Building strong and vibrant communities

Monitoring Officer/S.151 Officer Comments

Monitoring Officer

The updated policies will help to ensure that the Council complies with the latest statutory framework, guidance and best practice.

Deputy S.151 Officer

There are no direct financial impact of the implementation of these policies.

Advice

Councillor Harden introduced the report which contained the reviewed policies relating to safeguarding and domestic abuse to ensure they are up to date with legislation.

J Chapman added that it was about making safeguarding personal and there was the ability to include feedback from the adult safeguarding audit.

Councillor Tindall asked if this new policy took into account the government's draft legislation on domestic abuse from January.

J Chapman said it had been taken into account but not included because the legislation is not due to pass for another six to nine months so it will be incorporated then and amended when necessary.

Councillor Tindall asked that Cabinet reconsider the wording in the domestic abuse policy at paragraph 1.1 and suggested the removal of the words 'where it occurs' to make the statement stronger.

Councillor Griffiths asked if there were any plans to provide safeguarding training to all members.

J Chapman thought it was fair to say that there is an opportunity to improve on member attendance for safeguarding training. The take up previously has not been as high as necessary. He believed there were plans to include this training in the Member Development programme for 2019/20.

Councillor Griffiths asked how often members and staff should be trained.

J Chapman said every three years would be appropriate.

S Marshall confirmed that safeguarding training would be mandatory for all councillors in 2019/20.

Councillor Harden sought clarification that J Chapman was the designated officer for the entire council.

J Chapman said he was the lead officer. The policy highlights a number of officers designated as safeguarding officers who tend to be Group Managers and Team Leaders. They are the first port of call. It is important to remember that safeguarding is the role of everybody and not down to one person.

Councillor G Sutton said the report was very thorough and passed his congratulations to the team.

Councillor Tindall agreed that this was a big improvement and congratulated J Chapman. He pointed out one same error – paragraph 2.2 had been repeated.

The recommendations were agreed with the minor changes suggested by Councillor Tindall.

Voting

None.

CA/37/19 MEMBER DEVELOPMENT PROGRAMME

Decision

1. That the Member Development Programme as set out in Appendix A to the report be approved.

RESOLVED TO RECOMMEND:

2. That Cabinet recommend Council agree a new paragraph 9 to Part I of the Code of Conduct for Members to read:

“9. Training

To enable Members to fully take part in Council business Members are encouraged to attend all training, which forms part of the Member Development Programme.

Council have adopted a requirement for a mandatory training programme for Members, which will be approved annually by Cabinet following consultation with the Member Development Steering Group

and the Council's statutory officers. Members must attend all mandatory training in accordance with the Council's requirement."

3. That the list of mandatory courses as set out in paragraph 2.2 of the report be agreed.

Corporate objectives

The creation of a Member Development Programme ensures that Councillors are fully-trained and up-to-date with latest Council and legislative developments in order to deliver a modern and efficient Council.

The role of Councillors as Community Leaders means that they will have the tools to build strong and vibrant communities.

Monitoring Officer/S.151 Officer Comments

Monitoring Officer

Member training and development is essential to ensure that members are given the knowledge and skills to perform their roles effectively. The training will also ensure that members are up to date with all relevant legislation and guidance, which should help minimise the risk of complaint or legal challenge.

S.151 Officer

No further comments to add to the report.

Advice

Councillor D Collins introduced the report which sets out the proposals for the 2019/20 Member Development programme. Members should be provided with the knowledge and skills required to perform their roles and this plan incorporates many of the points covered by MDSG. The report also covers mandatory training for most important areas and continued failure to attend this training comes with sanctions. This is a two stage process. Initial failure to attend will be reported to the Group Leaders and a continued failure will constitute a breach of the code of conduct and referred to the Standards committee. Officers will continue to work with MDSG to finalise training dates.

M Brookes added that MDSG have been consulted on this report and were broadly supportive of the recommendations.

Councillor Griffiths reiterated her point regarding safeguarding training. This was extremely important and also a legal requirement. Currently, members do not treat training with the importance it should have and said she was totally supportive of what was being proposed.

Voting

None.

CA/38/19 BREXIT PREPARATIONS

Decision

That the work undertaken by officers in preparedness for Brexit be noted.

Corporate objectives

Modern and Efficient Council

Monitoring Officer/S.151 Officer comments

Monitoring Officer

The Council's preparations for Brexit are being continually monitored. Potential impacts and mitigations are being assessed at a service and strategic level and this will continue as progress is made towards the withdrawal date.

S.151 Officer

The council is continually monitoring the progress towards a final Brexit agreement. The potential financial impact is being assessed at a strategic and operational level with mitigations implemented if required.

The MHCLG grant for Brexit preparation is available to fund any mitigating actions required as a result of the final withdrawal agreement.

Advice

S Marshall introduced the report which sets out the council preparations for Brexit. There has been a lot of work ongoing behind the scenes with CMT and liaising with partners regionally and nationally. A 'No Deal' scenario and an extension of Article 50 remains a strong possibility. S Marshall said she was receiving daily updates from colleagues. The council have raised a number of questions and attached in the report is a response to the checklist provided by the Secretary of State and this is reviewed on a fortnightly basis by CMT. Officers have trawled the supply chains to highlight any risks and business continuity plans have been refreshed and updated. The council have a civil contingency approach to work with partners in the event of any civil unrest.

Councillor D Collins said one question being asked of him was, if the Article 50 deadline is extended for two years, the UK might need to participate in European Parliament elections. He said some have mentioned the possibility of the local elections being postponed to 23 May and run both elections on one day.

S Marshall said the process for the local elections starts on 26th March. There is due to be a lot of activity over the next week with the EU and it is a question that has

been asked of the Cabinet office. It is still an outstanding issue but as a council, we are preparing to have elections as normal on 2nd May. A delay to the local elections would cause many issues and would have a knock on impact on the calendar of meetings, for example, Annual Council. She said the team are preparing to run both elections together but hoping for some clarification from the government.

Councillor Tindall said he believed that the EU are looking at possibly working on the premise that providing a short extension would mean accepting the current MEPs to sit until an exit or asking the UK parliament to nominate people to fill the seats which would avoid a rushed election.

S Marshall said she believed this would cause of range of issues that would probably be tested in the courts. We are looking at extra resources if needed and our primary role is to deliver sound elections.

Councillor Harden asked if the UK did have to have EU elections, would the election process begin before 2nd May?

M Brookes said yes, it begins about six weeks prior.

Voting

None

CA/39/19 BERKHAMSTED SPORTS CENTRE

Decision

That Cabinet agree for officers to carry out further feasibility work and develop a scheme proposal for consideration and public consultation based on Option 3: New Build

RESOLVED TO RECOMMEND:

That Cabinet recommend Council agree a sum of £55,000 for consultancy and professional fees to develop a scheme proposal for further approval and public consultation.

Corporate objectives

Clean, Safe and Enjoyable Environment – Leisure provision is central to delivering a borough that people can enjoy. Improvement of the facility will help to ensure that it continues to meet the needs of current and future residents.

Monitoring Officer/S.151 Officer comments

Monitoring Officer

There are no legal issues to highlight at this stage as the report is recommending further feasibility work be carried out. The outcome of that feasibility work on the preferred option should be reported back to Cabinet for further consideration in due course.

S.151 Officer

The £55k cost of the feasibility study could be funded from the Dacorum Development Reserve in 2019/20.

Advice

Councillor D Collins introduced the report. The council are committed to providing high quality leisure facilities aimed at encouraging people to exercise and play. In 2016, the council commissioned a review of facilities across the borough and a detailed review into Berkhamsted Sports Centre was carried out in 2018. There were four options to consider: a minor refurbishment, a major refurbishment, a new facility or a mega facility shared across the borough. The fourth option has not been pursued as it was felt important to continue providing facilities in both Hemel Hempstead and Berkhamsted. Cabinet are asked to agree an option to pursue. The overall objective is to secure a modern leisure facility in Berkhamsted.

The discussion moved into part 2. Full details are in the part 2 minutes.

CA/40/19 CONTRACT AWARD FOR REFUSE COLLECTION VEHICLES

Decision

1. That Cabinet approve the award of contract for the supply of the vehicle replacement programme for the period 2019/20 – 2025/26 to the company named in the Part 2 report.
2. Delegate authority to extend the contract to cover the next vehicle replacement programme for the period 2026/27 – 2032/33 to the Assistant Director Neighbourhood Delivery in consultation with the Director Finance & Operations and Portfolio Holder Environmental Services.

Corporate objectives

Maintain a clean, safe and enjoyable environment.

Monitoring Officer/S.151 Officer Comments

Monitoring Officer

The proposed award of contract follows a competitive and compliant procurement process and will ensure that the council receives value for money for the vehicles.

Officers must ensure than an appropriate supply contract is agreed prior to accepting delivery of the vehicles.

S.151 Officer

This procurement has been undertaken in accordance with the Council's Procurement Standing Orders.

Advice

Councillor Marshall introduced the report which recommends a contractor to provide new refuse vehicles. It has been a very long and complicated tender involving a lot of analysis.

The discussion moved into part 2. Full details in the part 2 minutes.

CA/41/19 EXCLUSION OF THE PUBLIC

That, under s.100A (4) of the Local Government Act 1972 Schedule 12A Part 1 as amended by the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during the items in Part 2 of the Agenda for this meeting, because it is likely, in view of the nature of the business to be transacted, that, if members of the public were present during those items, there would be disclosure to them of exempt information relating to the financial and business affairs of the Council and third party companies/organisations.

Local Government Act 1972, Schedule 12A, Part 1, paragraph 3

The Meeting ended at 8.20 pm

Agenda Item 6

last updated: 13 May 2019

CABINET FORWARD PLAN

	DATE	MATTERS FOR CONSIDERATION	Decision Making Process	Reports to Monitoring Officer/ S.151 Officer	CONTACT DETAILS	BACKGROUND INFORMATION
1.	25/06/19	Private Sector Housing Strategy		06/06/19	Natasha Beresford, Group Manager Strategic Housing 01442 228840 Natasha.beresford@dacorum.gov.uk Fiona Williamson, Assistant Director Housing 01442 228855 Fiona.williamson@dacorum.gov.uk	To be provided
2.	25/06/19	Update on HLF bid for the Bury Project		06/06/19	James Doe, Assistant Director of Planning, Development & Regeneration 01442 228583 James.doe@dacorum.gov.uk	To be provided
3.	25/06/19	Car Parking Supplementary		06/06/19	James Doe, Assistant Director of Planning, Development & Regeneration 01442 228583 James.doe@dacorum.gov.uk	To be provided
4.	25/06/19	Air Quality Action Plan		06/06/19	David Austin, Assistant Director of Neighbourhood Delivery 01442 228355 David.austin@dacorum.gov.uk	To outline an Air Quality Action Plan.
5.	25/06/19	New Build Update		06/06/19	David Barrett, Group Manager Housing Development 01442 228252 David.barrett@dacorum.gov.uk Fiona Williamson, Assistant Director Housing 01442 228855 Fiona.williamson@dacorum.gov.uk	To be provided
6.	25/06/19	Local Plan Update		06/06/19	James Doe, Assistant Director of Planning, Development & Regeneration 01442 228583 James.doe@dacorum.gov.uk	To report to Cabinet on progress with preparing the new Local Plan for the Borough
7.	30/07/19	Dacorum Borough Local Plan Local Development Scheme		11/07/19	James Doe, Assistant Director of Planning, Development & Regeneration 01442 228583 James.doe@dacorum.gov.uk	To be provided
8.	30/07/19	Year 5 Osborne Review		11/07/19	Fiona Williamson, Assistant Director Housing 01442 228855 Fiona.williamson@dacorum.gov.uk	To be provided
9.	10/09/19			22/08/19		
10.	15/10/19			26/09/19		

Future Cabinet Dates **2019:** 12 November
 10 December

Future Items:

South West Herts Joint Strategic Plan (J Doe)



Report for:	Cabinet
Date of meeting:	21 May 2019
PART:	Part I
If Part II, reason:	n/a

Title of report:	Provisional Financial Outturn 2018/19
Contact:	Portfolio Holder for Finance and Resources: TBC Author: Nigel Howcutt, Assistant Director (Finance & Resources) Contact: James Deane, Corporate Director (Finance & Operations)
Purpose of report:	To provide details of the outturn position for the: <ul style="list-style-type: none">· General Fund· Housing Revenue Account· Capital Programme To provide details of the proposed transfers to and from earmarked reserves.
Recommendations	It is recommended that Cabinet consider the Outturn Report and: <ol style="list-style-type: none">1. Approve movements on earmarked reserves as set out in section 10.2. Review and approve the capital slippage into financial year 2019/20 as set out in Appendix C
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.
Monitoring Officer/S.151 Officer Comments	Monitoring Officer No further comments to add. Deputy S.151 Officer This is a Deputy S.151 Officer report.
Consultees:	Budget Managers
Glossary of acronyms and any other abbreviations used in this report:	GF – General Fund HRA – Housing Revenue Account MTFS – Medium Term Financial Strategy

1. Executive Summary

- 1.1 The provisional year-end financial outturn is showing a balanced budget on the General Fund, as shown in paragraph 3.2. There are variances across different service areas as highlighted in sections 4 to 6, but the overall budget is showing a balance position. This is in contrast to previous years' surpluses and reflects the challenging financial environment relating to the cumulative impact of year on year additional savings requirements.
- 1.2 This year's outturn position has been analysed as part of the normal year-end review, to ensure that any one-off items have been challenged and any new savings have been identified and will be captured in the base budgets going forward.
- 1.3 The HRA has seen an operating underspend of £235k, after technical adjustments to bad debt provision and depreciation the revenue contribution to capital has been reduced by £546k; the details are presented in Appendix B and section 8.
- 1.4 General Fund Capital budgets have seen slippage of £4m which is 23%, predominantly as a result of £2.1m slippage in Housing Association RTB funded Affordable Housing Developments and slippage in the Berkhamsted Multi-Storey car park project, £1.15m. More detail is provided in Section 9 of this report.
- 1.5 The HRA Capital programme is consistent with previous reports with the main item being slippage on Planned Fixed Expenditure of £0.9m. This has been retained in order to fund planned work in 2019/20.

2. Introduction

2.1 The purpose of this report is to outline the Provisional Outturn for 2018/19, prior to the production of the Statement of Accounts. Outturn is reported for the following:

- General Fund
- Housing Revenue Account (HRA)
- Capital Programme

2.2 The Council's outturn position is a primary source of information for the production of the Statement of Accounts. The outturn position detailed in this report may be subject to further amendment as work continues on the preparation of the Accounts. The Final Outturn position, along with movements in reserves, will be reported to Audit Committee for sign off at its meeting of 18th July 2019.

3. General Fund Revenue Account

3.1 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) (see Section 8).

3.2 Appendix A provides an overview of the General Fund provisional outturn position, and the table below provides an overview by Scrutiny area.

	Budget £000	Outturn £000	Variance £000	%
Finance & Resources	13,359	13,619	260	1.9%
Strategic Planning & Environment	7,718	8,374	656	8.5%
Housing & Community	361	194	(167)	-46.3%
Net Cost of Services	21,438	22,187	749	3.5%
Investment Property	(4,103)	(4,090)	13	-0.3%
Corporate items	(17,342)	(18,104)	(762)	4.4%
Contribution (to)/from General Fund				
Working Balance	(7)	(7)	0	

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

4. Finance and Resources

Finance & Resources	Budget £000	Outturn £000	Variance	
			£000	%
Employees	10,054	10,112	58	0.6%
Premises	1,912	1,974	62	3.2%
Transport	215	204	(11)	-5.1%
Supplies & Services	3,968	3,882	(86)	-2.2%
Third-Parties	1,019	1,273	254	24.9%
Transfer Payments	47,144	46,359	(785)	-1.7%
Income	(4,691)	(4,810)	(119)	2.5%
Other Income	(47,584)	(46,859)	725	-1.5%
Earmarked Reserves	1,322	1,484	162	12.3%
	13,359	13,619	260	1.9%

4.1 Employees £58k over budget

In Financial Services a pressure of £80k has arisen due to requirements earlier in the financial year for external professional services to cover vacant posts to support the production of the Statement of Accounts; this requirement has been resolved in 2019/20 through successful recruitment to key technical positions.

A series of successful recruitment processes have been concluded in 2018/19 that have produced a pressure of £45k but have resulted in the recruitment to key management positions.

These pressures are being offset by an underspend of £70k in the Corporate Improvement and Innovation Team due to vacant posts which are due to be filled in the new financial year.

4.2 Supplies and Services £86k under budget

An underspend on Insurance budgets within Supplies and Services has been seen in year of £110k. This is due to the unpredictable nature of uninsured losses claims and hence can only be fully validated at year end.

There has been an underspend on the budget for Car Parking services of £90k relating to the implementation of the new car parking contract in 2018. The new provider required time to implement the new parking contract, systems and processes and this resulted in the supplier receiving lower than budgeted payments, as the year has progressed the service has achieved a fully staffed and operational service.

These underspends are offset by pressures in Supplies and Services relating to the procurement of external Benefits Subsidy Support of £70k, insurance premium increases that are offset by insurance recharges (See para 4.4) and other small variances.

4.3 Third Parties £254k over budget

An expected pressure of £196k has arisen on the costs relating to the first year implementation of the new leisure contract which began in this financial year. Initial set-up costs are necessary in order to establish the contract, which will generate revenue savings for the Council in future years. These one-off costs have been funded from a drawdown from the Management of Change reserve.

There has been a one off pressure of £100k on Facilities Management costs for The Forum relating to additional improvements and changes to the building such as pigeon proofing on the roof, that were completed in the first full financial year of occupancy.

There are various minor underspends reducing the overall pressure to £254k.

4.4 Income £119k overachievement of income

There is an over-achievement of income of £70k relating to Insurance premiums received that is offset by the additional cost of procuring building insurance premiums.

Additional income of £80k has been received by the Legal department relating to legal fees recovered. This is a continuing trend of increased fee recovery achieved in 2017/18 and has been accounted for in the 2019/20 base budget.

5. Strategic Planning and Environment

Strategic Planning and Environment	Budget £000	Outturn £000	Variance	
			£000	%
Employees	9,778	10,016	238	2.4%
Premises	909	1,020	111	12.2%
Transport	1,201	1,428	227	18.9%
Supplies & Services	1,970	2,772	802	40.7%
Third-Parties	88	73	(15)	-17.0%
Income	(5,918)	(6,565)	(647)	-10.9%
Earmarked Reserves	(310)	(370)	(60)	-19.4%
	7,718	8,374	656	8.5%

5.1 Employees - £238k over budget

A pressure of £130k has been experienced in Building Control due to an ongoing requirement for temporary resource. A shortage of professional skills across the sector has led to continuing recruitment and retention issues. Options for the future delivery of the service within approved budgets are being progressed.

There are a number of minor overspends on employees across these service areas that equate to less than 1% of the employee budgets.

5.2 Premises - £111k over budget

This variance consists of minor pressures across services largely offset by income below.

5.3 Transport - £227k over budget

There is a pressure of £290k in Environmental Services from the cost of maintaining the ageing waste fleet prior to conclusion of the current procurement process. The tender for the new vehicle provider has now been awarded and new vehicles are on order to be delivered in 2019/20.

This pressure is offset by savings in the fuel budgets of Clean, Safe and Green of £50k due to improved working patterns.

5.4 Supplies and Services - £802k over budget

A variance of £490k has arisen in the Waste service from the disposal of commingled waste. The downturn in the global market for recycled material is leading to a cost for disposal of material, which is affecting all Waste Disposal Authorities. This is an ongoing pressure which has been factored into the budget for 2019/20.

The Planning service has incurred £170k of costs funded from Planning Delivery Fund grants from MHCLG. This is giving rise to a pressure in Supplies and Services, but offsetting income shown in paragraph 5.5 below.

Legal costs of £150k have been incurred in the Environmental and Community Protection service, relating to 2 legal cases taking place currently. These costs have been recovered, as shown in the over-achievement of income in paragraph 5.5.

5.5 Income - £647k over-achievement of income

Planning income has generated an additional £395k of income due to a high volume of planning applications and significant large one-off fees received in year.

The administration income from the Community Infrastructure Levy (CIL) has generated income over the budgeted level of £126k. This income is being utilised to support the costs of administering the CIL scheme and collecting the income due.

An income reduction of £180k has been experienced in the Commercial Waste service due to an ongoing loss of customers. An external review of all elements of the Waste Service, and opportunities for increased income, is currently underway and will be considered as part of future years' budget setting once complete.

An under-achievement of £80k has been seen in the income budget for Land Charges. This is due to an overall decline in the property market leading to fewer

searches and transactions, which is affecting the private sector as well as the Council.

An under-achievement of £50k has been experienced in Building Control due to a reduction in the volume of work being dealt with by the Council in the first half of 2018/19 since then the service has increased the volume of clients it is dealing with and hence seen an increase in income.

Additional Planning Delivery Grant of £170k has been received as well as legal fees recovered of £180k.

6. Housing and Community

Housing & Community	Budget £000	Outturn £000	Variance	
			£000	%
Employees	3,792	3,846	54	1.4%
Premises	944	637	(307)	-32.5%
Transport	17	14	(3)	-17.6%
Supplies & Services	1,303	1,253	(50)	-3.8%
Third Parties	0	16	16	0.0%
Income	(4,994)	(5,048)	(54)	1.1%
Earmarked Reserves	(701)	(524)	177	-25.2%
	361	194	(167)	-46.3%

6.1 Premises - £307k under budget

An underspend of £250k has occurred in the garages service, as the budget for repairs and maintenance has not been spent in full this year, awaiting the outcome of a full stock condition survey across the Borough.

6.2 Income - £54k overachievement

Within this category, there is an under-achievement of income on Garages of £350k. A full review of the garage service is underway.

Additional income of £240k has been generated from Temporary Accommodation as a result of the high demand in the borough. The Council's own properties are being used to house tenants on a temporary basis rather than more expensive bed and breakfast accommodation.

There are other minor over-achievements of income across services, including an additional £32k for HMO licences (Housing Multiple Occupancy), which are budgeted for in 2019/20.

7. Corporate Items

- 7.1 Appendix A includes the outturn for corporate items. These are largely year-end accounting adjustments:

At year end £336k of new burdens grants have been received in 2018/19. Included in this is £78k of funding relating to the Revenues and Benefits service to cover the additional costs incurred in the delayed UC roll out, £68k of new burdens funding relating to the Strategic Planning service, and £64k in Homelessness Reduction funding. New Homes Bonus is also £24k over the budgeted amount.

Interest income has exceeded budget by £282k. Cash balances have exceeded expectation in 2018/19 assisted by slippage in the capital programme. The GF apportionment of additional income was greater than previously anticipated.

The Minimum Revenue Provision, which is a statutory adjustment to pay off accumulated capital spend, is £140k lower than budgeted. This is as a result of a combination of reduced capital spend against budget and a technical review of accounting treatment.

8. Housing Revenue Account (HRA)

- 8.1 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.
- 8.2 The following sections provide an analysis of the projected provisional outturn and major budget variances shown by HRA grouping as set out in Appendix B.

8.3 Dwelling Rents - £141k under budget

The variance on dwelling rents is due to the void rate in the first 6 months of the year running at 1%, which was higher than the anticipated 0.8%. This has given rise to a variance of approximately £60k. The balance is due to change in the number of new build properties being let from assumptions used at budget setting time, partially offset by lower number of right to buy sales (55 expected, 29 actual).

8.4 Tenants' Charges - £148k over-achievement of income

The variance in this area is due to 2 main factors; firstly income from recovery of service charges has been higher than anticipated (£110k) and secondly a grant from Hertfordshire County Council was received for Housing Related Support which was expected to have ceased (£56k).

8.5 Provision for Bad Debts - £394k under budget

An increase of £400k was factored into the budget for 2018/19 to allow for potential increases in rent arrears due to the roll-out of Universal Credit. As the roll out has not progressed as quickly as expected, the full budget has not been required. This reduction has been allocated to the revenue contribution to capital.

8.6 Depreciation - £1.1m over budget

This increased charge is due to housing stock having increased in value and as a result, capital charges have also seen an increase. The depreciation charge is allocated to the Major repairs reserve to fund future maintenance requirements on the HRA housing stock.

8.7 Revenue Contribution to Capital - £550k under budget

The impact of the additional depreciation charge and the reduced bad debt requirements is a reduction in the revenue contribution to capital.

9. Capital Programme

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

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

The current budget is the original budget approved by Cabinet in February 2018, plus approved amendments, including re-phasing of the slippage identified in previous quarters into 2019/20.

The 'Slippage' column refers to projects where expenditure is still expected to be incurred, but it will now be in 2019/20 rather than 2018/19.

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

	Current Budget £000	Slippage £000	Revised Budget £000	Provisional Outturn £000	Variance £000	%
Finance & Resources	7,419	(1,851)	5,568	5,489	(79)	-1.1%
Strategic Planning & Environment	2,564	(32)	2,532	2,551	19	0.7%
Housing & Community	7,370	(2,097)	5,273	5,308	35	0.5%
G F Total	17,353	(3,980)	13,373	13,348	(25)	-0.1%
HRA Total	26,287	(1,542)	24,745	24,725	(20)	-0.1%
Grand Total	43,640	(5,522)	38,118	38,073	(45)	-0.1%

9.2 General Fund Major Variances

There is overall slippage of £4m on the General Fund. The repassing to future years includes:

- Line 30: slippage of £150k on Berkhamsted Sports centre – Building Management System. These works have been put on hold until the options appraisal for the leisure centre is complete.

- Line 31: slippage of £285k on Tring Swimming Pool refurbishment. This project has been completed in early 2019/20.
- Line 33: slippage of £1.15m on Berkhamsted Multi-Storey Car Park. The construction programme has been delayed as utilities diversion works have not been carried out as planned, in particular Cadent Gas delayed commencing their work, causing a 12 week delay to the programme.
- Line 47: accelerated spend of £106k on Verge Hardening Programme. The scheme has moved more quickly than anticipated, completing a total of 16 schemes in year.
- Line 51: slippage of £2.1m on Affordable Housing Development Fund. This budget is for the payments of grants to Housing Associations. The variance is due to timing on payments of the grants, which will now take place in 2019/20.

Within the overall net underspend of £25k, there is an overspend as follows:

- Line 45: unbudgeted spend of £134k on The Forum. Essential upgrade works to the door entry system and the roof were required in year.

9.3 There is slippage of £1.5m on the HRA capital programme.

- Line 78: slippage of £935k on DBC Commissioned Capital Works. £465k relates to the gain share element on the Osborne contract, which could not be reliably projected as this is performance and saving based. In addition there was an underspend in the Gas and Heating capital budget due to a relatively mild winter, combined with correctly targeted investment/boiler replacement in first 3 quarters, which resulted in a reduced need for boiler replacement in Quarter 4. This was also combined with a gain share that was not practical to reinvest in final quarter.

In addition the capital programme includes a proportion of projects with leaseholder impact and subsequent service charge recovery. This work will now take place in 2019/20 once the necessary leaseholder consultation has been carried out.

- Line 81: additional spend of £239k on Martindale against what was forecast at Quarter 3. A mild winter during Quarter 4 has meant that progress has been faster than anticipated once start on site was achieved.
- Line 83: slippage of £500k on Stationers Place. The start on site has been delayed due to protracted discussions with Herts County to agree site access.

The nature of large capital build projects is that there is often some slippage on projects due to the volume of differing variables involved. The finance team have worked closely with project leads to re-profile the 2019-23 capital programme with the expectation that capital spend will be aligned with budget expectations.

10. Balances and Reserves

- 10.1 The Reserves Summary at Appendix D reflects the movements approved by Council in February 2019 and updated for the reserve movements as set out below.
- 10.2 In cases where reserves were to be drawn down in 2018/19 to fund budgeted expenditure which was not spent in full, only the amount required to fund actual expenditure was drawn down. Where the balance is now required in 2019/20, the carry forward of unspent reserve budgets is recommended.
- 10.3 Variances over £50k on recommended reserve movements compared to the original budget and additional movements approved in year are as follows:
 - Earmarked Grants Reserve - £64k contribution to reserves of additional grant income received relating to Homelessness prevention. This grant has been set aside to be spent in 2019/20.
- 10.4 It is recommended that Cabinet recommend to Council the following additional reserves movements arising from the provisional year-end position, and delegate approval to the Audit Committee for any changes to these movements as a result of the final outturn position following completion of the external audit:
 - Management of Change Reserve – net £125k contribution to reserve. A contribution to the Management of Change Reserve is recommended which is the net effect of £345k draw down from reserves to fund the expected one-off costs associated with the implementation of the leisure contract, offset by a contribution of £470k from various year end technical adjustments detailed in section 7.
 - Local Development Framework (LDF) Reserve - £375k contribution to reserve to support the Hemel Garden Communities development.
 - Funding Equalisation Reserve - £2.8m contribution to reserve arising from a combination of timing differences in Collection fund Income (Council tax and Non-Domestic Rates) received or paid by the council and additional government grants received to fund the collection service.



Dacorum Borough Council
Revenue Budget Monitoring Report 2018/19

	<i>Month</i>			<i>Year-to-Date</i>			<i>Full Year</i>		
	Budget £000	Actuals £000	Variance £000	Budget £000	Actuals £000	Variance £000	Budget £000	Outturn £000	Variance £000
Cost of Services									
Finance and Resources									
Housing and Community	934	(3,794)	(4,728)	13,359	13,619	260	13,359	13,619	260
Strategic Planning and Environment	(156)	4,484	4,640	361	194	(167)	361	194	(167)
Net Cost of Services	200	345	145	7,718	8,374	656	7,718	8,374	656
	978	1,035	57	21,438	22,187	749	21,438	22,187	749
Other Items									
Investment Property	(48)	(46)	2	(4,103)	(4,090)	13	(4,103)	(4,090)	13
Investment Income	(13)	33	46	(158)	(440)	(282)	(158)	(440)	(282)
Interest Payments and MRP	81	544	463	970	831	(139)	970	831	(139)
Parish Precept Payments	0	0	0	778	778	0	778	778	0
Government Grants	(174)	(464)	(290)	(2,086)	(3,895)	(1,809)	(2,086)	(2,424)	(338)
Revenue Contribution to Capital	2,111	2,110	(1)	2,111	2,110	(1)	2,111	2,111	0
Taxation (Council Tax and Business Rates)	(1,237)	(4,819)	(3,582)	(14,843)	(16,589)	(1,746)	(14,843)	(14,843)	0
Surplus / Deficit on Provision of Services	720	(2,642)	(3,362)	(17,331)	(21,295)	(3,964)	(17,331)	(18,077)	(746)
Transfers between Reserves / Funds									
Net Recharge to the HRA	(343)	(839)	(496)	(4,114)	(4,117)	2,451	(4,114)	(4,117)	(3)
Net Movement on General Fund Working Balance	1,350	(2,446)	(3,796)	304	(3,225)	(1,075)	(7)	(7)	0



Housing Revenue Account
2018/19 Outturn Revenue Budget Monitoring Report

	Adjusted Budget £000	Outturn £000	Variance £000	%
Income:				
Dwelling Rents	(53,044)	(52,903)	141	-0.3%
Non-Dwelling Rents	(102)	(148)	(46)	45.1%
Tenants Charges	(1,512)	(1,660)	(148)	9.8%
Leaseholder Charges	(487)	(513)	(26)	5.3%
Interest and Investment Income	(390)	(328)	62	-15.9%
Contribution towards Expenditure	(535)	(623)	(88)	16.4%
Total Income	(56,070)	(56,175)	(105)	0.2%
Expenditure:				
Repairs & Maintenance	12,113	12,153	40	0.3%
Supervision & Management	12,043	11,966	(77)	-0.6%
Rent, Rates, Taxes & Other Charges	34	60	26	76.5%
Interest Payable	11,594	11,594	0	0.0%
Provision for Bad Debts	700	306	(394)	-56.3%
Depreciation	12,000	13,113	1,113	9.3%
HRA Democratic Recharges	301	244	(57)	-18.9%
Revenue Contribution to Capital	7,285	6,739	(546)	-7.5%
Total Expenditure	56,070	56,175	105	0.2%
HRA Deficit / (Surplus)	0	0	0	0.0%
Housing Revenue Account Balance:				
Opening Balance at 1 April 2018	(2,892)	(2,892)	0	0.0%
Deficit / (Surplus) for year	0	0	0	0.0%
Proposed Contributions to Reserves	0	0	0	
Closing Balance at 31 March 2019	(2,892)	(2,892)	0	

CAPITAL PROGRAMME BY SCRUTINY COMMITTEE

APPENDIX C

Scheme	Budget Holder	Current Budget	YTD Spend	Outturn	Slippage	Over / (Under)
General Fund						
Finance & Resources						
Commercial Assets and Property Development						
1 Old Town Hall - Cafe Roof and stonework renewal	Richard Rice	0	0	0	0	0
2 Demolition of Civic Centre	Richard Rice	645,712	607,185	607,185	(38,527)	0
3 Old Town Public Convenience Refurbishment	Richard Rice	12,908	30,263	30,263	0	17,355
4 Bennetts End Community Centre - Replace Roof	Richard Rice	35,000	30,187	30,187	0	(4,813)
5 Adeyfield Community Centre - replace roof	Richard Rice	69,230	106,501	106,501	0	37,271
6 Tring Community Centre - new play area for Children's Nursery	Richard Rice	2,110	1,966	1,966	(144)	(0)
7 Warners End Community Centre heating and doors	Richard Rice	34,000	35,031	35,031	0	1,031
8 Tring Community Centre Door Upgrade	Richard Rice	15,000	15,005	15,005	0	5
9 Rossgate Shopping Centre - Structural Works	Richard Rice	0	0	0	0	0
10 Leys Road - Roof	Richard Rice	55,000	34,240	34,240	0	(20,760)
11 The Denes Shopping Centre - Renew Walkway & Canopy Covering	Richard Rice	80,000	52,714	52,714	(27,286)	(1)
12 Silk Mill - Renew asphalt tanking to stairs	Richard Rice	8,200	17,800	17,800	0	9,600
13 58 High St (Old Town), Hemel - Remove and Rebuild Wall	Richard Rice	42,000	1,100	1,100	(40,900)	0
14 100 High St (Old Town), Hemel - Window Replacement	Richard Rice	0	0	0	0	0
15 Half Moon Yard - Replace soffit/facia & external facade	Richard Rice	18,000	0	0	(18,000)	0
16 Long Caulden Roof	Richard Rice	0	980	980	980	0
17 Bellgate - Walkway Renovation	Richard Rice	0	0	0	0	0
18 Bennettsgate - Window Renewal	Richard Rice	0	4,250	4,250	4,250	0
19 Kingshill Cemetery - Toilet Provision	Richard Rice	147,124	117,622	117,622	(29,502)	0
20 Heath Lane Chapel - Replace roof	Richard Rice	14,000	0	0	(14,000)	0
21 Kingshill Cemetery Infrastructure (New Burial Area)	Richard Rice	40,000	0	0	(40,000)	0
22 Bunkers Farm	Richard Rice	75,179	101,447	101,447	26,268	0
23 Demolish Gadebridge Park Green-Keeper's Shed	Richard Rice	0	0	0	20,000	(20,000)
		1,293,463	1,156,289	1,156,289	(156,861)	19,687
Procurement and Contracted Services						
24 Berkhamsted Sports Centre - Roof Replacement	Ben Hosier	250,000	153,331	153,331	(1,100)	(95,569)
29 Berkhamsted Sports Centre - Installation of new hot water calorifiers	Ben Hosier	50,000	0	0	(50,000)	0
30 Berkhamsted Sports Centre - Building Management System	Ben Hosier	150,000	0	0	(150,000)	0
31 Tring Swimming Pool	Ben Hosier	1,834,725	1,475,473	1,475,473	(284,527)	(74,725)
32 Car Park Refurbishment	Ben Hosier	351,000	395,325	395,325	44,325	0
33 Multi Storey Car Park Berkhamsted	Ben Hosier	2,085,000	936,450	936,450	(1,148,550)	0
		4,720,725	5,921,159	2,960,579	(1,760,146)	(170,294)
Information, Communication and Technology						
34 Rolling Programme - Hardware	Ben Trueman	525,000	494,204	494,204	0	(30,796)
35 Software Licences - Right of Use	Ben Trueman	50,000	45,059	45,059	0	(4,941)
36 Website Development	Ben Trueman	16,478	14,637	14,637	(1,841)	0
37 Future vision of CRM	Ben Trueman	133,650	137,306	137,306	3,656	0
38 Improvement works to The Forum	Ben Trueman	475,000	380,207	380,207	(94,793)	0
		1,200,128	1,071,413	1,071,413	(92,978)	(35,737)
Revenues, Benefits and Fraud						
39 Revenues and Benefits new servers	Chris Baker	23,000	11,000	11,000	(12,000)	0
		23,000	11,000	11,000	(12,000)	0
People						
40 EIS Replacement	Matt Rawdon	70,000	0	0	(70,000)	0
41 Capital Grants - Community Groups	Matt Rawdon	20,000	17,900	17,900	0	(2,100)
		90,000	17,900	17,900	(70,000)	(2,100)
Development Management and Planning						
42 Planning Software Replacement	Sara Whelan	36,964	22,350	22,350	(14,614)	0
		36,964	22,350	22,350	(14,614)	0
Legal and Corporate Services						
43 Election Management System Replacement	Mark Brookes	30,000	0	0	0	(30,000)
		30,000	0	0	0	(30,000)
Housing & Regeneration Management						
44 Gade Zone	Mark Gaynor	24,938	29,796	29,796	0	4,858
45 The Forum (Public Service Quarter)	Mark Gaynor	0	134,227	134,227	0	134,227
		24,938	164,024	164,024	0	139,086
Finance & Operations Management						
46 Civic Zone Regeneration Upgrade (DevCo)	James Deane	0	85,129	85,129	85,129	0
		0	85,129	85,129	85,129	0
Totals: Finance & Resources		7,419,218	5,488,684	5,488,684	(1,851,175)	(79,358)

CAPITAL PROGRAMME BY SCRUTINY COMMITTEE

APPENDIX C

Scheme	Budget Holder	Current Budget	YTD Spend	Outturn	Slippage	Over / (Under)
Housing & Community						
People						
47 Verge Hardening Programme	Matt Rawdon	284,128	390,191	390,191	106,063	0
48 Storage Facility at Grovehill Adventure Playground	Matt Rawdon	25,000	0	0	(25,000)	0
		309,128	390,191	390,191	81,063	0
Procurement and Contracted Services						
49 Rolling Programme - CCTV Cameras	Ben Hosier	25,000	22,686	22,686	0	(2,314)
50 Alarm Receiving Centre	Ben Hosier	65,000	31,373	31,373	(33,627)	0
		90,000	54,059	54,059	(33,627)	(2,314)
Strategic Housing						
51 Affordable Housing Development Fund	David Barrett	5,995,000	3,932,433	3,932,433	(2,062,567)	0
52 Westerdale (Garage Development)	David Barrett	207,843	21,065	21,065	(186,778)	(0)
53 Northend (Garage Development)	David Barrett	207,843	345,806	345,806	137,963	0
54 Wood House - Office Space Fit Out	David Barrett	500,000	536,901	536,901	0	36,901
55 Temporary Accommodation - creation of new units	David Barrett	60,000	27,289	27,289	(32,711)	0
		6,970,686	4,863,493	4,863,493	(2,144,094)	36,901
Totals: Housing & Community		7,369,814	5,307,743	5,307,743	(2,096,657)	34,586
Strategic Planning & Environment						
Environmental Services						
56 Wheeled Bins & Boxes for New Properties	Craig Thorpe	20,000	10,609	10,609	0	(9,391)
57 Play Area Refurbishment Programme	Craig Thorpe	298,722	311,002	311,002	0	12,280
58 Waste & Recycling Service Improvements	Craig Thorpe	90,000	108,586	108,586	18,586	0
59 Commercial Waste Collection System	Craig Thorpe	25,000	23,300	23,300	(1,700)	0
60 Gadebridge Park - Splash Park	Craig Thorpe	252,224	219,450	219,450	0	(32,774)
61 Gadebridge Park - Infrastructure Improvements	Craig Thorpe	121,783	130,210	130,210	0	8,427
62 Gadebridge Park - Renovation of White Bridge	Craig Thorpe	50,000	40,574	40,574	(9,426)	0
63 Walled Garden Irrigation System (Gadebridge Park)	Craig Thorpe	15,000	15,350	15,350	0	350
64 Fleet Replacement Programme	Craig Thorpe	877,833	846,010	846,010	(31,823)	0
65 Fleet Services Renew Plant & Equipment	Craig Thorpe	0	0	0	0	0
66 Fleet Service Management System Upgrade	Craig Thorpe	0	22,000	22,000	22,000	0
		1,750,562	1,727,092	1,727,092	(2,363)	(21,108)
Property and Place						
67 Disabled Facilities Grants	Alan Mortimer	755,043	744,373	744,373	(10,670)	(0)
		755,043	744,373	744,373	(10,670)	(0)
Strategic Planning and Regeneration						
69 Maylands Business Centre	Chris Taylor	0	12,944	12,944	0	12,944
70 Water Gardens	Chris Taylor	18,430	47,814	47,814	0	29,384
71 Town Centre Access Improvements	Chris Taylor	20,000	879	879	(19,121)	0
72 Hemel Street Furniture	Chris Taylor	20,000	18,017	18,017	0	(1,983)
73 The Bury - Conversion into Museum and Gallery	Chris Taylor	0	0	0	0	0
		58,430	79,655	79,655	(19,121)	40,346
Totals: Strategic Planning & Environment		2,564,035	2,551,120	2,551,120	(32,154)	19,238
Totals - Fund: General Fund		17,353,067	13,347,547	13,347,547	(3,979,986)	(25,534)
Housing Revenue Account						
Property & Place						
74 Planned Fixed Expenditure	Alan Mortimer	11,479,274	11,171,026	11,171,008	0	(308,266)
75 Pain/Gain Share (Planned Fixed Expenditure)	Alan Mortimer	0	(465,004)	(465,004)	0	(465,004)
76 M&E Contracted Works	Alan Mortimer	600,000	621,148	621,148	0	21,148
77 Communal Gas & Heating	Alan Mortimer	2,975,000	2,634,840	2,634,840	0	(340,160)
78 DBC Commissioned Capital Works	Alan Mortimer	1,096,000	1,253,254	1,253,254	(935,030)	1,092,284
79 Special Projects	Alan Mortimer	50,000	43,147	43,147	(6,853)	0
		16,200,274	15,258,410	15,258,391	(941,883)	0
Strategic Housing						
80 New Build - General Expenditure	David Barrett	(336,953)	0	0	(228,542)	565,495
81 Martindale	David Barrett	1,785,764	2,025,173	2,025,173	239,409	(0)
82 Kylna Court (Previously known as Wood House)	David Barrett	5,454,805	4,841,594	4,841,594	0	(613,211)
83 Stationers Place / Apsley Paper Mill	David Barrett	1,469,127	969,169	969,169	(499,958)	(0)
84 Able House	David Barrett	19,246	0	0	0	(19,246)
85 Swing Gate Lane	David Barrett	572,921	754,861	754,861	0	181,940
86 Swing Gate Lane Conversion	David Barrett	889,553	764,577	764,577	0	(124,977)
87 Bulbourne	David Barrett	9,500	5,344	5,344	(4,156)	(0)
88 Coniston Road	David Barrett	18,800	800	800	(18,000)	0
89 Eastwick Row	David Barrett	64,000	52,471	52,471	(11,529)	0
90 St Margaret's Way	David Barrett	100,000	20,852	20,852	(79,148)	(0)
91 Paradise Fields	David Barrett	20,000	14,261	14,261	(5,739)	(0)
92 3 London Road	David Barrett	10,000	0	0	0	(10,000)
93 Gaddesden Row	David Barrett	10,000	17,668	17,668	7,668	(0)
		10,086,763	9,466,768	9,466,768	(599,995)	(20,000)
Totals - Fund: Housing Revenue Account		26,287,037	24,725,178	24,725,160	(1,541,878)	(19,999)
Totals		43,640,104	38,072,725	38,072,707	(5,521,864)	(45,533)

General Fund Reserves Summary	Balance as at 31/03/2018 £'000	Adjusted Budget 2018/19 £'000	Outturn 2018/19 £'000	Balance as at 31/03/2019 £'000
Civic Buildings Major Repairs Reserve	200			200
Capital Development Reserve	465	(165)	(165)	300
Earmarked Grants Reserve	103	(61)	3	106
Management of Change Reserve	1,425	(484)	(334)	1,091
Technology Reserve	56	200	200	256
Savings Efficiencies Reserve	0	604	604	604
On Street Car Parking Reserve	212	(20)	(10)	202
Local Development Framework Reserve	66		353	419
Dacorum Development Reserve	164	(210)	(128)	36
Planning Enforcement & Appeals Reserve	54			54
Planning & Regeneration Project Reserve	141	(67)	(38)	103
Litigation Reserve	201		86	287
Vehicle Replacement Reserve	1,050	350	350	1,400
Invest to Save	248	(50)	(50)	198
Tring Swimming Pool Repairs Reserve	8	8		8
Youth Provision Reserve	61	(40)	(17)	44
Election Reserve	90	30	30	120
Uninsured Loss Reserve	586		(86)	500
Training & Development Reserve	56	(22)	(33)	23
Housing Conditions Survey Reserve	96	15		96
Dacorum Partnership Reserve	39			39
Dacorum Rent Aid - Guarantee Scheme	15			15
Rent Guarantee Scheme Reserve	15			15
Funding Equalisation Reserve	2,480		2,817	5,297
Pensions Reserve	1,773	200	200	1,973
Maylands Plus Reserve	46	23		46
Total Earmarked Reserves	9,650	311	3,782	13,432
Working Balance	2,502	7	5	2,507
Total General Fund Reserves	12,152	318		15,939

Agenda Item 8



Report for:	Cabinet
Date of meeting:	21 May 2019
Part:	1
If Part II, reason:	

Title of report:	Vehicle Repair Shop
Contact:	<p>Portfolio Holder for Environmental Services</p> <p>Author/Responsible Officer:</p> <p>David Austin – Assistant Director Neighbourhood Delivery Craig Thorpe – Group Manager Environmental Services Simon J Smith – Transport Manager</p>
Purpose of report:	To update Cabinet with regards improvements to the Vehicle Repair Shop at Cupid Green Depot and to seek approval for the maintenance of Clean Safe and Green and Cemeteries equipment to be brought back in-house.
Recommendations	<ol style="list-style-type: none"> 1) That Cabinet approve the proposal to bring the repair and maintenance of vehicles and equipment used by Clean Safe and Green and Cemeteries back in house. 2) That Cabinet recommend Council approve the additional capital funds required of £60k as outlined in this report in paragraph 3.4.
Corporate Objectives:	Maintain a clean and safe environment.
Implications:	<p>Financial</p> <p>This proposal will generate cash savings of circa £27k per annum, with a part year cash saving of circa £7k in 2019/20. Further details are outlined in section 2 of this report.</p>
'Value For Money Implications'	Value for Money

	The maintenance of equipment by Dacorum Borough Council staff does offer better value for money when compared to the current arrangements.
Risk Implications	The main risk is around ensuring that the equipment is correctly maintained so that it is operated safely by frontline staff. The proposal in this report considers this aspect with regard to the resources required and additional training that will take place.
Community Impact Assessment	Not required for this proposal.
Health And Safety Implications	As outlined in this report there is a need for capital investment to the workshop to minimise the risk of health and safety issues in the workshop.
Monitoring Officer/S.151 Officer Comments	<p>Monitoring Officer:</p> <p>The proposal should add to service resilience and produce a financial saving for the council as highlighted in the report .</p> <p>The service will need to ensure that all health and safety audits and checks are complete prior to the handover back to Dacorum.</p> <p>S.151 Officer</p> <p>The revenue implications of bringing the vehicle repairs service in house would reduce the services, existing financial pressure by £27k p.a., with a part year effect in 2019/20.</p> <p>The capital project would be an addition to the overall capital programme of £60k and would be funded through capital receipts received in 2019/20.</p>
Consultees:	None
Background papers:	None

Glossary of acronyms and any other abbreviations used in this report:	VRS – Vehicle Repair Shop TM – Transport Manager DVSA – Driver and Vehicle Standards Agency
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1. Maintenance of Vehicles and Plant

1.1. The Fleet Services Department currently manages the repair, maintenance and inspection of approximately 100 vehicles through its Vehicle Repair Shop (VRS) on behalf of Dacorum Borough Council. The service is based at the rear of the Cupid Green Depot. The vehicles are mainly conventional refuse collection vehicles used by Waste Services however it also manages a number of caged tippers and standard transit type vans on behalf of other services such as Clean, Safe and Green (CSG), Housing and Cemeteries.

1.2. The service is managed by the Transport Manager Simon J Smith who, since his appointment, has introduced a range of improvements to the Vehicle Repair Shop including:

- Better recording of technician productivity and recording of times booked on each job.
- Provision of real-time data on work being carried out in workshop.
- Improved stock control.
- Negotiated prices on all parts.
- Outsourcing of tyre contract.
- Introduction of best practice of a brake test with all safety inspections resulting in improved MOT pass rate.
- More recently, the award of new contract for the provision of new refuse freighters using a fleet standardisation approach.

1.3. With these improvements already in place, the Transport Manager is keen to bring the maintenance of CSG and cemetery equipment back in-house. The contract for the repair and maintenance was originally awarded to Luton Borough Council in 2012 on a five year contract and has since been extended (via a clause in the contract) to allow the viability of this proposal to be assessed.

1.4. Although entering into a contract with Luton Borough Council was the correct decision at the time the recruitment of an experienced Transport Manager alongside Skilled Technicians, Fleet Service Advisors and the replacement of old equipment means that Dacorum Borough Council are now in a position to consider bringing the maintenance of its Clean, Safe & Green plant and equipment back in-house.

1.5. The return of this service in-house will have tangible benefits, namely;

- A coordinated centralised Fleet Management team that will control all fleet assets.
- More control over scheduling and maintenance.
- Improved compliance.
- Improved response times.
- Reduced external expenditure (in hourly rates and travel/response time).
- More resilience.
- Reduced costs.

2. Financial Implications

- 2.1. For comparison purposes, the hourly rate of a Dacorum Employed Skilled Technician is £25.73. The hourly charge out rate of a vehicle fitter employed by Luton Borough Council is £49.69 per hour.
- 2.2. On average, Dacorum Borough Council spends on average £150,000 per annum with Luton Borough Council to carry out the maintenance and repair of the Clean, Safe & Green and Cemeteries equipment.
- 2.3. All parts and contractor repairs charged to Dacorum Borough Council by Luton Borough Council have a “mark up” of 15%.
- 2.4. The VRS would require the following additional resource for this additional work:
- 1 x additional Skilled Technician
 - 0.4 x Fleet Advisor post (15 hours)
 - 1 x Fleet Inventory Controller
- 2.6 The VRS is open from 06:30 to 17:30 Monday to Friday. The additional Skilled Technician is required to help cover an 11 hour shift, sickness and annual leave and training.
- 2.7 An additional Skilled Technician will also enable the service area to go mobile and respond to breakdowns and service needs anywhere within the Borough, thus reducing the need to transport equipment back to Cupid Green for service and incur the additional costs associated with doing so.
- 2.8 Increasing the hours of the Fleet Advisor by 15 would mean that in reality Fleet Services would have 2 full time equivalents to cover core opening hours, sickness and annual leave.

2.9 The revenue implications of this are as follows:

Requirement	Cost
Growth/Revenue	
1 x Additional Skilled Technician	£43,600 pa
1 x Fleet Advisor (15 hours pw)	£11,770 pa
1 x Fleet Inventory Controller	£ 33,460 pa
	<u>£88,830</u>

2.10 It is therefore estimated that by ceasing the current maintenance contract with Luton and employing an additional 2.4 members of staff in the vehicle repairs service the repair work can be brought back in-house and would achieve a reduction in the cost of service delivery of circa £27k p.a. This is made up as follows :

- Current Spend at Luton £150,000

- DBC Costs of New Posts £88,830
- Parts Costs £33,769
- **Reduction in Spend £27,401**

3.0 The Vehicle Repair Shop Building

3.1 Alongside this proposal there is also a need to invest in the building itself as currently there is a lack of security and control within the service area which could lead to serious health and safety issues. Incidents have already occurred within this working environment that have, in recent years, drawn the attention of both the Health and Safety Executive and the Driver and Vehicle Standards Agency.

3.2 Several Health & Safety audits (Rosherville Safety Solutions and H&S teams) have also raised concerns over the safety, security and control within the workshop environment.

3.3 The service therefore requires:

- A reception area that will create one point of contact for all visitors to the workshop and remove the risk of unauthorised personnel wandering around this hazardous environment.
- A DDA compliant male and female toilet facility.
- A secure ground floor transport stores with a safe loading and unloading area for the delivery of all parts and materials used within the transport workshop.

3.4 The capital costs for these works will be:

Capital	
Fleet Service reception area	£25,000
DDA compliant WC's	£20,000
Stores area	£15,000
	£60,000

4. Risk Implications

4.1 The main risk to this proposal could be the recruitment of skilled fitters as this is a competitive marketplace although the investment within the Vehicle Repair Shop and leadership of the Transport Manager will assist us in attracting suitable candidates.

4.2 The second area of risk will be ensuring the correct servicing and maintenance arrangements are in place. Following the recent acquisition of a new Tranman system (software to manage fleet) the Transport Manager will have the necessary checks in place which should lead to improved compliance.

5. Summary

5.1 Fleet Services is currently spending significant resources in a number of areas with external contractors/manufacturers and Luton Borough Council. With the correct

infrastructure in place - both in terms of personnel and building improvements - the service is confident that not only can external spend be reduced by undertaking more maintenance in house as outlined in this report but the service can also begin to look at other commercial opportunities to generate income.

- 5.2 To allow time for the recruitment of the additional staff and the for the capital works to be carried out the proposal will commence in real terms from January 2020.

Agenda Item 9



Report for:	Cabinet
Date of meeting:	21 May 2019
Part:	1
If Part II, reason:	

Title of report:	Corporate Peer Challenge – Feedback Report
Contact:	<p>Cllr Andrew Williams, Leader of the Council</p> <p>Author/Responsible Officers;</p> <ul style="list-style-type: none"> • Sally Marshall, Chief Executive • Linda Roberts, Assistant Director (Performance, People & Innovation)
Purpose of report:	For Cabinet to approve the publication of the Local Government Association Corporate Peer Challenge report for the Council.
Recommendations	<ol style="list-style-type: none"> 1. Cabinet note the contents of the Corporate Peer Challenge Review Feedback Letter as annexed to this report. 2. Cabinet approve the publication of the Local Government Association Corporate Peer Challenge letter for the Council.
Corporate Objectives:	<p>The Corporate Peer Challenge is an opportunity for the Council to reflect on the services it delivers, how it works and the relationship it has with Members, residents and its wider stakeholder base.</p> <p>Therefore, the findings and recommendations from the report will support the Council to better deliver all of its corporate objectives.</p>
Implications:	<p><u>Financial</u></p> <p>There are no direct financial implications. However, this report has identified a number of recommendations that can support</p>

Value For Money Implications'	<p>the Council to deliver its financial objectives.</p> <p><u>Operational</u></p> <p>The recommendations would ensure that the Council is delivering high quality operational services.</p> <p><u>Value for Money</u></p> <p>This report would support the Council to deliver value for money across all its services.</p>
Risk Implications	There are no risks associated with this report.
Community Impact	The Community Impact of specific actions arising as a result of the Peer Challenge will be individually assessed as plans are developed.
Health And Safety Implications	None
Monitoring Officer/S.151 Officer Comments	<p>Monitoring Officer:</p> <p>The Peer Challenge feedback did not identify any areas of concern from a Monitoring Officer perspective. It did, however, highlight areas for continued development, which will need to be progressed as identified in the report.</p> <p>Deputy S.151 Officer</p> <p>There are no direct financial implications of this decision and the report highlights the good financial management arrangements and leadership in place.</p> <p>Any proposals put forward to address the recommendations will need to be either met from within existing approved budgets or will require growth bids for inclusion in the usual budget setting process.</p>
Consultees:	Corporate Management Team
Background papers:	Corporate Peer Challenge – Feedback Report
Glossary of acronyms and any other abbreviations used in this report:	

1. Introduction

- 1.1 The Corporate Peer Challenge (CPC) is a core element of the Local Government Associations sector-led improvement offer to local authorities.
- 1.2 This process involves a small team of local government peers spending time at a council to understand the issues, provide challenge and share learning and ideas.
- 1.3 In February 2019 the Council received its CPC follow up visit and the following report provides details of its findings along with suggested next steps and a recommendation to publish the letter externally.

2. Methodology

Peer Team

- 2.1 Peer challenges are delivered by an experienced mix of elected member and officer peers. The peers who delivered the review at Dacorum were:
 - 2.1.1 Alan Goodrum, Former Chief Executive of Chiltern and South Bucks Councils, LGA Associate
 - 2.1.2 Councillor Chris Millar, Leader of Daventry DC
 - 2.1.3 Dave Barnes, Strategic Director, Christchurch & East Dorset Councils
 - 2.1.4 James Mehmed Programme Manager LGA
 - 2.1.5 Ami Beeton, Peer Challenge Manager, LGA

Scope and Focus

- 2.2 The Peer Team structured their feedback over five core themes: Place, Partnerships, Leadership, Capacity and Service Delivery with an initial section on key messages and observations

Approach

- 2.3 To inform their work the peer team spent two days on site at DBC, during which they spoke to around 50 people, including a range of council officers, councillors and external partners. In addition they conducted a desktop review of the Council's key documents and submissions made by the Council.

3 Feedback – Headline Summary & Recommendations

Headline Summary

3.1 Place

- 3.1.1 DBC remains an organisation that has a strong financial base having recently set a balanced budget for the next two financial years. Robust financial management has enabled the council to be bold in their delivery within a backdrop of a 70% reduction in settlement funding assessment since 2010/11.
- 3.1.2 Members have prioritised the protection of front line services whilst delivering investment into community facilities, housing and regeneration.
- 3.1.3 The Forum provides much more than office accommodation for staff and is serving as a community hub for citizens, which is very impressive.
- 3.1.4 DBC has delivered some highly successful regeneration programmes in Hemel Hempstead for example the Water Gardens and the Town Centre improvements. Although Hemel Hempstead has circa 60% of the Borough's population, the council has invested in other regeneration programmes in Berkhamsted and Tring, ensuring there is balance delivery across the Borough
- 3.1.5 DBC has a positive approach to delivering its enterprise zone, improving its rented housing, investment and house building programmes. It has with partners an ambitious Garden Community proposal.
- 3.1.6 It was clear to see that positive progress has been made on economic development and enabling housing growth with a broad range of planned and successful delivery involving strategic partnerships for house building, creating employment and training opportunities for apprentices in partnership with, for example, West Herts College.
- 3.1.7 The peer team could not fully understand the sequencing and resourcing of the growth and infrastructure projects going forward.

3.2 Partnerships

- 3.2.1 Partnerships have continued to strengthen.
- 3.2.2 The feedback from partners was very positive, with the Council reported as operating with openness and transparency.
- 3.2.3 Given the volume of partnership working the Council has had to prioritise its capacity, which can be challenging whilst maintaining positive relationships with partners. The Council has successfully maintained a balance of provision to partners ensuring they do not over promise in terms of what it can support or deliver.

3.3 Leadership

- 3.3.1 The Leader and Chief Executive continue to be seen as good ambassadors for the Council and place. The ambition for place and the people of the Borough is seen as bold, although leadership is tempered by realism and an honest perspective on what can be delivered.
- 3.3.2 Outward facing leadership was seen as positive with members and officers playing a critical role in engaging communities, citizens, partners and the broader business community.
- 3.3.3 There was a feeling that more capacity could be released from the workforce if management and staff were more empowered and allowed increased responsibility for decision making at a service level.
- 3.3.4 In 2016 the peer team recommended DBC to provide clarity to the change management approach. The 'New Normal' strategy has been delivered to provide an organisational change management framework. This was seen as a positive development, although implementation is at an early stage and was seen as a strategy not wholly owned by staff at most levels outside of COG and CMT.
- 3.3.5 Communication was seen as disconnected in part. Despite the blend of intranet communication, face to face briefings, conferences and email messages there appears to be a level of disconnect with some staff. The further development of the communication strategy should help ensure key messages are understood but needs to be rolled out alongside the development of an inclusive organisational culture helping to ensure effective two-way communication with staff rather than communication to staff.
- 3.3.6 Staff suggesting they want to receive corporate messages and more effective communication should be seen as positive and linked to better understanding the organisation.

3.4 Capacity

- 3.4.1 The Council has had the challenge of resourcing 'business as usual' whilst identifying capacity for programmes and projects. The improvements made to working practices through moving to the Forum and rolling out new technology has positively supported greater flexibility although it is understood flexible working policies have not been reviewed. The opportunity for further improved working is high, with further scope to enable more flexible working patterns and workstyles that enable DBC to differentiate itself in the employment market and further enhance its employer brand.

3.4.2 There was good evidence of a range of project delivery from HR, which will assist the Council improving its employer brand and ensuring its policies and practices support the business.

3.5 Service Delivery

3.5.1 The Forum is operating as a positive community hub and is enabling partners and the broader system to take opportunities to provide great services to the public.

3.5.2 Service users report good levels of satisfaction with services. The challenges over the next few years will be to ensure service delivery is digitised, where appropriate, to ensure front line services are maintained. Although the budget is balanced for the next two years, the future outlook will require potentially more difficult decisions on prioritisation for service delivery.

4. Review Recommendations

4.1 Overall the council has made good progress in taking forward the recommendations the peer review team made in 2016, though there are a number of areas that require further attention and action at pace. These are as follows:

- Build on your existing People Strategy and develop an OD plan incorporating your transformation objectives.
- Create an evidence based workforce development plan to profile future staff resourcing and capacity requirements.
- Review your flexible working policy and practices to maximise the opportunities your new working environment provides.
- Continually evolve your approach to internal communication to:
 - Ensure key messages reach all staff quickly
 - There is a feedback loop so decision making is transparent
 - Actively support staff in providing feedback (employee engagement)
 - Create a positive culture of internal challenge
- Ensure leadership is inclusive at all levels and members and managers empowered.
- Ensure that the roll out of “New Normal” includes a strengthened approach to resource planning for projects and initiatives – e.g. growth agenda
- Prioritise development of a new Corporate Plan after the May 2019 elections to effectively coordinate the strategic approach to growth, housing, partnerships and organisational development. Use the plan to create a clear and consistent communications narrative both internally and externally. This presents a great opportunity to roll forward the Councils ambitions and set the narrative for the future.

Sally Marshall
Dacorum Borough Council
The Forum
Marlowes
Hemel Hempstead
Hertfordshire
HP1 1DN

05 March 2019

Dear Sally,

LGA Corporate Peer Challenge follow up visit 13-14 February 2019

At the invitation of Dacorum Borough Council (DBC), the Local Government Association undertook a corporate peer challenge at DBC in June 2016. At that time, the council asked the peer team to make a follow up visit to help review and assess progress and developments in response to the peer challenge feedback and recommendations.

The follow up visit took place on the 13 - 14 February 2019 and this letter summarises the main observations of the peer team. The peers used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read during their visit to DBC.

Process and peer team

Peer challenge is one of the key tools to support sector-led improvement. It is tailored to meet individual councils' needs, and designed to complement and add value to a council's own performance and improvement focus. This follow up visit brought some of the previous team back to review and assess progress against the original peer challenge recommendations. The peer team provide feedback as critical friends, not as assessors, consultants or inspectors.

The peer team taking part in the follow up visit:

- Alan Goodrum, Former Chief Executive of Chiltern and South Bucks Councils, LGA Associate
- Councillor Chris Millar, Leader of Daventry District Council
- Dave Barnes, Strategic Director, Christchurch and East Dorset Councils
- Ami Beeton, Peer Challenge Manager, Local Government Association
- James Mehmed, Programme Manager, LGA

In June 2016, the peer team left DBC with a set of recommendations¹ which it thought would help the council address its main challenges. This feedback letter reflects on progress made in implementing the recommendations over the last year.

To inform their work the peer team spent two days on site at DBC, during which they spoke to around 50 people, including a range of council officers, councillors and external partners.

Feedback has been structured around five core themes: Place, Partnerships, Leadership, Capacity and Service Delivery with an initial section on key messages and observations

Key messages and observations

DBC remains an organisation that has a strong financial base having recently set a balanced budget for the next two financial years. Robust financial management has enabled the council to be bold in their delivery within a backdrop of a 70% reduction in settlement funding assessment since 2010/11. Council tax yield has grown through an increase in properties within the Borough and through increasing council tax to the maximum threshold under current government policy.

Members have prioritised the protection of front line services whilst delivering investment into community facilities, housing and regeneration. The peer team was able to compare and contrast the new council building, the 'Forum' which was delivered successfully with the previous office accommodation. The Forum provides much more than office accommodation for staff and is serving as a community hub for citizens which is very impressive. The peer team were able to observe members of the community using the Hertfordshire County Council library and registrars service and enjoying the café facilities which is operated by a private entity. There is also a strong voluntary sector presence with the Citizens Advice service, Dacorum Community Trust and Credit Union.

Whilst preparing to move to the Forum, DBC has delivered some highly successful regeneration programmes in Hemel Hempstead for example the Water Gardens and the Town Centre improvements. Although Hemel Hempstead has circa 60% of the Borough's population the council has invested in other regeneration programmes in Berkhamsted and Tring, ensuring there is balance delivery across the Borough.

Partnerships have continued to strengthen. Peers spoke to a number of partners who cited the Council as being critical to their delivery.

Despite the volume of regeneration, growth and organisational programmes the Council has been able to maintain a strong focus on delivery of core services to its Citizens.

¹ See Appendix I for a list of the recommendations from the 2016 Corporate Peer Challenge

Peers were able to speak to a number of different staff groups as well as councillors and could see strong evidence of good working relationships between members and staff, supporting effective public service delivery. The Corporate team has changed since the June 2016 Corporate peer Challenge and has been strengthened with recent appointments.

Place

DBC has a positive approach to delivering its enterprise zone, improving its rented housing, investment and house building programmes. It has with partners an ambitious Garden Community proposal. In 2016 the peer team recommended that DBC enhance the Council's leadership profile at a sub-regional level to meet the challenges ahead. This has been progressed with the Chief Executive as the nominated lead for the South West Hertfordshire joint strategic place shaping collaboration. This was seen as positive and is enabling the Council Leaders and Chief Executives from the South West of Hertfordshire to take a broad perspective on place shaping whilst considering the infrastructure requirements and broader issues of economic growth, housing and enabling sustainable communities.

DBC's Housing team was awarded the Pro Landlord accreditation from Tpas, the leading experts for tenant engagement. Tenant engagement was seen as best practice and serves as a strong catalyst for community engagement.

<https://www.dacorum.gov.uk/home/all-news/2017/03/23/leading-the-way-in-tenant-engagement>

In May 2019, DBC will have 'all out' elections with members seeking re-election. This will provide the opportunity to develop a new Corporate Plan which will set the Council's priorities over the next four years and beyond. This will provide an opportunity to further engage and consult with communities over future place shaping. Again in 2016 the peer team recommended that DBC progress the sustainable growth agenda. It was clear to see that positive progress has been made on economic development and enabling housing growth with a broad range of planned and successful delivery involving strategic partnerships for house building, creating employment and training opportunities for apprentices in partnership with, for example, West Herts College. This is a positive example of partnership working as well as building capacity and skills for future house building.

However, the peer team could not fully understand the sequencing and resourcing of the growth and infrastructure projects going forward. The relationship with existing related work was also not clear; for example how the Council's growth and infrastructure plan links to the South West Hertfordshire strategic planning initiative, Hertfordshire County Council's growth board and the development of the Dacorum Local Plan review. The capacity and resourcing for this work was unclear and could benefit from further consideration. At the time of writing this report we understand the Council has a bid for a Hemel Garden Communities which would provide funding for resources and research for the proposed 12,000 new homes and 2 million sq feet of commercial buildings. The peer team also heard numerous references to how the local community was much more accepting of housing growth if the infrastructure is

in place, this was seen as a critical shift by the community who were previously less favourable of housing growth.

Partnerships

The feedback from partners was very positive, with the Council reported as operating with openness and transparency. Hemel Hempstead Business Ambassadors (HHBA) who represent the business community view the Council very positively, which was seen as essential given the economic sustainability and growth will be achieved through effective partnership working between the Council and the business community going forward.

The Council is playing a pivotal role in enabling its partners to deliver. West Herts College said “We couldn’t do what we are doing now without Dacorum Council” which is testament to the support the Council has given to the College.

DBC also undertook a review of leisure provision resulting in the appointment of a new provider who cited the Council as “Helping us navigate through muddy waters” demonstrating a positive working relationship.

Given the volume of partnership working the Council has had to prioritise its capacity which can be challenging whilst maintaining positive relationships with partners. The Council has successfully maintained a balance of provision to partners ensuring they do not over promise in terms of what it can support or deliver.

Leadership

The Leader and Chief Executive continue to be seen as good ambassadors for the Council and place. The ambition for place and the people of the Borough is seen as bold although leadership is tempered by realism and an honest perspective on what can be delivered.

The peer team were able to hear about a range of projects that varied in complexity, scale and risk. Positive leadership was evidenced through the delivery of the Forum, addressing the leisure provision issues and on delivering the successful regeneration programmes.

Outward facing leadership was seen as positive with members and officers playing a critical role in engaging communities, citizens, partners and the broader business community. There is a strong business community that are seen to want to work with the council to deliver growth and bring in more investment.

The follow up process enabled the peer team to engage with a number of different staff groups at different levels in the organisation as well as Elected Members. The organisational structure was seen as culturally too hierarchical by some staff which manifested itself in some feeling that change was being done to them rather than

progressed with them. The Chief Operating Group (COG) were perceived by some as being remote and distant from staff as well as owning decision making that may be best placed at a different management level. There was a feeling that more capacity could be released from the workforce if management and staff were more empowered and allowed increased responsibility for decision making at a service level.

In 2016 the peer team recommended DBC to provide clarity to the change management approach. The 'New Normal' strategy has been delivered to provide an organisational change management framework. This was seen as a positive development, although implementation is at an early stage and was seen as a strategy not wholly owned by staff at most levels outside of COG and CMT. Some staff were unclear of its purpose or intention and how it will impact on day to day business. The peer team understand that the 'New Normal' strategy was included in a recent staff conference and is in the process of being launched and put into practice across organisation. In addition the internal communications manager will be supporting the organisation to address this current gap in understanding. Managers will also play a critical part in helping staff to understand and apply the principles in the context of their role. The Peer Team noted that a positive organisational culture is built on trust and that 'New Normal' would do well to embrace this quality as it is rolled out.

Communication was seen as disconnected in part. Staff were not always clear about the direction of travel the organisation was heading and often were unclear of current priorities. The peer team understand the council has some very positive existing communication channels and were able to see some of the visual messages advertising the next staff session as an example. Despite the blend of intranet communication, face to face briefings, conferences and email messages there appears to be a level of disconnect with some staff. The further development of the communication strategy should help ensure key messages are understood but needs to be rolled out alongside the development of an inclusive organisational culture helping to ensure effective two-way communication with staff rather than communication to staff. There is an immediate opportunity to engage with staff over the pending staff survey results to also discuss improving the flow of communication up and down the structure. Staff suggesting they want to receive corporate messages and more effective communication should be seen as positive and linked to better understanding the organisation.

DBC through the 'New Normal' strategy will facilitate improvement and programme delivery that will draw upon the requirement to maximise the skills and capacity of the workforce. The peer team heard that internal challenge did not always appear to be welcomed by some managers. Supporting creativity and innovation in public service delivery will require staff at all levels to be confident in suggesting new ways of working. This area could benefit from further examination to understand how widespread this experience is within the organisation and it may be linked to the concerns expressed about the approach to internal communication.

Capacity

The Council has had the challenge of resourcing ‘business as usual’ whilst identifying capacity for programmes and projects. The improvements made to working practices through moving to the Forum and rolling out new technology has positively supported greater flexibility although it is understood flexible working policies have not been reviewed. The opportunity for further improved working is high, with further scope to enable more flexible working patterns and workstyles that enable DBC to differentiate itself in the employment market and further enhance its employer brand.

The peer team heard staff raise concerns about capacity and resources, perceiving there to be blocks on recruitment activity. DBC could benefit by going out to the organisation and communicating clearly the processes around establishment control and how current vacancies are managed. The current practices are not consistently understood and leading to a climate where some staff feel their workloads are not sustainable and stretching the current good will.

Reward and recognition was cited as needing to be more meaningful with a mixed response to the value placed on the staff awards process. Some staff like it, others think it is tokenistic.

There was good evidence of a range of project delivery from HR which will assist the Council improving its employer brand and ensuring its policies and practices support the business. The HR function is on a journey, actively transforming its operation from transactional to being more value added. Successful delivery will provide the organisation with more professional capacity to support organisational development projects and workstream requirements from the ‘New Normal’ strategy. The decision to upgrade the current HR management system with capabilities for greater self-service and management information were seen as positive and an enabler for greater organisational capacity. Further HR capacity could be maximised by ensuring corporate plans and senior leader strategic requirements flow to the HR team, ensuring HR strategy is aligned to future need.

DBC has increased its staff to desk ratio since initial occupation. This greater increase of desk optimisation supports culture change in supporting home working, as well as a commercial opportunity to let an office floor to the Clinical Commission Group (CCG). This opportunity will enable the Council to receive a regular income ensuring financial sustainability or the redirection of funding to the delivery of front line services. Working with close proximity of the CCG presents a great opportunity to promote partnership working and strengthen the Forum as a public service and community hub.

Service Delivery

The Forum is operating as a positive community hub and is enabling partners and the broader system to take opportunities to provide great services to the public.

Public service delivery is seen as positive and recognised externally as award winning, for example leisure services 'Everyone Active' has been named as Facility Operator of the Year at the 2018 Swim England National Awards.

<http://www.dacorum.gov.uk/home/news/2018/12/12/everyone-active-wins-top-award-for-swimming-facilities>

DBC has also been recognised for its positive work on tenant engagement within the 'Engaging and empowering tenants in Council-owned housing report'.

<https://www.local.gov.uk/sites/default/files/documents/5.48-annexes.pdf>

DBC has gained five Green Flag awards for its parks and open spaces. The Green Flag Award is the benchmark national standard for parks and green spaces in the United Kingdom. <http://www.businessindependent.co.uk/latest-news/latest-news-stories/all-news/item/753-dacorum-borough-council-scoops-five-green-flag-awards> The peer team observed as well as heard examples of the commitment and hard work carried out by staff. This was seen as a great strength, although there are questions regarding its sustainability given feedback on 'good will running out' and some of the perceived resourcing and capacity challenges. The peer team heard that organisational turnover was at 10% which provides the opportunity to bring in new staff and experience linked to future workforce development plans.

Service users report good levels of satisfaction with services. The challenges over the next few years will be to ensure service delivery is digitised, where appropriate, to ensure front line services are maintained. Although the budget is balanced for the next two years, the future outlook will require potentially more difficult decisions on prioritisation for service delivery.

In summary

Overall the council has made good progress in taking forward the recommendations the peer review team made in 2016, though there are a number of areas that require further attention and action at pace. These are as follows:

- Build on your existing People Strategy and develop an OD plan incorporating your transformation objectives.
- Create an evidence based workforce development plan to profile future staff resourcing and capacity requirements.
- Review your flexible working policy and practices to maximise the opportunities your new working environment provides.
- Continually evolve your approach to internal communication to:
 - Ensure key messages reach all staff quickly
 - There is a feedback loop so decision making is transparent
 - Actively support staff in providing feedback (employee engagement)
 - Create a positive culture of internal challenge
- Ensure leadership is inclusive at all levels and members and managers

empowered.

- Ensure that the roll out of “New Normal” includes a strengthened approach to resource planning for projects and initiatives – e.g. growth agenda
- Prioritise development of a new Corporate Plan after the May 2019 elections to effectively coordinate the strategic approach to growth, housing, partnerships and organisational development. Use the plan to create a clear and consistent communications narrative both internally and externally. This presents a great opportunity to roll forward the Councils ambitions and set the narrative for the future.

The peer team would like to thank Dacorum Borough Council for inviting them back to provide further challenge to the council, and hopes that the feedback above helps to support continuous improvement.

Next steps

Your LGA Principal Adviser Rachel Litherland is the main contact between your authority and the Local Government Association. Her contact details are: 07795 076834 / Rachel.Litherland@local.gov.uk Rachel will be happy to work with you to identify any additional support the LGA can offer to help you respond to the points set out in the above.

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the Council will commission their next Peer Challenge before 2021.

James Mehmed – LGA Peer Challenge Manager

On behalf of the Peer Challenge Team

Recommendations from the 2016 LGA Corporate Peer Challenge for Dacorum Borough Council

Overall messages and observations 2016

- Well run council, stable leadership, good skills base and a great place to work
- Externally well regarded by partner organisations and stakeholders
- Good financial management but no burning platform
- Housing – sub regional pressures
- Affordable housing
- Good track record in regeneration
- Lots going on, lots of initiatives but clarity is needed in organisational vision
- Greater clarity of messaging in the change management approach
- Need to increase the pace of change so staff stay with you on the journey
- DBC needs to build on its successes with partners locally and within the sub region
- Entering a period of further austerity and need for prioritisation to ensure delivery

Overarching recommendations 2016

- Provide clarity to change management approach with consistent and simple messaging
- Develop a constructive challenge culture at officer and member level
- Enhance the Council's leadership profile at a sub-regional level to meet the challenges ahead
- Progress the sustainable growth agenda
- Sharpen the focus of priority setting
- Continue to be BOLD!