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FINANCE AND RESOURCES OVERVIEW AND SCRUTINY AGENDA

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

TUESDAY 24 MARCH 2020 AT 7.30 PM

CONFERENCE ROOM 2 - THE FORUM

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

Membership

Councillor Chapman
Councillor Guest
Councillor Tindall
Councillor Adeleke
Councillor Barrett
Councillor Arslan
Councillor Mahmood

Councillor Su Mahmood (Chairman)
Councillor Sinha
Councillor Townsend
Councillor Claughton
Councillor Symington
Councillor Taylor

For further information, please contact Corporate and Democratic Support

AGENDA

1. **MINUTES** (Pages 3 - 9)
To confirm the minutes from the previous meeting
2. **APOLOGIES FOR ABSENCE**
To receive any apologies for absence
3. **DECLARATIONS OF INTEREST**

To receive any declarations of interest

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

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

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

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

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

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

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

4. PUBLIC PARTICIPATION

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

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

6. ACTION POINTS FROM THE PREVIOUS MEETING

There are no outstanding actions from the previous meeting.

7. PARKING ENFORCEMENT CONTRACT PERFORMANCE (Pages 10 - 27)

8. QUARTER 3 CORPORATE & CONTRACTED SERVICES PERFORMANCE REPORT (Pages 28 - 36)

9. QUARTER 3 FINANCE & RESOURCES PERFORMANCE REPORT (Pages 37 - 51)

10. QUARTER 3 PERFORMANCE, PEOPLE & INNOVATION PERFORMANCE REPORT

Report to follow.

11. ALLOTMENTS (Pages 52 - 56)

12. WORK PROGRAMME 2020/21 (Pages 57 - 60)

MINUTES

FINANCE & RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

4 FEBRUARY 2020

Present:

Cllr Barrett	Cllr Suqlain Mahmood (Chairman)
Cllr Chapman	Cllr Symington
Cllr Cloughton	Cllr Taylor
Cllr Douris	Cllr Tindall
Cllr Guest	

Also Present:

Councillor Elliot – Portfolio Holder for Finance and Resources
Councillor Williams – Leader of the Council and Portfolio Holder for Corporate and Contracted Services

Officers:

M Brookes	Assistant Director – Corporate and Contracted Services
B Hosier	Group Manager – Procurement and Contracted Services
N Howcutt	Assistant Director – Finance and Resources
S Marshall	Chief Executive
V Coady	Commercial Contracts and Supplier Relationship Lead Officer
T Angel	Corporate and Democratic Support Officer (minutes)

Following a Joint meeting of the OSC's where a presentation on the budget was given, the Finance & Resources OSC meeting began at 8.34 pm.

OS/001/19 MINUTES

The minutes of the meeting held on 3 December 2019 were agreed and then signed by the Chairman.

OS/002/19 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Adeleke, Sobaan Mahmood and Townsend.

OS/003/19 DECLARATIONS OF INTEREST

Councillor Douris declared an interest as a company he has an interest in rents two commercial garages from DBC.

OS/004/19 PUBLIC PARTICIPATION

None.

OS/005/19 CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO A CALL-IN

None.

OS/006/19 BUDGET 2020/21

Councillor Elliot introduced the item and read the following statement:

“2019/20 has been another productive year in the finance and resources division. The Service is set to deliver on key KPI’s but special note should be made to:

- The Revenues and Benefits service on achieving the targeted collection rates on council tax and business rates to ensure the major funding streams achieve the expected returns.

- The Commercial Assets team for ensuring uncharacteristically high occupancy in the council’s commercial portfolio of over 600 assets, and hence providing much needed income to support the good quality front line services DBC aspires to deliver.

- The Finance support team have provided good quality, timely financial support to ensure members supported by officers have the tools to enable decisive decision making and good fiscal management.

Looking Forward to 2020/21, the year ahead in the finance and resources division is set to be yet another challenging year but one that the service is very well prepared for.

The Budget papers on the agenda tonight show very few changes to that presented to Scrutiny in December. A combination of good early budget decision making by members and accurate financial modelling have resulted in very little requirement to make changes to the previously presented budget proposals. These proposals are in line with the approved Medium Term Financial strategy and detail a stretching yet achievable budget for 2020/21.

There are many challenges ahead in the Finance and Resources Portfolio in 20/21 that the services are planned and prepared to tackle.

The **Financial Services** team are expecting the conclusion of the fair funding review in year, this will be the single biggest change to local authority funding in a generation. The completion of the fair funding review is expected to provide a more definitive understanding of medium term Local Authority funding, and specifically provide the clear future funding streams available. The outcome of the Fair funding review is expected to make changes to business rates retention and central government grants.

The current DBC Medium Term Financial Strategy, outlines the council’s prudent approach to central government funding with an expectation of DBC being self-sufficient by 2022/23. The finance service will continue to work closely with MHCLG and lobbying partners to update members as and when new information and guidance is produced.

In 20/21 the **Revenues and Benefits Service** will continue to evolve the services to residents and will be developing more web based services in regards to council tax and revenues that will improve the overall customer experience.

At present 1/3rd of resident contacts in regards to council tax are via the internet and the aim is to increase the volume of service contact via the internet, through improved functionality and customer experience.

The benefits service will continue to react and evolve during 20/21 as central government policy changes are announced, with close attention in particular to Brexit and the ongoing roll out of Universal Credit by September 2024.

The **Commercial Assets and Property Development** service will continue to work hard with tenants to strike the challenging balance between the commercial and social implications of its commercial assets.

The very real contribution the Estates team makes to supporting our local communities and shopping parades through a difficult retail environment is demonstrated by its continued ongoing occupancy rate in excess of 95% for the council's commercial units, whilst at the same time exceeding a challenging income target in excess of £5m in 20/21 – this is the Council's largest income stream.

In 20/21 this service will continue to invest in this portfolio by implementing over 25 capital improvement projects that are aimed at improving council services and assets, ranging from Civic centres to leisure centres and allotments.

At the same time the commercial assets service will oversee the generation of a projected £4m from the disposal of surplus assets, these funds are essential to allow the council to continue to invest in the wider assets portfolio and to fund the wider capital programme detailed in the budget report.”

Councillor Tindall referred to page 28 regarding past service costs. He noted that this year's budget was £1.5m and next years was £4.6m and queried the increase. N Howcutt explained that the Council made the decision to pay the 3 year lump sum payment for secondary contribution to pensions upfront to reduce the charge. He said this seemed like the sensible approach.

Councillor Symington referred to page 36 and sought clarification on the car parking charges and length of stay at Water Lane. N Howcutt advised that the charges were currently out for consultation so these were the draft proposals. Councillor Williams said nothing could be confirmed and the decision for the length of stay at Water Lane car park was currently a Portfolio Holder Decision. He said the maximum stay would be two hours as that was the most convenient car park for shoppers, and Lower Kings Road would be for longer term stay.

Councillor Symington drew attention to the £4 charge for up to ten hours stay at the multi-storey car park. She felt this would attract commuters and asked how we proposed to address that. Councillor Williams explained they were charging that figure because it was comparable to other parking charges in the Borough. He said they didn't want to discourage use of the car park. Councillor Symington said that shoppers could have difficulty finding space in the car park as it would be full of commuter's vehicles. Councillor Williams felt it was unlikely that shoppers would need to park in a 4+ hours car park. Councillor Symington asked if there was a certain number of spaces for up to 10 hours. Councillor Williams explained that the car park had 8 half decks; 2 floors for business permits, 2 floors for long stay and the 4 lower for a maximum of 4 hours. B Hosier added that the business permit spaces become long stay parking on weekends.

The Chairman referred to page 16 regarding savings within the Revenues and Benefits Team. He asked if that compromised the service. N Howcutt advised it was a rationalisation of the service and there would be no negative impact.

The Chairman suggested a report on allotments this year as it had been a long while since we had an update. N Howcutt agreed.

Councillor Douris referred to page 25 on property management and asked for more information on the income line. B Hosier advised it was the rental income from tenants in The Forum.

Councillor Douris sought clarification on the investment income line on page 30. N Howcutt advised it was the income from our commercial portfolio of assets within Dacorum.

The Chairman referred to page 20 and queried the increase in income for temporary accommodation. N Howcutt explained we had taken a proactive approach to ensure we have enough facilities to put those in unfortunate circumstances in to our own properties. As part of that, the properties in Northend and Westerdale were a significant counter investment for additional temporary accommodation so there is a reasonable amount of capital investment as part of that healthy revenue stream. The Chairman said this was a welcome development.

Outcome:

The Finance and Resources Overview and Scrutiny Committee reviewed and noted the draft budget proposals, fees, and charges for 2020/21.

OS/007/19 BUDGET MONITORING QUARTER 3 2019/20

N Howcutt introduced the item and highlighted the key points within the budget monitoring report.

The Chairman said he found the executive summary really useful and asked for it to be continued. N Howcutt agreed.

There were no questions.

Outcome:

The report was noted.

OS/008/19 GARAGE PROGRAMME UPDATE

Councillor Tindall referred to paragraph 4 on page 102 and suggested the word 'cosmetic' wasn't a good word to use. He then referred to paragraph 6 regarding the disposal of a further 7 sites and asked where the sites were. N Howcutt said he would circulate that information to members. **Action: N Howcutt**

Councillor Guest asked if it would be made clear in the market strategy that you do not need to be a DBC tenant to rent a garage. N Howcutt confirmed it would be made clear.

Councillor Tindall felt that we needed to stress that garages were not for commercial use. N Howcutt said he would feed that comment back.

Councillor Tindall asked for reassurance that all garages that are offered to tenants as alternatives would be fit for purpose. N Howcutt said the process had changed

significantly in recent months; the specification and pictures of the garage would be provided in advance and also a one month rent free would be given.

Councillor Barrett asked if the 7 sites being disposed of were generally marketed or if discussions had taken place with one purchaser. N Howcutt advised they were being sold to one single Housing Association and the value they're paying was in excess of the evaluation. They will also be providing affordable housing to the Borough.

Councillor Douris said he knew DBC had designated commercial garages and asked if the marketing material represented all garages or just the domestic garages. N Howcutt confirmed it referred to domestic garages only.

Outcome:

The report was noted.

OS/009/19 WORK PROGRAMME

There were no changes to the current work programme.

A report on allotments to be added to the work programme in the summer.

OS/010/19 PERFORMANCE OF THE LEISURE CONTRACT

Full details can be found in the Part 2 Minutes.

The meeting ended at 9.28 pm.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Agenda Item 7



Report for:	Finance & Resources Overview and Scrutiny Committee
Date of meeting:	24 March 2020
Part:	1
If Part II, reason:	

Title of report:	Parking Enforcement Contract Performance
Contact:	Andrew Williams, Portfolio Holder for Corporate & Contracted Services Author/Responsible Officer Ben Hosier (Group Manager – Procurement & Contracted Services) Victoria Coady (Commercial Contracts & Supplier Relationship Lead Officer)
Purpose of report:	<ol style="list-style-type: none"> 1. To provide Committee with an overview on the performance of the contract over the last 7 months. 2. To update Committee on the additional KPI's that are applicable from year 3. 3. To request whether Committee want to continue to scrutinise the performance of this contract every 6 months.
Recommendations	<ol style="list-style-type: none"> 1. That Committee notes the performance of the Parking Enforcement contract over the last 6 months. 2. That Committee acknowledge the additional KPI's that are applicable from year 3. 3. That Committee decide if they would like the performance of this contract to continue to be presented to this committee.
Period for post policy/project review	It was suggested by the Committee at the November 2018 meeting that the performance of the Parking Enforcement contract is presented to this Committee every 6 months over the first 2 years of the contract.
Corporate objectives:	Clean Safe & enjoyable Environment Economic Growth & Prosperity On-Street and Off-Street parking supports a clean, safe and enjoyable environment and supports economic growth and

	<p>prosperity which are both priorities of the Council's vision.</p> <p>Dacorum Delivers The Council's car parks provide an income stream. Optimising income assists the General Fund to achieve a balanced budget.</p>
Implications:	<p><u>Financial</u></p> <p>The demand for parking increases year on year. Although the council encourages the use of public transport, cycling and walking it also recognises that car parking provision is necessary for the borough to prosper.</p> <p>The delivery of the Parking Enforcement contract provides an important service for the Council and also generates income to the Council, some of which is ring-fenced to be reinvested back in to on-street parking.</p> <p>There is a contractual commitment to increase the costs associated with parking enforcement on an annual basis, so there is a constant need to review the Council's approach to parking enforcement to ensure that the contract operates efficiently whilst still being fit for purpose.</p> <p><u>Value for money</u></p> <p>It is important that the performance of this contract and the impact this has on residents and visitors to the borough is monitored, reviewed and continuously improved to ensure that the quality of service remains at an acceptable level.</p> <p>The performance of Saba Park Services UK Ltd is monitored against the contractual standards and KPI's and failure to deliver the service to the agreed performance levels will impact on the performance related payment mechanism in the contract.</p> <p>The number of 'KPI failure's' that are identified are directly linked to the level of payment that Saba Park Services UK Ltd receive.</p>
Risk implications	<p>Operational risks are reviewed and discussed at monthly operational meetings and taken to the operational board if deemed necessary.</p> <p>Strategic risks are reviewed and discussed at the quarterly operational board.</p>
Community Impact Assessment	<p>A Community Impact Assessment was carried out in September 2017, the parking enforcement requirements are reflected in the CIA and will be reviewed and monitored on a regular basis.</p>
Health and safety Implications	<p>Health & Safety is of paramount importance on this contract, and standards are clearly set out in the service specification and legislation.</p>

	Health & Safety is reviewed and discussed at the monthly operational meetings and taken to the operational board if deemed necessary.
Consultees:	Andrew Williams – Portfolio Holder for Corporate & Contracted Services Mark Brookes – Assistant Director Corporate and Contracted Services Victoria Coady - Commercial Contracts & Supplier Relationship Lead Officer Steve Barnes – Parking Services Team Leader
Background papers:	N/A
Glossary of acronyms and any other abbreviations used in this report:	CEO – Civil Enforcement Officer KPI's – Key Performance Indicators PCN – Penalty Charge Notice

Introduction

The Council awarded a contract for Parking Enforcement arrangements to Indigo Park Services UK Ltd in April 2018, this contract covers both on-street and off-street enforcement.

In December 2018 Indigo Park Services Ltd were acquired by Saba Park Services UK Ltd.

This contract moved away from the traditional enforcement techniques and introduced enforcement technology to make the contract efficient and fit for purpose.

The contract was split in to two lots which included the following elements:

- Lot 1 - 'Integrated Systems, Software and Associated Hardware'
- Lot 2 - 'Compliance Management and Business Processing Solution'

In line with recent changes to the matters that are presented to scrutiny committees, the purpose of this report is to update Committee on the performance of one of the Council's strategically important contracts.

This report provides the Committee with assurances that the contract is being managed from both a contractual and commercial perspective and will focus on the following areas:

1. Governance arrangements that have been set up to monitor, review and report on the performance of the Parking Enforcement contract including the agreed set of contractual Key Performance Indicators.

2. Report on the performance of the contract over the last 10 months.

The Committee are actively encouraged to review the governance arrangements with particular emphasis on the KPI's.

This report will provide a robust and transparent conclusion as to the performance of the Parking Enforcement contract and in addition will make appropriate recommendations for performance improvements.

1 Governance Arrangements

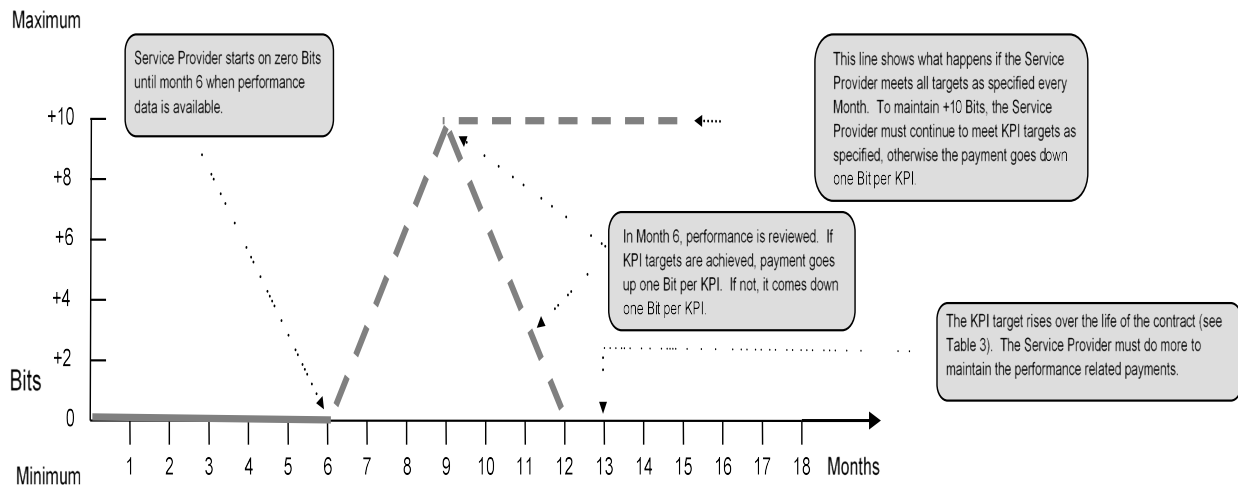
- 1.1 This contract is of significant importance to the Council and requires an appropriate level of governance. It includes the generation of income from Council owned car parks which supports the investment and management in both current and future on-street and off-street parking locations.
- 1.2 The fact that this contract has been awarded following a robust procurement process has enabled the relevant service standards and performance indicators to be built in to the service specification and will help the Council to monitor, review and report on the performance of the contract.
- 1.3 The governance arrangement that have been set up for this contract include an 'operational meeting' that meets on a monthly basis. The 'operational meeting' is chaired by the officer with the day to day contractual and performance responsibility for the contract. In addition to the chair, the other Council attendees to this board include officers with the day to day responsibility for the Parking service, attendees from Saba include the contract manager. This meeting focusses on any outstanding issues that have arisen during the month and are entered on the issues tracker.
- 1.4 In addition to the 'operational meeting' there is also an 'operational board' which initially met on a monthly basis during the implementation/mobilisation phase, but now meets on a quarterly basis. The 'operational board' is chaired by the officer with the day to day contractual and performance responsibility for the contract. In addition to the chair, the Council attendees to this board include the Group Manager Procurement & Contracted Services and officers with the day to day responsibility for the Parking service, attendees from Saba include the Regional Commercial Manager and the contract manager. All meetings are recorded and minutes are produced and sent round to all attendees, this board focusses on the following issues:
 - Quarterly Performance Report
 - Financial Performance
 - KPI's
 - Contractual Matters
- 1.5 The contract has been specifically written so that Saba are required to demonstrate their compliance with the Council's 'service objectives' that have been included as part of the service specification on a quarterly basis:

- Improve the quality of service and the environment to residents and visitors to Dacorum
- Use of resources to ensure effective deployment for compliance management
- Investment in new technology to support the safety of the traffic network
- Comply with current and future Legislative requirements
- Introduce innovative solutions to deliver operational improvements and efficiencies
- Provide a reporting solution to account for and report accurate information
- Increase levels of compliance through efficient and effective operations

1.6 A percentage of the Saba charges for Lot 2 are subject to the performance related payment mechanism. This equated to almost £44k in year two of the contract being linked to the direct delivery of KPI's. This annual figure is divided by 4 quarters and then by the number of KPI's to be delivered in that year (10 in year 1, 15 in year 2 and 18 in year 3 onwards). As a result, each KPI has a quarterly monetary value and where a KPI failure has been identified Indigo will not be paid the quarterly value of the KPI. This is set out in a diagram below:

Diagram 1

Table 2: Operation of the Performance Related Payment Mechanism



1.7 The contract includes the following quarterly KPI's, which will be monitored from October 2018.

Service Objective	Key Outcome	Measurements (KPI's)	Targets	Comments	Information Sources
Improve the quality of service and the environment to residents and visitors to Dacorum	Good quality, motivated, and informed CEOs	Initial CEO training and accreditation	Minimum Requirement <i>(If not met, then the KPI is automatically failed)</i>	<p>100% of CEO's will need to have the appropriate accreditation within 6 months of starting work.</p> <p>100% of all CEO's must complete their induction before commencing work.</p> <p>100% of CEO's will have the relevant bike or vehicle licences within 1 month of starting work.</p>	<p>The Service Provider will supply copies of all training certificates to the Council.</p> <p>The Service Provider will provide evidence that induction is completed</p> <p>The Service Provider will provide copies of licences for viewing.</p>
Use of resources to ensure effective deployment for compliance management	Effective Parking Enforcement	Deployment of CEO's	95%	<p>The Enforcement Service Provider shall not deploy less than the agreed minimum number of CEO's each day which must include at least 1 car driver and 1 moped rider for all shifts.</p> <p>The Authority will claim quantifiable loses based on the hourly rate of the officer type plus £25.00 per hour based on the likely lost PCN revenue.</p>	<p>The Service Provider will self-monitor and provide the Council with a report to verify details, including no. of deployed hours and the weekly mileage of the enforcement vehicles per shift.</p> <p>Minimum number of CEO's multiplied by daily hours multiplied by no. of days in month</p> <p>The losses will be in addition to failing the KPI</p>
			100%	<p>Failure to check machines daily and report faults within 1 hour</p>	<p>Performance information will be provided by Service Provider.</p> <p>Identified faults will be reported within the next working hour via the IPS system.</p> <p>If system is down/unavailable, the CEO's will need to report the fault when they come across them.</p>
		95%	<p>Failure to attend and resolve issues with machines if 1st line maintenance within a 1-2-hour timeframe</p> <p>If machine issue is identified as a 2nd line maintenance, then report this within a 1-hour timeframe.</p>	<p>The Council will also use information provided at the monthly meetings to confirm whether remedial work has taken place against all instances of repair requests and/or identification.</p>	

Service Objective	Key Outcome	Measurements (KPI's)	Targets	Comments	Information Sources
Comply with current and future Legislative requirements	Issue of Good Quality PCNs*	Number of cancellations due to CEO error	0.5%	<p>The Service Provider should ensure that all necessary information is collected in an error free manner on the handheld devices, or within pocket-books, where appropriate, including clear notes and digital images as set to the standards in the Specification.</p> <p>CEO errors shall not exceed half of one percent (0.5%) of PCN's issued during that calendar month (excluding void PCN's). Should this happen the Authority shall claim quantifiable losses for each PCN cancelled due to CEO error over half of one percent (0.5%) threshold.</p>	<p>The Enforcement Service Provider shall supply the Authorised Officer with daily records of the number of PCN's cancelled as spoilt each week for each CEO, these will be compared against the level of cancellations resulting from CEO error against agreed tolerance levels.</p> <p>The losses will be assessed at £25.00 per PCN. This will incorporate the average recovery rate of a PCN issued by a hand held device and the associated administration costs to rectify the error.</p> <p>The losses will be in addition to failing the KPI</p>
Introduce innovative solutions to deliver operational improvements and efficiencies	IPS Pay & Park Technology	Percentage of time machines are able to accept payment.	<p><i>Within operational hours 95% of the machines must be able to accept payment in accordance with the Indigo/IPS SLA</i></p>	<p>95% of the time during hours of operation. KPI excludes network failure, power failure, acts of god, vandalism, wilful damage, all of which are outside of Indigo's control.</p>	Service provider to provide to a report on machine downtime per month.
		Response time for resolution of 2nd line maintenance requests	<p>95% <i>(response time as per SLA provided)</i></p>	<p>Within 20 working hours for requests received Monday – Friday 0900 – 1700 (excluding Bank & Public Holidays).</p>	Service provider to provide to a report on resolution of 2nd line maintenance requests per month

Service Objective	Key Outcome	Measurements (KPI's)	Targets	Comments	Information Sources
Introduce innovative solutions to deliver operational improvements and efficiencies	TES CCTV ANPR Technology	Equipment downtime	Minimum Requirement <i>(If not met, then the KPI is automatically failed)</i>	As a minimum at least 1 of the vehicles must be available 100% of the time during the hours of operation. Any vehicle can only be non-deployable for a maximum of 48 hours (excluding weekends).	Service provider to provide to a report on equipment downtime per month.
		Response time for resolution of 2nd line maintenance requests	95% <i>(response time as per SLA provided)</i>	Priority Level One – 2 days Priority Level Two – 7 days Priority Level Three – next release	The measure would depend on the nature of the fault. As per the TES Service Level Agreement
Increase levels of compliance through efficient and effective operations	Administrative procedures Tolerance Level	Banking and Financial	Minimum Requirement <i>(If not met, then the KPI is automatically failed)</i>	Failure to account for monies taken on behalf of the Council (e.g. in respect of permits and PCNs). Late/delayed banking of monies unless agreed with the Council. Failure to carry out adequate reconciliation of monies and/or numerous errors in banking and accounting processes, inadequate checks on credit/debit cards.	Performance information will be provided by Service Provider. The Council will also monitor this indicator using the IT system and the Council's internal systems as appropriate. Note – notwithstanding the requirements of this KPI, where any errors in banking have incurred a financial loss to the Council, the amount lost will be deducted from the performance payment (and invoiced separately to Indigo if more than the performance payment).
		Administrative Arrangement	Minimum Requirement <i>(If not met, then the KPI is automatically failed)</i>	The Enforcement Service Provider shall ensure that the their Customer Support Centre office is open between 07.30 hours and 19.00 hours Monday to Saturday (except for Public Holidays)	Must be staffed at all times during those hours by suitably competent staff to receive instructions from the Authorised Officer and for enquiries from the public.

Service Objective	Key Outcome	Measurements (KPI's)	Targets	Comments	Information Sources
Improve the quality of service and the environment to residents and visitors to Dacorum	Good quality, motivated, and informed CEOs	The level of complaints and complaints handling	2 substantiated complaints per month	Any complaints received by the Service Provider about a CEO or a Notice Processor must be emailed/copied to the Council within 1 working day of being received. A response to the complaint must be sent to the customer within 5 working days.	The Council will have the final say as to whether a complaint is proven. If the complaint is in relation to how the PCN was served or the behaviour of the CEO, then this would be defined as a complaint. If body-worn camera evidence is not available, (as it should be), then this would result in the complaint being upheld
Use of resources to ensure effective deployment for compliance management	Effective Parking Enforcement	Suspensions	Minimum Requirement <i>(If not met, then the KPI is automatically failed)</i>	Failure to implement 100% of new suspensions in the required time frame. The required timeframe will be one working week before the suspension date for notification and on day of suspension. Emergency suspensions shall be excluded from this KPI, but still need to be complied with	Performance information will be provided by Service Provider. Failure to collect accurate records/evidence (e.g. photo's) of Suspensions in place as described in the Specification. The suspension process must include timeliness of suspension implementation, accuracy of information on signs describing suspension and advance warning notices.
Investment in new technology to support the safety of the traffic network	Technological Improvements	Number of contraventions identified via CCTV ANPR against the number processed.	95%	The Enforcement Service Provider shall ensure that ninety five percent (95%) of parking contraventions captured by the CCTV Fixed and Mobile Enforcement Vehicles are investigated by CEO's and are to be subsequently served a PCN if appropriate within the legislation.	Performance information will be provided by Service Provider per shift.
Comply with current and future Legislative requirements	Issue of Good Quality PCNs*	Quality of the PCN's	70%*	The Enforcement Service Provider shall ensure that the quality of PCN's issued is such that initially an average of at least seventy percent (70%) is paid over the course of a rolling twelve (12) month period. Should the average be below this the Enforcement Service Provider shall take immediate remedial action, providing more training and performance management as necessary.	This 70% target will increase over the duration of the contract.
Provide a reporting solution to account for and report accurate information	Statistical Information	Reporting	Within 3 working days of month end	The Enforcement Service Provider shall use resource analytics and optimisation techniques supported by live data from CEO's, CCTV vehicles and other sources.	The Enforcement Service Provider shall develop analysis that includes "Heat Maps" that show, for example, street segmentation, areas that have the most compliance, the number of visits by CEO, the number of PCN's issued and other data that informs the delivery of the service.

*This KPI refers to the cancellation of PCNs due to Service Provider error.

The KPI is intended to ensure that PCNs are issued only when a contravention has been identified; according to Council guidelines; that the supporting information collected and recorded by the CEO is adequate to support enforcement of the PCN; and to enable the Council to deal with representations and Adjudication cases.

Whether or not the Council subsequently cancels a PCN for reasons other than those given below, or fails to enforce valid PCNs, will not be taken into account when assessing whether this KPI has been met.

PCNs must be supported with clear digital camera images and the required notes on the Handheld Device. The quality of notes is important, including legibility, contravention details including any interaction with customers.

The level of PCNs cancelled due to an error by the CEO will be taken into consideration. CEO error will be defined to include those cases where the PCN has to be cancelled due to a factual error in the details recorded by the CEO (wrong location, make or number of vehicle for example), or where supporting evidence has not been recorded or lost due to data transfer error. A tolerance factor (as a percentage of all PCNs issued) will be built into this indicator.

2 Contract Performance

The performance of the contractor has been monitored over the last 6 months against the contractual key performance indicators. During the first year of the contract only 10 KPI's are monitored, this increases by 5 in the second year and by a further 3 from the third year onwards.

The following table shows the performance of the contract since October 2018:

KPI No.	KPI Title	% be attained	Mar-18 to Sep -18	Oct-18 to July 2019	Aug-19	Sep-18	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20
1	Initial CEO training and accreditation	100%	N/A	100%	100%	100%	100%	100%	100%	100%	100%
2	Deployment of CEO's	95%	N/A	80.69%	122.06%	94.11%	102.71%	105.41%	88.22%	86.40%	110.82%
3	Pay and park machine maintenance (daily checks)	100%	N/A	100%	100%	100%	100%	100%	100%	100%	100%
4	Number of cancellations due to CEO error	0.50%	N/A	0.58%	0.29%	0.98%	1.15%	1.27%	1.59%	0.70%	0.86%
5	IPS Percentage of time machines are able to accept payment.	95%	N/A	97.14%	99.91%	99.86%	99.95%	99.80%	99.53%	99.76%	99.50%
6	Pay and park machine maintenance (downtime)	95%	N/A	100%	96.43%	100%	60.00%	100%	66.67%	95.24	100%
7	TES Equipment downtime	100%	N/A	100%	100%	100%	100%	100%	100%	100%	100%
8	TES Response time for resolution of 2nd line maintenance requests	95%	N/A	100%	100%	100%	100%	100%	100%	100%	100%
9	Banking and Financial	100%	N/A	100%	100%	100%	100%	100%	100%	100%	100%
10	Administrative Arrangement	100%	N/A	100%	100%	100%	100%	100%	100%	100%	100%
11	The level of complaints and complaints handling	2 substantiated complaints per month	N/A	N/A	100%	100%	100%	100%	100%	100%	100%
12	Suspensions	100%	N/A	N/A	94.44%	75.00%	100%	100%	100%	100%	100%
13	Number of contraventions identified via CCTV ANPR against the number processed.	95%	N/A	N/A	No Info	No Info	No Info	No Info	No Info	No Info	No Info
14	Quality of the PCN's	70%	N/A	N/A	92.18%	94.88%	97.58%	99.07%	100%	114%	102.27%
15	Reporting	Within 3 working days of month end	N/A	N/A	100%	100%	100%	100%	100%	100%	100%

As a result of the performance of the contractor and in compliance with the contract, the following sums will either be paid back to the Council from the contractor or the expenditure has not incurred by the Council:

Lost PCN income	= £20,598.75
Refund of CEO time	= £ 7,151.89
Cancellations	= £ 1,350.00
Total	= <u>£29,100.64</u>
PRP expenditure avoided	= <u>£ 7,797.76</u>

Deployment of CEO's

	Target Hours	KPI Hours	Actual Hours	Variance	PCN	Hours	Total
Apr-19	1,299.00	1,241.25	1,222.50	123.00	£3,075.00	£1,067.64	£4,142.64
May-19	1,365.00	1,304.25	1,291.55	84.45	£2,111.25	£733.03	£2,844.28
Jun-19	1,350.00	1,290.00	1,206.50	150.00	£3,750.00	£1,302.00	£5,052.00
Jul-19	1,437.00	1,360.29	1,427.10	51.00	£0.00	£0.00	£0.00
Aug-19	1,401.00	1,338.45	1,673.00	N/A	£0.00	£0.00	£0.00
Sep-19	1,350.00	1,282.30	1,260.30	109.30	£2,737.50	£950.46	£3,687.96
Oct-19	1,437.00	1,365.09	1,476.30	51.00	£0.00	£0.00	£0.00
Nov-19	1,386.00	1,316.42	1,443.00	52.30	£0.00	£0.00	£0.00
Dec-19	1,401.00	1,330.57	1,138.30	168.00	£4,200.00	£1,458.24	£5,658.24
Jan-20	1,437.00	1,365.09	1,212.00	225.00	£4,725.00	£1,640.52	£6,365.52
Feb-20	1,335.00	1,268.15	1,374.00	24.00	£0.00	£0.00	£0.00
Mar-20							
Total	15,198.00	14,438.10	13,591.43	1,038.50	£20,598.75	£7,151.89	£27,750.64

In addition to the above figures, the contractor has also lost 1 bit of their PRP payment for each month they fail the KPI, which equates to 6 x £243.68 = £1,462.08

Number of cancellations due to CEO error

	PCN's Issued	CEO Errors	KPI Target	Actual Performance	Result	CEO Errors Above Target	Lost PCN Income
Apr-19	1,013	8	0.5%	0.79%	Fail	3	£75
May-19	1,346	7	0.5%	0.52%	Fail	1	£25
Jun-19	1,297	14	0.5%	1.08%	Fail	8	£200
Jul-19	1,341	14	0.5%	1.04%	Fail	8	£200
Aug-19	1,384	4	0.5%	0.29%	Pass	0	£0
Sep-19	1,223	12	0.5%	0.98%	Fail	6	£150
Oct-19	1,214	14	0.5%	1.15%	Fail	8	£200
Nov-19	863	11	0.5%	0.98%	Fail	7	£175
Dec-19	691	11	0.5%	1.59%	Fail	8	£200
Jan-20	858	6	0.5%	0.70%	Fail	2	£50
Feb-20	813	7	0.5%	0.86%	Fail	3	£75
Mar-20			0.5%				
Total			0.5%				£1,350

In addition to the above figures, the contractor has also lost another 1 bit of their PRP payment for each month they fail the KPI, which equates to $10 \times £243.68 = £2,436.80$

Pay and park machine maintenance (downtime)

	No. of 1st line Faults	Fixed in 2 hours	No. of 2nd line Faults	Fixed in 20 hours	KPI Target	Actual Performance	Result
Apr-19	0	0	2	2	95%	100%	Pass
May-19	0	0	2	2	95%	100%	Pass
Jun-19	0	0	4	4	95%	100%	Pass
Jul-19	8	8	3	3	95%	100%	Pass
Aug-19	2	2	0	0	95%	100%	Pass
Sep-19	12	12	2	2	95%	100%	Pass
Oct-19	28	28	5	2	95%	60.00%	Fail
Nov-19	17	17	1	1	95%	100%	Pass
Dec-19	27	27	15	10	95%	66.67%	Fail
Jan-20	21	21	5	2	95%	100%	Pass
Feb-20	19	19	1	1	95%	100%	Pass
Mar-20							
Total							

The above performance shows that the contractor has also lost 1 bit of their PRP payment for each month they fail the KPI, which equates to 2 x £243.68 = £487.36

Bay Suspensions

	No. of Suspensions	Longer than 7 days	KPI Target	Actual Performance	Result
Apr-19	0	0	95%	100%	Pass
May-19	9	0	95%	100%	Pass
Jun-19	13	1	95%	92.31%	Fail
Jul-19	13	0	95%	100%	Pass
Aug-19	10	1	95%	90.00%	Fail
Sep-19	8	2	95%	75.00%	Fail
Oct-19	2	0	95%	100%	Pass
Nov-19	1	0	95%	100%	Pass
Dec-19	5	0	95%	100%	Pass
Jan-20	5	5	95%	100%	Pass
Feb-20	4	0	95%	100%	Pass
Mar-20					
Total					

The above performance shows that the contractor has also lost 1 bit of their PRP payment for each month they fail the KPI, which equates to $3 \times \text{£}243.68 = \text{£}731.04$

Contraventions identified by CCTV/ANPR and processed

	No. of Contraventions	No. processed	KPI Target	Actual Performance	Result
Apr-19	0	0	95%	No Info	Fail
May-19	9	0	95%	No Info	Fail
Jun-19	13	1	95%	No Info	Fail
Jul-19	13	0	95%	No Info	Fail
Aug-19	10	1	95%	No Info	Fail
Sep-19	8	2	95%	No Info	Fail
Oct-19	2	0	95%	No Info	Fail
Nov-19	1	0	95%	No Info	Fail
Dec-19	5	0	95%	No Info	Fail
Jan-20	5	5	95%	No Info	Fail
Feb-20	4	0	95%	No Info	Fail
Mar-20					
Total					

The above performance shows that the contractor has also lost 1 bit of their PRP payment for each month they fail the KPI, which equates to $11 \times \text{£}243.68 = \text{£}2,680.48$

3. Additional Performance Indicators

In compliance with the contract, year 3 will see the introduction of a further 3 KPI's, these are in addition to the 15 KPI's from year 2, the additional KPI's are set out below:

Service Objective	Key Outcome	Measurements (KPI's)	Targets	Comments	Information Sources
Improve the quality of service and the environment to residents and visitors to Dacorum	Good quality, motivated, and informed CEOs	Regular assessment and refresher training	Minimum Requirement <i>(If not met, then the KPI is automatically failed)</i>	The Service Provider will ensure that 100% of all CEOs receive regular assessment and on-going refresher training.	The Service Provider will supply copies of employees training plans, including any refresher training that has taken place for viewing
		Level of staff turnover	92%	Personnel turnover shall not exceed 8% of total staff on a monthly basis.	The Service Provider will provide turnover statistics monthly. Staff dismissed or requested to be removed from the contract by the Council, should not form part of this calculation.
Increase levels of compliance through efficient and effective operations	Administrative procedures Tolerance Level	Customer and Processing Services	2 failures per month	<p>Within 2 working hours' failure to log, scan, process or correctly allocate items of correspondence (post or email) on the day of receipt (during working hours) – Mon - Fri.</p> <p>Within 2 working hours' failure to take the required action to update the IT system as required, or to record case details correctly, within the appropriate timescales.</p> <p>Within 2 working hours failure to maintain adequate levels of stationery, PCN rolls, consumables, suspension notices or other stock required for public purchase or operational delivery (no tolerance)</p>	The question of whether a Penalty Charge cancellation is due to "Service Provider Error" shall be determined by reference to a list of reason codes for Penalty Charge cancellation corresponding to the reasons set out but not be limited to below, and as may be further determined by the Council from time to time.

Conclusions:

Overall the performance of Saba Park Services UK Ltd demonstrates that they continue to deliver an acceptable level of service. Where KPI' targets have not been achieved, this has had a financial implication on the contractor

The failure with the 'deployment of CEO's' KPI clearly demonstrates that Saba are experiencing some issues with staff retention although this is normal across this industry for this type of low paid job. Saba have attempted to cover their vacancies in the short term with agency staff, and it is believed that there is a correlation between this and the increase in the number of cancelled PCN's due to CEO error.

The governance arrangements that have been established appear to be appropriate for a contract of this size and nature and have been set up so to identify and address any issues or concerns with the performance of the contract regarding the service outcomes, statutory compliance and the commercial aspects.

The KPI's appear to be fit for purpose and ensure the performance of Saba Park Services UK Ltd is measured against set criteria and will enable new and/or improved KPI's to be developed in the future to encourage continuous improvement in both performance and service outcomes.

Recommendations

The recommendations for this Committee in relation to the performance of the Parking Enforcement contract over the last 10 months are set out below.

1. That Committee acknowledge that the performance of the contract is being monitored to an acceptable level.
2. That Committee note the introduction of an additional 3 KPI's from year 3.
3. That Committee decide if they would like the performance of this contract to continue to be presented to this committee.

Agenda Item 8



AGENDA ITEM:

SUMMARY

Report for:	Finance and Resources Overview & Scrutiny Committee
Date of meeting:	24 th March 2020
PART:	1
If Part II, reason:	

Title of report:	Quarter 3 Performance Report – Corporate and Contracted Services
Contact:	Cllr Andrew Williams, Portfolio Holder for Corporate and Contracted Services Author/Responsible Officers: Mark Brookes (Assistant Director – Corporate and Contracted Services) Ben Hosier – Group Manager (Procurement and Contracted Services) Farida Hussain - Group Manager (Legal and Corporate Services)
Purpose of report:	To provide Members with the performance report for quarter three in relation to Corporate and Contracted Services.
Recommendations	That Members note the report.
Corporate objectives:	Resources and Value For Money; Optimise Resources and Implement Best Practice.
Implications:	<u>Financial</u> None.
'Value For Money Implications'	<u>Value for Money</u>

	Monitoring Performance supports the Council in achieving Value for Money for its citizens.
Risk Implications	Risk Assessment completed for each service area as part of service planning and reviewed quarterly.
Equalities Implications	Equality Impact Assessment completed for each service area as part of service planning and reviewed quarterly.
Health And Safety Implications	None
Consultees:	Cllr Andrew Williams, Portfolio Holder for Corporate and Contracted Services
Background papers:	Annex: Quarter 3 Performance Report

1. Members will find attached to this report the Corvu performance data for Corporate and Contracted Services.

2. The only Operational Risk which falls within this area is CE_R01 Failure to deliver successful elections and there have been no changes to this risk during the first and second quarters. The UK Parliamentary General Election was held on 12th December 2019 which the team delivered successfully.

3. The services included in this report are those services which fall under the Assistant Director (Corporate and Contracted Services), which are Legal, Licensing, Corporate Support (which includes the now combined teams of Members Support, Electoral Registration and Corporate Support) and Procurement and Contracted Services.

LEGAL

The Legal Team

4. The Legal team frequently represent the Council in the courts and tribunals, leading on injunctions, prosecutions and defending employment tribunal cases and judicial review proceedings. In the last quarter the Legal team presented the following cases in court:-

Matter	Client/type	Case Detail
DBC v Marley King	Anti-social behaviour (ASB)	12 month injunction granted to prevent attendance at the forum to stop ASB towards council employees.
DBC V Tim, Barnes Lane, KL,	Flytipping	Community Order: 80 hours unpaid work to be completed 11/11/2020 and costs in the sum of £650
Ased Ashfaq	Licensing/Taxi review	Licence revoked on the grounds that a summons has been issued against Mr Ashfaq for death by dangerous driving
1 Marnham Rise, HH	ASB/Possession	Defendants application to suspend the warrant for eviction is dismissed and DBC awarded £6,500 in costs
DBC v Young The Square (Next to market sq), Hemel Hempstead	Flytipping	Fine: £1,500, Victim Surcharge: £150, Costs: £573.56, Collection order: £2,223.56 to be paid before 1 December 2019
DBC v Rochester (40 St Pauls Road, HH)	ASB Possession	Suspended possession order subject to payment of rent plus £3.85 p/wk and compliance with tenancy agreement. Payment of Council's costs of proceedings.

5. The team have been active completing a number of planning and conveyancing transactions bringing significant income into the Council. In the last quarter the team completed the following matters which may be of interest to Members:

- Completed the sale of Hicks Road Surgery, Markyate
- Completed the sale of 17 properties via Right to Buy scheme.

The Licensing Team

6. Key updates for the team are as follows:

- 22 Strikes issued to Taxi drivers for breach of conditions and other misconduct. 6 Strikes were to drivers already with one strike in the last 12 months, meaning those drivers are 1 strike away from being required to attend a Licensing and Health and Safety Enforcement Sub-Committee.
 - Many of the strikes were issued for failure to display required signage on vehicles, or failure to report incidents to the Council.
- New Animal Licensing Policy adopted by Licensing and Health and Safety Enforcement Committee
- One driver revoked for death by dangerous driving, and one suspended and required to complete an advanced driving course as a result of a motoring offence.

Corporate and Democratic Support

7. During Quarter 3, Corporate and Democratic Support carried out the following:

Committee meetings

- Published 23 agendas
- Completed 23 sets of minutes
- Processed 21 public speakers at Committee
- Published 8 Portfolio Holder Decisions
- Published 6 Officer Decisions

Member Development

In Q3, there have been five Member Development sessions:

- Planning Training – 3 October. This session was facilitated by Sara Whelan, Development Management & Planning Group Manager. This session had 16 attendees. Mandatory session.
- Planning Training – 10 October. This session was facilitated by Sara Whelan, Development Management & Planning Group Manager. This session had 17 attendees. Mandatory session.
- Social Media Training. This session was facilitated by David McGrath, Link Support Services. This session had 22 attendees (17 Borough and 5 Town and Parish Councillors). Mandatory session.
- Licensing Committee Training. This session was facilitated by an external provider, organised by Nathan March. This session had 6 attendees.
- Community Leadership Training. This session was facilitated by Alison Edwards, LGA. This session had 10 attendees (9 Borough and 1 Town and Parish Councillor).

Number of Councillors that did not attend any training in this quarter: 11.

Electoral Services

8. During Q3 we carried out the Annual Canvass which saw 64,890 Household Enquiry Forms issued across the borough. As a result of this the new 2020 Electoral Register was published. Due to the announcement of the Parliamentary Election being held in December, the new register had to be published earlier than usual and took place on the 7th of November 2019.

The Annual Canvass resulted in a 93% response rate.

HEF's Issued: 64,912
HEF's Responses: 60,443
HEF's Outstanding: 4,469

Responses Online: 44,130
Responses in Paper: 16,313

HEF's with Changes: 11,930
HEF's with No Changes: 48,513

In addition to the Annual Canvass, the team prepared for and carried out the successful running of the Parliamentary Election on 12th December 2019.

Due to the such high level of public interest, the team had many applications to be added to the Electoral Register, a significant amount of postal vote applications, overseas applications and proxy vote applications. We therefore increased the information available on the council's website and received 15,820 hits on the 'Elections 2019' page, a further 4,067 hits on the 'Register to Vote' information page and 4,442 hits on the 'Postal/Proxy application' information page.

We booked and staffed 55 Polling Stations and a further 30 stations were booked on behalf of Three Rivers Council – due to the Parliamentary boundaries, Dacorum was split with Three Rivers. Around 300 staff were appointed to man the Hemel Hempstead polling stations, attend the Verification and Count, Inspect the Polling Stations, open postal votes, deliver equipment and run the count tables.

12,887 Postal and Proxy Votes were issued for the Hemel Hempstead Constituency (2,011 of which were new applications, made since the first issue). A further 7,192 were issued for the South West Herts Constituency (run by Three Rivers Council)

As part of the count, 52,433 votes were counted for the Hemel Hempstead Constituency, giving a 70% turnout for this election.

Once again, the election saw the team work many hours to process all jobs required for the election, on time and to a high level of accuracy.

Procurement

10. A report on the updated Procurement Strategy and Procurement Standing Orders was presented to Finance & Resources Overview Scrutiny Committee on 22nd October, Cabinet on 12th November and were referred to Council on 27th November.

We have a number of procurement exercises and projects ongoing:

- Housing New Build Programme
- Consultancy Services for New Build Programme
- CCTV Upgrade & Maintenance
- Temporary Agency Staff
- Building Services Capital Works
- Forum Cafe

Parking Services

11. The parking enforcement contract continues to increase the level of compliant parking through the utilisation of ANPR CCTV technology.

The 2nd Year contractual KPI's have now been agreed and are being monitored monthly.

A report on the proposed on-street and off-street parking tariff increases was presented to F&R OSC on 13th November and discussed at the BTC Parking Forum on 19th November.

PH decisions have been produced for undertaking consultation on the tariffs which will commence 16th December directly after the Parliamentary election.

Space allocation and parking tariffs at the new MSCP have also been agreed in principle and consultation on these will commence prior to Christmas.

A report on the performance of the Parking Enforcement contract is in the Work Programme to be presented F&R OSC in March 2020.

Proposed on-street changes that have been worked on as follows:

- Heath Lane – bay removal
- Leverstock Green Centre – Amend waiting times
- Marlowes Changes – blue badge parking consultation
- Lockers Park - junction protection consultation

CCTV

12. The Service have installed a number of CCTV cameras for the Housing Service at the following sheltered housing schemes.

- Bunkers Park cemetery
- Kylna Court (bin store)
- Westerdale
- Three Cherry Trees
- Betty Patterson House
- Swallowfields

The Council have received 4 tender submissions for the upgrade/refresh programme and maintenance contract. These are currently being evaluated with a number of clarification questions being sent out to the bidders, a contract award decision is expected in Q3.

The Service continues to work with Huber on the operational and security aspects of the MSCP (CCTV, Alarm Receiving, Door Entry, Help Point, Barriers)

Discussion to take place with Lookers 5/12 concerning ARC services, this will require works to the current building, drawings have been reviewed and returned to architect to cost up.

Leisure Contract

13. Berkhamsted repairs have been verbally approved and will be ratified at Cabinet this month.

Works will be scheduled to be completed over the Christmas period. Officers are currently working with EA on communications and an open day to celebrate the huge investment from both parties.

Ongoing discussions with Hemel School in relation to a new dual-use agreement on the 5-a side football pitch and tennis courts.

Multi-Storey Car Park

14. The steel and concrete superstructure commenced in early August.

The construction programme is on track to conclude at the end of February 2020.

The concrete decking pour commenced in early November.

The concrete decking pour has been completed as has the electrical wiring to decks.

The living wall installation has been postponed until early spring as it is advised not to plant during winter.


Doors and windows will commence installation.

Due to issues with the UKPN 3rd party wayleave agreement it has now been decided to install a sub-station in the vicinity of the MSCP. This will reduce the number of dedicated blue badge spaces by one, Planning have been advised that this is acceptable.

The construction programme is on track to conclude in mid-February 2020.

OSC Report - Finance & Resources - Corporate and Contracted Services Dec-2019

Indicator Name	Results Dec-2019	Last Months Results Sep-19	Last Years Results Dec-18	RAG	Comments	Actions
Dacorum Delivers - Efficiencies						
FIN13 - Car Parking Income ytd budget against ytd actual	£1749227 Target: £1720830	£1178737 Target: £1085220	£1724990 Target: £1716090	0 0 4	Updater Comments: 2% up on target due to increased number of PCNs issued both on-street and off-street Approver Comments: The income is approx 2% above target. This will be regularly reviewed throughout the year.	N/A
Dacorum Delivers - Performance excellence						
LG03 - Percentage of Right to Buy documents sent to tenants/their Solicitors within 15 working days of receipt of full instructions	100% 10 / 10 Info Only	100% 20 / 20 Info Only	100% 14 / 14 Info Only		No Comments	No Info
LG06 - Percentage of housing possession proceedings commenced within 20 working days of receipt of full instructions	100% 2 / 2 Info Only	100% 0 / 0 Info Only	100% 1 / 1 Info Only		No Comments	No Info
LG09 - Percentage of prosecution proceedings commenced within 20 working days of receipt of full instructions	100% 5 / 5 Info Only	100% 0 / 0 Info Only	100% 5 / 5 Info Only		No Comments	No Info
Dacorum Delivers - Reputation and profile delivery						
DPA01 - Percentage of DPA requests met in 40 days	96.88% 31 / 32 Target: 100%	96.77% 30 / 31 Target: 100%	100% 22 / 22 Target: 100%	1 2 1	Updater Comments: One late (Property & Place)	No Info
CS02a - Percentage stage 1 complaints resolved in 15 days for the Council	85.48% 53 / 62 Target: 80%	71.88% 46 / 64 Target: 80%	89.09% 49 / 55 Target: 80%	2 0 2	No Comments	No Info
CS02b - Percentage stage 2 complaints resolved in 15 days for the Council	100% 1 / 1 Target: 80%	100% 5 / 5 Target: 80%	No Data 0 / 0 Target: 80%	1 0 3	Updater Comments: Only one during this quarter which was completed on time.	No Info

Indicator Name	Results Dec-2019	Last Months Results Sep-19	Last Years Results Dec-18	RAG 	Comments	Actions
FOI01 - Percentage FOI requests satisfied in 20 days	87.57% 148 / 169 Target: 100%	91.75% 189 / 206 Target: 100%	98.24% 167 / 170 Target: 100%	3 1 0	Updater Comments: Depts Missed; Property and Place 4 Revenues and Benefits 2 Legal Governance 1 Planning 4 Democratic Services 2 Strategic Housing 2 ICT 1 Environmental Services 1 Regulatory Services 1 CMT 1 Commercial Assets & Property 2 Democratic Services excused due to election duties	No Info
MS01 - Average number of training opportunities taken up per Member	No Data Info Only	0.3 Opportunities Info Only	0 Opportunities Info Only		No Comments	No Info



Agenda item:

Summary

Report for:	Finance & Resources Overview and Scrutiny Committee
Date of meeting:	24 th March 2020
Part:	1
If Part II, reason:	

Title of report:	Finance & Resources Performance and Operational Risk Report Quarter 3 2019/20
Contacts:	Cllr Graeme Elliot, Portfolio Holder for Finance & Resources Nigel Howcutt, Assistant Director, Finance and Resources.
Purpose of report:	To provide Committee with analysis of quarterly performance and risk management within Finance & Resources for the 3rd quarter 2019/20, September – December.
Recommendations	That Committee notes the contents of the report and the performance of Finance & Resources for Quarter 3, 2019/20.
Corporate objectives:	The provision of effective financial services and the allocation of resources such as assets and facilities support all five of the Council's corporate objectives, with particular reference to <i>Ensuring efficient, effective and modern service delivery</i> and, through Revenues, Benefits and Fraud division, <i>Building Strong and Vibrant Communities</i> .
Implications:	<u>Financial</u> Contained within the body of the report.
'Value for money' implications	<u>Value for money</u> Contained within the body of the report.
Risk implications	Contained within the body of the report
Equalities implications	None
Health and safety Implications	There are no health and safety implications.
Consultees:	Group Manager (Commercial Assets & Property Development) Group Manager (Financial Services) Group Manager (Revenues, Benefits and Fraud)
Background papers:	Previous performance reports to Scrutiny.

Glossary of acronyms and any other abbreviations used in this report:	F&R OSC- Finance and Resources Overview and Scrutiny Committee.
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1. Risk and Performance reports are presented to Overview and Scrutiny Committees on a quarterly basis. They provide Members with an opportunity to scrutinise performance against a range of key indicators, and to review how the key risks facing the Services are being managed.
2. The attached appendices provide comprehensive risk and performance information for Finance & Resources for Quarter 3 of 2019/20 (October – December).

Appendix A – Finance & Resources Qtr 3 Performance Report.

Appendix B – Finance and Resources Qtr 3 Operational Risk Register.

3. The Performance Report, Appendix A, highlights that 13 out of 16 KPI's have been reported as green and overall Operational performance is strong. There are 3 amber rated KPI's;
 - **FIN03 General Fund outturn projection** – As reported in detail to cabinet and Scrutiny in February the General Fund expenditure outturn forecast is reported as a £148k variance which is less than 1% of the operational budget. Mitigation plans are being implemented to deliver a balanced outturn.
 - **RBF06 Council Tax Customer Contact response 14 days** – The performance in Qtr 3 is narrowly 1% short of target due to additional projects undertaken in this quarter, but is ahead of the same quarter performance in the prior year.
 - **RBF05 – Council Tax Collection rate** – The service is 0.1% behind target and is working on improving this rate to achieve the outturn target.
4. All scores as set out in the Operational Risk Register at Appendix B have been reviewed for 2019/20 Quarter 3, and comments added to the report.
5. As at quarter 3 controls and mitigations in place for operational risk are deemed to be strong.

OSC Report - Finance & Resources - Finance and Resources Dec-2019

Indicator Name	Results Dec-2019	Last Months Results Sep-19	Last Years Results Dec-18	RAG	Comments	Actions
Dacorun Delivers - Efficiencies						
RBF01 - Average time taken to decide a new claim for Housing Benefit	12 Days 2226 / 185 Target: 20 Days	14.7 Days 3217 / 219 Target: 20 Days	16.8 Days 8303 / 495 Target: 20 Days	0 0 4	Updater Comments: Performance over the quarter has been consistently good.	No Info
RBF02 - Average time taken to decide a change event for Housing Benefit	7 Days 25225 / 3617 Target: 9 Days	5.5 Days 27288 / 4936 Target: 9 Days	7.8 Days 38322 / 4932 Target: 6 Days	0 0 4	Updater Comments: Processing times are being kept at a consistent level.	No Info
FIN03 - General Fund expenditure - outturn forecast against budget	£21705000 Target: £21069000	£17157000 Target: £16605000	£17773000 Target: £17335000	0 4 0	Approver Comments: The position reported is that at the end of November 2019 (period 8), the latest approved position available. The key variances are detailed in the supporting financial reporting for that period.	No Info
FIN04 - HRA expenditure outturn forecast against budget	£55509000 Target: £55831000	£55627000 Target: £55831000	£56024000 Target: £56070000	0 0 4	Approver Comments: The position reported is that at the end of November 2019 (period 8), the latest approved position available. The key variances are detailed in the supporting financial reporting for that period.	No Info
FIN05 - HRA income - outturn forecast against budget	£55853000 Target: £55831000	£55899000 Target: £55831000	£56175000 Target: £56070000	0 0 4	Approver Comments: The position reported is that at the end of November 2019 (period 8), the latest approved position available. The key variances are detailed in the supporting financial reporting for that period.	No Info
FIN06 - General Fund Capital Expenditure - outturn forecast against budget	£20041733 Target: £20242452	£20310301 Target: £20722687	£17005866 Target: £19200477	0 0 4	Approver Comments: The position reported is that at the end of Quarter 2, the latest approved position available. The key variances are detailed in the supporting financial reporting for that period.	No Info
FIN07 - HRA Capital Expenditure: outturn forecast against budget	£40742325 Target: £43050027	£43050027 Target: £43844908	£26287037 Target: £36028557	0 0 4	Approver Comments: The position reported is that at the end of Quarter 2, the latest approved position available. The key variances are detailed in the supporting financial reporting for that period.	No Info
FIN08 - Investment income: outturn forecast against budget	£772640 Target: £623000	£751590 Target: £623000	£706620 Target: £548000	0 0 4	No Comments	No Info

Indicator Name	Results Dec-2019	Last Months Results Sep-19	Last Years Results Dec-18	RAG	Comments	Actions
FIN11 - Investment Property Income ytd budget against ytd actual	£4894200 Target: £4837273	£3438801 Info Only	£4632716 Info Only	0 0 2	Updater Comments: Broadly in line with target	No Info
RBF06 - Council Tax customer contact response (percentage of contacts responded to within 14 days)	97% 10105 / 10383 Target: 98%	97% 9156 / 9401 Target: 89%	96% 9177 / 9565 Target: 98%	0 2 2	Updater Comments: During this quarter we undertook a review of single person discount, which resulted in an increase in complex queries and documents which stretched the resources of the team. Despite this, we were still close to target and responded to 97% of customer contacts within two weeks of receipt. Approver Comments: This is a good result for the team, matching last year's result despite an 8% increase in incoming work.	No Info
Dacorum Delivers - Performance excellence						
FIN01 - Percentage of credit trade invoices paid within 30 days	98.2% 3253 / 3311 Target: 97%	97.6% 3012 / 3087 Target: 97%	98.5% 2797 / 2841 Target: 97%	0 0 4	No Comments	No Info
FIN02a - Time taken for debtors to pay	33.8 Days Target: 40 Days	19.9 Days Target: 40 Days	30 Days Target: 40 Days	0 0 4	Approver Comments: The reported position has deteriorated from the prior period due to the issue of quarterly bills from key income generating services during December. Performance is expected to improve in the next reporting period.	No Info
Dacorum Delivers - Value for money						
RBF04 - NNDR (Business Rates) in-year collection rate	77.5% Target: 76.6%	51.5% Target: 51%	76.6% Target: 76.5%	0 1 3	Approver Comments: Performance has been strong so far, but we remain cautious about Q4 given the various media stories about difficult trading conditions for businesses.	No Info
RBF05 - Council Tax collection rate	84.8% Target: 84.9%	57.2% Target: 57%	85.4% Info Only	0 1 2	Approver Comments: The collection level is lower than at the same point last year due to the number of people moving to 12 instalments rather than 10. We are due to receive more money during February and March than in past years, which will bring us back to target.	No Info
Regeneration - Drive value from Council owned assets						

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Indicator Name	Results Dec-2019	Last Months Results Sep-19	Last Years Results Dec-18	RAG	Comments	Actions
CP01 - Percentage of commercial property occupation	95.73% 583 / 609 Target: 95%	96.06% 585 / 609 Target: 95%	96.06% 585 / 609 Target: 95%	0 0 4	Updater Comments: 26 voids in total. 18 void properties (69%) need refurbishment or substantial remedial works before they could be marketed. There are 2 (8%) properties which are in a marketable condition. TA are looking at a number of maisonettes which if taken would reduce voids significantly. There were no completions in Dec but there are 6 properties under offer (23%) which should complete shortly.	No Info
CP02 - Percentage arrears on commercial property rents	8% 445359 / 5831632 Target: 8%	7% 401638 / 5831632 Target: 8%	6% 284313 / 5006201 Target: 8%	0 0 4	No Comments	No Info



Quarter 3 Operational Risk Report

Dec-2019

Summary

The over all risk score for each or the risks highlighted within this report are arrived at by multiplying the score given for the probability of the risk happening and the severity of the consequences of this risk.

The probability and severity are scored 1-4 relating to their severity as shown in the below table

The severity of the overall risk score can also be found in the below table

Risk Score	Probability	Severity
1	Low	Low
2	Medium	Medium
3	High	High
4	Severe	Severe

Overall Score	RAG
0 - 4	Green
6 - 10	Amber
12 - 16	Red

Inherent Probability	Inherent Impact	Inherent Risk Score	Mitigated Probability	Mitigated Impact	Mitigated Risk Score
Finance & Resources					
FR_F02 Delays to Capital programme					Nigel
4	2	8	3	2	6
FR_F03 Variances in General Fund revenue budget					Nigel
3	2	6	2	2	4
FR_I02 Failure to optimise income generated by commercial assets					Nigel
3	3	9	2	3	6
FR_R01 Council Tax and Business Rates collections rates drop below budget					Nigel
3	2	6	3	2	6
FR_R02 Delays and errors in the processing of Benefits claims					Nigel
4	3	12	3	2	6

FR_F02 Delays to Capital programme

Quarterly Update

There is only a minor budget pressure of less than 2% and a slippage of around 8%.

The Capital programme setting and monitoring processes have been reviewed by Internal Audit in February 2020 and the system design is rated as good and the effectiveness of the operational controls are also rated as good.

Inherent Impact	Inherent Probability	Inherent Risk Score
2	4	8
Mitigated Impact	Mitigated Probability	Mitigated Risk Score
2	3	6

LabelImpactTitle

Many of the major projects within the Capital Programme are fundamental to delivery of the Council's corporate objectives. Therefore significant delays can impact on the achievement of the corporate plan.

Financial decision-making is negatively affected if the profiling of projects in the Capital Programme are inaccurate. This can result in lost investment income or increased interest costs as the Council moves closer to the point where it will need to borrow.

The estimated delivery date is considered as part of the decision to allocate capital funds to one project over another. If estimated timings are not accurate, there is a risk that the allocation of funds is not being decided on appropriately.

If inaccurate project management is tolerated, there is a risk that the culture of financial management across the Council will be negatively affected which will have consequences for wider financial decision-making.

Not delivering major projects within the timeframe to which it has committed itself exposes the Council to reputational risk.

Controls to manage the risk

The controls that have been implemented to mitigate this risk target the robustness of capital bids both at the time they are submitted and throughout the delivery phase of the projects.

In particular, scrutiny is focussed on those elements of the capital bid that experience indicates are the primary cause of delays to capital projects. These include

- How robust are the assumptions on the estimated duration of the procurement exercise?
- How realistic is the estimated time taken for contractors to deliver the works?
- How realistic are the assumptions on officer availability to manage the project on time?

The rationale behind this approach is that an increased culture of challenge will lead to more realistic programming of future capital projects, and therefore a reduced likelihood of slippage.

The following controls are in place with a view to developing a culture of scrutiny and challenge for officers to improve the accuracy of future bids:

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

Evidence the risk is being managed

The majority of the current £63m capital programme, is to be delivered on time and to schedule. There is only a minor budget pressure of less than 2% and a slippage of around 8%.

The Capital programme setting and monitoring processes have been reviewed by Internal Audit in February 2020 and the system design is rated as good and the effectiveness of the operational controls are also rated as good.

Risk Owner : Nigel Howcutt Portfolio holder : Graeme Elliot

FR_F03 Variances in General Fund revenue budget

Quarterly Update

The Qtr 3 General Fund pressure reported was £148k, which was an increase quarter on quarter of £22k. This equates to less than 1% of the net cost of services for the council.

Inherent Impact	Inherent Probability	Inherent Risk Score
2	3	6
Mitigated Impact	Mitigated Probability	Mitigated Risk Score
2	2	4

LabelImpactTitle

Accurate, well-controlled budgeting relates directly to the achievement of ensuring efficient, effective and modern service delivery a core corporate objective, and indirectly, through the financial decision-making process, to the achievement of all of the Council's corporate objectives.

Inaccurate budgeting negatively affects the Council's ability to make evidence-based decisions. A significant underspend at year-end could indicate that funds have been needlessly diverted from a competing priority. A significant overspend at year-end could result in reserves being used to support lower priority objectives. Both of these could result in reputational damage for the Council.

Failure to address the causes of inaccurate budgeting could negatively impact the Council's culture of financial management, which in turn increases the risk of poor financial decision-making.

Controls to manage the risk

The following controls aim to reduce the probability of there being a variance in the General Fund Revenue Budget by ensuring that there is strong challenge put to Budget Holders on the robustness of their assumptions, from a range of audiences.

It is intended that these controls will increase the opportunity for flawed assumptions to be exposed as soon as possible, as well as incorporating a stronger culture of financial management across the Council leading to continuous improvement in the setting of accurate budgets.

The annual budget-setting process consists of an ongoing scrutiny process in which senior officers from across the Council, together with the Financial Services team, challenge the budget bids from Group Managers.

This scrutiny process is augmented by the Budget Review Group (BRG), consisting of Chief Officer Group and representatives from the Portfolio Holder group, which provides early Member-level challenge.

There are two opportunities for OSCs to scrutinise the budget proposals and directly question the relevant officers before the budget report is finalised and considered by Cabinet and Council.

Once approved, in-year budget performance is managed through monthly meetings between accountants and budget holders, which underpin monthly reports to CMT and quarterly reports to Cabinet and OSCs.

The Council's Financial Regulations provide a guide to all budget-holders and are subject to annual review.

Evidence the risk is being managed

At year end 2018/19 the general fund returned a balanced budget with the ongoing mitigation plans assisting in delivering a balanced budget.

The Qtr 3 General Fund pressure reported was £148k, which was an increase quarter on quarter of £22k.

Risk Owner : Nigel Howcutt Portfolio holder : Graeme Elliot

FR_I02 Failure to optimise income generated by commercial assets

Quarterly Update

At present the 26 vacant commercial properties, include 18 that are undergoing remedial work or refurbishment, 2 that are presently marketed and 6 under offer.

Inherent Impact	Inherent Probability	Inherent Risk Score
3	3	9
Mitigated Impact	Mitigated Probability	Mitigated Risk Score
3	2	6

LabelImpactTitle

The council has a significant portfolio of commercially let properties, which provides one of the council's largest sources of income.

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

A failure to achieve commercial income levels would put a further pressure on the council to either achieve income through other services or reduce the cost of service delivery.

Controls to manage the risk

The following controls aim to mitigate the risk of under-performance of the Council's commercial assets;
Monthly monitoring and reporting on commercial income performance,
Reviewing any void properties to maximise useage,
Maintaining good communication links between relevant Council services and leaseholders to ensure the service is fully informed of the current market conditions and options, and by regularly monitoring performance against targets (see KPIs CP01 and CP02) to ensure that underperformance is identified and addressed as quickly as possible. The existence of these controls has led to the 'Inherent Probability' of this risk occurring reducing from a score of 3, to a Residual Probability of 2 (i.e. after controls implemented).

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

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

Evidence the risk is being managed

In 2018/19 the commercial property service achieved occupancy of 96.2% with rent arrears of only 5%. This performance is above the targeted KPI levels and well ahead of commercial expectations.

Another strong yearly performance to date in the commercial assets team. Income is achieving budgeted levels and occupation is at 96% with only 26 out of 609 commercial properties vacant.

Marketing and refurbishment continues as the service strives to maximise occupancy levels.

Risk Owner : Nigel Howcutt Portfolio holder : Graeme Elliot

FR_R01 Council Tax and Business Rates collections rates drop below budget

Quarterly Update

At present the Business rates collection rates are exceeding expectations by 0.9% and the Council Tax collection rate is 0.1% behind the expected levels. The profiling of the collection of these taxes is notoriously difficult to project. The additional reliefs for business rates and the ongoing roll out of 12 month collection of council tax are making projections more difficult.

Inherent Impact	Inherent Probability	Inherent Risk Score
2	3	6
Mitigated Impact	Mitigated Probability	Mitigated Risk Score
2	3	6

LabelImpactTitle

Distribution of collection fund to other preceptors is based on the budgeted collection level, if collection falls short this could lead to a cashflow issue within the Council's finances. The fund distribution is balanced after the end of the financial year.

Reputational risk if collection rate falls significantly – this could also impact on future years' council tax base leading to increased budget pressures.

Financial risk in relation to business rate retention scheme if rates collection falls below government set baseline.

Controls to manage the risk

The following controls aim to identify as quickly as possible if the Council is falling behind on its collection rates target for the year. If a problem is identified, the Council is then able to invoke a range of options to minimise the ongoing negative impact on collection.

Controls.
 Profiled monthly collection rates are monitored monthly - see KPIs RBF04 and RBF05. Reasons for variances are then investigated in order to address problems as quickly as possible.

Direct debit payment is recommended for all customers – a pre-filled instruction is sent to all non-DD payers with their annual bill or a first bill for a new taxpayer. The direct debit method reduce the risk of under-collection because it eliminates the risk of a payer forgetting to make a monthly payment.

There is an active programme for taking formal recovery action against non payers.

Evidence the risk is being managed

At quarter 3 the CT and Business rates collection overall has achieved expected levels, with CT being slightly behind target by 0.1% and Business rates being 0.9% above targetted levels. These collection rates are very difficult to predict and careful monitoring is required up to the end of the financial year.

Risk Owner : Nigel Howcutt Portfolio holder : Graeme Elliot

FR_R02 Delays and errors in the processing of Benefits claims

Quarterly Update

The benefits service are achieving their KPI's and delivering a strong performance to the residents of Dacorum. The service is constantly having to react to updates in relation to Universal Credit and is awaiting further details on the ongoing Universal Credit roll out.

Inherent Impact	Inherent Probability	Inherent Risk Score
3	4	12
Mitigated Impact	Mitigated Probability	Mitigated Risk Score
2	3	6

LabelImpactTitle

This risk links to the corporate objective Ensuring efficient, effective and modern service delivery.

Customers could suffer personal hardship resulting from delays or errors in the processing of claims.

Significant reputational risk associated with high-profile errors.

Staff time spent on addressing unnecessary errors leads to duplication of effort and is an inefficient use of resources.

Government subsidy for housing benefit expenditure is based on external audit certification of the claim made. There is financial risk if errors on cases are identified during their testing.

Communications with claimants needs to be well written and jargon-free in order to reduce the risk of repeat queries which puts pressure on limited staff resources.

Controls to manage the risk

The controls in place aim to mitigate this risk by closely monitoring performance to assist with effective decision-making around resource allocation. This is a heavily process driven service area and close monitoring also helps to identify bottle necks in the process which need to be improved to optimise performance. By subjecting the process to this regular in-depth scrutiny the Service is able to reduce the probability of the risk crystallising, hence the reduction between the Inherent Risk score (4) and the Residual Risk score (2) after the controls have been taken into account.

Controls.

Quality checking and individual performance management is in place. These mean that each officer has targets for their personal productivity and accuracy, and information from quality checks is fed back in order to sustain improvement.

Average time taken for processing new claims and changes in circumstances forms part of monthly monitoring.

Processes are in place to expedite cases where the customer is vulnerable or facing eviction. These processes start when a case is identified within benefits, or by customer services, homelessness, housing etc.

Monthly meetings are held between senior officers within Finance & Resources to monitor detailed performance levels at each stage of the claims process.

This enables intermediary targets to be set for discrete elements of the process, which in turn enables the more effective monitoring which has resulted in significantly improved performance over time.

Evidence the risk is being managed

The KPI's for the housing benefit service in Qtr 3 are being achieved. The average time to process a change of housing benefit daims is 7 days for Qtr 3 against a target of 9 days, and the time taken to complete new claimants is 12 days against a target of 20.

Agenda Item 11



Report for:	Finance and Resources Overview and Scrutiny Committee.
Date of meeting:	24th March 2020
Part:	1
If Part II, reason:	

Title of report:	Allotment Service Update.
Contact:	Graeme Elliot, Portfolio Holder for Finance and Resources. Author/Responsible Officers: Nigel Howcutt (Assistant Director Finance and Resources) Richard Rice (General Manager Commercial Assets and Property Development)
Purpose of report:	1. To provide members with an outline of the Allotment service provided to DBC residents.
Recommendations	1. To note the content of the report.
Review	To be reviewed annually as part of the budget setting process.
Corporate Objectives:	A clean safe and enjoyable environment. Building Strong and Vibrant Communities.
Implications:	<u>Financial</u> The Allotment Service has an annual Revenue budget of £10k p.a. to cover ongoing maintenance and upkeep. In addition to this the 20/21 budget setting process, approved an ongoing £40k p.a. capital budget for the next 3 years, to further improve and invest in the allotments.
'Value for money' implications	<u>Value for money</u> The service as a whole is a net cost to the council, but the benefits the service provides to residents is in line with the corporate plan objectives. The allotment service provides an opportunity for residents to get involved in interacting with the

	<p>green space in the borough and also it assists in building stronger communities.</p> <p>The service is one that the council see as a real investment in both local communities and the local ecological environment.</p>
Risk implications	N/A
Community Impact Assessment	No changes to service provision so existing Community Impact Assessment still relevant.
Health and safety Implications	N/A
Consultees:	<p>Graeme Elliot Portfolio Holder Finance and Resources.</p> <p>Richard Rice (GM Commercial Assets and Property Development)</p> <p>Adriana Livingstone (Team Leader Valuation and Estates)</p> <p>Chris Price (Outdoor Recreation Officer)</p>
Background papers:	N/A
Glossary of acronyms and any other abbreviations used in this report:	GM – General Manager

Introduction/Background:

The Finance and Resources Scrutiny Committee in February requested a report in to the operation and utilisation of the allotment service.

DBC operates 500 allotment plots over 16 different locations and charges £30 a year per standard plot, see Appendix A for the details of the allotment sites.

To apply for an allotment residents need to go to the website input their details and they are added to the waiting list. The waiting list is a live document that is monitored and reviewed on an ongoing basis, and includes residents site preferences. The present waiting list contains 283 residents.

Key Service Performance and Strategy.

The allotment service re lets about 150 allotments per year on average (30%) of the total plots available.

Demand for allotments in the last 4 or 5 years has increased and the concept of renting an allotment is one that is now very high in public perception, and this brings both positive and negative outcomes.

The desire to have an allotment is not always supported with a good understanding and ability to maintain and manage an allotment. As a result in the last 2 years, on

average circa 30% of new/first time allotment tenants are unsuccessful within the first year, with allotments being either returned or taken back by the council.

This creates additional work in the volume of re lets required and also in the majority of cases requires investment to get the plots back up to a lettable standard.

The positive is that the increased demand has meant that the council now has a significant waiting list of residents so that plots can be re let quickly.

At present the occupancy of the allotments is at 91% with only 43 vacant plots. The 43 vacant plots are made up of 36 plots that are under maintenance prior to being re let and 7 plots that are currently under offer to residents on the waiting list, see appendix A for the details of these sites. If the present plots under offer are accepted that would deliver an occupancy rate of 93%.

Allotment Plot Lettings and Management.

There is a lease agreement that new tenants agree to when they take on a new allotment. The lease includes terms and conditions that DBC manages on an ongoing basis.

The Outdoor recreation officer regularly inspects the sites and will also discuss issues with volunteer wardens, where they exist. If issues are raised over upkeep, security or unworked plots the officer will communicate with the tenants and take the required action. The action taken would vary dependent on the circumstances and outcome of that communication but could include a series of warning letters, and potentially end with a Notice to Quit (NTQ) being issued.

Maintenance Programme.

The service has an ongoing maintenance programme in 20/21 that is split into 2 separate work streams.

Work stream 1: Ongoing Maintenance.

Standard ongoing maintenance projects on a small number of allotments that are returned/taken back by DBC in an overgrown state. This work is undertaken as and when required.

Work stream 2: Major works.

This is aimed at tackling the more extensive works on plots that have been untenable for a period of time and require enhanced works. This is a new programme that will be initiated in 2020/21, and is funded through the NEW additional approved £40k capital investment.

These funds are initially targeting 3 main projects in 20/21;

Project 1 Windmill Rd: The site is heavily overgrown and unused in entirety. The site has a couple of secondary issues to the overgrown nature of the vegetation in that the access to the site is limited and the site is suffering from low level fly tipping.

Planning is underway at present and work will be underway on this site in the summer of 2020 with a plan to have the site completed by the spring of 2021 and the start of the new growing season.

Project 2 Chambersbury Lane: Around 6 overgrown plots require maintenance and the access and boundary fences of the site require further maintenance.

Project 3 Adeyfield Rd: Around 8 overgrown plots require maintenance and the access and boundary fences of the site require further maintenance.

Recommendations:

To note this report and promote the allotment service to your residents.

The proposed work that is to be undertaken at Windmill Rd is to increase the quality and appearance of the site, to try and resolve the historical difficulty in regards to demand for this site.

Appendix A

Allotment Data - March 2020

Site	No of Plots	Tenants	Vacant
Adeyfield Rd.	25	19	6
Windmill Rd	13	2	11
Chambersbury Ln.	15	11	4
Bennetts End Old & New site.	55	49	6
Homefield Road.	14	14	0
Gravel Hill.	87	80	7
Candlefield Walk.	12	11	1
Chaulden Lane.	146	140	6
Sheepcote Road.	12	11	1
Bury Road.	29	28	1
Brickmakers Lane.	34	34	0
Farland Road.	14	14	0
Widmore Drive South.	3	3	0
Widmore North.	11	11	0
Hobletts Rd.	8	8	0
High St Green.	22	22	0
Total.	500	457	43
	Present Occupancy		91.40%

Agenda Item 12

Clerk: Trudi Angel (x2224)

Finance and Resources Overview & Scrutiny Committee: Work Programme 2020/21

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

Meeting Date	Report Deadline	Items	Contact Details	Background information
9 June 2020	29 May 2020	Action Points (from previous meeting)		
		Provisional Financial Outturn 2019/20	Assistant Director, Finance & Resources Nigel.howcutt@dacorum.gov.uk	
		Corporate & Contracted Services Q4 Performance Report	Assistant Director, Corporate & Contracted Services Mark.brookes@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
		Performance, People & Innovation Q4 Performance Report	Assistant Director, Performance, People & Innovation linda.roberts@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
		Berkhamsted Sports Centre	Assistant Director, Corporate & Contracted Services Mark.brookes@dacorum.gov.uk	
		Garages	Assistant Director, Performance, People & Innovation linda.roberts@dacorum.gov.uk	
		New Normal	Assistant Director, Performance, People & Innovation linda.roberts@dacorum.gov.uk	
		Medium Term Financial Strategy	Corporate Director, Finance & Operations James.deane@dacorum.gov.uk	
7 July 2020	26 June 2020	Action Points (from previous meeting)		

8 Sept 2020	27 August 2020	Action Points (from previous meeting)		
		Budget Monitoring Report	Assistant Director, Finance & Resources Nigel.howcutt@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
		Finance & Resources Q1 Performance Report	Assistant Director, Finance & Resources Nigel.howcutt@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
		Corporate & Contracted Services Q1 Performance Report	Assistant Director, Corporate & Contracted Services Mark.brookes@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
		Performance, People & Innovation Q1 Performance Report	Assistant Director, Performance, People & Innovation linda.roberts@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
13 October 2020	2 October 2020	Action Points (from previous meeting)		
3 November 2020	23 October 2020	Action Points (from previous meeting)		
		Budget Monitoring Report	Assistant Director, Finance & Resources	<i>To review and scrutinise</i>

			Nigel.howcutt@dacorum.gov.uk	<i>quarterly performance</i>
		Finance & Resources Q2 Performance Report	Assistant Director, Finance & Resources Nigel.howcutt@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
		Corporate & Contracted Services Q2 Performance Report	Assistant Director, Corporate & Contracted Services Mark.brookes@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
		Performance, People & Innovation Q2 Performance Report	Assistant Director, Performance, People & Innovation linda.roberts@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
Joint Budget		***Joint Budget*** ***** <i>Ideally no further items to be added</i>	Corporate Director, Finance & Operations James.deane@dacorum.gov.uk	
6 January 2021	29 December 2020	Action Points (from previous meeting)		
Joint Budget		***Joint Budget*** ***** <i>Ideally no further items to be added</i>	Corporate Director, Finance & Operations James.deane@dacorum.gov.uk	
2 February 2021				
9 March 2021	26 February 2021	Action Points (from previous meeting)		

	Budget Monitoring Report	Assistant Director, Finance & Resources Nigel.howcutt@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
	Finance & Resources Q3 Performance Report	Assistant Director, Finance & Resources Nigel.howcutt@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
	Corporate & Contracted Services Q3 Performance Report	Assistant Director, Corporate & Contracted Services Mark.brookes@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
	Performance, People & Innovation Q3 Performance Report	Assistant Director, Performance, People & Innovation linda.roberts@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>

Items to be scheduled: