



Public Document Pack

FINANCE AND RESOURCES OVERVIEW AND SCRUTINY AGENDA

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

TUESDAY 2 NOVEMBER 2021 AT 7.30 PM

CONFERENCE ROOM 1

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 Herbert Chapman	Councillor Sinha
Councillor Guest	Councillor Townsend
Councillor Tindall	Councillor Claughton
Councillor Adeleke	Councillor Symington
Councillor Arslan	Councillor Allen
Councillor Mahmood	Councillor Douris
Councillor Mahmood (Chairman)	

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

AGENDA

- 1. MINUTES** (Pages 3 - 12)
To confirm the minutes of the meeting of 7th September 2021.
- 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 (Page 13)

7. QUARTER 2 BUDGET MONITORING REPORT (Pages 14 - 31)

8. QUARTER 2 PERFORMANCE REPORT - FINANCE & RESOURCES (Pages 32 - 34)

9. QUARTER 2 PERFORMANCE REPORT - CORPORATE & CONTRACTED SERVICES (Pages 35 - 48)

10. QUARTER 2 PERFORMANCE REPORT - PERFORMANCE, PEOPLE & INNOVATION (Pages 49 - 52)

11. APPENDIX TO PERFORMANCE REPORTS (Pages 53 - 64)

12. BERKHAMSTED SPORTS CENTRE (Pages 65 - 87)

13. WORK PROGRAMME (Pages 88 - 89)

MINUTES

FINANCE & RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

7 SEPTEMBER 2021

Present:

Cllr Adeleke
Cllr Allen
Cllr Arslan
Cllr Claughton
Cllr Chapman
Cllr Douris

Cllr Sobaan Mahmood
Cllr Suqlain Mahmood (Chairman)
Cllr Symington
Cllr Sinha
Cllr Tindall
Cllr Townsend (Vice-Chairman)

Officers:

N Howcutt	Assistant Director – Finance and Resources
M Brookes	Assistant Director – Corporate and Contracted Services
L Roberts	Assistant Director – Performance, People and Innovation
B Hosier	Group Manager – Procurement and Contracted Services
F Hussain	Group Manager – Legal and Corporate Services
B Trueman	Group Manager – Technology and Digital Transformation
F Jump	Group Manager – Financial Services
M Kange	Corporate and Democratic Support Lead Officer (Minutes)

The meeting began at 19.32 pm.

FR/041 /21 MINUTES

The minutes of the meeting held on 6 July 2021 were agreed by the members present and then signed by the Chairman.
Cllr Symington wanted it noted that she did send apologies for the last meeting, although this was not reflected in the minutes.

FR/042 /21 APOLOGIES FOR ABSENCE

There were apologies from Cllrs Guest and Arslan

FR/043 /21 DECLARATIONS OF INTEREST

There were no declarations of interest.

FR/044 /21 PUBLIC PARTICIPATION

There was no public participation.

FR/045 /21 CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO A CALL-IN

None.

FR/046 /21 ACTIONS FROM THE PREVIOUS MEETING

The Chairman advised there were no action points from the previous meeting. The Chairman advised that the question about the car parking would be addressed in the new report.

FR/047 /21 BUDGET MONITORING REPORT

NH was invited to talk through the budget monitoring report, noting the change in format and style of the report so it is more service driven. NH is open to feedback on the report. There is a general fund pressure of circa £1 million, of which £0.7 million is linked to COVID and £0.3 million is linked to non-COVID risks. One of those non-COVID pressures is the lack of temporary accommodation which could be argued is partly due to COVID.

There is no movement in the capital for the Q1 programme. This isn't to say there won't be changes, but these will be known by Q2. The HRA is largely on budget with a £50 million budget and a variance of only £59,000. The reason for the variance is due to 10% of the capital programme slipping into 2022/23 due to COVID linked delays. The COVID linked delays extend as far as tender processes needing to be longer, lack of resources and skilled workforce and materials. There is still uncertainty around COVID, some of the behaviours are returning to pre-COVID levels, like the commercial assets portfolio but car parking revenues are still significantly down.

Questions and Answers:

Cllr Tindall asked whether the contractor costs for car parking remained the same even though revenue collected was down. BH explained that the contractors' costs remained the same regardless of usage in car parks or the number of PCNs issued. NH added that when the contractor did furlough staff last year, there was a cost savings, but now the cost is the full amount.

Cllr Tindall asked whether the public could use the upper decks of Water Gardens North car park and whether CCG would allow this, given they would in due course be integrated in the care services restructuring. BH commented that the upper deck of Water Gardens North car park has actually been opened already to members of the public throughout August until the end of September because Water Gardens South car park is closed. There are discussions that are due to take place about public use longer term of the upper decks of Water Gardens North car park. NH added that these are ongoing discussions and another tenant could be considered as well.

Cllr Tindall also queried whether the Police and Crime Commissioner fund could help pay towards costs of clearing fly tipping. AW clarified that this fund is only for the costs of clearing fly tipping from private land and wouldn't apply to the council. Therefore the costs of £40,000 relating to fly tipping couldn't be amended.

Cllr Symington asked how pressure on wages and materials is anticipated in capital programmes. NH commented that it's difficult and frustrating as they're seeing increasing costs in tenders of between 8-25% so it's very difficult to gauge how much these are short-term changes or longer-term cost increases. NH hopes that by

the time the next budget is set he will have a better idea of what the increases will be to set the budget accurately.

Cllr Symington also asked when it seems that the traffic levels are at pre-COVID levels, and in some instances in excess of this, why is car parking income lower? For NH, everyone assumes that this is due to COVID when there could be many reasons such as people are choosing not to use their cars for short journeys. The council's car parks are in the town centres and local community parades, so through people not commuting or wanting to be more 'green' they may naturally choose to not drive for short journeys.

However, overall car parking revenue is improving month on month. The September data is due shortly and it will be interesting to review as it's post-holiday and will be a better barometer for the future. BH added that that whilst the report showed an average reduction of 36% in parking sessions for the quarter, for August this is actually 16% so things are moving in the right direction.

Cllr Symington asked for an update on the £90,000 for the government compensation for the leisure contract. NH explained that the £90,000 was included in the last meeting but the Income Guarantee Scheme for the first quarter was made after the budget was set in January which is why it's shown here.

Cllr Adeleke queried whether the assistance received from the government as a result of COVID was sufficient and what conditions were attached to the spending of it. NH responded saying that the funding was based on many aspects, from population number, the amount of benefit encumbrance, etc. Co-funding also has different criteria and the Council has no say in how much is allocated. The burdens they've provided are sufficient for the additional cost and the amount seems sufficient but doesn't cover additional areas, such as waste, that has seen increased costs during COVID.

Cllr Adeleke asked for clarity about the additional costs in waste services. NH explained this was due to access issues and having to hire more staff to do more routes which impacted route time and length. Cllr Adeleke asked that residents are informed that they need to be more considerate.

Cllr Adeleke asked a third question about whether there are sufficient measures to enforce and discourage fly tipping. NH said there is an effective policy on clearing fly tipping and that it has to be cleared promptly so as not to encourage more fly tipping but some of the camera surveillance work wasn't possible during COVID. MB added that this enforcement was with the environmental services team, but the key focus is on taking surveillance and all action possible.

Cllr Symington asked if the £1 million budget is just a survey for 10,000 dwellings. NH explained it is, but there had been an underspend as the stock condition surveys had been delayed. Repairs and maintenance costs are approximately £15 million on HRA stock. 30% of the surveys have been carried out. NH added that these full stock condition surveys are carried out every 5-10 years. NH believes the surveyors usually carry out the surveys based on selected neighbourhoods. Maintenance is carried out based on the existing stock condition surveys.

The Chair asked what the process is for dipping into reserves. NH stated all reserves require cabinet approval to be drawn down. All reserves have a specific set up that they can be utilised for. Cllr Townsend's understanding is that at the end of each year the general reserve fund is balanced and a contribution is made to the reserves. NH explained that at the end of the year if there is an underspend a

recommendation is made as to how that money is to be spent. In recent years this hasn't been a problem as it's rare to underspend, in addition the reserves are predicted to be going down £2-3 million this year and next so an underspend is unlikely.

The Chair queried how potential additional costs like new legislation and inflation are taken into account in the budget. NH responded saying that when the budget is set it includes setting a contingency of 2.5-10% depending on the complexity and value of the contract. Inflation isn't a contingency as it's taken into account as part of the budget. For longer term budgets, these are reviewed annually to ensure they are accurate.

The Chair is concerned by fly tipping and particularly when fly tipping waste includes asbestos as it's dangerous for the animals and plants as well. The Chair also asked if underspends are a blessing and if they have helped. For NH, in a perfect world there wouldn't be overspends or underspends. Underspends and overspends need to be based on information that wasn't available at the time the budget was set.

The Chair asked for more information on the £500,000 allowance for the Building Safety Bill and NH commented that this was new legislation going through parliament which will require additional expense on existing HRA stock, mainly because of changes required as a result of the Grenfell Inquiry. There are also additional requirements for commercial properties due to come in force in April 2023 regarding EPC ratings. This budget of £500,000 will also include additional officers and employees time required, if necessary.

Cllr Tindall asked for clarification about the £100,000 dealing with asbestos and NH explained this was an expense relating to existing council housing properties to ensure that the database for asbestos is maintained and reports are carried out annually or on an on-going basis.

Action:

NH to see if there is a report on enforcement measures for fly tipping to share.

NH to find out how the surveyors decide which dwellings to survey first, if this differs from being by neighbourhood.

Outcome:

The report was noted.

FR/048 /21 QUARTER 4 PERFORMANCE REPORT – FINANCE AND RESOURCES

NH was invited to talk about the finance and resources performance. There are 5 red KPIs that are the same as last year and these are all a direct response to COVID. There are more enquiries about people struggling to pay council tax and people who aren't au fait with the benefits system to make the most of it. This is taking time to resolve and there are additional requests for temporary accommodation which is harder to resolve from a council tax and housing claims perspective.

Investment income is also a red KPI. Investment that is with the government, as a 'DMO', is receiving 0% interest compared with 0.8% pre-COVID. NH doesn't

envisage interest rates changing in 2021/22 or 2022/23 so this KPI will need re-calibrating.

Time taken for debtors to pay is also down. The Council has been lenient with its debtors and allowed different payment mechanisms, like instalments, to prevent debtors from going bust.

Whilst for commercial property more income is being collected, there are more arrears. Payment plans are what is helping and also allowing the Council to remain close to the sector. The Council is also seeing demand for commercial units in local arcades and shopping centres.

Looking at the risk report, the risk scores haven't changed since the last quarter. Council tax collection is up year on year but it's difficult to predict council tax and business rate collection at the end of the year due to the uncertainty around business rates in the first quarter.

Questions and Answers:

Cllr Tindall wanted to thank the Council for ensuring that their creditors were paid within 30 days. He asked what requirements there are for the larger contractors to ensure that once the Council had paid them that they pay their sub-contractors as expeditiously. NH explained there are standard conditions in the contract with contractors to ensure they have good payment terms with their sub-contractors.

Cllr Townsend queried the extent of the 'significant debt provision' on CP02 of the report. NH clarified this was about making larger provisions for bad debt. Last year an additional £800,000 was put into bad debt provision for commercial properties, as part of good accounting practice. From 1st April 2021, bad debt over 6 months was 100% 'bad debt', then there was a sliding scale of 25% for debt that was older than 1 month but less than 3 months' old. The Council was applauded by its external auditor on its bad debt provision. NT added that income collected from investment property at FIN11 (page 27) is outperforming compared to what was expected and is 'green'. NH hopes this gives members confidence that this year the Council is performing well against the poor performance due to COVID. Cllr Townsend asked if there was a figure for the bad debt in the budget. NH said this would be provided the following evening at the audit committee.

Cllr Symington asked what the timescale is between people asking for repairs and repairs being implemented in the housing stock. NH said this wasn't under his jurisdiction but he would find out.

Cllr Adeleke queried whether in the current climate it was the right time to be selling properties. NH clarified that this is only done when the Council is unable to get good value out of an asset, and it usually means that the property concerned is derelict or needs redevelopment to be repurposed. It's usually best to offload an asset rather than incurring the costs of keeping it.

The Chair queried where NH got his information on regarding his expectation for interest rates, given he said last year that we would be in a recession. The Chair wants reassurance that the budget and funding is proactively dealt with rather than reactive. NH wants the Committee to trust his judgement. He also utilises external advisors and consultants who comment on interest rates as well as looking to treasury advisors and the Hertfordshire chief finance officers' group. NH feels that

most of the time they get things right and felt strongly that there was a proactive approach taken with DBC finances.

Action:

NH to find out how long it takes between repairs being requested and implemented in the housing stock.

Outcome:

The report was noted.

FR/049 /21 QUARTER 4 PERFORMANCE REPORT – CORPORATE AND CONTRACTED SERVICES

MB was invited to talk about the report for corporate and contract services. The key point to note was Q1 was dominated by the Hertfordshire Council and Police and Crime Commissioner election which was a massive effort during a time of COVID restrictions and MB commended the team on delivering this. The report also looks at leisure attendance, which is now increasing month on month, which is really positive. MB is optimistic but cautious going forward.

Cllr Tindall asked for an update on page 43 of the report where it is said 'chasing up members of staff who have not yet provided proof of right to work in the UK'.

(MB advised that it was in connection with staff employed for the elections and not permanent staff.

Cllr Adeleke asked if the Council was prepared for virtual meetings if another COVID lockdown required it. He also asked what requirements there are to get CCTV installed in specific locations.

MB responded saying that there has been a period of remote and hybrid meetings with significant investment into the Council's facilities, if hybrid meetings were required, they have the facility in place to hold such meetings.

BH added that from a CCTV perspective, the Council have a code of practice which feeds into the national commissioner's CCTV strategy and there are rules and regulations for putting CCTV into public spaces. BH encouraged Cllr Adeleke to come to him with his request for CCTV so it could be looked at in line with the relevant procedures.

Cllr Symington congratulated the team on the recent election but noted that a number of postal votes weren't delivered and also the report noted 450 postal votes 'failed'. Was this 450 over 2 elections or a total of 2 lots of people? MB explained that the process for postal votes is that the signature on the postal vote form must correspond with the signature the Council holds. On many of these the signatures didn't correspond and on others the date of birth listed was incorrect. If either of these occur, then the postal vote has to be rejected. After the election those people

are written to so they can update the Council's records accordingly to prevent the same thing from happening.

Cllr Tindall asked if there had been complains from people about their inability to vote. MB noted that there were complaints but the process and reason for the rejection is always explained.

Cllr Symington asked for a budget for the list of procurement. BH stated these were tenders that were at various stages in the tender process. There is a procurement pipeline that's advertised on the council's procurement page of its website for up-and-coming tenders. Once contracts are awarded, they are added to the Contract Register which is published and updated monthly. The value and duration of those contracts are included there too. BH can however obtain the estimated value of the tender requisition form for the members. The Chair queried whether this would break confidentiality and perhaps give contractors an advantage if they knew the estimated tender figure the Council had placed on a contract. MB explained this could be published in confidence and to the Committee only.

Cllr Symington asked why the number of PCNs have declined much less than the number of parking sessions as a proportion of parking sessions. BH said there is a small correlation between number of sessions and number of PCNs, but the majority of PCNs relate to on street parking e.g. parking on double yellow lines.

Cllr Symington queried what progressing 'the ORCS application' referred to in respect of EV charging. BH explained that ORCS is the 'on street residential charging scheme' which is a fund that the Council can apply to and receive money to help install on street charge points. However due to lack of support from Hertfordshire Council there is little progress with on street charging points. The Council has therefore been looking at the possibility of installing EV charging points in its car parks. The Council have commissioned BP Pulse to look at its car parks but many have been found not suitable as they are not in the vicinity of suitable electrical charge for the charge points (many being over 500 metres away from the required electrical apparatus for the EV charging point). ORCS will fund 75% of the cost and BP Pulse will fund the additional 25%. Therefore, there is no cost to the council but the charging points must be commercially viable to BP Pulse. BP Pulse will provide a report on all the car parks within the next 6 weeks. The Council can then review if it is worthwhile paying with their own funds towards some EV points in some of the car parks, but this will depend on the cost to the Council. BP Pulse will include this cost in their report. Cllr Symington asked what the Plan B was if the Council can't progress with BP Pulse. BH explained this all depended on the result of BP Pulse's report. Cllr Symington is keen that the Council communicates with residents about the position on EV charging points clearly, when the time is right.

Cllr Douris wanted to comment the staff on the recent election and asked for clarification about the 'licence to caravan sites' and which caravan sites these referred to. MB explained this was mobile caravan sites, like Scatterdells in Chipperfield and the bigger residential sites where people require a licence to ensure the residents are safe and secure.

Cllr Adeleke asked what numbers of electric cars there were on the road in the borough. BH explained there was an in-depth report that looked at the future requirements for EV charging. BH is happy to share that report but it doesn't give an exact figure of numbers of cars on the road that are electric or what the current need for EV charging points is. It does explain that roughly 30% of Dacorum households won't have access to EV charging points at their home. Cllr Symington added that

the national average for charger provision per 100,000 is 36 and in Dacorum this is 15 per 100,000 and looking specifically at rapid chargers, the national figure is 7 per 100,000 but in Dacorum it's 2.6 per 100,000. So, across Dacorum there is very low access to EV charging points. This means that people are dissuaded from ever having electric cars.

The Chair added that care is needed with EV charging points and on street charging to ensure there is adequate space for residents as often business fleets take up charging points which isn't the intention of the charging points in the first place when the primary focus is on providing charging for residents.

The Chair noted that there are still 1,000 letters sent a day and asked what is being done to encourage communications to be sent electronically. MB noted that post is a last resort to meet statutory requirements.

The Chair queried the number of attendees under the leisure contracts, noting it was 6,000 on average in 2019 and now it was 12,000. BH explained that gym attendance 2019/20 is for scanned membership cards which was much lower as people were holding doors open for others. Now each individual must scan in, which has meant numbers have artificially risen. Pre-COVID attendance was 20,000 a week and this target is close to being met now. Gym attendance did drop off slightly when group exercise classes resumed as they took longer to resume after lockdown. Swimming attendance has also increased.

The Chair concluded on this report that Dacorum Borough Council was the first to become a silver level Carbon Literate borough council. The Chair also commended the charity work done by its mayors and Cllr Douris.

Action:

BH to share the report on electric cars and charging in the borough.

MB to provide the tender estimates for the procurement contracts.

Outcome:

The report was noted.

FR/050 /21 QUARTER 4 PERFORMANCE REPORT – PERFORMANCE, PEOPLE AND INNOVATION

LR was invited to talk about the performance in people and innovation. LR pointed out the key points are making sure employee sickness is monitored carefully, making sure the Council is aware of health and safety issues around any sickness and monitoring staff overall. LR was keen to commend the team on their drive to support health and wellbeing. 8 members of staff have been trained as Mental Health First Aid Workers and there has been funding from Hertfordshire's Protection Board to help with health and wellbeing. Staff turnover remains low but there have been some new recruits. LR also commended the IT system that allowed working from home, noting the hard work the IT team had put in.

Website users are slightly down from the previous quarter but up from the previous year, the amount of portal users has gone up. So customers are able to make online work for them.

Questions and Answers:

Cllr Adeleke asked whether additional IT staff had to be employed and what the plan is for returning to the office. It was noted that additional IT staff hadn't been employed but instead of looking at a mix of 'service requests' and 'incidents' during the pandemic, output from the IT team had been more focused on 'incidents' which was a fire fighting approach and isn't a sustainable approach for the future. This means that resource may need to be looked at so that 'service requests' become more part of the everyday work.

In terms of getting back to the office there is a transformation programme, and the date of Monday 27th September is when the Council is proposing for the return to the office for staff. LR noted there is a desire for the Council to embrace hybrid working as well as working within the communities, so not being office-based all the time. LR explained that the second floor of the building will be for fixed desk stations for those working in the office. Meeting rooms will then be enhanced to allow for hybrid meetings. The second floor will also include collaborative areas. There will be quiet workspace corners and a wellness area for people to get away from their screens with bistro seating in the kitchens as well to allow for social interaction. The red zone will have a 'touch down' area which will be for people who are in between meetings, or who need a workspace for a short amount of time before their next appointment.

To deal with the new layout of the building, signage is important so people can see where teams are located. LR hopes this will empower people with the way they're working.

Cllr Adeleke asked whether the requirement is that people will be in having a gradual return or a hard date for their return to the office. LR explained that everyone has had a different approach to working in the pandemic. It's important to get workers into the communities. There has been a briefing for management looking at the needs of different teams in the office. The shift into the new configuration will be from 27th September and that will happen all at once.

The Chair asked whether the amount of mental health incidents rose or were the same during the pandemic. LR didn't see an increase but did note that it was a reflection on society that people are more aware of mental health issues. More work is needed to understand general mental health and managers are encouraged to interact and connect with their staff. Those members of staff who engage with harrowing calls also have counselling available to them.

The Chair asked what the Council was doing digitally as a result of the pandemic that it hadn't been doing previously. It was stated that the Council is looking at new technologies. Data is really important and needs to be seen as an asset by the Council. Currently there are many different systems and the future is about getting those systems linked and interacting with each other. Another focus is automation through robotic automation, instead of having a website trigger a process for an officer, that process needs to be automated in the future.

Outcome:

The report was noted.

FR/051 /21 WORK PROGRAMME 2021/22

The Chair thanked everyone for their attendance noting that the next meeting was looking at the Medium Strategy and the Garages Presentation. The Chair encouraged members who had queries on specific areas within the Council to submit their queries so reports could be prepared, noting that 2-3 months' notice was required for the preparation of these reports.

The meeting ended at 21:33pm.

Finance and Resources OSC Action Points

Date of meeting	Action point	Responsible officer	Date action completed	Response
07/09/2021	A report to be presented by MBrookes on Tender Procurement	M Brookes		MBrookes has updated format of quarterly performance reports to include procurement values, this will be included from Qtr 2 reporting.
07/09/2021	A report on electric vehicle charging points which Ben Hosier will issue to Members	BHosier		Notes; Cllr Tindall stated that in response to the EV Charging points, he had seen considerable email trail with BHoiser and a question of BP Pulse and their reliability had been raised. The last email from BP Pulse sent to BHosier stating that he would be getting back to him. Cllr Tindall asked for the matter to remain open until they get further information on this point. The Chairman advised that it would remain open.
07/09/2021	Clarification on whether enforcement on fly tipping was happening during COVID or post COVID.		05/10/2021	The Chair advised at the meeting of 5 th October that he has received confirmation that yes, this is still taking place.

Agenda Item 7



Report for:	Finance and Resources Overview and Scrutiny Committee
Date of meeting:	2nd November 2021
PART:	1
If Part II, reason:	

Title of report:	Budget Monitoring Quarter 2 2021/22
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance and Resources Nigel Howcutt, Assistant Director (Finance & Resources) Fiona Jump, Group Manager Financial Services
Purpose of report:	To provide details of the projected outturn for 2021/22 as at Quarter 2 for the: <ul style="list-style-type: none"> • General Fund • Housing Revenue Account • Capital Programme
Recommendations	That Committee note the financial position for the Council for 2021/22 as at Quarter 2.
Corporate objectives:	Delivering an efficient and modern council.
Implications:	<u>Financial</u> This report outlines the financial position for the Council for 2021/22 and so summarises the financial implications for service decisions expected to be made for the financial year. <u>Value for Money</u> Regular budget monitoring and reporting supports the effective use of the financial resources available to the Council.
Risk Implications	This reports outlines the financial position for the Council for 2021/22 and in so doing quantifies the financial risk associated with service decisions expected to be made for the financial year.

Community Impact Assessment	The content of this report does not require a Community Impact Assessment to be undertaken.
Health And Safety Implications	There are no Health and Safety implications arising from this report.
Consultees	The position reported within this report has been reviewed and discussed with relevant Council Officers.
Glossary of acronyms and any other abbreviations used in this report:	GF – General Fund HRA – Housing Revenue Account HCC – Hertfordshire County Council AFM – Alternative Financial Model DLUHC – Department for Levelling Up, Housing and Communities

1. Executive Summary

- 1.1** General Fund revenue outturn – General Fund revenue budgets are forecasting a deficit of c. £1m. This pressure is consistent with the Quarter 1 forecast, and is a combination of £0.7m that is attributable to the ongoing effects of Covid-19, and £0.3m which is non-Covid related. The Covid pressures of £0.7m can be funded from the Economic Recovery Reserve which was specifically set up for this purpose.
- 1.2** Housing Revenue Account outturn – The HRA is currently forecasting a deficit of £0.8m. At the end of the financial year, this can be funded from revenue reserves or from a reduced Revenue Contribution to Capital. This will be a decision for Members to take later in the financial year.
- 1.3** General Fund Capital – General Fund capital budgets are reporting slippage of £2.1m with an overspend of £0.2m at Quarter 2.
- 1.4** HRA Capital – there is forecast slippage of £11.7m in the HRA capital programme, which is 30% of the budget, and arises mostly in the HRA new build programme from challenges being experienced in dealing with third parties.

2. Introduction

- 2.1** The purpose of this report is to present the Council's forecast outturn for 2021/22 as at the 30th September 2021. The report covers the following budgets with associated appendices:
- General Fund - Appendix A. A pressure against budget of c. £1m is forecast.
 - Housing Revenue Account (HRA) - Appendix B. A deficit of £0.8m is forecast.
 - Capital Programme - Appendix C. General Fund budgets are reporting slippage of £2.1m with an overspend of £0.2m at Quarter 2, with HRA forecasting re-phasing to future years of £11.7m (30% of budget).

3. General Fund Revenue Account

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

3.2 Appendix A provides an overview of the General Fund forecast outturn position.

The table below outlines the service areas with a significant financial pressure:

Table 1	Key Financial Pressure	Description
Scrutiny Committee		
Finance & Resources	£0.3m	Car Parking income
Housing and Community	£0.3m	Temporary Accommodation income and voids repair costs
Strategic Planning and Environment	£0.5m	Waste Services cost and income pressures

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

Table 2	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Finance & Resources	7,457	7,368	(89)	(1.2%)
Strategic Planning and Environment	10,871	11,556	685	6.3%
Housing & Community	1,779	2,087	308	17.3%
Total Operating Cost	20,107	21,011	904	4.5%
Core Funding	(20,107)	(20,052)	55	(0.3%)
Contribution (to)/ from General Fund Working Balance	0	959	959	

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

4. Finance and Resources and Core Funding

Table 3 - Finance & Resources	Current Budget £0	Forecast Outturn £0	Variance	
			£0	%
Corporate and Contracted Services	2,975	3,044	69	2.3%
Performance, People and Innovation	3,213	3,228	15	0.5%
Chief Executive and Strategic Management Team	576	576	0	0.0%
Finance & Resources	45	(130)	(175)	(388.9%)
Neighbourhood Delivery	176	177	1	0.6%
Planning, Development and Regeneration	472	473	1	0.2%
Total	7,457	7,368	(89)	(1.2%)

	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Core Funding	(20,107)	(20,052)	55	(0.3%)

4.1 Corporate and Contracted Services £69k pressure against budget

The forecast pressure includes:

- £360k pressure in car parking income. The income stream has been affected by restrictions imposed by the Covid-19 pandemic, particularly in the first quarter of the year where income was 23% down on budget. Quarter 2 has improved marginally to 18% down, but the income stream is still being affected by lower footfall numbers, due to the change in behaviour of both shoppers and commuters.

This pressure is being offset by a number of minor underspends as follows:

- Underspend of £40k from vacant posts in Legal and Corporate Services
- Savings in administrative budgets such as mailing and office expenses from new ways of working £30k
- Maternity leave and vacancies in the Procurement and Contracted Services area £75k
- Government compensation from lost income on the Leisure contract £90k
- Additional income above budget on The Forum £40k

4.2 Finance & Resources £175k surplus against budget

This includes:

- £600k surplus in Investment Property income. Three rental quarters have now been invoiced and income invoiced is 20% up on budget. The level of void properties is higher than pre-Covid levels, and may increase as the year goes on with Business Rates relief winding down and furlough coming to an end, but collection rates have held up well and are only slightly below pre-Covid levels. This is due to the proactivity of the Commercial Assets and Accounts Receivable teams in working with tenants to agree terms of payment such as payment plans.

This surplus is being offset by a number of overspends as follows:

- £90k pressure in the income budget for the Bunkers Farm new crematorium site due to delays experienced.
- £55k pressure in the budget for Civic Hall hire. Income continues to be below budget due to the effects of the Covid pandemic on social gatherings.
- £40k pressure in the Estates service due to use of agency to fund a specialist post.
- £140k pressure in Insurance costs. Following advice from the Council's insurance broker, an increase is anticipated on renewal of the insurance tender. Prices are expected to rise by 30%.
- £75k pressures across the Revenues and Benefits service and Financial Services on staffing budgets, the budget for cash processing services and other more minor expenditure lines.

4.3 Core Funding - £55k pressure against budget

- £325k of additional government grant income has been received as follows:
 - £250k of support relating to the administration of Covid-19.
 - £75k of new burdens funding to meet New Local Authority statutory requirements.
- Pressure of £250k in Investment Income. A pressure on the budget is anticipated, as interest rates remain very low following Bank of England base-rate reduction in March 2020.
- Pressure of £130k in additional costs incurred from the costs of repairs to void Temporary Accommodation properties. The higher than budgeted cost reflects the current high usage of properties for Temporary Accommodation. A revised schedule and scope of works is being undertaken given the current demand levels.

5. Strategic Planning and Environment

Table 4 - Strategic Planning & Environment	Current Budget £0	Forecast Outturn £0	Variance	
			£0	%
Neighbourhood Delivery	9,954	10,572	618	6.2%
Planning, Development and Regeneration	899	957	58	6.5%
Finance & Resources	18	27	9	50.0%
Total	10,871	11,556	685	6.3%

5.1 Neighbourhood Delivery - £618k pressure against budget

- A pressure of £360k relates to Waste services employees' costs and vehicle hire costs. This is due to ongoing access issues from residents continuing to work from home and staffing challenges.
- A supplementary budget will be requested in the report to Cabinet of 23rd November to seek formal approval for a budget of £200k to fund a salary supplement to Waste and Clean, Safe and Green drivers, to recognise the nationwide shortage of HGV drivers at the present time and ensure staff retention in order to maintain delivery of the services.
- A pressure of £120k relates to income from the Alternative Financial Model (AFM). No income is expected from the AFM due to high levels of residual waste (loss of £260k income). This is partially offset by additional income from recycling credits which is expected to over-achieve budget by £140k from increased tonnage.
- A pressure of £50k related to the Commercial Waste service where income has not yet returned to pre-pandemic levels.
- A pressure of 40k relates to the cost of fly-tipping clearances. This carries a high cost, particularly when asbestos disposal is required.

5.2 Planning, Development and Regeneration - £58k pressure against budget

- This pressure relates to legal costs arising from the planning appeals process and staffing budgets due to agency requirement for specialist posts.

6. Housing and Community

Table 5 - Housing & Community	Current Budget £0	Forecast Outturn £0	Variance	
			£0	%
Corporate and Contracted Services	564	542	(22)	(3.9%)
Performance, People and Innovation	1,427	1,402	(25)	(1.8%)
Communities	1,442	1,464	22	1.5%
Housing	(1,654)	(1,321)	333	(20.1%)
Total Operating Cost	1,779	2,087	308	17.3%

6.1 Housing - £333k overspend against budget

A pressure of £220k has arisen against the budget for Temporary Accommodation (TA) income.

£110k is arising due to void properties in the Council's hostels (£50k) and in properties used for TA (£60k). In communal hostels, it is not possible to achieve maximum capacity on all units, as it would be unsafe to do so under current circumstances. In properties being used for TA, there are a high number of void properties due to complexity of the work required to ensure the properties are fit for purpose.

A pressure of £110k relates to a project to convert new units into TA. This has taken longer than anticipated due to the extensive work that is required in converting the properties into suitable accommodation, including obtaining planning permission.

A variance of £80k arises mainly from pressures in staffing budgets in Private Sector Housing and Housing Options, as a result of staff sickness and maternity leave, and from pressures in utilities costs in the council's hostels.

A residual variance of £30k arises from minor costs in the Homelessness service, due to demand on the service.

7. Housing Revenue Account (HRA)

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

7.2 The projected HRA balance at the end of 2021/22 is a deficit of £0.8m. A balanced outturn position for the HRA can be achieved by either increasing (in the case of an overall surplus) or decreasing (in the case of an overall deficit) the final revenue contribution to capital for the HRA, or by a contribution from or to HRA revenue

reserves. This will be a decision for Members to take once the final outturn position for 2021/22 is confirmed later in the financial year.

7.3 Dwelling Rents - £279k under achievement in income

The void rate is running slightly higher than the budgeted 0.8%, at 1.12%. This is particularly attributable to voids at sheltered schemes as a direct result of the pandemic.

7.4 Tenants Charges - £131k under achievement in income

In line with the Dwelling Rent variance, this variance has predominantly arisen due to the increased void level at sheltered schemes.

7.5 Contribution towards Expenditure - £150k under achievement in income

The income budget for minor capital receipts and rechargeable works is not expected to be fully achieved, due to lower activity as a result of the coronavirus pandemic.

7.6 Repairs and Maintenance - £131k over budget

This variance has arisen due to two factors: firstly, there is an underspend in the £1m budget set aside for a full stock condition survey. It has been decided to carry out a phased process, with a quarter of the council's stock being surveyed this financial year. The unspent portion of this budget will need to be carried forward into future financial years. Secondly, there is increased expenditure from addressing the backlog of work which had built up as a result of the Covid-19 pandemic following limited access to properties. There is a renewed focus on electrical works to ensure compliance and a focus on completing outstanding work while access is permitted.

7.7 Supervision and Management - £230k over budget

This variance is comprised of a number of items including the following:

- £300k underspend on vacancies to be filled later in the financial year and underspend on general budgets where activity is lower due to Covid
- £220k share of the Transformation programme costs, funded from a reduced revenue contribution to capital (as agreed by Cabinet in June 2021)
- £100k of expenditure required to ensure asbestos compliance
- £140k in additional insurance costs in line with the pressure expected in General Fund budgets as a result of increased insurance premiums.

7.8 Rent, Rates and Taxes - £139k over budget

This pressure has arisen due to Council Tax liability from the change in empty homes discount from 3 months to 1 month. This pressure was seen in 2020/21 and is expected to continue into 2021/22. The budget will be corrected for 2022/23.

Technical and Accounting Adjustments

In addition to the service-related variances above, the following technical adjustments have arisen. These surpluses and deficits better reflect the position in the HRA that was seen last financial year and is expected again for this financial year. They can be balanced by a reduction in the revenue contribution to capital.

7.9 Interest and Investment Income - £117k under achievement in income

This pressure is expected due to interest rates remaining very low following the Bank of England base-rate reduction in March 2020.

7.10 Interest Payable - £201k surplus

A revised forecast outturn is reported based on an updated interest schedule and interest charges are lower than budgeted.

7.11 Provision for Bad Debts - £500k surplus

Although it is expected that tenants will need the support of the service during a challenging year, the budget allocation is not expected to be required in full. Arrears are down 10% year on year and collection rates are up, therefore the bad provision is estimated to be lower than budgeted. The projected impact of Covid and Universal Credit on bad debt has not been realised to date, with an underspend realised in the last financial year as well.

7.12 Depreciation - £2.3m increase to the forecast

The forecast reflects a more likely outturn position. On completion of the production of the 2020/21 financial statements, the impact of the re-valuations of dwellings that was undertaken has been factored into this year's projections. This increase is in line with the 2020/21 audited financial outturn.

8. Capital Programme

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

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

The current budget is the original budget approved by Cabinet in February 2021, plus approved amendments.

The 'rephasing' column refers to projects where expenditure is still expected to be incurred, but will now be in 2022/23 rather than 2021/22 ('slippage'), or conversely, where expenditure planned initially for 2022/23 has been incurred in 2021/22 ('accelerated spend').

The 'Variance' column refers to projects which are expected to come in under or over budget and projects which are no longer required.

	Current Budget £000	Rephasing £000	Revised Budget £000	Forecast Outturn £000	Variance	
					£000	%
Finance & Resources	4,186	(304)	3,881	4,056	175	4.2%
Strategic Planning and Environment	4,665	(1,700)	2,965	2,972	7	0.1%
Housing & Community	2,849	(105)	2,744	2,744	0	0.0%
GF Total	11,700	(2,110)	9,590	9,772	182	1.6%
HRA Total	38,413	(11,699)	26,714	26,716	2	0.0%
Grand Total	50,113	(13,809)	36,304	36,487	183	0.4%

8.2 General Fund Major Variances

General Fund capital budgets are reporting slippage of £2.1m with an overspend of £0.2m. The slippage of £2.1m includes the following items:

- Line 56 and 63: Slippage of £0.15m on Bennettsgate Shopping precinct window and façade renewal. For longer term economies of scale, the budget is being slipped and work will be undertaken during 2023/24 financial year. The current budget figure was based on an estimate for one wing of the property only, however on further investigation and review, it is proposed to undertake improvement works to all 3 wings of the property at the same time in 2023/24. A capital bid for a further £210k will be submitted during the next budget round to complete the proposed improvement works which will greatly improve the shopping centre.
- Line 108: Slippage of £105k in the Verge Hardening Programme. The number of suitable sites has reduced and the budget is being re-focussed to align with the climate change agenda and maximise any carbon neutral and green initiatives.
- Line 151: Slippage of £1.5m on Fleet Replacement Programme. This slippage is predominantly due to the delays in the supply of orders. The service is experiencing delays of approximately 9-12 months between order and supply. These delays are due to a shortage of raw materials which is impacting production. An element of the slippage (circa £0.25m) is related to planned purchases of fleet being slipped to future years to ensure the vehicles purchased fully meet the requirements of the service going forward.
- Line 156: Slippage of £134k on Durrants Lakes. This project has not progressed to date as further studies on the existing structures and ecological area are being undertaken.

8.3 Supplementary Capital Budgets

Additional capital budgets will be requested in the report to Cabinet 23rd November 2021. These will be for the following schemes:

- Line 82: Additional expenditure of £0.135m on Town Centre Access Improvements project. This is the project to improve traffic flow and access into the Water Gardens car parks in Hemel Hempstead. This supplementary budget request will be funded through a capital contribution from Hertfordshire County Council towards the scheme.
- Aragon Close – 8 units of Move-On Accommodation. The council has been successful in obtaining 50% grant funding from the Department for Levelling Up, Communities and Housing (DLUHC) Rough Sleepers Accommodation Programme. This scheme will provide much-needed move-on accommodation for homeless households. A supplementary budget of £900k will be requested, of which 50% is funded from grant.
- Alexandra Road. A budget of £300k will be requested to support development of Move-on Accommodation by Hightown Housing Association. The Dacorum contribution is match-funded from a £300k contribution from the Rough Sleepers Accommodation Programme.

8.4 Housing Revenue Account Major Variances

There is estimated slippage of £11.7m in the HRA capital programme.

This includes the following items:

- Line 175: Slippage of £0.75m on Special Projects. This budget is for the creation of additional units in Supported Housing Schemes and the upgrade of communal facilities. The project has been temporarily put on hold awaiting a review of sheltered accommodation to ensure the resources are put to best use.

In the HRA new build budgets set in Autumn 2020, a number of factors which are largely out of control of the council have resulted in delays to the schemes. These include:

- Line 183: Slippage of £3.75m on Eastwick Row. The scheme has been delayed due to challenges in finding an agreeable pre-commencement planning condition around a drainage solution with Herts County flood authority. This will lead to a delay in the units being delivered. Planning applications are taking longer to journey through the planning process, because dealings with third parties and statutory consultees such as HCC or the Environment Agency are taking much longer than prior to the Covid pandemic.
- Line 185 and 190: Slippage of £1.0m on Paradise Fields and £2.7m on Marchmont Fields. Timing differences in purchasing the land sites have occurred due to delays in the planning process.
- Line 187 and line 191: Slippage of £1.6m on Paradise Depot and £1.1m on Randalls Ride. Following Cabinet approval to appoint contractors on these schemes, there are a number of planning pre-commencement conditions that will need to be resolved including reaching agreement with Herts CC highways department who currently have high volumes of work.

- Line 188: Slippage of £0.7m on Garage sites. This scheme has been delayed in going out to tender due to not achieving planning approval on all the schemes until August 2021.

Conclusions and recommendations

- 9.1** As at Quarter 2 2021/22, there is a forecast pressure of c. £1m against General Fund budgets and a forecast deficit of £0.8m against Housing Revenue Account budgets.
- 9.2** As at Quarter 2 2021/22, General Fund capital budgets are reporting slippage of £2.1m with an overspend of £0.2m. Against Housing Revenue Account capital schemes, budget rephasing of £11.7m is forecast.
- 9.3** Members are asked to note the financial position for the Council for 2021/22 as at Quarter 2.



Dacorum Borough Council

Revenue Budget Monitoring Report for September 2021 (Cost of Services Analysis By Scrutiny Committee)

	<i>Full Year</i>		
	Budget £000	Forecast Outturn £000	Variance £000
Cost of Services			
Finance and Resources	7,457	7,368	(89)
Housing and Community	1,779	2,087	308
Strategic Planning and Environment	10,871	11,556	685
Net Cost of Services	20,107	21,011	904
Other Items			
Investment Income	(425)	(175)	250
Interest Payments and MRP	1,037	1,037	0
Parish Precept Payments	1,000	1,000	0
Government Grants	(1,968)	(2,293)	(325)
Revenue Contribution to Capital	350	350	0
Taxation (Council Tax and Business Rates)	(15,494)	(15,494)	0
Surplus / Deficit on Provision of Services	(15,500)	(15,575)	(75)
Transfers between Reserves / Funds			
Net Recharge to the HRA	(4,607)	(4,477)	130
Net Movement on General Fund Working Balance	0	959	959

 Housing Revenue Account 2021/22 Outturn Revenue Budget Monitoring Report				
	Budget	Forecast	Variance	
	£000	Outturn	£000	%
	£000	£000	£000	%
Income:				
Dwelling Rents	(55,465)	(55,186)	279	-0.5%
Non-Dwelling Rents	(102)	(102)	0	0.0%
Tenants Charges	(1,517)	(1,386)	131	-8.6%
Leaseholder Charges	(593)	(593)	0	0.0%
Interest and Investment Income	(192)	(75)	117	-60.9%
Contribution towards Expenditure	(645)	(495)	150	-23.3%
Total Income	(58,514)	(57,837)	677	-1.2%
Expenditure:				
Repairs & Maintenance	11,608	11,739	131	1.1%
Supervision & Management	13,692	13,922	230	1.7%
Rent, Rates, Taxes & Other Charges	36	175	139	386.1%
Interest Payable	11,586	11,385	(201)	-1.7%
Provision for Bad Debts	975	475	(500)	-51.3%
Depreciation	12,905	15,233	2,328	18.0%
HRA Democratic Recharges	341	341	0	0.0%
Revenue Contribution to Capital	7,371	5,407	(1,964)	-26.6%
Total Expenditure	58,514	58,677	163	0.3%
Transfer to / (from) Housing Reserves	0	0	0	0.0%
HRA Deficit / (Surplus)	0.00	840	840	0.0%
Housing Revenue Account Balance:				
Opening Balance at 1 April 2021	(2,892)	(2,892)	0	0.0%
Deficit / (Surplus) for year	0	840	840	0.0%
Proposed Contributions to Reserves	0	0	0	
Closing Balance at 31 March 2022	(2,892)	(2,052)	840	

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR SEPTEMBER 2021

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments (Slip. C/F)	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)	
General Fund												
Finance and Resources												
Commercial Assets and Property Development												
42	Service Lease Domestic Properties	Richard Rice	30,000	0	0	0	0	30,000	1,342	30,000	0	0
43	Old Town Hall - Cafe Roof and stonework renewal	Richard Rice	0	60,000	0	0	0	60,000	0	0	(60,000)	0
44	Demolition of Civic Centre	Richard Rice	0	0	0	0	0	0	5,858	0	0	0
45	Berkhamsted Civic Centre Staircase Renewal	Richard Rice	0	0	0	0	0	0	1,100	0	0	0
46	Berkhamsted Civic Centre Lift Renewal	Richard Rice	20,000	0	0	0	0	20,000	0	20,000	0	0
47	Renew Mains Water Supply to Berkhamsted Civic Centre	Richard Rice	25,000	0	0	0	0	25,000	10,251	25,000	0	0
48	Tring Community Centre - new play area for Children's Nursery	Richard Rice	0	11,144	0	0	0	11,144	0	11,144	0	0
49	Adeyfield Community Centre Structural Improvements	Richard Rice	17,000	0	0	0	0	17,000	0	17,000	0	0
50	Boiler Replacement Programme	Richard Rice	140,000	(71,245)	0	0	0	68,755	0	68,755	0	0
51	Tring Community Centre - Retaining Wall for New Play Area	Richard Rice	20,000	0	0	0	0	20,000	0	20,000	0	0
52	Rossgate Shopping Centre - Structural Works	Richard Rice	0	300,901	0	0	0	300,901	0	300,901	0	0
53	100 High St (Old Town), Hemel - Window Replacement	Richard Rice	0	14,000	0	0	0	14,000	0	14,000	0	0
54	Long Chaulden Roof	Richard Rice	0	55,020	0	0	0	55,020	0	55,020	0	0
55	Bellgate - Walkway Renovation	Richard Rice	0	27,000	0	0	0	27,000	0	27,000	0	0
56	Bennettsgate - Window Renewal	Richard Rice	0	74,780	0	0	0	74,780	0	0	(74,780)	0
57	Commercial Assets - Shopping Centres	Richard Rice	0	4,897	0	0	0	4,897	40,490	40,490	0	35,593
59	Improvement Works to Market Stores	Richard Rice	0	20,000	0	0	0	20,000	22,477	22,477	0	2,477
60	Refurbishment of Dacre House	Richard Rice	450,000	0	0	0	0	450,000	45,384	450,000	0	0
61	Renew Surface Water Drains to Henry Wells Square	Richard Rice	40,000	0	0	0	0	40,000	0	40,000	0	0
62	Void Commercial Property Refurbishment	Richard Rice	70,000	0	0	0	0	70,000	71,858	71,858	0	1,858
63	Bennettsgate - Structural Concrete Improvements & Façade Renewal	Richard Rice	90,000	0	0	0	0	90,000	10,238	10,500	(79,500)	0
64	Bellgate - Concrete Renewal & Refurbishment	Richard Rice	25,000	0	0	0	0	25,000	0	25,000	0	0
65	Village Centre - Soffits & Facias	Richard Rice	45,000	0	0	0	0	45,000	0	45,000	0	0
66	High Street Tring, Electrical Works	Richard Rice	21,000	0	0	0	0	21,000	6,207	21,000	0	0
67	Broadwater Road Resurfacing	Richard Rice	93,000	0	0	0	0	93,000	0	93,000	0	0
135	Allotment Improvement Programme	Richard Rice	40,000	9,590	0	0	0	49,590	0	49,590	0	0
136	Stone Works to Charter Tower	Richard Rice	18,000	0	0	0	0	18,000	1,590	18,000	0	0
137	Nickey Line Bridge Refurbishment	Richard Rice	50,000	0	0	0	0	50,000	0	50,000	0	0
			1,194,000	506,087	0	0	0	1,700,087	216,796	1,525,735	(214,280)	39,928
Procurement and Contracted Services												
72	Dacorum Athletics Track - Resurface Track	Ben Hosier	0	117,029	0	0	0	117,029	0	117,029	0	0
73	Hemel Hempstead Sports Centre - Astroturf renewal	Ben Hosier	0	280,000	0	0	0	280,000	0	280,000	0	0
75	Berkhamsted Leisure Centre Redevelopment	Ben Hosier	0	500,000	0	0	0	500,000	233,046	500,000	0	0
76	Hemel Hempstead Leisure Centre - Fire Door Improvements	Ben Hosier	0	0	95,000	0	95,000	95,000	90,475	95,000	0	0
77	Hemel Hempstead Leisure Centre - Pool Dosing Equipment	Ben Hosier	0	0	50,000	0	50,000	50,000	0	50,000	0	0
78	Car Park Refurbishment	Ben Hosier	60,000	623,193	0	0	0	683,193	6,837	683,193	0	0
80	Water Gardens North Car Park Drainage Improvements	Ben Hosier	35,000	0	0	0	0	35,000	0	35,000	0	0
81	Multi Functional Devices	Ben Hosier	90,000	0	0	0	0	90,000	0	0	(90,000)	0
82	Town Centre Access Improvements	Ben Hosier	0	391,864	0	0	0	391,864	105,069	526,864	0	135,000
			185,000	1,912,086	145,000	0	145,000	2,242,086	435,428	2,287,086	(90,000)	135,000

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR SEPTEMBER 2021

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments (Slip. C/F)	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
Finance and Resources (continued)											
Information, Communication and Technology											
94 Rolling Programme - Hardware	Ben Trueman	75,000	0	0	0	0	75,000	20,212	75,000	0	0
95 Software Licences - Right of Use	Ben Trueman	40,000	29,850	0	0	0	69,850	0	69,850	0	0
96 Future vision of CRM	Ben Trueman	(25,000)	123,600	0	0	0	98,600	0	98,600	0	0
		90,000	153,450	0	0	0	243,450	20,212	243,450	0	0
Legal and Corporate Services											
100 Audio-visual Improvement Works at The Forum	Mark Brookes	0	0	0	0	0	0	42,512	0	0	0
		0	0	0	0	0	0	42,512	0	0	0
Totals: Finance and Resources		1,469,000	2,571,623	145,000	0	145,000	4,185,623	714,948	4,056,271	(304,280)	174,928
Housing and Community											
Communities											
108 Verge Hardening Programme	Layna Warden	350,000	(24,898)	0	0	0	325,102	102,346	220,000	(105,102)	0
110 Capital Grants - Community Groups	Layna Warden	20,000	3,500	0	0	0	23,500	0	23,500	0	0
		370,000	(21,398)	0	0	0	348,602	102,346	243,500	(105,102)	0
Procurement and Contracted Services											
112 Rolling Programme - CCTV Cameras	Ben Hosier	25,000	1,456	0	0	0	26,456	0	26,456	0	0
114 Alarm Receiving Centre	Ben Hosier	0	33,627	0	0	0	33,627	0	33,627	0	0
115 CCTV Equipment Refresh	Ben Hosier	110,000	(41,713)	0	0	0	68,287	13,525	68,287	0	0
		135,000	(6,630)	0	0	0	128,370	13,525	128,370	0	0
Property and Place											
113 Disabled Facilities Grants	Jason Grace	741,000	202,842	0	0	0	943,842	328,660	943,842	0	0
		741,000	202,842	0	0	0	943,842	328,660	943,842	0	0
Strategic Housing											
125 Affordable Housing Development Fund	David Barrett	829,000	275,614	0	0	0	1,104,614	96,776	1,104,614	0	0
126 Temporary Accommodation - creation of new units	David Barrett	300,000	23,386	0	0	0	323,386	49,887	323,386	0	0
127 Aragon Close - Creation of Affordable Housing Move-on Units	David Barrett	0	0	0	0	0	0	3,696	0	0	0
		1,129,000	299,000	0	0	0	1,428,000	150,359	1,428,000	0	0
Totals: Housing and Community		2,375,000	473,814	0	0	0	2,848,814	594,890	2,743,712	(105,102)	0

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR SEPTEMBER 2021

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments (Slip. C/F)	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
Strategic Planning and Environment											
Development Management and Planning											
141 3D Modelling Software for Planning	Sara Whelan	0	60,000	0	0	0	60,000	0	60,000	0	0
142 Tablets for Planning	Sara Whelan	0	20,000	0	0	0	20,000	0	20,000	0	0
		0	80,000	0	0	0	80,000	0	80,000	0	0
Environmental Services											
146 Wheeled Bins & Boxes for New Properties	Craig Thorpe	100,000	0	0	0	0	100,000	138,036	106,673	0	6,673
147 Waste & Recycling Service Improvements	Craig Thorpe	25,000	0	0	0	0	25,000	11,648	25,000	0	0
149 Resurfacing Works and Building Improvement to Depot	Craig Thorpe	0	60,000	0	0	0	60,000	0	60,000	0	0
150 Chipperfield Common Car Park Resurfacing	Craig Thorpe	200,000	0	0	0	0	200,000	0	200,000	0	0
151 Fleet Replacement Programme	Craig Thorpe	3,111,905	901,345	0	0	0	4,013,250	1,968,543	2,500,000	(1,513,250)	0
		3,436,905	961,345	0	0	0	4,398,250	2,118,227	2,891,673	(1,513,250)	6,673
Strategic Planning and Regeneration											
156 Urban Park/Education Centre (Durrants Lakes)	Chris Taylor	0	134,015	0	0	0	134,015	0	0	(134,015)	0
158 The Bury - Conversion into Museum and Gallery	Chris Taylor	0	53,150	0	0	0	53,150	7,800	0	(53,150)	0
		0	187,165	0	0	0	187,165	7,800	0	(187,165)	0
Totals: Strategic Planning and Environment		3,436,905	1,228,510	0	0	0	4,665,415	2,126,027	2,971,673	(1,700,415)	6,673
Totals - Fund: General Fund		7,280,905	4,273,947	145,000	0	145,000	11,699,852	3,435,865	9,771,656	(2,109,797)	181,601

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR SEPTEMBER 2021

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments (Slip. C/F)	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)	
Housing Revenue Account												
Housing and Community												
Property & Place												
170	Planned Fixed Expenditure	Jason Grace	4,635,000	2,242,000	0	0	0	6,877,000	1,814,443	7,405,000	0	528,000
171	Pain/Gain Share (Planned Fixed Expenditure)	Jason Grace	0	0	0	0	0	0	126,308	0	0	0
172	M&E Contracted Works	Jason Grace	(220,000)	1,320,000	0	0	0	1,100,000	298,558	1,100,000	0	0
173	Communal Gas & Heating	Jason Grace	(1,000,000)	3,500,000	0	0	0	2,500,000	759,439	2,500,000	0	0
174	DBC Commissioned Capital Works	Jason Grace	5,746,000	758,132	0	(1,153,000)	(1,153,000)	5,351,132	1,432,102	4,823,132	0	(528,000)
175	Special Projects	Jason Grace	(47,147)	847,147	0	0	0	800,000	(1,105)	50,000	(750,000)	0
			9,113,853	8,667,279	0	(1,153,000)	(1,153,000)	16,628,132	4,429,745	15,878,132	(750,000)	0
Strategic Housing												
179	New Build - General Expenditure	David Barrett	0	0	0	30,000	30,000	30,000	0	0	127,000	(157,000)
180	Martindale	David Barrett	0	0	0	0	0	0	1,478	0	0	0
181	Bulbourne	David Barrett	823,155	117,165	0	(60,320)	(60,320)	880,000	20,678	851,000	(29,000)	0
182	Coniston Road	David Barrett	925,145	978,087	0	(281,230)	(281,230)	1,622,002	685,127	1,535,002	(87,000)	0
183	Eastwick Row	David Barrett	5,267,730	714,189	0	493,080	493,080	6,474,999	573,165	2,724,999	(3,750,000)	0
184	St Margaret's Way	David Barrett	554,645	(18,886)	0	(166,500)	(166,500)	369,259	265,281	302,499	(66,760)	0
185	Paradise Fields	David Barrett	3,276,000	(846,436)	0	(869,000)	(869,000)	1,560,564	11,019	559,999	(1,000,565)	0
186	Gaddesden Row	David Barrett	(70,985)	69,482	0	0	0	(1,503)	14,705	0	0	1,503
187	Randalls Ride	David Barrett	1,611,820	8,019	0	(175,840)	(175,840)	1,443,999	17,679	321,999	(1,122,000)	0
188	Garage Sites - New Build Developments	David Barrett	4,363,935	768,185	0	(1,512,760)	(1,512,760)	3,619,360	70,155	2,895,155	(724,205)	0
189	Wilstone	David Barrett	1,251,000	75,403	0	(496,300)	(496,300)	830,103	17,818	825,003	(5,100)	0
190	Marchmont Fields	David Barrett	3,042,000	53,470	0	(145,000)	(145,000)	2,950,470	31,950	260,000	(2,690,470)	0
191	Paradise Depot	David Barrett	1,660,000	128,548	0	0	0	1,788,548	30,250	179,998	(1,608,550)	0
192	Cherry Bounce	David Barrett	245,000	265,190	0	(292,640)	(292,640)	217,550	83,721	225,000	7,450	0
193	Stoneycroft and Great Sturgess	David Barrett	0	0	0	0	0	0	2,743	157,000	0	157,000
			22,949,445	2,312,416	0	(3,476,510)	(3,476,510)	21,785,351	1,825,767	10,837,654	(10,949,200)	1,503
Totals: Housing and Community			32,063,298	10,979,695	0	(4,629,510)	(4,629,510)	38,413,483	6,255,512	26,715,786	(11,699,200)	1,503
Totals - Fund: Housing Revenue Account			32,063,298	10,979,695	0	(4,629,510)	(4,629,510)	38,413,483	6,255,512	26,715,786	(11,699,200)	1,503
Totals			39,344,203	15,253,642	145,000	(4,629,510)	(4,484,510)	50,113,335	9,691,377	36,487,442	(13,808,997)	183,104

Agenda Item 8



Agenda item:

Summary

Report for:	Finance & Resources Overview and Scrutiny Committee
Date of meeting:	November 2nd 2021
Part:	1
If Part II, reason:	

Title of report:	Finance & Resources Performance Report Quarter 2 2021/22
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 within Finance & Resources for the 2nd Quarter of 2021/22.
Recommendations	That Committee notes the contents of the report and the performance of Finance & Resources for Quarter 2, 2021/22.
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:	Annex: Quarter 2 Performance Report. 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. 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.
2. Members will find enclosed with the agenda, the Inphase performance data for Finance & Resources for Quarter 2 of 2021/22 (July – September). These are under the sections headed Commercial Assets and Property Development, Financial Services and Revenue, Benefits and Fraud.
3. The Performance Report, Appendix A, highlights that there are 4 amber KPI's and 7 green where performance is good.
4. There are also 5 out of 16 KPI's that have been reported as red, which is the same performance in Quarter 1 2021/22.
5. The 5 service areas with red rated KPI's are directly impacted by the Coronavirus pandemic, and achieving pre pandemic targets is proving difficult in the current environment, these KPI's are;

- **RBF06 Council Tax customer contact response** – The volume and complexity of the council tax queries, combined with the increase in demand for council tax support has slowed the services performance down. Resources have been re- channelled and an improvement in performance is expected.
- **RBF01 Average time taken to decide a new claim for Housing Benefit** – A similar situation to council tax service, the volume and complexity of cases for benefits has increased the time taken to process applications, external support has been procured to improve these timeframes. Performance, whilst still red, has improved over the previous quarter.
- **FIN08 Investment Income** – This income stream is below expectations due to lower than expected interest rates and hence a reduced return on treasury investments.

Interest rates on investments have plummeted in line with the world economy with some council investment funds now returning a 0% rate of return, in 19/20 DBC averaged 0.8% return on investments in 21/22 it is projected to be 0.07%.

- **FIN02a Time taken for debtors to pay** – This is adversely impacted by the pandemic with debtors taking longer to pay and with a higher proportion choosing to pay via instalments. The performance has improved by 10% quarter on quarter but still below expectations. The service expected debt recovery actions to be back to normal in 21/22

but government policy has meant debt recovery processes are still not back to what the industry would call “normal”.

- **CP02 – Percentage arrears on commercial property rents** – The arrears on the commercial portfolio are historically at or around 8% which is considered to be a market leading level.

In the current market the arrears are circa 20% which although higher than historic performance is performing well compared to the sector wide averages. The majority of the commercial portfolio is in the retail sector and some retail landlords are reporting arrears as high as 87%.

The income collection and performance are being heavily scrutinised monthly and the bad debt provision as part of the monthly monitoring has been increased significantly.



AGENDA ITEM:

SUMMARY

Report for:	Finance and Resources Overview & Scrutiny Committee
Date of meeting:	2 nd November 2021
PART:	I
If Part II, reason:	

Title of report:	Quarter 2 Performance Report – Corporate and Contracted Services
Contact:	<p>Cllr Andrew Williams, Portfolio Holder for Corporate and Contracted Services</p> <p>Author/Responsible Officers:</p> <p>Mark Brookes (Assistant Director – Corporate and Contracted Services)</p> <p>Ben Hosier – Group Manager (Procurement and Contracted Services)</p> <p>Farida Hussain - Group Manager (Legal and Corporate Services)</p>
Purpose of report:	To provide Members with the performance report for quarter one 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:	<p><u>Financial</u></p> <p>Financial implications are highlighted throughout the report, where applicable.</p>
'Value For Money Implications'	<p><u>Value for Money</u></p> <p>Monitoring Performance supports the Council in achieving</p>

	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 2 Performance Report

- Members will find enclosed with the agenda report the Inphase performance data for Corporate and Contracted Services, which are under the sections headed Legal and Corporate Services and Procurement and Contracted Services.
- 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 second quarter.
- 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 combined teams of Members Support, Electoral Registration and Corporate Support) and Procurement and Contracted Services.

The Legal Team

- 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
Planning Prosecution – 121 High Street, Markyate St Albans	DBC V Murshed and Uddin	Case heard on 13 July 2021 at St Albans Mags Court. Defendants were sentenced as follows: 1. Both defendants received 100 hours community service (unpaid work) over a period of 12 months; 2. Pay prosecutions costs of £6,000 (£3,000 for each defendant) 3. VS £95.00 for each defendant

Environmental Health Prosecution – Appeal against Improvement and Prohibition notices served	Dacorum Sports Trust Ltd. V DBC	Appeal dismissed by the Employment Tribunal. Notices upheld subject to modifications
Environmental Health – Animal Welfare	DBC – v- Flitton, Richardson and Towers	<p>All three defendants pleaded guilty to charges under the Animal Welfare Act 2006 and were sentenced as follows:</p> <p><u>Flitton</u> 12 months Community Order 100 hours unpaid work £95 VS £300.00 prosecution costs</p> <p><u>Richardson</u> 12 months Community Order 30 Rehabilitation Activity Requirement Days £120.00 Fine £95 VS £300 prosecution costs</p> <p><u>Towers</u> 12 months Community Order 30 Rehabilitation Activity Requirement Days £120.00 Fine £95 VS £300 prosecution costs</p> <p>Further to an ancillary application all three Defendants have been disqualified from owning, keeping, participating in keeping of all species indefinitely. The two dogs were ordered to be signed over to DBC.</p>
Environmental Health – Health & Safety Prosecution	DBC –v- Holiday Inn and Interstate Management Limited	<p>Defendants found guilty of Health & Safety breaches.</p> <p>HICP Limited - £80,000 fine and £30,000 costs</p> <p>Interstate Management Limited - £19.6K fine and 30,000 costs</p>
Environmental Health – Fly-tipping	DBC-v -Kirsty Jenkins	<p>Environmental Offences Prosecution (Waste Duty of Care (Section 34) Offence) Fined: £200 victim surcharge of £44 Council's costs of £566.48.</p>

The Licensing Team

5. Key updates for the team are as follows:

- Two decisions via Sub-Committee, one under the Licensing Act for a new premises licence, and one in regards to considering whether a taxi driver was fit and proper to hold a licence. The premises licence was granted, and taxi driver was revoked (they are currently appealing this revocation via the magistrates courts)
- Four more warning strikes issued to taxi and private hire drivers. One of these was the second time the driver had to be warned about failure to display a roof sign, two drivers had convictions/cautions which they had failed to notify the Council of until these came to light on renewal of their licence, and finally another driver using the rank as a free parking space whilst he went into town.
- New statutory fit and proper person register for licensed caravan sites management set up in time for 1st October as required, with 4 out of 5 licensed sites having a responsible person included on the register.
- Staff Changes:
 - Retirement of our longstanding Enforcement Officer Richard Mabbitt giving an opportunity to our Licensing Compliance Officer to be appointed to the more senior role following success in the recruitment process.
 - New temporary Licensing Officer in post at the end of July, funded to assist the Council in managing the implications of the pandemic for Licensing as we start to emerge from this.
- The Licensing Committee has considered consultation responses to the Gambling Policy and has referred this to Council with a recommendation to adopt ahead of January as statutorily required. The Licensing Enforcement Policy has also been reviewed and consultation is taking place in regards to this before the reviewed document can be finalised and adopted by the Council under the delegated responsibility of the Licensing Committee.

Corporate and Democratic Support

6. During Quarter 2, Corporate and Democratic Support carried out the following:

Corporate meetings

- Supported 11 corporate meetings

Committee meetings

- Supported 19 committees (including agendas & minutes)
- Processed 2 Portfolio Holder Decisions
- Processed 11 Officer Decisions

Member Development

During Quarter 2, 3 Member Development session were delivered, hosted virtually;

- New Councillor Induction (following Borough by-elections)
- Members GDPR, Security & FOI Update Training (delivered by John Worts)

- Housing & Engagement session (delivered by the Housing Improvement & Engagement Team)

Mayoralty

July to September saw Mayor of Dacorum, Cllr. Stewart Riddick settling into post; the beginning of the Mayoral year was quiet as we outset plans for upcoming events and still had issues selling tickets for fundraising and Mayoral events, due to people's concerns surrounding COVID. One of our events, an outdoor afternoon tea, sadly got cancelled due to the lack of sign up and possible restrictions in place due to COVID. The Mayor begun attending smaller events within the community, including some charity events and business openings. He also attending some Diamond Wedding Jubilees which received good press in Hemel Today.

The Mayor's Office took on larger events including the running and management of the Hemel Your Town 5K taking place in Gadebridge Park in October.

Digital Print & Post Room

During Qtr 2 the team;

- Processed and franked a total of 78,854 outgoing mail items, at a total cost of £36,746.07 (includes HVCCG & CAB which is recharged)
- Processed 739 cheque transactions and 44 cash receipt transactions
- Facilitated weekly **Confidential waste** collections to following total weights:
 - The Forum – 1540 kg
 - Cupid Green Depot - 262 kg

In addition;

Arranging external courier deliveries of ICT equipment to addresses of employees working from home outside the borough.

Arranging in-house courier deliveries of ICT equipment within the borough.

Printing of all external mail for all departments

Prepare to start scanning everything individually to Finance Payments team (Finance team to move under new ways of working to work solely from home)

Various incoming post items being electronically sent to recipients not using Information@Work

All Digital Print & Post room staff working back at the Forum.

7. Electoral Services

Electoral Registration

Throughout Q2 the Electoral Registration Team made 7767 amendments to the register:

- 289 changes
- 3921 deletions
- 2258 creations
- 1299 movers

Annual Canvass

Following the local and national data matching, 50,080 Canvass Communication A Forms (CCA) were issued in July to properties who fully matched with the DWP checks.

A further 15,924 Canvass Communication B (CCB) and Canvass Forms were then issued to the route 2 properties who must respond to confirm the details we have are correct or notify us of any changes.

At the end of August 8595 forms were issued to the Route 2 properties which had not yet responded to their initial form.

Throughout September we continued to process responses to canvass forms and encourage participation via social media.

The next stage was to conduct door to door enquiries with the 5700 non-responding households. Therefore 19 canvassers were appointed and trained and began their canvassing.

Another thread of annual canvass is to carry out a telephone canvass. This year there were 640 electors who qualified as non-responding and had a contact telephone number. As this is carried out by the Electoral Registration team, we worked on prioritising areas where the response rate was lower than other areas and for areas who did not have an appointed canvasser.

Ongoing checks of the Register and cross referencing has continued as part of canvass, by comparing our data to other sources, e.g. Council tax.

By working with Address management, many new developments have been added to the register over this period and individual canvass forms issued as they did not exist during the early stages of canvass.

In addition the team have updated the database of property notes and have contacted all electors who have changed their name, but are yet to update their postal vote application (This could lead to it being rejected as a mis-match at election time), so they have been asked to complete a new postal vote application form. This will now form part on the monthly update process.

Staff Training:

During Q2 the team attended an NLPG course run by Express to discuss address management processes, held a review with the Express representative, staff attended the Hertfordshire County Electoral Services group meeting and the Eastern AEA Branch meeting. Here we discussed annual canvass, election claims and the forthcoming Elections Bill and the local implications.

In addition one member of the team has now enrolled in the AEA Certificate qualification, so they attended the Induction course for this.

Elections

Kings Langley South By Election

The by election was successfully completed on the 8th of July and received a 23% turnout.

All staff and electors adhered to the Covid safety measures in place and there were no issues/complaints received.

The election timetable was adhered to and formed the basis of the project plan.

Election staff database:

Work has continued to review the full election staff database – all staff included (1000), personal details, chasing those without an email, removing people who no longer wish to be included and obtaining proof to work in the UK. As the review developed, people's bank details and National Insurance numbers also needed to be checked. All non-responders were reminded and asked again for the information. As a result, 314 people were removed from the database as no response was received. This has significantly reduced the amount of people held on the database, which is now 720. Of which only 75 do not currently have an email address, so we will be working with these individuals to update their records. This will improve the efficiency of contacting them for future elections.

8. **Procurement**

A number of procurement exercises and projects have been ongoing:

- Paradise Fields New Build Scheme (£15.5m / 2 years)
- Asbestos removal contract for Housing (£1m / 4 years)
- Temporary Agency Staff (still scoping the procurement but estimated to be £2m per annum)
- Stair lift contract for Housing Properties (£900k / 5 years)
- Telecoms renewal contract (still scoping the procurement but estimated to be £70k per annum)
- Printing for the annual canvass and election (£325k / 5 years)
- Purchase of Light Commercial Vehicles (£1.007m / 4 years)
- Rossgate Shops Window Replacement (£300k / 3 months)
- Fire Safety work to Housing Properties (£12m / 4 years)
- Main Contractor for Garages (£5.1m / 12 months)
- Main Contractor for Randall's Ride New Homes Scheme (£4.5m / 2 years)
- LA1 Marchmont Laidon Square New Homes Scheme (£6.1m / 18 months)
- Garage Demolition Contract (New Homes) (£228k / 2 months)
- Dacre House Refurbishment works (£159k / 12 weeks)
- Stock Condition Survey for Housing Properties (£1m / 4 years)
- Wilstone, Tring New Build Construction (£1.7m / 12 months)

9. Parking Services

The Covid-19 pandemic continues to have negative impact on usage in Council owned car parks and this has had a significant impact on the number of parking sessions and Penalty Charge Notices being issued, both of which have financial implications.

Parking Sessions

2021/22	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
On street	11,499	11,964	12,806	13,388	11,553	11,908						
Off Street	59,941	67,054	68,143	70,854	68,332	65,756						
Total	70,527	79,018	80,949	84,242	79,885	77,664						

2020/21	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
On street	2,066	3,005	7,870	12,737	11,756	13,481						
Off Street	12,941	19,988	39,723	58,406	78,878	67,757						
Total	15,007	22,993	47,593	71,143	90,634	81,238						

2019/20	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
On street	16,817	17,681	17,184	18,048	16,144	16,252						
Off Street	97,975	105,540	102,656	90,347	88,084	87,541						
Total	114,792	123,221	119,840	108,395	104,228	103,793						

Difference	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
On street	-5,318	-5,717	-4,378	-4,660	-4,591	-4,344						
%	-32%	-32%	-25%	-26%	-28%	-27%						
Off Street	-38,034	-38,486	-34,513	-19,493	-19,752	-21,785						
%	-39%	-36%	-34%	-22%	-22%	-25%						
Total	-44,265	-44,203	-38,891	-24,153	-24,343	-26,129						
%	-39%	-36%	-32%	-22%	-23%	-25%						

Lockdown 1 was from April 2020 to June 2020

Lockdown 2 was during November 2020

Lockdown 3 was from January 2021 to April 2021

The number of parking sessions during Q2 in 2021/22 against 2019/20 (pre-Covid) is running at a 23% reduction. A decrease from the 36% in Q1

PCN's Issued

2021/22	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
On street	478	501	609	557	520	646						
Off Street	329	391	367	359	311	335						
Total	807	892	976	916	831	981						

2020/21	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
On street	0	135	128	522	379	475						
Off Street	0	0	26	268	231	409						
Total	0	135	154	790	610	884						

2019/20	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
On street	576	660	632	683	792	624						
Off Street	437	686	659	658	592	599						
Total	1,013	1,346	1,291	1,341	1,384	1,223						

Difference	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
On street	-98	-159	-23	-126	-272	22						
%	-17%	-24%	-4%	-18%	-34%	4%						
Off Street	-108	-295	-292	-299	-281	-264						
%	-25%	-43%	-44%	-45%	-47%	-44%						
Total	-206	-454	-315	-425	-553	-242						
%	-20%	-34%	-24%	-32%	-40%	-20%						

Lockdown 1 was from April 2020 to June 2020

Lockdown 2 was during November 2020

Lockdown 3 was from January 2021 to April 2021

The number of PCN's issued during Q1 in 2021/22 against 2019/20 (pre-Covid) is running at a 31% reduction. An increase from the 26% in Q1

TRO's

TRO's

CPZ – Ebbens Road

- Statutory consultation completed, decision made to stop implementation due to lack of support.

Marlowes (North)

- Formal consultation has commenced – closes 12.11.21

Saba management & Notice Processing

- Some notice processing staff working from home, arrangements made to accept card payments remotely.
- No Civil Enforcement Officers or Notice Processing isolating
- Vacancy for one CEO filled. Recruiting additional CEO for holiday cover

Council team

- Progressions including Enforcement Agent action (excepting entering premises) continues.
- Due to the loss of 50% of the workforce (retirement), the workload has increased.
- Recruitment for replacement post concluded and we are just finalising all of the HR checks.

10. CCTV

The CCTV refresh program is well underway, as we have now moved into the second year of the program we will be replacing the main radios on the mast at Cupid Green.

Proposed Upgrade/Replacement cost					
Year	2020/21	2021/22	2022/23	2023/24	2024/25
Budget	£148,041	£89,958	£108,002	£119,072	£139,574
Outstanding	£32,055	£89,958	£78,058	£113,290	£139,574
Spent	£115,986	£0	£29,944	£5,782	£0
Remaining	£32,055	£89,958	£78,058	£113,920	£139,574

11. Leisure Contract

Leisure centres at Berkhamsted and Hemel Hempstead opened on April 12 in line with the Government's easing of lockdown measures, Jarman's Park opened on 29th March 2021.

Weekly Attendance Data

Week Commencing	Gym		Group Ex		Swimming		Outdoor		Total
	Hemel	Berko	Hemel	Berko	Hemel	Berko	Berko 3G	Track	
2019/20 Average	132 ¹	56 ¹	2,898	816	1,672	415 ²	N/A	557	6,546
Jul – Oct 20 Average	1,700	904	1,875	612	846	477	n/a	215	6,629
29th March 2021	0	0	0	0	0	0	0	330	330
5th April 2021	0	0	0	0	0	0	0	350	350
12th April 2021	2,069	1,205	0	0	2,132	1,227	800	140 ³	7,573
19th April 2021	2,080	1,250	0	0	2,351	1,212	920	140 ³	7,953
26th April 2021	2,160	1,555	0	0	2,351	1,238	924	350	8,578
3rd May 2021	1,927	1,586	0	0	2,339	1,019 ²	820 ²	350	8,041₄
10th May 2021	2,176	1,625	0	0	2,298	1,283	840	350	8,572
17th May 2021	1,973	1,370	2,026	651	2,389	1,232	840	350	10,831
24th May 2021	1,771	1,319	1,988	608	2,136	1,044	840	352	10,058
31st May 2021	1,321	1,072	1,651	441	2,524	1,236	836	352	9,443₄
7th June 2021	1,706	1,313	1,962	568	2,462	1,277	840	1,501	11,629
14th June 2021	1,795	1,165	1,900	554	2,720	1,308	840	605	10,887
21 st June 2021	1,752	1,152	1,945	610	2,944	1,275	840	616	11,134
28th June 2021	1,642	1,162	1,894	570	2,984	1,232	840	1,100	11,424
5th July 2021	1,336	1,142	1,891	579	2,953	1,147	840	960	10,848
12th July 2021	1,246	1,092	1,795	549	4,198 ₅	1,327	840	1,310	12,327₅
19th July 2021	1,194	896	1,745	502	5,165	1,390	840	300	12,032
26th July 2021	1,496	885	1,857	491	4,622	1,491	840	300	11,982
2nd August 2021	1,613	897	2,070	557	4,611	1,464	840	300	12,352
9th August 2021	1,556	815	1,907	551	5,102	1,427	840	290	12,488
16th August 2021	1,542	820	2,037	557	4,769	1,419	840	290	12,274
23 rd August 2021	1,497	808	1,985	605	4,683	1,439	780	310	12,107
30th August 2021	1,302	739	1,856	518	4,175	1,383	840	290	11,103₄
6th Sept 2021	1,405	758	1,918	618	4,145	1,341	840	290	11,315
13th Sept 2021	1,411	842	2,050	636	3,990	1,366	840	630	11,765
20 Sept 2021	1,429	852	2,061	626	3,952	1,359	840	320	11,439
27 Sept 2021	1,442	835	2,001	623	3,701	1,361	840	350	11,153
04 October 2021	1,427	863	2,017	662	3,932	1,324	840	290	11,355
Av. Attendance	1,626	1,078	1,930	575	3,447	1,301	842	472	

¹ The gym attendance report for 2019/20 is for scanned membership cards, which obviously show much lower than they were (due to scanning card and holding door open for friend/magnets either not being installed or not working on doors to control access). Whereas the stats between lockdowns are now accurate due to customers having to book their sessions so unfortunately a direct comparison is not available.

² Berkhamsted public swim sessions appear higher now than Pre Covid, this is due to additional public pool space at Berkhamsted as their school swimming lessons haven't yet returned in their entirety yet (for example Egerton Rothesday having approx. 5 hours per week pre lockdown and not yet returning, giving 150 additional public swim spaces at present each week)

³Jarmans' Park closed for works to be completed

⁴Week includes a Bank Holiday

⁵ Outdoor swimming pool opens

A report was presented to Cabinet 22 June 2021, recommending to continue to provide support to EA throughout 2021/22, this recommendation was agreed.

Hemel School are still waiting for planning approval on the Hemel Courts project. The dual use agreement has been agreed in principal.

12. Leisure Modernisation – Berkhamsted Leisure Centre

Work continues on the Berkhamsted Sports Centre project developing the design, site options and business planning.

Consultation has commenced with various stakeholders, including Everyone Active, and other local stakeholders and this will be continuing over the summer with a report to be presented to scrutiny and Cabinet in the autumn.

The key work streams we are developing include:

- Facility mix,
- Site layout,
- Location of 3 G pitches (including exploring off-site opportunities),
- Options for residential development if the 3G pitches can be located off-site,
- Sustainability measures,
- Concept design and business planning.

13. Parking & Access Movement Project

- Work on the PAM project commenced in August, this caused a build-up of traffic on Leighton Buzzard Road, but traffic appears to be dealing with this.
- The closure of WGS did not appear to cause too much of an issue for users, although lifting of the parking restrictions on WGN upper deck helped.
- The works on Bridge Street have commenced and the road width has been reduced as per the design.
- The works to the access road from Leighton Buzzard Road and Bridge Street the resurfacing of the Water Gardens South car park were completed on Sat 16 October, when the car park will reopen.
- Works will continue on the landscaping of the area on Leighton Buzzard Road, but this will not cause any issues with vehicular access to and from the car park.

14. Climate Emergency and Sustainability

- Workload is currently high with a number of initiatives being planned to coincide with the build up to COP26 – the global climate change conference which the UK is hosting in November. As such, a large amount of preparatory work has been undertaken.
- The Dacorum Climate Action Network (Dacorum CAN) has recently been launched – 130 individuals join, and 21 organisations have joined in the first month. The new initiative will be bringing together individuals and organisations to ‘think global and act local’ to help tackle the Climate and Ecological Emergency. The network will help to facilitate meaningful change by educating, encouraging and enabling people to make positive environmental changes in their everyday lives.
- There will be a public Dacorum CAN climate networking event taking place in the evening on November 3rd – work has been in progress preparing for and promoting this.
- Dacorum has been driving forward a partnership between the HCCSP and the Energy Saving Trust to launch an energy efficiency app for residents. Agreement has been reached and we are currently working on the contract and hope to launch soon.
- In November we will be launching the second round of Green Community Grants, which will provide £20,000 of funding to community groups to carry out environmental projects.
- We have launched a call out to local artists to submit creative pieces linked to the Climate and Ecological Emergency – these will be displayed in an exhibition in the town centre throughout November. Secondary schools art departments and local art groups have been targeted specifically for promotion, alongside general promo.
- A Members carbon literacy training course is booked in for October. There are a limited number of spaces available if there is any additional interest.
- The new Sustainability Officer, Kelly Murphy has recently joined us and is currently being trained up.
- Work on progressing the ORCS application and EV charging around the borough is ongoing.
- We have selected a consultant to carry out site audits to identify what work needs to be done to get our built assets to net-zero. These surveys have all taken place and the report will be ready in the next few weeks.
- Work is ongoing to draft the Climate and Ecological Emergency (CEE) Strategy ready for this to go to Cabinet in November for approval.

15. **Highbarns**

Remediation of collapse feature and voids identified running from the edge of the collapsed feature towards the residential properties

- Contractual terms have been finalised to complete the infill works.
- There are various statutory consents to be obtained and the works will then be programmed but likely to be commenced in the autumn.
- The contract has been sent to BAM Richies for signing and is due back w/c 25/10
- Once the contract is signed, the works programme will be updated and shared with Members.
- It is anticipated that a start on site date of early November will be achieved and that Works will be completed within 6 weeks.



SUMMARY

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

Title of report:	Performance and Risk report Quarter 1 2021/22 – Performance, People & Innovation
Contact:	Andrew Williams, Leader of the Council and Portfolio Holder Corporate & Contracted Services Author/Responsible Officer: Linda Roberts (Assistant Director – Performance , People and Innovation), Matt Rawdon (Group Manager – People and Communities) and Ben Trueman (Group Manager – Technology and Digital Transformation)
Purpose of report:	To provide the Committee with analysis of performance and risk management for the services and functions provided by the Performance, People & Innovation Division.
Recommendations	That the Committee notes the contents of the report and the performance of the division for Quarter 2 2021/22.
Corporate objectives:	The Performance, People & Innovation division supports the delivery of all corporate objectives, although there is a particular focus on ‘modern and efficient council’.
Implications:	<u>Financial</u> Poor performance could lead to increases in costs as well as reducing the value of our service offer.
‘Value For Money Implications’	<u>Value for Money</u> The work of the division supports the achievement of value for money in the pursuit of the Council’s objectives
Risk Implications	Risk Assessment regularly reviewed
Equalities	There are no equalities implications arising from this report.

Implications	
Health And Safety Implications	There are no health and safety implications arising from this report.
Consultees:	None
Background papers:	Attached: 1. Quarter 2 Operational Risk and Performance reports
Historical background <i>(please give a brief background to this report to enable it to be considered in the right context).</i>	This is a regular report to the committee detailing the performance of the relevant services for this committee over the last quarter. The review also considers operational risks and highlights any additional controls and assurances needed to address the issues raised.
Glossary of acronyms and any other abbreviations used in this report:	<ul style="list-style-type: none"> • IT – Information Technology team • FirstCare – The Council’s sickness management system • KPIs – Key performance indicators

Introduction

- 1.1 Performance reports are produced on a quarterly basis with information collated in the Council's performance management system (Rocket).
- 1.2 The performance report for the division is attached and it examines progress in relation to two key themes:
 - 1.2.1 Human Resources
 - 1.2.2 IT and Digital Services

Monitoring Performance

Human Resources

The total sickness absence outturn for Q2 is higher than last quarter and higher than Q2 last year. Both short and long term absence has increased.

The sickness scrutiny group continues to meet regularly to assess all sickness absence and will look to identify trends and any areas of concern, in these cases they will be escalated to a more formal route via the policy. This group also monitors compliance to return work interviews to ensure staff members returning have a session with their manager to discuss their absence, as well as carrying out spot checks on whether managers are in regular contact with their staff. We have recently offered the flu vaccination to all staff members as opposed to front line workers only, which has seen a significant take up of around 200 staff members.

The HR team has analysed the statistics and there appears to be an increase in stress/anxiety related absence (both home and work). HR work with management to assess cases to understand what the reasons for the sickness absence so that a tailored approach to managing the absence is devised. For cases of work related sickness, mechanisms are in place to identify the 'route cause', so that managers can find solutions to alleviate these pressures whilst still setting expectations of work delivery. Alternatively, for cases including home life stressors, in these situations there are many support processes in place such as, occupational health, counselling, sign posting to external support, our new mental health first aider programme.

We also continue to send out a fortnightly wellness offer which includes courses, webinars, exercise classes, other support. These focus on a dedicated topic which also link into national themes around wellness. The Council has also recently launched our mental health first aider programme, where we have a cohort of trained staff who can be the first port of call for our workforce should they need some assistance.

The sickness scrutiny group assess all long term sickness cases each month to ensure the Council is doing all it can to support staff back to work, by ensuring we have the latest medical information from our Occupational Health team, looking at what adjustments we can make to roles and where cases need to be escalated to a formal process in line with the policy. We work closely with managers to ensure regular contact is made with staff who are absent from work as this is a critical aspect to help staff back to the workplace.

The overall health and wellbeing programme will evolve as we have been awarded by the Herts Protection Board £18k to develop our staff health and wellbeing even further so that we can support our staff through the difficulties of CV-19. Some of the ideas include wellness apps, 6 week workplace wellbeing programme.

The staff turnover percentage is higher than previous quarters. HR will explore the exit interviews to see if there are any concerning trends and suggest actions where appropriate. An average staff turnover in the UK is around 15%, so HR will monitor this in the coming months.

IT and Digital Services

IT Systems availability (100%) was positive within the quarter demonstrating the fundamental reliability of the Council's technology infrastructure. Throughout the pandemic, services have depended on resilient access to longstanding systems, as well as the deployment and regular updating of newer collaborative technologies such as Microsoft Teams.

The primary performance indicator (ICT01 - Percentage of incidents resolved in less than 2 days) was amber within the quarter at 85%. The Service Desk have continued to work effectively throughout. However, they have been seriously affected by staff absence and vacancy, which has proved hard to fill. In combination this has reduced the staff level to 50% of establishment. Successful recruitment and sickness management should see staffing levels return to normality in Q3/4.

Essential project work, such as the technical migration of the Council's Intranet, the development of solutions to support the management of garage lettings and the migration of the Council's Wide Area Network and primary Data Centre has continued through the quarter.

Numbers of Website Users (175,776), is a drop from the previous quarter's figure of 189,981 and may be a sign that some customers are returning to pre-pandemic forms of interaction with the Council. The number of registered MyDacorum users, however, continued to rise, standing at 7,801, an increase of 8% over the previous quarter.

Measure Code	Measure Name	This Month Actual	This Month Target	Last Month Actual	Last Month Target	-12 Months Actual	-12 Months Target	DoT	Comments
HR02a	Turnover of staff	17		10	n/r	2		↓	The staff turnover percentage is higher than previous quarters. HR will explore the exit interviews to see if there are any concerning trends and suggest actions where appropriate. An average staff turnover in the UK is around 15%, so close attention will need to be paid to this in the coming months.
HR03	Total days lost through sickness absence for the council (OSC)	2,270.90		1,802.57	n/r	1,520.00		n/a	

Measure Code	Measure Name	This Month Actual	This Month Target	Last Month Actual	Last Month Target	-12 Months Actual	-12 Months Target	DoT	Comments
HR04a	Total days lost through SHORT TERM sickness absence (OSC)	1,072.65		858.10		692.50			<p>The sickness scrutiny group continues to meet regularly to assess all sickness absence and will look to identify trends and any areas of concern, in these cases they will be escalated to a more formal route via the policy. This group also monitors compliance to return work interviews to ensure staff members returning have a session with their manager to discuss their absence. We have recently offered the flu vaccination to all staff members as opposed to front line workers only, which has seen a significant take up of around 200 staff members. The HR team has also analysed the statistics and there appears to be an increase in stress/anxiety related absence. We continue to send out a fortnightly wellness offer which includes courses, webinars, exercise classes, other support. These focus on a dedicated topic which also link into national themes around wellness. The Council has also recently launched our mental health first aider programme, where we have a cohort of trained staff who can be the first port of call for our workforce should they need some assistance.</p>

Measure Code	Measure Name	This Month Actual	This Month Target	Last Month Actual	Last Month Target	-12 Months Actual	-12 Months Target	DoT	Comments
HR04b	Total days lost through LONG TERM sickness absence (OSC)	1,198.26		944.47		827.50			<p>The sickness scrutiny group continues to meet regularly to assess all sickness absence and will look to identify trends and any areas of concern, in these cases they will be escalated to a more formal route via the policy. This group also monitors compliance to return work interviews to ensure staff members returning have a session with their manager to discuss their absence. We have recently offered the flu vaccination to all staff members as opposed to front line workers only, which has seen a significant take up of around 200 staff members. The HR team has also analysed the statistics and there appears to be an increase in stress/anxiety related absence. We continue to send out a fortnightly wellness offer which includes courses, webinars, exercise classes, other support. These focus on a dedicated topic which also link into national themes around wellness. The Council has also recently launched our mental health first aider programme, where we have a cohort of trained staff who can be the first port of call for our workforce should they need some assistance.</p>
HR04e	Short term sickness as a percentage of all sickness (OSC)	47.23%		47.60%	n/r	45.56%		✘	
HR04f	Long term sickness as a percentage of all sickness (OSC)	52.76%		52.40%	n/r	54.44%		n/a	
HR05	Average days lost due to sickness absence per FTE (OSC)	1.05		0.84	n/r	0.72		n/a	

Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
ICT01	Percentage of incidents resolved in less than 2 days	85.00%	90.00%	91.86%	90.00%	86.27%	90.00%		30/09/2021 The target was narrowly missed. However, the ICT Service Desk has been seriously affected by staff absence and is currently carrying a vacancy.
ICT01(D)	Number of incidents	1,181.00		1,093.00	34.00	1,617.00		n/a	
ICT01(N)	Number of incidents resolved within 2 days	987.00		1,004.00	55.00	1,395.00		n/a	
ICT02	Availability of primary systems (office hours)	100.00%	99.00%	100.00%	99.00%	100.00%	99.00%		30/09/2021 Reliably delivering resilient systems
ICT06	Total number of incidents and service requests reported (ICT)	2,914		2,079		2,991			30/09/2021 A significant increase over the previous month but broadly in line with the same period last year.

Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
CS02a	Percentage stage 1 complaints resolved in 15 days for the Council	81.03%	80.00%	91.00%	80.00%	62.16%	80.00%		
CS02a (D)	Number stage 1 complaints due to be resolved in period for the council	116		100		37		n/a	
CS02a (N)	Number stage 1 complaints resolved in 15 days for the Council	94		91		23		n/a	
CS02b	Percentage stage 2 complaints resolved in 15 days for the Council	95.45%	80.00%	66.67%	80.00%	100.00%	80.00%		
CS02b (D)	Number stage 2 complaints due to be resolved in period for the council	44		3		2		n/a	
CS02b (N)	Number stage 2 complaints resolved in 15 days for the Council	42		2		1		n/a	

Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
DPA01	Percentage of DPA requests met in 31 days	87.50%	100.00%	100.00%	100.00%	94.44%	100.00%	✘	
DPA01 (D)	Number of DPA requests due in period	8		18		18		n/a	
DPA01 (N)	Number of DPA requests met in 31 days	7		18		17		n/a	
FOI01	Percentage of FOI requests satisfied in 20 days	92.86%	100.00%	94.29%	100.00%	91.91%	100.00%	✘	
FOI01 (D)	Number of FOI requests due in period	140		140		136		n/a	
FOI01 (N)	Number of FOI requests satisfied in 20 days	130		132		125		n/a	
LG03	Percentage of Right to Buy documents sent to tenants/their Solicitors within 15 working days	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	➔	
LG03 (D)	Number of Right to Buy documents due to be sent to tenants/their Solicitors in period	11		2		7		n/a	
LG03 (N)	Number of Right to Buy documents sent to tenants/their Solicitors within 15 working days	11		2		7		n/a	
LG06	Percentage of housing possession proceedings commenced within 20 working days	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	➔	
LG06 (D)	Number of housing possession proceedings set to commenced in period	0		0		1		n/a	
LG06 (N)	Number of housing possession proceedings commenced within 20 working days	0		0		1		n/a	
LG09	Percentage of prosecution proceedings commenced within 20 working days	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	➔	

Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
LG09 (D)	Number of prosecution proceedings set commenced in period	1		3		2		n/a	
LG09 (N)	Number of prosecution proceedings commenced within 20 working days	1		3		2	0	n/a	

Procurement and Contracted Services

Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
FIN13	Car Parking Income ytd budget against ytd actual	£2,738,482	£3,466,238	£1,073,568	£1,386,496	£1,390,237	£3,465,887	↕	

Commercial Assets and Property Development

Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
CP01	Percentage of commercial property occupation	95.07%	95.00%	95.24%	95.00%	95.24%	95.00%	✘	30 Sep 2021 There are currently 30 void properties on our books. There are 6 properties (20%) under offer. 24 void properties (80%) need refurbishment or substantial remedial works before they can be marketed. TA are looking at a number of maisonettes, which if taken, would significantly reduce the overall void numbers. Covid - 19 pandemic is having a detrimental impact on lettings in the short to medium term as businesses face a number of challenges. Legal completions are taking longer as applicants, while keen to bid, are hesitant to complete legal paperwork.
CP01 (D)	Number of commercial properties	609		609		609		n/a	
CP01 (N)	Number of commercial properties occupied							?	

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Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
CP02	Percentage arrears on commercial property rents	25%	9%	20%	9%	15%	9%		30 Sep 2021 The overall debt level is 25%. The projected rent forecast has been reduced from £5.8m to £4.9m due to current market uncertainties. Please note that reminders are being issued and the majority of tenants are being chased but due to the Government moratorium no formal legal debt collection can be undertaken. Many businesses still have not benefitted from a sustained trading period due to recent lockdown restrictions. We are assisting tenants where possible with deferred payment plans and we will recoup these sums over time (approx. 25% of the debt).
CP02 (D)	Total rent for commercial properties	£4,939,772		£4,939,772		£5,877,130		n/a	
CP02 (N)	Total arrears on commercial properties	£1,241,568		£988,529		£884,575		n/a	
FIN11	Investment Property Income ytd budget against ytd actual	£3,612,105	£2,983,220	£2,301,726	£1,929,280	£3,606,241	£3,621,930		30 Sep 2021 This indicator measures invoices raised and is currently c. £630k above target which is 21%.

Financial Services

Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
FIN01	Percentage of creditor trade invoices paid within 30 days	99.4%	96.0%	99.8%	96.0%	99.5%	96.0%		30 Sep 2021 Performance against this indicator continues to be high.
FIN01 (D)	Number of creditor trade invoices that will reach 30 days in period	2,950	1,059	3,588		2,768		n/a	
FIN01 (N)	Number of creditor trade invoices paid within 30 days	2,933	1,059	3,581		2,754		n/a	

Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
FIN02a	Time taken for debtors to pay	61.4	40.0	58.1	40.0	62.6	40.0		30 Sep 2021 Performance against this indicator continues to be adversely impacted by the coronavirus pandemic. Debtors are taking longer to pay, which a higher proportion paying via instalments. Government policy means that restrictions on debt enforcement activity are expected to continue to the end of the financial year.
FIN03	General Fund expenditure - outturn forecast against budget	£63,291,000	£60,321,000	£60,783,000	£60,321,000	£83,568,000	£61,194,000		30 Sep 2021 The position reported is that as at the end of August 2021, the latest approved position. Performance against this indicator is both below target and lower than the previously reported period. There are pressures across General Fund services relating to the ongoing financial impact of the pandemic (waste service costs and car parking income) as well as 'business as usual' pressures such as temporary accommodation income and expected insurance costs. These pressures are being closely monitored, with the overall financial position of the authority formally reported to Members on a quarterly basis.

Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
FIN04	HRA expenditure outturn forecast against budget	£173,768,000	£175,540,800	£175,408,200	£175,540,800	£170,917,000	£173,751,000		<p>30 Sep 2021</p> <p>The position reported is that as at the end of August 2021, the latest approved position. Performance against this indicator is above target. Forecast expenditure has increased from the previous reported period.</p> <p>There is a forecast underspend against repairs and maintenance related to a stock condition survey of the Council's HRA dwellings. The overall financial position of the HRA is reported to Members on a quarterly basis.</p>
FIN05	HRA income - outturn forecast against budget	£173,862,000	£175,542,000	£175,377,000	£175,542,000	£173,073,000	£173,751,000		<p>30 Sep 2021</p> <p>The position reported is that as at the end of August 2021, the latest reported position.</p> <p>Performance against this indicator is below target and unchanged from the previous reported period. There is a shortfall against income relating to dwelling rents and charges to tenants arising from voids.</p> <p>The overall financial position for the HRA is reported formally to Members on a quarterly basis.</p>
FIN06	General Fund Capital Expenditure - outturn forecast against budget	£34,664,556	£34,664,556	£28,470,000	£28,470,000	£36,841,767	£35,361,417		<p>30 Sep 2021</p> <p>The position reported is that as at the end of June, the latest approved position. Performance against this indicator is on target.</p>

Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
FIN07	HRA Capital Expenditure: outturn forecast against budget	£115,240,449	£129,128,979	£124,080,000	£124,080,000	£70,722,126	£91,615,107	↓	30 Sep 2021 The position reported is that as at the end of June 2021, the latest approved position. Performance against this indicator is on target.
FIN08	Investment income: outturn forecast against budget	£248,260	£1,476,000	£1,075,940	£1,476,000	£617,280	£1,476,000	✗	30 Sep 2021 Performance against this indicator is below target . This is due to a reduction in interest rates which is impacting the Council's return on its investments. Investment decisions continue to be taken carefully and in line with the Council's Treasury Management Strategy.

Revenue, Benefits & Fraud

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		30 Sep 2021							
Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
RBF01	Average time taken to decide a new claim for Housing Benefit	20.9	17.0	29.4	17.0	23.6	17.0	↓	30 Sep 2021 Performance improved significantly over the quarter as more resources became available to process the applications. Alongside customer-notified changes, this area of work is most affected by the need to direct effort towards processing Test & Trace £500 grant
RBF01 (D)	Number of new Housing Benefit claims in period	221		186		212		n/a	
RBF01 (N)	Total days taken to decide new Housing Benefit claims in period	4,812		4,481		5,231		n/a	
RBF02	Average time taken to decide a change event for Housing Benefit	7.3	10.0	13.4	10.0	7.4	8.0	↓	30 Sep 2021 Performance remained consistently good throughout the quarter.
RBF02 (D)	Number of change event Housing Benefit claims in period	2,670		4,051		2,913		n/a	

Measure Code Measure Name		30 Sep 2021							
		This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
RBF02 (N)	Total days taken to decide change event Housing Benefit claims in period	21,697		31,257		20,896		n/a	
RBF04	NNDR (Business Rates) in-year collection rate	46.7%	47.3%	27.8%	28.7%	46.8%	51.0%	↕	30 Sep 2021 It seems likely that this is below where we would have expected to be in a pre pandemic year, but forecasting at the moment continues to be almost impossible, as the significant in-year change to expanded retail relief means that the collection profile is unlike any previous year.
RBF05	Council Tax collection rate	56.1%	57.0%	29.0%	29.8%	55.2%	57.0%	↕	30 Sep 2021 The collection level this year is continuing to track at a level between 2019/20 and 2020/21 - we presently expect this to continue during the remainder of the year, linked to the gradual recovery of the economy.

		30 Sep 2021								
Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments	
RBF06	Council Tax customer contact response (percentage of contacts responded to within 14 days)	73%	98%	74%	98%	98%	98%	✗	<p>30 Sep 2021</p> <p>Due to the pandemic our resources continue to be stretched whilst dealing with other tasks within Revenues that are not measured in this target. We have particularly concentrated on dealing with contacts that are of a sensitive nature to reduce any further stresses for residents.</p> <p>The team are continuing to find that queries at the moment are more complex than pre-pandemic, and so take longer to resolve.</p> <p>The longest wait time at the moment is about nine weeks, and these contacts are generally residents telling us about moves. We are currently working to improve this in two main ways. We have secured temporary resourcing to help us catch up with the work which has built up, and we are also working to implement an IT solution which will automate the processing of most, simple address changes and therefore release capacity to help resolve the more complex issues. At present we expect that this will be in place early in 2022</p>	
		6,763		4,872		7,631		n/a		

Tenants and Leaseholders

Measure Code	Measure Name	This Quarter Actual	This Quarter Target	Last Quarter Actual	Last Quarter Target	-4 Quarters Actual	-4 Quarters Target	DoT	Comments
FIN12	Garages Income ytd budget against ytd actual	£3,969,543	£3,993,213	£1,501,120	£1,505,638	£3,973,958	£4,463,475	✓	



AGENDA ITEM:

SUMMARY

Report for:	Finance and Resources Overview and Scrutiny Committee
Date of meeting:	2nd November 2021
Part:	Part I with Part II appendix
If Part II, reason:	The Part II appendix contains information relating to the financial or business affairs of the Council. (Local Government Act 1972, Schedule 12A, Part 1, Paragraph 3).

Title of report:	Berkhamsted Leisure Centre
Contact:	Cllr Andrew Williams, Leader of the Council and Portfolio Holder for Corporate and Contracted Services Author/Responsible Officers: <ul style="list-style-type: none"> • Mark Brookes, Assistant Director (Corporate and Contracted Services)
Purpose of report:	To report progress to Committee at the end of the RIBA Stage 2 (Concept Design) phase of work regarding the development of a new Berkhamsted Sports Centre and to seek authority to proceed to Stage 3 (Spatial Coordination) with delegated authority to proceed to Stage 4 (Technical Design).
Recommendations:	<ol style="list-style-type: none"> 1. That Committee note the Concept Design of the project and the proposed facility mix as set out in Section 4, inclusive of a spa facility, to allow the next stages of the project to be developed and considered in more detail during the next project stage.

	<p>2. That Committee note:-</p> <p>(a) the consultation undertaken with stakeholders during this phase of work and the further consultations required, including public consultation, as set out in Section 3.</p> <p>(b) the working project timeline in Section 6.</p> <p>3. That Committee note the forecast project costs (detailed in Part II Appendix) and note the requirement for a maximum drawdown of £550,000 to proceed with the next project stage (RIBA Stage 3 – Spatial Coordination).</p> <p>4. That Committee note the approvals strategy set out in Section 3 and note the requirement for a maximum drawdown of £425k to proceed with RIBA Stage 4 (Technical Design) and the submission of a planning application and delegate the decision for proceeding from Stage 3 to Stage 4 to the Assistant Director, Corporate and Contracted Services and the S.151 officer in consultation with the Leader of the Council.</p> <p>5. That Committee note and endorse the Main Contractor procurement strategy set out in Section 5, utilising the Procure Partnerships Framework for a two stage, design & build tender process and delegate authority to the Assistant Director, Corporate and Contracted Services and the S.151 officer to award the first stage pre-contract services agreement to the preferred Main Contractor.</p> <p>6. That Committee endorse the proposal to provide a further update once the on and off-site football provision and potential residential option has been developed in more detail (within the next phase of work) and at the end of RIBA Stage 4 (Technical Design), at which point cost certainty will be achieved for the proposed Main Contract, aligned with the known project risks and Operator strategy.</p>
<p>Corporate Objectives:</p>	<p>A modern leisure provision is central to delivering a borough that people can enjoy and remain fit and healthy.</p> <p>A new leisure facility will help to ensure Berkhamsted and the wider borough has a leisure facility that</p>

	continues to meet the needs of current and future residents.
Implications:	<p><u>Financial</u></p> <p>An update of the financial implications of the project are set out in the Part II report and will be further developed into a more detailed costed proposal and business plan once further design and stakeholder consultation has been progressed in the next phase of work, RIBA Stage 3.</p> <p>This report seeks approval to proceed to RIBA Stage 3 and a drawdown of £550,000 for the project team fees and survey costs required at that stage.</p> <p>Further approval is sought to progress to RIBA Stage 4 with a forecast cost of £425,000 for the project team fees and survey costs required at that stage, with delegated authority for doing so on the successful completion of RIBA Stage 3.</p> <p><u>Operational</u></p> <p>Subject to agreement on contractual terms, the sports centre will continue to be run by Everyone Active until the end of their contractual term, however a new build facility would require a reassessment of the existing terms.</p> <p>The aim (as far as is possible) will be to keep the existing facility open until the new facility is ready to be opened in order to minimise disruption to existing users.</p> <p>The Happy Days Nursery and existing external 5-a-side pitches will need to be closed for the duration of the construction period of the new centre. Mitigation by way of temporary measures for both facilities are being considered.</p> <p><u>Value for Money</u></p> <p>The development will provide a new facility, which will be designed to last for the next 40 years and flexible enough to adjust to changes in user demands during that period.</p>

	<p>The main building contractor will be competitively tendered separately to the consultant project team and an appropriate and compliant route will be selected to ensure value for money is achieved.</p> <p>Further detail and recommendations are provided within this report and key decisions will be provided to Cabinet for approval in future.</p>
Risk Implications:	<p>Failure to invest in the facility could leave it in a condition which will not meet the Councils and users expectations and could lead to reduced usage contrary to the Council's Sports Strategy.</p> <p>A further review of the project risks has been undertaken and the key risks are detailed within the Part II appendix.</p>
Community Impact:	<p>The proposal will continue to be developed to ensure that it has no adverse impacts on the community with an aim to increase participation across all groups. Consideration of all protected groups is being continually assessed as the project develops and consultation has taken place with the Council's Diversity & Community Inclusion Lead Officer. This will continue through Stages 3 & 4 and a formal Community Impact Assessment will be completed during those stages.</p>
Health And Safety Implications:	<p>A new centre will result in significant additional investment in the site and improve the Health and Safety of the facility by bringing it up to modern standards.</p>
Monitoring Officer/S.151 Officer Comments:	<p>Monitoring Officer:</p> <p>There are no legal issues to highlight at this stage as the report is recommending proceeding to RIBA Stage 3 and 4 where further design, cost/revenue planning, and site due diligence work be carried out.</p> <p>All surveys and additional appointments made during this phase of work have been undertaken in a compliant manner, as directed by Procurement officers.</p>

	<p>S.151 Officer:</p> <p>The recommendation for the Berkhamsted Leisure Centre Development to move to Stage 3 requires funding of £550k, with an additional requirement of £425k for Stage 4 if further approval is granted.</p> <p>These funds can be drawn-down from the Dacorum Development reserve in 2021/22 or 2022/23 as required.</p> <p>During the delivery of the RIBA Stage 3 work, more detailed understanding of future income and expenditure analysis will be available, and a specific funding proposal for the scheme will be developed as part of the Stage 3 completion.</p>
<p>Consultees:</p>	<p>As part of the Concept Design stage of work, a significant amount of NGBs, stakeholders and interested parties have been consulted, including:</p> <ul style="list-style-type: none"> • Berkhamsted Town Council • Dacorum Member Working Group • Everyone Active • Sport England • Crime Prevention Officer • Diversity & Community Inclusion Officer • Hertfordshire County Council Highways • Housing and Community Overview and Scrutiny Committee • Finance and Resources Overview and Scrutiny Committee <p>A full schedule of consultees is included within this paper.</p>
<p>Background papers:</p>	<p>Strategic Review Indoor Sports and Leisure Facilities – (October 2016)</p> <p>Active Dacorum: A Physical Activity and Sport Strategy for Dacorum 2019-2024 (the Sports Strategy)</p> <p>Cabinet reports March 2019, January 2020, April 2021.</p> <p>Feasibility Study – Knight, Kavanagh & Page Ltd (May 2020)</p> <p>RIBA Stage 2 Report – Berkhamsted Leisure Centre</p>

	Project Team (September 2021)
Glossary of acronyms and any other abbreviations used in this report:	Dacorum Borough Council (the Council) Everyone Active (EA) Berkhamsted Sports Centre (the Sports Centre) Office for National Statistics (ONS) Overview and Scrutiny Committee (OSC) Berkhamsted Town Council (BTC) Knight, Kavanagh & Page (KKP)

1. Background & Context

- 1.1 In March 2019 Cabinet considered a report regarding options for the redevelopment of Berkhamsted Sports Centre.
- 1.2 The options considered were Minor Refurbishment, Major Refurbishment or New Build facility. Members agreed that further feasibility work should be carried out on the New Build option.
- 1.3 In January 2020 Cabinet endorsed the following Minimum Project Requirements and approved the commencement of a RIBA Stage 1 Feasibility Study to consider potential options for a replacement New Build option with a baseline facility mix:
 - To create a high quality sporting environment which is inclusive and accessible to all users.
 - To ensure that the facility mix considers the needs and requirements of all user groups.
 - To create a sports centre which considers its impact on the environment and implements measures to mitigate that impact.
 - To create a sports centre which is financially sustainable in terms of its running costs against projected income and a centre which can be developed within the Council's affordability criteria.
- 1.4 The Feasibility Study outlined two options for the replacement of the Berkhamsted Sports Centre, detailed as the 'Essential Option' and the 'Desirable Option'. It is important to note that these options were developed for the feasibility stage to ensure that the Council's minimum requirements could be met whilst addressing the feasibility and affordability of additional facilities.
- 1.5 In April 2021 Cabinet approved the appointment of a multi-disciplinary Project Team led by Faithful+Gould, procured via the CCS Project Management & Full Design Team Services Framework for the delivery of the project, with contractual break clauses at the end of each RIBA stage.
- 1.6 RIBA Stage 2 (Concept Design) commenced in May 2021 with surveys being procured to further understand the site conditions whilst engagement with stakeholders allowed the scheme to be developed.

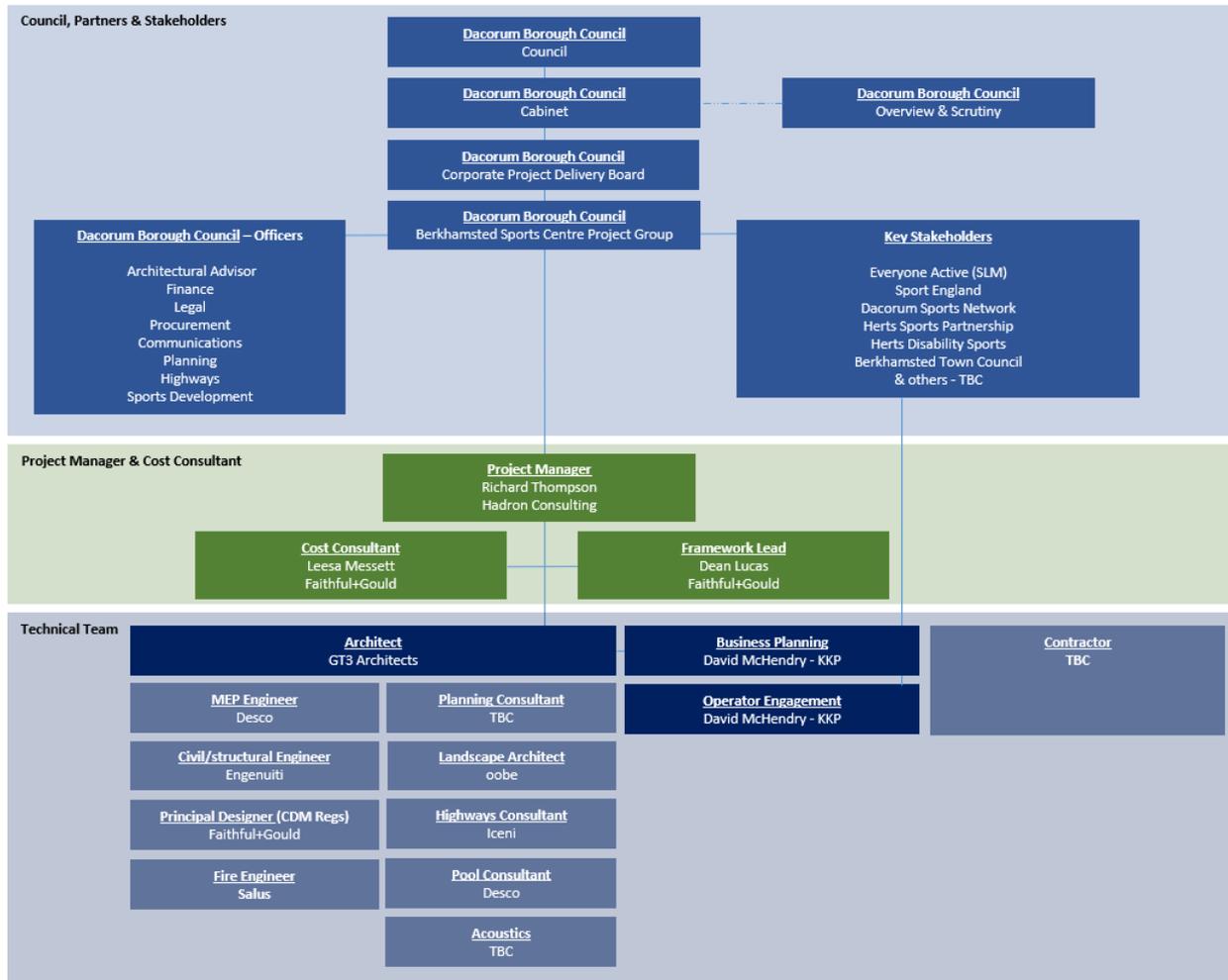


Figure 2 – Project Governance Chart

- 2.4 This report provides an update to members on the conclusion of Stage 2 and subject to the Committee’s comments will go to Cabinet to seek authority for the forecast project costs (detailed in Part II Appendix) and agree a maximum drawdown of £550,000 to proceed with the next project stage (RIBA Stage 3 – Spatial Co-ordination) and develop a Planning Application.
- 2.5 This report (subject to this Committee’s comments) will also seek that Cabinet recommend Council agree a maximum drawdown of £425k to proceed with RIBA Stage 4 (Technical Design) and the submission of a planning application, and delegate the decision for proceeding from Stage 3 to Stage 4 to Assistant Director, Corporate and Contracted Services, and the S.151 officer in consultation with the Leader of the Council.
- 2.6 The proposal to proceed from Stage 3 to Stage 4 with delegated authority is to allow the project to maintain progress and only return to Cabinet (and Council) should there be a significant change. Upon approval of the Concept Design it is not envisaged that, aside from the on and off site football provision and residential considerations, there

will be significant change and therefore it should only be necessary to return to Cabinet once key decisions are able to be made.

- 2.7 In addition to the above, it is recommended that the Committee endorse the proposal to provide a further update to Cabinet once the on and off-site football provision and potential residential option has been developed in more detail (within the next phase of work) as this is identified as a key decision.
- 2.8 It is also proposed to present to Cabinet at the end of RIBA Stage 4 (Technical Design), at which point cost certainty will be achieved for the proposed Main Contract, aligned with the known project risks and Operator strategy.

3. Consultation strategy

3.1 As part of the Feasibility Study, the first stage of the consultation strategy was undertaken. The majority of stakeholders were engaged on a one to one basis to better understand their current and future requirements/needs and seek their input into the facility mix for the development.

3.2 The following organisations/groups were engaged with:

- ❖ Everyone Active
- ❖ Berkhamsted Town Council
- ❖ Herts Disability Sports Foundation
- ❖ Herts Sports Partnership
- ❖ Dacorum School Sports Manager
- ❖ Thomas Coram School
- ❖ Dacorum Sub-Aqua Club
- ❖ Watford FC Community Trust
- ❖ Dacorum Sports Network
- ❖ Herts Valley Clinical Commissioning Group (CCG)
- ❖ Herts Community NHS Trust
- ❖ Hertfordshire Community NHS Trust
- ❖ Hertfordshire Libraries
- ❖ Happy Days Pre-School
- ❖ England Indoor Bowls Association
- ❖ Hannah Marie Dance Academy
- ❖ Berkhamsted Swim Club
- ❖ England Volleyball
- ❖ Sport England
- ❖ Tring Town Council
- ❖ England Netball
- ❖ Swim England
- ❖ Herts Cricket
- ❖ Ashlyn's School
- ❖ APEX
- ❖ Toad Hall Nursery

- ❖ Badminton England
- ❖ England Basketball
- ❖ British Gymnastics
- ❖ Ministry of Air
- ❖ Herts CC
- ❖ Banks Physio
- ❖ Mind & Body
- ❖ Apex Dance
- ❖ Scraggs Roller Skating
- ❖ Hawks Lacrosse
- ❖ Hemel Swim Club
- ❖ Marcel Fairs

- 3.3 The consultation responses were carefully considered and the facility mix options were developed to respond to the consultation exercise.
- 3.4 During the Concept Design stage, further engagement has been held with key stakeholders, most notably HCC Highways, Everyone Active, Berkhamsted Town Council, Happy Days Nursery and Marcel Fairs, to consider elements of the facility mix. Observations captured in earlier consultation remain relevant and were reviewed against the developing scheme at this stage.
- 3.5 During this stage of work the Project Group also met on a monthly basis to review emerging options and a Member Steering Group was consulted to ensure appropriate engagement took place.
- 3.6 A key aspect of the scheme relates to on and off-site football provision. As such, a number of off-site options have been considered and consultation with relevant landowners has taken place. A decision relating to football provision is to be made in the next stage of work once the appropriate options have been considered.
- 3.7 It is acknowledged that any proposals for Lagley Meadow will require public engagement and consultation and the area is to remain freely accessible open space for public use. The Concept Design proposals include a number of options for consideration and a budget allocation for potential improvements, which will be tested further in the next stage of work with appropriate input from the public.
- 3.8 Initial engagement has taken place with Hertfordshire County Council Highways regarding the proposed new access from Gossom's End. It will be necessary to gain an approval in principal early in the next stage of work.
- 3.9 Upon approval to proceed with the next stage of work, the intention is to prepare for and hold a wider public consultation, which may include a consultation day with drop in sessions if possible or on-line consultations and feedback. This will help progress considerations for

Lagley Meadow and ascertain the level of support for the proposed scheme.

- 3.10 Further consultation will be continued as the design evolves through the project stages and will include specialist input at appropriate stages by using processes such as Design Review Panels and Community Review Panels.
- 3.11 As part of any planning application the public, stakeholders and NGBs will be consulted and able to feedback. By undertaking the above consultations it is hoped that any major considerations or issues are identified and mitigated.

4. Scheme options & facilities mix including Concept Design

- 4.1 As set out in the Feasibility Study two options were developed, the 'Essential Option' and the 'Desirable Option', as detailed below. During the Concept Design stage, a 'Hybrid' Option has been ascertained in consultation with stakeholders to determine the most appropriate facility mix.

Essential Option	Desirable Option	Stage 2 'Hybrid' Option
Office/Admin Space	Office/Admin Space	Office/Admin Space
Café/Kitchen	Café/Kitchen	Café/Kitchen
Soft Play Area (within Café)	Soft Play Area (within Café)	Soft Play Area (within Café)
Viewing Spectator Seating	Viewing Spectator Seating	Viewing Spectator Seating
Staff Room	Staff Room	Staff Room
M&F WCs	M&F WCs	M&F WCs
Cleaners Store	Cleaners Store	Cleaners Store
Community Meeting/Class Room	Community Meeting/Class Room	Community Meeting/Class Room
4x Treatment Rooms	4x Treatment Rooms	4x Treatment Rooms
	<i>Spa Zone/Health Suite</i>	Spa Zone/Health Suite
Pool Filtration/Main Plant	Pool Filtration/Main Plant	Pool Filtration/Main Plant
6 Lane Pool Hall	6 Lane Pool Hall	6 Lane Pool Hall
Training Pool	Training Pool	Training Pool
	<i>Splash Pad</i>	Splash Pad
First Aid	First Aid	First Aid
Air Handling Plant	Air Handling Plant	Air Handling Plant
Pool Store	Pool Store	Pool Store
Wet Change Village/Accessible Change	Wet Change Village/Accessible Change	Wet Change Village/Accessible Change
3x Studios (Activity/Holistic/Spin)	3x Studios (Activity/Holistic/Spin)	3x Studios (Activity/Holistic/Spin)
Fitness Suite (90 Stations)	<i>Fitness Suite (120 Stations)</i>	Fitness Suite (120 Stations)
		External Fitness Area and active roof space
2x Fitness Change	2x Fitness Change	2x Fitness Change
Nursery	Nursery	Nursery
4 Court Sports Hall	<i>6 Court Sports Hall</i>	4 Court Sports Hall
Dry Change (Sports Hall)	Dry Change (Sports Hall)	Dry Change (Sports Hall)

Sports Hall Store	Sports Hall Store	Sports Hall Store
Family Change	Family Change	Family Change
150x Car Parking Spaces	150x Car Parking Spaces	150x Car Parking Spaces
Mini Soccer (1 x 7v7 / 2 x 5v5)	Mini Soccer (1 x 7v7 / 2 x 5v5)	Mini Soccer (1 x 7v7 / 2 x 5v5)
New Access Road	New Access Road	New Access Road
Relocation of MUGA	Relocation of MUGA	Relocation of MUGA
Outdoor Play Area	Outdoor Play Area	Outdoor Play Area
Storage	Storage	Storage
		Lagley Meadow external play options

Table 1 – Options and facilities mix

- 4.2 The Concept Design proposals have been developed and a RIBA Stage 2 Cost plan and aligned revenue business plan for the proposals are set out in the Part II report annexed.
- 4.3 A Stage 2 Briefing Paper is appended to the Part II report to provide a summary of the scheme development, site constraints, concept site layout and general arrangement layouts, initial phasing considerations and initial sustainability strategy.
- 4.4 It will be necessary to develop the strategy for mitigating the temporary (or permanent) loss of on-site football provision and the Nursery during the construction phase, as both existing facilities will need to be taken out of use on site to allow construction of the new leisure centre.
- 4.5 A needs analysis and affordability assessment has been undertaken on the spa facility identified within the Desired Model and included within the Stage 2 Option. Further detail is set out within the Part II Report, however the analysis and assessment support the inclusion of the spa facility within the new leisure centre.
- 4.6 Whilst the Stage 2 scheme includes a 7 a side 3G pitch (or two 5 a side pitches), it is acknowledged that should a suitable off-site solution for football be identified, it may allow for the area allocated for on-site football to provide a number of residential units. This is a key decision and both on and off site football and residential considerations require further development and consultation prior to being in a position to present for a decision. This does not impact the development of the leisure centre elements of the scheme therefore it is recommended to proceed to Stage 3 (Spatial Co-ordination) which will also allow further detail to be developed, and engagement with stakeholders and Planning Officers, to allow a recommended option to be identified. It is intended that a decision regarding on and off site football and

residential facilities is presented for a Cabinet decision at the appropriate time.

5. Main Contractor Procurement

- 5.1 To progress procurement options for the Main Contractor, an initial Procurement Workshop was held with members of the Project Team and Procurement Officers to consider the key drivers, potential procurement routes and market conditions.
- 5.2 Whilst the development of the scheme is at an early stage, it can take some time to undertake a procurement process and it is important that options are considered at the earliest opportunity to ensure potential routes are not missed.
- 5.3 It is considered that the most appropriate procurement route for the delivery of the Berkhamsted Sports Centre project is via a Two Stage Design & Build route. This allows control of the project to a suitable level of detail whilst benefiting from early contractor involvement to inform buildability issues and assist with accessing supply chains for input.
- 5.4 It is also considered that it would be beneficial to utilise a compliant Framework, rather than via an OJEU route. As such, a number of Framework options were considered and engagement meetings held with Procure Partnerships Framework and Southern Construction Framework to better understand the benefits that could be provided to DBC. The Crown Commercial Services Framework was also considered.
- 5.5 Following engagement meetings with frameworks and Procurement Officers, it was concluded that the preferred framework route is via the Procure Partnerships Framework Lot 10 East of England. Upon approval of this report, the First Stage tender process will commence.
- 5.6 The First Stage tender process seeks confirmation of framework contractor's overheads & profit, proposed project team and relevant experience, approach to delivery and the Pre-Contract Services Agreement (PSCA) fee for the Main Contractor to work alongside the Project Team during Stages 3 & 4 to develop the scheme and provide input to the planning application.
- 5.7 At the conclusion of the First Stage, a Main Contractor is selected; this is the contractor who will construct the new leisure centre if the Second Stage reaches an acceptable conclusion – this will be presented to Cabinet at the end of Stage 4 for a decision to enter into a Main Contract. The Main Contractor is therefore appointed for the PCSA

period only and will assist the Project Team in undertaking the Second Stage procurement during Stage 4. Should the Main Contract not be awarded for any reason, the Council are only liable for the PCSA fee.

6. Project timetable

6.1 Working with the Council's consultants a project/delivery plan has been developed to highlight the key steps required to deliver the project together with an outline development timetable:

Milestone	Date	Comments
RIBA Stage 2 commencement	31 May 2021	Standstill period and completion of appointments to take place between Council meeting and commencement of Stage 2.
RIBA Stage 2 completion	17 September 2021	
DBC Cabinet / Council	November 2021	To approve Stage 2 outputs
RIBA Stage 3 commencement	Following approval	
RIBA Stage 3 completion	2 March 2022	
Target Planning Application submission	12 April 2022	
Target Planning Decision & Discharge Pre-commencement conditions completion	22 February 20 July 2022	
Stage 4A / Tender completion	6 December 2022	
Authority to proceed and Contractor appointed completion	12 January 2023	
Start on Site	10 February 2023	
Practical Completion New Leisure Centre	29 October 2024	
Opening New Leisure Centre / Commencement of demolition existing centre	26 November 2024	
Project completion	27 May 2025	

Note: the above indicative timetable assumes no significant procurement, planning or construction delays. The overall delivery programme will be reviewed at each RIBA stage to consider any necessary phasing and delivery considerations.

7. Covid-19

- 7.1 During the Stage 1 (feasibility) and Stage 2 (Concept Design) Covid-19 has had a significant impact on the country as a whole including the leisure market with sport centres being required to close for long periods of 2020/21.
- 7.2 This project was paused during this period in order to consider the longer term implications of Covid on the Council as a whole but specifically the leisure market.
- 7.3 There have clearly been changes in customer behaviours during lockdowns, home/online workouts, greater use of outdoor space etc which have impacted the recovery period, however we have seen a positive return to the centres since April 2021.
- 7.4 We can see from our usage data from Hemel and Berkhamsted Sports Centres that the member base and weekly user numbers have seen a positive increase since re-opening in April 2021. Weekly user unique visits increased from 7,573 in the first week of April to 12,253 in the first week of August although this is still some way short of the pre-covid number of circa 20,000 per week. Membership numbers have also been increasing, but are still 1255 less than the pre-covid membership levels (5,585 March 2020 to 4,330 August 2021).
- 7.5 The facilities to be provided in the new centre in terms of workout space, increased swimming provision (which has returned to pre-covid levels), sports hall, 3G 5-a-side football, are all difficult to replicate outside of a sports centre environment and a new build facility will also be designed so that it is flexible enough to respond to future pandemics if required.
- 7.6 The new centre will not be open until late 2024, which will give the leisure market another 3 years to recover, and it is therefore believed that Covid-19 should not be a reason to discontinue the project, although its impact will continue to be reviewed as the project develops through stages 3 and 4.

8. Risk review

- 8.1 The Council and professional team have continued to consider key project risks during RIBA Stage 2. Further detail is provided in Part II Appendix.

9. Summary and Recommendation

- 9.1 The current site presents an opportunity to significantly improve the Sports Centre for the next 40 years, maximise the use of the site and increase public participation in sport and leisure.
- 9.2 The Concept Design indicates that the site remains suitable for redevelopment with no major impediments to progressing to the next stage of design, cost assessment, business planning and consultation.
- 9.3 The Committee are requested to approve the recommendations in the heading to this report to progress the project.

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

Document is Restricted

Agenda Item 13

Clerk: Trudi Angel (x2224)

Finance and Resources Overview & Scrutiny Committee: Work Programme 2021/22

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
1 December 2021	25 November 2021	Action Points (from previous meeting)		
		<p>*** Joint Budget***</p> <p>*****</p> <p><i>Ideally no further items to be added</i></p>	Assistant Director, Finance & Resources Nigel.howcutt@dacorum.gov.uk	<i>To review and scrutinise the draft budget proposals for 22/23</i>
5 January 2022	23 December 2021	Action Points (from previous meeting)		
2 February 2022	24 January 2022	Action Points (from previous meeting)		
		<p>*** Joint Budget***</p> <p>*****</p> <p><i>Ideally no further items to be added</i></p>	Assistant Director, Finance & Resources Nigel.howcutt@dacorum.gov.uk	
8 March	25 February	Action Points (from		

2022	2022	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>