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Hinckley & Bosworth  
Borough Council

*A Borough to be proud of*

**Bill Cullen** MBA (ISM), BA(Hons) MRTPI  
**Chief Executive**

Date: 24 March 2017

**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, 3 APRIL 2017 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

**A G E N D A**

1. APOLOGIES AND SUBSTITUTIONS

2. MINUTES OF PREVIOUS MEETING (Pages 1 - 4)

To confirm the minutes of the meeting held on 30 January 2017.

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. REVENUE & CAPITAL OUTTURN, THIRD QUARTER 2016/17 (Pages 5 - 28)

To inform members of the revenue & capital outturn at the end of January 2017.

7. TREASURY MANAGEMENT THIRD QUARTER 2016/17 (Pages 29 - 34)

To inform members of the council's treasury management activity.

8. BUSINESS RATES RETENTION THIRD QUARTER 2016/17 (Pages 35 - 38)

To inform members of business rates performance from April to December 2016.

9. SUNDRY DEBTS THIRD QUARTER 2016/17 (Pages 39 - 42)

To inform members of the position on sundry debts as at 31 December 2016.

10. PERFORMANCE AND RISK MANAGEMENT FRAMEWORK THIRD QUARTER 2016/17 (Pages 43 - 58)

To provide members with the third quarter outturn position in relation to performance indicators, service improvement plans, corporate and service area risks.

11. FINANCE & PERFORMANCE SCRUTINY WORK PROGRAMME (Pages 59 - 62)

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

As raised under item 3.

## HINCKLEY AND BOSWORTH BOROUGH COUNCIL

### JOINT MEETING OF FINANCE & PERFORMANCE SCRUTINY AND THE SCRUTINY COMMISSION

30 JANUARY 2017 AT 6.30 PM

PRESENT: Mr KWP Lynch - Chairman  
Mr MR Lay – Vice-Chairman

Mr DC Bill MBE, Mr SL Bray, Mrs R Camamile, Mr DS Cope, Mrs J Kirby, Mr BE Sutton, Miss DM Taylor, Mr P Wallace, Mr R Ward and Mr HG Williams

Members in attendance: Councillors Mr SL Rooney

Officers in attendance: Malcolm Evans, Simon D Jones, Julie Kenny, Rebecca Owen, Rob Parkinson and Ashley Wilson

#### 334 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillors Crooks, Richards and Smith.

#### 335 MINUTES OF PREVIOUS MEETING

It was moved by Councillor Camamile, seconded by Councillor Cope and

RESOLVED - The minutes of the meeting of Finance & Performance Scrutiny held on 21 November 2016 be confirmed and signed by the Chairman.

#### 336 DECLARATIONS OF INTEREST

No interests were declared at this stage.

#### 337 MEDIUM TERM FINANCIAL STRATEGY

Members were presented with the refreshed Medium Term Financial Strategy (MTFS) summary for 2016/17 to 2020/21. Key areas highlighted were the Developing Communities Fund of £1.4m, the use of the waste management reserve which would result in a borrowing requirement to fund a new fleet, business rates income and a contingency for losses on appeals.

During discussion, concern was expressed in relation to business rates and the need to ensure provision for appeals and reduction in rates was emphasised. It was highlighted that, should a large business leave the borough, this would have a great impact on the finances of the authority. The Head of Finance assured members that the provision made was sufficient and prudent.

Councillor Taylor entered the meeting at 6.58pm.

Concern was also expressed at the intention to deplete the waste management reserve and then to fund a new fleet by borrowing which, in turn, increased concern that there may be an intention to outsource refuse collection. Members wished it to be recorded that they would not support outsourcing of the refuse service.

In relation to council tax, Councillor Bray asked that it be recorded that the Liberal Democrat group did not support a £5 increase in council tax.

In response to a question about the Developing Communities Fund, it was noted that a report on criteria and eligibility would be brought to the next meeting of the Scrutiny Commission.

RESOLVED – the report be noted and the comments made be forwarded to Council.

### 338 GENERAL FUND BUDGET

Members gave consideration to the general fund budget for 2017/18. It was reported that almost £200k savings above those predicted in February 2016 had been achieved, the enforcement, appeals and planning capacity reserves had been merged, and that contributions to the Developing Communities Fund and business rates reserve had been incorporated.

In response to questions about Block C at the Crescent, it was noted that there were two units still to let, but that a joint agent had been appointed who was confident that they could attract interest. It was requested that members be provided with a total loss figure, including not only rental income but also business rates.

In relation to planning enforcement and appeals, it was noted that the reserve was recommended to be £90-100k less than the previous year, but members were reassured that this would be sufficient.

Councillor Rooney left the meeting at 7.21pm.

RESOLVED – the report be noted.

### 339 HOUSING REVENUE ACCOUNT BUDGET 2017/18

Members received the proposed housing revenue account (HRA) budget which included the housing repairs account. It was noted that balances had been increased and there was a reserve to meet costs arising from the stock condition survey.

On a separate matter, a member expressed concern that, whilst the authority's housing was very well managed, housing associations were not subject to the same scrutiny. It was suggested that the chairman of the Scrutiny Commission give consideration to undertaking a review into housing associations.

RESOLVED – the report be noted.

### 340 CAPITAL PROGRAMME

The capital programme for 2016/17 to 2019/20 was presented to members. The cost of the leisure centre demolition being far lower than budgeted and the expenditure under the Developing Communities Fund of £700k in year one and a further £700k in year two were highlighted. A member suggested that the spending of £1.4m under the Developing Communities Fund in two years was ambitious.

It was noted that a procurement process had been undertaken in relation to the leisure centre, and the low costs of the winning tender had been realised, assisted by the high value of the equipment within the building. The ward councillor thanked officers and the contractor for the way the demolition had been managed, including the level of

communication with the community. It was reported that the options for the site were still under discussion, and it was asked that ward councillors be kept informed and that the options be brought to the Scrutiny Commission when available.

A member noted the provision for accommodating the Hansom Cab within the frontage of the former Coop building and asked if that was an indication that the council was retaining the building. In response it was noted that the housing of the Hansom Cab was a medium term arrangements and that options were still being considered for the Coop site.

In relation to the former depot site on Middlefield Lane, a member expressed the need for it to be developed as soon as possible as it was becoming an untidy site.

RESOLVED –

- (i) the report be noted
- (ii) a report on options for the former leisure centre site be brought to the Scrutiny Commission in due course.

341 FEES & CHARGES

In presenting the fees & charges book for 2017/18, the Head of Finance reported a correction in that the “gym only membership” charge for the leisure centre should read £239.90.

A member requested clarification on the “staff season tickets” item, and in response it was noted that this was for staff parking on the Rock temporary car park which was recovered via salary sacrifice.

RESOLVED – the report be noted.

342 COUNCIL TAX, NNDR AND OVERPAID HOUSING BENEFIT WRITE-OFFS

Consideration was given to the proposed council tax, non-domestic rates and overpaid housing benefit write-offs. A member asked if the level of debt was worsening, and it was agreed that a trend analysis would be sought.

RESOLVED – the report be noted.

343 SUNDRY DEBTS - QUARTER 3 2016/17

Members received the sundry debt position as at 31 December 2016.

RESOLVED – the report be noted.

344 ESTATES SUNDRY DEBTS

In response to a request at a previous meeting, members were provided with an update on the position of and actions to reduce sundry debts held by the Estates team. Members were assured that all courses of action to recover the debts had been exhausted, but that even when written off, a note would be retained on the system to ensure that, should the debtor be located in the future, the debt would be pursued.

RESOLVED – the report be noted.

345 INVESTMENT PROPERTY PERFORMANCE

Further to a request at a previous meeting, members received performance information in relation to HBBC's commercial estates. Members welcomed the positive report and asked whether targets had been met. In response it was noted that targets were focussed on occupancy, rather than yield, and that to improve yield, some more basic units would need to be offered.

RESOLVED – the report be welcomed and noted.

346 FINANCE & PERFORMANCE SCRUTINY WORK PROGRAMME

The work programme was agreed.

(The Meeting closed at 8.00 pm)

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CHAIRMAN



Hinckley & Bosworth  
Borough Council

*A Borough to be proud of*

## FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

FINANCE AND PERFORMANCE SCRUTINY

3 April 2017

WARDS AFFECTED: ALL WARDS

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### January 2017 Outturn (April 2016 – Jan 2017)

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#### 1. **PURPOSE OF REPORT**

- 1.1 To inform members of the revenue and capital outturn at the end of the January 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 period ending January 2017:

- 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.

- 3.2 The revised budget has been updated to reflect the new corporate Structure.

#### General Fund

- 3.3 When the latest 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 £241,054, representing supplementary budgets that have been approved in line with financial procedures rules. Therefore, as at the end of January 2017, the forecast is for the General Fund to increase by £158,012. This represents a minor change of £5,267 from the position reported to Council in February 2017 which estimated a contribution to balances of £163,279. The position as at January 2017 compared to the original budget is summarised below:

	Budgeted	Actual	Movement	Direction
Contribution to General Fund Balances	(£115,934)	£158,012	£273,946	↑

- 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:

	<b>Outturn variances £000</b>	<b>Explanation</b>
Staffing Restructure costs	(76)	Additional costs associated with changes in the corporate structure. These can be offset against the additional salary savings reported below
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 <sup>st</sup> March each year. Therefore in order to be prudent, this income is placed into the Business Rates reserve pending any notification.
Garden Waste	289	Additional garden waste income
Green Deal Grants	327	Externally funded grants for Green energy and fuel poverty. This funding will be rolled forward so does not impact on the general fund balance.
Recycling	373	£261k from additional green bin income £71k from green waste project savings £41k from kerbside contract savings
Refuse	71	Additional trade waste income
Car Parking	106	Additional car parking income of £80k and season ticket income of £26k
Planning income.	(193)	Reduction in income due to slowdown in development activity from economic uncertainty.
Block C	(163)	Reduction in forecast due slowdown in activity.
Planning Policy	175	Site allocation, Strategic growth and neighborhood development (expenditure to be rephrased)
Salary savings	237	Arising from vacant posts and staff turnover.

#### Capital

- 3.5 £ 6,915,066 has been spent on capital schemes to the end of January 2017 against a budget for that period of £9,260,366. This represents an under-spend of £ 2,345,300. The major service variations in excess of £50,000 have been summarised as follows:

<b>Scheme</b>	<b>£000's Under spend/ (Overspend)</b>	<b>Explanation</b>
Leisure Centre	141	Outstanding invoices and retentions
Leisure Centre Car Park	95	Budget now not required for 2016/17
Block C Fit Out	404	Budget set aside for future incentives. These budgets have been



Crescent Development	440	Budget set aside for Block C capital works
IT Hardware	107	Procurement delayed due to Channel Shift Project.
Major Works Grants	124	Budget committed but work not yet started
Private Sector Housing Enforcement	70	£60k of this has been committed.
Disabled Facilities	59	Awaiting invoices from contractors. Budget for the year has been committed
Housing Repairs (Cumulative repairs schemes)	784	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.

### Housing Revenue Account

3.6 As at January 2017 it is anticipated that the HRA outturn deficit will be £126,001 against a latest forecast showing a deficit of £ 51,581. This is mainly due the latest rent forecast being £60,000 higher than expected (a 0.46% variance on the rent budget) and savings in employee related expenditure.

3.7 The Housing Repairs Account is currently forecasting to be £242,312 in deficit which compares to the Latest budget for 2016/17 which is a deficit of £318,312.

### 4. **FINANCIAL IMPLICATIONS (IB)**

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

### 5. **LEGAL IMPLICATIONS (AR)**

No legal implications.

### 6. **CORPORATE PLAN IMPLICATIONS**

The budget ultimately addresses all Corporate Plan objectives.

### 7. **CONSULTATION**

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

### 8. **RISK IMPLICATIONS**

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

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.

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	A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation. The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance. Sufficient levels of reserves and balances are maintained to ensure financial resilience	Julie Kenny

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

None

10. **CORPORATE IMPLICATIONS**

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

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Background Papers:           Civica Financial Files

Author:                           Ilyas Bham, Accountancy Manager, ext 5924

Executive Member:           Cllr M Hall

## January 2017 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
Community Services	2,259,147	528,197	2,787,344	(839,910)	1,947,434	(438,000)	2,349,344
Corporate Services	2,135,936	311,937	2,447,873	(887,350)	1,560,523	(458,000)	1,989,873
Support Services	115,045	65,215	180,260	3,482,130	3,662,390	26,000	206,260
Environment and Planning	6,671,827	224,580	6,896,407	(1,754,870)	5,141,537	(576,000)	6,320,407
Estimated Salary (Savings)/Overspend						(237,000)	(237,000)
<b>TOTAL SERVICE EXPENDITURE</b>	<b>11,181,955</b>	<b>1,129,929</b>	<b>12,311,884</b>	<b>0</b>	<b>12,311,884</b>	<b>(1,683,000)</b>	<b>10,628,884</b>
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)	(662,099)	(665,014)	0	(665,014)	357,000	(308,014)
Carry fwd 31/3/17	0	0	0	0	0	72,000	72,000
Carry forwards 1/4/16	0	(204,949)	(204,949)	0	(204,949)	0	(204,949)
Transfer to Reserves	1,202,534	1,025,756	2,228,290	0	2,228,290	0	2,228,290
Revenue Contribution for Capital Outlay	0	0	0	0	0	0	0
Use of Reserves	(393,440)	(1,047,583)	(1,441,023)	0	(1,441,023)	143,000	(1,298,023)
<b>BUDGET REQUIREMENT</b>	<b>10,364,128</b>	<b>241,054</b>	<b>10,605,182</b>	<b>0</b>	<b>10,605,182</b>	<b>(1,111,000)</b>	<b>9,494,182</b>
					1,441,023		
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	(50,000)	1,207,386
Council Tax Support Grant	0	0	0	0	0	0	0
National Non-Domestic Rate	2,378,358	(546,000)	1,832,358	0	1,832,358		1,832,358
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
<b>TOTAL RESOURCES (HBBC BUDGET)</b>	<b>10,248,194</b>	<b>(546,000)</b>	<b>9,702,194</b>	<b>0</b>	<b>9,702,194</b>	<b>(50,000)</b>	<b>9,652,194</b>
<b>Movement in General Fund Balances</b>	<b>(115,934)</b>	<b>(241,054)</b>	<b>(356,988)</b>	<b>0</b>	<b>(356,988)</b>	<b>1,061,000</b>	<b>158,012</b>
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
<b>BUDGET REQUIREMENT</b>	<b>612,952</b>	<b>0</b>	<b>612,952</b>	<b>0</b>	<b>612,952</b>	<b>0</b>	<b>612,952</b>
<b>Total Movement in Balances</b>	<b>(115,934)</b>	<b>371,898</b>	<b>255,964</b>	<b>0</b>	<b>255,964</b>	<b>1,061,000</b>	<b>770,964</b>
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	371,898	1,699,940	0	1,699,940	1,061,000	2,214,940
<b>NBR</b>	<b>10,861,146</b>	<b>241,054</b>	<b>11,218,134</b>	<b>0</b>	<b>11,218,134</b>	<b>(1,111,000)</b>	<b>10,107,134</b>

Under/overspend	£	£
Mvt to/(from) Balances Orig Budget		(115,934)
Mvt to/(from) Balances Latest Budget	163,279	
Mvt to/(from) Balances Outturn	158,012	158,012
Outturn change	5,267	(273,946)

## General Fund Service Area 2016/17 Monthly Outturn to January 17

			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	
cm01	Community Services	DSO Housing Repairs	-97,714	246,594	-344,308	-344,000	-308	-82,755	-82,755		
cm02		Contribution to Housing Rev Ac	0	0	0		0	22,230	22,230		
cm04		Forest Road Garages	-4,634	-6,633	1,999		1,999	-5,320	-5,320		
cm05		Homelessness	136,379	85,331	51,048	-27,000	78,048	157,731	106,731	51,000	1.1
cm06		Housing Advances	260	14	246		246	260	260		
cm07		Housing Strategy	37,688	39,977	-2,289		-2,289	47,249	47,249		
cm08		Private Sector Housing	239,673	173,112	66,561	25,000	41,561	926,803	599,803	327,000	1.2
cm09		Children and Young People	66,667	61,981	4,686		4,686	120,390	73,390	47,000	1.3
cm10		CCTV	101,480	108,849	-7,369		-7,369	126,674	131,674	-5,000	1.4
cm11		Community Safety	274,415	282,323	-7,908	-30,000	22,092	380,892	380,892		1.5
cm12		Creative Communities	55,791	59,162	-3,371		-3,371	69,339	69,339		
cm13		Leisure Centre	-96,699	-87,572	-9,127		-9,127	-162,532	-162,532		1.6
cm14		Leisure Promotion	40,584	41,085	-501		-501	36,840	36,840		
cm15		Sports Development	140,853	105,390	35,463	9,000	26,463	210,346	180,346	30,000	1.7
cm16		Highways Miscellaneous	85,017	75,617	9,400		9,400	100,616	100,616		1.8
cm17		Markets	1,348	15,318	-13,970		-13,970	-1,329	10,671	-12,000	1.9
cm18		Public Transport	0	70	-70		-70	0	0		
	<b>Community Services</b>		<b>981,108</b>	<b>1,200,617</b>	<b>-219,509</b>	<b>-367,000</b>	<b>147,491</b>	<b>1,947,434</b>	<b>1,509,434</b>	<b>438,000</b>	
cp01	Corporate Services	Corporate Management	825,886	827,409	-1,523		-1,523	1,046,334	1,122,334	-76,000	2.1
cp02		Corporate Management (Civic)	28,384	16,229	12,155		12,155	33,020	28,020	5,000	2.2
cp01		Corporate Management - Director Costs	409,845	357,318	52,527		52,527	516,193	516,193		2.3
cp03		Council Tax / NNDR	244,432	222,026	22,406	-6,000	28,406	294,740	260,740	34,000	2.4
cp04		Council Tax Support	196,353	119,904	76,449	23,000	53,449	292,793	245,793	47,000	2.5
cp05		General Grants	154,870	-243,689	398,559	-67,000	465,559	254,870	-302,130	557,000	2.6
cp06		Register and Borough Elections	146,366	125,868	20,498		20,498	214,752	197,752	17,000	2.7
cp07		Benefits Fraud	131,627	116,514	15,113	6,000	9,113	172,643	161,643	11,000	2.8
cp07		Rent Allowances	-161,479	-50,271	-111,208	-224,000	112,792	-145,530	-162,530	17,000	2.9
cp08		Public Conveniences	28,180	24,059	4,121		4,121	32,237	32,237		
cp09		Industrial Estates	-532,506	-522,124	-10,382		-10,382	-650,916	-659,916	9,000	2.10
cp10		Misc Property	-625,158	-436,703	-127,538	4,000	-131,538	-500,613	-175,251	-163,000	2.11
	<b>Corporate Services</b>		<b>846,800</b>	<b>556,539</b>	<b>351,178</b>	<b>-264,000</b>	<b>615,178</b>	<b>1,560,523</b>	<b>1,264,885</b>	<b>458,000</b>	
cp11	Support Services	Asset Management	173,491	137,228	36,263	5,000	31,263	236,149	226,149	10,000	3.1
cp12		Communications & Promotion	215,750	227,567	-11,817	-2,000	-9,817	268,892	268,892		3.2
cp13		Council Offices	1,101,720	973,182	67,621	23,000	44,621	1,132,628	949,266	21,000	3.3
cp14		Finance Support	492,165	479,302	12,863		12,863	617,707	617,707		3.4
cp15		Health & Safety	38,301	39,175	-874		-874	48,079	48,079		

cp16		I.T. Support	897,374	1,303,023	-405,649	-389,000	-16,649	1,227,379	1,269,379	-42,000	3.5
cp17		Legal /Administration	1,083,161	1,048,733	34,428		34,428	1,348,077	1,363,077	-15,000	3.6
cp18		Performance & Scrutiny	44,214	39,825	4,389		4,389	54,769	54,769		
		HRA element of Support Services	-1,059,600	-1,059,488	-112		-112	-1,271,290	-1,271,290		
		<b>Support Services</b>	<b>2,986,576</b>	<b>3,188,547</b>	<b>-262,888</b>	<b>-363,000</b>	<b>100,112</b>	<b>3,662,390</b>	<b>3,526,028</b>	<b>-26,000</b>	
ep01	Environment & Planning	Emergency Planning	34,096	34,271	-175		-175	36,504	36,504		
ep02		Local Land Charges	24,832	62,074	-37,242		-37,242	24,745	61,745	-37,000	4.1
ep03		DSO Grounds Maintenance	-157,117	-161,453	4,336	-6,000	10,336	-180,347	-180,347		4.2
ep04		Allotments	3,816	2,883	933		933	5,116	5,116		
ep05		Cemeteries	127,665	125,367	2,298	-4,000	6,298	172,936	169,936	3,000	4.3
ep06		Countryside Management	95,862	84,509	11,353	10,000	1,353	111,758	111,758		
ep07		Dog Warden Service	30,339	30,445	-106		-106	35,983	35,983		
ep08		Environmental Health	437,819	455,239	-17,420		-17,420	558,406	558,406		4.4
ep09		Land Drainage	21,303	20,798	505		505	26,897	26,897		
ep10		Licences	-10,027	1,303	-11,330		-11,330	6,439	6,439		4.5
ep11		Parks	581,662	528,946	52,716		52,716	721,450	728,450	-7,000	4.6
ep12		Pest Control	2,713	10,881	-8,168		-8,168	4,601	13,601	-9,000	4.7
ep13		Recycling	579,995	98,998	480,997	41,000	439,997	835,810	439,810	396,000	4.8
ep14		Refuse Collection	794,889	742,677	52,212		52,212	991,742	928,742	63,000	4.9
ep15		Street Cleansing	564,267	531,587	32,680	(6,000)	38,680	735,257	679,257	56,000	4.1
ep16		Waste Business Improvements	-31,246	-37,353	6,107		6,107	-36,390	-42,390	6,000	4.11
ep17		Building Inspection	6,569	30,473	-23,904		-23,904	18,761	46,761	-28,000	4.12
ep18		Car Parks	-71,927	-168,138	96,211	8,000	88,211	-103,648	-192,648	89,000	4.14
ep19		Community Planning	91,517	91,924	-407		-407	111,319	111,319		
ep20		Development Control	-60,178	-11,555	-48,623	13,000	-61,623	-48,466	108,534	-157,000	4.14
ep21		Economic Development	228,018	218,210	9,808		9,808	182,572	182,572		4.15
ep22		Environmental Initiatives	1,669	1,617	52		52	2,051	2,051		
ep23		Planning Policy	667,577	396,998	270,579	85,000	185,579	884,311	683,311	201,000	4.16
ep24		Sustainable Development	34,747	3,982	30,765		30,765	43,730	43,730		4.17
		<b>Environment &amp; Planning</b>	<b>3,998,860</b>	<b>3,094,682</b>	<b>904,178</b>	<b>141,000</b>	<b>763,178</b>	<b>5,141,537</b>	<b>4,565,537</b>	<b>576,000</b>	
		<b>Position as at 31/1/2017</b>	<b>8,813,344</b>	<b>8,040,385</b>	<b>772,959</b>	<b>-853,000</b>	<b>1,625,959</b>	<b>12,311,884</b>	<b>10,865,884</b>	<b>1,446,000</b>	
		<b>Estimated year end salary overspend (-)</b>							<b>-237,000</b>	<b>237,000</b>	
		<b>Pay award pressure (Chief Officers)</b>									
		<b>Pay award pressure</b>									
								<b>12,311,884</b>	<b>10,628,884</b>	<b>1,683,000</b>	

		<b>Outturn Explanations April 2016 to January 2017</b> <b>Key : ( ) = overspend</b>		
		<b>Forecasted year end variations</b>	<b>Variation To Date</b>	<b>Forecasted Year End Variance at January</b>
			<b>£</b>	<b>£</b>
<b>1</b>		<b>Community Services</b>	<b>152,000</b>	<b>438,000</b>
<b>1.1</b>	➤	Homelessness - £46K underspend on homelessness prevention due to demand levels at this time of year, £9K underspend on Bed and breakfast due to lower than anticipated demand levels, £18 K underspend of mortgage prevention grant carried forward from prior year, £8K underspend of Universal credit preparation grant, (£3K) minor variances	78,000	
	➤	Year end - £39K underspend on homelessness prevention due to demand levels, £12k underspend on bed and breakfast. These are ring fenced grants		51,000
<b>1.2</b>		Private Sector Housing - £3K Subscriptions saving due to a two year deal signed last year, £31K underspend on fuel poverty grant funding due to other resources being spent first, £2K additional miscellaneous income, £5K minor variations	41,000	
		Year end - £3K Subscriptions saving due to a two year deal signed last year, £63K underspend fuel poverty programme ring fenced grant to be carried forward, £261K underspend green deal programme as anticipated project now not happening this is a ring fenced grant to be carried forward,		327,000
<b>1.3</b>		Children and Young People - £1k salary variance, £3k additional income, £1k minor variations	5,000	
	➤	£9k safeguarding project will not be completed this financial year and a carry forward will be required, £38k externally grant funded projects unlikely to be completed and as such a carry forward will be required.		47,000
<b>1.4</b>		CCTV - £5k - Additional cost re: CCTV monitoring contract (13 payments for year compared to 12 as accrual for March 2016 omitted in error), £2k minor variations	(7,000)	(5,000)
<b>1.5</b>	➤	Community Safety - £11K to be spent on community action projects for Hinckley and Bosworth, £2K underspend on electricity, £2k underspend of mobile speed camera which has not been required to move, £4K underspend on hired and contract services, £3K other minor variations.	22,000	
<b>1.6</b>	➤	Leisure Centre - (£6k) NNDR on old leisure centre , (£3k) additional Premises insurance on the new leisure centre	(9,000)	
	➤	Sports Development - £16k Salary variance, £10k reduced expenditure on grant funded projects to date	26,000	
	➤	Yr End. £30k - expected unused external grant monies for which a carry forward will be required		30,000
	➤	Highways Miscellaneous - £9k Additional income from street naming	9,000	
	➤	Markets - (£2k) Salary variance, (£11k) shortfall in market income	(13,000)	
		Year end - (£12k) predicted under recovery of market income.		(12,000)
<b>2</b>		<b>Corporate Services</b>	<b>612,000</b>	<b>458,000</b>
<b>2.1</b>	➤	Corporate Management		
	➤	Year End - (£76k) Staffing restructure costs		(76,000)
<b>2.2</b>	➤	Corporate Management - Civic - £4k underspend on Civic Hospitality, £4k underspend on mayoral travel costs, £3k Town Twinning, £1k other minor underspends. Year End - £5k - Underspend on budget bfwd from 2015/16 relating to prior year Mayor. Budget bfwd as mayoral year is different to financial year	12,000	5,000
<b>2.3</b>	➤	Corporate Management - £52k salary variance due to vacant post, £1k Other minor underspends	53,000	
<b>2.4</b>	➤	Council Tax/ NNDR - £28k reduction in HBBC contribution to the Revenues & Benefits Partnership Year End - £34k - Reduction in the contribution payable to the Revenues & Benefits Partnership	28,000	34,000
<b>2.5</b>	➤	Council Tax Support - £25k additional admin grant relating to Local Council Tax Support, £18k reduction in HBBC contribution to the Revenues & Benefits Partnership, £10k New Burdens Income Year End - £25k - additional admin grant relating to Local Council Tax Support £22k - Reduction in the contribution payable to the Revenues & Benefits Partnership	53,000	47,000
<b>2.6</b>	➤	General Grants - £464k S31 grant income in respect of Business Rates Retention Scheme, £2k 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 final year end position.	466,000	557,000
<b>2.7</b>	➤	Elections - £17k additional income received, £6k Salary variance, (£3k) supplies and Services variance Year end - £17k additional income received	20,000	17,000
<b>2.8</b>	➤	Benefit Fraud - £9k reduction in HBBC contribution to the Revenues & Benefits Partnership Year End - £11k - Reduction in the contribution payable to the Revenues & Benefits Partnership	9,000	11,000
<b>2.9</b>	➤	Rent Allowances - £14k reduction in HBBC contribution to the Revenues & Benefits Partnership, £15k additional income received from DWP to cover costs of Welfare Reform, £10k additional New Burdens income received, £74k additional Income from Benefits Overpayments, £5k additional income relating to Discretionary Housing Payments, (£5k) Other minor overspends Year End - £17k Estimated reduction in the contribution to the Revenues & Benefits Partnership	113,000	17,000
<b>2.10</b>	➤	Industrial Estates - (£3k) Salary Variance, (£2k) Additional Premises Insurance costs, £9k additional income received relating to 2015/16 Service Charges, (£5k) additional NNDR charges on empty industrial units (a partial refund may be received if units are relet), £5k income received to cover partial valuation costs for properties in Market Bosworth, (£17k) Rent on Greenfields site lower than anticipated due to vacant units , £8k income received to cover Insurance premiums (£5k) Other minor overspends	(10,000)	

		<b>Outturn Explanations April 2016 to January 2017</b> <b>Key : ( ) = overspend</b>		
		<b>Forecasted year end variations</b>	<b>Variation To Date</b>	<b>Forecasted Year End Variance at January</b>
			<b>£</b>	<b>£</b>
		Year End - £9k additional income relating to backdated 2015/16 service charges		9,000
2.11	➤	Miscellaneous Properties - (£140k) Under recovery of rental income for the Crescent due to delay in getting tenants, £4k additional income on Other Miscellaneous Properties, £7k additional income from tenants at the Crescent to cover insurance premium costs, £10k additional income from Room Hire at the Atkins, (£23k) Under recovery of Service Charge on the Crescent due vacant units, £2k Underspend on Utilities, £3k Underspend on air conditioning maintenance costs, £5k Other minor Underspends	(132,000)	
	➤	Year End - (£140k) Estimated under recovery of rental income for the Crescent during 2016/17 due to delay in getting tenants, (£23k) Estimated under recovery of service charge income for the Crescent during 2016/17 due to delay in getting tenants		(163,000)
3		<b>Support Services</b>	<b>96,000</b>	<b>(26,000)</b>
3.1	➤	Asset Management - £11k Salary Underspend, £3k underspend of asset maintenance of Parks, £5k Partial refund relating to Florence House previously unprocessed, £5k underspend on asset maintenance of Miscellaneous properties, £5k additional income recovered from DWP and Leicester County Council to cover costs incurred in 2015/16, £2k other minor underspends. Year End - £5k - Additional income recovered from DWP and Leicester County Council to cover costs incurred in 2015/16, £5k Partial refund relating to Florence House	31,000	10,000
3.2	➤	Communications & Promotion - (£8k) - Salary variance, (£2k) - minor variations	(10,000)	
3.3	➤	Council Offices - £9k Rent on the Hub - underspend due to lower than anticipated annual rent review, £8k additional rental income from Citizens Advice Bureau not budgeted for, £4k additional service charge income from Citizens Advice Bureau not budgeted for, £8k underspend on Utility costs at the Hub, £3k underspend on Security Services Maintenance costs, £3k underspend on Manned Security costs, £2k Underspend on Air conditioning maintenance costs, £3k Additional miscellaneous income, £2k Additional income for meeting room hire, £3k other minor underspends	45,000	
	➤	Council Offices - Year End £8k saving on Hub Rent due to lower than anticipated increase following annual rent review, £8k additional rental income from Citizens Advice Bureau not budgeted for, £5k additional service charge income from Citizens Advice Bureau not budgeted for		21,000
	➤	Finance support - (£3k) Accountancy salary overspend, (£1k) Creditors salary overspend, (£1k) Debtor salary overspend, (£1k) Cashiers salary overspend, (£1k) Procurement salary overspend, £15k underspend on internal audit fees, (£6k) overspend on Accountancy consultancy fees, £6k underspend on Cashier computer software maintenance, £5k Other minor variances.	13,000	
	➤	IT Support - £49k Salaries underspend, (£44k) Overspend on Agency staff budget to be vired from salaries as covering vacant post, (£49k) additional Steria Costs incurred as a result of new contract being withdrawn, a new contract is to begin on 1st January 2017, £3k Income contribution from Blaby District Council, £8k Underspend on EDMS costs, £10k underspend on CRM, £1k underspend on Consultancy Fees, £5k other minor Underspends Year End - (£50k) - additional Steria Costs incurred as a result of new contract being withdrawn, £8k Anticipated underspend on EDMS	(17,000)	(42,000)
3.6	➤	Legal & Admin - £3k Legal salaries underspend, £5k underspend on Legal agency wages, (£23k) overspend on legal fees, £13k underspend on committee services salary, (£9k) overspend on Human resources full time salary, £2k underspend on Human resources medical exam fees, (£1k) overspend Reprographic salary, £7k underspend on Reprographic equipment maintenance, £5k underspend on Corporate support services salary, £2k underspend on Corporate support computer software & maintenance, (5k) overspend on Postal services postages, £32k underspend on Customer contact centre salary, £3k other minor variances. Year End - (£15k) - additional postages Costs incurred as a result of higher usage and additional consultations.	34,000	(15,000)
4		<b>Environment and Planning</b>	<b>761,000</b>	<b>576,000</b>
4.1	➤	Local Land Charges - (£37k) Backdated litigation costs to be funded from reserves	(37,000)	
		Year end - £37k backdated litigation costs		(37,000)
4.2	➤	DSO Grounds Maintenance - (£2k) salaries overspend, £3k additional income, £5k repairs & maintenance of vehicle underspend, £4k fuel underspend,	10,000	0
4.3	➤	Cemeteries - £3k Additional income from burial fees, £3k Water underspend	6,000	
	➤	Year end - £3k additional income from burial fees		3,000
4.4	➤	Environmental Health - (£23k) salary overspend due to vacancy factor, £6k other minor variances.	(17,000)	
4.5	➤	Licenses - (£6k) salaries overspend due to vacancy factor, (£5k) other minor variances	(11,000)	
4.6	➤	Parks - £17k salaries underspend, £10k grounds maintenance additional works underspend, £4k equipment maintenance/purchase underspend, £4k materials underspend, £3k electricity underspend, £4k tree works underspend, £9k play area maintenance underspend, (£3k) income shortfall following termination of secondment, £5k minor variances	53,000	0
	➤	Year end - (£7k) Income shortfall following termination of secondment to North West Leicester District Council (There are compensating salary savings)		(7,000)
4.7	➤	Pest Control - (£6k) overspend on pest control hired and contracted services, (£1k) under-recovered pest control income, (£1k) other minor variances.	(8,000)	0
	➤	Yr. end - (£6k) overspend on pest control hired and contracted services, (£3k) shortfall in pest control income.		(9,000)
4.8	➤	Recycling - £261k additional green bin income, £107k green waste project underspend, £34k Kerbside recycling savings on palm contract, (£3k) shortfall recycling income from LCC, (£6k) salaries overspend, £9k additional misc. income, £3k repairs & maintenance underspend, £2k hired & contracted underspend, £10k agency staff underspend, £4k fuel underspend, £4k advertising underspend, £9k sale scrap bins, £1k leasing savings, £5k minor variances	440,000	

		<b>Outturn Explanations April 2016 to January 2017</b> <b>Key : ( ) = overspend</b>		
		<b>Forecasted year end variations</b>	<b>Variation To Date</b>	<b>Forecasted Year End Variance at January</b>
			<b>£</b>	<b>£</b>
		➤ Yr. end - £261k additional green bin income, £41k Kerbside recycling savings on palm contract, less (£3k) shortfall recycling income from LCC, £9k additional misc. income, £5k fuel underspend, £9k sale of scrap bins, £71k green waste project savings' £2k advertising underspend, £1k leasing savings		396,000
<b>4.9</b>		➤ Refuse - £71k additional trade waste income, £6k extra bulky waste income, (£23k) salaries overspend, (£19k) overspend trade waste costs, £7k additional misc. income, (£6k) agency staff overspend, £7k fuel underspend, £2k hired & contracted services underspend, £2k repairs & maintenance vehicle underspend, £5k minor variances	52,000	
		➤ Yr. end - £71k additional trade waste income, £3k additional bulky waste income, £6k additional misc. income, £7k fuel underspend, (£24k) overspend trade waste costs		63,000
<b>4.10</b>		➤ Street Cleansing - £31k additional bulky item collections, £21k additional streets variation income, £1k additional fixed penalty notice income, (£20k) salaries overspend due to vacancy factor, £3k underspend repairs & maintenance vehicles, £2k equipment purchase underspend, (£3k) staff standby overspend, £4k minor variances.	39,000	
		➤ Yr. end - £35k additional income from bulky item collections, £25k additional streets variation income, £1k additional fixed penalty notice income, less (£3k) overspend agency staff, (£3k) staff standby overspend, (£2k) Hired and contracted overspend, £3k Repairs & Maintenance vehicles underspend		56,000
<b>4.11</b>		➤ Waste Business Improvements - £4k wages underspend, £1k agency staff underspend, £1k additional miscellaneous income	6,000	
		➤ Yr. end - £4k wages underspend, £1k agency staff underspend, £1k additional miscellaneous income		6,000
<b>4.12</b>		➤ Building inspection - (£23K) reduction due to slow down in development activity due to pending referendum.	(23,000)	
		➤ Yr. End - (£28K) Forecast reduction in income from development slowdown.		(28,000)
<b>4.13</b>		➤ Car Parks - £63k additional pay and display income, £46k additional season ticket income, (£25k) additional NNDR costs Castle car park, (£11k) shortfall in penalty notice income from LCC, £5k underspend penalty notice processing costs, £2k sewer & environmental underspend, £2k grounds additional works underspend, £6k minor variances	88,000	
		➤ Yr. end - £80k additional pay and display income, £47k additional season ticket income, (£16k) shortfall in penalty notice income from LCC, (£25k)overspend NNDR costs, (£3k) overspend equipment maintenance, £6k underspend penalty notice processing costs		89,000
		➤ Development Control - £27K salary savings due to vacant posts, (£1K) overspend due to underspending on computer software and maintenance, £8K underspend on hired & contract services, £9K underspend on advertising of planning applications, (£124K) under receipt of income due to economic slow down, £9K additional income from pre app advice due to new pricing structure, £1K underspend in remote access, £6K underspend on legal fees relating Klondike appeal, £3K minor variations	(62,000)	
		➤ Yr. End - (£193K) Forecast reduction in income from development slowdown, £13K additional income for pre-application advice due to new charging structure., £9K Underspend on hired and contract services, £8K Underspend advertising, £6K Underspend on legal costs relating to klondyke case and a carry forward will be requested.		(157,000)
<b>4.15</b>		➤ Economic Development - £15K Salary saving due to vacant post, £3K Electricity costs re: Christmas Lights, (£3k) overspend on consultancy, (£6k) additional cost re: promotional events	9,000	
<b>4.16</b>		➤ Planning Policy - £75K underspend due to vacant post and carry forwards processed in July relating to 2 year fixed term posts, £43K underspend site allocation, £15K Underspend strategic growth, £19K underspend on consultancy, £6K underspend on bus station consultancy, £32K Neighbourhood hood development grant, (£5K) Minor variations	185,000	
		Year end - £56K underspend on site allocation, £61K Underspend on Local plan, £26K underspend on strategic growth £32K Neighbourhood planning grants to be carried forward, £9K underspend on consultancy costs for bus station development to be carried forward, £17K underspend of consultancy		201,000
<b>4.17</b>		➤ Sustainable Development - £29k salary underspend due to voluntary redundancy, £2k other minor variances	31,000	
		<b>Total (over)/under spend</b>	<b>1,621,000</b>	<b>1,446,000</b>

**Estimated Year end salary (over)/under spend**

0 237,000

**Pay award pressure (Chief Officers)**

**Pay award pressure**

**Forecasted year end saving**

**1,621,000 1,683,000**



Summary of Timing Differences in Variations

Monthly Outturn Report 1st April 2016 to 31st January 17

Under spends/(Overspends) caused by timing differences

		£	£
DSO Housing Repairs	Painting works to be reprofiled WIP to be processed	(40,000) (304,000)	(344,000)
Homelessness	£3K Bond repayment to be adjusted for cash element in March 2016 £30K Homelessness grant budget to reprofile	3,000 (30,000)	(27,000)
Private Sector Housing	Income to be moved to fund capital expenditure re: works in default Minor renovations works budget to be reprofiled Energy Conservation Promotions budget to be reprofiled	20,000 3,000 2,000	25,000
Community safety	Community protection expenditure to be profiled later in year. Community safety contributions be profiled later in year. Community safety receipt contributions be profiled later in year.	19,000 23,000 (72,000)	(30,000)
Sports Development	Income received for Sportivate projects in advance of spend Repayment of grant to sportivate to be made in March	3,000 6,000	9,000
Council Tax/ NNDR	Delay in payment of contributions to the Revenues & Benefits Partnership, due to costs not yet having been incurred by the Partnership Legal costs income to be posted in March	20,000 (26,000)	(6,000)
Council Tax Support	Delay in payment of contributions to the Revenues & Benefits Partnership, due to costs not yet having been incurred by the Partnership Invoice Outstanding for Data Sharing Costs	13,000 10,000	23,000
General Grants	S31 grant income in respect of Business Rates Retention Scheme - 2015/16 Income to be received from DCLG Contribution to Citizens Advise Quarter 4 not yet processed Contribution to Shop Mobility not yet processed	(90,000) 13,000 10,000	(67,000)
Benefit Fraud	Delay in payment of contributions to the Revenues & Benefits Partnership, due to costs not yet having been incurred by the Partnership	6,000	6,000
Rent Allowances	Additional benefit expenditure incurred to date - to be offset by subsidy Delay in payment of contributions to the Revenues & Benefits Partnership, due to costs not yet having been incurred by the Partnership Income from Benefits Overpayments for January processed in February	(148,000) 3,000 (79,000)	(224,000)
Miscellaneous Properties	Outstanding Cleaning costs at the Atkins Building - Invoices not yet received for November & December 2016	4,000	4,000
Asset Management	Outstanding Cleaning costs for November & December - Invoices not yet received	5,000	5,000

Summary of Timing Differences in Variations

Monthly Outturn Report 1st April 2016 to 31st January 17

Under spends/(Overspends) caused by timing differences

		£	£
Communications	Advertising income for borough bulletin not yet received	(2,000)	(2,000)
Council Offices	Outstanding Cleaning costs for November & December 16 - Invoices not yet received Outstanding Accrual for 2015/16 Water Charges Invoice not yet received for Shared Service Employees - October to December 2017	8,000 2,000 13,000	23,000
ICT Support	Maintenance contracts paid in advance to be accrued at year end Invoices to ICT Partners for period to December raised in February 2017 ICT Partner invoices to be raised January 2017	(20,000) (296,000) (73,000)	(389,000)
DSO Grounds Maintenance	Grounds Maintenance variation income for January to be processed in February	(6,000)	(6,000)
Cemeteries	Awaiting water invoices for July- January January cemetery income received in February	2,000 (6,000)	(4,000)
Countryside Management	Outstanding accrual for cesspit emptying for 2014/15 & 2015/16 plus 2016/17 April-January	10,000	10,000
Recycling	December & January dry recycling charges to be paid in February (Palm contract) Awaiting LCC confirmation before November-January recycling credit recovery invoices are raised November -January garden waste income not yet invoiced - awaiting agreement with LCC December & January garden waste disposal costs to be paid in February 2017/18 garden bins charges paid in advance by households	102,000 (69,000) (17,000) 8,000 17,000	41,000
Street Cleansing	Street Cleansing variation income for January to be processed in February	(6,000)	(6,000)
Car Parks	Britannia Car Park - outstanding accrual car park income to be reimbursed to MJ Mapp Ltd January ticket machine cash collection invoice to be paid in February Quarter 3 parking enforcement processing invoice from LCC to be paid in February Quarter 3 parking enforcement income to be raised in February Qtr 3 payment to Market Bosworth Parish Council (50% car park income)	10,000 1,000 2000 (7,000) 2,000	8,000
Development control	Legal appeals costs anticipated to be incurred in March Agency staff costs anticipated to be incurred in March	8,000 5,000	13,000
Planning Policy	Neighbourhood planning budget to be reprofiled Gypsy and traveller needs assessment to be reprofiled Strategic plan to be reprofiled	63,000 4,000 18,000	85,000
<b>TOTAL TIMING DIFFERENCES</b>			<b>(853,000)</b>

**Capital Programme Summary**  
**31st January 2017**

<b>Description</b>	<b>Latest Budget</b>	<b>Budget to Date</b>	<b>Actual</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>General Fund</b>				
Community Direction	2,613,323	2,107,950	1,525,481	582,468
Business, Contract and Streetscene Services	2,041,319	1,950,392	1,850,352	100,040
Corporate Direction	1,555,738	1,315,563	455,780	859,783
	<b>6,210,380</b>	<b>5,373,904</b>	<b>3,831,614</b>	<b>1,542,291</b>
<b>HRA</b>	<b>6,563,325</b>	<b>3,886,462</b>	<b>3,083,453</b>	<b>803,010</b>
<b>Grand Total</b>	<b>12,773,705</b>	<b>9,260,366</b>	<b>6,915,066</b>	<b>2,345,300</b>

**31st January 2017**  
**Community Direction**

<b>Cod e</b>	<b>Description</b>	<b>Latest Budget £</b>	<b>Budget to Date £</b>	<b>Actual £</b>	<b>Variance £</b>	
rdi	Leisure Centre	916,465	800,159	658,321	141,838	Outstanding final invoices. Budget to be reprofiled
rdk	Christmas Lights 2016-17	15,000	15,000	15,000	0	Scheme complete
rdl	Argents Mead - Enhanced lighting	15,000	15,000	1,000	14,000	New budget
reu	Replacement Polling Booths - Electi	19,775	19,775	19,775	0	Scheme complete
rlv	CCTV	72,000	72,000	73,766	(1,766)	Scheme complete
rbv	New Squash Facility	14,865	14,865	0	14,865	Awaiting final invoices for works
roa	Major Works Grants	212,143	170,117	45,330	124,787	Spend is committed and expected to be complete in the year
rom	Private Sector Housing Enforcement	120,000	93,996	24,407	69,589	£60k committed to the end of November
rob	Disabled Facilities Grant	586,023	439,225	380,337	58,888	Project budget committed
roh	Minor Works Grants	40,000	40,000	0	40,000	
roe	Green Deal Fuel Poverty	46,308	33,074	0	33,074	Budget not to be spent this year due to other resources being used. C/fwd to be requested for ring fenced grant.
rof	Green Deal Capital Fund	115,099	38,374	0	38,374	Budget not to be spent this year due to other resources being used. C/fwd to be requested for ring fenced grant.
		<b>2,172,678</b>	<b>1,751,585</b>	<b>1,217,935</b>	<b>533,650</b>	
rkt	Resurfacing Car Parks	4,000	4,000	4,000	0	
rku	Castle Car Park	48,000	8,000	2,351	5,649	
rjc	Borough Improvements	59,647	42,225	3,981	38,244	Budget committed . To be completed in 2016/17
rqj	Shop Front Improvements Barwell	6,698	6,698	0	6,698	Liaising with parish but no suitable expenditure has been identified a carry forward is likely to be requested for this grant
sus	Public Realm	0	0	-9,704	9,704	prior year accrual awaiting to be cleared
rgf sc	RGF schemes	322,300	295,442	306,918	-11,476	Budget committed
		<b>440,645</b>	<b>356,365</b>	<b>307,546</b>	<b>48,818</b>	
Grand Total		<b>2,613,323</b>	<b>2,107,950</b>	<b>1,525,481</b>	<b>582,468</b>	

31st January 2017  
Community Direction

Cod e	Description	Latest Budget £	Budget to Date £	Actual £	Variance £
<b><u>Streetscene Services</u></b>					
sqf	Argents Mead Phase 1 Upgrade	59,662	59,662	56,814	2,848
sqg	Argents Mead Phase 2	21,000	6,930	0	6,930
sqi	Castle Street Site Purchase	1,579,500	1,579,500	1,562,371	17,129
rbc	Burbage Common	1,501	1,501	1,367	134
rbl	Preston Road	7,720	5,003	4,966	37
rbq	Queens Park	10,900	4,263	0	4,263
rbr	Richmond Park Phase 2	19,000	12,663	2,915	9,748
ran	Memorial Safety Programme	5,160	2,580	163	2,417
sqh	Langdale Park	23,200	23,200	17,017	6,183
rfn	Parks : Major Works	30,000	25,002	25,845	(843)
rgg	Parish & Community Initiatives	112,701	97,994	81,785	16,209 £112.7k committed.
rgo	Hinckley Community Initiative Fund	5,485	4,571	4,710	(139) No further spend
rce	Recycling Containers	151,870	113,903	78,668	35,235 £27k underspend forecast
sva	Granville Road Play Improvements	13,620	13,620	13,731	(111) Scheme complete
		<b>2,041,319</b>	<b>1,950,392</b>	<b>1,850,352</b>	<b>100,040</b>

**31st January 2017**  
**Corporate Direction**

Code	Description	Latest Budget £	Budget to Date £	Actual £	Variance £	
ssd	Financial Systems	0	0	2,919	-2,919	
spv	Asset Management Enhancement Works	24,942	14,942	3,153	11,789	Expenditure has been committed.
spk	Council Office Relocation	0	0	-3,642	3,642	Previous year accrual outstanding
sqe	Leisure Centre Demolition	208,176	121,436	126,199	-4,763	
spq	Depot Demolition	0	0	-525	525	Previous year accrual outstanding
		<b>233,118</b>	<b>136,378</b>	<b>128,104</b>	<b>8,274</b>	
ssa	General Renewal -Extensions	15,000	12,500	4,194	8,306	
ssc	Garden Waste Direct Debit Scheme	17,000	14,168	11,375	2,793	
	Channel Shift	178,620	148,850	139,594	9,256	Project Budget committed
		<b>210,620</b>	<b>175,518</b>	<b>155,163</b>	<b>20,355</b>	
	Mobile Web					Ongoing Steria Web Development support. Supplementary budget to be requested
sun		0	0	17,038	-17,038	
sut	Crescent Development	440,000	440,000	0	440,000	Budget to be rephased across 2016/17 and 17/18 - Set
suv+suz	Block C Fit Out	650,000	541,667	137,201	404,466	aside for Block C incentives
suw	E Budget	22,000	22,000	18,275	3,725	
		<b>1,112,000</b>	<b>1,003,667</b>	<b>172,513</b>	<b>831,154</b>	
		<b>1,555,738</b>	<b>1,315,563</b>	<b>455,780</b>	<b>859,783</b>	

31st January 2017

HRA

Description	Latest Budget £	Budget to Date £	Actual £	Variance £	
Major Voids	600,000	500,000	455,502	44,498	After allowing for work in progress and recharges for
Programmed Enhancements	241,583	201,319	204,964	(3,645)	
Adaptation Of HRA Dwellings-Social Serv	400,000	333,333	263,119	70,214	
Windows : Single to Double Glazing	118,600	98,833	80,334	18,499	
Re-Roofing	212,160	176,800	135,958	40,842	
Kitchen Upgrades	889,388	741,157	604,618	136,538	
Boiler Replacement	668,700	557,250	544,813	12,437	on budget
Low Maintenance Doors	39,500	32,917	30,772	2,145	on budget
Housing Repairs Software System	0	0	2,561	(2,561)	
Electrical Works and Testing	594,830	495,692	305,899	189,792	New contract in place and work has now been rescheduled. Approx £30k may require a carry fwd
Sheltered Scheme Enhancements	171,968	143,307	51,394	91,913	Tender cost higher than budgeted. Specification to be revised. Budget will require c/fwd
Enhancement Works - New Kitchen/Bathroom	252,500	210,417	27,813	182,604	Awaiting invoices
Housing Asset Management System (AMS)	4,633	3,861	2,475	1,386	
Bridge St Car Park	20,000	0	0	0	
Affordable Housing	2,349,463	391,577	373,231	18,346	Tendering process for Martinshaw Lane commenced. Southfields Rd scheme due for completion in 2017/18
	<b>6,563,325</b>	<b>3,886,462</b>	<b>3,083,453</b>	<b>803,010</b>	

## Housing Revenue Account

Key : ( ) = overspend

	2016/17 ORIGINAL ESTIMATE £	2016/17 LATEST ESTIMATE £	2016/17 BUDGET to January £	2016/17 ACTUAL to January £	VARIANCE to January £	TIMING £	VARIANCE Excl TIMING £	F'CASTED OUTTURN £	F'CASTED VARIATION TO YEAR END £	REF
<b>SUMMARY HOUSING REVENUE ACCOUNT</b>										
<b>INCOME</b>										
Dwelling Rents	(13,080,636)	(13,080,636)	(10,966,207)	(10,946,852)	(19,355)	(72,000)	52,645	(13,140,636)	60,000	1
Non Dwelling Rents (garages & land)	(81,490)	(81,490)	(68,862)	(69,718)	856	-	856	(81,490)	-	
Contributions to Expenditure	(17,020)	(17,020)	(14,186)	-	(14,186)	(14,000)	(186)	(17,020)	-	
	<b>(13,179,146)</b>	<b>(13,179,146)</b>	<b>(11,049,255)</b>	<b>(11,016,569)</b>	<b>(32,686)</b>	<b>(86,000)</b>	<b>53,314</b>	<b>(13,239,146)</b>	<b>60,000</b>	
<b>EXPENDITURE</b>										
Supervision & Management (General)	2,073,180	2,110,719	1,747,554	1,605,418	142,136	79,000	63,136	2,041,719	69,000	2
Supervision & Management (Special)	626,953	627,393	467,858	476,916	(9,058)	-	(9,058)	643,393	(16,000)	3
Central & Administrative Expenses	-	8,820	7,354	7,644	(290)	-	(290)	8,820	-	
Lump Sum LCC pension contribution	72,680	72,680	-	-	-	-	-	72,680	-	
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	3,518	3,646	(128)	-	(128)	4,220	-	
Increase in Provision for Bad Debts	120,000	120,000	-	-	-	-	-	120,000	-	
Interest on Borrowing	2,095,800	2,095,800	1,043,900	1,043,900	0	-	0	2,095,800	-	
	<b>11,203,548</b>	<b>11,250,347</b>	<b>3,270,184</b>	<b>3,137,524</b>	<b>132,660</b>	<b>79,000</b>	<b>53,660</b>	<b>11,197,347</b>	<b>53,000</b>	
<b>Net (Income)/Cost of Services</b>	<b>(1,975,598)</b>	<b>(1,928,799)</b>	<b>(7,779,071)</b>	<b>(7,879,046)</b>	<b>99,975</b>	<b>(7,000)</b>	<b>106,975</b>	<b>(2,041,799)</b>	<b>113,000</b>	
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	-	-	-	-	-	-	-	-	-	
<b>Net Operating (Income)/Cost</b>	<b>(2,915,268)</b>	<b>(2,868,469)</b>	<b>(7,779,071)</b>	<b>(7,879,046)</b>	<b>99,975</b>	<b>(7,000)</b>	<b>106,975</b>	<b>(2,981,469)</b>	<b>113,000</b>	
<b>CONTRIBUTIONS</b>										
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	-	Cfwd
Transfer to Regeneration Reserve	2,029,235	2,175,000	-	-	-	-	-	2,175,000	-	
<b>(Surplus) / Deficit</b>	<b>(27,983)</b>	<b>164,581</b>	<b>(7,779,071)</b>	<b>(7,879,046)</b>	<b>99,975</b>	<b>(7,000)</b>	<b>106,975</b>	<b>51,581</b>	<b>113,000</b>	



SUMMARY HOUSING REVENUE ACCOUNT

Explanations for Variances	TIMING	VARIANCE	VARIANCE AT	
	£000's	£000's	YEAR END	REF
<b>Income</b>				
(£72k) 2 day income received next month	(72)			
£27K additional rental receipts in month due to lower void rates. £23K income for homeless rental flats, £2K Minor variations		52		1
Year End - £32K additional rent based on latest void percentage, £28K additional sheltered accommodation rents			60	1
£14k Contribution for the control centre to be processed in February	(14)			
<b>Expenditure</b>				
See next page for Supervision and Management variances	79	63	69	2
See next page for Supervision and Management variances	-	(9)	(16)	3
	(7)	106	113	

# Housing Revenue Account

Key : ( ) = overspend

	2016/17 ORIGINAL ESTIMATE £ BUDGET BOOK	2016/17 LATEST ESTIMATE £	2016/17 BUDGET to January £	2016/17 ACTUAL to January £	VARIANCE to January £	TIMING	VARIANCE Excl TIMING	F'CASTED OUTTURN	F'CASTED VARIATION TO YEAR END	REF
<b>SUPERVISION &amp; MANAGEMENT (GENERAL)</b>										
Employees	862,962	865,841	669,694	618,130	51,564	-	51,564	785,841	80,000	<b>2.1</b>
Premises Related Expenditure	146,170	153,288	128,006	109,075	18,931	8,000	10,931	153,288	-	<b>2.2</b>
Transport Related Expenditure	17,448	17,448	14,542	13,645	897		897	17,448	-	
Supplies & Services	211,180	257,242	238,851	163,365	75,486	76,000	(514)	257,242	-	<b>2.3</b>
Central & Administrative Expenses	909,050	892,330	743,680	748,251	(4,571)	(5,000)	429	892,330	-	<b>2.4</b>
<b>Gross Expenditure</b>	<b>2,146,810</b>	<b>2,186,149</b>	<b>1,794,773</b>	<b>1,652,466</b>	<b>142,307</b>	<b>79,000</b>	<b>63,307</b>	<b>2,106,149</b>	<b>80,000</b>	
Revenue Income	(65,830)	(67,430)	(47,219)	(47,048)	(171)	-	(171)	(56,430)	(11,000)	<b>2.5</b>
Recharges	(8,000)	(8,000)			-	-	-	(8,000)		
<b>Total Income</b>	<b>(73,830)</b>	<b>(75,430)</b>	<b>(47,219)</b>	<b>(47,048)</b>	<b>(171)</b>	<b>-</b>	<b>(171)</b>	<b>(64,430)</b>	<b>(11,000)</b>	
<b>Net Expenditure to HRA</b>	<b>2,072,980</b>	<b>2,110,719</b>	<b>1,747,554</b>	<b>1,605,418</b>	<b>142,136</b>	<b>79,000</b>	<b>63,136</b>	<b>2,041,719</b>	<b>69,000</b>	
<b>SUPERVISION &amp; MANAGEMENT (SPECIAL)</b>										
Employees	591,495	585,551	464,855	452,805	12,050	-	12,050	585,551	-	<b>3.1</b>
Premises Related Expenditure	404,032	409,976	325,499	291,697	33,802		33,802	399,976	10,000	<b>3.2</b>
Transport Related Expenditure	11,847	11,847	9,889	12,711	(2,822)		(2,822)	11,847	-	
Supplies & Services	147,030	147,030	130,925	120,327	10,598	-	10,598	147,030	-	<b>3.3</b>
Central & Administrative Expenses	124,580	125,020	104,274	102,562	1,712	-	1,712	125,020	-	<b>3.4</b>
<b>Gross Expenditure</b>	<b>1,278,984</b>	<b>1,279,424</b>	<b>1,035,442</b>	<b>980,102</b>	<b>55,340</b>	<b>-</b>	<b>55,340</b>	<b>1,269,424</b>	<b>10,000</b>	
Revenue Income	(598,111)	(598,111)	(513,664)	(503,186)	(10,478)	-	(10,478)	(572,111)	(26,000)	<b>3.5</b>
Recharges	(53,920)	(53,920)	(53,920)	-	(53,920)		(53,920)	(53,920)	-	
<b>Total Income</b>	<b>(652,031)</b>	<b>(652,031)</b>	<b>(567,584)</b>	<b>(503,186)</b>	<b>(64,398)</b>	<b>-</b>	<b>(64,398)</b>	<b>(626,031)</b>	<b>(26,000)</b>	
<b>Net Expenditure to HRA</b>	<b>626,953</b>	<b>627,393</b>	<b>467,858</b>	<b>476,916</b>	<b>(9,058)</b>	<b>-</b>	<b>(9,058)</b>	<b>643,393</b>	<b>(16,000)</b>	

Explanations for Variances	TIMING £000's	VARIANCE £000's	VARIANCE AT YEAR END	REF
<b>SUPERVISION &amp; MANAGEMENT (GENERAL)</b>				
<b>Employees</b>				
£4k Salaries underspend due to vacancy factor, £6k Holiday Pay/Flexi, £42K Underspend on severance budget, £3K Training conferences not spent, (£3K) Minor variations		52		
£80K Severance budget not to spend in year.			80	2.1
<b>Premises Related Expenditure</b>				
£15K Discretionary housing payment budget to be reprofiled, (£7K) grounds maintenance budget to be reprofiled	8			2.2
£12K underspend for empty properties council tax charge lower than budgeted, (£1k) minor variations		11		
<b>Supplies &amp; Services</b>				
				2.3
Timing - (£2K) overspend on consultancy budget to be reprofiled, (£5K) computer software budget to be reprofiled, £5K Underspend on Tenant association support expected later in the year, £3K Underspend on subscriptions, £73K Contribution to community housing to be reprofiled	76			
£4K Underspend on RTB Survey fees not spent due to lower demand, £3K underspend on right to move due to low demand, (£5K) overspend on postage, (£2K) Overspend on miscellaneous items		0		
<b>Central &amp; Admin Expenses</b>				
Timing - (£5k) IT and Public Office recharge still to be posted	(5)			2.4
<b>Revenue Income</b>				
(£11K) Universal credit reduction in funding due lower than anticipated demand, £7K Additional income received for Choice based letting, £4K Other minor variations		0		
(£18K) Universal credit reduction in monies received due to lower demand than anticipated, £7K additional income for choice based letting			(11)	2.5
	79	63	69	

Explanations for Variances	TIMING £000's	VARIANCE £000's	VARIANCE AT YEAR END	REF
<b>SUPERVISION &amp; MANAGEMENT (SPECIAL)</b>				
<b>Employees</b>				<b>3.1</b>
£9k Salary underspend due several vacancies, (£4k) Agency Cover for vacancies, (£3K) overspend on overtime, £10k Holiday Pay/Flexi to be processed at year end		12		
<b>Premises Related Expenditure</b>				<b>3.2</b>
£22K Electricity underspend due to adjust in charge for previously estimated bills, £19K gas underspend, (£7K) Overspend on caretaking contracts due to caretakers now employed externally, £1K Minor variations		33		
£10K Electricity underspend due to adjust in charge for previously estimated bills			10	
<b>Supplies &amp; Services</b>				<b>3.3</b>
£7K Underspend in equipment purchases & maintenance, (£3K) overspend in Miscellaneous expenses, £3K Underspend on telephone costs, £3K Other minor variations		10		
<b>Revenue Income</b>				
(£11k) - Sheltered Scheme Service Charge income lower than expected. This is due to charges on some vacant properties expected and not being received, (£8K) under receipt on lifeline income, £6K additional income for heating and water charges, £2K minor variations		(11)		<b>3.5</b>
(£15k) - Sheltered Scheme Service Charge income lower than expected due to high void rates, (£11K) - Lifeline income lower than anticipated due to lower take up the anticipated.			(26)	
<b>Recharges</b>				
Timing - (£53k) recharge still to be reprofiled		(53)		
	<b>0</b>	<b>(9)</b>	<b>(16)</b>	

HOUSING REPAIRS ACCOUNT	2016/17 LATEST BUDGET £	2016/17 BUDGET to Jan £	2016/17 ACTUAL to Jan £	VARIANCE to Jan £	TIMING £	VARIANCE Excl TIMING £	F'CASTED OUTTURN £	F'CASTED VARIATION YEAR END £	REF
<b>Administration</b>									
Employee Costs	396,882	312,243	295,803	16,440	3,000	13,440	378,882	18,000	1
Transport Related Expenditure	5,960	4,968	2,858	2,110		2,110	5,960	-	
Supplies & Services	347,011	264,349	81,742	182,607	141,000	41,607	304,011	43,000	2
Central Administrative Expenses	239,130	177,200	183,394	(6,194)		(6,194)	239,130	-	
<b>Total Housing Repairs Administration</b>	<b>988,983</b>	<b>758,760</b>	<b>563,797</b>	<b>194,963</b>	<b>144,000</b>	<b>50,963</b>	<b>927,983</b>	<b>61,000</b>	
<b>Programmed Repairs</b>	<b>625,169</b>	521,016	<b>450,880</b>	70,136	<b>55,000</b>	15,136	610,169	15,000	3
("Major Works" e.g. Central Heating Service)						-			
<b>Responsive Repairs</b>	<b>1,202,655</b>	1,000,574	<b>949,210</b>	51,364		51,364	1,202,655	-	4
<b>GROSS EXPENDITURE</b>	<b>2,816,807</b>	<b>2,280,350</b>	<b>1,963,887</b>	<b>316,463</b>	<b>199,000</b>	<b>117,463</b>	<b>2,740,807</b>	<b>76,000</b>	
Contribution from HRA	(3,192,165)	-	-	-	-	-	(3,192,165)	-	
Other Income	(31,350)	(19,014)	(15,990)	(3,024)		(3,024)	(31,350)	-	
Accumulated Absences/ IAS 19	(14,980)	-	-	-		-	(14,980)	-	
<b>TOTAL INCOME</b>	<b>(3,238,495)</b>	<b>(19,014)</b>	<b>(15,990)</b>	<b>(3,024)</b>	<b>-</b>	<b>(3,024)</b>	<b>(3,238,495)</b>	<b>-</b>	
Contribution to HRA Reserves	740,000	-	-	-	-	-	740,000	-	
Opt in Cont to Pension Reserve		-	-	-	-	-		-	
Carry Forward (Accelerated Works)		-	-	-				-	
<b>NET EXPENDITURE</b>	<b>318,312</b>	<b>2,261,336</b>	<b>1,947,897</b>	<b>313,439</b>	<b>199,000</b>	<b>114,439</b>	<b>242,312</b>	<b>76,000</b>	

<b>Variances</b>	<b>TIMING £000's</b>	<b>VARIANCE £000's</b>	<b>Outturn</b>
1 Savings due to vacant posts		14,000	18,000
Consultancy Budget to be reprofiled			
Holiday pay and las 19 processed at yr end	3,000		
	<u>3,000</u>	<u>14,000</u>	<u>18,000</u>
2 IT budget to be reprofiled	(13,000)		
Consultancy Budget to be reprofiled			
Awaiting invoices for Stock Condition and asbestos surveys	120,000		
delay with survey works - budget to be carried fwd		43,000	43,000
Contribution to other funds	34,000		
Minor variations		(1,000)	
	<u>141,000</u>	<u>42,000</u>	<u>43,000</u>
Heating & Electrical Works - awaiting invoices			
3	39,000		
Painting works behind schedule	16,000		
Painting works delay due to staff leaving. Budget to be to be carried fwd		15,000	15,000
	<u>55,000</u>	<u>15,000</u>	<u>15,000</u>
Awaiting invoices for completed jobs (work in progress)			
4	52,000		
	<u>52,000</u>	<u>-</u>	<u>-</u>
	<u>251,000</u>	<u>71,000</u>	<u>76,000</u>



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FINANCE & PERFORMANCE SCRUTINY 3 April 2017

WARDS AFFECTED: All Wards

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## TREASURY MANAGEMENT QUARTER 3 2016/17

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### Report of Head of Finance

#### 1. PURPOSE OF REPORT

- 1.1 To inform the Committee of the Council's Treasury Management activity in the third 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 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

During quarter ended 31 December 2016:

1. The economy maintained its momentum despite the predicted short term impact of Brexit.
2. Households continued to drive overall economic growth.
3. The labour market showed some sign of weakening.
4. CPI inflation rose above 1% for the first time in two years.
5. The Chancellor eased the planned fiscal squeeze, but MPC kept policy unchanged.
6. Monetary policy in the US and the Euro-zone diverged.

The latest forecasts are detailed in the table below:

	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
Bank Rate	0.25%	0.25%	0.25%	0.25%	0.25%
5yr PWLB rate	1.60%	1.60%	1.60%	1.70%	1.70%
10yr PWLB rate	2.30%	2.30%	2.30%	2.30%	2.40%
25yr PWLB rate	2.90%	2.90%	3.00%	3.00%	3.00%
50yr PWLB rate	2.70%	2.70%	2.80%	2.80%	2.80%

### 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

Depending on the flow of cash (difference between income receipts and payments) the bank balance will vary. Where there is a surplus balance monies are invested. When there is a need for cash, investments are called in to ensure funds are not overdrawn. As at 31 December 2016 the Council held the following investments totalling £21,357,400. By year end the estimated balance is expected to be £11,000,000. The main reason is the precept payments which will recommence in February 2017 and direct debit income from Council tax which is not received in February and March. Investments as at 31<sup>st</sup> December are summarised below:-



Counterparty	Investment Date	Maturity Date	Amount	Interest Rate
Hsbc Bank	31/12/2016	01/01/2017	£1,757,400	0.1800
Black rock MMF	16/12/2016	03/01/2017	£1,600,000	0.1540
Nationwide BS	12/10/2016	12/01/2017	£1,000,000	0.2800
Hinckley & Rugby BS	21/10/2016	20/01/2017	£3,000,000	0.3300
Telford & Wrekin Council	07/12/2016	25/01/2017	£1,500,000	0.2600
Coventry BS	31/10/2016	30/01/2017	£3,500,000	0.2800
Nationwide BS	01/11/2016	01/02/2017	£2,000,000	0.2800
Nationwide BS	03/11/2016	03/02/2017	£1,000,000	0.2800
Nottingham City Council	14/12/2016	06/02/2017	£2,000,000	0.2800
Coventry BS	10/11/2016	10/02/2017	£500,000	0.2800
Coventry BS	10/11/2016	10/02/2017	£1,000,000	0.2800
West Bromwich BS	16/12/2016	16/03/2017	£500,000	0.3100
Nottingham BS	16/12/2016	16/03/2017	£2,000,000	0.3600
<b>Total</b>			<b>£21,357,400</b>	

Details of investments held from April 2016 to December 2016 are available on request.

Details of the weighted average investment to December 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. The Council received a rate of return that is comparable with the returns available in the market. Additionally, the weighted average period is within the maximum set of 0.5 years. Average investments returns are higher than the comparable inter bank rate (a return of 0.33% compared against 0.25%).

Period	Weighted Average invested	Average period (days)	HBBC Average Return	Overnight LIBID	7 Day LIBID	1 Month LIBID
Apr to Dec 16	13,551,260	11	<b>0.3341</b>	0.2187	0.2287	0.2473

### 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 £30.3m for the current year 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" by £22m with only £8.3m of long term loans on its books. One year loans from the PWLB currently cost 1.09% so if the Council was

fully funded with short term money and was receiving investment income of 0.28% there would be a cost of £154,960 per annum. With 20 year rates at about 2.90% the additional cost would be £561,960 per annum. On this basis 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 13<sup>th</sup> March 2012. Repayments for principal amounts for these loans will commence in March 2020. 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

**Comment [RO]:** Are these publicly available? Background info must be public on a public report

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

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## FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

FINANCE & PERFORMANCE SCRUTINY                      3 April 2017

WARDS AFFECTED: All Wards

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### **BUSINESS RATES AND POOLING UPDATE QUARTER 3 - 2016/17**

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#### **Report of Interim Head of Finance**

##### **1.     PURPOSE OF REPORT**

- 1.1     To inform the committee of business rates performance from 1 April – 31 December 2016 and to provide an update on pooling arrangements for 2016/2017.

##### **2.     RECOMMENDATION**

- 2.1     That the committee notes the contents of the report.

##### **3.     BACKGROUND TO THE REPORT**

- 3.1     Before 1<sup>st</sup> April 2013, business rates were collected by local authorities from businesses, before being paid into a central pool to be redistributed as part of grant funding. From 2013/14, billing authorities paid over 50% of collected business rates to government. The remaining 50% is split between the billing authority (80%) and the precepting authorities (20%).
- 3.2     Following these payments, the retained business rates of billing authorities are subject to a tariff set out in the respective Local Government Finance Settlement. Any growth in business rates over the set baseline will be subject to a “levy” payment of 50%, with the remaining half retained by the host Council. Correspondingly, if a Council loses 7.5% of their set threshold, a “safety net” payment will be triggered to compensate for the loss.
- 3.3     The Council will receive £557,125 of “section 31 grant” income. The allocated grant was based on the level of reliefs that were forecast to be granted in 2016/2017 in the submitted business rates budget form (the NNDR1). The actual grant that can be “banked” as retained rates will be determined based on the actual reliefs awarded by 31<sup>st</sup> March 2017. Therefore in order to be prudent, this income has been placed into the Business Rates reserve pending until this level is known.

- 3.4 The budgeted business rates performance for this council, along with the forecast as at December 2016 is summarised below.

	Rates Forecast 2016/17	Localism Autumn Statement Reliefs	Cost of SBRR Extension	Tariffs	Retained Rates Income	Funding Baseline	Total Growth	Levy & Retain Growth	Mvt
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
NNDR	13,370	45	476	-9,042	4,849	2,378	2,471	1,235	-
Jun-16	13,452	52	482	-9,042	4,944	2,378	2,566	1,283	48
Sep-16	12,914	57	482	-9,042	4,411	2,378	2,033	1,016	-219
Dec-16	12,662	164	488	-9,042	4,272	2,378	1,894	947	-70

- 3.5 The above table shows that as at 31<sup>st</sup> December 2016, the council is forecasting £947,000 of retained growth for 2016/2017 that, if realized, will be available to the General Fund. This figure has reduced from September 2016 mainly because of an increase in write-offs.
- 3.6 Although this is a positive position, it is important to acknowledge the volatility of business rates which can be impacted negatively by many factors including:
- Companies going out of business or moving from the area
  - Empty properties – The redevelopment of the town centre for instances may have an impact on the rates for the council whilst development takes place
  - Awards of reliefs; most significantly charitable reliefs for schools which are awarded Academy status
  - Results of appeals lodged by businesses against their liabilities
  - Due to these factors we have not included the current relatively small growth movement in budget changes.

### Pooling

- 3.6.1 As members will be aware, the Council is a member of the Leicestershire pool. The indications at the end of Q3 are for a forecast surplus of £4.6m for the pool, which is an increase of £0.4m on the last report. However, a review of the level of provision for appeals has been completed after the quarter end, which may reduce the surplus at the year-end. The LTA after reviewing the level of risk faced have agreed to continue the current pooling arrangements. The initial view is that there will be a surplus of £5.7m generated during 2017/18 for the pool. Changes due to the budget announcement on business rates are yet to be modelled and this initial forecast updated.
- 3.6.2 Members should note that by entering into the Leicestershire Pool there is no detrimental impact on the funding to this Council but there are potentially significant benefits to Leicestershire as the levy payment that Council would have to pay to Central Government under current arrangements would be paid to the Leicester and Leicestershire Enterprise Partnership under the Pooling arrangements.
- 3.6.3 There are changes planned to the business rates retention scheme due to proposals by government for the implementation of 100% business rates retention by local authorities by 2020. Central Government, via DCLG, is to carry out consultation on the proposed changes to the local government finance system to prepare for

implementation of 100% business rates retention by the end of the current parliament. The consultation is also addressing potential future changes to how risk is managed via pooling arrangement. It notes that “local authorities could be better off by pooling their risk, setting aside appropriate provisions at a wider geographical level to cover all authorities within the pool. This could be combined with ‘area lists’ for businesses as set out above, allowing a wider geographical area to share both risk and reward.”

- 3.6.4 The Government propose that 100% business rates retention will have some strong similarities with the existing system. For example, there will continue to be a level of redistribution between authorities similar to the current system of tariffs and top-ups. In addition, there will continue to be protection in the system to insulate authorities from shocks or significant reductions in their income. However, they do want to provide incentives to encourage growth and have set out the key questions for consultation.

#### Timetable for consultation

Timetable for reform Summer 2016	Consultation on the approach to 100% business rates retention. We are inviting responses to this consultation by 26 September 2016. Those responses will help shape specific proposals across all aspects of the reforms.
Autumn 2016	We expect that Government will undertake a more technical consultation on specific workings of the reformed system
Early 2017	As announced in the Queen’s Speech, the Government will introduce legislation in this Parliamentary session to provide the framework for these reforms. We expect the legislation to be introduced later in the Parliamentary session.
April 2017	Piloting of the approach to 100% business rates retention to begin.
April 2019 for the 2019/20 financial year	Implementation of 100% business rates retention across local government.

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

- 4.1 Report to be taken in open session

#### 5. FINANCIAL IMPLICATIONS [AW]

- 5.1 Contained in the body of the report.

#### 6. LEGAL IMPLICATIONS MR

- 6.1 Section 59A of the Local Government Finance Act 1988 allows local authorities to pool business rates. The pooling between the Leicestershire Council’s will be governed by a legal agreement between the parties.

## 7. CORPORATE PLAN IMPLICATIONS

7.1 The Council's governance arrangements are robust

## 8. CONSULTATION

8.1 All members of the Business Rates Pool were included in decisions made on its future operation from 2016/17 onwards. The Pool was agreed to be extended for 2016/17 and the contingency held with the pool increased from £0.7m to £2m. This is created from amounts not returned to DCLG, but held within the pool to guard against future appeals. There is no reduction on the council's share of retained rates.

## 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.

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.

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
None		

## 10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

Various reliefs are available for businesses and charities under the business rate regulations.

## 11. CORPORATE IMPLICATIONS

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:	Revenues and Benefits Monitoring Reports
Author:	Ashley Wilson, Head of Finance ext 5609
Executive Member:	Cllr M Hall





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FINANCE & PERFORMANCE SCRUTINY 3 APRIL 2017

WARDS AFFECTED: All Wards

## SUNDRY DEBTS – Q3 2016/2017

### Report of Interim Head of Finance

#### 1. PURPOSE OF REPORT

- 1.1 To inform members of the position on sundry debts as at 31 December 2016.

#### 2. RECOMMENDATION

- 2.1 That the committee note the current aged debt position for sundry debts.
- 2.2 That the committee note that a report will follow at the next meeting on the action being taken on recovery of estates debt.

#### 3. BACKGROUND TO THE REPORT

- 3.1 As at 31/12/2016 there were sundry debts with a value of £2,227,375. This balance can be broken down by age as follows:

Credits and Refunds	Not Yet Due	< 30 Days	30 - 59 Days	60 - 89 Days	90 - 119 Days	> 120 Days	Total Debt
£	£	£	£	£	£	£	£
-3,164	7,477	847,153	188,085	209,629	52,245	925,949	2,227,375

- 3.2 The Council has a KPI for Debt over 90 days old as a % of aged debt, not exceeding 25%. The performance for the end of December 2016 was 17.7%, this is after amendment for items that are known to be covered by agreement, council policy or are to be written off. The total number of invoices over 90 days is 1304, with an average value pf £371.64.

	£	Description
<b>Total debt</b>	2,227,375	
<b>Less</b>	-493,581	Tin Hat
	-135,987	Homelessness

	-80,441	VAT to w/o
	<b>1,517,366</b>	(A)
<b>Over 90 days</b>	978,195	
<b>less</b>	-493,581	Tin Hat
	-134,857	Homelessness
	-80,441	VAT to w/o
	<b>269,316</b>	(B)
<b>Performance</b>	17.7%	Over 90 days/Total debt (amended) B/A
<b>Target</b>	25.0%	

- 3.3 In order to ensure that the Council adopts a prudent approach to accounting for debt that might not be due, a “provision for doubtful debts” is made against the year end balance. The value of this provision at the end of October 16 was £139,000
- 3.4 The split of the current debt position over 90 days by type of debt is detailed below. The largest element is for “Estates” debts (30.89%, £150k). This has a large element of debts that are over twelve months old, some may need to be written off, but action is being taken to recover the debts where possible and we are moving to introduce an interest charge where there is late payment. Homelessness Bonds have decreased by £1.6k since the last report to the committee. The provision of these bonds is funded by the Council’s Homelessness Prevention Grant which is provided by the DCLG annually. Whilst efforts are made to recover these amounts through ongoing contact with tenants by housing and revenues and benefits officers, legal action is not generally taken in these cases. This is on the basis that it is unlikely that the debtor will also be able to pay the additional charges levied and also to uphold the “sentiment” of the Council’s Anti Poverty Strategy.

Sum of Total Outstanding over 90 days				Q2 to Q3	
	Q1	Q2	Q3	Mvt £	Mvt %
<b>Building Control</b>	£6,475.29	£5,962.09	£4,085.91	-£1,876.18	-31.47%
<b>Environmental Health</b>	£3,024.03	£3,590.03	£2,806.11	-£783.92	-21.84%
<b>Estates</b>	£111,302.48	£160,776.22	£149,694.04	-£11082.18	-6.89%
<b>Green Spaces</b>	£511.00	£637.40	£637.40	£0.00	0.00%
<b>Grounds Maintenance</b>	£4,528.00	£4,870.06	£2,582.56	-£2,287.50	-46.97%
<b>Homeless</b>	£129,494.00	£136,575.43	£134,946.18	-£1,629.25	-1.19%
<b>Housing</b>	£21,735.07	£45,874.76	£34,007.63	-£11,867.13	-25.87%
<b>Licensing</b>	£1,630.00			£0.00	
<b>Markets</b>	£4,614.49	£6,229.55	£5,507.97	-£721.58	-11.58%
<b>Other</b>	£110,459.12	£96,124.68	£97,295.35	£1,170.67	1.22%
<b>Refuse/ Recycling</b>	£12,226.53	£21,300.32	£15,206.41	-£6,093.91	-28.61%
<b>Planning</b>	£36,748.59	£6,155.33	£30,902.67	£24747.34	402.05%
<b>Pest Control</b>	£137.80			£0.00	
<b>Other LA</b>	£402.00	£3,167.61	£5,065.67	£1,898.06	59.92%
<b>Cemeteries</b>		£61.50	£1569.60	£1508.10	2452.20%

Licensing		£50.00	£306.00	£256.00	512.00%
Grand Total	£443,288.40	£491,374.98	£484,613.50	-£6,761.48	-1.38%

4. FINANCIAL IMPLICATIONS (AW)

Contained within the body of the report.

5. LEGAL IMPLICATIONS MR

The legal implications are contained within the report.

6. CORPORATE PLAN IMPLICATIONS

Sundry Debts contributes to delivery of all Corporate Plan objectives.

7. CONSULTATION

None.

8. RISK IMPLICATIONS

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

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.

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
Failure to recover debt owed to the Council	Robust recovery methods and monitoring.	A.Wilson

9. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

Any future reviews of the Debt Recovery Strategy will be impact assessed to understand any impacts on our community (ie ability for those on lower incomes to pay)

10. CORPORATE IMPLICATIONS

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 Reports

Contact Officer: Ilyas Bham, Accountancy Manager, Ext 5924  
Executive Member: Councillor M Surtees



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## FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

FINANCE & PERFORMANCE SCRUTINY

03 April 2017

WARDS AFFECTED:

All wards

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### Performance and Risk Management Framework third quarter summary for 2016/17

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#### Report of Corporate Services Director

##### 1. PURPOSE OF REPORT

- 1.1 To provide Finance & Performance Scrutiny with the 3<sup>rd</sup>qtr 16/17 outturn position for:
- Performance Indicators including benchmarking where available
  - Service Improvement Plans
  - Corporate risks
  - Service area risks

##### 2. RECOMMENDATION

- 2.1 That the members:
- Note the 3<sup>rd</sup> quarter 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"**.

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"

- 3.2 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.
- 3.3 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.
- 3.4 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 December 2016/17

- 3.5 Performance Indicators – 3<sup>rd</sup> qtr 2016/17. There are **fifty eight** performance indicators that are measured and monitored at quarterly intervals

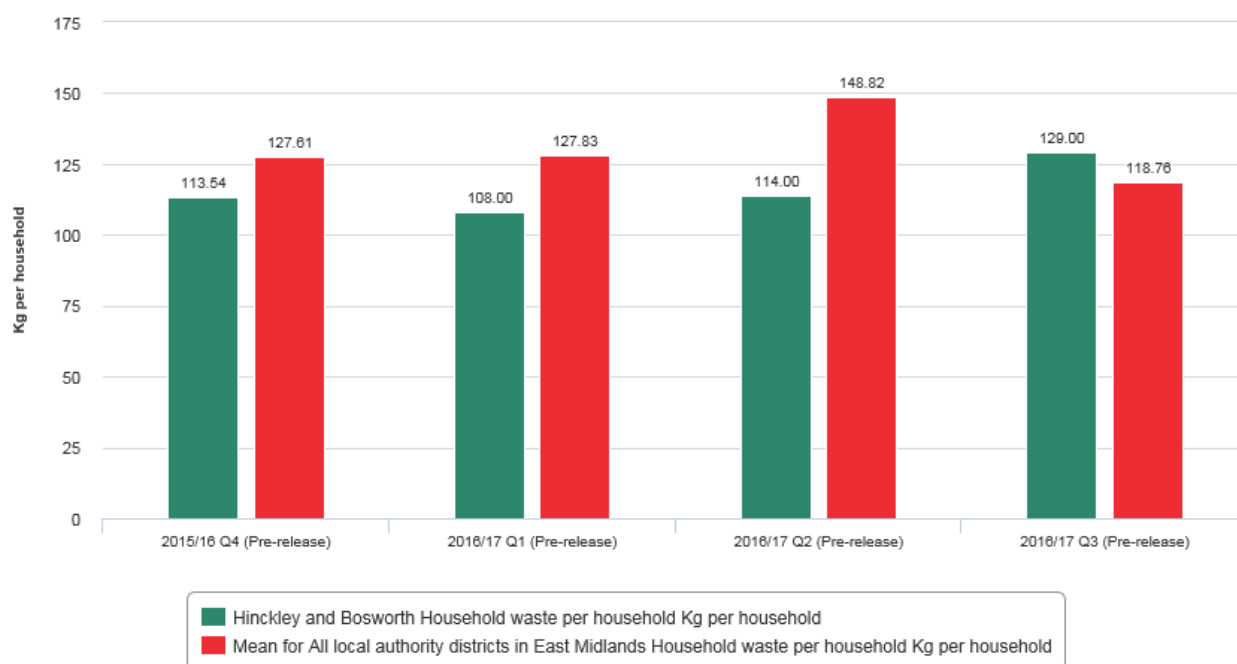
Of these, five indicators are showing some slippage to target:

Indicator	2016/17 target	2016/17 3 <sup>rd</sup> qtr actual	Comments
Customer Services: lost calls	15%	24.09%	Call answered year to date is 85,616 (90,844 calls answered year to date 2015/16). Still not meeting target. Whilst calls year to date compared to last year have decreased, the average length of the call, including the wrap up time, over the 9 month period is longer. This is attributable to the complexity of calls and new starters still gaining more experience following their training period. We have appointed a senior customer service adviser to support training and development of colleagues. It must be noted that for December alone we have seen a positive dip in lost calls (actual percentage of lost calls 13.90%) which is under target
Customer Services: face to face, customer seen within ten minutes	80%	74%	12,795 customers were served face to face within 10 minutes (11,845 customers 2015/16). This is just below target, however satisfaction results are still at exceptionally high levels
Finance: Debt over 90 days old as % of aged debt	25%	27.5%	Deviation to target mainly due to slight increase in debts from our commercial units.  We are working with the Estates team to reduce this debt

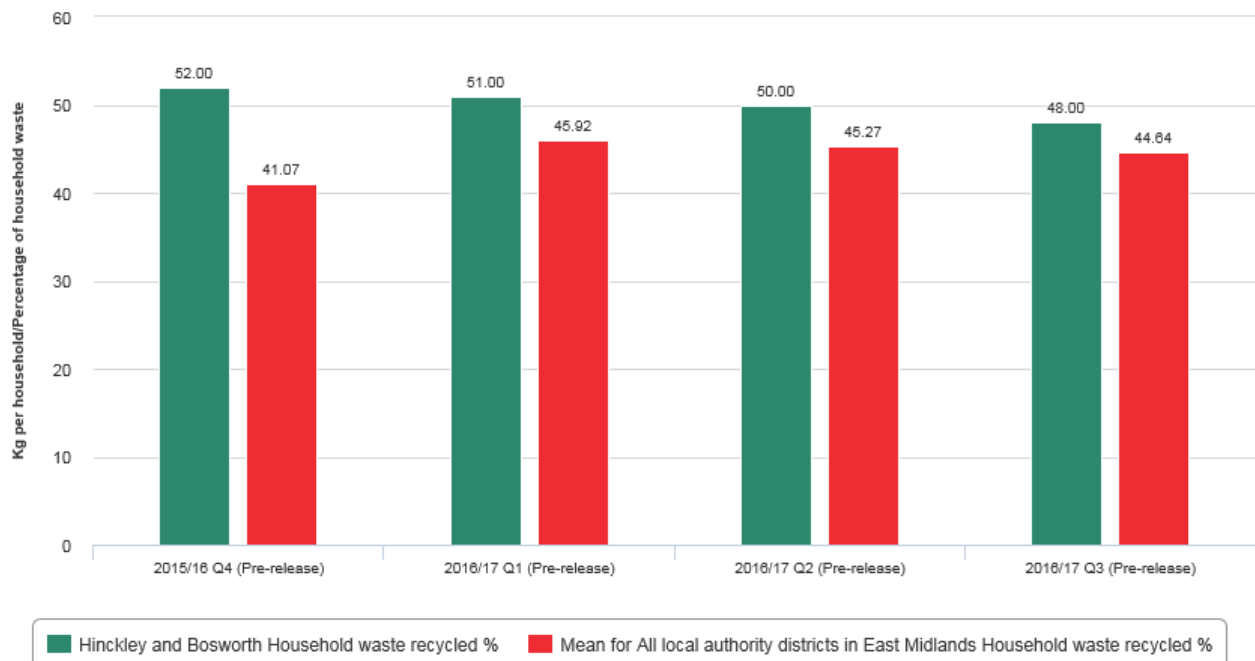
Indicator	2016/17 target	2016/17 2 <sup>nd</sup> qtr actual	Comments
Housing Repairs: customer satisfaction	94%	90.92%	Customer Satisfaction has fallen below the target of 94% since changing our scoring scale from 1-10 to 1-5 which we believe has added more weight to poorer returned scores. All poor scores and comments are followed up upon receipt of the returned survey and performance is monitored in monthly management meetings
Streetscene: residual household waste per household	435kg	351kg	113 + 121 confirmed data for Q1 and Q2 + 117 being average of first two months for Q3). We have seen an increase in residual waste arisings due to increased property numbers

- 3.6 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 in the East Midlands. The charts below now show a rolling four quarter summary rather than the previous method which just showed the latest returns. This is to allow the monitoring of trends over time. Please note that the returns are provisional figures entered by councils onto the LG (Local government) Inform site for benchmarking purposes only.

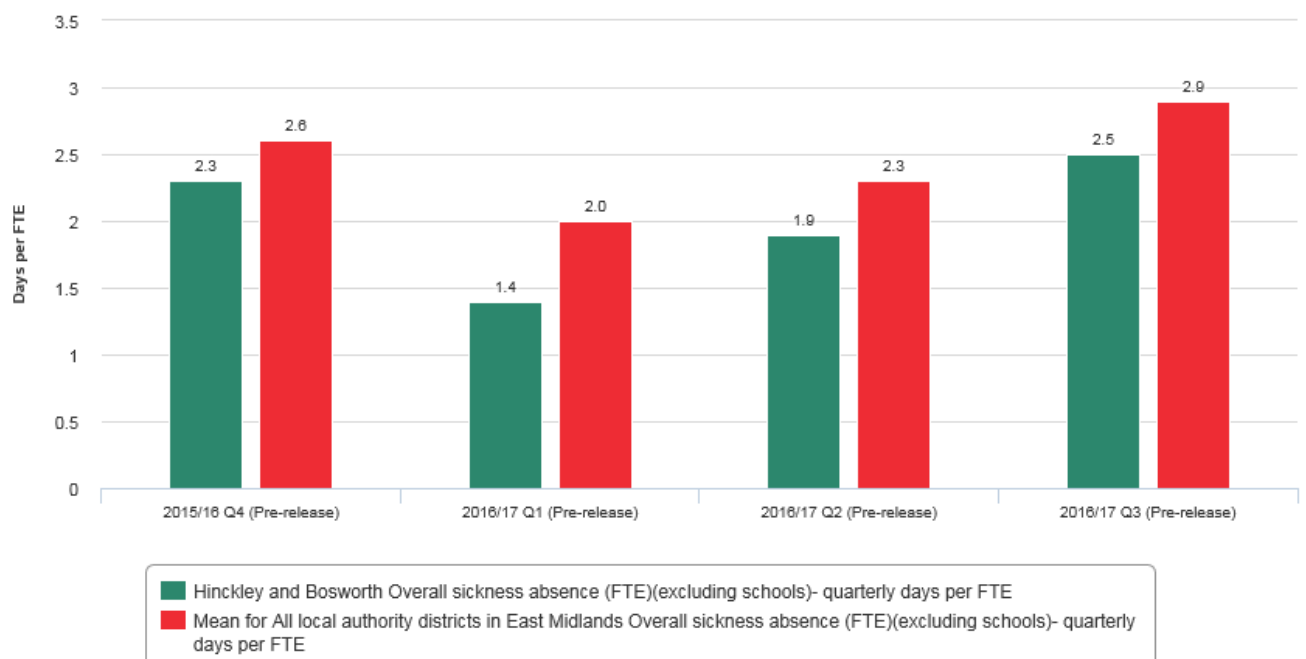
**Residual household waste per household - quarterly (kg per household) (2016/17 Q3) for Hinckley and Bosworth & All local authority districts in East Midlands**



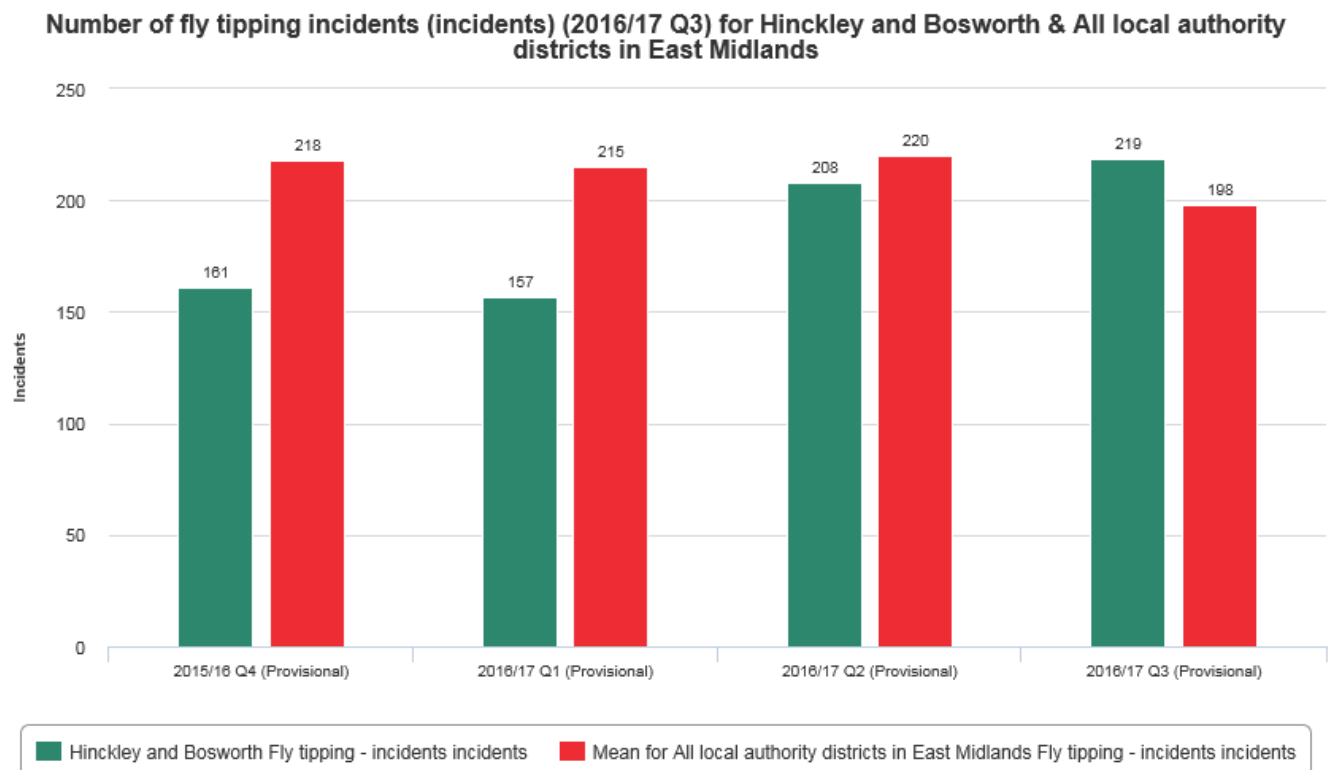
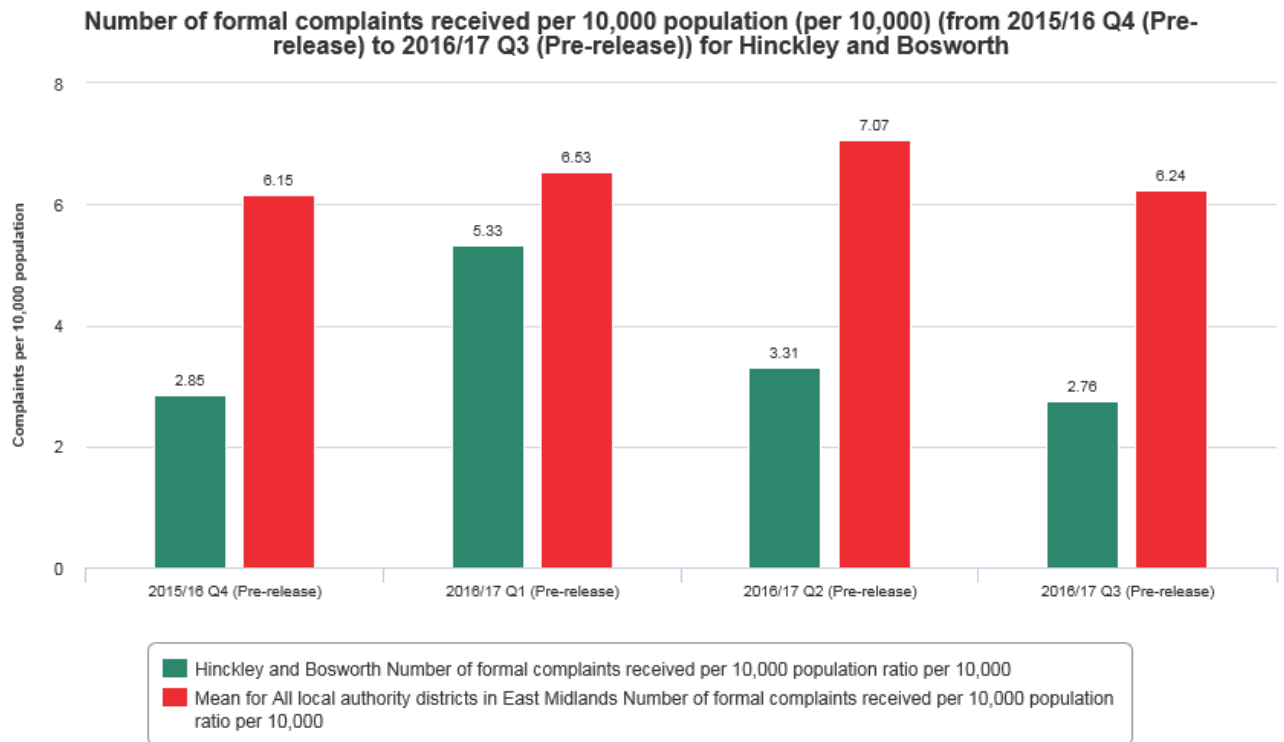
**Percentage of household waste sent for reuse, recycling and composting - quarterly (%) (2016/17 Q3)  
for Hinckley and Bosworth & All local authority districts in East Midlands**

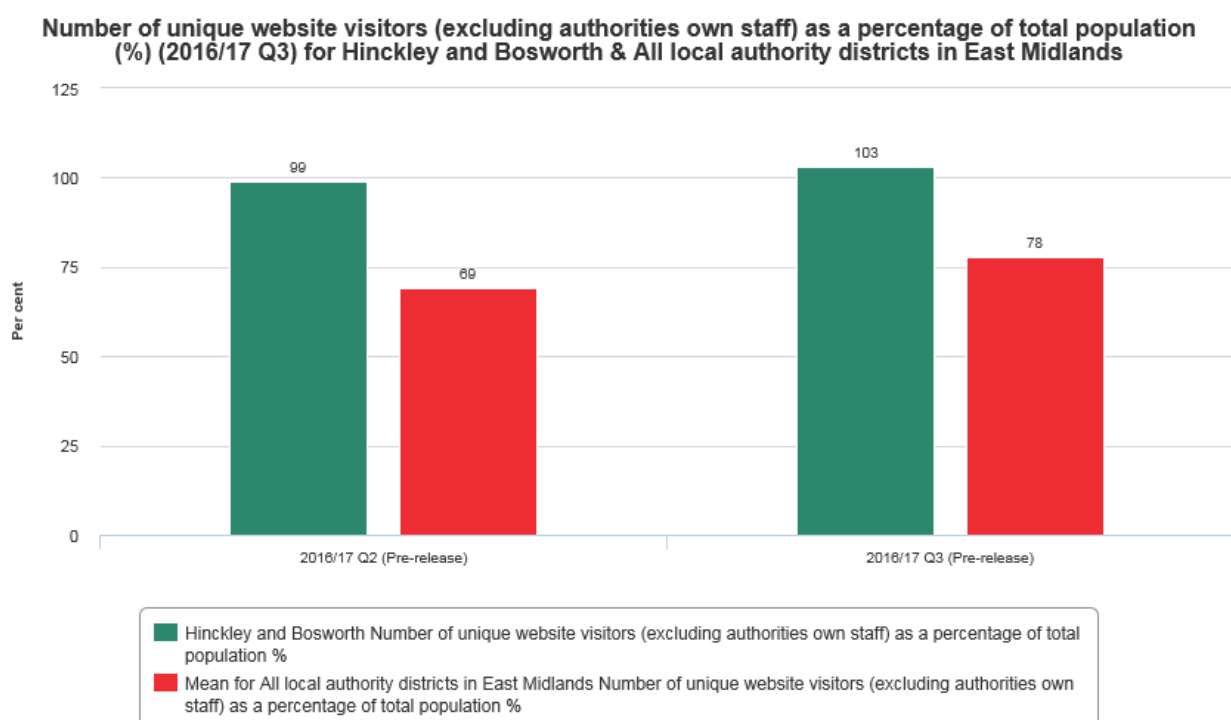
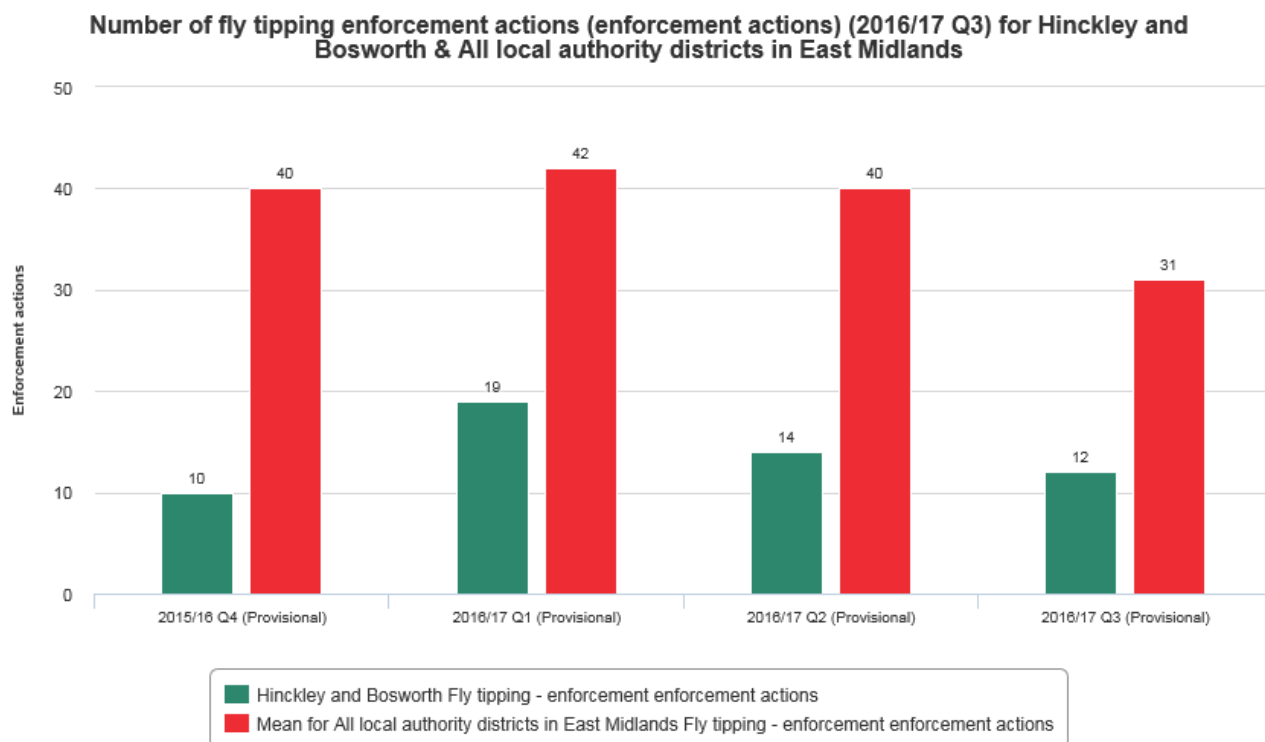


**Average number of working days lost due to sickness absence per FTE (full-time equivalent) employee  
(excluding schools) - quarterly (days per fte) (2016/17 Q3) for Hinckley and Bosworth & All local  
authority districts in East Midlands**









3.7 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, **twenty six** plans have been highlighted (as at 07 February 2017) 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	Description	Progress	Target date/s
Finance	Implement the Civica budget monitoring module and associated upgrade to web based browser. Ensure all budget holders fully trained in new system.	Q3 update: The web browser is ready however there is an issue with the show image button with Anite. Once resolved this will the system will go live in March 17.	Jul 2016
Comms'	Refresh Corporate Plan for 2017 - 2020	Public consultation completed and responses analysed to create a draft Corporate Plan. After further consultation with Members & officers in January 2017 it has now become the Corporate Plan for 2017-2021. The Scrutiny Commission and full Council to consider and endorse the final version in February 2017.	Dec 2016
ICT	TCA01_Melton Citrix Implementation	[16/01] Escalation with Sopra Steria in November 2016, project re profiled to deliver February 2017. Sopra Steria Management Team intervention required	Oct 2016
Street scene	Develop an In-Cab (in-house) bespoke system to provide e-service requests in real time	Q3 CR currently discussing with ICT/Steria in view of time elapsed and proximity to procurement of new vehicle fleet / potential to invest in technology as part of revised fleet arrangements.	Mar 2017
	Review HBBC car parks (currently provided free)	Q2 - no progress work needs to be rescheduled for next financial year. Hinckley town centre car parking is the priority.	Mar 2017

Service area	Description	Progress	Target date/s
HR	Develop a Dignity at Work Policy	Research has commenced - policy not yet drafted	Mar 2017
	Develop a Stress Policy	HR met with Health & Safety Officer to discuss policy requirements. Currently researching best practice model. Policy still to be drafted. Given the case work HR is currently dealing with - this policy update has slipped	Mar 2017
	Channel Shift Strategy - implement web based solution "My Account"  1) A new Customer Online Web portal and  2) An updated Customer Service Database for Customer Services staff to use	<u>Customer Online Web portal</u> This has now been built – awaiting minor revisions. Go live with the portal early Autumn 2017 (following implementation of the Customer Service database). Link with other online services such as Revenues and Benefits Autumn 2017  <u>Customer Services Database</u> All processes are currently being migrated from the current customer services (CRM) system to the new database. All customer address data has now been migrated. Customer Services staff have now tested one process 'Arranging a bulky collection' and have all been trained. Will transfer all Street Scene processes by May 2017. Remaining processes to migrate September 2017. Go live for all Customer Services staff October 2017. Delays on this project have arisen due to the IT Developer focussing upon other pressing priorities such as Garden Waste and e-payments upgrade.	Mar 2017
Planning	Develop marketing strategy for Building Control to increase application income	Q3. An alternative strategy is being development with due regard to capacity and resilience of the service.	Jun 2016
	Produce quarterly newsletter for Planning service	Q3. Publication of Planning Newsletter delayed due to prioritisation of other service improvements. Intended to be rolled out later in 2017.	Jun 2016

Service	Description	Progress	Target
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area			date/s
Estates	Managing the adaptation of space within Hinckley Hub to meet the needs of existing and new occupiers	Currently in talks with National Probation Service to find accommodation for them within the Hub. Automated room booking system is late. IT currently working on a form connected to a Google Calendar account which will automatically populate the calendar information and distribute the information to the units.	Mar 2017
	Atkins bldg.: seek additional office location to be let by end 2016/17 subject to funding min target £3,000 annual rent.	Drawings being created for potential new office to be added on 3rd floor Building 1A .Drawings complete. Building quotes being obtained using the drawing & specifications. Feasibility complete works to be programmed following approval of a business case. Project has been delayed to co-ordinate with potential relocation initiatives and available resources. This will be reviewed and delivered in the next financial year if considered appropriate.	Dec 2016
	Support local businesses in setting up localised Business Watch schemes	Currently attending existing scheme at Sketchley Meadows - meeting quarterly made contact with relevant officers for Merrylees and agreed joint working - letter to be drafted and distributed jointly Chased Leicestershire Police for PCSO contacts covering Harrowbrook estates. Project deferred to next financial year due to resource available and priority within other work streams	
	Town Centre / Staff Car Parking	Progress is being made on the proposed acquisition of a site suitable to provide town centre car-parking. Co-op site now within Council ownership and car park open to the public. Bridge Road parking now being planned initially 20 spaces with a view to roll out and develop more spaces which could be made available as a long stay public car park for commuters.	Dec 2016
Hsg Ops'	Improve the thermal efficiency of poorly insulated homes (St Peters Drive, Thornton)	Installations slightly delayed whilst new windows installed. Work now well under way with approximately 1/2 of the identified work completed and the remainder due for completion in Qtr 4	Dec 2016
Democ' Services	Develop Modern.Gov to include rollout of workflows for reports	Awaiting new build of modgov (due February) before commencing project. Capacity issues and other priorities may lead to delays in preparing system and receiving and rolling out training.	Mar 2017

Service area	Description	Progress	Target date/s
Revs/ Bens	Bringing the enforcement "Compliance Stage" in-house Existing contract with Enforcement agents extended to October 2017, originally due by end 2015/16	A business case is being developed and the feasibility of the option will be taken to Management Board /Joint Committee. In December 2016 the partnership Management Board have requested that a full feasibility study including costings be undertaken . This project will be carried forward to 2017/18	Dec 2016
	Implementation of Capita Inspection Process/Building works module	Following a review of the functionality of the software, the project has been suspended whilst we establish that the product still meets the requirement of the partnership. This project will be c/fwd into 2017/18 and a report into the suitability of the product (including costings) will be taken to management board.	Sep 2016
	Implementation of Mobile Communications for visiting officers	This project is intrinsically linked with the Capita inspection and building works module and whilst we investigate whether the module meets the needs of the partnership this project is on hold. Further discussions are taking place with software provider and IT following which we will determine the next steps with a potential revised timelines. This project will be c/fwd to next year	SE 2016
	Automation of enforcement agent payments & returned cheques	Capita have been asked to quote for scripts to be written that will provide the interface between payments coming from the enforcement agents and the three cash receipting systems. Scripts have been supplied to Steria who will now need to test to see if payments to us can be automated	Sep 2016
	Rent Officer referrals automation	The Rent Service Module allows referral details to be passed electronically between Capita and the Rent Service. Once the rent officer has returned a Decision it will populate the Decision tab within the Rent Service Module. We are shortly to start testing. This project was deferred whilst resourcing was transferred to the testing and embedding of the RBV project. This will be carried forward to 2017/18	Oct 2016
	Update SLA between Partnership and customer services (IRRV recommendation)	Project reviewed to allow the inclusion of any processes we need to have in place following UC transfer to full service for HDC in November and for HBBC in March. The final SLA will be presented to the meeting of the partnership management board in February to become effective from April 1st 2017	Dec 2016

Service area	Description	Progress	Target date/s
Housing	Review Choice Based Lettings and the Allocations Policy	Q2 County wide review will not take place until July 2017 so have to link into the rest of the County to finalise changes	Mar 2017
	Review hostel requirements	Q1 - Survey of current facilities carried out and mapping of past and current demand underway. Q2 - Awaiting costs from repairs	Mar 2017
	Implement Housing Application annual renewals	Q2 - Agreed new staff to cope with capacity. Once recruitment and training taken place will be able to implement renewals Q3 Due to staffing pressures and increased workloads this will be delivered in this year	Mar 2017
	Review current housing allocations mutual exchange provider	Q1 - Meetings taken place with alternative providers. Q2 - This will form part of the tender for the County wide CBL system in July to ensure best value for money	Mar 2017

- 3.8 Corporate/Strategic risks - There are a total of **thirty** risks on the Corporate Risk Register (as at 07 February 2017). Of these, **six** 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
S.14 - Dealing with numerous Public Enquiries	Appeal performance continues to be positive overall, assisted by the adoption of the Council's Allocations DPD and its five-year land supply.
S.15 - Failure to successfully adopt and deliver the LDF	The LDS was reported to and agreed by Council in January 2017, which provides for the production of a new Local Plan for adoption in 2020 and for the wide coverage of Neighbourhood Development Plans for the Borough.
S.30 - Review by 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, but is a collaborative endeavour. The Equalities Action Plan is monitored and updated via the Council's Monitoring Officer in liaison with the Corporate Equalities Steering Group.

Risk	Review commentary
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.
S.43 - Leicestershire County Council budget cuts	LCC have reported in a Cabinet report for 18 September 2018 recommendation to direct District Councils to deliver their Recyclate to a nominated location from April 2018. This removes their requirement to pay Recycling Credits to HBBC. 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.
S.34 - Failure to safeguard vulnerable adults, children & young people	Q3 update - Recent Section 11 Audit for vulnerable adults completed. Compliant in all areas. Local policies and procedures are being updated. Sharing of information undertaken at regular DSO county meetings. Roll out of competency Framework continues. Additional admin support in place to chase up feedback from referrals submitted by HBBC to County. Risk remains high due to the sheer number of referrals and the increasing complexity of the cases.

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

- No new risks have been added
- No risks have increased (worsened) in rating
- One risk has decreased (improved) in rating
  - *S.45 - Council does not prevent or detect fraudulent activities*
- No risks have been closed

3.9 Service area risks - There are a total of **eighty four** risks (as at 07 February 2017) across all service areas which are kept on individual service area risk registers. Of these, **nine** have a high (red) net risk level and these are detailed below.

Risk	Review commentary
Streetscene: SS.37 - external funding	Mitigations have been identified and are being further explored to reduce service costs / reduce the impact below that forecast in the MTFs, and clear dialogue with LCC to try to minimise additional operational costs (primarily tipping away distances). Charge for garden waste collections introduced April 2016 have fully mitigated the loss of the garden waste recycling credits and a review of collection systems has commenced to inform future service design (from 2018)
Community Safety: HCS.88 - police changes	Continual effective partnership working to ensure assistance from partners. Consideration of not dealing with particular lower level issues. Review of Endeavour processes Nov/Dec 2016 Review of Endeavour processes has commenced
Community Safety: HCS.91 - central government housing proposals	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
Risk	Review commentary



Planning: DLS.19 - recruitment & retention of staff	Q3. Most posts across the service filled across DM and Building Control. A few roles to fill within planning policy and major projects. New managers looking at training and development needs to help staff realise their potential.
Planning: DLS.42 - meet the needs of Gypsy & Travellers	Q3. Gypsy and Traveller Needs Assessment adopted, demonstrating that the Council has provided sufficient land to meet the needs of the gypsy and traveller community for the remainder of the plan period.
Planning: DLS.44 - Five year housing & land supply	Q3. The council continues to have a five year housing land supply, reinforced by recent appeal decisions.
Planning: DLS.47 - reputation of Building Control services	Q3. Resilience and succession planning remains a key factor in protecting our reputation. The increasing shortage of experienced and qualified building control staff continue to make it very difficult to recruit should the need arise, as a number of neighbouring authorities have recently experienced. Furthermore, whilst income is lower than anticipated, the number of applications received in 2016, are up by 8% to 661 and inspection requests have increased by 3% to 3932. However despite the increase and strain on capacity we continue to provide a responsive service to our customers.
Planning: DLS.48 - loss of work to approved inspectors	Q3. This quarter has seen a drop in income but an increase in applications. Applications received have increased by 8.3% in comparison to the same time in 15/16. The recent uncertainty in construction has seen the types of application change from larger schemes to more minor works (smaller fee income), similar to the last recession. The risk of losing work to Approved Inspectors a continuous one that cannot be removed, but every action possible is taken to mitigate the risk.
Planning: DLS.49 - recruitment & retention of Building Control staff	Q3. BC Service fully staffed. Training programme in place to develop staff in-house to help reduce the risk of the service struggling for capacity in the event of staff leaving the authority.

### 3.9.1 As part of the quarterly review of the service risk registers:

- One new risk has been added
  - *DLS.49 - recruitment & retention of Building Control staff*
- No risks have increased (worsened) in rating
- Two existing risks have decreased (improved) in rating
  - *HCS.86 - private rented sector*
  - *HCS.87 - PCC commissioning*
- One risk has been closed
  - *HCS.84 - Ending of funding for the DA Children's worker*

## 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 A Wright

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Hinckley & Bosworth  
Borough Council

*A Borough to be proud of*

# **Finance & Performance Scrutiny Work Programme 2016/2017 – 2017/2018**

**APRIL 2017**

## FINANCE & PERFORMANCE SCRUTINY

Date	Issue	Reason	Outcomes	Lead Officer	Supports corporate aims
3 April 2017	Revenue & capital outturn, 3 <sup>rd</sup> quarter	Monitor budgets and capital programme	Ensure effective use of resources	Ashley Wilson	All
3 April 2017	Aged debts, 3 <sup>rd</sup> quarter	Monitor levels of debt	Ensure recovery processes are robust	Ashley Wilson	4
3 April 2017	Business rates retention, 3 <sup>rd</sup> quarter	Monitor levels of retention and pooling arrangements	Ensure appropriate arrangements and value for money	Ashley Wilson	4
3 April 2017	Treasury management, 3 <sup>rd</sup> quarter	Inform of treasury management activity	Ensure compliance with policy	Ashley Wilson	4
3 April 2017	Performance & risk, 3 <sup>rd</sup> quarter	To monitor performance in-year	Identify improvements	Cal Bellavia	All
22 May 2017	Frontline service review – Planning	Programme of performance reviews	Monitor performance	Nic Thomas	All
22 May 2017	Performance & risk end of year 2016/17	To monitor performance	Identify improvements	Cal Bellavia	All
22 May 2017	Revenue & capital outturn 2016/17	Monitor budgets and capital programme	Ensure effective use of resources	Ashley Wilson	All
22 May 2017	Aged debts year end 2016/17	Monitor levels of debt	Ensure recovery processes are robust	Ashley Wilson	4
22 May 2017	Business rates retention year end 2016/17	Monitor levels of retention and pooling arrangements	Ensure appropriate arrangements and value for money	Ashley Wilson	4
22 May 2017	Treasury management outturn 2016/17	Inform of treasury management activity	Ensure compliance with policy	Ashley Wilson	4
22 May 2017	Contact centre – call waiting times (six month progress update)	Follow up as result of referral from Scrutiny Commission	Monitor performance	Julie Stay	All
24 July 2017	Frontline service review – Housing	Programme of performance reviews	Monitor performance	Sharon Stacey	All
24 July 2017	Performance & risk quarter 1 2017/18	To monitor performance in-year	Identify improvements	Cal Bellavia	All

<b>Date</b>	<b>Issue</b>	<b>Reason</b>	<b>Outcomes</b>	<b>Lead Officer</b>	<b>Supports corporate aims</b>
24 July 2017	Revenue & capital outturn quarter 1 2017/18	Monitor budgets and capital programme	Ensure effective use of resources	Ashley Wilson	All
24 July 2017	Aged debts quarter 1 2017/18	Monitor levels of debt	Ensure recovery processes are robust	Ashley Wilson	4
24 July 2017	Business rates retention quarter 1 2017/18	Monitor levels of retention and pooling arrangements	Ensure appropriate arrangements and value for money	Ashley Wilson	4
24 July 2017	Treasury management quarter 1 2017/18	Inform of treasury management activity	Ensure compliance with policy	Ashley Wilson	4
25 September 2017	Frontline service review – refuse & recycling	Programme of performance reviews	Monitor performance	Caroline Roffey	All
6 November 2017	Frontline service review – Environmental Health	Programme of performance reviews	Monitor performance	Rob Parkinson	All
6 November 2017	Performance & risk quarter 2 2017/18	To monitor performance in-year	Identify improvements	Cal Bellavia	All
6 November 2017	Revenue & capital outturn quarter 2 2017/18	Monitor budgets and capital programme	Ensure effective use of resources	Ashley Wilson	All
6 November 2017	Aged debts quarter 2 2017/18	Monitor levels of debt	Ensure recovery processes are robust	Ashley Wilson	4
6 November 2017	Business rates retention quarter 2 2017/18	Monitor levels of retention and pooling arrangements	Ensure appropriate arrangements and value for money	Ashley Wilson	4
6 November 2017	Treasury management quarter 2 2017/18	Inform of treasury management activity	Ensure compliance with policy	Ashley Wilson	4

To programme

Key to corporate aims

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