

## Finance and Resources Overview & Scrutiny Committee 5 November 2024

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| <b>Report for:</b>   | Finance and Resources Overview and Scrutiny Committee                            |
| <b>Title of report:</b>  | Quarter 2 Performance Report – Corporate and Commercial Services                 |
| <b>Date:</b>   | 5 November 2024  |
| <b>Report on behalf of:</b>  | Councillor William Allen, Portfolio Holder for Corporate and Commercial Services |
| <b>Part:</b>   | I  |
| <b>If Part II, reason:</b>   | N/A  |
| <b>Appendices:</b>   | Appendix A – Key Performance Indicator report                                    |
| <b>Background papers:</b>  | None   |
| <b>Glossary of acronyms and any other abbreviations used in this report:</b> |  |

### Report Authors/ Responsible Officers

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| <b>Corporate Priorities</b>                          | <p>Community Engagement</p> <p>Service Improvement and Delivery</p> <p>Vibrant Communities</p> <p>Sustainable Future</p> <p>Clean, Safe and Green</p> <p>Homes to be Proud of</p> <p>Proud and Thriving Borough</p> |
| <b>Wards affected</b>                                | All   |
| <b>Purpose of the report:</b>                        | To provide Members with the performance report for Quarter 2 2024-25 in relation to the Corporate and Commercial directorate.   |
| <b>Recommendation (s) to the decision maker (s):</b> | That Members note the performance of the service as set out in the report.  |
| <b>Period for post policy/project review:</b>        | Quarterly   |

## 1. Introduction

This paper will provide an update on service performance over Q2 2024/2025 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 2024/25 of Commercial Development Services.

### 2.1 Procurement Activity

The Procurement team is currently supporting the delivery of a number of commissioning and tendering activities in compliance with the Council's Commissioning & Procurement Standing Orders, and continues to have oversight of the Council's commissioning and procurement activity to assure compliance and value for money. Work has continued on updating and improving the Council's Procurement Forward Plan during Q2, to support assurance and improvement in compliance and value for money through all commissioning and procurement activity.

**Procurement Transformation** – The Government's new procurement regime is being introduced through the Procurement Act 2023 and the Procurement Regulations Bill 2024, which was laid in parliament in March 2024. The public sector is now preparing for the significant changes the new regime will introduce, and a range of national learning and development material has been released to support this transformation.

The Procurement Service has been updating procurement systems, process and documentation, to provide a clear updated governance and compliance framework that officers will need to follow.

In September 2024 the Government delayed the implementation of the Procurement Act until 24 February 2025 and work will continue during Q3 to develop updated procurement governance arrangements once the detail of the new Act and its implications on public sector procurement have all been released by the Cabinet Office. More information on the proposals for changes from the current procurement regulations will be presented to this Committee and Cabinet before the implementation date of 24 February 2025.

## 2.2 Procurement Compliance

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

| Contract   | Justification  | Responsible Officer                                |
|--|--|--|
| Extend the contract Hemel Garden Community consultancy Support | The contract proposal will provide further support with senior officer and Member engagement activities, and a stewardship focus to support the HGC team and partners, over a period of 9 months. The proposal covers a 9 month period and will cost around £55,000.00, with costs to date at £61,400.00 and a total cost of £116,400.00.  | Programme Manager<br>Hemel Garden Communities      |
| Extension of the Homeless Hostel Management Agent Contract     | There is an ongoing issue with the building and remedial works will need to be carried out, which is being discussed with the Contractor who built the Hostel in 2014. It is the recommendation of the Commercial Housing Contracts Team that due to the disruption of this process these remediation works are completed before the next contract commences. It is predicted that it will be 12 months before the remediation works are completed.  | Head of Housing Operations                         |
| Paradise Depot;<br>Procurement of New Contractor               | Following the main contractor entering administration, the Council have undertaken an open book negotiation with the 2nd highest scoring contractor, in this case Bugler Developments Ltd, from the original tender process in 2022. This would be all subject to obtaining a PH decision to set aside the Procurement Standing Orders and to publish a Voluntary Ex-Ante Transparency (VEAT) notice, to mitigate the risk of being challenged of awarding contracts without a call for competition that are above the World Trade Organisation financial threshold. | Assistant Director<br>Strategic Housing & Delivery |

Table 2 – Known non-compliant procurement expenditure during Q2

| <b>Contract</b>                               | <b>Annual Value</b> | <b>Reason</b>        | <b>Responsible Officer</b> | <b>Mitigation</b>   |
|---|---------------------|----------------------|----------------------------|---|
| Supply of Sacks for Environmental Services    | £40,000             | Contract expired     | John Mooteealoo            | Current demand on Environmental Service resource has resulted in this contract remaining as non-compliant, plans in place to have new contracts awarded in Q3 2024/25 |
| Supply of Bins & Caddies                      | £40,000             | No contract in place | John Mooteealoo            | Current demand on Environmental Service resource has resulted in this contract remaining as non-compliant, plans in place to have new contracts awarded in Q3 2024/25 |
| Haulage of Waste from Cupid Green             | £45,000             | No contract in place | John Mooteealoo            | Current demand on Environmental Service resource has resulted in this contract remaining as non-compliant, plans in place to have new contracts awarded in Q3 2024/25 |
| Supply & Fitting of Tyres to Commercial Fleet | £75,000             | No contract in place | John Mooteealoo            | Current demand on Environmental Service resource has resulted in this contract remaining as non-compliant, plans in place to have new contracts awarded in Q3 2024/25 |
| Supply of Grounds Maintenance Equipment       | £110,000            | No contract in place | John Mooteealoo            | Current demand on Environmental Service resource has resulted in this contract remaining as non-compliant, plans in place to have new contracts awarded in Q3 2024/25 |

## 2.3 Commercial Development & Programme

There are many strands of work relating to the Commercial Strategy being undertaken across services, and commercial considerations are embedded in ongoing budget and service planning. 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 Business Cases undertaken in 2022-23, including:

- **Parking Services**

Opportunities for changes to parking tariff and charging policy, were reported to this Committee and approved by Cabinet to proceed to statutory consultation in February 2024. Following the conclusion of the consultation a PH decision was made to implement the changes; however this decision has been called in and will be discussed at the Finance & Resource OSC meeting in November 2024.

Work is also progressing on the renewal of the parking enforcement contract in time for a new contract start date in 2025. This contract will aim to introduce 'smart' technology to support efficiencies in the parking enforcement service. The tender is currently live with a closing date of early November, the new contract will 'go-live' in Oct 2025.

Other commercial related projects underway, or that will commence in 2024 include:

- **Commercial Income Review** – Work continues on a multi-year programme of review of all services generating commercial income for the Council, with the aim of identifying opportunities to improve efficiency and net income, and support the ongoing financial sustainability of the MTFs. The first stage of this review concluded in Q4 2023-24, with analysis of corporate financial data and the income and expenditure of income generating services. This identified key areas of focus for further analysis.

The second stage commenced in Q1 2024-25 and conducted a deeper assessment of certain services, analysing costs, income, trends, identifying areas for improvement, growth and alternative delivery models if appropriate. This commercial assessment facilitated further analysis of income opportunities and fed into the scrutiny of fees and charges for 25-26, resulting in identification of increased opportunities for income generation. Development of Garage and Parking Pricing Strategies has been started as part of the review programme, and will provide structure and clarity for ongoing fee and tariff setting in these areas in future years.

- **Garage Portfolio Review** - Forming part of the wider Strategic Asset Review programme, this project has continued through Q2 2024-25 and will conclude during Q3. Its objective is to undertake a comprehensive assessment of the portfolio's performance, analysing financial and other commercial data to assess the performance of assets and analyse opportunities to drive income and

profitability of garage portfolio assets. This will inform the development of a new Garage Business Plan and drive profitability of the portfolio going forwards.

In addition, the review has also identified sites that could be used for alternative purposes that could deliver alternative commercial income returns to the Council. Further feasibility work will take place during 2024-25 and 25-26 on sites deemed most suitable for potential alternative use; aligning with other work streams within the Council's Strategic Asset Review – for example the HRA Housing Estate Review, wider asset review and plans to seek an Investment Partner to work with the Council on future place development, regeneration and housing growth.

- **Strategic Asset Review** – This programme has several project workstreams underway to review performance and strategic opportunities relating to the Council's assets. An update report on the programme was presented to the Committee earlier in 2024-25 and further reports will be presented on specific projects within the programme. As part of this, Investment Partnership proposals were presented to the Committee in October 2024.

### **3 Legal and Democratic Services Q2 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 and judicial review proceedings. In the last quarter the Legal team presented the following cases in court:

Dacorum BC v Eco Clear Waste Management Ltd/Daniel Chamberlain - Fly-tipping prosecution

- £10,000 fine
  - Full costs: £1159.73
  - Compensation order: £316.09 (costs of waste clearance)
  - Maximum Surcharge: £2000
- TOTAL: £13475

Clair Clark - - Injunction to access premises for gas safety checks – GRANTED  
Sharon Smith - Injunction to access premises for gas safety checks – GRANTED

Dacorum Borough Council v (1) Cosmic Louts Ltd and Magdalena Jachimia -  
Possession of commercial property granted by Watford County Council

#### **3.2 Corporate and Democratic Support**

##### **Democratic Services**

During Quarter 2 the team supported and hosted 21 committee meetings, including the production and publishing of actions, decisions and video minutes for public access.

The team supported the decision-making process which included 9 Cabinet decisions (with 3 resolutions to recommend for Council approval), 5 Portfolio Holder decisions (one of which is now subject to call in) and 7 Officer Decisions.

### 3.3 Electoral Services

#### Electoral Register

During Quarter 2, the following 7776 changes were made to the Electoral Register:-

Additions 3947

Deletions 2059

Changes 1142

Movers 628

#### Electoral Review

The Local Government Boundary Commission for England (LGBCE) has begun the electoral review for Dacorum.

The first phase was completed earlier in the year and the Boundary Commission advised that their preliminary recommendation was to remain with 51 councillors, but this will not be finally decided until May 2025 after the proposed warding arrangements have been considered.

Phase 2 of the review was to look at the boundary lines across the borough and consultation on this closed on the 9<sup>th</sup> of September 2024. The Council now awaits the LGBCE publishing its draft recommendations for consultation in December 2024.

#### Parliamentary election

The UK Parliamentary election was held on the 4<sup>th</sup> of July 2024. This was successfully completed for Dacorum for the Hemel Hempstead Constituency, and we worked well with other local authorities to ensure the smooth running of the South West Herts and Harpenden & Berkhamsted Constituencies also. Throughout the election period, the team worked tirelessly to ensure that all processes were followed, all key deadlines were met and anyone who was eligible to vote, was given the opportunity to do so.

During the 6-week election timetable, the following number of applications were received and processed by the team:

|                                   |      |
|-----------------------------------|------|
| Register to Vote                  | 6271 |
| Overseas                          | 319  |
| Postal Votes                      | 4035 |
| Proxies                           | 731  |
| Voter Authority Certificate (VAC) | 107  |



## Extra statistics

|  |   |
|--|---|
| Number of polling stations used:   | 49  |
| Number of polling stations booked (including those for other authorities)                      | 84  |
| Number of polling stations arranged for equipment to be delivered                              | 84  |
| Number of staff roles appointed to   | 448   |
| Total number of postal ballot papers issued (Hemel Hempstead Constituency only)                | 11,567  |
| Total number of postal ballot papers included in the count (Hemel Hempstead Constituency only) | 9,219   |
| Total Number of ballot papers verified (Hemel Hempstead Constituency only)                     | 44,277 (62.33% turnout)   |
| Complaints received  | 3<br>(not received Postal vote, not registered, not eligible to vote) |
| FOI requests   | 2   |
| Service requests   | 2   |
| Emergency Proxies  | 6   |

## EU ECR - Eligibility Confirmation Review

As part of the ongoing implementation of the Elections Act, all authorities are required to conduct a one-off review of the eligibility of all EU citizens on the electoral register.

Eligible electors must be a citizen of a country with which the UK has bilateral Voting and Candidacy Rights (VCR) treaty Luxembourg, Poland, Portugal, Denmark & Spain, are resident in the UK with any form of leave to remain, or do not require such leave.

Alternatively, they must be an EU citizen with retained rights if they are a citizen of a country with which the UK does not have bilateral Voting and Candidacy Rights (VCR) treaty but have been legally resident in the UK since before the UK left the EU on 31/12/2020.

DBC's review:

- 20<sup>th</sup> of May - identified 3869 of the current 5714 EU electors on the register qualified as eligible electors and had their eligibility confirmed in writing to them.
- Remaining 1845 electors - sent the first review letter advising of the changes, and the requirement to respond either yes or no to the prescribed question: *Have you been legally resident in the UK since before the UK left the EU on 31/12/2020?*
  - Electors who answer YES: would receive a letter advising their continued registration
  - Electors who answered NO: would receive a letter advising that due to their response they were no longer eligible to remain registered
- 498 responses were received to the first communication, most responded online
- It was at this point that the snap General Election was called, and the review had to be put on hold until after 4 July 2024.
- On 9 July 2024 DBC re-commenced the review and sent a reminder review letter to the remaining 1347 non-responding electors, all by post in accordance with guidance.

- On 24 July 2024 a final reminder letter was sent to 1137 non-responding electors, by post advising that if they did not respond within 14 days they would be removed.
- During the period 24 July 2024 to 31 July 2024 the whole team undertook a personal telephone canvass of non-responders.
- On 8 August 775 electors had not responded to 3 letters and a telephone call, and in accordance with the review legislation, these electors were removed from the register of electors and were sent letters advising the same.
- The EUVCR therefore concluded on the 8<sup>th</sup> of August 2024.

### **3.4 Licensing**

#### **Applications**

During Quarter 2, the Licensing Team dealt with the following:

397 applications in total broken down as follows:

179 Licensing Act applications

123 Taxi Licensing applications

48 Gambling Act applications/transactions (lotteries and machine permits)

18 Charity collections

1 Animal Activity licence grant application

9 Pavement licence applications

6 Street Trading consent applications

8 skin piercing applications

5 miscellaneous applications

#### **Licensing Complaints**

18 complaints were recorded and investigated.

#### **Committees**

##### July

Licensing, Health and Safety Enforcement Committee (LHSEC) – Pavement Licensing Policy agreed for consultation.

LHSEC – Taxi Licensing Policy Review : agreed for consultation.

##### September

LHSEC – Licensing Budget review 2025-26

LHSEC – Animal Activity Licensing Policy reviewed and agreed for consultation.

LHSEC – Gambling Statement of Principles reviewed and agreed for consultation

LHSEC Sub-Committee – Review of Taxi driver policy breach – Licence revoked.

### **3.5 Freedom of Information and Data Protection**

FOI & DPA Stats for Q2 as follows:

| Cat | Total Number Received | on Target | Missed | % On Target |
|-----|-----------------------|-----------|--------|-------------|
| FOI | 178                   | 162       | 16     | 91.01       |
| DPA | 20                    | 17        | 3      | 85          |

#### 4 Finance & Resources Q2 24/25 Performance Report

4.1 This report outlines the 2024/25 Quarter 2 (July – September) performance of the Finance and Revenues & Benefits services, the details of the quarterly KPI's are included in the enclosed Appendix A Corporate and Commercial Performance report.

4.2 The Performance appendix details the current performance against a range of agreed Key Performance Indicators and previous performance trends. These highlight that at present there are six green KPI's and two red KPIs. The red rated KPIs where performance requires improvement are:

- FIN02a Average time taken for debtors to pay,
- FIN06 Capital Variances

The Capital variances indicator is reported in detail in the Q2 financial report presented as part of the OSC agenda.

4.3 The FIN02a has been reported as red or amber for the last 12 months but the overall performance has been much improved over the last quarter with average debtor days reported as 52.2 against a target of 51.7. During August the service managed to bring this down to 45 days a month on month improvement of 10% and the service were on track to achieve the targets set. The quarterly commercial billing cycle in September unfortunately meant average quarterly performance fell just short of the target, but was much improved quarter on quarter with the service expecting this KPI to be green in quarter 3.

#### 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

There are no direct legal implications arising from this report.

#### 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.