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 6 SEPTEMBER 2016 AT 7.30 PM

DBC BULBOURNE ROOM - 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 Howard
Councillor Chapman (Chair)
Councillor Douris (Vice-Chairman)
Councillor Ashbourn
Councillor Barnes
Councillor Birnie
Councillor Clark
Councillor E Collins
Councillor Fethney
Councillor Silwal
Councillor Taylor
Councillor Tindall
Councillor Adeleke

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

For further information, please contact Trudi Coston 01442 228224

AGENDA

1. MINUTES (Pages 3 - 8)

To confirm the minutes from the meeting held on 7 June 2016.

2. APOLOGIES FOR ABSENCE

To receive any apologies for absence

3. DECLARATIONS OF INTEREST

To receive any declarations of interest

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

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

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

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

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

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

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

4. PUBLIC PARTICIPATION

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

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

6. ACTION POINTS FROM THE PREVIOUS MEETING (Page 9)

7. Q1 BUDGET MONITORING REPORT 2016/17 (Pages 10 - 24)

8. Q1 PERFORMANCE & OPERATIONAL RISK REGISTER REPORT - LEGAL GOVERNANCE AND DEMOCRATIC SERVICES (Pages 25 - 31)

9. Q1 PERFORMANCE & OPERATIONAL RISK REGISTER REPORT - FINANCE AND RESOURCES (Pages 32 - 54)

10. Q1 PERFORMANCE & OPERATIONAL RISK REGISTER REPORT - PERFORMANCE, PEOPLE AND INNOVATION (Pages 55 - 76)

11. WORK PROGRAMME 2016/17 (Pages 77 - 79)

MINUTES

FINANCE & RESOURCES
OVERVIEW AND SCRUTINY COMMITTEE

7 JUNE 2016

Present:

Cllr Adeleke	Douris (Vice Chair)
Cllr Barnes	Cllr Fethney
Cllr Birnie	Cllr Howard
Cllr B Chapman (Chairman)	Cllr Silwal
Cllr E Collins	Cllr Taylor
Cllr Clark	Cllr Tindall

Also Present: Councillor Elliot – Portfolio Holder for Finance and Resources
Councillor Harden – Portfolio Holder for Residents and Corporate Services
Councillor Guest

Officers:

D Skinner	Assistant Director - Finance & Resources
M Brookes	Solicitor to Council - Legal Governance
J Doyle	Group Manager - Democratic Services
B Hosier	Group Manager - Commissioning, Procurement and Compliance
R Smyth	Assistant Director - Performance & Projects
M Rawdon	Group Manager – People
N Brown	Group Manager – Property and People
C Baker	Group Manager – Revenues, Benefits & Fraud
B Trueman	Group Manager – Information, Communication & Technology
L Collins	Member Support Officer - Minutes

OS/103/16 MINUTES

The minutes of the Finance and Resources meeting held on 8th March 2016 were confirmed by the Members present and signed by the Chairman.

OS/104/16 APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Councillor Ashbourn.

OS/105/16 DECLARATIONS OF INTEREST

None.

OS/106/16 PUBLIC PARTICIPATION

There was public participation from Emma and Jason West, John Sawbridge and neighbours, Mr Ashley Taylor who lives at no.23 Cuttsfield Terrace and Mr Robert

Fradley who lives at no. 19 who spoke to Members regarding the parking issues in Hemel Hempstead and vehicular access to their properties.

Councillor Guest also made a speech in line with the residents concerns regarding the parking issues they face in their area.

Members noted the comments made by the Ward Councillor and the local residents.

The Chair thanked all of the residents and the Ward Councillor for speaking at the meeting.

OS/107/16 CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO A CALL – IN

None.

OS/108/16 ACTION POINTS FROM PREVIOUS MEETING

All of the action points from the previous meeting had been actioned and were all agreed by all the Members present at the meeting.

Councillor Guest left the meeting at 7.45pm

OS/109/16 QUARTER 4 BUDGET MONITORING REPORT 2015/16

Councillor Elliot – Portfolio Holder for Finance and Resources informed Members that there had been an underspend within the budget and that the report would be going to the next Audit Committee for a final sign off.

Questions:

Councillor Tindall referred to page 11, 5.1 and the surplus of £30k on income and garages. He asked if the level of void would be different on smaller garages.

D Skinner, Assistant Director - Finance & Resources confirmed that the level of voids would be lower on smaller garages. He confirmed that this will be reviewed in the future.

Councillor Tindall referred to page 13, 7.6 and the repairs and maintenance. He mentioned that there was a trend of increase in the repairs and asked the officer to confirm if there will be a trend identified for future years.

D Skinner explained to Members that there is a lot of work to be done which will include detail analysis to forecast demand and arrangements in place for 15/16 and 16/17 and to all additional controls to take action as they go through the year.

Councillor Birnie referred to page 10, 4.1 and the Employees being £217k over budget. He asked the officer to confirm when the review would take place in Building Control.

D Skinner said that he was not sure when the review would conclude.

Councillor Birnie referred to the V4 Services review and asked for the costs involved.

D Skinner said that he would check the costs and get back to Members at a later date.

Councillor Barnes referred to Page 8, 3.1 and asked how many premises there were in Dacorum.

D Skinner said that he would get back to Members with an update.

Councillor Barnes asked the officers to confirm how long the new electronic opening system that is being installed would last for.

N Brown said that he would get back to Members with an update.

Councillor Adeleke referred to page 14 and the Health and Safety works – overspend £120k and asked if there was anything put in place for the rehabilitation of homes.

D Skinner confirmed that there is an ongoing education programme to educate the residents on how to maintain their properties. He added that there had been a number of major cases of mould being reported whereby extensive treatment was issued which in effect led to an increase in spending.

Councillor Silwal referred to the Employees - £217k over budget on page 10 of the report and asked the officer to clarify this.

D Skinner replied that Waste Services delivered in budget in 2016/17, however in 2015/16, it took longer to address all of the issues which is why there was an increase in the budget.

Councillor Douris referred to page 10, 4.1 and the service review and asked the officer to confirm when this would take place.

D Skinner said that he would get back to Members with the information.

Councillor Douris referred to page 10, 4.2 and the damage to properties from subsidence due to the tree routes. He asked the officer to confirm whom the trees belonged to and if there was any consideration to residents when planting them and how they would be maintained in 20/30 years time.

D Skinner said that he would get back to the committee with an answer before the next meeting.

Councillor Douris made reference to page 18 line 174 and the slippage of £2m on the Water Gardens. He asked the officer to confirm if this was slippage or if it will turn into an overspend.

D Skinner explained that at the time the report was written this figure was a slippage, however confirmed to the committee that there was no indication that there would be an overspend.

Councillor Tindall referred to page 19, line 198 and the slippage of £838k on the new build scheme at London Road Apsley. He asked if this could have been anticipated in advance of the build.

D Skinner told the committee that this was due to the change in the clients requirements.

Action:

1. D Skinner to confirm what the costs are for the V4 Service Review.
2. D Skinner to confirm how many Premises there are in Dacorum.
3. N Brown to confirm the number of wc's fitted with time locks and steel opening doors
4. D Sinner to check when the service review is due to take place in Planning and Building Control.
5. D Skinner to confirm whom the trees belong to with regards to the damage to properties from subsidence due to the tree routes.

Outcome:

The Committee noted the forecast outturn position report.

OS/110/16 QUARTER 4 PERFORMANCE & OPERATIONAL RISK REGISTER REPORTS - LEGAL GOVERNANCE

M Brookes, Solicitor to Council introduced his report. The Portfolio Holder for Residents and Corporate Services had nothing to add to the report.

Questions:

Councillor Tindall made reference to page 29, item 7 and asked the officer to confirm the costs incurred in these cases.

M Brookes, Solicitor to the Council mentioned that there is no evidence of a breakdown for each individual case. They do however provide a year end summary but are moving towards providing on each case individually in the future.

Councillor Adeleke referred to page 31 and the Parish and Community Liaison and offered his thanks to Sharon Collins for all her hard work that she put in.

Outcome:

Members noted the report.

OS/111/16 QUARTER 4 PERFORMANCE & OPERATIONAL RISK REGISTER REPORTS – FINANCE AND RESOURCES

The Portfolio Holder for Finance and Resources gave a brief update to Members in that there was a movement of compliance changes in May 2016, with the retirement of Steve Baker.

Questions:

Councillor Barnes referred to page 47 and asked the officer to explain risk CE_F01.

B Hosier explained that there is a reporting structure in the spending identified. he Council analyses its expenditure and has categorized it in to 5 separate segments. By grouping together similar types of expenditure the Council can investigate efficiencies and cost saving opportunities by producing sourcing strategies that looking horizontally across the Council's expenditure rather than vertically against each project..

Councillor Tindall referred to page 51/52 and the Capital Programme and asked the officer to explain if there was anything they could do to make the budget more robust.

D Skinner said that with reference to the information on page 54, they re currently looking at additional action plans and the key factors in 15/16 on slippages. He highlighted that they are keen to complete these and have set out measures in place to monitor them for the future.

Councillor Douris mentioned to the officers that it may be helpful for the committee to have all of the various risks separated onto separate pages to help make them more identifiable.

Councillor Harden said that they would take the comment on board and look at this moving forward and apologized to members for the loss of information.

D Skinner mentioned that they are reviewing the risks and highlighted that in the 1st Quarter there will be a different risk profile.

Councillor Adeleke referred to page 42 CSU13 and asked if the Council is encouraging online use.

B Hosier said that they are encouraging customers to utilize a number of customer contact channels which has made the use of face to face contact easier for customers who really need the face to face contact.
R Smyth added that Digital Dacorum aims to help people to convert to the channel shift programme. Over time the number of people using the system will increase rising to the vast majority going online. In the Forum there will be self serv kiosks to encourage people to free up face to face contact for those that will need to use it.

Outcome:

The Committee noted the report.

OS/112/16 QUARTER 4 PERFORMANCE & OPERATIONAL RISK REGISTER REPORTS – PERFORMANCE AND PROJECTS

R Smyth, Assistant Director - Performance & Projects pointed Members towards the Performance and Operational Risk Reports they had before them.

Questions:

Councillor Tindall referred to page 67, 2.7 and the total days lost through sickness. He asked the officer to confirm how many of the sickness absences were related to stress.

M Rawdon said that he would need to get back to the committee with an accurate answer.

Councillor Douris referred to page 68, 2.19 and asked if the enhancements to the existing tablets set for 2017 can be brought forward.

B Trueman said that this could be prioritised and looked at.

The Chair referred to page 90 and the paperless approach. He asked what the 20% was in the savings.

R Smyth said that he would need to come back to Members with regards to this question.

Councillor Fethney left at 8.45pm

Action:

1. M Rawdon to confirm for Members what percentage of sickness absences were related to stress.
2. R Smyth to confirm to Members what the savings are within the paperless approach set within the report.

Outcome:

That Members noted the report.

WORK PROGRAMME 2016/17

The Chair announced that the Finance and Resources meeting on October 4th 2016 would be moved to the 5th October 2016 subject to Council approval.

The meeting ended at 8.50pm

Finance & Resources OSC Action Point List 2016/17

Date of meeting	Action point	Responsible for action	Date of action completed	Date chased if not actioned	Final date it needs to be actioned by	Update on Action Point
07/06/2016	D Skinner to confirm what the costs are for the V4 Service Review.	D Skinner	complete		21/07/2016	£44,612.50
07/06/2016	D Skinner to confirm how many Premises there are in Dacorum	D Skinner	complete		21/07/2016	9
07/06/2016	N Brown to confirm the number of wc's fitted with time locks and steel opening doors	N Brown	complete		21/07/2016	E mail was sent to Members on 22/6/16
07/06/2016	M Rawdon to explain the impact of stress/anxiety on the overall sickness absence	M Rawdon	complete		21/07/2016	E mail was sent to Members on 22/6/2016
07/06/2016	D Skinner to confirm when the service review is taking place in building and control.	D Skinner	complete		21/07/2016	The review is scheduled to conclude in December 2016 and will cover- staffing and succession planning,Systems thinking efficiencies and potential income opportunities
07/06/2016	D Skinner to confirm whom the trees belong to with regards to the damage to properties from subsidence due to the tree routes.	D Skinner	complete		21/07/2016	The trees either belong to DBC, and are managed by the Trees and Woodlands Team or are highway trees, that DBC maintain on behalf of HCC under an agency agreement. Due to the current case law position it is difficult to defend such claims where tree roots are identified.
07/06/2016	M Rawdon to confirm for Members what percentage of sickness absences were related to stress.	M Rawdon	complete		21/07/2016	E mail sent to members 22/6/2016
07/06/2016	R Smyth to confirm to Members what the savings are within the paperless approach set within the report.	R Smyth	complete		21/07/2016	E mail sent to members 19/7/2016

BOROUGH COUNCIL

AGENDA ITEM: 7

SUMMARY

Report for:	**Finance and Resources Overview and Scrutiny Committee**
Date of meeting:	**6 September 2016**
PART:	**1**
If Part II, reason:	

Title of report:	**Budget Monitoring Quarter 1 2016/17**
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance and Resources David Skinner, Assistant Director (Finance & Resources) Richard Baker, Group Manager (Financial Services)
Purpose of report:	To provide details of the projected outturn for 2016/17 as at Quarter 1 for the: • General Fund • Housing Revenue Account • Capital Programme
Recommendations	1) That Committee note the forecast outturn position. 2) That Committee note the re-phasing of the capital programme to move slippage identified at Quarter 1 into financial year 2017/18.
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 Council's forecast outturn for 2016/17 as at 30 June 2016. The report covers the following budgets:

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

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 6).

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.

2.4 <u>Variances on non-controllable and corporate items</u>

The charge made to the HRA for properties owned by the General Fund, but utilised by the HRA for dwelling purposes is forecast to be £40k higher. This is due to a lower amount of repairs and improvements at these properties.

Additional new burdens grants totalling £85k, along with an adjustment of £6k to prior year New Homes Bonus grants provide an additional £91k of unallocated grants. Included in these grants is £73k towards the cost of meeting welfare reforms and benefit cap changes. It is unknown at this stage how much of these grants may need to be utilised. The remaining grants are small in value and it is not anticipated that additional budgets will need to be given to services. Section 31 grants are retained corporately unless there is evidence of a significant new burden.

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

	Current Budget £000	Forecast Outturn £000	Variance £000	%
Finance & Resources	7,801	7,763	(38)	-0.5%
Strategic Planning & Environment	7,379	7,969	590	8.0%
Housing & Community	1,766	1,827	61	3.5%
Total	**16,946**	**17,559**	**613**	**3.6%**

2.7 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 £000	Forecast Outturn £000	Variance £000	%
Employees	11,027	11,084	**57**	0.5%
Premises	1,766	1,904	**138**	7.8%
Transport	32	39	**7**	21.9%
Supplies & Services	3,870	3,928	**58**	1.5%
Third-Parties	336	330	**(6)**	-1.8%
Income	(9,230)	(9,522)	**(292)**	3.2%
	7,801	**7,763**	**(38)**	**-0.5%**

3.1 **Employees - £57k over budget (0.5%)**

Pressure of £127k – A pressure across services is projected linked to the vacancy provision. This target is set at 5% of direct salary costs for 2016/17. This position will continue to be monitored.

Underspend of £70k – Following the restructure of the Council's leadership team in May 2016, a saving of £70k has arisen in the management team salaries budgets.

3.2 **Premises - £138k over budget (7.8%)**

Pressure of £126k – This pressure relates to unbudgeted costs in respect of the Planet Ice site at Jarman Park. Although unbudgeted, these costs will be all recovered from the tenant and will not result in an overall budget pressure. The costs are rent, service charge, insurance and utilities, which the Council is required to pay initially through the terms of the lease, and then pass back to the tenant. A budget virement will be proposed to increase the budget for Premises costs by £126k and increase the corresponding Income budget by £126k. This will be included in the 20 September 2016 Cabinet report.

3.3 **Income £292k over-achievement of income (3.2%)**

Over-achievement of income of £263k – The income on Investment Properties is forecast to exceed budget by £263k due to 3 key reasons. Firstly there is the recovery of costs on the Planet Ice site as mentioned above in paragraph 3.2, which equates to £126k. An additional £90k of income is forecast as a result of successful rent reviews secured this financial year. Lastly service charges are expected to generate an additional £45k of income due to improvements in the methodology for billing costs back to tenants.

4. Strategic Planning and Environment

Strategic Planning and Environment	Current Budget £000	Forecast Outturn £000	Variance £000	%
Employees	9,362	9,749	**387**	4.1%
Premises	965	961	**(4)**	-0.4%
Transport	1,479	1,451	**(28)**	-1.9%
Supplies & Services	3,984	4,088	**104**	2.6%
Third-Parties	88	88	**0**	0.0%
Income	(8,499)	(8,368)	**131**	1.5%
	7,379	**7,969**	**590**	**8.0%**

4.1 **Employees - £387k over budget (4.1%)**

Pressure of £115k – There is a pressure of £115k in the budget for Employee costs in Waste Services. There has been an increase in the number of roads in the borough that are proving difficult to access, which is necessitating an additional narrow access round to collect the waste. The service is reviewing the overall round structure in detail to optimise each round and ensure that crews are working as productively as possible.

The introduction of a third wheeled bin and a food waste caddy has meant that the waste service is dealing with an increased number of containers. This has increased the potential for a rise in the number of missed bins. The service is closely monitoring this situation to ensure that waste crews only return to justified missed bins, not unjustified (ie bins which were either not accessible or not presented at the boundary of the property at the time that the crew attempted to collect).

The increase in the number of containers has also led to an increase in breakages of containers, which requires additional resource to replace the bins. Detailed work is ongoing to identify why bins are breaking, whether this is due to operator error or damage from the vehicle, with a view to minimising breakages.

Pressure of £200k – A pressure of £200k is expected in Building Control. There are a number of vacant posts within the establishment and agency staff are currently carrying out this work, but at a more expensive rate. Work is ongoing to improve processes within the service and make efficiency savings going forward. In addition the challenges in staff recruitment and retention are being addressed and options are being appraised as to the best way of ensuring the correct levels of staffing are in place and succession planning is considered.

Pressure of £72k – A pressure of £72k is linked to the vacancy provision across services.

4.2 **Supplies & Services - £104k over budget (2.6%)**

Pressure of £100k – A pressure of £100k has been identified in the Planning service. The data currently held on microfiche requires a more sustainable and digitally–enabled solution, to support the new ways of working in preparation for the move to the Forum. It is proposed that this expenditure be funded from the Management of Change reserve. This will be proposed in the 20 September Cabinet report.

4.3 **Income - £131k under-achievement of budget (1.5%)**

Under-achievement of income of £100k – A pressure of £100k has been identified in the Commercial Waste service. In recent months the service has seen a reduction in the number of customers, due to more aggressive sales strategy of competitors, which can draw customers away from the Council. Work is taking place to understand why customers have left and highlight the benefits of the Council's local, flexible Commercial Waste service.

5 Housing and Community

Housing & Community	**Current Budget**	**Forecast Outturn**	**Variance**	
	£000	**£000**	**£000**	**%**
Employees	2,549	2,605	**56**	2.2%
Premises	805	805	**0**	0.0%
Transport	16	16	**0**	0.0%
Supplies & Services	2,055	2,041	**(14)**	-0.7%
Third Parties	758	758	**0**	0.0%
Income	(4,417)	(4,398)	**19**	-0.4%
	1,766	**1,827**	**61**	**3.5%**

5.1 **Employees - £56k over budget (2.6%)**

Pressure of £56k – There is a pressure of £56k across services linked to the vacancy provision, which has been set at 5% across all services. This will be closely monitored as the year goes on.

6. Housing Revenue Account (HRA)

6.1 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.

6.2 The projected HRA balance at the end of 2016/17 is in line with the budgeted balance of £2.9m.

6.3 **Leaseholder charges - £27k over-achievement of income (5.7%)**

There is a surplus of income from insurance costs re-billed to leaseholders. This is due to an increase in the number of leaseholders, and a rise in Insurance Premium tax which has been passed back to leaseholders. The budget will be reviewed as part of the 2017/18 budget setting process.

6.4 **Contribution towards Expenditure - £20k over-achievement of income (3%)**

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

6.5 **Repairs & Maintenance - £305k over budget (3.3%)**

The overspend in repairs relates to the value and volume of Empty Homes jobs expected this year. This is being offset by underspends on other areas of responsive repairs, most notably Structural Health and Safety, based on the actual costs incurred up to Period 3 and the service's forecast of future expenditure in this category.

The forecast also includes a £50k underspend for a reduction to the performance related profit (PRP) for 2015/16. Following a challenge from officers, Osborne have agreed to reduce the amount of PRP payable for the year.

6.6 **Supervision and Management - £111k under budget (0.9%)**

The projected underspend has arisen in 2 main areas:

£50k underspend in the Tenants and Leaseholders section from vacancies in the Supporting People service.

£110k underspend in the Housing Cleaning service from vacant posts.

These are offset by a forecast pressure of £40k relating to rent received on properties that are used to house Council tenants but are owned by the General Fund. (The corresponding entry is shown in the General Fund as a decrease in non-controllable costs).

6.7 **Transfer to Housing Reserves - £156k under budget (0.9%)**

The overall variance on the HRA is currently forecast to reduce balances by £156k.

The Capital Programme is being reviewed to ensure that components are not replaced before they are required (an example of which is delaying roof replacements that had previously been scheduled in, based upon property conditions surveys). Due to these changes in the programme, an underspend is forecast, and a lower contribution is required to reserves to fund the Capital Programme.

7. Capital Programme

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

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

The 'Rephasing' column refers to those projects where expenditure is still expected to be incurred, but it will now be in 2017/18 rather than 2016/17, or conversely, where expenditure planned initially for 2017/18 will now be in 2016/17.

A revised capital programme for 2016/17 is being taken to Cabinet, and schemes that are slipping into 2017/18 will be re-profiled into the correct financial year.

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

	Current Budget £000	Projected Outturn £000	Rephasing £000	Variance £000	%
Finance & Resources	16,969	12,874	(4,098)	3	0.0%
Strategic Planning & Environment	8,142	6,871	(1,669)	398	4.9%
Housing & Community	711	645	(40)	(26)	-3.7%
G F Total	**25,822**	**20,390**	**(5,807)**	**375**	**1.5%**
HRA Total	**29,230**	**27,932**	**(1,840)**	**542**	**1.9%**
Grand Total	**55,052**	**48,322**	**(7,647)**	**917**	**1.7%**

7.2 General Fund Major Variances

There is an overall projected underspend of £5,432k on the General Fund. This is a combination of forecast overspend of £375k, and slippage of £5.8m into 2017/18.

The projected net overspend of £375k includes:

- Line 156: overspend of £238k on the Disabled Facilities Grants budget. The grant funding allocated to the Council on this scheme has increased

considerably from £366k in 2015/16 to £672k in 2016/17. The forecast overspend is based on the year to date run rate.

- Line 163: overspend of £200k on Regeneration of the Town Centre. This project is almost at a close, however there are still some issues to be resolved regarding the power supply to the town centre. An overspend of £93k was reported last financial year on the project, however some further costs are expected, which at this stage are estimated to be £200k.This would bring the total overspend on the project to £293k, which is approximately 6% of the overall budget. Unbudgeted grant and S106 funding has been received to the value of £105k, which offsets some of the overspend.

The projected rephasing to future years includes:

- Line 42: slippage of £486k on the Strategic Acquisitions budget. This budget is being rephased to support the delivery schedule of projects.

- Line 52: slippage of £91k on Rossgate Shopping Centre. Stock condition surveys are planned in line with the Asset Management Strategy to ascertain the works to be undertaken. It is unlikely any significant spend will occur in 2017/18.

- Line 58: slippage of £188k on Car Park Refurbishment scheme. It had been intended for the Queensway and the Water Garden South car parks to be refurbished in 2016/17, however these works are dependent on wider considerations concerning Gadebridge Park (Q/Way) and the review of access (HCC & Regen) and will therefore not take place this financial year.

- Line 60: slippage of £3.1m on Berkhamsted multi-storey car park. Work is ongoing with HCC Highways and DBC Planners to progress the scheme. It is envisaged that planning permission will be granted in September 2016 and the contract awarded in December.

- Line 74: slippage of £87k on Planning Software replacement. As yet the specification has not been finalised, and the procurement process has not begun. It is therefore unrealistic to expect any spend in 2016/17.

- Line 93: slippage of £70k on Future Vision of CRM. The budgeted phasing of expenditure on this project is being reprofiled to remove the optimism bias.

- Line 146: slippage of £151k on Play Area refurbishment programme. The programme of work has been reviewed many times, as individual amounts of section 106 funding were identified to fund particular sites. This gave rise to slippage into 2016/17, however it has now been decided that only sites on the original list will be refurbished in 2016/17 and the remaining budget will form part of the play area improvements at Gadebridge Park.

- Line 148: slippage of £75k on Waste & Recycling Service Improvements. This budget was slipped forward from the 2014/15 budget for the roll-out of the new co-mingled waste service. It is intended to be used for the roll-out of the new service to flats and communal properties, however the project has been delayed and at this stage it is unlikely any expenditure will be incurred this financial year.

- Line 152: slippage of £485k on Fleet Replacement Programme. The programme of vehicles is kept under constant review to ensure vehicles are not replaced before they have reached the end of their useful life, and at this stage of the year it is expected that a number of vehicles will now be purchased in 2017/18.

- Line 168: slippage of £458k on Town Centre Access Improvements. The scope of the project has not yet been confirmed and at this stage, no major spend is expected in 2016/17.

- Line 170: slippage of £500k on Gadebridge Park. This budget is intended for the creation of a splash park, play area and access improvements in the park including the White Bridge. There is a further £1m budget in 2017/18. Discussions are still ongoing as to the exact nature of the work and it is unlikely that any significant spend will take place in 2016/17.

7.3 **HRA Major Variances**

There is a projected underspend on the HRA capital programme of £1,298k.

- Line 183: underspend of £507k on the Property and Place budgets for planned capital works. The programme is being reviewed as set out in paragraph 6.7. These budgets also contain a contingency of 5%.

- Line 191 and 192: underspend of £150k and £140k respectively on Farm Place and St Peter's Court. Although these schemes are complete, budget was slipped forward from 2015/16, which will be reallocated by virement to the New Build General line to fund other schemes in the programme.

- Line 193: underspend of £600k on Aspen Court, London Road Apsley. At the time of setting the budgets, an additional allocation of £600k was allowed for to cover previously unforeseen costs. This was incorrectly allocated to the Aspen Court, London Road budget, however it should have been allocated to the New Build General Line. The underspend on this line will therefore be re-allocated to the New Build General line.

- Line 194: Slippage of £1.8m on New Build General. This reflects re-phasing of a number of schemes to align with revised timescales.

- Line 197: overspend of £1.05m on Affordable Housing Development Fund. Although there is no budget on this line, grant payment of £1.05m has been made to Hightown Housing Association. These payments have previously been allocated from General Fund capital receipts, but are now funded from Housing Revenue Account 1-4-1 receipts due to the high level of property sales under the Right to Buy scheme. Supplementary budget will be requested through Cabinet and Full Council, funded from 1-4-1 receipts.

abc

Dacorum Borough Council

PPENDIX A

Revenue Budget Monitoring Report for June 2016 (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	845	848	3	988	768	(220)	7,801	**7,763**	(38)
Strategic Planning and Environment	428	578	150	1,957	2,076	119	7,379	**7,969**	590
Housing and Community	157	232	75	612	632	20	1,766	**1,827**	61
Controllable	**1,430**	**1,658**	**228**	**3,557**	**3,476**	**(81)**	**16,946**	**17,559**	**613**
Non-Controllable									
Finance and Resources	(145)	(219)	(74)	(435)	(336)	99	(4,087)	**(4,127)**	(40)
Strategic Planning and Environment	303	0	(303)	909	0	(909)	3,927	**3,927**	0
Housing and Community	93	0	(93)	280	1	(279)	1,652	**1,652**	0
Non-Controllable	**251**	**(219)**	**(470)**	**754**	**(335)**	**(1,089)**	**1,492**	**1,452**	**(40)**
General Fund Service Expenditure	**1,681**	**1,439**	**(242)**	**4,311**	**3,141**	**(1,170)**	**18,438**	**19,011**	**573**
Reversal of Capital Charges							(4,125)	(4,125)	0
Interest Receipts							723	723	0
Revenue Contributions to Capital							5,796	5,796	0
Contributions to / (from) Reserves							(7,033)	(7,033)	0
Contributions to / (from) Working Balance							0	(482)	(482)
Budget Requirement:							**13,799**	**13,890**	**91**
Met From:									
Revenue Support Grant							(971)	(971)	0
Non-Domestic Rates							1,054	1,054	0
New Homes Bonus							(3,491)	(3,497)	(6)
Other General Government Grants							(125)	(210)	(85)
Council Tax Surplus							(49)	(49)	0
Requirement from Council Tax							(10,217)	(10,217)	0
Total Funding:							**(13,799)**	**(13,890)**	**(91)**

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.

APPENDIX B

Housing Revenue Account

Projected Outturn 2016/17 - June 2016

	Original Budget £000	Forecast Outturn £000	Forecast Variance £000	%
Income:				
Net Dwelling Rents	(55,849)	**(55,849)**	**0**	**0.0%**
Non-Dwelling Rents	(80)	**(80)**	**0**	**0.0%**
Tenants Charges	(388)	**(388)**	**0**	**0.0%**
Leaseholder Charges	(477)	**(504)**	**(27)**	**5.7%**
Interest and Investment Income	(206)	**(206)**	**0**	**0.0%**
Contribution towards Expenditure	(655)	**(674)**	**(19)**	**2.9%**
Total Income	**(57,654)**	**(57,700)**	**(46)**	**0.1%**
Expenditure:				
Repairs and Maintenance	10,702	**11,007**	**305**	**2.8%**
Supervision & Management:	11,766	**11,655**	**(111)**	**-0.9%**
Rent, Rates, Taxes & Other Charges	14	**22**	**8**	**57.1%**
Interest Payable	11,643	**11,643**	**0**	**0.0%**
Provision for Bad Debts	250	**250**	**0**	**0.0%**
Depreciation	9,506	**9,506**	**0**	**0.0%**
HRA Democratic Recharges	220	**220**	**0**	**0.0%**
Total Expenditure	**44,101**	**44,303**	**202**	**0.5%**
Transfer from Housing Reserves	**13,553**	**13,397**	**(156)**	**-1.2%**
HRA Deficit / (Surplus)	**0**	**0**	**0**	**0.0%**
Housing Revenue Account Balance:				
Opening Balance at 1 April 2015	**(2,900)**	**(2,900)**	**0**	
Deficit / (Surplus) for year	0	0	**0**	
Proposed Contributions to Reserves	0	**0**	**0**	
Closing Balance at 31 March 2016	**(2,900)**	**(2,900)**	**0**	

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR JUNE 2016

	Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
	General Fund										
	Finance and Resources										
	Commercial Assets and Property Development										
42	Strategic Acquisitions	Nicholas Brown	950,000	(463,500)	0	0	**486,500**	0	**0**	(486,500)	0
43	Demolition of Old Berkhamsted Depot and new barrier	Nicholas Brown	50,000	0	0	0	**50,000**	0	**50,000**	0	0
44	Demolition of Health Centre	Nicholas Brown	350,000	0	0	0	**350,000**	0	**350,000**	0	0
45	Old Town Hall - Cafe Roof and stonework renewal	Nicholas Brown	75,000	0	0	0	**75,000**	0	**75,000**	0	0
46	Demolition of Civic Centre	Nicholas Brown	0	(1,990)	0	0	**(1,990)**	0	**0**	0	1,990
47	Bennetts End Community Centre - Replace Main Hall Pitched Roof Coverir	Nicholas Brown	35,000	0	0	0	**35,000**	0	**0**	(35,000)	0
48	Highfield Community Centre - Resurface Car Park	Nicholas Brown	0	0	0	0	**0**	0	**18,318**	18,318	0
49	Adeyfield Community Centre - replace roof	Nicholas Brown	0	44,230	0	0	**44,230**	0	**0**	(44,230)	0
50	Tring Community Centre - new play area for Childrens Nursery	Nicholas Brown	0	13,110	0	0	**13,110**	0	**13,110**	0	0
51	Bennetts End Community Centre Toilet Provision	Nicholas Brown	18,000	0	0	0	**18,000**	0	**18,000**	0	0
52	Rossgate Shopping Centre - Structural Works	Nicholas Brown	0	90,910	0	0	**90,910**	0	**0**	(90,910)	0
53	Leys Road - Roof	Nicholas Brown	55,000	0	0	0	**55,000**	0	**0**	(55,000)	0
54	High Street, Tring - Replace External Cladding & Roof	Nicholas Brown	30,000	50,000	0	0	**80,000**	1,386	**80,000**	0	0
55	The Denes Shopping Centre - Renew Walkway & Canopy Covering	Nicholas Brown	50,000	0	0	0	**50,000**	0	**50,000**	0	0
56	Commercial Properties - Renew Obsolete Door Entry Controls	Nicholas Brown	20,000	0	0	0	**20,000**	0	**20,000**	0	0
57	Silk Mill - Renew asphalt tanking to stairs	Nicholas Brown	16,000	0	0	0	**16,000**	0	**16,000**	0	0
58	Car Park Refurbishment	Nicholas Brown	90,000	99,172	0	0	**189,172**	1,600	**1,600**	(187,572)	0
59	Water Gardens Car Park - Re-Lining (Asphalt) Top Floor	Nicholas Brown	435,000	0	0	0	**435,000**	2,950	**435,000**	0	0
60	Multi Storey Car Park Berkhamsted	Nicholas Brown	3,432,000	(161,436)	0	0	**3,270,564**	0	**185,471**	(3,085,093)	0
61	Kingshill Cemetery - Toilet Provision	Nicholas Brown	150,000	0	0	0	**150,000**	0	**150,000**	0	0
62	Bunkers Farm	Nicholas Brown	25,782	183,606	0	0	**209,388**	1,770	**264,720**	55,332	0
63	Refurbishment of Facilities at Woodwells Cemetery	Nicholas Brown	0	57,597	0	0	**57,597**	0	**57,597**	0	0
64	Heath Lane - Welfare Facilities	Nicholas Brown	20,000	0	0	0	**20,000**	0	**20,000**	0	0
65	Woodwells Cemetery - Improvements to Burial Areas	Nicholas Brown	20,000	0	0	0	**20,000**	0	**20,000**	0	0
			5,821,782	**(88,301)**	**0**	**0**	**5,733,481**	**7,706**	**1,824,816**	**(3,910,655)**	**1,990**
	Democratic Services										
69	Election Management System Replacement	Jim Doyle	30,000	0	0	0	**30,000**	0	**0**	(30,000)	0
70	Civic Car Purchase	Jim Doyle	30,000	0	0	0	**30,000**	0	**30,000**	0	0
			60,000	**0**	**0**	**0**	**60,000**	**0**	**30,000**	**(30,000)**	**0**
	Development Management and Planning										
74	Planning Software Replacement	Sara Whelan	0	86,964	0	0	**86,964**	0	**0**	(86,964)	0
			0	**86,964**	**0**	**0**	**86,964**	**0**	**0**	**(86,964)**	**0**
	Financial Management										
78	Payroll (Invest to Save)	Richard Baker	0	2,447	0	0	**2,447**	0	**2,447**	0	0
79	Credit Card Surcharging (Invest to Save)	Richard Baker	16,000	0	0	0	**16,000**	8,375	**16,000**	0	0
80	Upgrade of HSM Module (BACS / DD Security)	Richard Baker	6,000	5,000	0	0	**11,000**	917	**12,000**	0	1,000
			22,000	**7,447**	**0**	**0**	**29,447**	**9,292**	**30,447**	**0**	**1,000**
	Housing & Regeneration Management										
84	The Forum (Public Service Quarter)	Mark Gaynor	9,350,000	1,015,400	0	0	**10,365,400**	2,849,351	**10,365,400**	0	0
85	Gade Zone	Mark Gaynor	150,000	0	0	0	**150,000**	5,760	**150,000**	0	0
			9,500,000	**1,015,400**	**0**	**0**	**10,515,400**	**2,855,111**	**10,515,400**	**0**	**0**

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR JUNE 2016

	Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
	Finance and Resources (continued)										
	Information, Communication and Technology										
89	Rolling Programme - Hardware	Ben Trueman	75,000	41,700	0	0	**116,700**	16,156	**116,700**	0	0
90	Software Licences - Right of Use	Ben Trueman	50,000	32,000	0	0	**82,000**	14,157	**82,000**	0	0
91	Website Development	Ben Trueman	0	69,500	0	0	**69,500**	(3,432)	**69,500**	0	0
92	Mobile Working	Ben Trueman	0	0	0	0	**0**	7,858	**0**	0	0
93	Future vision of CRM	Ben Trueman	152,000	0	0	0	**152,000**	0	**82,000**	(70,000)	0
			277,000	**143,200**	**0**	**0**	**420,200**	**34,739**	**350,200**	**(70,000)**	**0**
	People										
97	Incoming Mailroom	Matt Rawdon	0	48,009	0	0	**48,009**	0	**48,009**	0	0
98	Reprographics	Matt Rawdon	0	5,247	0	0	**5,247**	0	**5,247**	0	0
99	EIS Replacement	Matt Rawdon	0	70,000	0	0	**70,000**	0	**70,000**	0	0
			0	**123,256**	**0**	**0**	**123,256**	**0**	**123,256**	**0**	**0**
	Totals: Finance and Resources		**15,680,782**	**1,287,966**	**0**	**0**	**16,968,748**	**2,906,848**	**12,874,119**	**(4,097,619)**	**2,990**
	Housing and Community										
	Commissioning, Procurement and Compliance										
107	Telephony upgrade & virtualisation	Ben Hosier	0	4,600	0	0	**4,600**	0	**4,600**	0	0
108	Customer Services Unit Refurbishment	Ben Hosier	0	9,870	0	0	**9,870**	0	**9,870**	0	0
109	CSU Flow Management Solution	Ben Hosier	46,500	0	0	0	**46,500**	0	**28,808**	0	(17,693)
110	Replacement of Inform 360 Communications	Ben Hosier	19,000	0	0	0	**19,000**	18,920	**19,000**	0	0
111	Self Service Kiosks	Ben Hosier	47,000	0	0	0	**47,000**	0	**47,000**	0	0
			112,500	**14,470**	**0**	**0**	**126,970**	**18,920**	**109,278**	**0**	**(17,693)**
	Legal , Democratic and Regulatory Management										
115	Highbarns Land Stabilisation Project	Mark Brookes	0	8,360	0	0	**8,360**	(1,242)	**8,360**	0	0
			0	**8,360**	**0**	**0**	**8,360**	**(1,242)**	**8,360**	**0**	**0**
	People										
119	Capital Grants - Community Groups	Matt Rawdon	20,000	0	0	0	**20,000**	0	**20,000**	0	0
			20,000	**0**	**0**	**0**	**20,000**	**0**	**20,000**	**0**	**0**
	Residents Services										
123	Rolling Programme - CCTV Cameras	Julie Still	25,000	0	0	0	**25,000**	4,607	**25,000**	0	0
124	Lift Replacement to Theatre - Old Town Hall	Julie Still	40,000	0	0	0	**40,000**	0	**0**	(40,000)	0
125	Verge Hardening Programme	Julie Still	350,000	7,840	0	0	**357,840**	10,343	**350,000**	0	(7,840)
126	Youth Centre Provision	Julie Still	50,000	82,807	0	0	**132,807**	0	**133,000**	0	193
			465,000	**90,647**	**0**	**0**	**555,647**	**14,950**	**508,000**	**(40,000)**	**(7,647)**
	Totals: Housing and Community		**597,500**	**113,477**	**0**	**0**	**710,977**	**32,628**	**645,638**	**(40,000)**	**(25,340)**

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR JUNE 2016

	Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
	Strategic Planning and Environment										
	Commercial Assets and Property Development										
138	Hemel Sports Centre - renew heat and power system	Nicholas Brown	0	76,050	23,878	23,878	**99,928**	0	**100,000**	0	72
139	Hemel Sports Centre - renew outdoor pool water heaters	Nicholas Brown	0	4,952	(4,952)	(4,952)	**0**	0	**0**	0	0
140	Berkhamsted Sports Centre - heating system upgrade	Nicholas Brown	15,000	0	0	0	**15,000**	0	**15,000**	0	0
141	Air Handling Unit - Hemel Hempstead Sports Centre	Nicholas Brown	0	18,926	(18,926)	(18,926)	**0**	0	**0**	0	0
			15,000	**99,928**	**0**	**0**	**114,928**	**0**	**115,000**	**0**	**72**
	Environmental Services										
145	Wheeled Bins & Boxes for New Properties	Craig Thorpe	20,000	0	0	0	**20,000**	0	**20,000**	0	0
146	Play Area Refurbishment Programme	Craig Thorpe	224,000	106,916	0	0	**330,916**	0	**180,000**	(150,916)	0
147	Litter Bin Upgrade	Craig Thorpe	40,000	0	0	0	**40,000**	0	**40,000**	0	0
148	Waste & Recycling Service Improvements	Craig Thorpe	0	75,000	0	0	**75,000**	0	**0**	(75,000)	0
149	Play Areas & Open Spaces - replace equipment	Craig Thorpe	0	14,722	0	0	**14,722**	0	**14,722**	0	0
150	Cupid Green Depot - Security Gates Upgrade	Craig Thorpe	81,000	0	0	0	**81,000**	8,885	**70,329**	0	(10,671)
151	Dog Kennels / Pest Control store Cupid Depot	Craig Thorpe	40,000	0	0	0	**40,000**	0	**10,000**	0	(30,000)
152	Fleet Replacement Programme	Craig Thorpe	862,000	94,231	0	0	**956,231**	4,455	**470,987**	(485,244)	0
			1,267,000	**290,869**	**0**	**0**	**1,557,869**	**13,340**	**806,038**	**(711,160)**	**(40,671)**
	Regulatory Services										
156	Disabled Facilities Grants	Chris Troy	603,000	(61,346)	0	0	**541,654**	221,447	**780,000**	0	238,346
157	Home Improvement Grants	Chris Troy	0	8,893	0	0	**8,893**	2,100	**8,893**	0	0
			603,000	**(52,453)**	**0**	**0**	**550,547**	**223,547**	**788,893**	**0**	**238,346**
	Strategic Planning and Regeneration										
161	Maylands Phase 1 Improvements	Chris Taylor	476,000	813,256	0	0	**1,289,256**	192,144	**1,239,256**	0	(50,000)
162	GAF - Urban Park/Education Centre	Chris Taylor	0	0	0	0	**0**	18,263	**30,000**	30,000	0
163	Regeneration of Hemel Town Centre	Chris Taylor	0	0	0	0	**0**	120,387	**200,000**	0	200,000
164	Maylands Business Centre	Chris Taylor	550,000	335,000	0	0	**885,000**	23,530	**885,000**	0	0
165	Water Gardens	Chris Taylor	177,217	2,005,260	0	0	**2,182,477**	222,323	**2,232,477**	0	50,000
166	Bus Interchange	Chris Taylor	0	300,000	0	0	**300,000**	0	**300,000**	0	0
167	Heath Park Gardens Improvements (Fully funded from S106)	Chris Taylor	0	12,892	0	0	**12,892**	(2,797)	**12,892**	0	0
168	Town Centre Access Improvements	Chris Taylor	0	507,961	0	0	**507,961**	622	**50,000**	(457,961)	0
169	Hemel Street Furniture	Chris Taylor	166,000	0	0	0	**166,000**	0	**136,000**	(30,000)	0
170	Gadebridge Park	Chris Taylor	500,000	0	0	0	**500,000**	0	**0**	(500,000)	0
171	The Bury - Conversion into Museum and Gallery	Chris Taylor	75,000	0	0	0	**75,000**	0	**75,000**	0	0
			1,944,217	**3,974,369**	**0**	**0**	**5,918,586**	**574,471**	**5,160,625**	**(957,961)**	**200,000**
	Totals: Strategic Planning and Environment		**3,829,217**	**4,312,713**	**0**	**0**	**8,141,930**	**811,358**	**6,870,556**	**(1,669,121)**	**397,747**
	Totals - Fund: General Fund		**20,107,499**	**5,714,156**	**0**	**0**	**25,821,655**	**3,750,834**	**20,390,313**	**(5,806,740)**	**375,398**

APPENDIX C

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR JUNE 2016

	Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
	Housing Revenue Account										
	Housing and Community										
	Property & Place										
183	Planned Fixed Expenditure	Fiona Williamson	18,334,000	(630,178)	0	0	**17,703,822**	3,753,103	**17,196,531**	0	(507,291)
			18,334,000	**(630,178)**	**0**	**0**	**17,703,822**	**3,753,103**	**17,196,531**	**0**	**(507,291)**
	Strategic Housing										
191	New Build - Farm Place Berkhamsted	Julia Hedger	45,040	105,505	0	0	**150,545**	0	**0**	0	(150,545)
192	Galley Hill / St. Peters Court / The Nokes	Julia Hedger	0	140,125	0	0	**140,125**	0	**0**	0	(140,125)
193	Aspen Court / London Road, Apsley	Julia Hedger	322,534	837,800	0	0	**1,160,334**	307,540	**560,000**	0	(600,334)
194	New Build General	Julia Hedger	7,395,443	416,688	0	0	**7,812,131**	695,995	**6,862,921**	(1,840,214)	891,004
195	Able House	Julia Hedger	2,084,636	178,309	0	0	**2,262,945**	205,942	**2,262,945**	0	0
196	New Build - Longlands	Julia Hedger	0	0	0	0	**0**	0	**0**	0	0
197	Affordable Housing Development Fund	Julia Hedger	0	0	0	0	**0**	0	**1,050,000**	0	1,050,000
			9,847,653	**1,678,427**	**0**	**0**	**11,526,080**	**1,209,477**	**10,735,866**	**(1,840,214)**	**1,050,000**
	Totals: Housing and Community		**28,181,653**	**1,048,249**	**0**	**0**	**29,229,902**	**4,962,580**	**27,932,397**	**(1,840,214)**	**542,709**
	Totals - Fund: Housing Revenue Account		**28,181,653**	**1,048,249**	**0**	**0**	**29,229,902**	**4,962,580**	**27,932,397**	**(1,840,214)**	**542,709**
	Totals		**48,289,152**	**6,762,405**	**0**	**0**	**55,051,557**	**8,713,413**	**48,322,709**	**(7,646,954)**	**918,106**

BOROUGH COUNCIL

AGENDA ITEM: 8

SUMMARY

Report for:	**Finance and Resources Overview & Scrutiny Committee**
Date of meeting:	**6th September 2016**
PART:	**1**
If Part II, reason:	

Title of report:	**Quarter 1 Performance Report – Legal Governance and Democratic Services**
Contact:	Cllr Neil Harden, Portfolio Holder for Residents and Corporate Services Author/Responsible Officers: Mark Brookes (Solicitor to the Council) Jim Doyle, Group Manager (Democratic Services)
Purpose of report:	To provide Members with the performance report for quarter one in relation to Legal Governance and Democratic Services.
Recommendations	That Members note the report.
Corporate objectives:	Resources and Value For Money; Optimise Resources and Implement Best Practice.
Implications: 'Value For Money Implications'	Financial None. Value for Money 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 1 of 2016/17.

LEGAL GOVERNANCE

Legal Services

2. 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 were successful in the following court cases :-

- DBC v Darrington: successful in our claim for possession of a commercial property following a discovery that the tenant had been sub-letting the basement and that the basement was in a condition not fit for habitation. Forthwith possession order, judgment for arrears, and costs (per claim).

- DBC –v –Stutter: successful in our claim for possession of this residential property anti-social occupant – numerous (and complex) legal points were raised in defence, including alleged undue pressure by DBC staff to secure a Notice to Quit, which resulted in a very lengthy judgment (165 paragraphs) in which DBC staff and processes specifically vindicated, Judge critical of Defendant's representatives' conduct.

- DBC –v Davies: Successful in obtaining (and executing) a warrant for possession of commercial property where the tenant was in significant arrears. Vacant possession recovered – property now re-let.

- Cocks Head Wood, Shendish: Successfully prosecuted for beach of planning enforcement notice, defendants pleaded guilty and the case was adjourned for sentencing.

- DBC –v- Buzzle: outright possession order and money judgement for rent arrears.

- The team also completed the purchase of Bunkers Park, Hemel Hempstead which will allow for the development of that site and sold the first of the

garage sites (the first of a large planned programme of disposals). The team further completed a major S.106 planning agreement for the Symbio House development on Whiteleaf Road, Hemel Hempstead which allowed the planning permission for residential development to be granted.

The Licensing Team

3. The taxi and private hire MOT and testing station contract was successfully retendered and awarded for up to a four-year period from July. At the same time as the new contract took effect, a major procedural change to taxi vehicle licence applications was implemented, under which applicants are now required to arrange vehicle test appointments themselves prior to making their licence application to the Council and this has significantly increased efficiency and customer satisfaction.

DEMOCRATIC SERVICES

Elections

4. Following hard on the heels of the Police & Crime Commissioner election in May the elections team had to organise and arrange the Referendum on UK membership of the EU in June 2016. This involved the Electoral Registration Section and Member Support Services in a second round of:

   - 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 much of this work was carried out prior to both polls but the short gap between the two elections led to a hectic few weeks preparing for the Referendum.

5. The actual day of the referendum itself ran smoothly and the count, while lengthy, reached an outcome that was arrived at fairly and smoothly with an accurate result.

Member Support Services

6. During Quarter 1, Member Support managed and organised the following:

   - Published 22 agendas
   - Completed 23 sets of minutes
   - Spent 35.20 hours at evening meetings
   - Processed 68 public speakers at Committee
   - Published 8 Portfolio Holder Decisions
   - Published 11 Officer Decisions
   - Attended 6 community association meetings

- Attended 3 Voluntary Sector meetings
- Attended 5 Mayoral visits
- Attended 2 High Sherriff tour organisation meetings

7. Work and training is still ongoing in order to further develop the use of Modern.Gov, Issue Manager. The testing of its use for Officer Decisions and Portfolio Holder Decisions was postponed during the election period but work has resumed on this and a new timetable for its roll out is being agreed.

Member Development

8. No member Development sessions took place over the election period and the start of the holiday period but the programme agreed by the Member Development Steering Group will recommence in the autumn.

OPERATIONAL RISK REGISTER

9. The updated Operational Risk Register is annexed to the report. There have been no changes to the residual risk score since quarter 4.

QUARTERLY PERFORMANCE

Chief Executive's Unit

June 2016

All Measures

Measure	Owner & Updater	Jun 2016 Result	Trend	Mar 2016 Result	Jun 2015 Result	Actions	Comments	Sign Off
DPA01 - Percentage of DPA requests met in 40 days	Mark Brookes John Worts	100% (2/2) Target: 100		100% (15/15) Target: 100	100% (15/15) Target: 100			✗
DS01 - No. of agenda Published within statutory time frame	Mark Brookes Jim Doyle	No Data Info Only		No Data Info Only	No Data Info Only			✗
DS02 - Sets of minutes completed within 5 working days of meeting	Mark Brookes Jim Doyle	No Data No Target		No Data Target: 0	No Data Target: 0		Updater two sets of minutes delayed during busy election period.	✓
DS03 - Number of errors noted by any councillor or officer in any papers published by Democratic Services on Modern Gov.	Mark Brookes Jim Doyle	No Data Info Only		No Data Info Only	No Data Info Only		Updater Two errors on one agenda/minutes. checking process reinforced.	✓
FOI01 - Percentage FOI requests satisfied in 20 days	Mark Brookes John Worts	95.78% (159/166) Target: 100		98.54% (135/137) Target: 100	99.22% (128/129) Target: 100		Updater Reminders were sent to GM's by the Legal FOI Team - but despite this - for operational reasons seven requests were missed. Range was 4 Requests took 22 Days, 1 Request 24 Days, 1 Request 25 Days and 1 Request 28 Days.	✓
LG01 - Percentage of draft new commercial leases sent to the prospective tenants/their Solicitors within 10 working days of receipt of full instructions	Barbara Lisgarten Christopher Gaunt	100% (4/4) Target: 100		100% (12/12) Target: 100	100% (4/4) No Target		Updater A quieter quarter for new leases this quarter (made up for by instructions in other areas) but still pleasing to see good performance being maintained	✓
LG02 - Percentage of draft commercial lease renewals sent to tenants/their Solicitors within 15 working days of receipt of full instructions	Barbara Lisgarten Christopher Gaunt	100% (2/2) Target: 100		100% (2/2) Target: 100	100% (4/4) No Target		Updater A quiet quarter for lease renewals but PI maintained	✓
LG03 - Percentage of Right to Buy documents sent to tenants/their Solicitors within 15 working days of receipt of full instructions	Barbara Lisgarten Christopher Gaunt	100% (21/21) Target: 100		100% (32/32) Target: 100	100% (24/24) No Target		Updater High volume of RTBs continues. Good to see target maintained	✓
LG06 - Percentage of housing possession proceedings commenced within 20 working days of receipt of full instructions	Barbara Lisgarten Barbara Lisgarten	100% (4/4) Target: 100		100% (2/2) Target: 100	100% (3/3) No Target		Updater There has been a steady increase in numbers of possession proceedings as a result of premises closure orders.	✓

Measure	Owner & Updater	Jun 2016 Result	Trend	Mar 2016 Result	Jun 2015 Result	Actions	Comments	Sign Off
LG07 - Percentage of Licensing Act 2003 decision letters sent to applicants/licensees within 5 working days of the date of the Sub Committee hearing	Barbara Lisgarten Barbara Lisgarten	100% (1/1) Target: 100		No Incidents (0/0) Target: 100	No Incidents (0/0) No Target		Updater There has not been a large number of Licensing Act decision letters due to the low instances of committee meetings	✓
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	Barbara Lisgarten Barbara Lisgarten	100% (4/4) Target: 100	→	100% (4/4) Target: 100	No Data No Target		Updater All targets are being met in relation to sub-committee decisions.	✓
LG09 - Percentage of prosecution proceedings commenced within 20 working days of receipt of full instructions	Barbara Lisgarten Barbara Lisgarten	100% (1/1) Target: 100	→	100% (5/5) Target: 100	100% (1/1) No Target		Updater The numbers of prosecution cases being brought to legal have reduced but those that are dealt with are very complex.	✓
MS01 - Average number of training opportunities taken up per Member	Jim Doyle Trudi Coston	No Data No Target		0.5 Opportunities (27/51) Target: 0	1.1 Opportunities (55/51) Target: 0	Two member development sessions in the pipeline and the Member Development Steering Group met in June to monitor progress.	Owner Member Development paused during election period - it is expected to pick up again during august and into September.	✓

OPERATIONAL RISK REGISTER

June 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
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
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.	- 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	The Parliamentary, Borough and Parish/Town Council elections held in May 2015 and the PCC election (May 2016) and EU Referendum (June 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.

Sign Off and Comments
Sign Off Complete
The success of the PCC election and the EU Referendum showed that the current procedures and controls are working well.

AGENDA ITEM: 9

SUMMARY

Report for:	**Finance & Resources Overview and Scrutiny Committee**
Date of meeting:	**6 September 2016**
Part:	**1**
If Part II, reason:	

Title of report:	**Finance & Resources Performance and Risk Report Quarter 1 2016/17**
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 June 2016
Recommendations	That Committee notes the contents of the report and the performance of Finance & Resources for Quarter 1 2016/17.
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 *Delivering an efficient and modern council* and, through Revenues, Benefits and Fraud division, *Building strong and vibrant communities*.
Implications: 'Value for money' implications	Financial Contained within the body of the report. Value for money 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:	7/6/16 F&R OSC Performance & Risk Report Quarter 4 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 1 of 2016/17 (April - June).

   Appendix A - Performance Report

   Appendix B - Risk Report

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

4. This is the second 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 has been reviewed and the following risks have been removed as they are no longer current:

   a. CE_F01 Lack of resources to be able to spend the appropriate time analysing the Councils 3rd party expenditure.
      i. The work that this risk relates to has been concluded

   b. CE_F02 Lack of resources to be able to design and implement a Category Management approach to the Councils 3rd party expenditure
      i. The work that this risk relates to has been concluded

   c. CE_R09 During the transformation of the CSCG there is a high level of requirement for DBC staff resource
      i. This risk related to the outsourcing and subsequent move to Digital Transformation and Channel Shift. This work has been realigned and is now considered by People, Performance and Projects.

   d. CE_R10 The introduction of inform 360 and automated self-service options via telephone access and/or satisfaction with contact.
      i. The work that this risk relates to has concluded.

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

i. The initial work that this risk relates to has concluded. The implementation of CRM will be reviewed during 2016/17 and supercedes this risk. The new proposal will report associated risks and controls through the project lifecycle.

QUARTERLY PERFORMANCE

Finance and Resources

June 2016

High Level Only

Measure	Owner & Updater	Jun 2016 Result	Trend	Mar 2016 Result	Jun 2015 Result	Actions	Comments	Sign Off
CP01 - Percentage of commercial property occupation	Nicholas Brown Adriana Livingstone	97.99% (586/598) Target: 95	↘	98.49% (589/598) Target: 95	98.66% (589/597) Target: 95		Updater The figures are on par with last years figures even though we are taking properties back where there are debt issues, but we are also strong at marketing properties where possible before they are void to try and reduce the void periods.	✓
CP02 - Percentage arrears on commercial property rents	Nicholas Brown Adriana Livingstone	7.3% (322627/4447200) Target: 8.8	↘	5% (279955/5591777) Target: 9	7.3% (309490/4244200) Target: 9	we will continue to work to keep levels low.	Updater With continued hard work from the Estates and Sundry debtors teams the figures are within target.	✓
CSU02 - Percentage of enquiries that are resolved at first point of contact within the Customer Service Centre	Mark Housden Tracy Lancashire	99.46% (12234/12300) Target: 90	↗	99.42% (11946/12016) Target: 90	99.35% (16120/16226) 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 24% less visitors when compared with the same period 12 months ago	✓
CSU03 - Percentage of customers satisfied with service received from the Customer Service Centre	Mark Housden Tracy Lancashire	99.95% (1859/1860) Target: 80	↗	99.62% (3110/3122) Target: 80	99.75% (5555/5569) Target: 80		Owner Satisfaction levels continue to be maintained	✓
CSU05 - Percentage of enquiries that are resolved at first point of contact within the Contact Centre	Mark Housden Tracy Lancashire	97.18% (30312/31191) Target: 90	↗	96.8% (31290/32326) Target: 90	99.44% (179678/180685) Target: 90		Owner Performance continues to be maintained	✓
CSU06 - Percentage of customers satisfied with service received from the Contact Centre	Mark Housden Tracy Lancashire	98.99% (2061/2082) Target: 80	↗	98.39% (2636/2679) Target: 80	98.22% (2974/3028) Target: 80		Owner Satisfaction levels continue to be maintained	✓
CSU09 - Head of Service Satisfaction Survey Score	Mark Housden Tracy Lancashire	No Data Target: 45		100% Target: 45	71% Target: 45		Owner The Quarterly survey is currently underway. However monthly meetings with Group Managers continue to show that they are satisfied with the service the CSU provides	✓

Measure	Owner & Updater	Jun 2016 Result	Trend	Mar 2016 Result	Jun 2015 Result	Actions	Comments	Sign Off
CSU10 - Call Handling: Average wait time	Mark Housden Tracy Lancashire	202 Second(s) Target: 210		171.67 Second(s) Target: 210	No Data Target: 210		Owner This is a new measure introduced in August 2015 following contractual negotiations. This KPI gives 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 3 minutes 22 seconds. This is reduction in performance from the previous quarter due to staffing difficulties coinciding with peak demand. A right to remedy was issued for May's performance. Action has been taken and performance improved during June.	✓
CSU11 - Call Handling: Abandoned Call Rate	Mark Housden Tracy Lancashire	20.55% (8067/39257) Target: 20		18.66% (7417/39743) Target: 20	No Data Target: 20	Action Taken by Northgate: Manage sickness as per the NPS sicknesses management policy Recruit to 2 vacant apprentice positons Review existing resources to ensure staffing meets business needs	Owner This is a new measure introduced in August 2015 following contractual negotiations. This KPI now gives 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. May proved to be difficult. A high sickness rate coupled with the loss of two staff and a vacant apprenticeship post meant the team struggled to meet the target during May. This coincided with the peak demand for the year connected with annual billing, This resulted in the target for this quarter not being met. A right to remedy was issued for May's performance. Action has been taken and performance was above target during June.	✓
CSU12 - Face to Face; Average Wait Time	Mark Housden Tracy Lancashire	375S Second(s) Target: 450		377S Second(s) Target: 450	No Data Target: 450		Owner This is a new measure introduced in August 15 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 15 seconds which is above target.	✓

Measure	Owner & Updater	Jun 2016 Result	Trend	Mar 2016 Result	Jun 2015 Result	Actions	Comments	Sign Off
CSU13 - Face to Face: Waiting time more than 20 minutes	Mark Housden Tracy Lancashire	2.75% (338/12300) Target: 5	↗	3.15% (379/12016) Target: 5	No Data Target: 5		Owner This is a new measure introduced in August 15 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 improved overall during this quarter with 265 visitors experiencing a wait of more than 20 minutes. This is above the agreed targets.	✓
FIN01 - Percentage of creditor trade invoices paid within 30 days	Richard Baker Sally Nunn	96.6% (3205/3319) Target: 96	↗	96.1% (3718/3868) Target: 96	97% (4615/4756) Target: 96		Owner A great result for the period	✓
FIN02a - Time taken for debtors to pay	Richard Baker Clare Dempsey	33.9 Days Target: 40	↘	33.9 Days Target: 45	31.5 Days Target: 45		Owner A great result for the period	✓
FIN03 - General Fund expenditure – outturn forecast against budget	Richard Baker Caroline Souto	£19077000 Target: 18438000	↘	£18894000 Target: 19248000	£19973000 Target: 19136000		Owner The key variances are detailed within the supporting financial performance report	✓
FIN04 - HRA expenditure – outturn forecast against budget	Richard Baker Caroline Souto	£44353000 Target: 44101000	↗	£58322000 Target: 57765000	£57779000 Target: 57765000		Owner The key variances are detailed within the supporting financial performance report	✓
FIN05 - HRA income – outturn forecast against budget	Richard Baker Caroline Souto	£57701000 Target: 57654000	↘	£58025000 Target: 57765000	£57765000 Target: 57765000			✗
FIN06 - General Fund Capital Expenditure – outturn forecast against budget	Richard Baker Caroline Souto	£20950713 Target: 25821655	↘	£19004000 Target: 29218188	£25707547 Target: 28727188		Owner The key variances are detailed within the supporting financial performance report	✓
FIN07 - HRA Capital Expenditure – outturn forecast against budget	Richard Baker Caroline Souto	£27932397 Target: 29229902	↘	£30530000 Target: 32062071	£35821609 Target: 35563608		Owner The key variances are detailed within the supporting financial performance report	✓
FIN08 - Investment income – outturn forecast against budget	Richard Baker Tracy Claridge	£489720 Target: 448000	↘	£533580 Target: 313000	£426950 Target: 313000		Owner Broadly on target	✓
FIN11 - Investment Property Income ytd budget against ytd actual	Nicholas Brown Caroline Souto	£2116621 Target: 2036321	↘	£4666933 Target: 4218000	£1857389 Target: 1971751	we will continue to work to keep reviews high	Updater	✓
FIN13 - Car Parking Income ytd budget against ytd actual	Nicholas Brown Caroline Souto	£533576 Target: 521285	↗	£2096178 Target: 2085000	£556888 Target: 521250	we will continue to work to maintain an efficent service	Updater	✓

Measure	Owner & Updater	Jun 2016 Result	Trend	Mar 2016 Result	Jun 2015 Result	Actions	Comments	Sign Off
RBF01 - Average time taken to decide a new claim for Housing Benefit	Chris Baker Matthew Kelly	20.8 Days (12558/604) Target: 20		18.4 Days (10311/559) Target: 23	22.7 Days (13223/583) Target: 23	A recruitment exercise has started to replace the officers who have left, and temporary staff have been engaged to support the service during the recruitment phase.	Updater The upward trend of this indicator has been reversed in the last month of the quarter. Considering the resourcing issues the service has faced, performance has remained relatively stable - compared to the corresponding quarter last year, performance is 2 days better. Owner This is a good performance in this quarter, taking into account the loss of two experienced staff members. Performance has improved by 8% from the same period of 2015/16, during which time not only did we still have the DBC staff who have left recently, but we also paid for three officers from a provider of offsite processing. The service is therefore currently providing an improved service for a lower cost.	✓
RBF02 - Average time taken to decide a change event for Housing Benefit	Chris Baker Matthew Kelly	8 Days (60997/7612) Target: 11.5		4.9 Days (70705/14510) Target: 13	12.3 Days (106063/8621) Target: 13		Updater Performance in this area is very good. The small backlog that has built up due to resourcing issues has probably added around a day to the average. Performance is 4 days better than in the corresponding quarter last year. Owner One of the key reasons for the improvement from last yesr is that we have been able to automate the processing of more of the information sent to us by DWP. This has mitigated the impact of the resource loss that we have suffered with two experienced officers leaving.	✓
RBF04 - NNDR (Business Rates) in-year collection rate	Chris Baker Jake Seabourne	27.7% Target: 27.7		98.3% Target: 99	30.2% Target: 24.8		Owner The amount which has been collected is in line with the profiled target, and so we currently expect to reach our year end target.	✓

Measure	Owner & Updater	Jun 2016 Result	Trend	Mar 2016 Result	Jun 2015 Result	Actions	Comments	Sign Off
RBF05 - Council Tax collection rate	Chris Baker Jake Seabourne	30.4% Target: 30.2		98% Target: 98	30.2% Target: 30.1		Owner The collection level is slightly above the profiled target for this point of the year. We believe that there are two main factors contributing to this. The team's improved performance in customer contact response means that more people received updated bills with instalments starting from April or May (for example those who moved shortly after the annual bills were sent in March). Also, there are strong indications that the revisions made to reminder letters (using nudge techniques), have led to more people bringing payments up to date, as we had a reduction in the number of accounts progressing to summons this year.	✓
RBF06 - Council Tax customer contact response (percentage of contacts responded to within 14 days)	Chris Baker Anna Elliott	91% (10056/11066) Target: 75		No Data Target: 90	No Data Target: 70		Updater This is an excellent start to the year, and has been aided by the reduced numbers of customer contact documents outstanding at annual billing in March 2016. Although in March/April we receive the highest number of customer documents, we completed a higher number of these in April than anticipated, which lead to the good performance in May and June, which is good news for our customers. Owner During Q1 of 2015/16, the team achieved performance of 72% for this measure. The significant improvement shows the excellent work that the team have done to improve processes, and ensure that residents receive new bills or answers to queries in a timely manner. This is then also reflected in the improved collection rate, as the swifter resolution of contacts means that more residents have instalments at an earlier date.	✓

OPERATIONAL RISK REGISTER

June 2016

Finance & Resources - David Skinner					
CE_R08 The CSGC contractor focuses attention on meeting speed of response targets and not quality of service					
Category: Reputational	**Corporate Priority:** Dacorum Delivers		**Risk Owner:** David Skinner	**Portfolio Holder:** 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	1 Very Unlikely	4 Severe	4 Green
Consequences		**Current Controls**		**Assurance**	
• 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.		• New KPI's have been set to provide greater clarity on the quality of the performance • Regular customer & stakeholder surveys • Quarterly quality assessments with GM's • Monthly meetings with back office to assess service delivery and monthly operational Board meetings to escalate issues. • Monitoring of complaints and performance		• Monthly performance reports • Minutes of Operational Board meetings • Quarterly Partnership Board meetings All performance indicators barring CSU11 are on track. CSU11 is AMBER and is a result of vacancies and sickness levels within the team. Action has now been taken and performance has improved. • Level of complaints has reduced • All of the above provide assurances that the CSGC contractor maintains focus on achieving the response targets and quality of service.	
Sign Off and Comments					
Sign Off Complete A right to remedy was issued in relation to the performance in May and performance improved in June.					

OPERATIONAL RISK REGISTER

June 2016

FR_CPC01 Failure to comply with procurement legislation and internal controls

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

Consequences	Current Controls	Assurance
• The Council would face an increased risk of legal challenge from unsuccessful bidders • Contracts could be set aside by the courts • The Council could face financial penalties under the Remedies Directive • The delivery of contracts could be delayed • Lack of a robust and transparent procurement process • Unable to demonstrate value for money • All of the above would result in damaging the Council's reputation	• The Commissioning & Procurement Standing Orders (CPSO's) have been re-written to complement the Public Contract Regulations 2015. • The CPSO's have been written to simplify the processes for officers to follow. • All OJEU tenders must be supported by an officer of the Commissioning & Procurement team. • All procurement officers that manage the OJEU tenders are professionally qualified.	• The CPSO's are regularly updated following any policy notes or guidance as issued by Crown Commercial Services • Awareness training on the CPSO's is offered to all GM's and their teams. • Procurement officers keep abreast of changes in legislation and best practice within the industry.

Sign Off and Comments

Sign Off Complete

A new suite of management and performance information is being developed for the Procurement, Commissioning and Compliance team that will provide additional assurance to the existing control measures.

OPERATIONAL RISK REGISTER

June 2016

FR_CPC02 Continued Non-Authorised procurement expenditure

Category:	Corporate Priority:		Risk Owner:	Portfolio Holder:	Tolerance:
Reputational	Dacorum Delivers		David Skinner	Cllr Graeme Elliot	Treating
Inherent Probability	**Inherent Impact**	**Inherent Risk Score**	**Residual Probability**	**Residual Impact**	**Residual Risk Score**
4 Very Likely	2 Medium	8 Amber	1 Very Unlikely	3 High	3 Green

Consequences	Current Controls	Assurance
• This expenditure may result in the Council being in breach of procurement legislation • This increases the risk of legal challenge and the Council could face penalties under the Remedies Directive • Lack of a robust procurement process may increase the risk of fraudulent activity • Potential for non-compliance with relevant legislation such as H&S • Poor financial management • All of the above would result in damaging the Council's reputation	• The CPSO's have been re-written to complement the Council's Financial Regulations with regards to officer authorisation levels. • The CPSO's clearly define the processes that must be followed by officers when procuring goods, services and works. • Contracts have been set up for corporate requirements.	• Working with colleagues in finance to implement a 'No PO No Pay' policy. • Working with colleagues in finance to roll out the 'Electronic Purchasing Card'. • Awareness training on the CPSO's is offered to all GM's and their teams.

Sign Off and Comments

Sign Off Complete

The No PO No Pay policy is working well and is being rolled out alongside the introduction of EPCs.

OPERATIONAL RISK REGISTER

June 2016

FR_F02 Delays to Capital programme

Category:	Corporate Priority:		Risk Owner:	Portfolio Holder:	Tolerance:
Financial	Dacorum Delivers		David Skinner	Cllr Graeme Elliot	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 interest costs as the Council moves closer to the point where it will need to borrow. The estimated delivery date is considered as part of the decision to allocate capital funds to one project over another. If estimated timings are not accurate, there is a risk that the allocation of funds is not being decided on appropriately. If inaccurate project management is tolerated, there is a risk that the culture of financial management across the Council will be negatively affected which will have consequences for wider financial decision-making.	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 Ã¢?Â¢ How robust are the assumptions on the estimated duration of the procurement exercise? Ã¢?Â¢ How realistic is the estimated time taken for contractors to deliver the works? Ã¢?Â¢ How realistic are the assumptions on officer availability to manage the project on time? The rationale behind this approach is that an increased culture of challenge will lead to more realistic programming of future capital projects, and therefore a	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 broadly on budget, with no material slippage reported at this stage. Slippage on the HRA capital programme is forecast to be well below 5%. 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%. The Provisional Outturn was reported to Cabinet in may

OPERATIONAL RISK REGISTER

June 2016

Not delivering major projects within the timeframe to which it has committed itself exposes the Council to reputational risk.	reduced likelihood of slippage. The following controls are in place with a view to developing a culture of scrutiny and challenge for officers to improve the accuracy of future bids: Ã¢?Â¢ Capital Strategy Steering Group (CSSG) comprising senior officers from across the Council required to challenge new bids for robustness ahead of recommendation to Members; Ã¢?Â¢ Monthly meetings take place between accountants and budget holders to monitor progress against original timeframes and costs; Ã¢?Â¢ Corporate Management Team (CMT) receive a monthly report on the progress of capital projects against anticipated timeframes; Ã¢?Â¢ Performance Group comprising Chief Officers and cabinet Members receive a monthly report on the progress of current projects; Ã¢?Â¢ 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	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. 2014/15 Confirmed slippage into 2015/16 was Â£10.1m or 10% of the total approved capital programme according to the 2014/15 approved accounts. The Provisional Outturn was reported to Cabinet in May 2016. The report showed that slippage against the full year budget on the General Fund Capital Programme was around 28%. Outturn on the HRA shows slippage of around 5%. 2015/16 Confirmed slippage into 2016/17 was £8.1m or 28% of the total approved capital programme according to the 2015/16 approved accounts.

OPERATIONAL RISK REGISTER

June 2016

	closer scrutiny from Members.	

Sign Off and Comments

Sign Off Complete

Additional actions to address 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. A review by the finance team has set out a rephasing of the capital budgets that will re-profile £5.8m into 2017/18 and will therefore bring the capital programme back on track.

FR_F03 Variances in General Fund revenue budget

Category:	Corporate Priority:		Risk Owner:	Portfolio Holder:	Tolerance:
Financial	Dacorum Delivers		David Skinner	Cllr Graeme Elliot	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. 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	The following controls aim to reduce the probability of there being a variance in the General Fund Revenue Budget by ensuring that there is strong challenge put to Budget Holders on the robustness of their assumptions, from a range of audiences. It is intended that these controls will increase the opportunity for flawed assumptions to be exposed as soon as possible, as well as inculcating a stronger culture of financial management across the Council leading to continuous improvement in the setting of accurate	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 '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.

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.	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.	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. 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. The 2015/16 audit of Core Financial Systems was also reported to have either Full or Substantial levels of assurance. Final confirmed outturn for 2015/16 was within 2% of budget (after contributions to and from reserves) as reported to Audit committee and approved as part of the audited accounts and was consistent with the budget monitoring over the preceding year.

Sign Off and Comments

Sign Off Complete

FIN03 is AMBER and is currently projecting an adverse variance (£639k) or 3.46% of the budget. Budget Action Plans have been put in place for major areas of overspend. At this point in 2015/16 a 4% adverse variance was forecast.

FR_I02 Failure to optimise income generated by commercial assets

Category:	Corporate Priority:		Risk Owner:	Portfolio Holder:	Tolerance:
Infrastructure	Dacorum Delivers		David Skinner	Cllr Graeme Elliot	Treating
Inherent Probability	**Inherent Impact**	**Inherent Risk Score**	**Residual Probability**	**Residual Impact**	**Residual Risk Score**

OPERATIONAL RISK REGISTER

June 2016

3 Likely	3 High	9 Amber	2 Unlikely	3 High	6 Amber

Consequences	Current Controls	Assurance
The council has a significant portfolio of commercially let properties, which provides one of the council's largest sources of income. Council officers must attempt to maximise income from these assets whilst avoiding the risk of vacant properties and increasing bad debts, which could arise if rents are set too high, and would jeopardise the council's achievement of its corporate objectives of Regeneration and Dacorum Delivers. The continuing recession and the difficulties it brings for local businesses increases the likelihood of this risk crystallising.	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 occuring reducing from a score of 3, which is shown in the Residual Probability (i.e. after controls implemented) being a 1. Estates officers responsible for negotiating rent reviews hold monthly meetings with the Debtors team to track current bad debtors. This increases their understanding of the economic pressures businesses are facing, and how it can impact on council income. There are currently Corvu performance targets to maintain the number of voids (empty properties) below 5%, and to keep the rent arrears below 10%. Failure to meet either of these targets would prompt further investigation.	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%). The year-end performance figures for 2014/15 demonstrate an occupation rate of 98.3% against a target of 95%. The level of arrears is at 6.5% against a target of 9.5%. Quarter 1 performance for 2015/16 are above target and demonstrate an occupation rate of 98.66 versus a target of 95%. The level of arrears has increased slightly to 7.3% versus a target of 9%. Q2 occupation levels are holding up well at 98.49% and arrears are being held within acceptable levels at 8.1%. Q3 occupation levels are marginally down at 97.99% and arrears have improved significantly by 1.7% to 6.4%. Q4 occupation rates have increased slightly to 98.49% and arrears have reduced from 6.45 down to 5%. Q1 occupation rates have reduced slightly to 97.99% versus a target of 95% and arrears have slightly increased to 7.3% versus a target of 8.8%

OPERATIONAL RISK REGISTER

June 2016

Sign Off and Comments
Sign Off Complete
Occupancy rates are holding up well and arrears are stabilising at industry standard beating levels. The team have also continued to work hard at maximising income and improving methods of cost recovery forecasting a 4% increase on target income levels.

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

Category:	Corporate Priority:	Risk Owner:	Portfolio Holder:	Tolerance:
Infrastructure	Safe and Clean Environment	David Skinner	Cllr Graeme Elliot	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 probaility 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 business continuity exercise is planned during 2016/17 which will test the plans that teams have.

OPERATIONAL RISK REGISTER

June 2016

FR_R01 Council Tax and Business Rates collections rates drop below budget

Category:	Corporate Priority:		Risk Owner:	Portfolio Holder:	Tolerance:
Reputational	Dacorum Delivers		David Skinner	Cllr Graeme Elliot	Treating
Inherent Probability	**Inherent Impact**	**Inherent Risk Score**	**Residual Probability**	**Residual Impact**	**Residual Risk Score**
3 Likely	2 Medium	6 Amber	3 Likely	2 Medium	6 Amber

Consequences	Current Controls	Assurance
Distribution of collection fund to other preceptors is based on the budgeted collection level, if collection falls short this could lead to a cashflow issue within the Council's finances. The fund distribution is balanced after the end of the financial year. Reputational risk if collection rate falls significantly – this could also impact on future years' council tax base leading to increased budget pressures. Financial risk in relation to business rate retention scheme if rates collection falls below government set baseline.	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. 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. Direct debit payment is recommended for all customers – a pre-filled instruction is sent to all non-DD payers with their annual bill or a first bill for a new taxpayer. The direct debit method reduce the risk of under-collection because it eliminates the risk of a payer forgetting to make a monthly payment. There is an active programme for taking formal recovery action against non payers.	The full year Council Tax Collection Rate for 2013/14 (Performance Indicator RBF05) was 97.7% against a budget of 97.5%. The full year Business Rates collection rate in 2014/15(Performance Indicator RBF04) was under budget at 98.1% against a target of 99%. Q1 Council Tax collection rates is 30.2% versus a target of 30.1% Q1 Business Rates collection is 30.2% versus a target of 24.8% Q2 Business rates collection is 52.6% achieved versus a target of 51.5%. Council tax collection is on target at 58%. Q3 Business rates collection is 77.2% and is running at 0.5% ahead of target. Council tax collection is at 86.2% which is 0.2% off target but is a 0.1% improvement from the same period

Page 51		last year. 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. Members can gain additional assurance from the routine Internal Audit assessment of Business Rates as being at Full/Substantial levels. 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%. Q1 Business Rates collection is 27.7% which is exactly on target and Council tax Collection is 30.4% which is 0.2% up on target.

Sign Off and Comments

Sign Off Complete

The team continue to improve processes and achieve target collection rates. Further work is on-going to maintain and improve the levels.

FR_R02 Delays and errors in the processing of Benefits claims

OPERATIONAL RISK REGISTER

June 2016

Category:	Corporate Priority:		Risk Owner:	Portfolio Holder:	Tolerance:
Reputational	Dacorum Delivers		David Skinner	Cllr Graeme Elliot	Treating
Inherent Probability	**Inherent Impact**	**Inherent Risk Score**	**Residual Probability**	**Residual Impact**	**Residual Risk Score**
4 Very Likely	3 High	12 Red	3 Likely	2 Medium	6 Amber

Consequences	Current Controls	Assurance
This risk links to the corporate objective Dacorum Delivers, focussing on an efficient and effective council. Customers could suffer personal hardship resulting from delays or errors in the processing of claims. Significant reputational risk associated with high-profile errors. Staff time spent on addressing unnecessary errors leads to duplication of effort and is an inefficient use of resources. Government subsidy for housing benefit expenditure is based on external audit certification of the claim made. There is financial risk if errors on cases are identified during their testing. Communications with claimants needs to be well written and jargon-free in order to reduce the risk of repeat queries which puts pressure on limited staff resources.	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. Quality checking and individual performance management is in place. These mean that each officer has targets for their personal productivity and accuracy, and information from quality checks is fed back in order to sustain improvement. Average time taken for processing new claims and changes in circumstances forms part of monthly monitoring.	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. Performance for the full year 14/15 was 22.9 days, which was within the target of 23 days for the first time. 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. It should be noted that these improvments have been achieved without additional resource. It has purely been the result of improved process design and increased efficiency. 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. Average time taken to decide a change event in Housing

OPERATIONAL RISK REGISTER

June 2016

	Processes are in place to expedite cases where the customer is vulnerable or facing eviction. These processes start when a case is identified within benefits, or by customer services, homelessness, housing etc. Monthly meetings are held between senior officers within Finance & Resources to monitor detailed performance levels at each stage of the claims process. This enables intermediary targets to be set for discrete elements of the process, which in turn enables the more effective monitoring which has resulted in significantly improved performance over the last 6 months.	Benefit is at 12.3 days versus a target of 13.0. Q2 performance has been very good in relation to new claims. The team have achieved 19.6 days versus a target of 23 days. 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. 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. 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. 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.

OPERATIONAL RISK REGISTER

June 2016

		Q1 performance for the average time taken to decide a new claim for Housing Benefit is 20.8 days versus a target of 20 days. This is still 1.9 days better than the same point last year. The average time taken to decide a change event is 8 days versus a target of 11.5 and is 4.3 days better than the same point last year.

Sign Off and Comments
Sign Off Complete There is still some volatility within the month to month performance so the risk score is being maintained and the team are working to recruit to fill posts that are vacant.

BOROUGH COUNCIL

AGENDA ITEM: 10

SUMMARY

Report for:	**Finance and Resources Overview & Scrutiny Committee**
Date of meeting:	**6 September 2016**
PART:	**1**
If Part II, reason:	

Title of report:	**Performance and Risk report Quarter 1 2016/17 – Performance, People & Innovation**
Contact:	Neil Harden, Portfolio Holder for Residents and Corporate Services Author/Responsible Officer: Robert Smyth, Assistant Director - Performance, People & Innovation
Purpose of report:	To provide the Committee with analysis of performance and risk management for the services and functions provided by the Performance, People & Innovation Division.
Recommendations	That the Committee notes the contents of the report and the performance of the division for Quarter 1, 2016/17.
Corporate objectives:	The Performance, People & Innovation division supports the delivery of all corporate objectives, although there is a particular focus on 'modern and efficient council'. That is why it is important that it is able to meet its performance objectives and manage risk.
Implications: 'Value For Money Implications'	Financial Poor performance could lead to increases in costs as well as reducing the value of our service offer. Value for Money The work of the division supports the achievement of value for money in the pursuit of the Council's objectives .
Risk Implications	Risk Assessment reviewed July 2016.
Equalities Implications	There are no equalities implications arising from this report.

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

Introduction

1.1 Performance reports are produced on a quarterly basis with information collated in the Council's performance management system (CorVu).

1.2 The performance report for the division is attached and it examines progress in relation to three key themes:

1.2.1 Complaints handling
1.2.2 Human Resources
1.2.3 IT and Digital Services

1.3 Targets are included in those areas where it is appropriate and would act as a positive driver for performance behaviour.

1.4 In light of the new service plan, a fundamental review of the risk register was undertaken and a summary of the changes is included.

Monitoring Performance

Summary

2.1 Overall performance is very positive. Of the eight target driven indicators, seven are on target and one indicator (incident resolution) is just outside target.

2.2 In particular the organisation has seen a significant improvement in sickness absence performance as well as in the percentage of new starter requests processed in five working days.

Detailed Analysis

Complaints Handling

2.3 The total number of '*Stage 1 complaints'* received (135) is 14% lower than the same period in 2015. However it is too early to determine whether this is a long term trend.

2.4 Nevertheless overall performance in relation to complaints remains very good. The Council is on target across all three stages of its complaints process and in Stage 1 it achieved 97.78% compliance compared to 89.17% the previous year.

2.5 Cabinet recently approved a new complaints policy and once that is implemented, it is expected to further improve the quality and speed of our response.

HR

2.6 The Council has made significant progress in tackling sickness absence. The total number of days lost (1019.25 days) is 30% lower than the previous year. Most striking is the reduction in long term sickness absence from 1096 days in Q1 2015 to 649.5 days in Q1 2016.

2.7 This has been achieved as part of a dedicated project which involved reviewing policies, a detailed evidence based report and the introduction of FirstCare. The project also led to the creation of a sickness review panel and a greater focus with managers on addressing long term cases.

2.8 The total FTE compliment of staff has increased slightly compared to the previous quarter, but it is 3.4% lower than in 2015.

IT and Digital Services

2.9 The percentage of incidents resolved in less than two days has improved in the last quarter but performance is just outside of target (89.46% compared to 90%). However recent recruitment and a focus on process should ensure that the target is hit in the next quarter.

2.10 The percentage of new starter requests has improved significantly and system and website availability continues to be high.

2.11 For the first time this report has also included details on the number of website users in the quarter (123,748) to give a sense of the impact and scale of digital services.

Risk Management

Summary

2.12 Following a fundamental review and as part of the joint service plan, a number of changes have been made to the risk register. This is to ensure that the risk profile properly reflects the focus for each of the teams within the division.

PP_R011 Failure to deliver Digital Dacorum leads to poor customer experiences and increased costs from calls and face to face visits (No Change)

3.1 The Council is continuing to make good progress in digitising the way it communicates and provides services.

3.2 Compared to Q1 2015, website visits have increased by 18%, face to face visits have reduced by 24% and there has been a 20% reduction in printing.

PP_R012 Failure to deliver an effective approach to the management of performance, projects and complaints (New Risk)

2.13 This is a new risk focused on the need to effectively manage the Council's approach to performance, projects and complaints.

2.14 In the last quarter overall management was positive. The majority of KPIs (72%) and projects (70%) were on target. Furthermore the Council received 135 complaints in the quarter and 98% were resolved in the agreed deadline.

PP_R014 Failure to achieve the service outcomes outlined in each of the new community contracts (New Risk)

2.15 This is a new risk which considers the impact of not achieving the outcomes from each of the new voluntary sector commissioning contracts.

2.16 In terms of progress, all contracts have been out to tender and one is currently live. The remaining contracts will be completed by the end of the calendar year.

PP_R015 Failure to effectively and proactively manage the media profile of DBC including social media (New Risk)

2.17 This is a new risk to ensure we manage the media (and social media) profile of the Council.

2.18 The Council continues to manage its profile successfully. In the last quarter it posted 953 messages across its media channels and had a total twitter reach of 1.76million. It also ran a number of successful campaigns and the Communications Team was nominated for two CIPR awards.

PP_R016 Failure to effectively and proactively manage all aspects of employee relations (New Risk)

2.19 This is a new risk considering employee relations.

2.20 Over the last quarter the HR team has continued to support and coach managers through all employee relation cases. Furthermore the Council will be launching its new People Strategy in autumn and analysis from 2015/16 showed that turnover rates are lower than that of other similar councils.

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

2.21 This is a new risk focusing on the need to manage organisational change and staff development.

2.22 The Council is undertaking a number of projects to help develop the change capacity of the organisation. This includes creation of a Forum culture guide, work on the People Strategy and a project to build on the findings from the staff survey.

PP_R018 Failure to understand and respond to the current and future technology needs of the Council (New Risk)

2.23 This is a new risk which concerns the importance of responding to the current and future technology needs of the Council.

2.24 An invitation to tender is currently live on the procurement portal for the provision of a corporate Applications Review. The IT team is also looking at the structure of support for business applications. Work is also continuing on implementation of new technology include a new remote access programme (Direct Access) and Skype for Business.

PP_R04 Failures in ICT resilience or security leading to significant system downtime (New Risk)

2.25 This is a new risk that considers the impact of service downtime due to failures in ICT resilience or security.

2.26 An agreement has been reached for new resilient connectivity between The Forum and the data centres (removing common path to local BT exchange). The council is PSN compliant and in Q1 overall systems availability was 100%.

F&R OSC QUARTERLY PERFORMANCE REPORT

Performance and Projects

June 2016

Measure	Owner & Updater	Jun 2016 Result	Mar 2016 Result	Jun 2015 Result	Sign Off	Comments
CS02a - Percentage stage 1 complaints resolved in 20 days for the Council	Matt Rawdon Cassie ONeil	97.78% (132/135) Target: 80	98.68% (150/152) Target: 80	89.17% (140/157) Target: 80	✓	**Updater** **Owner** Improvement from last quarter which is pleasing.
CS02b - Percentage stage 2 complaints resolved in 20 days for the Council	Matt Rawdon Cassie ONeil	84.62% (11/13) Target: 80	86.67% (13/15) Target: 80	84.21% (16/19) Target: 80	✓	**Updater** **Owner** No comments
CS02c - Percentage stage 3 complaints resolved in 20 days for the Council	Matt Rawdon Cassie ONeil	100% (4/4) Target: 80	100% (5/5) Target: 80	100% (4/4) Target: 80	✓	**Updater** **Owner** No comments
HR01 - Total FTE staff employed	Matt Rawdon Anne Stunell	660 Staff Info Only	650 Staff Info Only	685 Staff Info Only	✓	**Updater** slightly higher than last quarter; lower than last year 22 leavers, 20 starters **Owner** No comments

Monitoring Information

Measure	Owner & Updater	Jun 2016 Result	Mar 2016 Result	Jun 2015 Result	Sign Off	Comments
HR02 - Total number of leavers	Matt Rawdon Anne Stunell	22 Leavers Info Only	21 Leavers Info Only	25 Leavers Info Only	✓	**Updater** 3 retirements at 65 years, 15 voluntary resignations, 1 redundancy, 3 resignations to go to other local authorities **Owner** No comments
HR03 - Total days lost through sickness absence	Matt Rawdon Anne Stunell	1019.25 Days Info Only	1679 Days Info Only	1449.62 Days Info Only	✓	**Updater** Significantly lower than last quarter and last year **Owner** No comments
HR04a - Total days lost through SHORT TERM sickness absence	Matt Rawdon Anne Stunell	369.75 Days Info Only	668.5 Days Info Only	353.6 Days Info Only	✓	**Updater** Significantly lower than last quarter, but higher than last year **Owner** No comments
HR04b - Total days lost through LONG TERM sickness absence	Matt Rawdon Anne Stunell	649.5 Days Info Only	1010.5 Days Info Only	1096.02 Days Info Only	✓	**Updater** Significantly lower than last quarter and last year **Owner** This is where a lot of work has been carried out to help support staff back to work or to end the contractual relationship.

Monitoring Information

Measure	Owner & Updater	Jun 2016 Result	Mar 2016 Result	Jun 2015 Result	Sign Off	Comments
HR05 - Average days lost due to sickness absence per FTE	Matt Rawdon Anne Stunell	1.54 Days (1019/660) Target: 2	2.58 Days (1679/650) Target: 2	2.12 Days (1450/685) Target: 2	✓	**Updater** Significantly lower than last quarter and last year; under target **Owner** No comments
ICT01 - Percentage of incidents resolved in less than 2 days	Ben Trueman Amanda Jeffries	89.46% (951/1063) Target: 90	88.63% (1021/1152) Target: 90	92.9% (994/1070) Target: 90	✓	**Owner** Target missed by a fraction, with the picture improving steadily through the quarter.
ICT02 - Availability of primary systems (office hours)	Ben Trueman Amanda Jeffries	100% Target: 99	99.95% Target: 99	300% Target: 99	✓	**Owner**
ICT03 - Percentage of New Starter Requests processed in 5 working days from notification	Ben Trueman Amanda Jeffries	96.55% (28/29) Target: 95	79.17% (19/24) Target: 95	72.13% (44/61) Target: 97	✓	**Owner** Excellent performance from the Service Desk
WEB01 - Percentage website availability	Ben Trueman Murtaza Maqbool	100% Target: 99	99.89% Target: 99	99.98% Target: 99	✓	**Owner**
WEB03 - Number of Website Users	Ben Trueman Murtaza Maqbool	123748 Info Only	122865 Info Only	No Data Info Only	✓	**Owner** A modest increase of 0.5% over the number of previous quarter's user numbers.

Monitoring Information

OPERATIONAL RISK REGISTER

June 2016

Performance and Projects - Robert Smyth					
PP_R011 Failure to deliver Digital Dacorum leads to poor customer experiences and increased costs from calls and face to face visits					
Category: Reputational	**Corporate Priority:** Dacorum Delivers		**Risk Owner:** Robert Smyth	**Portfolio Holder:** 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**	
85% of adults use the internet regulary and people expect services that reflect their 24/7 online lives. 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		We have created a detailed Digital Dacorum programme and plan of 10 projects which will transform our digital approach and ensure that we deliver a modern, 24/7 experience. - 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.		- Specialist digital staff are in place (web team and channel shift advisor) - Digital Dacorum Strategy and Implementation Plan has been published - New website has gone live - New content management and governance process has been introduced - Schedule for re-design and development has been agreed - New online payment portal has gone live	

cannot access services at a time and in a way that is best for them.	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 - Our new website has gone live (Project 1) - We improved the content on our website and reduced the number of pages (Project 2) - An online solution for benefits, green waste charging, allotments and reports of homelessness has been launched (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)	
Sign Off and Comments		

OPERATIONAL RISK REGISTER

June 2016

Sign Off Complete

We are continuing to make good progress in delivering our digital vision. In particular we are focusing on putting more services online, channel shifting residents and digitising more of our back office work. Therefore we do not consider it necessary to change the rating for this risk.

In comparison to the same period in 2015, website visits have increased by 18%, face to face visits have decreased by 24% and we have had a 4% reduction in phone calls. This reduces the strain on front line services and reduces the cost of contacting residents.

Internally we have seen a 3% reduction in postage costs and a 20% reduction in printing. We have also automated a number of processes and are helping re-design existing policies and procedures.

What Next

Over the next six months we will be launching a number of new services including a new website for the Old Town Hall, rebranding the complaints and waste e-forms and launching a Council Tax self-service portal.

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

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
The ability to manage performance, projects and complaints is vital if we are going to successfully deliver the Council's objectives and priorities. Effective project and performance management ensures that we can deliver what's expected on time and under budget. It also enables us to maximise value for money.	We have recently launched Managing Projects Successfully, our new approach to project management. This provides detailed step-by-step guidance on how to develop, define, manage and evaluate a project. We have a well established performance management system (Corvu) underpinned by a detailed performance	- We monitor performance, projects and complaints on a monthly, quarterly and annual basis - We have a dedicated performance and project management system (Corvu) - We have a project management framework (managing

OPERATIONAL RISK REGISTER

June 2016

However poor project and performance management leads to cost overruns, delays and a failure to achieve outcomes. It also causes opportunity costs and can leads to expensive or ineffective remedial work. Failure to manage complaints can lead to poor service, dissatisfaction and an inability to learn from mistakes and issues.	framework. We have a team of performance and project management specialists and on a monthly basis we produce programme and performance monitoring reports which are scrutinised at a Member led Performance Board and Group. We have a robust complaints policy and a specialist complaints management system.	projects successfully) - We have a detailed complaints policy and procedure

Sign Off and Comments

Sign Off Complete

Over the last quarter we have continued to manage performance and projects in an effective way. The majority of KPIs (72%) and projects (70%) are on target. We've also had positive feedback from the LGA review regarding our project management set-up. We received 135 complaints in Q1 and 98% were resolved in our agreed deadline. Furthermore we've reviewed our complaints procedure and we will be bringing a revised complaints policy to Cabinet.

What Next
We are upgrading our performance management system and we are also going to implement a virtual project office. In addition we are producing a detailed trend report looking at complaints and identifying any systemic trends that need to be addressed.

PP_R014 Failure to achieve the service outcomes outlined in each of the new community contracts

Category:	Corporate Priority:		Risk Owner:	Portfolio Holder:	Tolerance:
Organisational/Management	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

OPERATIONAL RISK REGISTER

June 2016

Consequences	Current Controls	Assurance
The community contracts provide vital support services for some of the most vulnerable residents in Dacorum. The contracts are: - Information, Advice and Advocacy - Supporting the Voluntary Sector - Reducing Social Isolation - Living Stable Lives - Promoting Healthy Relationships However if we don't achieve the outcomes from each contract, the community will receive inadequate services which can have serious consequence and lead to higher demand for reactive Council services e.g. homelessness, ASB. Failure to deliver would also adversely affect the capacity of the local VCS, with implications for the broader support base. There would also be negative implications for the reputation of the Council and for the services involved.	We have introduced a number of controls which manage the risk of not achieving the service outcomes: We have undertaken a comprehensive and robust commissioning process, which ensures that we select providers that can deliver on our objectives. We will agree KPIs with each contract and these will be reported to the CEO and Portfolio Holder. We will conduct regular contractual performance meetings and we have a well established process for dealing with any issues. All the contracts will be managed by senior officers with oversight from the Group Manager and Assistant Director. We have also commissioned an audit of our process by Mazars.	- Commissioning Tender Returns - Individual Contracts and Agreements - KPI Monitoring Reports

Sign Off and Comments
Sign Off Complete

OPERATIONAL RISK REGISTER

June 2016

This is a new risk and we are still in the commissioning process.
All contracts have been out for tender and we have received submissions for each. One contract is currently live, the rest will be launched by the end of December 2016. Our first performance meeting with CAB (Information, Advice and Guidance Contract) will be commencing in September 2016. The contract management arrangements and reporting requirements are in place.

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

Category:	Corporate Priority:	Risk Owner:	Portfolio Holder:	Tolerance:
Service Delivery	Dacorum Delivers	Robert Smyth	Cllr Neil Harden	Treating

Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
2 Unlikely	4 Severe	8 Amber	1 Very Unlikely	4 Severe	4 Green

Consequences	Current Controls	Assurance
The media profile of the organisation is a major issue. If our media profile is not professionally managed, it could lead to reputational risk for the council. This includes reputational risk/damage to members and council staff, and questions being asked about service delivery (as a council) and value for money. A positive media profile also offers a real opportunity to attract new investment and resources. The risks from social media occur either because we aren't using the tool to engage residents restricting our contact with key demographics, or because our reputation has been damaged due to inappropriate or	We have a number of controls in place to mitigate these risks: For press and media coverage we use a press management system called Vuelio. This enables us to plan for both proactive and reactive issues and maintain control of all outbound and inbound media activities. We have developed good working relationships with the local press and media and continue to involve them in our important activities. Similarly the press are in regular contact with the communications team for comments or further information regarding campaigns and activities.	- We have a dedicated and experienced communications team with expertise across all forms of media. - The majority of press coverage has been positive with a large emphasis on the Hemel Evolution programme and the various zones that have been completed. - Due to our relationship with the press, we are regularly contacted for a statement or comment on the article being published. - With social media, the risk management software allows us to setup word libraries that will automatically delete posts (using specific words) from the respective

negative use or postings.	For social media we use Crowd Control (CCHQ) which is the UK's leading risk management software for managing all social media accounts across the council. CCHQ is a web-based risk management platform that enables us to efficiently control access to our social pages, keeping them safe and secure. We also require all staff to read, understand and sign a number of policies relating to the use of social media and ICT.	social media channels. - We have a communications strategy and a social media strategy. We also have a detailed service plan for communications.

Sign Off and Comments

Sign Off Complete

This is a new risk. In the last quarter we posted 953 messages across our media channels. Over the same period we received 244 direct messages which were responded to in accordance with our social media policy and guidance. The overall Twitter reach for this period is 1.76 million with 8,127 followers. We also ran a number of campaigns including Clean and Tidy (Clean for the Queen), Dacorum's Den, Elections and Democracy(Referendum) and Hemel Evolution (Fountain and Water Gardens). It is also worth noting that our Communications teams have been nominated for Chartered Institute of Public Relations (CIPR) awards.

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

Category:	Corporate Priority:		Risk Owner:	Portfolio Holder:	Tolerance:
Service Delivery	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

OPERATIONAL RISK REGISTER

June 2016

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

Sign Off and Comments
Sign Off Complete This is a new risk. Over the last quarter HR has continued to support and coach managers through all employee relation cases. In autumn we will be launching our new People Strategy, which will be central in setting out our long term vision and plan of action to ensure we have the right staff in the right place and that they are highly motivated and productive.

OPERATIONAL RISK REGISTER

June 2016

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

Category:	Corporate Priority:		Risk Owner:	Portfolio Holder:	Tolerance:
Service Delivery	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
Managing and adapting to change is key if we are going to deliver the Council's vision. That's why we need to develop and foster a workforce that is flexible, responsive and able to manage organisation change. The consequences of this risk include dis-engaged staff, service delivery issues and low productivity. We could also experience high levels of turnover and a likelehood that key staff would relocate to other organisations. Staff not understanding the new culture within the forum could also cause productivity issues and relationship problems.	We have introduced a number of controls which manage the risk: Our Corporate training programme (featuring mandatory training courses) ensures that staff have the right skills. We have created a Cultural Board to ensure we have the right tools and culture to work in a modern and effecient way. The Manging in Dacorum Programme – identifies and develops key management skills in our Leaders. The Organisational transformation group provides strategic advice and support. We are currently developing a people strategy to ensure staff have to skills, values and experience.	- 87% of staff are willing to work with change (staff survey) - Regular staff forum briefings with a bespoke information section on the intranet - Good attendance in the managing in Dacorum Programme - Services are well received from the public. According to the Herts Tracker Survey 72% of our residents are satisfied with our services, which is the second best in Hertfordshire.

OPERATIONAL RISK REGISTER

June 2016

	Our Service Effeciency Programme (overseen by the Chief Operating Group) will also help to develop the change attitude within the organisation.	

Sign Off and Comments

Sign Off Complete

This is a new risk. We are undertaking a number of projects to help develop the change capacity of the organisation. We have worked with staff to create a Forum culture guide to highlight expected behaviour in the new environment. We have begun consultation on a People Strategy to set out our new approach to staff. We have also had the prelimnary findings from the LGA peer review, which identifieda number of positive aspects around our culture and delivery as well as some areas for further improvement. Our staff survey has also highlighted some areas for focus and we have set up a project to look at further changes that need to be made.

R018 Failure to understand and respond to the current and future technology needs of the Council

Category:	Corporate Priority:		Risk Owner:	Portfolio Holder:	Tolerance:
Technical/Operational	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
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. 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. In addition there can be significant knock-on costs as a	We have put in place the necessary structure, strategy, plans, budgets and vision to ensure we respond to the current and future needs of the business. The service is based around four core elements: - the service desk - infastructure - special projects - business applications	- Regular dialogue between ICT and other services. - Technology is discussed regularly at Leadership Team meetings - ICT Strategy and Service Plan. - TOR for joint Customer Insight working group. - Digital Dacorum Strategy

OPERATIONAL RISK REGISTER

June 2016

result problems with IT including delays in processing benefits or responding to service requests. It will also make other agenda's like Digital Dacorum harder to implement.	In terms of controls we have a detailed ICT Strategy and Improvement Plan. We also have an established staffing compliment and budget which has been shaped around the ICT needs of DBC. Having a technical project Manager in place has also ensured that further improvements are made. Each service has an in-team specialist business applications resource and there is a central applications lead to coordinate work. All staff are provided with the necessary hardware including the roll out of laptops as part of the Dacorum Anywhere programme. We have regular conversations with other council services and we take a category management approach to procurement.	

Sign Off and Comments
Sign Off Complete

OPERATIONAL RISK REGISTER

June 2016

This is a new risk. An invitation to tender is currently live on the procurement portal for the provision of a corporate Applications Review. We are also reviewing the structure of support for our business applications. Work is also continuing on implementation of new technology include a new remote access programme and Skype for Business.

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

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
ICT is central to the performance of departments. A failure in ICT resilience or security would see loss of access to some or potentially all ICT applications and services. This would have serious consequences for productivity, communication links with the public and would have a major impact on public facing services. It could also lead to reputational damage or concerns about our capacity.	We have introduced a number of controls which manage the risk: Technical Controls - The Council has a secondary data centre in Aylesbury which can be put into action in the event of a serious failure of the primary data centre. Our Wide Area Network design provides resilient connectivity (diverse routing) so that if the direct connection from the Civic Centre to the primary data centre (Amersham) is severed, traffic will be re-routed to run via the secondary data centre (Aylesbury). NB: currently there is a common path to both connections between the Civic Centre and the nearest BT exchange.	Assurance - KPI's - ICT01 - % of incidents resolved in less than 2 days. ICT02 - Availability of primary systems. WEB01 - Website availability - High Level Recovery Plan available on request - Successful tests of DR procedure – assuring that services can be restored within the secondary data centre using replicated data. - PSN Compliance.

OPERATIONAL RISK REGISTER

June 2016

Page 75	Servers exist in a virtual environment and are hosted across multiple physical machines, meaning there is less dependence on individual components. Data is replicated across the two data centres and is also backed up so that it can be called back and restored if required. Process controls - Data back-ups are stored off site at Cupid Green. Security - We have a number of security processes in place, all of which is underpinned (and assured) by our PSN compliance. These include corporate firewalls, anti-virus software on end point devices, end point security solutions to block unknown devices, encrypted hard drives, managed permissions and a two factor authentication process (name and crypto card).	

Sign Off and Comments
Sign Off Complete

OPERATIONAL RISK REGISTER

June 2016

This is a new risk. Agreement has been reached for new resilient connectivity between The Forum and the data centres (removing common path to local BT exchange). We are also continuing to work on our annual submission for PSN compliance.

Overall systems availability was 100% across Q1. However there was an outage in our primary data centre in July (as a result of a failure of Bucks County Council equipment). We are working with Bucks to understand what further countermeasures can be introduced.

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
05 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 M Housden, (Procurement officer)	
		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 ***Ideally no further items to be added***		J Deane, Corporate Director - Finance & Operations D Skinner, Assistant Director – Finance & Resources	
		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.*

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 ***Ideally no further items to be added***	SC	J Deane, Corporate Director - Finance & Operations D Skinner, Assistant Director – Finance & Resources	
		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 M Housden, (Procurement officer)	
		Q3 Forecast Financial	PM	R Baker, Group Manager – Financial Services	**Put this item**

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.*

		Outturn Report 2017/18			**first on the agenda before the Quarterly Reports**
		Action Points from previous meetings	SC	All Members to discuss	