



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 7 JUNE 2016 AT 7.30 PM

COUNCIL CHAMBER - CIVIC CENTRE

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 Adeleke
Councillor Ashbourn
Councillor Barnes
Councillor Birnie
Councillor B Chapman (Chair)
Councillor Clark

Councillor E Collins
Councillor Douris (Vice-Chair)
Councillor Fethney
Councillor Howard
Councillor Silwal
Councillor Taylor
Councillor Tindall

Substitute Members:

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

For further information, please contact Louise Collins on Tel: 01442 228633 or e-mail: Louise.Collins@dacorum.gov.uk. Information about the Council is also to be found on our web-site: www.dacorum.gov.uk.

AGENDA

1. MINUTES

To confirm the minutes of the meeting held on 8 March 2016 as previously distributed

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

Emma and Jason West, local residents to speak on the parking issues in Hemel Hempstead.

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

None

6. ACTION POINTS FROM THE PREVIOUS MEETING (Page 4)

7. PROVISIONAL OUTTURN REPORT 2015-16 (Pages 5 - 26)

8. QUARTER 4 PERFORMANCE AND OPERATIONAL RISK REGISTER REPORTS:

- (a) Legal Governance and Democratic Services (Pages 27 - 36)
- (b) Finance and Resources (Pages 37 - 63)
- (c) Performance and Projects (Pages 64 - 91)

9. EXCLUSION OF THE PUBLIC

To consider passing a resolution in the following terms: That, under s.100A (4) of the Local Government Act 1972 Schedule 12A Part 1, as amended by the Local Government (Access to Information) (Variation) Order 2006, the public be excluded during the items in Part II of the Agenda for this meeting, because it is likely, in view of the nature of the business to be transacted, that if members of the public were present during these items there would be disclosure to them of exempt information relating to:

10. APPENDIX A - WORK PROGRAMME 2016-17 (Pages 92 - 96)

6. ACTION POINT FEEDBACK FROM PREVIOUS MEETING

Date of Meeting	Action Point	Responsible Officer	Completed?	Update on Action Point
04/11/15	M Brookes to provide Members with a balance of legal costs for the end of the year of which the Council claims.	M Brookes	yes	E mail sent to Members on 24/05/16
08/03/16	B Hosier to report back to the committee at the next Finance and Resources meeting with an update on the “unmatched” expenditure as to whether they can be put into groups to help identify more easily	B Hosier	Yes	e mail sent to members on 5/5/2016



AGENDA ITEM: 7

SUMMARY

Report for:	Finance and Resources Overview and Scrutiny Committee
Date of meeting:	7 June 2016
PART:	1
If Part II, reason:	

Title of report:	Provisional Outturn 2015/16
Contact:	<p>Cllr Graeme Elliot, Portfolio Holder for Finance and Resources</p> <p>James Deane, Corporate Director (Finance & Operations)</p> <p>David Skinner, Assistant Director (Finance & Resources)</p> <p>Richard Baker, Group Manager (Financial Services)</p>
Purpose of report:	<p>To provide details of the provisional outturn position for the:</p> <ul style="list-style-type: none"> · General Fund · Housing Revenue Account · Capital Programme <p>To provide details of the proposed transfers to and from earmarked reserves.</p>
Recommendations	That Committee note the provisional outturn position.
Corporate objectives:	Delivering an efficient and modern council
Implications:	Financial and Value for Money implications are included within the body of the report.
Risk Implications	Risk implications are included within the body of the report.

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

1. Introduction

1.1 The purpose of this report is to outline the Provisional Outturn for 2015/16, prior to the closure of the accounts. Outturn is reported for the following:

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

1.2 The Accounts and Audit Regulations 2011 require local authorities to have prepared their annual Statement of Accounts, complete with certification from the Section 151 Officer, by 30 June. The Statement of Accounts must be published by 30 September, following an audit to be undertaken by Ernst & Young.

1.3 The Council's outturn position is a primary source of information for the production of the Statement of Accounts. The provisional outturn position detailed in this report may be subject to further amendment as work continues on the preparation of the Accounts. The final outturn position, along with movements in reserves, will be reported to Cabinet at its meeting of 28 June 2016 if there are any material variances. If there are no material variances, then the Final Outturn will be reported only to the Audit Committee for final sign off at its meeting of 29 June 2016.

2. General Fund Revenue Account

2.1 The General Fund revenue account records the income and expenditure associated with all Council functions except management of the Council's own housing stock, which is accounted for within the Housing Revenue Account (HRA) (see Section 7).

2.2 Appendix A provides an overview of the General Fund provisional outturn position, separating expenditure into controllable and non-controllable categories in order to focus scrutiny on those areas that officers are able to influence, i.e. the controllable.

2.3 The majority of non-controllable costs result from year-end accounting adjustments, e.g. depreciation charges. These are required to show the true value of resources used to provide the Council's services, but do not result in a cash charge to taxpayers. The provisional adjustments that have been completed to date are explained in section 6 of this report.

2.4 The current budget is the original budget approved by Cabinet in February 2015, plus the following approved amendments:

Amendments	£000	Approved
2015/16 Original budget	17,534	
Ambassadors' Programme	36	Council July 2015
Grant Funded Staff Costs in Revenues and Benefits	70	Council September 2015
Office Accommodation	53	Council September 2015
Reserve Funded Staff Costs	(10)	Council September 2015
Local Development Framework	(50)	Council September 2015
Grant Funded Costs in Electoral Registration	42	Council January 2016
Reserve Funded Election Budget	(30)	Council January 2016
2015/16 Current Budget	17,645	

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

	Current Budget	Provisional Outturn	Variance	
	£000	£000	£000	%
Finance & Resources	7,365	7,142	(223)	-3.0%
Strategic Planning & Environment	7,748	7,706	(42)	-0.5%
Housing & Community	2,532	2,393	(139)	-5.5%
Total	17,645	17,241	(404)	-2.3%

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

3. Finance and Resources

Finance & Resources	Current Budget	Provisional Outturn	Variance	
	£000	£000	£000	%
Employees	9,796	9,755	(41)	-0.4%
Premises	1,754	2,037	283	16.1%
Transport	35	44	9	25.7%
Supplies & Services	4,184	4,063	(121)	-2.9%
Third-Parties	583	664	81	13.9%
Income	(8,987)	(9,421)	(434)	4.8%
	7,365	7,142	(223)	-3.0%

3.1 Premises - £283k over budget (16.1%)

Pressure of £195k – In accordance with the legal agreement, the Council has reimbursed Hertfordshire County Council for a share of the costs of the temporary relocation of the Library, prior to the move to The Forum.

Pressure of £60k - There is a pressure of £60k relating to utilities costs on the Planet Ice site at Jarman Park, where the Council acts as agent for the operator. These costs have been recovered from the tenant and a corresponding overachievement in income has been generated (see paragraph 3.4).

Pressure of £40k – There is a pressure of £40k in the Public Conveniences Service, as a new electronic opening system is being installed. This will remove the need for Council staff to attend Public Conveniences to open and close the facilities, and offers a more cost-effective long term solution.

3.2 Supplies & Services - £121k under budget (2.9%)

Centralised underspend of £207k – Underspends were identified across various services through close scrutiny of the budgets, in preparation for the 2016/17 budget round. Following approval at Full Council on 20 January 2016, these savings have been moved to a central area in Finance & Resources, and have been taken out of the base budget for 2016/17. The savings originated from the following budgets:

Scrutiny Committee	Description	Value
Finance & Resources	Central Admin Staffing – in year vacancies	£50k
Finance & Resources	Performance and Projects - savings in Performance team (timing)	£10k
Strategic Planning & Environment	Regulatory Services supplies and services	£20k
Finance & Resources	Performance and Projects – various underspends across the service	£44k
Finance & Resources	Chief Executive Mgt Team	£83k
Total		£207k

Pressure of £90k – following a review of capital expenditure, annual licences for Microsoft Enterprise Agreements are now being treated as revenue expenditure. This cost had previously been budgeted in the capital programme. The cost for financial year 2015/16 has been charged to the General Fund revenue account, and this expenditure has been budgeted as a revenue cost in the 2016/17 budget.

Pressure of £50k – The Council was notified of a levy from Municipal Mutual Insurance. This is unbudgeted as this is only the second levy since 1992.

Surplus of £80k – The facilitating change budget has underspent by c£80k. This was allocated to deliver a review of sports provision and delivery arrangements within the Borough. This review will be delivered in 2016/17 following a tender to conduct the review. It is recommended that money is moved into a reserve to fund this activity.

3.3 Third Parties £81k over budget (14%)

Pressure of £50k – There is a pressure of £50k in Facilities Management. Additional costs have been incurred since the relocation of the Hemel Hempstead library into the Civic Centre, due to longer opening hours. Costs are also being incurred due to additional hours worked at Berkhamsted Civic Centre and Victoria Hall Tring over and above the contracted hours in order to generate income from hire of the premises. This pressure is offset by the service charge income as identified in paragraph 3.4.

Pressure of £40k – There is a pressure of £40k in Financial Services, as the budgeted savings on the provision of the Payroll contract will not be achieved in 2015/16. Following a long period of transition modelling with the new provider, the start of the new contract was delayed until 2016/17. The new payroll contract was implemented in April 2016, from which point savings will be achieved at the rate previously forecast, and in line with the approved budget.

3.4 Income £434k over-achievement of budget (4.8%)

Surplus of £255k – Additional income, net of repairs costs of £28k, has been generated on properties owned by the General Fund which are currently being used by the HRA as rental properties. Following an in-depth review of rental income, as part of the 2016/17 budget-setting exercise, this income stream has now been transferred from the HRA to the General Fund.

Surplus of £105k – as mentioned in paragraph 3.1 and 3.3 above, utilities costs on the Planet Ice site have been recovered from the tenant. In addition, service charges e.g. portering services provided to enable the Civic Centre to remain open to accommodate the library's opening hours, have been billed to Herts County Council following the relocation of the library into the Civic Centre.

Surplus of £60k – Additional income of £60k has been generated from service charges on commercial properties. The terms of individual leases have been reviewed to identify an improved methodology for charging, which has led to an increase in income.

4. Strategic Planning and Environment

Strategic Planning and Environment	Current Budget £000	Provisional Outturn £000	Variance	
			£000	%
Employees	9,199	9,416	217	2.4%
Premises	1,065	1,025	(40)	-3.8%
Transport	1,445	1,436	(9)	-0.6%
Supplies & Services	3,932	4,267	335	8.5%
Third-Parties	132	128	(4)	-3.0%
Income	(8,024)	(8,566)	(542)	-6.8%
	7,748	7,706	(42)	-0.5%

4.1 Employees - £217k over budget (2.4%)

Pressure of £140k – There is a pressure of £140k in the budget for Employee costs in Waste Services. The budgeted efficiencies to be delivered through the new waste service (£420k budget reduction) were not fully realised from the start of the year, as the new structure took time to bed in.

A specific Waste Performance group was set up in June 2015 to address why productivity was below the anticipated level, and consequently why there was an overspend. During the first quarter of the financial year, two additional waste collection rounds were being utilised over and above the anticipated round structure. As at Quarter 2 this had been reduced to one additional round, and by the end of Quarter 3 this last additional round had been removed, to leave the service operating within budget at no additional resource or cost. Whilst the budget pressure cannot be reversed for this financial year, it is expected that the service will operate within budget for financial year 2016/17.

Pressure of £100k – There is a pressure of £100k in Planning and Building Control, due to a number of vacant posts within the services. This work has been carried out by agency staff, but at a more expensive rate. A service review is being undertaken with a view to improving processes within the service and making efficiency savings going forward.

4.2 Supplies and Services - £335k over budget (8.5%)

Pressure of £120k – This pressure has arisen in the budgets for uninsured losses in Environmental Service and in Planning, where a number of insurance claims have been received, particularly for damage to properties from subsidence due to tree roots.

Pressure of £65k – There is an unbudgeted cost of £65k for the disposal of recycled material. This cost has arisen due to a downturn in the market for recycled materials due to the fall in the price of plastic, steel and glass.

Pressure of £40k – The Council commissioned V4 services to carry out a review of Waste Services, with a view to making service improvements. The initial findings of this review have been received and a number of the suggested improvements have been factored into the budget for 2016/17.

Pressure of £60k – A pressure of £60k has arisen in Development Control due to additional costs for consultancy support on more complex planning cases. There has also been an increase in the volume of challenges from the public which has led to higher than anticipated legal costs.

4.3 Income - £542k surplus (6.8%)

Surplus of £250k – A surplus of £250k has been generated in Planning and Building Control. This is due to a high volume of large one-off applications having been received during the financial year.

Surplus of £115k – In Waste Services, there is a surplus of £115k from the Alternative Financial Model. This is an incentive payment made by the waste disposal authority Hertfordshire County Council, to reward local authorities for increases in their recycling rates which save the county council in disposal costs.

Surplus of £95k – A surplus of £95k has arisen in the Waste Transfer Site at Cupid Depot from efficiencies implemented by the service in waste disposal. The variance has arisen in the Income category because of a new arrangement with Hertfordshire County Council concerning street sweepings.

5. Housing & Community

Housing & Community	Current Budget	Provisional Outturn	Variance	
	£000	£000	£000	%
Employees	2,462	2,516	54	2.2%
Premises	436	427	(9)	-2.1%
Transport	16	11	(5)	-31.3%
Supplies & Services	2,891	2,830	(61)	-2.1%
Third Parties	823	830	7	0.9%
Income	(4,096)	(4,221)	(125)	3.1%
	2,532	2,393	(139)	-5.5%

5.1 Income - £125k over budget (3.1%)

Surplus of £45k – There is a surplus of £45k on income from The Elms homeless hostel. The Council entered into a contract with DENS to manage The Elms from May 2015, but the income from this contract had not previously been budgeted. This income has been factored in to the budget for 2016/17.

Surplus of £30k – There is a surplus of £30k on income from Garages where the level of voids has been lower than anticipated.

5 Non-Controllable Expenditure

6.1 Appendix A includes the provisional outturn for non-controllable expenditure. These are largely year-end accounting adjustments. There will be further adjustments as work on the Statement of Accounts continues, but major variances arising to date follow:

Surplus of £305k – There is a surplus of £305k in Housing Benefits and Subsidy due to a review of the methodology for providing for bad debts on overpaid Housing Benefit. A more accurate provision has been created based on previous recovery levels. This has led to a reduction in the bad debt provision required.

Surplus of £128k – There is a surplus of £128k on Interest Receipts. In May 2015 Council approved the borrowing of £19m to finance approved projects in the capital programme in advance of need in order to take advantage of historically low interest rates. This, along with slippage and underspends on the General Fund capital programme of £10.2m, has meant the Council has held higher cash balances during the year. These higher balances have been invested in line with the Council's treasury management strategy and have generated an additional £128k of interest receipts.

- 6.2 At the time of writing, the depreciation and recharge calculations for the year have yet to be finalised and included within the non-controllable expenditure section of Appendix A. At this stage, both have been included as on budget.
- 6.3 The depreciation charge is an accounting adjustment which has no impact on the taxpayer. However, the recharge calculation is likely to result in the charge to the HRA deviating from budget. Any changes resulting from the recharge calculation will be reported to the Audit Committee as part of the Final Outturn report.

6 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 2015/16 is £2.6m, which is £300k less than the budgeted balance of £2.9m.

7.3 Dwelling Rent - £151k under budget (0.3%)

Although the net position on Dwelling Rent is under budget, there is an overachievement of £132k on budgeted housing rent, as the number of empty homes in the year was lower than anticipated. The budgeted level was 1%, but empty homes were approximately 0.4% over the course of the year.

The deficit has arisen following an unbudgeted recharge from the General Fund of £283k, to account for rent received on properties that are used to house Council tenants but are owned by the General Fund. This is shown as a reduction in rental income in the HRA. (See paragraph 3.4)

7.4 Contribution towards Expenditure - £336k over-achievement of income (60.5%)

There is a surplus of £240k in Contributions from Leaseholders. Repairs costs were being charged to Leaseholders on an arrears basis, but are now being charged in the year the work has taken place.

A one-off payment of £40k has been received for Feed-In Tariffs for William Crook House which was an overdue payment relating to the last 4 years. There have also been some minor capital receipts, each individually under £10k, which have contributed a further surplus of £50k.

7.5 Interest and Investment Income - £71k over-achievement of income (62.3%)

This over-achievement is as a result of higher than anticipated receipts from the sale of Right to Buy properties. An amount of £3.4m was estimated in the budget; however this financial year £12.9m has been received.

7.6 Repairs and Maintenance - £1.18m over budget (11.5%)

The year end outturn position for 2015/16 shows an overspend of £1.18m in the repairs and maintenance budgets.

The four areas that have experienced the greatest pressure are Responsive Repairs, including small works, Asbestos surveys and removals, Health and Safety works and External redecorations.

The reasons for the main variances are:

Responsive Repairs, including small works - overspend £740k (9.6%)

These are all demand led works, encompassing traditional responsive repairs, and small works including estate works such as rebuilding dangerous walls, fence renewals, and footpath works.

In overall terms, in financial year 2015/16 28,534 responsive repair jobs were completed in comparison with 23,368 jobs in financial year 2014/15, which is an increase of 22%. Average job costs were at a 25% lower average cost in the first quarter of the year and it was anticipated that this would continue over the rest of the year. High demand in small works was experienced in the second and third quarters of the year as a result of a backlog in work predating self-financing that has outstripped the savings anticipated from reduced average job costs.

It was expected that these overspends could be offset by corresponding underspends on voids based on activity levels for the first two quarters of c£250k. However, due to increasing demand for homeless temporary accommodation, a number of HRA general needs properties have been converted into temporary accommodation during the year, thereby increasing the frequency and volume of voids. This has resulted in a swing in forecasts of c£500k based on the average unit cost of servicing a void of c£5k.

- *Voids 14-15 - 713 completed*
- *Voids 15-16 - 766 completed*

Health and Safety works – overspend £120k (7.6%)

The poor summer followed by a persistently wet autumn/winter resulted in an increased demand for work to treat mould in the housing stock where the average rainfall was almost twice the normal average. An enhanced specification was developed and extensive work carried out to the affected properties to eradicate the mould and improve ventilation.

The remainder of the works in this category relate to concrete repairs, trip hazards or other health and safety related issues and are demand led.

Asbestos surveys and removals - overspend £230k (5.7%)

The impact of higher volumes of responsive small works and the enhanced specification for eradication of mould has resulted in a corresponding increase in the number of asbestos refurbishment and demolition surveys, as the enhanced specification leads to more invasive work requiring a greater number of surveys. Due to the age and poor condition a number of asbestos components have required removal.

External redecoration - overspend £180k (3.8%)

External redecoration was undertaken to blocks where scaffold was in-situ for windows or roof renewals funded from capital to maximise the use of the scaffold in line with the objectives of the Total Asset Management (TAM) approach. The TAM approach resulted in bringing forward spend from future years of the business plan.

7.7 Supervision and Management - £141k under budget (1.2%)

There are various over and underspends in this area, but the key variances are £140k underspend in the Housing Cleaning service due to a number of vacancies in year, £60k under budget in utilities costs in Elderly Persons' Dwellings and £60k overspend due to unbudgeted revenue costs associated with the New Build programme.

7.8 Revenue Contribution to Capital - £481k under budget (3.3%)

Line 192 of the Capital Programme (Appendix C) shows the budget for Planned Fixed Expenditure. There is an overspend of £149k on this line. Within this net overspend there is accelerated spend of £630k on the Walkways project to upgrade the structural integrity of the balconies and walkways, which necessitates budget to be brought forward from 2016/17. This leaves a residual underspend of £481k on the capital scheme overall. This underspend means that the Revenue Contribution to Capital can be reduced by a corresponding amount of £481k, as this amount is not required to fund the capital programme.

It is recommended that the revenue contribution to capital be further reduced by £279k to offset the current deficit on the HRA.

7.9 Transfer from Housing Reserves - £34k over budget

This transfer from HRA earmarked reserves is to fund the costs of the Social Housing Fraud officer, met from a grant received from DCLG in prior years.

8 Capital Programme

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

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

The 'Rephasing' column refers to those projects where expenditure is still expected to be incurred, but it will now be in 2016/17 or future years rather than 2015/16, or conversely, where expenditure planned initially for 2016/17 will now be in 2015/16.

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

	Current Budget £000	Provisional Outturn £000	Rephasing £000	Variance	
				£000	%
Finance & Resources	12,712	10,424	(1,936)	(352)	-2.8%
Strategic Planning & Environment	14,651	7,041	(6,146)	(1,464)	-10.0%
Housing & Community	1,855	1,539	(113)	(203)	-10.9%
G F Total	29,218	19,004	(8,195)	(2,019)	-6.9%
HRA Total	32,062	30,530	(1,048)	(484)	-1.5%
Grand Total	61,280	49,534	(9,243)	(2,503)	-4.1%

8.2 General Fund Major Variances

There is an overall underspend of £10,214k on the General Fund within year 2015/16. This is a combination of underspending of £2,019k and slippage of £8,195k. This represents 28% slippage against the budget, compared to slippage of 10.3% in 2014/15. This increase in slippage is primarily due to slippage on a few high value projects including The Forum, the Water Gardens, the Fleet Replacement Programme, and the Maylands Urban Realm project. Further on these areas of slippage follows.

The net underspend of £2,019k is comprised of:

- Line 43: underspend of £76k on demolition of Unit B and The Old Court House due to the costs coming in less than the budgeted £400k.
- Line 59: underspend of £121k on the Car Park Refurbishment project. The requirements for 2015/16 were refined, and 2 car parks have been refurbished this financial year at a cost of £116k, with slippage of £99k into 2016/17. A new capital bid has been approved for works to be carried out to further car parks in 2016/17.
- Line 89: underspend of £136k on Enterprise Licence Agreements. These ICT licences are now being treated as revenue expenditure, as they are incurred on an annual basis. The cost for financial year 2015/16 has been charged to the General Fund revenue account, and this expenditure has been budgeted as a revenue cost in the 2016/17 budget.

- Line 137: an underspend of £165k on the Affordable Housing Development Fund. This budget was previously allocated from General Fund capital receipts, but is now funded from Housing Revenue Account 1-4-1 receipts due to the high level of property sales under the Right to Buy scheme. The expenditure is based on the grant applications received from Housing Associations and is therefore demand led.
- Line 165: an underspend of £141k on Home Improvement Loans budget. Uptake to this scheme has been low and the budget is not expected to be spent. The budgets previously allocated for this scheme in future years have been removed from the capital programme during the last budget round.
- Line 172: an overspend of £93k on Regeneration of the Town Centre which equates to 2% of the overall project budget. During the course of the work at the Marlowes Shopping Zone, many issues were identified including previously unidentified underground utilities and changes made by Hertfordshire County Council to the design and materials, which had a substantial impact on the time and budget for this project. Unbudgeted grant income has been received from Hertfordshire County Council of £60k which partially offsets this overspend.
- Line 175: an underspend of £403k on the Bus Interchange project. Following the issues identified during the course of the works at the Marlowes Shopping Zone, a large contingency was put in to the Bus Interchange project, with a high expectation that unforeseen issues might arise. Fortunately this did not turn out to be the case and a large saving has been made. Unbudgeted grant funding of £180k from Hertfordshire County Council has also been secured which reduces the overall cost to the council.
- Line 176: an underspend of £1m on the Heart of Maylands project. This scheme was intended to support the provision of highway access and infrastructure serving DBC's landholding on the Maylands Gateway, however this work is no longer required and the budget will not be spent.

The projected rephrasing to future years of £8,195k includes:

- Line 42: accelerated spend of £464k on the budget for Strategic Acquisitions. The Health Centre building was purchased in October 2015; however this spend had previously been profiled to financial year 2016/17.
- Line 56: slippage of £191k at Rossgate Shopping. £9k has been spent this financial year on design work. Any further work is on hold pending the outcome of the strategic condition survey of the Council's property portfolio.
- Line 59: £99k slippage on the Car Park Refurbishment project. The budget allocated to resurface Queensway car park will now be spent in 2016/17.
- Line 60: £161k of accelerated spend on Berkhamsted Multi-Storey Car Park. Additional expenditure has been incurred on the development and planning stage of the project which necessitates bringing forward approved budget that had previously been profiled for expenditure in 2016/17.

- Line 62: £184k slippage on Bunkers Farm. The purchase of land has taken longer than anticipated. Completion is now expected in the first quarter of the new financial year.
- Line 144: £400k slippage on Berkhamsted Sport Centre roof. The work has not currently been scoped out, and at this stage it is unrealistic to expect spend to take place in 2015/16.
- Line 147: £76k slippage on Hemel Sports Centre renew heat and power system. This project has been postponed to 2016/17 due to the work on replacement of the Air Handling Unit for the gymnasium taking priority.
- Line 72: £87k slippage on Planning Software Replacement. This project was intended for a complete upgrade of the IDOX software, but to date this has not been required, as smaller improvements to the system have been sufficient. The budget will be needed in 2016/17 however, for further improvements to Planning software to deliver future service efficiencies.
- Line 81: slippage of £1m on The Forum. The budget of £9.4m was based on indicative cashflows at the time.
- Line 90: slippage of £70k on Website Development. This relates to the web portal element of CRM. The procurement exercise is not yet complete and it is now expected that the project will be completed next financial year.
- Line 102: slippage of £70k on EIS replacement. A decision on EIS replacement will be taken when there is more clarity on the feasibility of other HR delivery models.
- Line 131: slippage of £83k on Youth Centre Provision. This budget is being used for the new Cycle Hub and for youth facilities at the Adventure Playgrounds. To avoid the works impacting on the Adventure Playgrounds during the Easter holidays, it was necessary to slip the £83k in to 2016/17.
- Line 155: slippage of £107k on the Play Area Refurbishment Programme. The programme of work has been reviewed many times, particularly as individual amounts of section 106 funding are being identified that can be used to fund particular sites. The requirements have now been reworked and the anticipated spend for 2015/16 is £107k less than the budgeted £397k. Any unused funds will be slipped into 2016/17 to fund the programme of works for that year.
- Line 156: slippage of £75k on Waste & Recycling Service Improvements. This budget was slipped forward from 2014/15 and was intended to be used for new bins for the second phase of the new waste service which is the roll out to communal properties. The project has been delayed due to the complexities of dealing with a variety of communal properties but it is expected that this funding will be required in 2016/17.
- Line 160: slippage of £1.72m on the Fleet Replacement Programme. The requirements of the service for communal properties are still being scoped out.

- Line 170: slippage of £813k on Maylands Phase 1 (Maylands Urban Realm). A revised project cost was approved at Cabinet 20 October 2015, and approval was given to award the contract for the construction of the project. £233k has been spent in 2015/16 with the balance now anticipated to be spent in 2016/17.
- Line 171: slippage of £300k on Urban Park. This project will not be completed in 2015/16 now due to other projects such as the Water Gardens taking priority.
- Line 173: slippage of £335k on Maylands Business Centre. Initial bids on this scheme were received earlier in the financial year, but were in excess of the allocated budget. A request to increase the level of budget was approved at Cabinet on 24 November, and revised quotes are currently being evaluated, with the aim of awarding the contract early in the new financial year.
- Line 174: slippage of £2m on the Water Gardens. Delays have been experienced on the project due to the complexity of the work. It had been intended that the bridges would be refurbished in September 2015, however after structural surveys and a planning review, it was decided that these would all be replaced with new bridges which will now take place in summer 2016. The removal of silt has also taken longer than anticipated due to lack of storage space.
- Line 175: slippage of £300k on the Bus Interchange project. Although the project is practically complete, there remains some enhancement work to be carried out. There have been some delays in agreeing the final specification for this work and these costs will now be incurred early 2016/17.
- Line 178: slippage of £508k on Town Centre Access Improvements project. Options for the scheme have been received and are currently being considered. Pre-assessment work of £14k has been carried out in 2015/16, but the majority of the work will now be in 2016/17.

8.3 HRA Major Variances

There is an underspend on the HRA capital programme of £1,532k.

- Line 192: net overspend of £149k on Planned Fixed Expenditure. Within this net overspend there is accelerated spend of £630k on the Walkways project to upgrade the structural integrity of the balconies and walkways, which necessitates budget to be brought forward from 2016/17. This leaves a residual underspend of £481k. The HRA Revenue Contribution to Capital will be reduced by this amount, as the budgeted contribution to capital is not required in full.
- Line 196 and 197: slippage of £106k on the new build programme at Farm Place and £140k on Galley Hill. Both of these schemes are complete, however it is proposed that the budget be slipped to 2016/17 to fund unbudgeted expenditure which will be required on Stationer's Place (The Apsley Paper Mill) where a second overage payment is due in 2016/17 on the land purchase.

- Line 198: slippage of £838k on the new build scheme at London Road Apsley. There have been some delays to the build of the site, due to amendments to meet changing client requirements, such as ground floor flats low level showers and layout change to certain plots to meet resident requirements. This work can be accommodated within the approved budgets for the scheme overall.
- Line 203: accelerated spend of £235k on the new build site at Apsley Paper Mill (Stationer's Place). An overage payment of £250k has been made following the granting of planning permission on this site. A further payment of £450k will be due in 2016/17.
- Line 204: slippage of £73k on the new build scheme at Queen Street Tring. With Queen Street being a former council depot, the initial site investigation suggested two points of contamination which needed to be addressed. A further survey uncovered extensive contamination across much of the site which was unexpected, and required removal of the surface layer and replacement in its entirety, culminating in a 5 week delay. This work can be delivered within the approved budgets for the scheme overall.
- Line 205: slippage of £178k on the new build scheme at Able House, which represents the first payment to the main contractor for works. The works were due to start on site in March 2016, after demolition of the existing building, however the demolition has proved more complex and time consuming than anticipated, due to the discovery of asbestos.
- Line 207: slippage of £583k on the new build scheme at Swing Gate Lane. This slippage is due to delays in the purchase of the land. It was expected that the land would be purchased in March 2016, but complexities in the transaction have led to a time delay and the purchase is now expected early in financial year 2016/17.

9 Balances and Reserves

- 9.1 The Reserves Summary at Appendix D reflects the movements approved by Council in February 2016.
- 9.2 In cases where reserves were to be drawn down in 2015/16 to fund budgeted expenditure which was not spent in full, only the amount required to fund actual expenditure was drawn down.
- 9.3 Variances over £30k on recommended reserve movements compared to the original budget and additional movements approved in year are as follows:
- Invest to Save Reserve - £47k reduced draw down. A draw down of £195k was budgeted to be drawn down towards income generation and cost reduction projects at the Council cemetery sites. The refurbishment of facilities at Woodwells cemetery has slipped to 2016/17. A reduced drawdown of £148k from the reserve is required in 2015/16, with the balance of £47k to be drawn down in 2016/17.

- Dacorum Development Reserve - £82k reduced draw down. A draw down of £100k was budgeted to be drawn down to be paid to Tring Town Council for the development of a local plan. Part of this project has slipped, with £18k being spent in 2015/16. A reduced drawdown of £18k from the reserve is required in 2015/16, with the balance of £82k to be drawn down in 2016/17.
- Management of Change Reserve - £37k reduced draw down. A draw down of £40k was budgeted to be drawn down towards the management of a community centre at Woodhall Farm. Income was raised that will be payable to the community group that takes over the management of the community centre in 2016/17. A reduced drawdown of £3k from the reserve is required in 2015/16, with the balance of £37k to be drawn down in 2016/17.
- Management of Change Reserve – Additional contribution to the reserve of £80k. As set out in paragraph 3.2, £80k was set aside to deliver a review of sports provision within the Borough. As this was not undertaken in 2015/16, the funds will be set aside in the Management of Change Reserve and drawn down in 2016/17.
- Maylands Plus Reserve - £31k additional contribution to the reserve. Surpluses generated at Maylands Business Centre are contributed to the Maylands Plus reserve towards future works at the premises or other economic development schemes. In 2015/16 the centre generated £31k through increased income and reduced running costs.

9.4 It is recommended that, as part of the normal year-end processes, all balances will be reviewed, and movements of any surplus identified is delegated for final approval of the amounts to Audit Committee on 29 June 2016. This will help fund future organisational transformation initiatives as the Council seeks to respond to the forecast reductions in government funding.



Dacorum Borough Council

APPENDIX A

General Fund Revenue Budget - Provisional Outturn 2015/16 (by Overview and Scrutiny Committee)

	Month			Year-to-Date			Full Year		
	Adjusted Budget £000	Actuals £000	Variance £000	Adjusted Budget £000	Actuals £000	Variance £000	Adjusted Budget £000	Forecast Outturn £000	Variance £000
Controllable									
Finance and Resources	718	535	(183)	7,365	7,142	(223)	7,365	7,142	(223)
Strategic Planning and Environment	253	158	(95)	7,748	7,706	(42)	7,748	7,706	(42)
Housing and Community	181	365	184	2,532	2,393	(139)	2,532	2,393	(139)
Controllable	1,152	1,058	(94)	17,645	17,241	(404)	17,645	17,241	(404)
Non-Controllable									
Finance and Resources	(2,413)	(1,675)	738	(3,712)	(679)	3,033	(3,712)	(4,017)	(305)
Strategic Planning and Environment	583	0	(583)	3,865	(5)	(3,870)	3,865	3,915	50
Housing and Community	563	1	(562)	1,450	6	(1,444)	1,450	1,450	0
Non-Controllable	(1,267)	(1,674)	(407)	1,603	(678)	(2,281)	1,603	1,348	(255)
General Fund Service Expenditure	(115)	(616)	(501)	19,248	16,563	(2,685)	19,248	18,589	(659)
Reversal of Capital Charges							(4,125)	(4,125)	0
Interest Receipts							504	378	(126)
Revenue Contributions to Capital							4,106	4,106	0
Contributions to / (from) Reserves							(897)	(561)	336
Contributions to / (from) Working Balance							(152)	465	617
Budget Requirement:							18,684	18,852	168
Met From:									
Revenue Support Grant							(2,070)	(2,070)	0
Retained Business Rates							(3,986)	(3,986)	0
New Homes Bonus							(2,611)	(2,620)	(9)
Other General Government Grants							(112)	(271)	(159)
Council Tax Surplus							(80)	(80)	0
Requirement from Council Tax							(9,825)	(9,825)	0
Total Funding:							(18,684)	(18,852)	(168)

Interpreting this report

General Fund Service Expenditure

This subtotal includes those costs which are directly attributable to specific Council services.

Budget Requirement

This subtotal shows the total cash requirement to operate the Council for one year. It includes the General Fund Service Expenditure plus corporate costs and income.

Total Funding

This subtotal shows how the Council receives sufficient funding from different sources to meet the Budget Requirement. In order to 'balance the budget', Total Funding must equal the Budget Requirement.



Housing Revenue Account Provisional Outturn 2015/16

APPENDIX B

	Original Budget £000	Provisional Outturn £000	Forecast Variance £000	Variance %
Income:				
Net Dwelling Rents	(56,236)	(56,085)	151	-0.3%
Non-Dwelling Rents	(80)	(70)	10	-12.5%
Tenants Charges	(273)	(332)	(59)	21.6%
Leaseholder Charges	(507)	(466)	41	-8.1%
Interest and Investment Income	(114)	(185)	(71)	62.3%
Contribution towards Expenditure	(555)	(891)	(336)	60.5%
Total Income	(57,765)	(58,029)	(264)	0.5%
Expenditure:				
Repairs and Maintenance	10,262	11,442	1,180	11.5%
Supervision & Management:	11,334	11,193	(141)	-1.2%
Rent, Rates, Taxes & Other Charges	14	13	(1)	-7.1%
Interest Payable	11,658	11,658	0	0.0%
Provision for Bad Debts	216	216	0	0.0%
Depreciation	9,288	9,288	0	0.0%
HRA Democratic Recharges	264	264	0	0.0%
Revenue Contribution to Capital	14,729	14,268	(461)	-3.1%
Total Expenditure	57,765	58,342	577	1.0%
Transfer from Housing Reserves	0	(34)	(34)	0.0%
HRA Deficit / (Surplus)	0	279	279	0.0%
Housing Revenue Account Balance:				
Opening Balance at 1 April 2015	(2,900)	(2,846)	54	
Deficit / (Surplus) for year	0	279	279	
Proposed Contributions to Reserves	0	0	0	
Closing Balance at 31 March 2016	(2,900)	(2,567)	333	

CAPITAL PROGRAMME PROVISIONAL OUTTURN 2015/16

APPENDIX C

Scheme	Budget Holder	Original Budget	Prior Year Slippage	In-Year Adjustments	Current Budget	YTD Spend	Provisional Outturn	Proposed Slippage	Projected Over / (Under)	Slippage into 2016/17	Slippage into 2017/18 & future
General Fund											
Finance and Resources											
Commercial Assets and Property Development											
42 Strategic Acquisitions	Nicholas Brown	0	0	0	0	463,500	463,500	463,500	0	463,500	
43 Demolition of Civic Centre Unit B & Old Court House	Nicholas Brown	400,000	0	0	400,000	324,077	324,077	0	(75,923)	0	
44 Service Lease Domestic Properties	Nicholas Brown	30,000	0	0	30,000	30,195	30,195	0	195	0	
45 Cupid Green MRF/VRS replace roof	Nicholas Brown	40,000	0	0	40,000	20,850	20,850	0	(19,150)	0	
46 Demolition of Civic Centre	Nicholas Brown	0	0	0	0	1,990	1,990	1,990	0	1,990	
47 Grovehill Community Centre - Plant	Nicholas Brown	0	16,052	0	16,052	21,046	21,046	0	4,994	0	
48 Adeyfield Community Centre - Window Renewals	Nicholas Brown	0	4,348	0	4,348	10,529	10,529	0	6,181	0	
49 Leverstock Green Community Centre - Roof	Nicholas Brown	20,000	0	0	20,000	20,730	20,730	0	730	0	
50 Highfield Community Centre - Resurface Car Park	Nicholas Brown	0	18,318	0	18,318	0	0	(18,318)	0	0	(18,318)
51 Adeyfield Community Centre - replace roof	Nicholas Brown	45,000	0	0	45,000	770	770	(44,230)	0	(44,230)	
52 Woodhall Farm Community Centre - structural works	Nicholas Brown	15,000	0	0	15,000	15,880	15,880	0	880	0	
53 Tring Community Centre - new play area for Childrens Nursery	Nicholas Brown	15,000	0	0	15,000	1,890	1,890	(13,110)	0	(13,110)	
54 Apsley Industrial Estate - Box Gutter	Nicholas Brown	0	10,000	0	10,000	0	0	0	(10,000)	0	
55 Queens Square Shopping Centre - Roof	Nicholas Brown	0	12,425	0	12,425	11,380	11,380	0	(1,045)	0	
56 Rossgate Shopping Centre - Structural Works	Nicholas Brown	200,000	0	0	200,000	9,090	9,090	(190,910)	0	(90,910)	(100,000)
57 High Street, Tring - Replace External Cladding & Roof	Nicholas Brown	50,000	0	0	50,000	0	0	(50,000)	0	(50,000)	
58 Commercial Properties - Renew Obsolete Door Entry Controls	Nicholas Brown	30,000	0	0	30,000	30,697	30,697	0	697	0	
59 Car Park Refurbishment	Nicholas Brown	330,000	6,199	0	336,199	115,563	115,563	(99,172)	(121,464)	(99,172)	
60 Multi Storey Car Park Berkhamsted	Nicholas Brown	68,000	72,000	0	140,000	301,436	301,436	161,436	0	161,436	
61 Woodwells Cemetery - Work Yard Development	Nicholas Brown	20,000	(20,000)	0	0	0	0	0	0	0	
62 Bunkers Farm	Nicholas Brown	0	194,218	0	194,218	10,612	10,612	(183,606)	(0)	(183,606)	
63 Sanctum 2000 Interment Chambers - Woodwells	Nicholas Brown	35,000	0	0	35,000	38,726	38,726	0	3,726	0	
64 Sanctum 2000 Interment Chambers - Tring	Nicholas Brown	20,000	0	0	20,000	19,752	19,752	0	(248)	0	
65 Rose Garden of Remembrance - Woodwells	Nicholas Brown	45,000	0	0	45,000	44,139	44,139	0	(861)	0	
66 Rose Garden of Remembrance - Tring	Nicholas Brown	10,000	0	0	10,000	10,580	10,580	0	580	0	
67 Refurbishment of Facilities at Woodwells Cemetery	Nicholas Brown	64,000	0	0	64,000	6,403	6,403	(57,597)	0	(57,597)	
68 Cremated Remains Burial Area Woodwells Cemetery	Nicholas Brown	18,500	0	0	18,500	18,007	18,007	0	(493)	0	
145 Berkhamsted Sports Centre - Roof Replacement	Nicholas Brown	400,000	0	0	400,000	0	0	(400,000)	0	0	(400,000)
146 Tring Sports Centre - Replace Swimming Pool Roof	Nicholas Brown	30,000	0	0	30,000	0	0	(30,000)	0	0	(30,000)
147 Hemel Sports Centre - renew heat and power system	Nicholas Brown	80,000	0	0	80,000	3,950	3,950	(76,050)	0	(76,050)	
148 Hemel Sports Centre - renew outdoor pool water heaters	Nicholas Brown	15,000	0	0	15,000	10,048	10,048	(4,952)	(0)	(4,952)	
149 Air Handling Unit - Hemel Hempstead Sports Centre	Nicholas Brown	0	0	40,000	40,000	21,074	21,074	(18,926)	(0)	(18,926)	
150 Hemel Hempstead Sports Centre - Gym Refurbishment	Nicholas Brown	0	0	0	0	30,852	30,852	0	30,852	0	
		1,980,500	313,560	40,000	2,334,060	1,593,766	1,593,766	(559,945)	(180,349)	(11,627)	(548,318)
Development Management and Planning											
72 Planning Software Replacement	Sara Whelan	0	101,132	0	101,132	14,168	14,168	(86,964)	0	(86,964)	
		0	101,132	0	101,132	14,168	14,168	(86,964)	0	(86,964)	0
Financial Management											
76 Payroll (Invest to Save)	Richard Baker	0	0	50,000	50,000	47,553	47,553	(2,447)	0	(2,447)	
77 Upgrade of HSM Module (BACS / DD Security)	Richard Baker	0	0	5,000	5,000	0	0	(5,000)	0	(5,000)	
		0	0	55,000	55,000	47,553	47,553	(7,447)	0	(7,447)	0
Housing & Regeneration Management											
81 The Forum (Public Service Quarter)	Mark Gaynor	9,000,000	405,785	0	9,405,785	8,390,385	8,390,385	(1,015,400)	(0)	(1,015,400)	
82 Gade Zone	Mark Gaynor	0	0	50,000	50,000	58,488	58,488	0	8,488	0	
83 Market Square	Mark Gaynor	0	0	0	0	551	551	0	551	0	
		9,000,000	405,785	50,000	9,455,785	8,449,424	8,449,424	(1,015,400)	9,039	(1,015,400)	0

Scheme	Budget Holder	Original Budget	Prior Year Slippage	In-Year Adjustments	Current Budget	YTD Spend	Provisional Outturn	Proposed Slippage	Projected Over / (Under)	Slippage into 2016/17	Slippage into 2017/18 & future	
Finance and Resources (continued)												
Information, Communication and Technology												
87	Rolling Programme - Hardware	Ben Trueman	75,000	0	0	75,000	33,297	33,297	(41,700)	(3)	(41,700)	
88	Software Licences - Right of Use	Ben Trueman	50,000	32,000	0	82,000	44,070	44,070	(32,000)	(5,930)	(32,000)	
89	Enterprise Licence Agreements	Ben Trueman	260,000	(96,631)	0	163,369	27,017	27,017	0	(136,352)	0	
90	Website Development	Ben Trueman	85,000	85,000	0	170,000	100,632	100,632	(69,500)	132	(69,500)	
91	Dacorum Anywhere	Ben Trueman	55,000	0	0	55,000	54,313	54,313	0	(687)	0	
92	Mobile Working	Ben Trueman	0	44,476	0	44,476	43,992	43,992	0	(484)	0	
93	Wifi	Ben Trueman	0	4,726	0	4,726	2,157	2,157	0	(2,569)	0	
			525,000	69,571	0	594,571	305,477	305,477	(143,200)	(145,894)	(143,200)	0
Legal Governance												
97	Visual Files Case Management System	Mark Brookes	0	5,630	0	5,630	0	0	0	(5,630)	0	
98	Corporate GIS	Mark Brookes	0	7,720	0	7,720	13,100	13,100	0	5,380	0	
			0	13,350	0	13,350	13,100	13,100	0	(250)	0	0
People												
102	EIS Replacement	Matt Rawdon	70,000	0	0	70,000	0	0	(70,000)	0	(70,000)	
			70,000	0	0	70,000	0	0	(70,000)	0	(70,000)	0
Performance and Projects												
106	E Signatures	Robert Smyth	34,900	0	0	34,900	0	0	0	(34,900)	0	
107	Incoming Mailroom	Robert Smyth	0	48,009	0	48,009	0	0	(48,009)	0	(48,009)	
108	Reprographics	Robert Smyth	0	5,247	0	5,247	0	0	(5,247)	0	(5,247)	
			34,900	53,256	0	88,156	0	0	(53,256)	(34,900)	(53,256)	0
	Totals: Finance and Resources		11,610,400	956,654	145,000	12,712,054	10,423,487	10,423,487	(1,936,212)	(352,355)	(1,387,894)	(548,318)
Housing and Community												
Chief Executive's Unit Management												
116	Highbarns Land Stabilisation Project	Steve Baker	0	77,252	0	77,252	68,891	68,891	(8,360)	(1)	(8,360)	
			0	77,252	0	77,252	68,891	68,891	(8,360)	(1)	(8,360)	0
Commissioning, Procurement and Compliance												
120	Telephony upgrade & virtualisation	Ben Hosier	6,480	53,440	0	59,920	43,952	43,952	(4,600)	(11,368)	(4,600)	
121	Customer Services Unit Refurbishment	Ben Hosier	25,120	0	0	25,120	15,241	15,241	(9,870)	(9)	(9,870)	
			31,600	53,440	0	85,040	59,193	59,193	(14,470)	(11,377)	(14,470)	0
People												
125	Capital Grants - Community Groups	Matt Rawdon	20,000	8,508	0	28,508	12,000	12,000	0	(16,508)	0	
			20,000	8,508	0	28,508	12,000	12,000	0	(16,508)	0	0
Residents Services												
129	Rolling Programme - CCTV Cameras	Julie Still	25,000	0	0	25,000	23,349	23,349	0	(1,651)	0	
130	Verge Hardening Programme	Julie Still	300,000	(33,179)	0	266,821	258,981	258,981	(7,840)	0	(7,840)	
131	Youth Centre Provision	Julie Still	0	100,000	0	100,000	17,193	17,193	(82,807)	(0)	(82,807)	
132	Adventure Playgrounds - Rewire Chaulden, Adeyfield, Bennettsend	Julie Still	0	31,361	0	31,361	37,537	37,537	0	6,176	0	
			325,000	98,182	0	423,182	337,060	337,060	(90,647)	4,525	(90,647)	0
Strategic Housing												
136	New Build - Elms Hostel Redbourne Road	Julia Hedger	0	0	191,000	191,000	177,000	177,000	0	(14,000)	0	
137	Affordable Housing Development Fund	Julia Hedger	1,300,000	(250,000)	0	1,050,000	885,000	885,000	0	(165,000)	0	
			1,300,000	(250,000)	191,000	1,241,000	1,062,000	1,062,000	0	(179,000)	0	0
	Totals: Housing and Community		1,676,600	(12,618)	191,000	1,854,982	1,539,144	1,539,144	(113,477)	(202,361)	(113,477)	0

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Scheme	Budget Holder	Original Budget	Prior Year Slippage	In-Year Adjustments	Current Budget	YTD Spend	Provisional Outturn	Proposed Slippage	Projected Over / (Under)	Slippage into 2016/17	Slippage into 2017/18 & future	
Strategic Planning and Environment												
Environmental Services												
154	Wheeled Bins & Boxes for New Properties	Craig Thorpe	20,000	0	0	20,000	0	0	0	(20,000)	0	
155	Play Area Refurbishment Programme	Craig Thorpe	350,000	46,558	0	396,558	289,642	289,642	(106,916)	(0)	(106,916)	
156	Waste & Recycling Service Improvements	Craig Thorpe	0	75,000	0	75,000	0	0	(75,000)	0	(75,000)	
157	Play Areas & Open Spaces - replace equipment	Craig Thorpe	20,000	14,510	0	34,510	19,788	19,788	(14,722)	0	(14,722)	
158	Cupid Green Depot - new parking area	Craig Thorpe	15,000	0	0	15,000	11,456	11,456	0	(3,544)	0	
159	Cupid Green Depot - Security Gates Upgrade	Craig Thorpe	0	0	0	0	10,645	10,645	0	10,645	0	
160	Fleet Replacement Programme	Craig Thorpe	2,573,000	(288,432)	36,675	2,321,243	594,012	594,012	(1,727,231)	0	(94,231)	(1,633,000)
			2,978,000	(152,364)	36,675	2,862,311	925,543	925,543	(1,923,869)	(12,899)	(290,869)	(1,633,000)
Regulatory Services												
164	Disabled Facilities Grants	Chris Troy	588,000	(105,167)	0	482,833	544,179	544,179	61,346	0	61,346	
165	Home Improvement Grants	Chris Troy	150,000	0	0	150,000	0	0	(8,894)	(141,107)	(8,894)	
166	Air Quality Monitors	Chris Troy	0	0	21,000	21,000	20,735	20,735	0	(265)	0	
			738,000	(105,167)	21,000	653,833	564,914	564,914	52,453	(141,371)	52,453	0
Strategic Planning and Regeneration												
170	Maylands Phase 1 Improvements	Chris Taylor	750,000	294,000	2,275	1,046,275	233,019	233,019	(813,256)	0	(813,256)	
171	GAF - Urban Park/Education Centre	Chris Taylor	170,000	129,720	0	299,720	0	0	(300,000)	280	(300,000)	
172	Regeneration of Hemel Town Centre	Chris Taylor	1,659,000	718,868	4,000	2,381,868	2,474,687	2,474,687	0	92,819	0	
173	Maylands Business Centre	Chris Taylor	350,000	0	0	350,000	15,050	15,050	(335,000)	50	(335,000)	
174	Water Gardens	Chris Taylor	2,804,148	48,105	2,275	2,854,528	849,268	849,268	(2,005,260)	0	(2,005,260)	
175	Bus Interchange	Chris Taylor	2,550,000	(15,113)	(4,550)	2,530,337	1,827,308	1,827,308	(300,000)	(403,029)	(300,000)	
176	Heart of Maylands	Chris Taylor	1,000,000	0	0	1,000,000	0	0	0	(1,000,000)	0	
177	Heath Park Gardens Improvements (Fully funded from S106)	Chris Taylor	0	0	130,000	130,000	117,108	117,108	(12,892)	(0)	(12,892)	
178	Town Centre Access Improvements	Chris Taylor	520,000	2,280	0	522,280	14,319	14,319	(507,961)	0	(507,961)	
179	Market Canopies	Chris Taylor	10,000	0	10,000	20,000	19,884	19,884	0	(116)	0	
180	Digital High Street Software	Chris Taylor	10,000	0	(10,000)	0	0	0	0	0	0	
			9,823,148	1,177,860	134,000	11,135,008	5,550,644	5,550,643	(4,274,369)	(1,309,996)	(3,974,369)	(300,000)
Totals: Strategic Planning and Environment			13,539,148	920,329	191,675	14,651,152	7,041,101	7,041,100	(6,145,786)	(1,464,266)	(4,212,786)	(1,933,000)
Totals - Fund: General Fund			26,826,148	1,864,365	527,675	29,218,188	19,003,732	19,003,732	(8,195,475)	(2,018,982)	(5,714,157)	(2,481,318)
Housing Revenue Account												
Housing and Community												
Property & Place												
192	Planned Fixed Expenditure	Fiona Williamson	20,200,000	992,443	0	21,192,443	21,341,537	21,341,537	630,178	(481,084)	630,178	
			20,200,000	992,443	0	21,192,443	21,341,537	21,341,537	630,178	(481,084)	630,178	0
Strategic Housing												
196	New Build - Farm Place Berkhamsted	Julia Hedger	0	218,681	224,790	443,471	337,966	337,966	(105,505)	(0)	(105,505)	
197	New Build - Galley Hill Gadebridge	Julia Hedger	0	68,318	186,441	254,759	114,634	114,634	(140,125)	(0)	(140,125)	
198	New Build - London Road Apsley	Julia Hedger	0	2,890,351	895,633	3,785,984	2,948,184	2,948,184	(837,800)	0	(837,800)	
199	New Build - General Expenditure	Julia Hedger	6,202,000	0	(6,202,000)	0	0	0	0	0	0	
200	Martindale	Julia Hedger	0	3,977,038	221,342	4,198,380	4,194,269	4,194,269	(4,111)	0	(4,111)	
201	Strategic Acquisitions - Housing	Julia Hedger	0	0	25,000	25,000	25,000	25,000	0	0	0	
202	Wood House	Julia Hedger	0	(78,239)	140,155	61,916	70,506	70,506	8,590	(0)	8,590	
203	The Apsley Paper Mill (Land Adj to Retail Park, London Road)	Julia Hedger	0	(43,278)	104,285	61,007	295,942	295,942	234,935	0	234,935	
204	New Build - Queen Street (Old Tring Depot)	Julia Hedger	580,000	(13,321)	(42,905)	523,774	450,353	450,353	(73,422)	0	(73,422)	
205	Able House	Julia Hedger	0	(30,385)	360,222	329,837	151,528	151,528	(178,309)	(0)	(178,309)	
206	New Build - Longlands	Julia Hedger	300,000	300,000	0	600,000	597,241	597,241	0	(2,759)	0	
207	Swing Gate Lane	Julia Hedger	0	0	585,500	585,500	2,820	2,820	(582,680)	0	(582,680)	
			7,082,000	7,289,165	(3,501,537)	10,869,628	9,188,442	9,188,442	(1,678,427)	(2,760)	(1,678,427)	0
Totals: Housing and Community			27,282,000	8,281,608	(3,501,537)	32,062,071	30,529,979	30,529,979	(1,048,249)	(483,844)	(1,048,249)	0
Totals - Fund: Housing Revenue Account			27,282,000	8,281,608	(3,501,537)	32,062,071	30,529,979	30,529,979	(1,048,249)	(483,844)	(1,048,249)	0
Totals			54,108,148	10,145,973	(2,973,862)	61,280,259	49,533,711	49,533,711	(9,243,723)	(2,502,825)	(6,762,405)	(2,481,318)

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GENERAL FUND RESERVES SUMMARY 2015/16

General Fund	Balance as at 31/03/2015	Transfers In 2015/16	Transfers Out 2015/16	Balance as at 31/03/2016	Balance as at 31/03/2017	Balance as at 31/03/2018	Balance as at 31/03/2019	Balance as at 31/03/2020
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Civic Centre Major Repairs Reserve	0	200		200	200	0	0	0
Earmarked Grants Reserve	298		(24)	274	219	20	10	0
Management of Change Reserve	1,356	80	(270)	1,166	854	417	417	417
Technology Reserve	348		(185)	163	0	0	0	0
On Street Car Parking Reserve	181		(32)	149	0	0	0	0
Local Development Framework Reserve	666		(300)	366	34	0	0	0
Dacorum Development Reserve	2,046		(1,478)	568	276	156	86	0
Planning Enforcement & Appeals Reserve	125			125	125	125	125	125
Planning & Regeneration Project Reserve	178		(18)	160	110	25	0	0
Litigation Reserve	214			214	214	0	0	0
Vehicle Replacement Reserve	0	350		350	700	1,050	1,400	1,750
Invest to Save Reserve	0	609	(148)	461	298	148	0	0
Building Control Reserve	86			86	0	0	0	0
Longdean School Repairs Reserve	7			7	0	0	0	0
Tring Swimming Pool Repairs Reserve	83	8		91	0	8	16	24
Youth Club Reserve	101			101	101	101	101	101
Election Reserve	159		(129)	30	30	60	90	0
Uninsured Loss Reserve	586			586	586	586	586	586
Training & Development Reserve	114			114	66	44	22	0
Housing Conditions Survey Reserve	51	15		66	81	96	111	0
S106 Commuted Sums Reserve	609		(609)	0	0	0	0	0
Dacorum Partnership Reserve	66			66	53	53	53	53
Dacorum Rent Aid	15			15	15	15	15	15
Dacorum Rent Guarantee Scheme	15			15	15	15	15	15
The Forum Reserve	2,050		(44)	2,006	0	0	0	0
Funding Equalisation Reserve	1,338		1,383	2,721	0	0	0	0
Pensions Reserve	1,773			1,773	873	873	873	0
Maylands Plus Reserve	69		31	100	0	0	0	0
Total Earmarked Reserves	12,534	1,262	(1,823)	11,973	4,850	3,792	3,920	3,086
General Fund Working Balance	2,651			2,651	2,651	2,651	2,651	2,651
Total General Fund Reserves	15,185	1,262	(1,823)	14,624	7,501	6,443	6,571	5,737



AGENDA ITEM: 8a

SUMMARY

Report for:	Finance and Resources Overview & Scrutiny Committee
Date of meeting:	7 th June 2016
PART:	1
If Part II, reason:	

Title of report:	Quarter 4 Performance Report – Legal Governance and Democratic Services
Contact:	<p>Cllr Neil Harden, Portfolio Holder for Residents and Corporate Services</p> <p>Author/Responsible Officers:</p> <p>Mark Brookes (Solicitor to the Council)</p> <p>Jim Doyle, Group Manager (Democratic Services)</p>
Purpose of report:	To provide Members with the performance report for quarter four in relation to Legal Governance and Democratic Services.
Recommendations	That Members note the report.
Corporate objectives:	Resources and Value For Money; Optimise Resources and Implement Best Practice.
Implications:	<u>Financial</u> None.
'Value For Money Implications'	<u>Value for Money</u> Monitoring Performance supports the Council in achieving Value for Money for its citizens.
Risk Implications	Risk Assessment completed for each service area as part of service planning and reviewed quarterly.
Equalities	Equality Impact Assessment completed for each service area

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

1. Members will find attached to this report the Corvu performance data for Legal Governance and Democratic Services, together with the Operational Risk Register, in relation to quarter 4 of 2015/16.
2. Following the retirement of the Assistant Director (Chief Executive's Unit) and Monitoring Officer in April of this year the Head of Paid Service, acting under delegated powers, approved a small number changes to the existing Leadership Team.
3. The changes approved to the Leadership structure are as follows:
 - Delete the role of Assistant Director (Chief Executive's Unit) from the structure.
 - Create a new role Solicitor to the Council and Monitoring Officer. This role will replace the existing Group Manager (Legal Governance) role which will be deleted from the structure. The new role will report directly to the Chief Executive and have line management responsibility for the Group Manager (Democratic Services).
 - The fixed term post of the Assistant Director (Performance and Projects) will be confirmed as a substantive post in the structure and renamed Assistant Director (Performance, People and Innovation).
 - The Group Manager (People) will report to the Assistant Director (Performance, People & Innovation) and also have line management responsibility for the Performance and Innovation team and Corporate Administration.
 - The Group Manager (Commissioning, Procurement and Compliance) will report to the Assistant Director (Finance and Resources)
4. Accordingly, and as this is the first meeting of the Finance and Resources Overview and Scrutiny Committee since the restructure, Members will note that this report relates to Legal Governance and Democratic Services only.
5. Members will also note that the only Operation Risk which falls within this area is CE_R01 Failure to deliver successful elections.

LEGAL GOVERNANCE

6. Legal Governance continues to be heavily involved in many of the Council's critical projects. In particular, significant legal support is being provided in relation to the Gade Zone regeneration project. The team have been working with the property and planning teams to negotiate and finalise terms with the Council's development partner (Gade Zone Developments Limited) to bring the delivery of residential development surrounding the Forum forward as early as possible.

The Legal Team

7. The Legal Team frequently represent the Council in the courts and tribunals, leading on injunctions, prosecutions and defending employment tribunal cases. In the last quarter the Legal Team :-
 - Obtained two anti-social behaviour injunctions
 - Commenced action against one defendant for breaching an anti-social behaviour injunction who was sentenced to 28 days imprisonment suspended until 13 October 2016.
 - Successfully prosecuted for fly tipping (Northchurch Ward). Defendant was ordered to pay £115 fine and £42 victim surcharge
 - The team also successfully completed a Standards Investigation for Berkhamsted Town Council
- The team has also experienced and successfully dealt with a particularly high volume of case work in the last 12 months. Of note were the completion of 111 Right to Buy transfers in the last 12 months and 105 substantive new instructions (leases, land sales and other drafting) in the last 6 months alone, and maintained performance targets at 100%.

The Licensing Team

8. The Licensing team has recently compiled statistics for the Home Office and Gambling Commission as to the number of premises within the borough which are licensed for alcohol sales, entertainment, late night refreshment or gambling activities. The statistics may be of interest to Members as it gives an idea of the volume of applications which the team deal within this area and key points from these statistics are included below, relating to the position on 31 March 2016.

Licensing Act 2003		
	Premises Licences (businesses and non-commercial bodies)	Club Premises Certificates (members' clubs only)
Total number in force	448	42
~ authorising sale/supply of alcohol	371 (on-sales or both on/off-sales: 259 off-sales only: 112)	42
~ 24-hour alcohol	15	0
~ authorising late night refreshment (total)	195	n/a
~ authorising late night refreshment (only)	33	n/a
~ authorising one or more forms of regulated entertainment	238	27
~ plays	72	3
~ films	86	7
~ indoor sports	76	12
~ boxing or wrestling	4	0
~ live music	192	23
~ recorded music (DJ, etc)	227	22
~ performance of dance	116	6
Personal Licences: total number in force (allows holder to authorise sales of alcohol at licensed premises)		Temporary event notices: number given between 1 April 2015 and 31 March 2016 (infrequent, small-scale events)
1458		412

Gambling Act 2005	
	Gambling Premises Licences
Total number in force	18
~ Adult gaming centre	2
~ Betting shop	16
~ Betting track (sports ground, racecourse)	0
~ Bingo hall	0
~ Family entertainment centre	0
~ Casino	0
<i>N.B. Dacorum is not authorised by the Secretary of State to issue casino licences.</i>	

DEMOCRATIC SERVICES

Elections

9. Much of Democratic Services efforts throughout the early part of 2016 involved the preparations for the Police & Crime Commissioner election to be held in May and the forthcoming Referendum on UK membership of the EU in June 2016. To this end the Electoral Registration Section and Member Support Services were engaged in:

- Compiling and producing the electoral register
- Organising Staffing for the Polling Stations
- Booking the Polling Stations
- Production, Issue and opening of 15,000 Postal votes.
- Procuring and amassing the necessary equipment and paperwork
- Booking the Count venue and
- procuring and preparing the Count equipment and materials

Due to the close proximity of the two polls each of these tasks is increased by a factor of two.

10. At the time of writing it is fair to say that the Police & Crime Commissioner election produced an outcome that was arrived at fairly and smoothly with a result acceptable to those involved. The lessons learned will be incorporated into the ongoing preparations for the EU Referendum.

Member Support Services

11. During Quarter 4, Member Support managed and organised the following:

- Published 33 agendas
- Completed 29 sets of minutes
- Spent 46.5 hours at evening meetings
- Processed 54 public speakers at Committee
- Published 7 Portfolio Holder Decisions
- Published 8 Officer Decision
- Attended 8 community association meetings
- Attended 6 Voluntary Sector meetings
- Attended 17 Community Engagement Tours with Mayor
- Attended 2 Ad hoc meetings and Social Media Training

12. February also saw the joint budget OSC meetings take place, along with Cabinet and Full Council, resulting in the budget being approved. Again, lots of coordinating many people at the same time and all meetings ran smoothly.

13. Work and training is still ongoing in order to further develop the use of Issue Manager. We have been testing its use for Officer Decisions and Portfolio Holder Decisions. This will enable Officers to gain experience of using Issue Manager processes before agendas are collated through its use. The launch of the new Officer Decision process has been delayed due to a technical issue with the website. Work to rectify this will be carried out in due course. Member use of the iPads is increasing and the number of queries/issues received by the team has decreased.

14. Parish & Community Liaison

S Collins arranged and attended 16 very successful visits with the Mayor to:- Hemel Police Station, Chipperfield Parish Council, Markyate Parish Council, Dacorum Community Trust, Community Action Dacorum, Signpost, Centre in the Park, CAB, Age UK, Herts Ambulance Service, Mediation Hertfordshire, Druglink, DENS and the Volunteer Centre. She also accompanied the Mayor to Highfield Community Centre – reopening of their Internet Café. This involved lots of organisation and coordination of many people and the Mayor has been very appreciative of all her efforts.

Member Development

15. Four member training sessions were held in Quarter 4 bringing to an end the training for 2015/16 and the target of 4 training sessions a year per member was achieved.
16. Nineteen members took up the opportunity to develop Personal Development Plans in conjunction with the appointed outside trainer. The feedback on this process has been mixed and the Member Development Steering Group has been examining the results and the future direction of the scheme.

OPERATIONAL RISK REGISTER

17. The updated Operational Risk Register is annexed to the report. The only changes which have been made relate to the restructure as noted above. There have been no changes to the residual risk score since quarter 3.

F&R OSC QUARTERLY PERFORMANCE REPORT

Chief Executive's Unit

March 2016



Measure	Owner & Updater	Mar 2015 Result	Trend	Dec 2015 Result	Trend	Mar 2016 Result	Sign Off	Comments	Flag
DPA01 - Percentage of DPA requests met in 40 days	Mark Brookes John Worts	100% (7/7) Target: 100	→	100% (2/2) Target: 100	→	100% (15/15) Target: 100	✓	Updater	
FOI01 - Percentage FOI requests satisfied in 20 days	Mark Brookes John Worts	100% (144/144) Target: 100	↓	100% (142/142) Target: 100	↓	98.54% (135/137) Target: 100		Owner Only 2 FOIs missed the target date which is a good performance	
LG01 - Percentage of draft new commercial leases sent to the prospective tenants/their Solicitors within 10 working days of receipt of full instructions	Mark Brookes Christopher Gaunt	100% (3/3) Target: 100	→	100% (7/7) Target: 100	→	100% (12/12) Target: 100	✓	Updater target consistently being met by the team	
LG02 - Percentage of draft commercial lease renewals sent to tenants/their Solicitors within 15 working days of receipt of full instructions	Mark Brookes Christopher Gaunt	100% (1/1) Target: 100	→	100% (1/1) Target: 100	→	100% (2/2) Target: 100	✓	Updater performance target met	
LG03 - Percentage of Right to Buy documents sent to tenants/their Solicitors within 15 working days of receipt of full instructions	Mark Brookes Christopher Gaunt	100% (17/17) Target: 100	→	100% (33/33) Target: 100	→	100% (32/32) Target: 100	✓	Updater very pleasing to see despite consistently high number of new RTB cases, the target is being consistently met	
LG06 - Percentage of housing possession proceedings commenced within 20 working days of receipt of full instructions	Mark Brookes Barbara Lisgarten	100% (6/6) Target: 100	→	100% (1/1) Target: 100	→	100% (2/2) Target: 100	✓	Updater There are fewer possession proceedings this quarter as the focus has been on obtaining injunctions to stop the bad behaviour rather than removing the defendant from their home.	

Measure	Owner & Updater	Mar 2015 Result	Trend	Dec 2015 Result	Trend	Mar 2016 Result	Sign Off	Comments	Flag
LG07 - Percentage of Licensing Act 2003 decision letters sent to applicants/licensees within 5 working days of the date of the Sub Committee hearing	Mark Brookes Ross Hill	100% (2/2) Target: 100		100% (2/2) Target: 100		No Incidents (0/0) Target: 100	✓	Updater	
LG08 - Percentage of decision letters produced by Legal Services which are sent to hackney carriage/private hire drivers within 14 working days of the sub-committee hearing date	Mark Brookes Barbara Lisgarten	100% (1/1) Target: 100	➔	No Incidents (0/0) Target: 100	➔	100% (4/4) Target: 100	✓	Updater There have been only a few committee meetings this quarter, however, Legal and Licensing have worked together to achieve targets.	
LG09 - Percentage of prosecution proceedings commenced within 20 working days of receipt of full instructions	Mark Brookes Barbara Lisgarten	100% (4/4) Target: 100	➔	100% (3/3) Target: 100	➔	100% (5/5) Target: 100	✓	Updater Targets are being met fully even in the face of reduced capacity.	
MSS1 - Average number of training opportunities taken up per Member	Jim Doyle Michelle Anderson	2 Opportunities (104/51) Target: 1.5	⬇	0.9 Opportunities (45/51) Target: 0	⬇	0.5 Opportunities (27/51) No Target	✓	Updater These figures are based on 3 courses held during this period.	

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March 2016

Chief Executive's Unit - Mark Brookes

CE_R01 Failure to deliver successful elections

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

Consequences	Current Controls	Assurance
<p>Legal sanction and re-run of election at DBC expense. Loss of faith in elections process. Intense scrutiny on future referenda Potential 'Failed service' designation from Electoral Commission. Personal Financial liability for Returning Officer. Invalid or unsubstantiated election Results. Dissatisfaction of key stakeholders with the borough council elections and the process for future referenda.</p>	<ul style="list-style-type: none"> - Election Preparation Plan and Risk Assessment - Establish Election Team, allocate resources, audit and prepare equipment - Oversee actual Election - Check Results - Conclude election paperwork - Clear and Store election equipment - Prepare Ele 	<p>The Parliamentary, Borough and Parish/Town Council elections held in May 2015 and the PCC election (may 2016) were conducted successfully which demonstrates the effectiveness of a comprehensive action plan which is monitored and updated every two weeks by the Chief Executive, as the Returning Officer, the Solicitor to the Council and the Group Manager (Democratic Services) as the two Deputy Returning Officers.</p>

Sign Off and Comments

Sign Off Complete

The success of the PCC election showed that the current procedures and controls are working well and these will be continued for the EU referendum in June.





Agenda item: 8c

Summary

Report for:	Finance & Resources Overview and Scrutiny Committee
Date of meeting:	7 June 2016
Part:	1
If Part II, reason:	

Title of report:	Finance & Resources Performance and Risk Report Quarter 4 2015/16
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance & Resources David Skinner, Assistant Director (Finance & Resources)
Purpose of report:	To provide Committee with analysis of quarterly performance and risk management within Finance & Resources for the quarter to March 2016
Recommendations	That Committee notes the contents of the report and the performance of Finance & Resources for Quarter 4 2015/16.
Corporate objectives:	The provision of effective financial services and the allocation of resources such as building assets and facilities management support all five of the Council's corporate objectives, with particular reference to the <i>Delivering an efficient and modern council</i> and, through Revenues, Benefits and Fraud division, <i>Building strong and vibrant communities</i> .
Implications:	<u>Financial</u> Contained within the body of the report.
'Value for money' implications	<u>Value for money</u> Contained within the body of the report.
Risk implications	Contained within the body of the report
Equalities implications	None
Health and safety Implications	There are no health and safety implications.
Consultees:	Group Manager (Commercial Assets & Property Development) Group Manager (Financial Services) Group Manager (Revenues, Benefits and Fraud) Group Manager (Procurement, Commissioning & Compliance)
Background papers:	7/10/15 F&R OSC Performance & Risk Report Quarter 1 2015/16

	4/11/15 F&R OSC Performance & Risk Report Quarter 2 2015/16 8/3/16 F&R OSC Performance & Risk Report Quarter 3 2015/16
Glossary of acronyms and any other abbreviations used in this report:	F&R OSC – Finance and Resources Overview and Scrutiny Committee

1. Risk and Performance reports are presented to Overview and Scrutiny Committees on a quarterly basis. They provide Members with an opportunity to scrutinise performance against a range of key indicators, and to review how the key risks facing the Services are being managed.
2. The attached appendices provide comprehensive risk and performance information for Finance & Resources for Quarter 4 of 2015/16 (January - March).

Appendix A - Performance Report

Appendix B - Risk Report

3. All scores as set out in the operational risk register at Appendix B have been reviewed during Quarter 4. There have been no updates to any risk scores.
4. This is the first time the performance and risk reports for Procurement, Commissioning and Compliance have been presented to Members as part of the Finance and Resources portfolio, following the realignment of officer roles and responsibilities in early May 2016.
5. The risk register for Procurement, Commissioning and Compliance will be reviewed prior to 2016/17 Quarter 1 reports being produced.

F&R OSC QUARTERLY PERFORMANCE REPORT

Finance and Resources

March 2016



Measure	Owner & Updater	Mar 2015 Result	Trend	Dec 2015 Result	Trend	Mar 2016 Result	Sign Off	Comments	Flag
CPC01 - Cashable savings from improved commissioning and procurement activities	Steve Baker Ben Hosier	No Data No Target		£351633 Target: 179269	↓	£415,248 Target: £239,026	✓	Updater The cumulative cashable savings delivered in 2015/16 was £415,248 (or 84%) of the annual target of £500,000. This target has been reset to £500k	
CPC02 - Amount of spend via collaborative contracts	Steve Baker Ben Hosier	No Data No Target		£3079686 Target: 2987829	→	£4,005,243 Target: £398,3772	✓	Updater The actual expenditure via collaborative contracts for 2015/16 is £4,005,243 (or 101%) of the target of £3,983,773.	
CPC03 - Amount of spend with Dacorum-based small to medium sized enterprises	Steve Baker Ben Hosier	No Data No Target		£4830969 Target: 5625000	↓	£6356727 Target: £7,500,000	✓	Updater The cumulative expenditure with Dacorum-based SME's was £6,356,727 (or 85%) of the annual target of £7,500,000. The main reason for this shortfall is that revenue expenditure has reduced by approximately 10% from 2014/15 to 2015/16.	
CPC04 - Number of apprenticeships via contracts	Steve Baker Ben Hosier	No Data Target: 0		17 Target: 9	↓	17 Target: 12	✓	Updater The cumulative number of apprenticeships on DBC contracts for 2015/16 was 17 (or 141%) of the annual target of 12.	

Monitoring Information



CPC05 - Amount of spend with on the Third Sector	Steve Baker Ben Hosier	No Data No Target		£1185582 Target: 1493914		£1385594 Target: £1,991,886		Updater The cumulative expenditure with the Third Sector for 2015/16 was £1,385,594 (or 70%) of the annual target for £1,991,886. The main reason for this shortfall is that revenue expenditure has reduced by approximately 10% from 2014/15 to 2015/16 and the DST receiving £150k reduction in grant funding.
CSU02 - Percentage of enquiries that are resolved at first point of contact within the Customer Service Centre	Mark Housden Tracy Lancashire	99.37% (16561/16666) Target: 90		99.35% (12505/12587) Target: 90		99.42% (11946/12016) Target: 90		Owner Performance continues to be maintained. The number of face to face customers continues to reduce and this trend is running at approximately 28% less visitors when compared with 12 months ago
CSU03 - Percentage of customers satisfied with service received from the Customer Service Centre	Mark Housden Tracy Lancashire	99.34% (3295/3317) Target: 80		99.86% (3541/3546) Target: 80		99.62% (3110/3122) Target: 80		Owner Satisfaction levels continue to be maintained

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Measure	Owner & Updater	Mar 2015 Result	Trend	Dec 2015 Result	Trend	Mar 2016 Result	Sign Off	Comments	Flag
CSU05 - Percentage of enquiries that are resolved at first point of contact within the Contact Centre	Mark Housden Tracy Lancashire	97.47% (193401/19842 5) Target: 90		96.79% (28722/29674) Target: 90		96.8% (31290/32326) Target: 90		Owner Performance continues to be maintained	
CSU06 - Percentage of customers satisfied with service received from the Contact Centre	Mark Housden Tracy Lancashire	98.42% (1931/1962) Target: 80		99.42% (2556/2571) Target: 80		98.39% (2636/2679) Target: 80		Owner Satisfaction levels continue to be maintained	
CSU09 - Head of Service Satisfaction Survey Score	Mark Housden Tracy Lancashire	No Data Target: 45		83% Target: 45		100% Target: 45		Owner Group managers continue to be satisfied with the service the CSU provides	

CSU10 - Call Handling: Average wait time	Mark Housden Tracy Lancashire	No Data Target: 210		93.67 Second(s) Target: 210		171.67 Second(s) Target: 210		Owner This is a new measure introduced in August 2015 following contractual negotiations. This KPI will give a clearer indication of the customer experience waiting to be answered by the call centre and no longer includes data relating to calls handled through the automated systems. Performance during the last quarter was above target with calls being answered in an average of 2 minutes 52 seconds. This is reduction in performance from the previous quarter due to high sickness levels in February. This has been addressed and additional staff taken on for the busy end of year peak demand.	
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Measure	Owner & Updater	Mar 2015 Result	Trend	Dec 2015 Result	Trend	Mar 2016 Result	Sign Off	Comments	Flag
CSU11 - Call Handling: Abandoned Call Rate	Mark Housden Tracy Lancashire	No Data Target: 20		12.18% (4116/33790) Target: 60		18.66% (7417/39743) Target: 20		Owner This is a new measure introduced in August 2015 following contractual negotiations. This KPI will give a clearer indication of the customer experience waiting to be answered by the call centre and no longer includes data relating to calls handled through the automated systems. The team struggled to meet the target during January and February due to high sickness rates and vacancies. A right to remedy was issued for January's performance. Performance during March has improved with staffing issues resolved and additional staff taken on to deal with the end of year peak demand. Overall performance for this quarter is above target.	

CSU12 - Face to Face; Average Wait Time	Mark Housden Tracy Lancashire	No Data Target: 450		184.33S Second (s) Target: 450		377S Second (s) Target: 450		Owner This is a new measure introduced in August following contractual negotiations. Wait times are more meaningful, reflect the experience of the customer waiting to be served and can be measured easily. Average time to see customers during the last quarter was 6 minutes 17 seconds which is above target but a reduction in service levels when compared with the previous quarter. This was due to staffing difficulties that have now been addressed. Additional staff have been taken on to cover the busy end of year peak in demand.	
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Measure	Owner & Updater	Mar 2015 Result	Trend	Dec 2015 Result	Trend	Mar 2016 Result	Sign Off	Comments	Flag
CSU13 - Face to Face: Waiting time more than 20 minutes	Mark Housden Tracy Lancashire	No Data Target: 5		0.33% (42/12587) Target: 5		3.15% (379/12016) Target: 5		Owner This is a new measure introduced in August following contractual negotiations. Wait times are more meaningful, reflect the experience of the customer waiting to be served and can be measured easily. Service levels fell during this quarter with 379 visitors experiencing a wait of more than 20 minutes throughout this period. This fall is attributable to high staff sickness levels during January and February. This has been addressed and additional resources taken on to cope with the end of year peak in demand.	






 Monitoring  Information

Measure	Owner & Updater	Mar 2015 Result	Trend	Dec 2015 Result	Trend	Mar 2016 Result	Sign Off	Comments	Flag
CP01 - Percentage of commercial property occupation	Nicholas Brown Adriana Livingstone	98.34% (592/602) Target: 95	↑	97.99% (586/598) Target: 95	↑	98.49% (589/598) Target: 95	✓	Updater With a continued focus in this area and lots of hard work from the team re-letting assets when they come void, and a focus on keeping void periods as short as possible this all helps maintain a stable revenue stream from these assets.	
CP02 - Percentage arrears on commercial property rents	Nicholas Brown Adriana Livingstone	6.5% (309781/4762681) Target: 9.5	↑	6.4% (332223/5181393) Target: 9	↑	5% (279955/559177) Target: 9	✓	Updater As pre the monthly reporting. With continued effort we have reduced the arrears through hard work from Commercial Assets and Sundry debtors teams. We have a number of other cases which we have legal action on which do not show as debts as we have stopped the accounts as per legal advice, these are being actioned separately.	
FIN01 - Percentage of creditor trade invoices paid within 30 days	Richard Baker Sally Nunn	96.4% (3783/3926) Target: 95	↓	97% (3678/3790) Target: 96	↓	96.1% (3718/3868) Target: 96	✓	Owner An excellent result for the quarter	
FIN02a - Time taken for debtors to pay	Richard Baker Clare Dempsey	40.9 Days Target: 45	↑	33.6 Days Target: 45	↓	33.9 Days Target: 45	✓	Owner An excellent result for the quarter	
FIN03 - General Fund expenditure – outturn forecast against budget	Richard Baker Caroline Souto	£18935000 Target: 19470000	↓	£19531000 Target: 19306000	↑	£18894000 Target: 19248000	✓	Owner The reasons for variances are detailed within the supporting financial performance reports.	

Measure	Owner & Updater	Mar 2015 Result	Trend	Dec 2015 Result	Trend	Mar 2016 Result	Sign Off	Comments	Flag
FIN04 - HRA expenditure – outturn forecast against budget	Richard Baker Caroline Souto	£56738000 Target: 60083000	↓	£57971000 Target: 57765000	↓	£58322000 Target: 57765000	✓	Owner The reasons for variances are detailed within the supporting financial performance reports.	
FIN05 - HRA income – outturn forecast against budget	Richard Baker Caroline Souto	£56649000 Target: 56131000	↓	£58021000 Target: 57765000	↑	£58025000 Target: 57765000	✓	Owner The reasons for variances are detailed within the supporting financial performance reports.	
FIN06 - General Fund Capital Expenditure – outturn forecast against budget	Richard Baker Caroline Souto	£16350000 Target: 18087000	↑	£21651199 Target: 29052000	↑	£19004000 Target: 29218188	✓	Owner The reasons for variances are detailed within the supporting financial performance reports.	
FIN07 - HRA Capital Expenditure – outturn forecast against budget	Richard Baker Caroline Souto	£25971000 Target: 35050000	↓	£32062071 Target: 32062071	↑	£30530000 Target: 32062071	✓	Owner The reasons for variances are detailed within the supporting financial performance reports.	
FIN08 - Investment income – outturn forecast against budget	Richard Baker Tracy Claridge	£449650 Target: 287000	↑	£517940 Target: 313000	↑	£533580 Target: 313000	✓	Owner The higher interest projection is due to higher than budgeted balances. The main factor of increased balances is general fund PLWB loans; we have borrowed £19.78M in advance of need. This was to take advantage of historically low interest rates available.	
FIN11 - Investment Property Income ytd budget against ytd actual	Nicholas Brown Caroline Souto	£4057861 Target: 3935000	↑	£3968591 Target: 4101921	↑	£4666933 Target: 4218000	✓	Owner Approx 9% up on target.	
FIN13 - Car Parking Income ytd budget against ytd actual	Nicholas Brown Caroline Souto	£2171141 Target: 1945000	↓	£1610545 Target: 1563750	↓	£2096178 Target: 2085000	✓	Owner Broadly in line with target	

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Measure	Owner & Updater	Mar 2015 Result	Trend	Dec 2015 Result	Trend	Mar 2016 Result	Sign Off	Comments	Flag
RBF01 - Average time taken to decide a new claim for Housing Benefit	Chris Baker Stuart Potton	24.6 Days (15323/622) Target: 23	↗	17.4 Days (9930/570) Target: 23	↘	18.4 Days (10311/559) Target: 23	✓	<p>Updater The average time taken to assess new claims in the fourth quarter has been very good with a six day improvement compared with March 2015.</p> <p>Owner The cumulative positive impact of the various process and procedural changes made during the last year, and the continued hard work of the team is demonstrated by the 25% improvement from the same period last year.</p>	
RBF02 - Average time taken to decide a change event for Housing Benefit	Chris Baker Stuart Potton	7.1 Days (90155/12633) Target: 13	↗	10.8 Days (53878/5002) Target: 13	↗	4.9 Days (70705/14510) Target: 13	✓	<p>Updater The average time taken during the quarter to decide a change of circumstances has remained under target. The quarterly result reflects the good performance during the last three months and is a 3 day improvement on the same period last year.</p> <p>Owner Performance during quarter 4 is always lower than the rest of the year due to the inclusion of calculations linked to the annual benefit uprating and rent changes.</p> <p>It is particularly pleasing to see the improvement in relation to quarter 4 of last year, as this indicates the underlying improvement in performance in this area.</p>	
RBF04 - NNDR (Business Rates) in-year collection rate	Chris Baker Jake Seabourne	98.1% Target: 99	↗	77.2% Target: 76.7	↘	98.3% Target: 99	✓	<p>Owner This is a significant improvement (0.2%) on last year's collection rate, and is a positive performance from the team.</p>	

Measure	Owner & Updater	Mar 2015 Result	Trend	Dec 2015 Result	Trend	Mar 2016 Result	Sign Off	Comments	Flag
RBF05 - Council Tax collection rate	Chris Baker Jake Seabourne	97.7% Target: 97.5		86.2% Target: 86.4		98% Target: 98		Owner The team have worked hard this year to ensure that processes are more efficient and that customers receive responses from us quickly. The positive effect of this is shown in the achievement of the annual target, with an increase of 0.3% from last year's result.	
RBF06 - Council Tax customer contact response (percentage of contacts responded to within 14 days)	Chris Baker Stuart Potton	No Data Target: 0		98% (10021/10183) Target: 90		96% (8716/9062) Target: 90		Owner Performance during this quarter remained above target. This demonstrates the continuing commitment to good customer service from the team.	

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Finance & Resources - David Skinner

CE_F01 Lack of resources to be able to spend the appropriate time analysing the Councils 3rd party expenditure

Category: Financial	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating
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Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	1 Very Unlikely	4 Severe	4 Green

Consequences	Current Controls	Assurance
<p>The procurement service will remain reactive in its approach and will have limited ability to focus on those areas of procurement which account for the majority of the Council's 3rd party expenditure.</p> <p>It will also expose the Council to potential breaches of the Public Contracts Regulations due to the failure to aggregate the value of contracts for the same supplies or services.</p> <p>There will be an increased likelihood that the Council will incur expenditure that is not under contract. It will reduce the Council's ability to achieve savings through procurement.</p>	<ul style="list-style-type: none"> - Spikes Cavell spend analysis undertaken - Realignment of the Service will increase resource capacity -Stradia procurement consultants have been appointed to provide additional support for the procurement of the Total Asset Mangement Contract, the afo 	<p>The commissioning of Stradia and V4 services has released a DBC officer to analyse third party expenditure. It has also enabled the third party expenditure to be 'pro-classed' in Agresso which will allow the spend to be analysed in real time. This has effectively removed the risk.</p>

Sign Off and Comments

Sign Off Complete

Based on the assurance and the low level of risk following the implementation of the controls sets out I propose that this risk be reviewed in 2016/17.

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CE_F02 Lack of resources to be able to design and implement a Category Management approach to the Councils 3rd party expenditure

Category: Financial	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
4 Very Likely	3 High	12 Red	1 Very Unlikely	3 High	3 Green
Consequences		Current Controls		Assurance	
The consequences are the same as for CE_F01 above.		<ul style="list-style-type: none"> - Realignment of Service will increase the resource capacity. - The appointment of Stradia procurement consultants to provide additional support for the major procurement contracts has increased the capacity of the in house team to deliver category mana 		<p>The use of V4 Services has enabled the Council to design and implement a category management approach.</p> <p>Once the toolkit is introduced and used consistently category management will have become embedded within the Council.</p>	
Sign Off and Comments					
Sign Off Complete					
Based on the assurance and the low level of risk following the implementation of the controls sets out I propose that this risk be reviewed in 2016/17.					

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

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
2 Unlikely	3 High	6 Amber	3 Likely	3 High	9 Amber
Consequences		Current Controls		Assurance	

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Calls are not resolved at first point of contact. Insufficient time is dedicated to callers to ensure that call has been fully resolved in a satisfactory manner. Reputational damage to the Council.	- Six monthly customer satisfaction survey - Quarterly quality assessment by Group Managers - Monthly meetings with back officers to assess service delivery and monthly operational Board meetings to escalate issues. - monitoring of complaints and perfo	- Monthly performance reports - Minutes of Operational Board meetings - Quarterly Partnership Board meetings All of the above provide assurances that the CSGC contractor maintains focus on achieving the response targets and quality of service.
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Sign Off and Comments

Sign Off Complete
Based on the assurance and the low level of risk following the implementation of the controls sets out I propose that this risk be reviewed in 2016/17.

CSGC R09 During the transformation of the CSGC there is a high level of requirement for DBC staff resource

Category: Financial	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
4 Very Likely	3 High	12 Red	3 Likely	3 High	9 Amber
Consequences		Current Controls		Assurance	
The Customer Relationship Management and Channel Shift projects cannot be implemented in the timescales resulting in reduced value from the contract or increased resource impact on DBC to maintain the pace.		- Digital Dacorum project set up with involvement from Northgate to support work to implement channel shift and development of customer insight. - CRM project board overseeing delivery of CRM.		- Terms of Reference of Digital Dacorum. - Digital Dacorum project streams include channel shift and web functionality and development, digital inclusion - Project plan for CRM implemented.	

Sign Off and Comments

Sign Off Complete

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Based on the assurance and the low level of risk following the implementation of the controls sets out I propose that this risk be reviewed in 2016/17.

CE_R10 The introduction of inform 360 and automated self-service options via telephone reduces access and/or satisfaction with contact

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	3 Likely	3 High	9 Amber
Consequences		Current Controls		Assurance	
Increase in customer dissatisfaction with the Council. Potential reduction in contact with customers and missed opportunities for citizen insight		<ul style="list-style-type: none"> - Monthly meetings and quarterly audits with GMs to assess quality of customer contacts - Monitoring of customer comments and complaints - Review of scripts by Service Information Coordinators 		Minutes of Operational and Partnership Board meetings - Digital Dacorum project streams include channel shift and web functionality and development, digital inclusion	
Sign Off and Comments					
Sign Off Complete					
This risk will be reviewed in 2016/17.					

CE_R11 Integration of CRM systems cannot be accomplished due to technical difficulties or high cost

Category: Infrastructure	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	3 Likely	3 High	9 Amber

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Consequences	Current Controls	Assurance
The CRM project cannot be completed resulting in failure of the CSCG project and reduced impact of Citizen Insight and Evidence Based Decision Making initiatives. Resource intensive manual operations introduced as work around solutions	- Integration requirements identified in the CRM PID. Integrations assessed and taken forwards on the basis of need, impact and costs CSU Knowledge hub created with up to date online manuals to support development of CRM and training of staff.	CRM Project Initiation Document and project plan. Delivery requirements identified by workshops CRM project board oversight

Sign Off and Comments

Sign Off Complete

The implementation of CRM will be reviewed in 2016/17. This risk will be superseded by the delivery of that project with associated risks and controls.

FD_ F02 Delays to Capital programme

Category: Financial	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Cllr Graeme Elliot	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	2 Medium	6 Amber	5	2 Medium	10 Red
Consequences	Current Controls	Assurance			
Many of the major projects within the Capital Programme are fundamental to delivery of the Council's corporate objectives. Therefore significant delays can impact on the achievement of the corporate plan. Financial decision-making is negatively affected if the timing of projects in the Capital Programme is wrong. This can result in lost investment income or increased	The controls that have been implemented to mitigate this risk target the robustness of capital bids both at the time they are submitted and throughout the delivery phase of the projects. In particular, scrutiny is focussed on those elements of the capital bid that experience indicates are the primary cause of delays to capital projects. These include	The 2013/14 Final Outturn showed that the slippage of capital projects was around 30% against the Original Budget approved by Members in February 2013. This is an improvement on previous years where slippage against Original Budget has been around 60%. As at the end of Quarter 2 2014/15 (the mid-point of the year), the capital forecast on the General Fund is			

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<p>interest costs as the Council moves closer to the point where it will need to borrow.</p> <p>The estimated delivery date is considered as part of the decision to allocate capital funds to one project over another. If estimated timings are not accurate, there is a risk that the allocation of funds is not being decided on appropriately.</p> <p>If inaccurate project management is tolerated, there is a risk that the culture of financial management across the Council will be negatively affected which will have consequences for wider financial decision-making.</p> <p>Not delivering major projects within the timeframe to which it has committed itself exposes the Council to reputational risk.</p>	<p>How robust are the assumptions on the estimated duration of the procurement exercise?</p> <p>How realistic is the estimated time taken for contractors to deliver the works?</p> <p>How realistic are the assumptions on officer availability to manage the project on time?</p> <p>The rationale behind this approach is that an increased culture of challenge will lead to more realistic programming of future capital projects, and therefore a reduced likelihood of slippage.</p> <p>The following controls are in place with a view to developing a culture of scrutiny and challenge for officers to improve the accuracy of future bids:</p> <p>Capital Strategy Steering Group (CSSG) comprising senior officers from across the Council required to challenge new bids for robustness ahead of recommendation to Members;</p> <p>Monthly meetings take place between accountants and budget holders to monitor progress against original timeframes and costs;</p>	<p>broadly on budget, with no material slippage reported at this stage. Slippage on the HRA capital programme is forecast to be well below 5%.</p> <p>The budget position as at Quarter 3 was reported to Cabinet in February 2015. The report showed that forecast net slippage on the General Fund Capital Programme was low at around 3%. Forecast slippage on the HRA Capital Programme has, however, increased significantly since the Quarter 2 forecast, at around 25%.</p> <p>The Provisional Outturn was reported to Cabinet in May 2015. The report showed that slippage against the full year budget on the General Fund Capital Programme was around 10%. Outturn on the HRA shows slippage of around 24%. These are addressed in more detail in the sign-off notes, below.</p> <p>2014/15 Confirmed slippage into 2015/16 was £10.1m or 10% of the total approved capital programme according to the 2014/15 approved accounts.</p> <p>The Provisional Outturn was reported to Cabinet in May 2016. The report showed that slippage against the full year budget on the General Fund Capital Programme was around 28%. Outturn on the HRA shows slippage of around 5%. These are addressed in more detail in the sign-off notes, below.</p>
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	<p>Ã?Ã? Corporate Management Team (CMT) receive a monthly report on the progress of capital projects against anticipated timeframes;</p> <p>Ã?Ã? Performance Group comprising Chief Officers and cabinet Members receive a monthly report on the progress of current projects;</p> <p>Ã?Ã? Reports go to Cabinet and all Overview and Scrutiny Committees (OSC) every quarter. These reports have been redesigned to focus on the more immediate risk of in-year delivery, highlighting higher risk areas to invite closer scrutiny from Members.</p>	
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Sign Off and Comments

Sign Off Complete

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The Provisional Outturn position report presented to this Committee details the projected capital outturn.

The General Fund net position for 2015/16 is forecasting 28% slippage and 7% underspend. This is an increase in slippage from 2014/15 (10%).

HRA Slippage of 5% is forecast based around 3 schemes.

Significant slippage has occurred across a number of large regeneration projects (c£3.8m) and the fleet replacement programme (c£1.7m). The regeneration projects are as result of inaccurate initial profiling of cashflows and the fleet replacement programme is still being scoped out.

The underspends (c£2m) were a result of specific contingency items and a Cabinet decision in October 2015.

On the basis of this analysis I have maintained the residual probability score to 5 as the risk of significant slippage has been crystallised.

Additional actions to address these delays within the capital programme have been included within the 2016/17 budget setting process. The additional measures included scrutiny of delivery schedules, quality assurance of estimates and project challenge were part of the process of officer assurance, the work of the Budget Review Group and the work by members through the Joint Scrutiny process.

An additional action plan has been drafted for consideration to examine escalation and trigger points.

FR_F03 Variances in General Fund revenue budget

Category: Financial	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Cllr Graeme Elliot	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	2 Medium	6 Amber	2 Unlikely	2 Medium	4 Green
Consequences		Current Controls		Assurance	
Accurate, well-controlled budgeting relates directly to the achievement of the Dacorum Delivers corporate objective, and indirectly, through the financial decision-making process, to the achievement of all of the Council's corporate objectives.		The following controls aim to reduce the probability of there being a variance in the General Fund Revenue Budget by ensuring that there is strong challenge put to Budget Holders on the robustness of their assumptions, from a range of audiences.		The Council's budgetary controls are assessed each year by Internal Audit. In January 2013, the Council received a 'Full' level of assurance. A further Internal Audit on the Council's budgeting process, undertaken in September 2014, resulted in a	

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

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

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

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

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

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

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

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

'Substantial' level of assurance. Despite this being a lower mark than the exceptional one achieved in the previous audit, it should be noted that it remains a good result.

The recommendations of the Internal Auditor that led to the reduced marking were not systemic in nature, and they do not pose a material threat to the overall control environment of the budget-setting process. Efforts have, however, been redoubled, and the causes of the recommendations have been addressed.

An Internal Audit report on the Council's 'Main Accounting' function was presented to Audit Committee in February 2015, in which a 'Full' level of assurance was awarded. This audit covered a range of areas including integrity of transactions, manual adjustments, and year-end procedures. All of these areas contribute to the accuracy of the in-year monitoring reports that the Finance team is able to produce. Consequently, Members can draw assurance from this audit opinion that the chances of this risk crystallising are reduced by the robust financial management procedures the Council has in place.

Final confirmed outturn for 2014/15 was within £48k of budget (after contributions to and from reserves) as reported to Audit committee and approved as part of the audited accounts and was consistent with the budget monitoring over the preceding year.

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Page 56		<p>An Internal Audit report on the Council's 'Budgetary Control' function was presented to Audit Committee in April 2016, in which a 'Full' level of assurance was awarded. This audit covered a range of areas including budget setting; budget upload; budget monitoring and savings realization; budget alterations and virements; and management information. All of these areas contribute to the accuracy of the in-year monitoring reports that the Finance team is able to produce. Consequently, Members can draw assurance from this audit opinion that the chances of this risk crystallising are reduced by the robust financial management procedures the Council has in place.</p> <p>The 2015/16 audit of Core Financial Systems was also reported to have either Full or Substantial levels of assurance.</p>
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Sign Off and Comments

Sign Off Complete

Fin03 is GREEN and is currently projecting a favourable variance (£354k) or 1.8% of the controllable budget. The continued work in examining forecast overspends has achieved positive results.

FR_I02 Failure to optimise income generated by commercial assets				
Category: Infrastructure	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Cllr Graeme Elliot	Tolerance: Treating

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Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	3 High	9 Amber	2 Unlikely	3 High	6 Amber
Consequences		Current Controls		Assurance	
<p>The council has a significant portfolio of commercially let properties, which provides one of the council's largest sources of income.</p> <p>Council officers must attempt to maximise income from these assets whilst avoiding the risk of vacant properties and increasing bad debts, which could arise if rents are set too high, and would jeopardise the council's achievement of its corporate objectives of Regeneration and Dacorum Delivers.</p> <p>The continuing recession and the difficulties it brings for local businesses increases the likelihood of this risk crystallising.</p>		<p>The following controls aim to mitigate the risk of under-performance of the Council's commercial assets by maintaining good communication links between relevant Council services, and by regularly monitoring performance against targets (see KPIs CP01 and CP02) to ensure that underperformance is identified and addressed as quickly as possible. The existence of these controls has led to the 'Inherent Probability' of this risk occurring reducing from a score of 3, which is shown in the Residual Probability (i.e. after controls implemented) being a 1.</p> <p>Estates officers responsible for negotiating rent reviews hold monthly meetings with the Debtors team to track current bad debtors. This increases their understanding of the economic pressures businesses are facing, and how it can impact on council income.</p> <p>There are currently Corvu performance targets to maintain the number of voids (empty properties) below 5%, and to keep the rent arrears below 10%. Failure to meet either of these targets would prompt further investigation.</p>		<p>The year-end performance figures for 2013/14 demonstrate that occupation rates are above target (98.8% against a target of 95%), and that the level of arrears is also better than target (at 7.32% against a target of 9.5%).</p> <p>The year-end performance figures for 2014/15 demonstrate an occupation rate of 98.3% against a target of 95%. The level of arrears is at 6.5% against a target of 9.5%.</p> <p>Quarter 1 performance for 2015/16 are above target and demonstrate an occupation rate of 98.66 versus a target of 95%. The level of arrears has increased slightly to 7.3% versus a target of 9%.</p> <p>Q2 occupation levels are holding up well at 98.49% and arrears are being held within acceptable levels at 8.1%. Q3 occupation levels are marginally down at 97.99% and arrears have improved significantly by 1.7% to 6.4%.</p> <p>Q4 occupation rates have increased slightly to 98.49% and arrears have reduced from 6.45 down to 5%.</p>	
Sign Off and Comments					

OPERATIONAL RISK REGISTER

March 2016



Sign Off Complete

The team have worked hard to maximise the returns whilst ensuring there are high occupancy rates of commercial property. The transfer of properties from the HRA has significantly increased the rental by c£228k (net of repairs costs). Improved methods of full cost recovery have also contributed c£120k.

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

Category: Infrastructure	Corporate Priority: Safe and Clean Environment	Risk Owner: David Skinner	Portfolio Holder: Cllr Graeme Elliot	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber
Consequences		Current Controls		Assurance	
Disruption caused by service failure leading to hardship for individuals, potential loss of business and significant reputational damage		These controls are implemented to ensure that the Council is adequately prepared and able to continue providing key services in the event of an emergency situation. Through this control, the probability of the Council being unable to respond to such an emergency is reduced. - Annual review process. - Corporate business continuity process and procedures set out in emergency response toolkit.			

Sign Off and Comments

Sign Off Complete

A review of business continuity procedures is being arranged and will be factored into service planning.

OPERATIONAL RISK REGISTER

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FR_R01 Council Tax and Business Rates collections rates drop below budget

Category: Reputational		Corporate Priority: Dacorum Delivers		Risk Owner: David Skinner	Portfolio Holder: Cllr Graeme Elliot	Tolerance: Treating
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score	
3 Likely	2 Medium	6 Amber	3 Likely	2 Medium	6 Amber	
Consequences		Current Controls		Assurance		
<p>Distribution of collection fund to other preceptors is based on the budgeted collection level, if collection falls short this could lead to a cashflow issue within the Council's finances. The fund distribution is balanced after the end of the financial year.</p> <p>Reputational risk if collection rate falls significantly – this could also impact on future years' council tax base leading to increased budget pressures.</p> <p>Financial risk in relation to business rate retention scheme if rates collection falls below government set baseline.</p>		<p>The following controls aim to identify as quickly as possible if the Council is falling behind on its collection rates target for the year. If a problem is identified, the Council is then able to invoke a range of options to minimise the ongoing negative impact on collection.</p> <p>Profiled monthly collection rates are monitored monthly - see KPIs RBF04 and RBF05. Reasons for variances are then investigated in order to address problems quickly as possible.</p> <p>Direct debit payment is recommended for all customers – a pre-filled instruction is sent to all non-DD payers with their annual bill or a first bill for a new taxpayer. The direct debit method reduce the risk of under-collection because it eliminates the risk of a payer forgetting to make a monthly payment.</p> <p>There is an active programme for taking formal recovery action against non payers.</p>		<p>The full year Council Tax Collection Rate for 2013/14 (Performance Indicator RBF05) was 97.7% against a budget of 97.5%.</p> <p>The full year Business Rates collection rate in 2014/15(Performance Indicator RBF04) was under budget at 98.1% against a target of 99%.</p> <p>Q1 Council Tax collection rates is 30.2% versus a target of 30.1%</p> <p>Q1 Business Rates collection is 30.2% versus a target of 24.8%</p> <p>Q2 Business rates collection is 52.6% achieved versus a target of 51.5%.</p> <p>Council tax collection is on target at 58%.</p> <p>Q3 Business rates collection is 77.2% and is running at 0.5% ahead of target.</p> <p>Council tax collection is at 86.2% which is 0.2% off target but is a 0.1% improvement from the same period</p>		

OPERATIONAL RISK REGISTER

March 2016



Page 60		<p>last year.</p> <p>Internal Audit have performed a routine assessment of the control environment within Council Tax collection and have given an assurance of Full/Substantial . This is a good result and has highlighted a number of minor improvements that can be made to the timeliness of some work. This does however provide assurance to members that the fundamental design and operation of the control processes are robust.</p> <p>Members can gain additional assurance from the routine Internal Audit assessment of Business Rates as being at Full/Substantial levels.</p> <p>Council tax collection for 2015/16 was 98% which is 0.3% improvement on 2014/15. Business rate collection was 98.3% narrowly missing the target of 99% but improving on the 2014/15 performance by 0.2%.</p>
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Sign Off and Comments

Sign Off Complete

The team continue to improve year on year collection rates and this approach coupled with the assurance statements from internal audit will allow them to continue to develop the approaches required to deliver the high levels of collection required.

FR_R02 Delays and errors in the processing of Benefits claims

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: David Skinner	Portfolio Holder: Cllr Graeme Elliot	Tolerance: Treating
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OPERATIONAL RISK REGISTER

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

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<p>Page 62</p>	<p>or by customer services, homelessness, housing etc.</p> <p>Monthly meetings are held between senior officers within Finance & Resources to monitor detailed performance levels at each stage of the claims process.</p> <p>This enables intermediary targets to be set for discrete elements of the process, which in turn enables the more effective monitoring which has resulted in significantly improved performance over the last 6 months.</p>	<p>claims. The team have achieved 19.6 days versus a target of 23 days.</p> <p>Q3 performance has been very good. New claims are now being processed within 17.4 days versus a target of 23 days. This is an improvement of 9.2 days on the same period last year and 2.2 days improvement on the previous quarter.</p> <p>The average time taken to decide on a change event in Housing benefit is 10.8 days versus a target of 13 days. This is an improvement of 5.6 days on the same period last year and an improvement of 1.5 days on the previous quarter in this year.</p> <p>Q4 performance has been very good. New claims are now being processed within 18.4 days versus a target of 23 days. This is an improvement of 6.2 days on the same period last year.</p> <p>The average time taken to decide on a change event in Housing benefit is 4.9 days versus a target of 13 days. This is an improvement of 2.2 days on the same period last year and an improvement of 5.9 days on the previous quarter in this year. This reflects the inclusion of calculations relating to annual benefit uprating and rent changes but is still better than last year when similar changes occurred.</p>
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Sign Off and Comments

Sign Off Complete

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The Q4 performance is great news and significant performance benefits are beginning to see sustained levels of improvement. The year on year improvement in performance is good work that demonstrates the benefits of clearly focusing on improvements and clear performance management. The introduction of the Risk Based Verification (RBV) procedures will help to embed this performance level moving forward. The risk score is being maintained as though there is a positive trend in performance there is still some variability in underlying indicators. This is being monitored and once this has stabilised the score will be reviewed. Performance targets have been tightened for 2016/17.

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AGENDA ITEM: 8b

SUMMARY

Report for:	Finance and Resources Overview & Scrutiny Committee
Date of meeting:	7th June 2016
PART:	1
If Part II, reason:	

Title of report:	Performance and Risk report Quarter 4 2015/16 – Performance, People & Innovation
Contact:	Neil Harden, Portfolio Holder for Residents and Regulatory Services Author/Responsible Officer: Robert Smyth, Assistant Director (Performance, People & Innovation)
Purpose of report:	To provide the Committee with analysis of performance of services and functions provided by the Performance, People and Innovation division within Dacorum Borough Council.
Recommendations	That the Committee notes the contents of the report and the performance of the division for Quarter 4, 2015/16.
Corporate objectives:	Effective performance and project managements are central to delivery of all the Council's objectives.
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> Effective performance and project management supports the achievement of value for money in the pursuit of the Council's objectives
Risk Implications	Risk Assessment reviewed May 2016
Equalities Implications	There are no direct equalities implications arising from this report.
Health And Safety Implications	There are no direct health and safety implications arising from this report

Consultees:	None
Background papers:	Attached: 1. Quarter 4 Operational Risk and Performance Reports
Historical background (<i>please give a brief background to this report to enable it to be considered in the right context</i>).	<p>This is a regular report to the committee detailing the performance of the division over the last quarter as well as outlining any actions and plans for the forthcoming period.</p> <p>This review also considers operational, risks and highlights any additional controls and assurances needed to address the issues raised.</p> <p>The focus of the service has recently expanded and it now includes:</p> <ul style="list-style-type: none"> - Performance, innovation and project management - ICT and digital transformation - Corporate admin and support - HR and organisational development - Communications - Community partnerships and leisure
Acronyms	ICT – The DBC Information & Technology team

1. Introduction

- 1.1 Performance reports are produced quarterly with information collated in Corvu, the Council's performance management system.
- 1.2 The performance report for the division is attached and it examines progress in relation to a number of themes:
 - 1.2.1 Complaints handling
 - 1.2.2 HR
 - 1.2.3 IT systems and support
 - 1.2.4 Website availability
- 1.3 A detailed review of the risk register has also been undertaken and commentary on changes or controls is provided. The report also notes plans to review the existing indicator set to make sure performance monitoring reflects the work of the department.

New Structure

- 1.4 Following the retirement of the Assistant Director (Chief Executive's Unit) and Monitoring Officer in April of this year, the Head of Paid Service, acting under delegated powers, approved a small number changes to the existing Leadership Team.
- 1.5 The changes approved to the Leadership structure are as follows:
 - Delete the role of Assistant Director (Chief Executive's Unit) from the structure.
 - Create a new role Solicitor to the Council and Monitoring Officer. This role will replace the existing Group Manager (Legal Governance) role which will be deleted from the structure. The new role will report directly to the Chief Executive and have line management responsibility for the Group Manager (Democratic Services).
 - The fixed term post of the Assistant Director (Performance and Projects) will be confirmed as a substantive post in the structure and renamed Assistant Director (Performance, People & Innovation).
 - The Group Manager (People) will report to the Assistant Director (Performance & Innovation) and also have line management responsibility for the Performance and Innovation team and Corporate Administration.
 - The Group Manager (Commissioning, Procurement and Compliance) will report to the Assistant Director (Finance and Resources)

Monitoring Performance

Summary

- 2.1 Overall performance across the different areas is positive, although further improvement is needed. Of the nine targetable indicators; six were green, one was amber and two were red.
- 2.2 The two red indicators related to the percentage of new starter requests processed in 5 days and the average days lost due to sickness absence. However it is worth noting that sickness absence is reducing following a series of initiatives, policy changes and improvements in the way we monitor performance.

Detailed Analysis

Complaints Handling

- 2.3 The total number of complaints (163) in the quarter is identical to the previous year; however it represents an increase over the previous quarter (112). Nevertheless overall performance continues to improve.
- 2.4 The percentage of stage one and stage two complaints resolved in 20 days stands at 98.68% (target 80%) and 86.67% (target 80%).
- 2.5 The percentage of stage 3 complaints resolved has also improved to 100% with no complaints being dealt with outside of the allotted time.
- 2.6 The detailed complaints review has also been completed (by our Innovation and Improvement Team) and a proposal to revise and rationalise our complaints process is being considered at Cabinet in June.

HR

- 2.7 The total days lost through sickness absence has reduced by 109 compared to quarter 4 in 2015. The total amount of days lost through long-term sickness absence has also started to reduce.
- 2.8 The average number of days lost has also started to reduce although it remains above target.
- 2.9 This improvement has been achieved through the recent introduction of a new approach to managing sickness absence. This project includes implementation of Firstcare, changes in our sickness policy, new monitoring reports and a detailed review of existing sickness cases. The improvement trend appears to be continuing throughout April and May 2016, realising an outturn below the sickness target.
- 2.10 The sickness project will continue throughout 2016/2017 to assist in driving sickness down and achieve the Council's target.
- 2.11 The HR service will also be implementing and delivering a 'People Strategy' in 2016, which sets out to align the workforce so that staff have the right skills and behaviours to drive the performance of the Council and ensure corporate objectives are met.

ICT Systems and Process Performance

- 2.12 Over Q4, the ICT resolved a total of 2394 service requests and incidents.
- 2.13 As a result of significant staff vacancy levels we have seen a drop in performance in relation to service resolution and the processing of new starter requests. However we have now recruited and with a full staffing complement, we expect that performance will return to the target level in the next quarter.
- 2.14 The performance of the ICT systems (99.95%) and website availability (99.89%) continue to be high, reflecting work to improve the resilience and effectiveness of the network.
- 2.15 In 2016/17, the ICT team expect to deliver a series of innovative projects.
- 2.16 The current remote access solution for laptop users will be replaced by a more flexible product from Microsoft, Direct Access. This will allow users to make use of more niche applications not currently supported for those working from home and will also underpin the introduction of video conferencing.
- 2.17 Video Conferencing will be provided using Microsoft's Skype for Business product, which is an enhancement of the existing Lync messaging system. This will be available to laptop users initially before being rolled out to users of tablets. Specialist video conferencing equipment will be available for use in Forum meeting rooms.
- 2.18 The Web and ICT Teams will work together to deliver an expanded use of CRM within the Council, supporting operational efficiencies, better use of data and enhanced website functionality.
- 2.19 In 2017, enhancements to the existing Tablet (iPad) email and network access solution (Good for Enterprise) will be deployed, providing users with significantly improved functionality.
- 2.20 A review of corporate applications will take place in 2016, providing a foundation for a renewed application and broader ICT strategy to be produced in 2017.
- 2.21 The Service Desk will be introducing a self-service portal for users to log requests, follow their progress and access targeted FAQs

New Indicators

- 2.22 As part of the service planning process we are reviewing the department's indicators (and targets) in order to ensure that our measures reflect the objectives, plans and risks of the department (and organisation).

Service Highlights

Over the last 12 months we have delivered a number of improvements and changes:

ICT

- Replaced entire firewall architecture
- Achieved PSN Accreditation
- Rollout of iPads, Good for Enterprise & Modern.gov
- Direct Access Proof of Concept
- Replaced Intranet server with updated SharePoint implementation
- Capita payment system upgrade

Web Team

- Delivered technical changes to allow new look and feel for website
- Payment portal implemented
- Series of e-forms developed and deployed (some v. complex such as change of circumstances)
- Continued support for Northgate CRM integrations

People, Communications & Community Partnerships

- Launched on-line appraisal system
- Introduced a new sickness management system and sickness absence policy.
- Introduced Apprenticeship Scheme for 2016
- As part of workforce planning, a new 'Leading on Dacorum' training programme was launched
- A new Communications Strategy was introduced which set our future approach to social media and a focus on the use of video media,
- Commenced the commissioning process to contract voluntary sector services to replace the Strategic Partner programme. All new contracts to commence by December 2016.
- Successfully delivered year 1 of 'Get Set, Go Dacorum' Project. Year 2 also on track to meet performance indicators.

Performance & Innovation

- Launched new Digital Dacorum programme including new website, improved content and putting more services online
- Established new project management guidance
- Improved performance across a range of key indicators
- Undertook research projects into channel shift, planning and environmental services
- Rolled out e-post and our new document management system
- Scanned documents for teams as part of the move to the Forum
- Provided high quality post service while reducing costs

Risk Management

Summary

3. There have been no fundamental changes in Q4. However each risk has been reviewed and a progress update has been provided.

Reviewed Risks

CU_M02 Failure of Council staff to understand and embrace localism & CU_M03 Failure to prepare policy and strategy around localism.

- 3.1 The Community Partnerships Team continues to deliver a range of community capacity related activities and our housing and resident services also run a range of programmes and initiatives.

PP_R01 the organisation does not have the necessary systems, resources or capacity to support evidence based decision making

- 3.2 We have introduced a range of tools, initiatives and programmes to promote EBDM. This includes live prototyping, service re-design work, evidence-led reports and work on CRM.

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

- 3.3 The new Digital Dacorum strategy and plan is continuing to deliver.
- 3.4 Our new website has gone live, we have re-written our content and we have introduced a number of new online services including housing benefits and homelessness reporting. We have also held digital inclusion events, improved our social media profile and we are working on a plan to increase channel shift.

PP_R012 Failure to deliver an effective corporate wide approach which ensures that projects are delivered on time and on budget

- 3.5 We have established new project management guidance and training for all project managers. We have also introduced a series of mechanisms and actions to improve the way we manage projects. In Q4 – 75% of all projects were on time.

PP_R013 Failure to deliver an effective corporate wide approach to performance monitoring and management

- 3.6 In the last quarter 89% of all indicators were on target which is one of the highest levels recorded for the organisation. We have introduced a number of improvements and we are continuing to develop our reporting system (Corvu) to make it more effective.

PP_R03 Services are not supported to deliver continuous improvement and innovation

3.7 We are running a range of innovation programmes and ideas including setting up a 'service design group', piloting 'human design training' across the organisation and developing service re-design training for managers.

3.8 We have completed two funded pilots with the Local Government Association and the Department for Communities and Local Government.

PP_R04 The organisations approach to ICT does not enable us to provide a high quality and cost effective service

3.9 The team continues to deliver effective performance across the service desk, infrastructure and business applications. We are also making improvements and upgrades including work to introduce a new network access solution and a replacement to make it easier to video conference.

PP_R06 Lack of resources or capacity to deliver the work of corporate support or performance and projects

3.10 Detailed plans are in place and the directorate is currently undergoing changes to support the move to a digital print and post room. This includes the introduction of new print and post software, support for scanning and paperless and a more streamlined team structure.

3.11 Training has also been provided to support the roll out of electronic document and records management.

PP_R09 Failure to deliver a 'paperless' approach to work including reducing outgoing and incoming post levels

3.12 A number of controls have been put in place including the full roll-out of e-post, the launch of a new printing report platform (to identify who is printing and posting) and the forthcoming introduction of new print and post software. In April this month we have achieved a 20% reduction on printing compared to the previous year.

New Risks

3.13 As part of the service planning process and in light of the realignment of functions, we are reviewing the department's risks to ensure that they better reflect the risks facing the team (and the organisation).

F&R OSC QUARTERLY PERFORMANCE REPORT

Performance and Projects

March 2016



Measure	Owner & Updater	Mar 2015 Result	Trend	Dec 2015 Result	Trend	Mar 2016 Result	Sign Off	Comments	Flag
CS02a - Percentage stage 1 complaints resolved in 20 days for the Council	Matt Rawdon Cassie O'Neil	95.12% (156/164) Target: 80	↑	91.54% (119/130) Target: 80	↑	98.68% (150/152) Target: 80	✓	Owner This is a good outturn and represents improved performance against previous quarter	
CS02b - Percentage stage 2 complaints resolved in 20 days for the Council	Matt Rawdon Cassie O'Neil	100% (18/18) Target: 80	↓	93.75% (15/16) Target: 80	↓	86.67% (13/15) Target: 80	✓	Owner While performance has decreased, it still remains above target. Improvements proposed in the complaints review should make a positive difference.	
CS02c - Percentage stage 3 complaints resolved in 20 days for the Council	Matt Rawdon Cassie O'Neil	83.33% (5/6) Target: 80	↑	60% (3/5) Target: 80	↑	100% (5/5) Target: 80	✓	Updater Owner Performance in complaints continues to be above target.	
HR01 - Total FTE staff employed	Matt Rawdon Anne Stunell	690 Staff Info Only	↓	657 Staff Info Only	↓	650 Staff Info Only	✓	Updater Less staff in post than last quarter and last year	
HR02 - Total number of leavers	Matt Rawdon Anne Stunell	33 Leavers Info Only	↓	37 Leavers Info Only	↓	21 Leavers Info Only	✓	Updater Less leavers this quarter than last quarter and last year	
HR03 - Total days lost through sickness absence	Matt Rawdon Anne Stunell	1819.43 Days Info Only	↓	1788.75 Days Info Only	↓	1679 Days Info Only	✓	Updater Less absence this quarter than last quarter and substantially less than last year	

Measure	Owner & Updater	Mar 2015 Result	Trend	Dec 2015 Result	Trend	Mar 2016 Result	Sign Off	Comments	Flag
HR04a - Total days lost through SHORT TERM sickness absence	Matt Rawdon Anne Stunell	670.61 Days Info Only		461 Days Info Only		668.5 Days Info Only		Updater More absence this quarter than last quarter; similar absence to last year	
HR04b - Total days lost through LONG TERM sickness absence	Matt Rawdon Anne Stunell	1148.82 Days Info Only		1327.75 Days Info Only		1010.5 Days Info Only		Updater Substantiially less absence this quarter than last quarter and less than last year	
HR05 - Average days lost due to sickness absence per FTE	Matt Rawdon Anne Stunell	2.64 Days (1819/690) Target: 2		2.72 Days (1789/657) Target: 2		2.58 Days (1679/650) Target: 2		Updater Less absence than last quarter and last year; over target	
HR10 - Percentage of employees who have been absent on more than 2 occasions in the quarter	Matt Rawdon Anne Stunell	6.41% (45/702) Target: 8		3.57% (26/729) Target: 8		2.89% (21/727) Target: 8		Updater Lower than last quarter and significantly lower than last year. Under target	
ICT01 - Percentage of incidents resolved in less than 2 days	Ben Trueman Amanda Jeffries	93.76% (841/897) Target: 80		93.91% (926/986) Target: 90		88.63% (1021/1152) Target: 90		Owner Challenging staff levels in recent months have affected performance against this measure but we expect this to improve in the next quarter.	
ICT02 - Availability of primary systems (office hours)	Ben Trueman Amanda Jeffries	298.86% Target: 99		299.81% Target: 99		99.95% Target: 99		Owner Equates to 99.97% across quarter.	
ICT03 - Percentage of New Starter Requests processed in 5 working days from notification	Ben Trueman Amanda Jeffries	84.48% (49/58) Target: 95		96.15% (25/26) Target: 97		79.17% (19/24) Target: 95		Owner Affected by challenging staff levels but measure process also needs reviewing.	
WEB01 - Percentage website availability	Ben Trueman Murtaza Maqbool	99.99% Target: 99		99.98% Target: 99		99.89% Target: 99		Owner	

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OPERATIONAL RISK REGISTER

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Performance and Projects - Robert Smyth

CE_M02 Failure of Council staff and Members to understand and embrace localism

Category: Marketplace	Corporate Priority: Building Community Capacity	Risk Owner: Robert Smyth	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	3 High	9 Amber	1 Very Unlikely	3 High	3 Green
Consequences		Current Controls		Assurance	
<p>Page 7/14</p> <p>There is a risk that the Council will fail in one of its key Corporate Plan objectives - Building Community Capacity and helping communities to thrive and prosper.</p>		<p>Building Community Capacity is one of the five priorities in the Council's Corporate Plan.</p> <p>Officer/Member training events on localism and the community rights.</p> <p>Setting up of Community and Localism Corporate Working Group. Guidance and processes on the community rights available to the public on the Council's website.</p> <p>Workshops held with Voluntary Service Organisations. Member Development session arranged with VSOs in September 2015.</p> <p>Twice yearly meetings between chief officers and Dacortium.</p> <p>Quarterly meetings of the Dacortium Sub-group at AD level.</p>		<p>The controls in place ensure that there is a high degree of awareness about community and localism among officers and members.</p>	

OPERATIONAL RISK REGISTER

March 2016



	<p>The setting up of the internal Health and Wellbeing Group as a sub-group of the Community and Localism Group.</p> <p>Co-operation and liaison between the Community Partnerships and Neighbourhood Action Teams.</p> <p>Love Your Neighbourhood events which bring together communities, VSOs, the Council and other local organisations.</p>	
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Sign Off and Comments

Sign Off Complete

This risk has been reviewed and there are no changes to make.

The Community Partnership Team continue to deliver a range of community capacity related activities including Get, Set, Go Dacorum and the Public Health District Offer. Our housing and resident services also run a range of activities and programmes.

CE_M03 Failure to prepare policy and strategy around Localism

Category: Marketplace	Corporate Priority: Building Community Capacity	Risk Owner: Robert Smyth	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	3 High	9 Amber	1 Very Unlikely	3 High	3 Green
Consequences		Current Controls		Assurance	
The consequences are the same as for CE_M02 above.		Building Community Capacity is one of the five priorities in the Council's Corporate Plan.		The existing controls ensure that the Council has in place policies and strategies for working with the voluntary and community sector, encouraging	

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Page 76	<p>Officer/Member awareness and training events on localism and the community rights.</p>	involvement and self help, safeguarding the interests of vulnerable and deprived groups and communities, and promoting and developing resident led activities.
	<p>Setting up of Community and Localism Corporate Working Group to advise staff and members on policy and strategy.</p>	
	<p>Workshops held with Voluntary Service Organisations.</p>	
	<p>Workshop arranged with senior members in June 2015.</p>	
	<p>Twice yearly COG meetings with Dacortium.</p>	
	<p>Quarterly meetings of the Dacortium Sub-group (AD level)</p>	
	<p>The setting up of the internal Health and Wellbeing Group as a sub-group of the Community and Localism Group which advises the Health in Dacorum Committee.</p>	
	<p>Representation at the Public Health Board (AD Chief Executive's Unit).</p>	
	<p>Appointment of officer within the Partnerships Team who focuses on health and wellbeing and evidence based decision making.</p>	
	<p>Co-operation and liaison between the Partnerships and Neighbourhood Action Teams.</p>	

Sign Off and Comments

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Sign Off Complete

This risk has been reviewed and there are no reasons why there should be any changes.

The Community Partnership Team continue to deliver a range of community capacity related activities and our housing and resident services also run a range of activities and programmes.

PP_R01 The organisation does not have the necessary systems, resources or capacity to support evidence based decision making

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	2 Medium	6 Amber	2 Unlikely	2 Medium	4 Green
Consequences		Current Controls		Assurance	
<p>It's vital that we provide services which deliver outcomes for residents while maximising value for money.</p> <p>Creating an evidence based environment ensures that we direct resources to policies, programmes and approaches which are likely to have the most benefit.</p> <p>It also identifies those activities which might need to be stopped or changed.</p> <p>The programme also ensures that we learn lessons from other organisations as well as from the latest research and pilots.</p> <p>Crucially the use of data can help to identify what issues</p>		<p>Our Approach</p> <p>Knowing What Works is a programme of activities which will create and promote a culture of using evidence to make decisions.</p> <p>The programme is based around 8 projects which come together to address the different elements of an evidence-led organisation</p> <ul style="list-style-type: none"> - Project 1: Promoting our approach - Project 2: Focusing on outcomes - Project 3: How to evaluate services - Project 4: Promoting good practice - Project 5: Making best use of data - Project 6: Using behavioural insight 		<ul style="list-style-type: none"> - Established a programme of activity (Knowing What Works) to provide a clear vision and approach to addressing the risk - Produced and implemented strategy on behavioural insight - Implemented proposals to increase use of outcomes - Revised project management guidance. - Produced research reports on sickness and green waste. - Service redesign guidance/training sheets 	

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need to be addressed.

However if we do not use evidence as the basis for designing and delivering services it will lead to:

- poor performance/outcomes
- waste
- duplication
- opportunity costs

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- Project 7: How to re-design services
- Project 8: Using data to make discoveries

Each of these projects sets out a series of actions which have been or are being delivered over the next 12 months.

These actions are supported by x2 Knowing What Works specialists.

Progress so Far

- A Knowing What Works strategy has been created and launched (Project 1)
- A series of communications and meetings have been held to publicise the programme (Project 1)
- The KPIs' for each team have been reviewed and recommendations have been made to increase the use of outcomes (Project 2)
- A number of staff members have taken part in the Cabinet Office Commissioning Forum (Project 2)
- The Love Your Neighbourhood Programme has demonstrated the use of holistic evaluation (Project 3)
- The project management process has been changed to put a greater focus on post project evaluation and assessment (Project 3)
- Created a project to upgrade and improve our performance system (Project 4)
- A nudge strategy has been published setting out how the organisation can use behavioural insight (Project 6)

- Corvu performance system.

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	<ul style="list-style-type: none"> - A series of behavioural insight reviews have been undertaken with HR, Housing, benefits and Regulatory services (Project 6) - DBC has completed a LGA funded pilot to use design theory to re-design our ASB service (Project 7) - DBC provides training to staff on using MOSAIC to map statistical trends (Project 8) - We have undertaken original research in a number of areas including waste services and sickness (Project 8) 	
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Sign Off and Comments

Sign Off Complete

In the last quarter we have continued to make good progress in promoting an evidence led way of working. We have undertaken life-size prototyping and testing of new Forum CSU area, housing process redesign work, developing service design training materials for DBC management training programme, and early stages of redesigning our website calendar to better promote the services we offer. The Improvement and Innovation Team have published a series of evidence-led research reports and a project is currently underway to upgrade the organisation's performance system (Corvu). This will improve the way that we use data, enabling more business intelligence capability. Ongoing work on the development of new CRM functionality will also help to increase our capacity.

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

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating
Inherent Probability 3 Likely	Inherent Impact 4 Severe	Inherent Risk Score 12 Red	Residual Probability 2 Unlikely	Residual Impact 4 Severe
Consequences		Current Controls		Assurance
86% of adults use the internet regularly and people expect services that reflect their 24/7 online lives.		Our Approach We have created a detailed Digital Dacorum programme		Assurance - Digital Dacorum Strategy and Implementation Plan in

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Digital services also provide an opportunity to use new technology to reduce costs while maintaining or improving service quality.

However if we don't deliver our digital vision (Digital Dacorum) this will have major consequences.

It will mean that we can't provide services in the most effective way. It will also lead to improvements and savings not being realised. Also systems and processes will fall further behind the expectations of residents.

Failure to deliver an effective approach to digital services will also result in reputational damage.

The customer experience will also suffer as residents cannot access services at a time and in a way that is best for them.

and plan of 10 projects which will transform our digital approach and ensure that we deliver a modern, 24/7 experience.

- Project 1: website re-design
- Project 2: improving website content
- Project 3 & 4: Re-designing services to make them digital ready and putting them online
- Project 5: E-signatures
- Project 6: Developing policy ideas to encourage people to channel shift
- Project 7: Reducing digital exclusion
- Project 8: Using social and digital media
- Project 9: Increasing use of direct debits
- Project 10: CRM and developing a citizens portal

Each of these projects sets out a series of tasks and the programme runs for 24 months.

These actions are managed and supported by the Digital team and governed by a Digital Project Board. They are also monitored at the monthly Performance Board.

Progress so Far

- A Digital Dacorum Strategy and Implementation Plan have been launched
- A designer has been commissioned and our new website goes live in March (Project 1)
- Work has begun to improve the content on our

place

- Website re-design process is underway
- Content management process in place
- Re-design and development of revenue benefits process

- New online payment portal introduced

What Next

- Website re-design goes live (March 2016)
- New services are put online in housing, waste, legal, ASB and the environment (Sept 15 - Jan 17)
- Development of new digital inclusion measures (Sept 15 - Sept 16)

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Page 81	<p>website and we've already reduced the number of pages by 25% (Project 2)</p> <ul style="list-style-type: none"> - The online council tax portal has been implemented and is now being tested. Development of an online solution for benefits has also gone live for testing. We have also launched an online solution for allotments and reports of homelessness (Project 3&4) - An LGA funded research project to develop options for channel shift has been completed (Project 6) - A detailed action plan has been developed for supporting digital inclusion (Project 7) - A new social media strategy has been developed and implemented (project 8) - Direct debits have been extended and a new payment portal has been introduced (Project 9) - Proposals are in place for developing a new CRM solution (Project 10) 	
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Sign Off and Comments

Sign Off Complete

Over the last quarter we have made good progress in the delivery of our digital approach (known as Digital Dacorum). Our new website has gone live, we have also improved content and reduced the number of webpages by 25%. We have introduced new functionality including benefits change of circumstances and allotments. We held a Digital Dacorum week to improve digital inclusion and we have also worked with Barclays to run a series of tea & teach events with Age UK. We have launched our new channel shift strategy and are continuing to sell the benefits of digital.

PP_R012 Failure to deliver an effective corporate wide approach which ensures that projects are delivered on time and on budget

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact
		Inherent Risk Score	Residual Probability	Residual Risk Score

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3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber
Consequences		Current Controls		Assurance	
<p>The ability to manage projects is vital if we are going to successfully deliver the Council's objectives and priorities.</p> <p>Good project management ensures that we deliver on time and under budget. It also enables us to maximise value for money and ensure that projects achieve what they set out to do.</p> <p>Poor project management leads to cost overruns, delays and a failure to achieve outcomes.</p> <p>It also causes opportunity costs and it can lead to the requirement for resource intensive remedial work in the future.</p>		<p>Our Approach</p> <p>We have recently launched Managing Projects Successfully, our new approach to project management.</p> <p>This provides detailed step-by-step guidance on how to develop, define, manage and evaluate a project.</p> <p>In addition we have a Corporate Project Management - Team Leader with responsibility for monitoring and improving the quality of project management.</p> <p>On a monthly basis we also produce programme monitoring reports which are scrutinised at a Member led Performance Board.</p> <p>Additional external expertise has also been procured for major contracts.</p>		<p>Assurance</p> <ul style="list-style-type: none"> - 75% of strategic projects are on target - New project management approach has been launched - Introduction of project clinics to address issues or concerns - recruitment of specialist corporate project manager - Roll out of project management passport 	
Sign Off and Comments					
<p>Sign Off Complete</p> <p>The introduction of our new project management guidance coupled with the established monitoring schedule and the recruitment of a corporate project management specialist has helped manage the risk. We have also completed project management training (known as the passport) and introduced new rules to help improve the quality of project planning. In the last quarter 75% of strategic projects were delivered on time.</p>					

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PP_R013 Failure to deliver an effective corporate wide approach to performance monitoring and management					
Category:	Corporate Priority:	Risk Owner:	Portfolio Holder:	Tolerance:	
Reputational	Dacorum Delivers	Robert Smyth	Cllr Neil Harden	Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber
Consequences		Current Controls		Assurance	
<p>Managing performance is key to ensuring that we provide high quality and cost effective services.</p> <p>Good performance management requires a robust approach to measuring and monitoring key indicators. It also requires the focus, tools and support necessary to address poorly performing services.</p> <p>Without an effective approach to performance we are likely to see high costs, poor service and a failure to achieve our objectives.</p> <p>It also causes opportunity costs with resources being diverted away from other areas.</p>		<p>Our Approach</p> <p>Our approach to performance management is robust, effective and based around 3 key themes:</p> <p>Monitoring</p> <p>We have a well established performance management system (Corvu) which provides detailed reports on a monthly, quarterly and annual basis.</p> <p>We have also created a new report to monitor productivity by focusing on the most important 25% of indicators.</p> <p>Scrutiny</p> <p>We run monthly performance clinics with teams to focus on areas of poor performance and to develop suggestions for improvement</p>		<p>Assurance</p> <ul style="list-style-type: none"> - 89% of quarterly indicators in March were in target (i.e. Green) and only 2 (2.5%) were out of target. - The overall trend is positive. - The Corvu system is established and in place. - A specialist Corporate Performance Management - Lead Officer is in place. - In a recent audit of performance management we received a 'Full' rating. 	

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	<p>We hold a monthly performance meeting with Members and the Corporate Management Team and Chief Operating Group also review performance</p> <p>Target Setting</p> <p>Each Group Manager and Assistant Director had to agree targets and these were subject to a 'critical friend' challenge to ensure they were as stretching as they could be.</p>	
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Sign Off and Comments

Sign Off Complete

Performance in the last quarter was very positive. 89% of quarterly indicators were in target (i.e. Green) and 'only' 2.5% were over target. This is an improvement over the previous quarter and it reflects efforts to improve performance and address service issues. On this basis it is considered that the current risk rating is suitable.

PP_R03 Services are not supported to deliver continuous improvement and innovation

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber
Consequences		Current Controls		Assurance	
<p>There are a wide range of challenges and pressures on DBC so it is important that services are able to do more with their resources.</p> <p>In order to deliver value for money we need to foster a</p>		<p>Our Approach</p> <p>We have reprofiled the performance and projects team and created a new Corporate Improvement and Innovation Team which includes a Digital Innovation</p>		<p>Assurance</p> <p>- The Corporate Improvement and Innovation Team is in place.</p>	

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culture of improvement and innovation.

Without improvement and innovation we are likely to see worse performance, greater pressures and wasted resources.

A lack of improvement and innovation also leads to disengagement from residents and staff.

Innovation and improvement can come in the form of new technology but it can also be inspired through lean processes and improved structures and models of delivery.

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Officer and a Improvement and Innovation Officer.

The role of the team is to stimulate innovation and improvement and this is done through a number of key ways:

Knowing What Works

The Knowing What Works programme (see earlier risk) stimulates innovation and new ideas as well as getting teams to make better use of analysis and data.

Innovation Labs

We have recently launched our 'innovation lab' which is a project to help teams re-design the way they provide services.

The labs run over a couple of days and they use a series of innovation techniques and exercises to help teams re-think about how they work and come up with innovative solutions.

External Research

We have recently been selected as candidates for a number of innovative pilots including LGA funded research into design theory.

We have also finalised a research plan.

- DBC has recently been involved in three external innovation pilots.

- A statutory notice pilot (funded by the DCLG)
- A channel shift pilot (funded by the LGA)
- A design theory pilot to improve ASB (funded by the LGA)

- Launch of Innovation Lab/Think Tank

- Internal piloting of 'ideas box'.

- Undertaking research for environmental services.

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	<p>Improvement Activities</p> <p>We have undertaken a number of process reviews as part of Digital Dacorum and we are currently developing a tool kit to help other teams review their service.</p> <p>The Better@Dacorum programme also allows people to ask questions and it raises awareness about different improvement agendas.</p>	
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Sign Off and Comments

Sign Off Complete

We are continuing to look at ways to foster innovation and improvement. We are running a number of major change and improvement programmes including Knowing What Works, Digital Dacorum and Dacorum Anywhere. We have also improved our approach to project management through our 'managing projects successfully' programme. We have also published our Corporate Plan which sets out the areas for improvement and development.

PP_R04 The organisations approach to ICT does not enable us to provide a high quality and cost effective service

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	2 Unlikely	4 Severe	8 Amber
Consequences		Current Controls		Assurance	
ICT is central to the performance of departments. This includes both hardware and business applications (i.e. software) as well as the service desk and special projects.		Our Approach We have put in place the necessary structure, plans, budgets and vision to deliver a high quality IT service.		Assurance KPI's	

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<p>Poor ICT makes it difficult for departments to provide their services effectively. Issues with ICT can also have a negative impact on the reputation of DBC.</p> <p>In addition there can be significant knock-on costs as a result problems with IT including delays in processing benefits or responding to service requests.</p> <p>It will also make other agenda's like Digital Dacorum harder to implement.</p>	<p>The service is based around four core elements:</p> <ul style="list-style-type: none"> - the service desk - infrastructure - special projects - business applications <p>In terms of controls we have introduced a robust structure and a detailed ICT Strategy and Improvement Plan.</p> <p>We also have an established staffing compliment and budget which has been shaped around the ICT needs of DBC.</p> <p>Having a technical project Manager in place has also ensured that further improvements are made.</p> <p>Each service has an in-team specialist business applications resource and there is a central applications lead to coordinate work.</p> <p>Our service desk is closely monitored and they are managed by a dedciated Team Leader covering infrastructure and service desk.</p> <p>All staff are provided with the necessary hardware including the roll out of laptops as part of the Dacorum Anywhere programme.</p>	<p>ICT01 - % of incidents resolved in less than 2 days</p> <p>ICT02 - Availability of primary systems</p> <p>WEB01 - Website availability</p> <ul style="list-style-type: none"> - Full staffing complement. - ICT Service Plan. - TOR for joint Customer Insight working group. - Digital Dacorum Strategy
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Sign Off and Comments

Sign Off Complete

The residual and inherent risk rating remains the same. The ICT service has continued to perform well. Primary and web systems availability is above target and we have started work to implement a number of improvements including virtualising telephony and deploying a new network access solution (called Direct Access). Performance in relation to incident resolution has dipped slightly due to staff vacancies but this has now been resolved.

PP_R06 Lack of resources or capacity to deliver the work of corporate support or performance and projects

Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Cllr Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	2 Medium	6 Amber	2 Unlikely	2 Medium	4 Green
Consequences		Current Controls		Assurance	
<p>The Performance and Projects Team and the Corporate Admin Team are key central resources which support the organisation in a number of areas including:</p> <ul style="list-style-type: none"> - performance and project management - digital services - innovation and improvement - corporate support - postage, printing and scanning - delivery of electronic document management - complaints <p>Without these functions it is likely that services would be more costly, inefficient and would deliver worse</p>		<p>Our Approach</p> <p>We have put in place the necessary structure, plans, budgets and vision to deliver cost effective services.</p> <p>In particular, the controls utilise well established finance and DBC wide controls (including service planning) as well as relying on day to day management.</p> <p>A number of improvement activities have also taken place including reprofiling the team to increase focus on corporate improvement and innovation.</p> <p>We also have a well suite of established performance</p>		<p>Assurance</p> <p>All performance indicators are in target (i.e. Green):</p> <ul style="list-style-type: none"> - % Stage 1 complaints dealt with on time (98.68%) - % Stage 2 complaints dealt with on time (86.67%) - % Stage 3 complaints dealt with on time (100%) - Services are being delivered on or just below budget - All live projects directly managed by the service are being delivered on time and in budget. - Service Plans for both Corporate Improvement and 	

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<p>outcomes.</p> <p>The ability of the organisation to improve and change would also be reduced and the move to a more digital way of working would be negatively impacted.</p> <p>It would also be necessary to contract other providers to undertake work, for instance scanning which would come with a cost.</p>	<p>indicators.</p> <p>In addition the team contains a number of qualified project managers which helps ensure that new tasks are delivered on time and in budget.</p>	<p>Innovation and Corporate Support are published.</p>
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Sign Off and Comments

Sign Off Complete

The risk of insufficient capacity to deliver the work of corporate support and performance and projects continues to be managed through planning, budgeting and management of the team's capacity.

Performance across both areas continues to be good and we have seen a number of new functions or services being provided including support for the move to the Forum and the Mayor's Office.

The only area of concern was a delay in dealing with two Stage 3 complaints by operational services. However these issues have been addressed and the Corporate Admin team has recently completed a review of our approach to complaints.

PP_R09 Failure to deliver a 'paperless' approach to work including reducing outgoing and incoming post levels

Category: Financial	Corporate Priority: Dacorum Delivers	Risk Owner: Robert Smyth	Portfolio Holder: Cllr Neil Harden	Tolerance: Terminating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	3 High	9 Amber	3 Likely	3 High	9 Amber
Consequences		Current Controls		Assurance	
The move to a 'paperless office' is a key consequence and driver for a more flexible and digital way of working.		Our Approach		Assurance	

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<p>In 2014/15 DBC spent over £28k on internal printing and an estimated £10k on paper.</p> <p>Paper also attracts significant storage and disposal costs and this issue will intensify as we move over to the streamlined Forum.</p> <p>The use of paper also undermines efforts for digital efficiency and it reinforces old fashioned processes and approaches.</p> <p>Ultimately it sends out the wrong message and undermines the cultural change that we are trying to deliver as part of Digital Dacorum.</p>	<p>The roll out of Dacorum Anywhere (which includes provision of laptops, phones and the ability to work remotely using Citrix) has reduced the need to use paper as a flexible communication tool.</p> <p>Our Digital Dacorum programme is designed to reduce postage and printing over the next 2 years. This includes putting paper-based services online and reducing the amount of administration associated with processes.</p> <p>We have implemented electronic document management including e-post which significantly reduces the need for paper.</p> <p>We have also embarked on a major programme of back-scanning and archiving of paper records.</p> <p>We have a reprographics department in place to manage printing and we run regular reports and monitor costs to address high instances of personal printing.</p> <p>We have also secured an ambitious commitment from CMT to reduce internal printing by January.</p>	<ul style="list-style-type: none"> - Northgate has digitised over 2.2 million documents and our internal admin team has scanned thousands of documents. - In Q3 (2015/16) we printed 613k sheets of paper. - EDRMS is operational and staff are using e-post. - The Forum Cultural Project has been set up and this will identify ways to reduce paper usage. <p>What Next</p> <ul style="list-style-type: none"> - Work with individual teams to reduce printing on a month by month basis (On-going) - Implement a new print management solution (March - October) - Scanning and archiving of all existing paper records (July)
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Sign Off and Comments

Sign Off Complete

The inherent and residual risk rating remains the same. A number of controls and improvements have been put in place including the full roll-out of e-post, the launch of a new printing report platform (to identify who is printing and posting) and we finalised the tender process for our print and post software. This links with work on Digital Dacorum and the preparation for the Forum as part of the Forum Cultural Programme. In April this month we have achieved a 20% reduction on printing compared to the previous year.

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FINANCE AND RESOURCES: Overview & Scrutiny Committees: Work Programmes 2016/17

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.

Date:	Report Deadline	Items:	Type:	Contact details:	Background Information
07 June 2016	26 May 2016	Action Points from previous meetings	SC	All Members to discuss	
		Q4 Performance & Operational Risk Register Reports	PM	M Brookes, Solicitor to the Council, Legal Governance R Smyth, Assistant Director – Project Governance – Residents & Regulatory Services D Skinner, Assistant Director- Finance & Resources B Hosier, Group Manager – Commissioning, Procurement & Compliance M Housden, (Procurement officer)	
		Q4 Forecast Financial Outturn Report 2015/16	PM	R Baker, Group Manager – Financial Services	
Date:	Report Deadline	Items:	Type:	Contact details:	Background information
21 July 2016	11 July 2016	Action Points from previous meetings	SC	All Members to discuss	
06Sept 2016	25 August 2016	Q1 Performance & Operational Risk Register Reports	PM	M Brookes, Solicitor to the Council, Legal Governance R Smyth, Assistant Director – Performance & Projects D Skinner, Assistant Director -Finance & Resources	

FINANCE AND RESOURCES: Overview & Scrutiny Committees: Work Programmes 2016/17

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.

				B Hosier, Group Manager – Commissioning, Procurement & Compliance M Housden, (Procurement officer)	
		Q1 Forecast Financial Outturn Report 2015/16	PM	R Baker, Group Manager – Financial Services	
		Action Points from previous meeting	SC	All Members to discuss	
Date:	Report Deadline	Items:	Type:	Contact details:	Background information
04 Oct 2016	22 September 2016	Action Points from previous meetings	SC	All Members to discuss	
08 November 2016	27 October 2016	Q2 Performance & Operational Risk Register Reports	PM	M Brookes, Solicitor to the Council, Legal Governance R Smyth, Assistant Director – Performance & Projects D Skinner, Assistant Director - Finance & Resources B Hosier, Group Manager – Commissioning, Procurement & Compliance M Housden, (Procurement officer)	

FINANCE AND RESOURCES: Overview & Scrutiny Committees: Work Programmes 2016/17

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.

		Q2 Forecast Financial Outturn Report 2015/16	PM	R Baker, Group Manager- Financial Services	Report may be late
		Action Points from previous meetings	SC	All Members to discuss	
Date:	Report Deadline	Items:	Type:	Contact details:	Background information
06 Dec 2016 (Joint OSC)	24 November 2016	Budget 2016-17 <i>Ideally no further items to be added</i>		J Deane, Corporate Director - Finance & Operations D Skinner, Assistant Director – Finance & Resources	
		Action Points from previous meetings	SC	All Members to discuss	
10 Jan 2017	28 December 2016	Action Points from previous meetings	SC	All Members to discuss	
		Asset Management Strategy	PM	D Skinner. Assistant Director – Finance & Resources	
07 Feb 2017 (Joint OSC)	26 Jan 2017	Budget 2017 -18 <i>Ideally no further items to be added</i>	SC	J Deane, Corporate Director - Finance & Operations D Skinner, Assistant Director – Finance & Resources	

FINANCE AND RESOURCES: Overview & Scrutiny Committees: Work Programmes 2016/17

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.

		Action Points from previous meetings	SC	All Members to discuss	
Date:	Report Deadline	Items:	Type:	Contact details:	Background information
07 March 2017	23 Feb 2017	Q3 Performance & Operational Risk Register Reports	PM	M Brookes, Solicitor to the Council, Legal Governance R Smyth, Assistant Director – Performance & Projects D Skinner, Assistant Director - Finance & Resources B Hosier, Group Manager – Commissioning, Procurement & Compliance M Housden, (Procurement officer)	
		Q3 Forecast Financial Outturn Report 2017/18	PM	R Baker, Group Manager – Financial Services	<u>Put this item first on the agenda before the Quarterly Reports</u>
		Action Points from previous meetings	SC	All Members to discuss	

FINANCE AND RESOURCES: Overview & Scrutiny Committees: Work Programmes 2016/17

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.