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Finance and Resources Overview and Scrutiny Committee

Report for:	Finance and Resources Overview and Scrutiny Committee
Title of report:	Quarter 2 Performance Report – Corporate and Commercial Services
Date:	7 th November 2023
Report on behalf of:	Portfolio Holder for Corporate & Commercial
Part:	I
If Part II, reason:	N/A
Appendices:	Appendix A – Key Performance Indicator report Appendix B – Finance Operational Risk report
Background papers:	None
Glossary of acronyms and any other abbreviations used in this report:	TRO – Traffic Regulation Orders

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Corporate Priorities	A clean, safe and enjoyable environment Building strong and vibrant communities Ensuring economic growth and prosperity Providing good quality affordable homes, in particular for those most in need Ensuring efficient, effective and modern service delivery Climate and ecological emergency
Wards affected	All
Purpose of the report:	To provide Members with the performance report for Quarter Two 2023-24 in relation to the

	Corporate and Commercial directorate.
Recommendation (s) to the decision maker (s):	That Members note the performance of the service as set out in the report.
Period for post policy/project review:	Quarterly

1 Introduction

This paper will provide an update on service performance over Q2 2023/2024 for the Corporate & Commercial Directorate, including Commercial Development, Finance & Resources and Legal & Democratic Services. It will also highlight key service achievements over this same period.

2 Commercial Development

This section of the report provides an update on the performance during Q2 2023- 24 of Commercial Development Services.

2.1 Key Performance Indicators

The key performance indicators for Commercial Development are set out below.

Commercial Development - Performance Scorecard						
Measure Code ↑	Measure	Date	Actual	Target	DoT	Performance Trend
FIN12a (Q)	Percentage of Garages income received against forecast (Q)	Sep 2023	97.50%		✘	
FIN13a (Q)	Percentage of parking income received against forecast (Q)	Sep 2023	103.30%		✔	

2.2 Procurement Activity

The Procurement team are currently supporting the delivery of a number of commissioning and tendering activities in compliance with the Council's Commissioning & Procurement Standing Orders.

2.3 Procurement Compliance

Following a Procurement Assurance internal audit report, the recommendation was to update the Finance & Resources Overview & Scrutiny Committee with any non-compliance procurement activities. There is a work programme of improvements to support and oversight of procurement that is currently ongoing, which will be reported to future Committee meetings.

Table 1 - Number of times the Procurement Standing Orders have been set aside during Q2

Contract	Justification	Responsible Officer
Provision of Agency Estate Surveying Staff G2 Recruitment £80k	The Council has struggled to recruit and retain Estates Surveying staff for a number of years and have filled the vacancies through a number of different agencies to obtain the correct calibre and qualified staff.	Richard Rice
Provision of Agency Estate Surveying Staff Park Avenue £78k	The Council has struggled to recruit and retain Estates Surveying staff for a number of years and have filled the vacancies through a number of different agencies to obtain the correct calibre and qualified staff.	Richard Rice
Provision of Agency Estate Surveying Staff Oyster £90k	The Council has struggled to recruit and retain Estates Surveying staff for a number of years and have filled the vacancies through a number of different agencies to obtain the correct calibre and qualified staff.	Richard Rice
Provision of Maternity Cover HoS role Green Acre Ltd £80k	Given the tight timescales the service is working to, the level of delivery needed within the role, the fact that a suitable and available candidate has been sourced through a supplier the Council has an existing relationship with	David Barrett

Table 2 - Non-Compliant procurement expenditure during Q2

Contract	Annual Value	Reason	Responsible Officer	Mitigation

A separate Part II report on Housing related non-compliant spend was presented to Cabinet on 17 October 2023.

2.4 Commercial Strategy & Programme

With support from consultants and working across the Council's Corporate Leadership Team, an initial Commercial Programme was formed in 2022, with 12 Initial Business Case (IBCs) opportunities identified for further development to Full Business Case (FBCs). The 12 IBCs were reduced to 9, with the other 3 incorporated into ongoing transformation projects taking place within Housing and Waste Services. Progress has previously been reported in detail on the 12 FBCs.

There are many strands of work relating to the Commercial Strategy, being undertaken throughout services, and commercial considerations are embedded in ongoing budget and service planning. A separate report on this activity will be presented to the Committee at future meetings. The activity includes detailed reviews of fees & charges and of commercial income streams, as well as longer term planning to leverage best value from the Council's assets through current work on Strategic Asset Reviews. It also includes progression of certain proposals developed through the Business Cases, including:

- Light Industrial Units.
 - Following agreement to take forward Business Case proposals to construct new light industrial/ small business units on former garage sites, a tender for the construction of these units has been developed during Q2. It will be advertised to the market in Q3.
- Legal Services
 - Discussions have been ongoing during Q2 with neighbouring authorities, and a more detailed timeline for development and formal decision-making about the opportunity for a shared service will be confirmed during Q3.
- Planning Service
 - Discussions have been ongoing during Q2 with neighbouring authorities about potential opportunities for future shared services. These discussions will continue and further updates will be provided, taking into consideration resource and timing constraints relating to requirements for progression of the Local Plan.
- Parking Services
 - Following an initial Business Case that considered opportunities relating to parking, proposals for changes to parking tariff and charging policy, and for considering 'smart parking' technology, were considered by Cabinet in September 2023. Informal consultation on the proposals for tariff and charging changes was carried out in Q2. These will be considered again by Cabinet in December 2023. Work is also progressing on the renewal of the parking enforcement contract and how 'smart' technology might supplement this service to make it more effective and efficient

- CCTV
 - Work is progressing on implementing service improvements to enable the service to be better positioned to focus on commercial activity in 2024-25.

3 Legal and Democratic Services Q4 Performance Report

3.1 The Legal Team

The Legal team frequently represent the Council in the courts and tribunals, leading on injunctions, prosecutions and defending employment tribunal cases, housing disrepair claims and judicial review proceedings. The individual team members generally hold a caseload of approximately 50-80 open cases at any one time. Most cases will be settled before they get to court, and therefore the concluded case below is a snapshot of their overall work, set out for Members' interest.

Matter	Client/type	Case Detail
Breach of Planning Enforcement – unauthorised construction of driveway in conservation area	DBC V Cowan	Fine £1,500 Legal costs of £5,945

3.2 Corporate and Democratic Support

Democratic Support Services

Democratic Services

During Quarter 2, Democratic Services carried out the following activities:-

Delivered 2 Full Council meeting, live streamed via YouTube

1. Supported 19 committees (including agendas & minutes)
2. Processed and administered 7 new Portfolio Holder Decisions, published 3 completed decisions
3. Processed 9 Officer Decisions
4. Delivered the following training sessions;
 - o 6 July 2023 - Equality, Diversity & Inclusion
 - o 10 July 2023 - Equality, Diversity & Inclusion
 - o 12 July 2023 – GDPR & FOI
 - o 20 July 2023 – Appeals training
 - o 19 September 2023 – Mandatory Finance training

Digital Print & Post Room:

In addition to the day to day workload and ad hoc requests for support and reprographics, during Quarter 2 the team;

1. Processed and franked a total of 63,315 outgoing mail items, at a total cost of £36,392.38 (includes HVCCG & CAB which is recharged)
2. Processed and banked 455 cheques with a total income of £163,277.49
3. Received and banked 13 emergency cash transactions with a total value of £12,090.45
4. Supported the wider organisation with ad hoc reprographics requests
5. Our Courier service continues to deliver personnel urgent letters, delivery of stationery items to staff, including collections of confidential waste

Electoral Services

Electoral Register

During Quarter 2, the following 2498 changes were made to the Electoral Register:-

Additions 1217

Deletions 895

Changes 165

Movers 221

Staff Training

Throughout Q2, the team attended:

- AEA Eastern branch meeting
- Herts country group meeting
- Local Government information Unit's - Voter ID research findings
- Express annual conference
- Civica Elections Act
- AEA Boundary Reviews
- AEA UKPGE and Cross-boundaries
- DLUHC ERO Portal Demo
- AEA Preparing for the next General election: Parliamentary boundaries and Polling places review,

The newest member of the team also completed their AEA Foundation course.

Annual Canvass 2023

Annual canvass begun in July when our data was matched with the DWP. Local data matching was then carried out. This determined which canvass route every property in Dacorum would follow.

As a result, 50,520 Canvass Communication A (CCA) forms were issued in August. Following this a further 16,863 Canvass Communication B (CCB) forms were issued to route 2 properties, who must reply,

In September, 9286 reminder forms were issued to any route 2 property who had not yet responded.

The attention now moves to the personal canvass stage. This is where non responding route 2 properties will receive a door knock to complete the form in person.

Election Act implementation

The team are still awaiting detailed guidance on how the remaining aspects of the elections act will be implemented. The next phase will be the introduction of 'Online Absent Vote Applications (OAVA)' which is due to launch on 31 October 2023.

Parliamentary Boundary Review

Updates to the new boundaries will be made to the Electoral Register in time for the revised publication on 1 Dec 2023. The team have been carrying out updates & cross checking these with the proposals from the Boundary Commission.

Electoral Review

The Local Government Boundary Commission for England (LGBCE) have begun the electoral review for Dacorum. Various Officer and member briefings were held in order to raise awareness. Officers are currently collating information in order to submit projected forecasts required.

Polling District & Polling Place Review

This has now begun and will seek feedback from the community on the current location of all polling places and the current polling districts.

The outcome of this will be discussed at the next Electoral Review Committee and then an updated Polling District & Polling Place Order will be recommended for approved by Full Council in November 2023.

Police & Crime Commission election 2023

The next PCC election will be held on the 2nd of May 2024. The team are currently working with all Polling Places and all staff on the database, in order to set them all up with an online account. This uses a system called a Mobile Election Application (MEA).

One of the main advantages of using MEA is the ability to quickly communicate with staff and locate booking agents through a secure portal. This also saves on resources as there is no need to print and send letters, and as MEA is fully integrated with Xpress Management, any responses or changes made by users in MEA will update the system once a sync process has been run from within Management.

Next Parliamentary election

The team are mindful that the next Parliamentary election must take place before January 2025 and project planning is underway to start to prepare for this election.

3.3 Performance Indicators

The Information Security Team who manage freedom of information and data protection requests are pleased to report that both performance indicators were green for the last quarter. In respect of freedom of information requests this is a greatly improved performance from the last quarter and follows a review of processes, which resulted in process and reporting changes that have improved performance.

4 Finance & Resources Q2 Performance & Operational Risk Report

4.1 Introduction:

Finance Operational 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.

4.2 Quarter 2 Finance and Resources performance report:

- A. This report outlines the 2023/24 Quarter 2 (July – September) performance of the Finance and Revenues and Benefits services, the details of the quarterly KPI's are included in Appendix A of the Q2 Corporate and Commercial Performance report.

The Performance appendix detail the current performance against a range of agreed Key Performance Indicators. These report detail that there are two red KPI's where performance requires improvement;

FIN02a Time taken for debtors to pay –

This has been adversely impacted in the last 2 years by several government Covid policies around debt collection and in particular around enforcement of the collection of commercial rent. These policies have either limited or prevented the standard debt collection processes.

This has resulted in the Council holding more historic commercial property debt resulting from the pandemic, where either businesses have chosen to repay debt through payment plans which take longer to pay back and delay payment, or have not been paying their debt as previously expected.

During 2022/23 this KPI peaked at over 60 days and is now around the 55 days so improvement has been made in the last 12 months. The commercial property and finance team are working in combination with commercial property tenants to improve this performance.

The council has a bad debt provision that could fund unpayable debts and the impact on the council's cashflow of this reduced performance is minimal. This KPI target is been reviewed and reassessed with revised KPI's expected in 2024 to take into consideration the high level of payment plans currently in place.

FIN06 Capital Variance against Forecast

At quarter 1 the capital financial projections showed an overspend of circa £70k on the revised general fund capital programme of circa £10m. This variance is less than 1% of the overall capital budget and is within budget tolerances, this spend relates to additional waste bins procured this year to support the garden and household waste collection service. The quarter 2 Capital financial performance will be reported to the committee shortly.

4.3 Finance and Resources Quarter 2 Operational Risk Report

The Qtr 2 Finance operational risk register is attached in Appendix B. There are no changes to the scoring at quarter 2 from quarter 1. At present there is one red rated operational risk in relation to the council tax and business rates collection. The collection rates finished slightly behind the targeted levels in 22/23 but both rates in 23/24 are an improvement on year on year, but not yet achieving pre covid performance levels.

Although the in-year collection rate has underperformed from a budget/cash perspective the in year collection of previous year's arrears has exceeded expectations and hence there is no reported budget pressure in 23/24. The poorer collection performance in 22/23 combined with the current economic pressures, would suggest the collection rate performance in 23/24 will be very challenging and hence will be under close scrutiny.

4.4 Financial Services Overall Performance

The service has continued to support service delivery in the last quarter and key deliverables have included:

- Ongoing Monthly Financial Monitoring and financial performance assessment on a monthly basis
- The creation, review and scrutiny of the final 2023 approved MTFS
- Publication and scrutiny of the draft 22/23 financial accounts and statements
- Assisting with the modelling and delivery of the car parking proposals and consultation

4.5 Revenues and Benefits Overall Performance

The service continues to collect council tax and business rates and administers the benefits service to more residents and businesses than ever. In addition to these usual activities the service has also;

- Initiated a consultation on the Council's 2024 Council Tax Support Policy
- Prepared collection fund analysis as part of the MTFS assumptions and proposals
- Undertaken a review of service provision and assessed revised Revenues and Benefits restructure developments
- Prepared for the Implementation of Citizen Access, providing residents with improved digital accessibility

5 Financial and value for money implications:

Poor performance or increased risk would indicate areas of concern and potential lack of best value, and these services and processes are reviewed as part of the ongoing corporate financial monitoring framework and reflected in the budget monitoring reports presented to Scrutiny and Cabinet.

6 Legal Implications

N/A

7 Risk implications:

The process of reviewing and reporting performance and operational risks is part of the wider risk management processes undertaken by the Council, to ensure risk management and mitigation is undertaken where required and follows the strategic risk strategy outlined by the Council.

8 Equalities, Community Impact and Human Rights:

No Community or equalities assessment has been undertaken specifically as part of this report. The services and the service delivery processes are assessed periodically to ensure these services reflect the Council's policies on service delivery.

9 Sustainability implications (including climate change, health and wellbeing, community safety)

N/A

10 Council infrastructure (including Health and Safety, HR/OD, assets and other resources)

N/A

11 Conclusions: Performance and risk are outlined in the appendices and summarised in the report, and the Committee are asked to note the report.