



Hinckley & Bosworth
Borough Council

A Borough to be proud of

Date: 09 September 2016

To: Members of the Finance & Performance Scrutiny

Mr KWP Lynch (Chairman)
Mr PS Bessant
Mrs R Camamile
Mr DS Cope
Mrs J Kirby

Mrs H Smith
Miss DM Taylor
Mr P Wallace
Mr HG Williams

Copy to all other Members of the Council

(other recipients for information)

Dear member,

There will be a meeting of the **FINANCE & PERFORMANCE SCRUTINY** in the De Montfort Suite, Hinckley Hub on **MONDAY, 19 SEPTEMBER 2016 at 6.30 pm** and your attendance is required.

The agenda for the meeting is set out overleaf.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R Owen'.

Rebecca Owen
Democratic Services Officer

FINANCE & PERFORMANCE SCRUTINY - 19 SEPTEMBER 2016

A G E N D A

1. APOLOGIES AND SUBSTITUTIONS

2. MINUTES OF PREVIOUS MEETING (Pages 1 - 2)

Minutes of the meeting held on 25 July.

3. ADDITIONAL URGENT BUSINESS BY REASON OF SPECIAL CIRCUMSTANCES

To be advised of any additional items of business which the Chairman decides by reason of special circumstances shall be taken as matters of urgency at this meeting.

4. DECLARATIONS OF INTEREST

To receive verbally from members any disclosures which they are required to make in accordance with the Council's code of conduct or in pursuance of Section 106 of the Local Government Finance Act 1992. **This is in addition to the need for such disclosure to be also given when the relevant matter is reached on the agenda.**

5. QUESTIONS

To hear any questions received in accordance with Council Procedure Rule 10.

6. QUARTER 1 OUTTURN (APRIL - JUNE 2016) (Pages 3 - 22)

To inform members of the revenue and capital outturn at the end of the first quarter of 2016/17.

7. TREASURY MANAGEMENT QUARTER 1 2016/17 (Pages 23 - 28)

To inform members of the council's treasury management activity in the first quarter of 2016/17.

8. PERFORMANCE AND RISK MANAGEMENT FRAMEWORK FIRST QUARTER SUMMARY 2016/17 (Pages 29 - 38)

To provide the first quarter outturn position for performance indicators, service improvement plans, corporate risks and service area risks.

9. CUSTOMER SERVICES - PERFORMANCE MONITORING (Pages 39 - 46)

Following concerns raised by the Scrutiny Commission, it was requested that a report be taken to this meeting to scrutinise performance of the Customer Services function.

10. FINANCE & PERFORMANCE SCRUTINY WORK PROGRAMME (Pages 47 - 50)

11. ANY OTHER ITEMS OF BUSINESS WHICH THE CHAIRMAN DECIDES HAVE TO BE DEALT WITH AS MATTERS OF URGENCY

As raised under item 3.

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Agenda Item 2

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

FINANCE & PERFORMANCE SCRUTINY

25 JULY 2016 AT 6.30 PM

PRESENT: Mr KWP Lynch - Chairman

Mr DS Cope, Mrs H Smith, Mr P Wallace and Mr HG Williams

Officers in attendance: Timothy Finn and Rebecca Owen

94 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillors Camamile and Kirby.

95 MINUTES OF PREVIOUS MEETING

It was moved by Councillor Smith, seconded by Councillor Williams and

RESOLVED – the minutes of the meeting held on 20 June 2016 be confirmed and signed by the Chairman.

96 DECLARATIONS OF INTEREST

No interests were declared at this stage.

97 TREASURY MANAGEMENT OUTTURN 2015/16

Members received an update on the council's treasury management activity in 2015/16. It was noted that interest rates remained stable and there had been no additional long term borrowing.

98 SUNDRY DEBTS QUARTER 1 2016/17

Members were informed of the position with regard to sundry debts as at 30 June 2016. It was noted that the debts would continue to be chased to minimise the amounts written off. It was requested that any write-off report be brought to this group prior to decision.

In relation to homelessness debt, a member asked about the level of the DCLG Homelessness Prevention Grant. It was agreed that a response be provided to members following the meeting.

RESOLVED – the report be noted and it be requested that future write-off reports be brought to this group.

99 BUSINESS RATES AND POOLING UPDATE QUARTER 1 2016/17

The business rates performance for the first quarter of 2016/17 was presented to members. It was noted that the future of business rates retention was not yet confirmed. Members asked about the recent announcement in relation to exemptions for small businesses. It was agreed that members would be provided with a response following the meeting.

100 FINANCE & PERFORMANCE SCRUTINY WORK PROGRAMME

Members received the work programme and were informed that the frontline service reviews would be added to the document as follows:

18 September: Environmental Health

21 November: Housing (including repairs)

3 April: Planning

22 May: streetscene services.

(The Meeting closed at 6.45 pm)



Hinckley & Bosworth
Borough Council

A Borough to be proud of

FINANCE & PERFORMANCE COMMITTEE 19 SEPTEMBER 2016

WARDS AFFECTED: ALL WARDS

Quarter 1 Outturn (April 2016 – June 2016)

Report of Interim Head of Finance

1. PURPOSE OF REPORT

- 1.1 To inform members of the revenue and capital outturn at the end of the first quarter of 2016/17

2. RECOMMENDATION

- 2.1 That the committee notes the report

3. BACKGROUND TO THE REPORT

- 3.1 Attached to this report are the monthly outturn reports including the following information for the quarter ending 30th^t June 2016:

- General Fund budget monitoring summary
- General Fund detailed variance analysis
- Capital Programme outturn by scheme
- Outturn position for the Housing Revenue and Housing Repairs accounts

General Fund

- 3.2 Based on the quarter 1 forecast the current 2016/17 outturn shows £ 10,508,701 being spent on services with net £1.366,094 being transferred to earmarked reserves and £320 being transferred to General Fund balances. On this basis a net under spend of £116,254 is forecast to year end.

The General Fund Position is summarised in the table below.

Under/(overspend)	£
Budgeted year end G/F balance	(115,934)
Forecast year end G/F balances	320
Outturn change	116,254
Transfer to/ from reserves	£
Budget	809,094
Forecast	1,366,094
Outturn change	557,000

3.3 When the budget was approved by Council in February 2016 it was anticipated that £115,934 would be taken from General Fund balances and a net £809,094 transferred to earmarked reserves. Since that date, the budget has been increased by £85,746, representing supplementary budgets that have been approved in line with financial procedures rules.

3.4 Explanations for variances against both profiled budget and estimated outturn have been detailed in the monthly outturn reports appended. The major service variations in excess of £50,000 have been summarised as follows:

	Outturn variances £000	Explanation
General Grants	557	The Council is awarded a "section 31 grant" to reimburse the cost of offering a number of business rate exemptions. The level of this grant that may be retained depends on the business rates outturn at 31 st March each year. Therefore in order to be prudent, this income is placed into the Business Rates reserve pending any notification.
Garden Waste	234	Additional garden waste income
Car Parking	106	Additional car parking income of £80k and season ticket income of £26k
Planning income.	(96)	Reduction in income due to slowdown in development activity resulting from

		the Brexit vote.
Block C	(140)	Reduction in forecast due slowdown in activity.

Capital

- 3.5 £1,031,598 has been spent on capital schemes to the end of June 2016 against a budget for that period of £ 1,450,313. This represents an under-spend of £ 418,716. The major service variations in excess of £50,000 have be summarised as follows:

Scheme	£000's Under spend/ (Overspend)	Explanation
Disabled Facilities Grant	68	The funds are fully committed for the year. Demand is being monitored as demand is high
Disabled Facilities Grant	199	The funds are fully committed for the year. Demand is being monitored as demand is high.
Leisure Centre Demolition	83	Major works to commenced in August
Block C Fit Out	52	Budget set aside for in year incentives.
Private Sector Leasing	85	Budget reduced at February Council by £50,000 to reflect expenditure
Housing Repairs (Cumulative repairs schemes)	190	Difference represents the value of "Work in Progress" (WIP) currently sat within the Council's Orchard system. This will be transferred to the financial ledger following completion of works. The value of this WIP is being monitored on a periodic basis to ensure that the outturn on these budgets is accurately forecast. Taking into account this balance as a break even position is forecast to year end.

Housing Revenue Account

3.6 As 30th June 2016 it is anticipated that the HRA outturn surplus will be £110,245 against a latest budget showing £25,245. This is mainly due the latest rent forecast being £103k higher than expected. This represents a 0.78% variance on the rent budget.

3.7 The Housing Repairs Account is currently forecasting to be £232,743 in deficit which compares to the budget for 2016/17 which is a deficit of £224,763.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

4.1 [State whether the report is to be taken in open or private session and why. If private session, which parts of Schedule 12A of the Local Government Act 1972 apply – seek advice from the Monitoring Officer or Democratic Services]

5. FINANCIAL IMPLICATIONS [AW]

5.1 The financial implications on the Council's budget position are outlined in the report.

6. LEGAL IMPLICATIONS [AR]

6.1 No legal implications

7. CORPORATE PLAN IMPLICATIONS

7.1 The budget ultimately addresses all Corporate Plan objectives.

8. CONSULTATION

8.1 All budget holders have been consulted in collating the information for this report. This information has previously been reported to Executive Briefing.

9. RISK IMPLICATIONS

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	<p>A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation.</p> <p>The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance.</p> <p>Sufficient levels of reserves and balances are maintained to ensure financial resilience</p>	A Wilson

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 None

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

Background papers: Civica Financial Files

Contact Officer: Ashley Wilson, Interim Head of Finance, ext 5609

Executive Member: Cllr M Hall

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June 2016 Budget Monitoring Summary 2016/17

Service	Budget as per Feb 16 budget Book	Supplementary Budgets/virements approved to date	Latest Budget used for Monitoring ledger	recharges	Budget per Monitoring Report	Estimated Outturn Variations	Estimated Outturn
Central Services	2,805,756	29,918	2,835,674	(909,250)	1,926,424	(557,000)	2,278,674
Leisure & Environment	6,117,159	42,220	6,159,379	(1,358,850)	4,800,529	(330,000)	5,829,379
Housing (GF)	977,380	0	977,380	(181,690)	795,690	(12,000)	965,380
Planning	1,194,096	(3,462)	1,190,634	(1,186,020)	4,614	109,000	1,299,634
Direct Services Organisation	(28,872)	1,520	(27,352)	(240,750)	(268,102)	0	(27,352)
Support Services	116,436	15,550	131,986	3,876,560	4,008,546	31,000	162,986
Estimated Salary (Savings)/Overspend							
TOTAL SERVICE EXPENDITURE	11,181,955	85,746	11,267,701	0	11,267,701	(759,000)	10,508,701
Special Expenses	(629,907)	0	(629,907)	0	(629,907)	0	(629,907)
Capital Accounting	(936,739)	0	(936,739)	0	(936,739)	0	(936,739)
External Interest - Net	335,380	0	335,380	0	335,380	0	335,380
IAS 19 Adjustment	(396,620)	0	(396,620)	0	(396,620)	0	(396,620)
Transfer to Pension Reserve	3,880	0	3,880	0	3,880	0	3,880
use of ug & C reserves	(2,915)	0	(2,915)	0	(2,915)	0	(2,915)
Transfer to Reserves	1,202,534	0	1,202,534	0	1,202,534	557,000	1,759,534
Revenue Contribution for Capital Outlay	0	0	0	0	0	0	0
Use of Reserves	(393,440)	0	(393,440)	0	(393,440)	0	(393,440)
BUDGET REQUIREMENT	10,364,128	85,746	10,449,874	0	10,449,874	(202,000)	10,247,874
Financing							
Council Tax	3,648,960	0	3,648,960	0	3,648,960	0	3,648,960
Council Tax Freeze Grant	0	0	0	0	0	0	0
Revenue Support Grant	1,257,386	0	1,257,386	0	1,257,386	0	1,257,386
Council Tax Support Grant	0	0	0	0	0	0	0
National Non-Domestic Rate	2,378,358	0	2,378,358	0	2,378,358	0	2,378,358
New Homes Bonus	2,910,378	0	2,910,378	0	2,910,378	0	2,910,378
Collection Fund Surplus	53,112	0	53,112	0	53,112	0	53,112
TOTAL RESOURCES (HBBC BUDGET)	10,248,194	0	10,248,194	0	10,248,194	0	10,248,194
Movement in General Fund Balances	(115,934)	(85,746)	(201,680)	0	(201,680)	202,000	320
Special Expenses Expenditure	629,907	0	629,907	0	629,907	0	629,907
Council Tax Income	612,952	0	612,952	0	612,952	0	612,952
Special Expenses to /(from) Reserves	(16,955)	0	(16,955)	0	(16,955)	0	(16,955)
Special Expenses mvt in Balances	0	0	0	0	0	0	0
BUDGET REQUIREMENT	612,952	0	612,952	0	612,952	0	612,952
Total Movement in Balances	(115,934)	527,206	411,272	0	411,272	202,000	613,272
Balance at 1st April 2016	1,077,367	0	1,077,367	0	1,077,367	0	1,077,367
draft movement in out turn	366,609	0	366,609	0	366,609	0	366,609
Revised Balance 1st April 2016	1,443,976	0	1,443,976	0	1,443,976	0	1,443,976
Balance at 31 March 2017	1,328,042	527,206	1,855,248	0	1,855,248	202,000	2,057,248
NBR	10,861,146	85,746	11,062,826	0	11,062,826	(202,000)	10,860,826

Under/overspend	£
Mvt to/(from) Balances Budget	(115,934)
Mvt to/(from) Balances Budget (Outturn)	320
Outturn change	116,254

General Fund Service Area 2016/17 Monthly Outturn to June 16

			Estimate to Date	Actual to Date	Variance to Date	Timing Differences	Variance excluding timing Differences	Est 2016/17	Forecast Outturn	Forecast Variation to Year End	
as45	Central Services	Corporate Management	265,584	262,842	2,742		2,742	912,334	960,334	-48,000	1.1
as40		Corporate Management (Civic)	5,291	3,971	1,320		1,320	25,210	25,210		
as75		Council Tax / NNDR	159,816	51,306	108,510	105,000	3,510	223,300	209,300	14,000	1.2
ag35		Council Tax Support	14,273	-83,286	97,559	70,000	27,559	273,909	239,909	34,000	1.3
as90		Emergency Planning	26,981	27,080	-99		-99	36,504	36,504		
as65		General Grants	19,802	-29,981	49,783	-90,000	139,783	254,870	-302,130	557,000	1.4
as70		Local Land Charges	6,547	1,727	4,821		4,821	24,745	24,745		
as60		Register and Borough Elections	45,649	45,952	-303		-303	175,552	175,552		
	Central Services		543,943	279,611	264,332	85,000	179,332	1,926,424	1,369,424	557,000	
cs04	Direct Services Organisations	DSO Grounds Maintenance	-13,315	-6,313	-7,002	-6,000	-1,002	-185,347	-185,347		
cs05		DSO Housing Repairs	2,817	105,087	-102,270	-102,000	-270	-82,755	-82,755		2.1
	Direct Services Organisation		-10,498	98,774	-109,272	-108,000	-1,272	-268,102	-268,102	0	
ag40	Housing (Gen Fund)	Benefits Fraud	49,284	15,176	34,108	33,000	1,108	172,643	167,643	5,000	3.1
ag50		Contribution to Housing Rev Ac	5,561	0	5,561	5,000	561	22,230	22,230		
ag60		Energy Conservation Act	0	0	0		0	0	0		
ag20		Forest Road Garages	0	-1,797	1,797		1,797	1,200	1,200		
ag55		Homelessness	21,295	22,042	-747		-747	96,370	96,370		
ag10		Housing Advances	260	14	246		246	260	260		
ag80		Housing Strategy	11,595	12,236	-641		-641	47,249	47,249		
ag70		Private Sector Housing	61,522	60,849	674		674	601,268	601,268		
ag30		Rent Allowances	-40,689	-244,415	203,726	172,000	31,726	-145,530	-152,530	7,000	3.2
	Housing (Gen Fund)		108,828	-135,896	244,724	210,000	34,724	795,690	783,690	12,000	
ac65	Leisure & Environment	Allotments	-744	-1,628	884		884	5,116	5,116		
ac05		Cemeteries	33,474	27,529	5,945	2,000	3,945	162,936	162,936		
ac90		Children and Young People	16,387	16,747	-360		-360	79,801	79,801		
as86		CCTV	20,472	18,796	1,676		1,676	120,874	120,874		
as85		Community Safety	118,502	56,532	61,970	54,000	7,970	365,024	365,024		4.1
ac70		Countryside Management	36,112	26,573	9,539	8,000	1,539	111,758	111,758		
ac87		Creative Communities	17,137	20,189	-3,052		-3,052	66,839	66,839		
ac45		Dog Warden Service	9,592	9,415	177		177	35,983	35,983		
ac35		Environmental Health	129,208	138,220	-9,012		-9,012	555,647	555,647		4.2
aq40		Land Drainage	3,932	4,351	-419		-419	26,897	26,897		
ac60		Leisure Centre	63,581	69,460	-5,879		-5,879	-162,532	-162,532		4.3
ac89		Leisure Promotion	4,512	4,675	-163		-163	36,840	36,840		
ac95		Licences	-2,404	-2,313	-91		-91	5,589	5,589		
ac68		Parks	163,454	147,213	16,241	6,000	10,241	718,050	718,050		4.4
ac30		Pest Control	3,126	4,621	-1,495		-1,495	3,976	3,976		

Dr David

General Fund Service Area 2016/17 Monthly Outturn to June 16

		Estimate to Date	Actual to Date	Variance to Date	Timing Differences	Variance excluding timing Differences	Est 2016/17	Forecast Outturn	Forecast Variation to Year End		
ac10		Public Conveniences	12,620	33,684	-21,064	-22,000	936	32,237	32,237		
ac20		Recycling	-135,403	-394,995	259,592	36,000	223,592	835,810	555,810	280,000	4.5
ac15		Refuse Collection	249,174	213,798	35,376	3,000	32,376	991,742	946,742	45,000	4.6
ac83		Sports Development	54,664	48,665	5,999	5,000	999	157,615	157,615		
ac25		Street Cleansing	186,675	180,518	6,157		6,157	686,717	681,717	5,000	4.7
cs03		Waste Business Improvements	-15,751	-16,663	912		912	-36,390	-36,390		
		Leisure & Environment	968,320	605,388	362,932	92,000	270,932	4,800,529	4,470,529	330,000	
aq15	Planning	Building Inspection	-1,192	12,896	-14,088	-7,000	-7,088	281	20,281	-20,000	5.1
aq20		Car Parks	91,637	20,988	70,649	28,000	42,649	-95,098	-201,098	106,000	5.2
aq70		Community Planning	20,662	27,226	-6,564	-6,000	-564	102,874	102,874		
aq11		Development Control	-34,810	-39,407	4,597	2,000	2,597	-92,436	-2,436	-90,000	5.3
aq14		Economic Development	20,321	76,150	-55,829	-60,000	4,171	180,569	180,569		
aq13		Environmental Initiatives	502	485	17		17	2,051	2,051		
aq05		Highways Miscellaneous	25,930	23,970	1,960		1,960	98,416	98,416		
aq35		Industrial Estates	-131,655	-123,953	-7,702	-5,000	-2,702	-650,916	-650,916		
ac75		Markets	-6,163	-4,595	-1,568		-1,568	-9,450	-9,450		
aq30		Misc Property	-161,541	-74,197	-87,344	-8,000	-79,344	-343,876	-203,876	-140,000	5.4
aq12		Planning Policy	132,898	169,218	-36,320	-41,000	4,680	768,469	768,469		5.5
aq25		Public Transport	0	0	0		0	0	0		
aq75		Sustainable Development	10,241	1,626	8,615		8,615	43,730	8,730	35,000	5.6
		Planning	-33,170	90,408	-123,578	-97,000	-26,578	4,614	113,614	-109,000	
as05	Support Services Holding	Asset Management	45,905	34,084	11,821	5,000	6,821	234,949	234,949		6.1
as07		Communications & Promotion	62,561	75,388	-12,827	-7,000	-5,827	250,634	250,634		6.2
as45		Corporate Management	131,311	120,529	10,782		10,782	528,693	528,693		6.3
as25		Council Offices	548,962	492,072	56,890	49,000	7,890	1,018,806	1,018,806		6.4
as15		Finance Support	145,272	134,121	11,151	15,000	-3,849	602,072	602,072		
as30		Health & Safety	11,220	10,366	854		854	48,079	48,079		
as20		I.T. Support	535,159	547,395	-12,236		-12,236	1,227,379	1,263,379	-36,000	6.5
as10		Legal /Administration	362,774	347,863	14,911		14,911	1,314,455	1,314,455		6.6
as06		Performance & Scrutiny	14,049	11,949	2,100		2,100	54,769	54,769		
		HRA element of Support Services	-318,183	-255,116	-63,067	-60,000	-3,067	-1,271,290	-1,276,290	5,000	6.7
		Support Services Holding A/c	1,539,030	1,518,651	20,379	2,000	18,379	4,008,546	4,039,546	-31,000	
		Position as at 30/6/2016	3,116,453	2,456,937	659,516	184,000	475,516	11,267,701	10,508,701	759,000	
		Estimated year end salary overspend (-)								-50,000	
		Pay award pressure (Chief Officers)									
		Pay award pressure									
								11,267,701	10,508,701	709,000	

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Outturn Explanations April to June 2016			
Key : () = overspend			
Forecasted year end variations		Variation To Date	Forecasted Year End Variance at June
		£	£
1	Central Services	172,000	557,000
1.1	Corporate Management - Staffing restructure costs	0	(48,000)
1.2	➤ Council Tax/ NNDR - £4k Minor underspends. Year End - £14k - Reduction in the contribution payable to the Revenues & Benefits Partnership	4,000	14,000
1.3	➤ Council Tax Support - £25k additional admin grant relating to Local Council Tax Support. This element of award was not know when at budget setting. £3k other minor underspends. Year End - £25k - additional admin grant relating to Local Council Tax Support £9k - Reduction in the contribution payable to the Revenues & Benefits Partnership	28,000	34,000
1.4	➤ General Grants - £139k S31 grant income in respect of Business Rates Retention Scheme, £1k other minor underspends Year End - £557k - S31 grant income in respect of Business Rates Retention Scheme. Retained element will depend on actual reliefs provided. Amount therefore placed in reserve pending NNDR3.	140,000	557,000
2	Direct Service Organisations	0	0
3	Housing (General Fund)	33,000	12,000
3.1	➤ Benefit Fraud - £1k Minor underspends Year End - £5k - Reduction in the contribution payable to the Revenues & Benefits Partnership	1,000	5,000
3.2	➤ Rent Allowances - £16k additional income from Benefit Overpayments, £15k additional income received from DWP to cover costs of Welfare Reform, £1k minor Underspends Year End - £7k Estimated reduction in the contribution to the Revenues & Benefits Partnership	32,000	7,000
4	Leisure & Environment	265,000	330,000
4.1	➤ Community Safety - (£2K) overspend due to vacancy factor, (£5K) overspend due to minor projects with LCC to be funded by a claim which is being processed by the home office, £10K to be spent on community action projects for Hinckley and Bosworth, £2K Underspend on electricity relating, £3K Other minor variation	8,000	
4.2	➤ Environmental Health - (£7k) Salary overspend due to vacancy factor, (£2k) other minor variations	(9,000)	
4.3	➤ Leisure Centre - (£3k) BID paid on the old Leisure Centre prior to demolition, a partial refund will be received on this once building is demolished, (£2k) additional Premises insurance on the new Leisure Centre, (£1k) other minor over spends	(6,000)	
4.4	➤ Parks - £4k salaries underspend, £6k minor variances	10,000	0
4.5	➤ Recycling - £205k additional green bin income, £18k Kerbside recycling savings on palm contract, £8k agency staff underspend, less (£12k) shortfall recycling income from LCC, (£4k) salaries overspend, £2k additional misc. income, £2k R&M vehicles underspend, £5k minor variances ➤ Yr. end - £234k additional green bin income, £49k Kerbside recycling savings on palm contract, less (£5k) shortfall recycling income from LCC, £2k additional misc. income	224,000	280,000
4.6	➤ Refuse - £19k additional trade waste income, £8k extra bulky waste income, £5k vehicle leasing underspend, (£4k) salary overspend, £4k minor variances ➤ Yr. end - £40k additional trade waste income, £3k additional bulky waste income £2k additional misc. income	32,000	45,000
4.7	➤ Street Cleansing - £5k additional bulky item collections, (£4k) salaries overspend, £5k minor variances. ➤ Yr. end - £5k additional income from bulky item collections,	6,000	5,000
5	Planning	(27,000)	(109,000)
5.1	➤ Building inspection - (£6K) reduction due to slow down in development activity due to pending referendum (£1K) minor variations. ➤ Yr. End - (£20K) Forecast reduction in income from development slowdown.	(7,000)	(20,000)
5.2	➤ Car Parks - £20k additional pay and display income, £15k additional season ticket income, £5k savings Westfield Community Centre parking, £3k minor variances ➤ Yr. end - £80k additional pay and display income, £26k additional season ticket income	43,000	106,000
5.3	➤ Development Control - £15K salary savings due to vacant posts, (£2K) Additional costs for Agency staff to fill vacant posts, (£6K) Relocation expenses due to new staff, £8K underspend on Consultancy fees to spent to assist with department staffing pressures, £3K additional income from pre app advice due to new pricing structure, £2K Minor variation, (£18K) Overspend on appeals additional pressure being investigated ➤ Yr. End - (£90K) Forecast reduction in income from development slowdown.	2,000	(90,000)
5.4	➤ Miscellaneous Properties - (£78k) Under recovery of rental income for the Crescent due to delay in getting tenants, (£1k) Other minor overspends Year End - (£140k - Estimated under recovery of rental income for the Crescent during 2016/17 due to delay in getting tenants	(79,000)	(140,000)
5.5	➤ Planning Policy - £12K underspend due to vacant post, (£6K) Overspend on consultancy relating to project work undertaken, (£1K) Other minor variation.	5,000	
5.6	➤ Sustainable Development - £9k salaries underspend due to voluntary redundancy ➤ Yr. end - £35k Salary underspend due to voluntary redundancy.	9,000	35,000
6	Support Services Holding A/c	20,000	(31,000)
6.1	➤ Asset Management - £6k Salary underspend due to vacant post, £1k Other minor variations	7,000	
6.2	➤ Communications and Promotion - £6k salary variance	(6,000)	
6.3	➤ Corporate Management - £10k Salaries Variance due to vacant post, £1k other minor variations	11,000	
6.4	➤ Council Offices - £5k variance on Hub Service Charges, £3k other minor Underspends	8,000	
6.5	➤ IT Support - (£12k) additional Steria Costs incurred as a result of new contract being withdrawn, a new contract is to be established Year End - (£36k) - additional Steria Costs incurred as a result of new contract being withdrawn	(12,000)	(36,000)
6.6	➤ Legal & Admin - £6k Legal salaries underspend due to vacant posts (to be used for additional agency support) , £2k underspend on Committee services salaries, (£4k) overspend on corporate support services salaries, £8k underspend on customer contact centre salaries, £7k underspend on Legal agency wages & salaries, £13k underspend on human resources corporate training, (£6k) overspend on human resources advertising, (£5k) overspend on human resource medical exam fees, (£6k) minor variances	15,000	
6.7	HRA element of support services Estimated year end impact for HRA element of support services	(3,000)	5,000
	Total (over)/under spend	463,000	759,000
	Estimated Year end salary (over)/under spend	0	0
	Forecasted year end saving	463,000	759,000

Summary of Timing Differences in Variations

Monthly Outturn Report 1st April to 30th June 16

Under spends/(Overspends) caused by timing differences

		£	£
Council Tax/ NNDR	Revenues & Benefits Quarter 1 charges	105,000	105,000
Council Tax Support	Revenues & Benefits Quarter 1 charges	70,000	70,000
General Grants	S31 grant income in respect of Business Rates Retention Scheme - 2015/16 Income to be received from PCC	(90,000)	(90,000)
DSO Grounds Maintenance	Grounds Maintenance variation income for June to be processed in July	(6,000)	(6,000)
DSO Housing Repairs	Outstanding material invoices Painting works to be completed in August WIP to be processed	30,000 (35,000) (97,000)	(102,000)
Benefits Fraud	Revenues & Benefits Quarter 1 charges	33,000	33,000
Contribution to Housing Rev Ac	Contribution to control centre processed in March - Budget reprofiled July	5,000	5,000
Rent Allowances	Revenues & Benefits Quarter 1 charges Rent Allowance Payments for June Additional subsidy income not yet received (increased expenditure incurred to date)	50,000 231,000 (109,000)	172,000
Cemeteries	Outstanding invoices for 2015/16 STW charges	2,000	2,000
Community safety	Consultancy work now done internally by HBBC. Budget to be vired to salaries Minor projects expenditure processed in August PCC funds for community safety received in advance of budget. Budget reprofiled in July Contribution to Blaby - Children worker post expected to be December. Budget reprofiled n July	14,000 3,000 31,000 6,000	54,000
Countryside Management	Outstanding invoices for cesspit emptying 2014/15 & 2015/16 plus quarter 1 2016/17	8,000	8,000
Parks	Outstanding invoice for 2015/16 Street Lighting charges from LCC Outstanding invoice for Qtr 1 STW effluent service costs for Wykin Road	4,000 2,000	6,000
Public Conveniences	NNDR charged to Public Conveniences instead of Markets. Corrected in July	(22,000)	(22,000)
Recycling	May & June dry recycling collection charges to be paid in July (Palm contract) Awaiting LCC confirmation before April, May & June recycling credit settlement invoices are raised April - June green waste recharges not yet invoiced - awaiting agreement with LCC June green waste disposal costs (J & F Powner Ltd) to be paid in July Reprofile Green Waste charging expenditure budget Outstanding accrual for 2015/16 vehicle frames & banners	85,000 (50,000) (38,000) 13,000 25,000 1,000	36,000
Refuse Collection	Outstanding 2015/16 advertising accrual for the supply and fit of vehicle banners	3,000	3,000
Sports Development	Invoice awaited for 1st quarter costs of shared officer from North West Leicestershire DC	5,000	5,000
Building control	Consultancy budget to be vired from development control Software licences paid in advance.	(5,000) (2,000)	(7,000)
Car Parks	Britannia Car Park - outstanding accrual for car park income to be reimbursed to MJ Mapp Ltd Awaiting invoice for 2015/16 Street Lighting charges from LCC Severn Trent sewer works invoices April-June not yet received plus invoice from 2015/16 Outstanding accrual for 2015/16 Signs & Tariff Boards	10,000 8,000 7,000 3,000	28,000
Community Planning	Funding support for HBBC Locality, budget to be reprofiled in July Rural Community Council spend to occur in August Budget to be reprofiled	(15,000) 9,000	(6,000)

Summary of Timing Differences in Variations

Monthly Outturn Report 1st April to 30th June 16

Under spends/(Overspends) caused by timing differences

		£	£
Development control	Advertising costs for planning apps to be reprofiled	2,000	2,000
Economic Development	Shared employees recharge to Toady and Winston MIRA grant budget to be reprofiled to year end MIRA income budget to be reprofiled events budgets to be reprofiled MIRA hired and contracted budget to be reprofiled awaiting electricity invoices	(14,000) (31,000) (26,000) 4,000 4,000 3,000	(60,000)
Industrial Estates	Rent for new tenant at Units 4 & 5 at Greenfields not yet invoiced	(5,000)	(5,000)
Miscellaneous Properties	Rent for new tenant at the Crescent - invoiced in July Outstanding Cleaning costs at the Atkins Building - Invoice not yet received	(12,000) 4,000	(8,000)
Planning Policy	Site allocation spent in advance of budget Local plan spent in advance to budget Gypsy & Traveller carry forward to be approved Environmental Improvements budget reprofiled in July	(37,000) (10,000) (3,000) 9,000	(41,000)
Asset Management	Outstanding Cleaning costs for April & May 16 - Invoice not yet received	5,000	5,000
Communications	Computer software budget to be reprofiled Corporate communications budget to be reprofiled Advertising income for borough bulletin not yet received	(2,000) (4,000) (1,000)	(7,000)
Council Offices	Premises Insurance for Hub - awaiting landlords invoice. Outstanding Cleaning costs for April & May 16 - Invoice not yet received Service Charge reimbursement for final 2015/16 settlement to be processed. Invoice for Shared Service Staff at the Hub - not yet received Outstanding Accrual for 2015/16 Water Charges	6,000 8,000 18,000 10,000 7,000	49,000
Finance Support	Awaiting April to June invoices for interim support.	15,000	15,000
HRA element of support services	Impact of profile of support services budgets compared to HRA recharge budget	(60,000)	(60,000)
TOTAL TIMING DIFFERENCES			184,000

Capital Programme Summary
30th June 2016

Description	Latest Budget £	Budget to Date £	Actual £	Variance £
General Fund				
Community Direction	1,225,000	749,265	642,826	106,439
Business, Contract and Streetscene Services	1,639,610	52,628	51,792	836
Corporate Direction	578,330	177,639	60,636	117,003
	3,442,940	979,532	755,254	224,278
HRA	7,781,983	470,781	276,344	194,437
Grand Total	11,224,923	1,450,313	1,031,598	418,715

30th June 2016
Community Direction

Description	Latest Budget	Budget to Date	Actual £	Variance £	
Leisure Centre	698,120	558,496	550,022	8,474	
CCTV	0	0	23,382	-23,382	Carry fwd request to be processed in July
Major Works Grants	160,000	40,032	26,475	13,557	Works committed. Actual payments are made once 3rd party works are completed and checked
Private Sector Housing Enforcement	120,000	3,000	96	2,904	
Disabled Facilities Grant	445,490	111,459	43,327	68,132	Works committed. Actual payments are made once 3rd party works are completed and checked
Minor Works Grants	40,000	10,008	0	10,008	
	1,463,610	722,995	643,302	79,693	
Resurfacing Car Parks	4,000	4,000	4,000	0	
Borough Improvements	50,000	12,510	555	11,956	Budget committed . Tot be completed in 2016/17
Public Realm	0	0	(9,704)	9,704	Carry fwd request to be processed in July
RGF schemes	122,000	9,760	4,674	5,086	
	176,000	26,270	(476)	26,746	
Crescent Development					
Grand Total	1,639,610	749,265	642,826	106,439	
Streetscene Services					
Argents Mead Phase 1 Upgrade	0	0	4,460	-4,460	Carry fwd request to be processed in July
Burbage Common	0	0	1,367	-1,367	Carry fwd request to be processed in July
Hinckley Squash Club	18,000	4,503	0	4,503	
Preston Road	0	0	2,709	-2,709	Carry fwd request to be processed in July
Memorial Safety Programme	5,160	1,290	150	1,140	
Langdale Park	23,000	0	0	0	
Parks : Major Works	30,000	7,506	2,291	5,215	
Parish & Community Initiatives	125,000	8,750	8,708	42	Awaiting confirmations from parishes. £73k committed balance will be a saving
	20,980	5,247	4,710	537	Budgeted in 16/17 . Budget for 16/17 will be reduced as part of the outturn process
Hinckley Community Initiative Func					
Recycling Containers	151,870	25,332	18,214	7,118	Budget committed
Incab System (Tracker System)	35,110	0	0	0	
Granville Road Play Improvements	0	0	9,183	-9,183	Project commenced Outstanding works to be completed by July
	578,330	52,628	51,792	836	

30th June 2016
Corporate Direction

Description	Latest Budget	Budget to Date	Actual £	Variance £	
Asset Management Enhancement Works	0	0	2,553	(2,553)	Expenditure has been committed.
Leisure Centre Car Park	190,000	0	0	0	
Council Office Relocation	0	0	(3,642)	3,642	Previous year accrual outstanding
Leisure Centre Demolition	370,000	92,574	9,236	83,338	Demolition due to commence in August
Depot Demolition	0	0	(525)	525	
	560,000	92,574	7,623	84,951	
General Renewal -Extensions	15,000	3,750	293	3,457	Carry fwd request to be processed in July
Channel Shift	0	0	-4,896	4,896	Carry fwd request to be processed in July
	15,000	3,750	1,810	1,940	
Mobile Web	0	0	3,786	(3,786)	Ongoing Steria Web Development support. Supplementary budget to be requested
Block C Fit Out	650,000	81,315	29,500	51,815	Budget set aside for incentives
E Budget	0	0	17,918	(17,918)	Carry fwd request to be processed in July
	650,000	81,315	51,204	30,111	
	1,225,000	177,639	60,636	117,003	

30th June 2016

HRA

Description	Latest Budget £	Budget to Date £	Actual £	Variance £	
Major Voids	600,000	67,588	56,316	11,271	After allowing for work in progress and recharges for overhead recovery an overall break even position is expected at the year end
Programmed Repairs	203,950	50,988	72,559	(21,572)	
Adaptation Of HRA Dwellings-Social Serv	400,000	50,000	40,346	9,655	
Windows : Single to Double Glazing	118,600	29,650	19,557	10,093	
Re-Roofing	237,160	2,000	1,380	620	
Kitchen Upgrades	889,388	52,000	48,142	3,858	
Boiler Replacement	648,700	25,000	19,299	5,701	
Low Maintenance Doors	49,500	12,375	4,509	7,866	
Housing Repairs Software System	0	0	2,561	(2,561)	
Electrical Works and Testing	432,722	108,181	(28,659)	136,840	
Sheltered Scheme Enhancements	100,000	25,000	(3,610)	28,610	New contract in place and work has now been rescheduled.
Enhancement Works - New Kitchen/Bathroom	252,500	8,000	6,584	1,416	
Housing Asset Management System (AMS)	0	0	1,900	(1,900)	Carry fwd request to be processed in July
Affordable Housing	3,849,463	40,000	35,460	4,540	
	7,781,983	470,781	276,344	194,437	

Housing Revenue Account

Key : () = overspend

	2016/17 ORIGINAL ESTIMATE £	2016/17 LATEST ESTIMATE £	2016/17 BUDGET to June £	2016/17 ACTUAL to June £	VARIANCE to June £	TIMING £	VARIANCE Excl TIMING £	F'CASTED OUTTURN £	F'CASTED VARIATION TO YEAR END £	REF
SUMMARY HOUSING REVENUE ACCOUNT										
INCOME										
Dwelling Rents	(13,080,636)	(13,080,636)	(3,261,194)	(3,396,970)	135,776	108,000	27,776	(13,183,636)	103,000	1
Non Dwelling Rents (garages & land)	(81,490)	(81,490)	(29,023)	(29,746)	723	-	723	(81,490)	-	
Contributions to Expenditure	(17,020)	(17,020)	(4,256)	-	(4,256)	-	(4,256)	(17,020)	-	
	(13,179,146)	(13,179,146)	(3,294,473)	(3,426,715)	132,242	108,000	24,242	(13,282,146)	103,000	
EXPENDITURE										
Supervision & Management (General)	2,073,180	2,075,478	519,012	474,467	44,545	35,000	9,545	2,093,478	(18,000)	2
Supervision & Management (Special)	626,953	627,393	171,508	114,368	57,140	3,000	54,140	627,393	-	3
Lump Sum LCC pension contribution	72,680	72,680	18,183	-	18,183	18,000	183	72,680	-	4
Contribution to Housing Repairs A/C	3,192,165	3,192,165	-	-	-	-	-	3,192,165	-	
Depreciation (Item 8 Debit)	3,018,550	3,018,550	-	-	-	-	-	3,018,550	-	
Capital Charges : Debt Management	4,220	4,220	1,056	1,103	(47)	-	(47)	4,220	-	
Increase in Provision for Bad Debts	120,000	120,000	-	-	-	-	-	120,000	-	
Interest on Borrowing	2,095,800	2,095,800	-	-	-	-	-	2,095,800	-	
	11,203,548	11,206,286	709,759	589,938	119,821	56,000	63,821	11,224,286	(18,000)	
Net (Income)/Cost of Services	(1,975,598)	(1,972,860)	(2,584,714)	(2,836,778)	252,064	164,000	88,064	(2,057,860)	85,000	
Transfer from Major Repairs Reserve	(822,130)	(822,130)	-	-	-	-	-	(822,130)	-	
Interest Receivable	(67,000)	(67,000)	-	-	-	-	-	(67,000)	-	
IAS19 Adjustment	(50,540)	(50,540)	-	-	-	-	-	(50,540)	-	
Accumulated Absences	-	-	-	-	-	-	-	-	-	5
Net Operating (Income)/Cost	(2,915,268)	(2,912,530)	(2,584,714)	(2,836,778)	252,064	164,000	88,064	(2,997,530)	85,000	
CONTRIBUTIONS										
Contribution to Piper Alarm Reserve	10,400	10,400	-	-	-	-	-	10,400	-	
Contribution to Pension Reserve	3,520	3,520	-	-	-	-	-	3,520	-	
Transfer to Major Reserves	844,130	844,130	-	-	-	-	-	844,130	-	
Transfer to Regeneration Reserve	2,029,235	2,029,235	-	-	-	-	-	2,029,235	-	
(Surplus) / Deficit	(27,983)	(25,245)	(2,584,714)	(2,836,778)	252,064	164,000	88,064	(110,245)	85,000	

Housing Revenue Account

Key : () = overspend

	2015/16 ORIGINAL ESTIMATE £	2015/16 LATEST ESTIMATE £	2015/16 BUDGET to June £	2015/16 ACTUAL to June £	VARIANCE to June £	TIMING	VARIANCE Excl TIMING	F'CAST OUTTURN	F'CAST VARIATION TO YEAR END	REF
SUPERVISION & MANAGEMENT (GENERAL)										
Employees	862,962	862,962	188,786	186,703.31	2,083	-	2,083	862,962		2.1
Premises Related Expenditure	146,170	146,170	84,428	78,679.36	5,749	-	5,749	146,170	-	2.2
Transport Related Expenditure	17,448	17,448	4,365	4,117.23	248		248	17,448	-	
Supplies & Services	211,180	230,398	33,432	36,814.93	(3,383)	-	(3,383)	230,398	-	2.3
Central & Admin. Expenses	909,050	892,330	223,247	177,626.96	45,620	-	45,620	892,330	-	2.4
Gross Expenditure	2,146,810	2,149,308	534,258	483,942	50,316	-	50,316	2,034,107	-	
Revenue Income	(65,830)	(65,830)	(13,245)	(9,475)	(3,770)	-	(3,770)	(65,830)	-	2.5
Recharges	(8,000)	(8,000)	(2,001)		(2,001)	-	(2,001)	(8,000)		
Total Income	(73,830)	(73,830)	(15,246)	(9,475)	(5,771)	-	(5,771)	(73,830)	-	
Net Expenditure to HRA	2,072,980	2,075,478	519,012	474,467	44,545	-	44,545	1,960,277	-	
SUPERVISION & MANAGEMENT (SPECIAL)										
Employees	591,495	591,495	141,871	133,093.23	8,778	-	8,778	591,495	-	3.1
Premises Related Expenditure	404,032	404,032	95,686	76,602.54	19,083		19,083	404,032	-	3.2
Transport Related Expenditure	11,847	11,847	2,974	3,813.25	(839)		(839)	11,847	-	
Supplies & Services	147,030	147,030	49,194	18,856.97	30,337	-	30,337	147,030	-	3.3
Central & Admin. Expenses	124,580	125,020	31,403	28,587.04	2,816	-	2,816	125,020	-	3.4
Gross Expenditure	1,278,984	1,279,424	321,128	260,953	60,175	-	60,175	1,279,424	-	
Revenue Income	(598,111)	(598,111)	(149,620)	(146,585)	(3,035)	-	(3,035)	(598,111)	-	3.5
Recharges	(53,920)	(53,920)	-	-	-		-	(53,920)	-	
Total Income	(652,031)	(652,031)	(149,620)	(146,585)	(3,035)	-	(3,035)	(652,031)	-	
Net Expenditure to HRA	626,953	627,393	171,508	114,368	57,140	-	57,140	627,393	-	

Explanations for Variances	TIMIN	VARIANCE		VARIANCE	REF
	G	VARIANCE	END	AT YEAR	
	£000's	£000's	£000's		

HRA VARIANCES

Income					
2 days rent in advance due to difference between rent weeks and calendar month	108				
£(172K) Due to the budget being set in months and rental income received in weeks there is a timing difference of 0.66 of a week (52 weeks divided by 12 months times number of months actually passed) for 3,361 properties with an average rent of £77.44					
£16K additional rental receipts in month, £9K Other income for homeless rental flats, £2K minor variations		27			1
Year End - £70K additional rent based on latest void percentage, £33K additional sheltered accommodation rents			103		1
Expenditure					
See below for Supervision and Management variances	-	45	-		2
See below for Supervision and Management variances	-	57	-		3
Lump Sum Pension budget to be reprofiled	18	-	-		4
Total HRA	126	129	103		

SUPERVISION & MANAGEMENT (GENERAL)

Employees

(£4k) Salaries overspend due to vacancy factor, £6k Holiday Pay/Flexi.		2			2.1
£75K Severance budget not to spend in year.					
Premises Related Expenditure					
£6K underspend on council tax charge due to lower void properties currently		6			2.2
Supplies & Services					
Timing - (£6K) overspend due to CIH Consultancy retainer, (£4K) Overspend on orchard and bacs systems costs, £3K Underspend on Tenant association support expected later in the year.	(7)				
£3K Underspend on RTB Survey fees not spent due to lower demand		3			2.3
Central & Admin Expenses					
Timing - £46k Minor Variances which should be fully recharged by year end	46				
Revenue Income					
Timing - (£4K) awaiting receipt from Universal Credit	(4)				2.4
(£4K) Universal credit reduction in monies received due lower than anticipated costs, £2K Additional income received for Choice based letting, £2K additional miscellaneous income, (£18K) Universal credit reduction in monies received due to lower demand than anticipated.		-		(18)	2.5
Total Supervision & Management General	35	11	(18)		

SUPERVISION & MANAGEMENT (SPECIAL)

Employees					
£4k Salary underspend due several vacancies, (£3k) Agency Cover for vacancies, (£2K) overspend on overtime, £9k Holiday Pay/Flexi to be processed at year end		8			3.1
Premises Related Expenditure					
£18K Electricity underspend due to less spending in summer months, (£1K) gas overspend, Other minor variances £2K		19			3.2
Supplies & Services					
£27K Piper alarm underspend, £3K Underspend in equipment purchases, (£2K) overspend in Miscellaneous expenses, £3K Minor variations		30			3.3
£12K Piper alarm underspend to be returned to reserves					
Central & Admin Expenses					
Timing - £3K Minor Variances which should be fully recharged by year end	3				3.4
Revenue Income					
(£4k) - Sheltered Scheme Service Charge income lower than expected. This is due to charges on some vacant properties expected and not being received, (£3K) under receipt on lifeline income, £2K fees & charges extra income, £2K minor variation		(3)			3.5
Total Supervision & Management General	3	57	0		

HOUSING REPAIRS ACCOUNT	2016/17 LATEST BUDGET £	2016/17 BUDGET to June £	2016/17 ACTUAL to June £	VARIANCE to June £	TIMING £	VARIANCE Excl TIMING £	F'CASTED OUTTURN £	F'CASTED VARIATION YEAR END £	REF
Administration									
Employee Costs	416,882	104,221	84,121	20,100	11,000	9,100	416,882	-	1
Transport Related Expenditure	5,960	1,490	-	1,490		1,490	5,960	-	
Supplies & Services	266,011	26,777	21,962	4,815		4,815	266,011	-	
Central Administrative Expenses	240,170	59,092	44,531	14,561	15,000	(439)	240,170	-	2
Total Housing Repairs Administration	929,023	191,580	150,614	40,966	26,000	14,966	929,023	-	
Programmed Repairs ("Major Works" e.g. Central Heating Service)	560,230	140,058	84,501	55,557	59,000	(3,444)	560,230	-	3
Responsive Repairs	1,202,655	294,387	194,846	99,541	93,000	6,541	1,202,655	-	4
GROSS EXPENDITURE	2,691,908	626,024	429,961	196,063	178,000	18,063	2,691,908	-	
Contribution from HRA	(3,192,165)	-	-	-	-	-	(3,192,165)	-	
Other Income	-	(5,066)	-	(5,066)	-	-	(7,000)	7,000	5
Accumulated Absences/ IAS 19	(14,980)	-	-	-	-	-	-	-	
TOTAL INCOME	(3,207,145)	(5,066)	-	(5,066)	-	-	(3,199,165)	7,000	
Contribution to HRA Reserves	740,000	-	-	-	-	-	740,000	-	
NET EXPENDITURE	224,763	620,958	429,961	190,997	178,000	18,063	232,743	7,000	
Variances	TIMING £000's	VARIANCE £000's	Outturn						
1 Savings due to vacant posts		9,000							
Holiday pay and las 19 processed at yr end	8,000								
Awaiting agency invoices	3,000								
	11,000	9,000	-						
2 Awaiting recharges for office space	18,000								
Other minor variations	(3,000)								
	(3,000)	-	-						
3 Heating Maintenance budget to be reprofiled	35,000								
Painting works to be carried forward	24,000								
	59,000	-	-						
4 Awaiting invoices for completed jobs (work in progress)	93,000								
Current underspend to date due to demand nature of budget		7,000							
	93,000	7,000	-						
5 income from work for tenants		5,000	7,000						
	160,000	21,000	7,000						



Hinckley & Bosworth
Borough Council

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FINANCE & PERFORMANCE COMMITTEE

19 SEPTEMBER 2016

WARDS AFFECTED: All Wards

TREASURY MANAGEMENT QUARTER 1 2016/17

Report of Interim Head of Finance

1. PURPOSE OF REPORT

- 1.1 To inform the Committee of the Council's Treasury Management activity in the first quarter of 2016/17.

2. RECOMMENDATION

- 2.1 That the Committee note the report.

3. BACKGROUND TO THE REPORT

- 3.1 At its meeting in February 2016 the Council approved the Council's Treasury Management Policy for the year 2016/17 and delegated the oversight of the execution of the Policy to this Committee.

This report sets out the Treasury Management activities in 2016/17 and shows that they are in line with the limits set out in the Policy.

Treasury Management covers two main areas:-

1. The management of day to day cash flows by way of short term investing and borrowing. Longer term investment opportunities may arise depending on cash flow requirements.
2. Management of the Council's Long term debt portfolio which is used to finance capital expenditure that cannot be immediately funded by internal resources (e.g. by Capital Receipts).

3.2 Economic Background

Interest Rates were cut to their lowest ever level in August in light of the Bank of England's post Brexit comments. There remains speculation that there could be further stimulus so therefore long term investment rates may keep value. Short term rates have decreased by an average of 0.2%. With rates set to remain low for a prolonged period, regular discussions are taking place with our advisors to explore investment options. The only caveat to this is the latest manufacturing and purchasing results in August. Both are better than expected and could delay further interest rate cuts in the near future. Due to the fall in the value of sterling and the impact of higher import prices inflation is set to increase. The latest forecast is RPI will be around 2.8 percent by the fourth quarter of 2018.

The latest forecasts are detailed in the table below:

Economic Forecasts - Capita Asset Services

	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017
Bank Rate	0.25%	0.10%	0.10%	0.10%	0.10%	0.10%
5yr PWLB rate	1.00%	1.00%	1.00%	1.10%	1.10%	1.10%
10yr PWLB rate	1.50%	1.50%	1.50%	1.60%	1.60%	1.60%
25yr PWLB rate	2.30%	2.30%	2.40%	2.40%	2.40%	2.40%
50yr PWLB rate	2.10%	2.10%	2.10%	2.20%	2.30%	2.40%

Economic Forecasts - Capital Economics

	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017
Bank Rate	0.25%	0.10%	0.10%	0.10%	0.10%	0.10%
5yr PWLB rate	0.90%	0.90%	1.00%	1.10%	1.30%	1.50%
10yr PWLB rate	1.30%	1.30%	1.40%	1.50%	1.60%	1.80%
25yr PWLB rate	2.10%	2.10%	2.10%	2.20%	2.30%	2.45%
50yr PWLB rate	2.10%	2.10%	2.10%	2.20%	2.30%	2.40%

3.3 Investment Activity

The Council's investment strategy primary objectives are safeguarding the repayment of the principal and interest of its investments on time, ensuring adequate liquidity, with the investment return being the final objective. If required, officers implement an operational strategy which tightens the controls already in place in the approved investment strategy. The Council's investment criterion was approved by Council in February 2016.

Funds for investment come from the following Sources

- a) Revenue Account Balances held by the Council
- b) Earmarked Reserves and Provisions
- c) Unapplied Capital Receipts
- d) Cash flow balances - income received before expenditure needs to be incurred

Details of investments held from April 2016 to Jun 2016 are available on request. As at 30 June 2016 the Council held the following investments totalling £13,848,400.

Counterparty	Investment Date	Maturity Date	Amount	Interest Rate
Hinckley & Rugby BS	22/04/2016	22/07/2016	2,000,000	0.5200
Nationwide BS	03/05/2016	03/08/2016	1,000,000	0.5000
Nottingham BS	01/06/2016	01/08/2016	2,000,000	0.4600
Coventry BS	06/06/2016	06/07/2016	500,000	0.4100
Coventry BS	06/06/2016	06/07/2016	1,000,000	0.4100
Principality BS	06/06/2016	06/07/2016	1,650,000	0.4100
West Bromwich BS	15/06/2016	15/07/2016	1,000,000	0.4100
Black Rock MMF	24/06/2016	01/07/2016	1,548,000	0.4124
Principality BS	28/06/2016	28/07/2016	1,000,000	0.4100
West Bromwich BS	30/06/2016	01/08/2016	1,000,000	0.4100
HSBC Bank	30/06/2016	01/07/2016	1,150,400	0.3500
Total			13,848,400	

Details of the weighted average investment to June 2016 are shown in the table below together with the average overnight, 7 day and 1 month London Inter Bank Bid (LIBID) as a bench mark to the rates received by the Council.

Period	Weighted Average invested	Average period (days)	HBBC Average Return	Overnight LIBID	7 Day LIBID	1 Month LIBID
Apr to Jun 16	3,707,607	10	0.4302	0.3574	0.3623	0.3849

The table above show that the Council received a rate of return that is compatible with the returns available in the market.

It also shows that the weighted average period is within the maximum set of 0.5 years. Average investments returns are higher then the comparable inter bank rate (a return of 0.43% compared against 0.38%).

3.4 Borrowing Activities

Long term borrowing to finance Capital Expenditure

Excluding the HRA self financing element the Council has a Capital Financing Requirement of around for the current year is £18.14m which arises from previous decisions to incur Capital Expenditure that was not financed immediately by internal resources e.g. Capital Receipts or Grants giving rise to the need to borrow to finance the expenditure. This borrowing requirement can either be met by long or short term external borrowing or by internal borrowing i.e. using the cash behind the authority's balances and reserves and foregoing investment income. At the present time the interest payable on long term borrowing is significantly greater than the returns the Council could expect on its investments and therefore the Council has adopted a policy of being "under-borrowed" with only £8.3m of long term loans on its books. One year loans from the PWLB currently cost 1.46% so if the Council was fully funded with short term money and was receiving investment income of 0.4% there would be a cost of £104,000 per annum. With 20 year rates at about 3.40% the additional cost would be £295,200 per annum. In these circumstances the Council has not undertaken any long term borrowing in the current year and has relied on short term borrowing to meet cash flow needs.

Additionally, as part of the Self Financing HRA Settlement £67.652m has been borrowed from PWLB. Repayment options have been discussed with members and were presented to the Executive on 13th March 2012. Repayments for principal amounts for these loans will commence in 5 years time. The loan will be repaid in equal instalments of £2.9414m over 23 yrs.

3.5 Short Term Borrowing

There is no short term borrowing in this quarter.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

4.1 Report to be taken in open session.

5. FINANCIAL IMPLICATIONS [IB]

5.1 Any variations to budgets resulting from borrowing investing activities are reported within the Outturn position.

6. LEGAL IMPLICATIONS [MR]

6.1 There are no legal implications arising directly from this report.

7. CORPORATE PLAN IMPLICATIONS

7.1 This report supports the following Corporate Aims

- Thriving Economy

8. CONSULTATION

8.1 None

9. RISK IMPLICATIONS

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	Budgets are scrutinised on an ongoing to ensure assumptions are robust and reflect financial performance and sufficient levels of reverses and balances are maintained to ensure resilience	A.Wilson

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 None

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers: Civica Reports
Capita Reports

Contact Officer: Ilyas Bham, Accountancy Manager x5924

Executive Member: Councillor M. Hall



Hinckley & Bosworth
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FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

Finance and Performance Scrutiny 19 September 2016

WARDS AFFECTED: All wards

Performance and Risk Management Framework first quarter summary for 2016/17

Report of Deputy Chief Executive (Corporate Direction)

1. PURPOSE OF REPORT

- 1.1 To provide the Finance and Performance Scrutiny Committee with the 1stqtr 2016/17 outturn position for:
- Performance Indicators including available benchmarking
 - Service Improvement Plans
 - Corporate risks
 - Service area risks

2. RECOMMENDATION

- 2.1 That the members:
- Note the 1stqtr 2016/17 position for items listed at 1.1 above
 - Recommend any actions that should be taken to improve performance on indicators failing to meet target
 - Recommend any actions that should be taken to address Service Improvement Plans that are showing signs of slippage
 - Review risks that pose the most significant threat to the Council's objectives and priorities (red risks)

3. BACKGROUND TO THE REPORT

- 3.1 Hinckley and Bosworth Borough Council provide a wide range of services that are delivered to the community and set strategic aims that help focus on priorities in order to deliver the vision: "**A Borough to be proud of**".
- 3.2 This is achieved by managing performance in the following ways:
- On a daily basis within each section
 - On a monthly basis within each service area
 - On a quarterly basis through the council's decision-making process
 - On an annual basis through the production of the council's "Corporate Plan"

- 3.3 The Council's performance is monitored through Service Improvement Plans and includes performance indicators which are measurable. These are set by the Council to show how well local priorities and objectives are being met.
- 3.4 Inherent in the corporate aims and outcomes are "risks" that create uncertainty. The Council recognises it has a duty to manage these risks in a structured way to help ensure delivery of priorities and to provide value for money services. The Council has a Risk Management Strategy which sets out the framework for the monitoring and management of risks.
- 3.5 Performance and risk management is embedded into all the Council's business activities in a structured and consistent manner. All Service Improvement Plans which include Performance Indicators and Risks are held and managed on the Council's performance management system: TEN

Overall summary for the period April to June 2016/17

- 3.6 Performance Indicators - There are **fifty eight** performance indicators that are measured and monitored at quarterly intervals

Of these, five indicators are showing some slippage to target:

Indicator	2016/17 target	2016/17 actual	Comments
LCUS1b - Customer services: Lost calls	15%	28.98%	124,992 (calls answered 15/16). YTD 32530 calls answered. Due to referendum elections and the introduction of a new garden waste service the percentage of lost calls increased to 28.98%. Customer Services continue to try and resolve up to 70% of calls at first point of contact and this approach impacts on both average wait time and lost calls.
LCUS3 - Customer services: person sees customer within 10 mins	80%	76.4%	16,830 customers seen (15/16) YTD 4699 customers seen in 10 minutes. The implementation of charging for garden bins and referendum election have increased customer contact. All visitors are seen at Meet and Greet on arrival and only customers needing assistance are issued tickets to see an advisor. Satisfaction results continue to support customers are happy to wait for the service provided
LI009 - Finance: debt over 90 days old as a % of aged debt	25%	26.7%	Some elements of debtors over 90 days need to be considered for write off, these are distorting the performance slightly away from target

Indicator	2016/17 target	2016/17 actual	Comments
LHS20 - Satisfaction: Housing repairs	94%	91.65%	Customer Satisfaction has fell slightly below target during the month that we have changed our scoring scale from 1-10 to 1-5 which we believe has added more weight to poorer returned scores. To ascertain where we can make improvements, relevant managers will investigate and feedback to the Performance Officer all scores at or below 4 out of 5 on a monthly basis
LRBP8 - Revs & Bens: Processing of new claims (days)	19	20.37	New claims performance has been affected by high levels of absence within the processing team, the situation is improving and moving into quarter two. Our forecast is that processing times will improve

3.7 Benchmarking indicators - As part of an East Midlands Performance Benchmark group initiative there are currently **seven** indicators which can be compared against other district councils. The table below shows the latest status; Jan to Mar (4thqtr) 2015/16 of agreed indicators against all (participating) district councils. Please note that the returns in this table are provisional figures entered by councils onto the LG Inform site for benchmarking purposes only.

Indicator	No of district councils	Median	HBBC actual	HBBC rank	HBBC quartile	Direction of travel
Residual household waste per household	73	120 kg	114 kg	28	2nd quartile	↔
Percentage of household waste sent for reuse, recycling and composting	78	44.05%	52%	28	Top quartile	↔
Average number of working days lost to sickness absence per FTE	92	2.3	2.3	34	2 nd quartile	↔
Number of formal complaints received per 10,000 population	90	4.44	2.88	35	2nd quartile	↔
Number of fly tipping incidents per 1000 population	66	2.05	1.49	24	2 nd quartile	↔
Number of fly tipping enforcements per 1000 population	47	0.44	0.09	14	Top quartile	↔
Number of unique website visitors as % of population	64	89%	106%	21	2 nd quartile	↑

3.8 Service Improvements Plans - In total for 2016/17 there are **three hundred and forty seven** Service Improvement Plans across all council services.

As agreed with Joint Boards, only those Service Improvement Plans with a “**Corporate Impact**” (i.e. not business as usual) are monitored by the Joint Boards. Of the three hundred and forty seven plans, **one hundred and eighty four** have been flagged as having a “**Corporate impact**”.

Of these, **six** plans have been highlighted (snapshot 27 July 2016) by service managers/lead officers as slipping from their original intended target date/s. These are detailed below along with explanations on progress:

Service area	SIP Action	Progress	Target date/s
Finance	Civica budget monitoring module	Originally due by August 2015 This is now planned to be ready for August 2016.	Jul 2016
Finance	Dedicated/shared resource fraud team	Was originally due in Sep 2015. This is soon to be finalised subject to some final checks. Finalisation date expected to be by July 31 2016.	Jul 2016
Building Control	Increase application income	Draft marketing strategy written and awaiting feedback	Jun 2016
Streetscene	Bespoke system to provide e-service requests	Q1 Decision awaited on contractual position, when work commences and who will commission work.	Mar 2017
Cultural Services	Develop CCTV system	Replacement CCTV cameras, back office systems and Wi-Fi almost complete. Link from Atkins building to Crescent installed and currently working on connecting Crescent cameras to new back office system. Half the cameras now on new system. Unfortunately program delayed slightly by B and M not agreeing to site an aerial on their property without paying extortionate legal fees, so different location sought.	Mar 2017
Housing	Develop Services to HBBC Leaseholders	Leaseholders surveyed April, survey results reviewed and actions being developed with Repairs colleagues to reflect feedback, these include: - Improving the information sent to Leaseholders during the purchasing process. - Improving the information and consultation regarding routine repairs to the buildings. - establishing a leaseholders forum to discuss issues and make improvements.	Sep 2016

3.9 Corporate/Strategic risks - There are a total of **thirty** risks on the Corporate Risk Register (snapshot 27 Jul 2016). Of these, **eight** have a high (red) net risk level and these are detailed below.

Red risks are those that have been identified as posing the most significant threat and are reviewed at least quarterly to ensure actions are adopted to reduce the likelihood of the risk happening and/or reduce the level of impact the risk poses.

Risk	Review commentary	Last review
S.14 - Dealing with numerous Public Enquiries	Appeal performance is currently good for the first quarter with 19 appeal decisions being issued since 1 April 2016. 15 appeals have been dismissed and 4 allowed, with 2 going against Cllr overturned decisions. Discussions have taken place with Group Leaders regarding improvements to the management of Planning Committee. Draft proposals are currently under discussion within the political groups with the intention of a report potentially being considered by Council in September 2016.	Jul 2016
S.15 - Failure to successfully adopt & deliver LDF	Inspectors report on the Site Allocations and Development Management policies has been received and recommended amendments have been included in the final document which was considered and approved at Full Council in July 2016. The policies and allocations contained within the document are now operational.	Jul 2016
S.30 - Review by the Equalities Commission for Human Rights of disability issues	The Council's S23 Agreement has been discharged. The Council is working in collaboration with other partners within Leicestershire to support EHRC national follow-up to 'Hidden in Plain Sight'. This is being led by the County Council.	Jul 2016
S.34 - Safeguarding of vulnerable adults, children & young people	Risk remains high due the number of referrals being received by Designated Safeguarding Officers. There has been an increase in threats of suicide. There are issues concerning mental health and how support agencies deal with cases.	Jul 2016
S.37 - Non delivery of capital projects which are interdependent	The restrictions in funding new capital projects remains. For the HRA the position is that the council continue with current schemes only. Due to the governments rent reductions policy no additional affordable housing works will be committed at this stage. In addition, consideration is being given to a revised business plan for the operations of the wholly owned company to and the Council who will need to provide funding to the company. This will be under constant review and it is intended that a report is taken to Council by November 2016. This plan for the company will however be heavily dependent upon approved borrowing by the Company from the Council with some equity funding. This review and the desire to keep borrowing levels low may restrict the viability and future of the company.	Jul 2016

Risk	Review commentary	Last review
S.43 - Leicestershire County Council budget cuts	LCC have given notice of withdrawal of green recycling credits from 2015/16. This impacts HBBC budgets by taking away income of around £320K which has now been planned for in the Council's MTFs and budget for 2015/16. LCC also announced that their financial position has worsened so it is likely that they will also remove dry recycling credits from 2017/18. This has been included in the revised MTFs agreed on the 18 February 2016, with a further £470 loss of income. In addition, as LCC position worsens to a budget gap of £130m with some savings not yet identified there is a likelihood that their further decisions on budget reductions will continue to have an ongoing impact on Leicestershire District council's budgets. Part of HBBC response to the pressures faced has been to increase Council Tax by £5 and introduce a £24 charges for Green waste for 2016/17 and beyond. 2016/17 is in balance generating a surplus to be placed in reserves. Due to these charges the MTFs now shows that the council is staying within the 10% minimum balances, but with underlying pressure still evidence in the longer term.	Jul 2016
S.45 - Council does not prevent or detect fraudulent activities	Leicestershire Transformation Bid successful. Ashley Wilson now working with Leicester City (accountable body) and the Leicestershire revenues and Benefits Partnership to set up a counter fraud service. Progress has been made, but final processes for sharing information and what the outputs will be to be finalized. Should be in place for August 2016.	Jul 2016
S.48 - Fire arrangements in commercial premises	Risk added in June 2016 in response to review of fire management arrangements of commercial premise in the HBBC area. Seeking additional measures to ensure compliance with legislation	Jul 2016

3.9.1 As part of the quarterly review of the Strategic Risk Register:

- One new risk has been added
 - S.48 - fire arrangements in commercial premises
- No risks have increased (worsened) in rating
- No risks have decreased (improved) in rating
- One risk has been closed
 - S.46 - construction of Hinckley Leisure centre

3.10 Service area risks - There are a total of **eighty four** risks (snapshot 27 July 2016) across all service areas which are kept on individual service area risk registers. Of these, **twelve** have a high (red) net risk level and these are detailed below.

Risk	Review commentary	Last review
DLS.19 – Recruitment &	Q1 - Recent planning restructure largely complete. New vacancies currently being recruited to. Work begun on	Jul 2016

retention of staff <i>(Planning)</i>	investigating options for making professional posts career grade. Looking at career grades, 'selling/promotion' of HBBC as an organisation.	
DLS.42 - Meet the need of Gypsy and Travellers in the borough <i>(Planning)</i>	Q1 - A Gypsy and Traveller Needs Assessment is currently being updated. Final report to be presented to Members summer 2016. Awaiting formal report from consultants.	Jul 2016
DLS.44 - Five year housing land supply <i>(Planning)</i>	Q1 - Council continues to have strong 5-year housing land supply. Hinckley West (850 houses) recently approved. Negotiations on Barwell SUE S106 agreement almost complete. Submission of planning application for Earl Shilton SUE put back to late 2016 - monthly progress meetings now taking place. Approval of Westfield Farm (350 houses) development has helped to boost supply.	Jul 2016
DLS.47 - Reputation of Building Control Service <i>(Planning)</i>	Growing business of Building Control Section means we are running at full capacity, in times of sickness, leave and vacant positions. This can substantially affect ability to respond to customer's needs in timely and appropriate manner. As services can be sorted from an outside Approved Inspector if they are able to react in a more timely manner than ourselves this can result in damage to current excellent reputation. Can also affect this in times where we are unable to recruit suitable staff. Mentoring strategy being developed.	Jul 2016
DLS.48 - Loss of work to Approved Inspectors <i>(Planning)</i>	Whilst we maintain an above national average market share, the market of Approved Inspectors continues to grow. Whilst we continue to market ourselves and compete effectively against them, risk of competition and loss of work exist. Marketing strategy developed to aid us in our commercial market.	Jul 2016
HCS.84 - Ending of funding for the DA Children's worker <i>(Housing)</i>	Work with partners to influence commissioning decisions around this work. PCC bids submitted to support continuation of service. Bids sourced and service in place for 2016-17.	Jul 2016

Risk	Review commentary	Last review
HCS.86 - Private rented sector becoming more expensive resulting in increased demand for housing options/council accommodation (<i>Housing</i>)	External funding for social lettings is not currently available from the HCA. Further work is required to establish if it is realistically possible to deliver a social lettings option. Setting up social lettings agency – potential for a joint arrangement with Charnwood BC.	Jul 2016
HCS.87 - PCC Commissioning uncertainties (<i>Housing</i>)	Robust response to current consultation. Work closely with the PCC's office and partners to ensure effective commissioning decisions. PCC bids for 2016-17 approved. Uncertainty of funding 2017-18 due to PCC Elections. Aiming to develop a proactive relationship with new PCC.	Jul 2016
HCS.88 - Impact of police changes resulting in increase demand for ASB services (<i>Housing</i>)	Continual effective partnership working to ensure assistance from partners. Consideration of not dealing with particular lower level issues. Concern that ASB moving away from usual ASB arrangement. Robust discussions re continuation of Endeavour. To encourage when PCC visits Joint LSP in September.	Jul 2016
HCS.91 - Central government housing proposals, including the 1% rent reduction (<i>Housing</i>)	Waiting for government regulations to be published into the various parts of the Housing and Planning Act in order that impacts can be reported and managed. In absence of new regulations, will push on with Business Plan.	Jul 2016
SS.37 – external funding (<i>Street scene</i>)	Response submitted to LCC consultation. LCC will advise change to system in September 2016. Awaiting clarity from LCC.	Jul 2016

3.10.1 As part of the quarterly review of the service risk registers:

- No new risks have been added
- No risks have increased (worsened) in rating
- No existing risks have decreased (improved) in rating
- Four risks have been closed:
 - CPS41 - Staff levels (Corporate Governance)
 - DLS41 - Building Control of shared services with Oadby and Wigston
 - HCS77 - Sentinel (Housing & Community Safety)
 - DLS46 - Ability to recruit vacant post (Planning)

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

4.1 This report is to be heard in open session at Finance and Performance Scrutiny

5. FINANCIAL IMPLICATIONS (IB)

5.1 There are no financial implications arising directly from this report

6. LEGAL IMPLICATIONS (AR)

6.1 There are no legal implications arising directly from this report

7. CORPORATE PLAN IMPLICATIONS

7.1 The report provides an update on the achievement of the Council's vision and revised Corporate Plan 2013 - 2016. The issues covered in this report relate to, and support the achievement of all the Council's Strategic Aims:

- Creating a vibrant place to work and live
- Empowering communities
- Supporting individuals
- Providing value for money and pro-active services

8. CONSULTATION

8.1 Each service area has contributed information to the report and the performance outturn information is available on the council's performance and risk management system TEN.

9. RISK IMPLICATIONS

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 This report summarizes all risks, strategic and operational (SIP) and therefore considers the risk implications with regards to the Corporate Plan.

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 Equality and Rural implications are considered as part of the implementation of the Corporate Plan 2013-16.

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers: Ten reports

Contact Officer: Cal Bellavia, ext. 5795
Executive Member: Councillor M Surtees

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Hinckley & Bosworth
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FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

FINANCE AND PERFORMANCE COMMITTEE 19 SEPTEMBER 2016

WARDS AFFECTED: 'ALL WARDS'

Customer Services – Performance Monitoring

Report of Chief Officer (Corporate Governance & Housing Repairs)

1. PURPOSE OF REPORT

- 1.1 This report provides details of performance of the Customer Services function, particularly in relation to customer waiting times. The reporting period covers two financial years 2014/15 and 2015/16 and for the first quarter April 2016 to June 2016.

2. RECOMMENDATION

- 2.1 That members note the content of the report and the positive actions to address anticipated high customer demand during March/ April 2017 as outlined in paragraph 3.10 of the report.

3. BACKGROUND TO THE REPORT

- 3.1 During 2006 the council established a corporate Contact Centre, providing a 'One Stop Shop' whereby all customer enquiries are dealt with at first point of contact, where possible. At present the corporate Contact Centre delivers its services through a shared face to face reception, telephone contact centre, customer records management (CRM) System, website and e-forms.
- 3.2 The council is committed to delivering improved customer service through its Customer Service Charter. The charter is underpinned by the principle that good customer service is provided from the first point of contact, through to satisfactory conclusion. The charter sets out the service standard for interaction with customers in order to improve access to the council's services and to ensure a consistent and coordinated customer service approach by all staff.
- 3.3 The standards are monitored through key performance indicators which focus upon volumes of contact and reduced waiting times, for both face to face and telephone enquiries. The council also measures customer satisfaction via the annual customer

service survey and ongoing 'Govmetric' survey. Using Govmetric the customer can 'rate' the service they have received from the council as Good, Average or Poor. Currently 95% of customers surveyed rate our service overall as 'Good' which is the highest rating available when benchmarked against other local authorities.

- 3.4 Indicator targets are set for the contact centre and reception as a team based target. Individual's performance can also be monitored against the team target and each member of staff is aware of and expected to contribute to that by increasing their own productivity. Performance is reviewed using the performance management process and appraisal system. High standards of performance are reinforced through team briefings and development opportunities are also made available for high performers.
- 3.5 Customer Services operates with a full time Customer Services Manager and a part time Team Leader (30hrs) and 18 (13.7 FTE) Customer Service Advisers (CSAs). The team cover all three areas:

Meet & Greet desk

This is usually covered by one CSA (two on a Monday morning) and deals with the first point of all enquiries for HBBC, CAB and Social Services. On average CSAs deal with 1800 enquiries a month, including HBBC enquiries where the customer does not need to see an adviser at the pods. If the HBBC customer needs to see an adviser regarding a more in depth enquiry they are then given a ticket to see an adviser at the pods.

Face to Face pods

Customers see an adviser at the pod regarding more in depth issues usually regarding Benefits, Housing, Licensing and various other enquiries. On average 1300 customers are seen at the pods every month and there are usually 3 - 4 advisers serving at the pods at any one time.

Telephony

The remainder of the CSAs cover the telephones in the Contact Centre, where the majority of phone calls into HBBC are received. CSAs who work on the pods are also able to log into the telephony system and answer calls, when it is quieter on the pods. CSAs resolve around 70% of all enquiries without the customers needing to be transferred to other departments and take between 10,000 and 13,000 calls a month, although this has increased over the last few months to around 15,000; which reflect the increased contact regarding payment of garden bins from March - June 2016 and the European referendum in June 2016.

- 3.6 The following tables cover key data for the two financial years 14/15 and 15/16 and the first quarter of 2016/17. They include:
- Key performance indicators (KPIs) for telephone and face to face
 - Monthly contact centre call volumes and KPI statistics
 - Customer feedback and satisfaction levels for telephone and face to face

Customer Services Indicators and Statistics

Summary for year for telephony and face to face contact

PI Ref	Contact Centre	2014/15		2015/16		2016/17 Quarter 1	
		Target	Actual	Target	Actual	Target	Actual
	Number of telephone calls received into Contact Centre	N/A	142,993	N/A	156,284	N/A	45,854
	Number answered	N/A	119,005	N/A	124,992	N/A	32,530
LCUS1b	% of calls lost	15%	16.67%	15%	19.99%	15%	28.98%
Indicator no longer reported as satisfaction levels are high	% of calls answered within 60 seconds	85%	69.77%	80%	61.17%	80%	29.49%
PI Ref	Face to Face	2014/15		2015/16		2016/17 Quarter 1	
		Target	Actual	Target	Actual	Target	Actual
	Meet and Greet						
	Number of enquiries completed at Meet and Greet only	N/A	17,223	N/A	19,493	N/A	*5,667
	Customer Pods						
	Number of enquiries completed at the Pod	N/A	18,291	N/A	16,830	N/A	*4,699
LCUS3	% of customers seen within 10 minutes from meet and greet to the pod	85%	69.77%	80%	61.17%	80%	76.42%

* Number of enquiries for meet and greet have increased in the first quarter 2016/17 compared to previous years as Garden Waste payments were taken at reception

Breakdown of call volumes into the contact centre





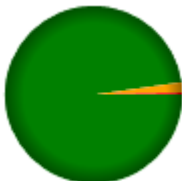





Telephone Statistics 2014/15														
	Target	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
Number of telephone calls	N/A	13195	11916	13786	12605	12041	12366	12417	10029	8929	10448	9801	15460	142993
Number answered	N/A	10119	9640	10697	10446	10135	10742	9944	8702	7846	9261	9019	12454	119005
% of answered calls answered in 60 seconds	85.00%	40.50%	50.50%	53.60%	51.90%	48.30%	55.20%	43.50%	56.50%	59.60%	61.30%	69.00%	58.20%	54.33%
Volume of calls lost	N/A	3064	2247	3074	2157	1891	1610	2453	1313	1081	1185	780	2982	23837
% of telephone calls lost	15%	23.22%	18.86%	22.30%	17.12%	15.70%	13.01%	19.75%	13.09%	12.10%	11.35%	7.96%	19.28%	16.67%

Telephone Statistics 2015/16														
	Target	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
Number of telephone calls	N/A	13243	11188	12200	12316	10966	11091	10483	10647	8830	10718	10440	34162	156284
Number answered	N/A	11533	9760	11088	11276	9427	10073	9827	9629	8231	9552	9289	15307	124992
% answered calls answered within 60 seconds	80%	60.70%	57.40%	68.80%	66.00%	61.20%	64.90%	76.10%	70.50%	76.80%	70.00%	68.80%	15.40%	61.17%
Volume of calls lost	N/A	1705	1421	1103	1040	1537	1018	656	1015	598	1166	1150	18825	31234
% of telephone calls lost	15%	12.87%	12.70%	9.04%	8.40%	14.01%	9.18%	6.25%	9.53%	6.77%	10.87%	11.01%	55.10%	19.99%





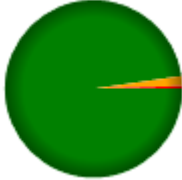





Telephone Statistics 2016/17														
	Target	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
Number of telephone calls	N/A	15899	14173	15782										45854
Number answered	N/A	11557	10440	10533										32530
% answered calls that are answered within 60 seconds	80%	48.90%	39.00%	29.50%										29.49%
Volume of calls lost	N/A	4325	3715	5249										13289
% of telephone calls lost	15%	27.20%	26.21%	33.25%										28.98%

Customer feedback and satisfaction levels via Govmetric





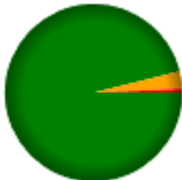




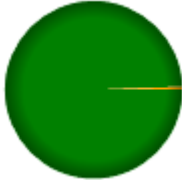
2014/15

Telephone				Overall Rating	
Number of respondents	6060	116	25		
Percentage of respondents	98%	2%	0%	Good	
F2F				Overall Rating	
Number of respondents	2234	57	68		
Percentage of respondents	95%	2%	3%	Good	

2015/16

Telephone				Overall Rating	
Number of respondents	5500	100	30		
Percentage of respondents	98%	2%	1%	Good	
F2F				Overall Rating	
Number of respondents	2950	89	49		
Percentage of respondents	96%	3%	2%	Good	

2016 to Date

Telephone				Overall Rating	
Number of respondents	1210	40	9		
Percentage of respondents	96%	3%	1%	Good	
F2F				Overall Rating	
Number of respondents	532	3	0		
Percentage of respondents	99%	1%	0%	Good	

- 3.7 The analysis of telephone calls, month by month, shows a marked increase in calls during March 2016 with a 50% increase in call volume received compared to March 2015; this high level is maintained through to the first quarter of 2016/17 with an average increase of 20% on call volume. This has had an impact upon the performance standards as over 50% of calls were lost in the month of March 2016. Historically, year on year, March and April are the busiest months due to customer queries in regard to council tax annual billing, end of year benefit award letters and rent increase letters. Mitigating actions are put in place to deal with this, for example, holidays are restricted as part of the staff rota preparation, however sporadic short term sickness always has an impact as this cannot be planned for. In terms of short term cover to deal with peak periods, due to the nature of the job training can last between a minimum of 6 -12 months therefore emergency cover is challenging. Bank staff are recruited; however their skills and capabilities are limited and restricted to deal with basic enquiries only. More experienced part time CSAs are encouraged to cover hours as much as possible.
- 3.8 In addition to those annual recurring demands, during February 2016 the policy for charging for garden waste was implemented to be ready for April 1st. Customer services recruited 6 additional bank staff and created an overflow telephony queue to deal with the anticipated demand. As the scheme was promoted it had a significant effect upon Customer Services with a spike in demand following the launch with 34,162 attempted calls received in the contact centre in March 2016 alone. This was managed by staff despite demand levels remaining high for many weeks.
- 3.9 Demand for the garden waste service did reduce in June; however calls were still high during this month in comparison to previous years due to an increase in Council Tax recovery letters being posted out and enquiries in regard to the European Referendum, peaking on Election Day (23rd June).
- 3.10 The Garden Waste project team regularly monitored the impact upon customer services and has ensured that a robust action plan is put in place to deal with the volume of demand for 2017. An improved online e-payments system is currently being implemented along with an online direct debit facility. This will increase the online take-up and prevent telephone contact. The Customer Service Manager is also preparing for the increase in demand by proposing to recruit the equivalent bank staff for the overflow telephony queue. There will also be consideration given to hiring specialist agency staff to deal with more complex enquiries in regard to council tax and housing benefit to support during peak periods. Currently a revised telephone structure is being implemented in order to improve the transferring calls from the contact centre to the Revenues and Benefits partnership to ease demand levels.
- 3.11 As mentioned earlier within the report Govmetric data is an important tool to measure customer satisfaction. The CSA's continue to seek feedback by surveying 10% of call volume for both telephone and face to face transactions. The council's current target is 95% satisfaction with the council. It is important to note that satisfaction levels for the last 18 months have exceeded target and maintained that level even during periods of high demand.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES
- 4.1 To be taken in public session.
5. FINANCIAL IMPLICATIONS [IB]
- 5.1 None arising directly from the report.
6. LEGAL IMPLICATIONS [AR]
- 6.1 None.
7. CORPORATE PLAN IMPLICATIONS
- 7.1 The provision of excellent customer service ensures that the council meets the following Corporate Aims:
- Supporting individuals
 - Providing value for money and proactive services
8. CONSULTATION
- 8.1 Customers are surveyed in regard to the quality of our service using Govmetric and annual surveys.
9. RISK IMPLICATIONS
- 9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.
- 9.3 The following significant risks associated with this report / decisions were identified from this assessment:
- None.
10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS
- 10.1 Customer services regular carries out surveys of its customer base via Govmetric. The service also seeks feedback through an annual summer survey to ensure the service provided meets the needs of council customers. This year, the summer survey is focussing particularly upon accessing services online in the future. The automation of services may negatively impact upon the council's customers, such as the roll out of applying for housing benefit online, who are vulnerable and it is therefore essential that the council must maintain the continuation of face to face services for its most vulnerable residents.

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers: None

Contact Officer: Julie Stay, HR and Transformation Manager Ext 5688

Executive Member: Councillor A Wright



Hinckley & Bosworth
Borough Council

A Borough to be proud of

Overview and Scrutiny Work Programme 2016-2017

SEPTEMBER 2016

FINANCE & PERFORMANCE SCRUTINY

Date	Issue	Reason	Outcomes	Lead Officer	Supports corporate aims
19 September 2016	Revenue & capital outturn, 1 st quarter	Monitor budgets and capital programme	Ensure effective use of resources	Ashley Wilson	All
19 September 2016	Treasury management, 1 st quarter	Inform of treasury management activity	Ensure compliance with policy	Ashley Wilson	4
19 September 2016	Performance & risk update, 1 st quarter	To monitor performance in-year	Identify improvements	Cal Bellavia	All
19 September 2016	Contact centre – call waiting times	Referral from Scrutiny Commission	Make recommendations	Julie Stay	All
21 November 2016	Revenue & capital outturn, 2 nd quarter	Monitor budgets and capital programme	Ensure effective use of resources	Ashley Wilson	All
21 November 2016	Performance & risk update, 2 nd quarter	To monitor performance in-year	Identify improvements	Cal Bellavia	All
21 November 2016	Aged debts, 2 nd quarter	Monitor levels of debt	Ensure recovery processes are robust	Ashley Wilson	4
21 November 2016	Business rates retention, 2 nd quarter	Monitor levels of retention and pooling arrangements	Ensure appropriate arrangements and value for money	Ashley Wilson	4
21 November 2016	Treasury management, 2 nd quarter	Inform of treasury management activity	Ensure compliance with policy	Ashley Wilson	4
21 November 2016	Frontline Service Review – Environmental Health	Programme of service reviews	Monitor performance	Rob Parkinson	4
30 January 2017	Budget (joint with Scrutiny Commission)	To scrutinise budget proposals prior to Council decision	Ensure value for money	Ashley Wilson	4
30 January 2017	Frontline Service Review – Housing	Programme of service reviews	Monitor performance	Sharon Stacey	3, 4
3 April 2017	Revenue & capital outturn, 3 rd quarter	Monitor budgets and capital programme	Ensure effective use of resources	Ashley Wilson	All
3 April 2017	Aged debts, 3 rd quarter	Monitor levels of debt	Ensure recovery	Ashley	4

Date	Issue	Reason	Outcomes	Lead Officer	Supports corporate aims
			processes are robust	Wilson	
3 April 2017	Business rates retention, 3 rd quarter	Monitor levels of retention and pooling arrangements	Ensure appropriate arrangements and value for money	Ashley Wilson	4
3 April 2017	Treasury management, 3 rd quarter	Inform of treasury management activity	Ensure compliance with policy	Ashley Wilson	4
3 April 2017	Performance & risk, 3 rd quarter	To monitor performance in-year	Identify improvements	Cal Bellavia	All
3 April 2017	Frontline Service Review – Planning	Programme of service reviews	Monitor performance	Nic Thomas	1, 4

To programme

Frontline service review – Refuse & recycling (first meeting of 17/18)

Key to corporate aims

- 1 – creating a vibrant place to work and live
- 2 – empowering communities
- 3 – supporting individuals
- 4 – providing value for money and pro-active services

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