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Hinckley & Bosworth
Borough Council

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

Date: 12 May 2017

To: **Members of the Finance & Performance Scrutiny**

To be confirmed by Annual 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, 22 MAY 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 - 2)

To confirm the minutes of the meeting held on 3 April 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. CUSTOMER SERVICES - 12 MONTH PROGRESS UPDATE (Pages 3 - 14)

This report is presented on the request of Finance & Performance Scrutiny for an update on performance within customer services.

7. REVENUE & CAPITAL OUTTURN (To Follow)

8. SUNDRY DEBTS QUARTER 4 2016/17 (Pages 15 - 18)

To inform members of the position on sundry debts as at 31 March 2017.

9. TREASURY MANAGEMENT QUARTER 4 2016/17 (Pages 19 - 24)

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

10. FINANCE & PERFORMANCE SCRUTINY WORK PROGRAMME (Pages 25 - 28)

11. 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

FINANCE & PERFORMANCE SCRUTINY

3 APRIL 2017 AT 6.30 PM

PRESENT: Mr KWP Lynch - Chairman

Mrs R Camamile, Mrs J Kirby, Mrs H Smith, Miss DM Taylor, Mr P Wallace and Mr HG Williams

Officers in attendance: Ilyas Bham and Rebecca Owen

433 MINUTES OF PREVIOUS MEETING

On the motion of Councillor Camamile, seconded by Councillor Wallace, it was

RESOLVED – the minutes of the meeting held on 30 January 2017 be confirmed and signed by the chairman.

434 DECLARATIONS OF INTEREST

No interests were declared at this stage.

435 REVENUE & CAPITAL OUTTURN, THIRD QUARTER 2016/17

Members received the revenue and capital outturn for the third quarter of 2016/17. The good position in relation to the HRA was noted, along with the high number of responsive repairs carried out.

Councillor Taylor arrived at 6.35pm.

Concern was expressed in relation to the deficit for housing repairs, and in response it was explained that this was due to movements in reserves and balances and was not a cause for concern.

RESOLVED – the report be noted.

436 TREASURY MANAGEMENT THIRD QUARTER 2016/17

Finance & Performance Scrutiny gave consideration to the treasury management activity during the third quarter of 2016/17. It was noted that investment was lower during this time due to precept payments not being made in December.

RESOLVED – the report be noted.

437 BUSINESS RATES RETENTION THIRD QUARTER 2016/17

Members were updated on the position in relation to business rates and pooling. It was noted that, due to the high number of appeals, provision for this had been increased. It was reported that the 100% business rates retention had now been confirmed for commencement in April 2019.

RESOLVED – the report be noted.

438 SUNDRY DEBTS THIRD QUARTER 2016/17

Consideration was given to the position with regard to sundry debts at the end of the third quarter of 2016/17. The positive position was noted.

RESOLVED – the report be noted.

439 PERFORMANCE AND RISK MANAGEMENT FRAMEWORK THIRD QUARTER 2016/17

Members received the performance and risk management framework third quarter summary. Some concern was expressed in relation to the number of lost calls and the length of time taken to see customers in Customer Services, but it was noted that this would be looked at in detail at the following meeting. A member highlighted the high levels of satisfaction with housing repairs.

RESOLVED – the report be noted.

440 FINANCE & PERFORMANCE SCRUTINY WORK PROGRAMME

The work programme was noted.

(The Meeting closed at 6.56 pm)

CHAIRMAN



Hinckley & Bosworth
Borough Council

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FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

FINANCE & PERFORMANCE SCRUTINY

22 MAY 2017

WARDS AFFECTED: 'ALL WARDS'

CUSTOMER SERVICES – 12 MONTH PROGRESS UPDATE

Report of Director of Corporate Services

1. PURPOSE OF REPORT

- 1.1 This report provides the Committee with an update on the performance of the Customer Services front line operation over the last twelve months, in particular focussing on target times for answering calls and dealing with face to face enquiries.

2. RECOMMENDATION

- 2.1 The Committee note the content of the report.

3. BACKGROUND TO THE REPORT

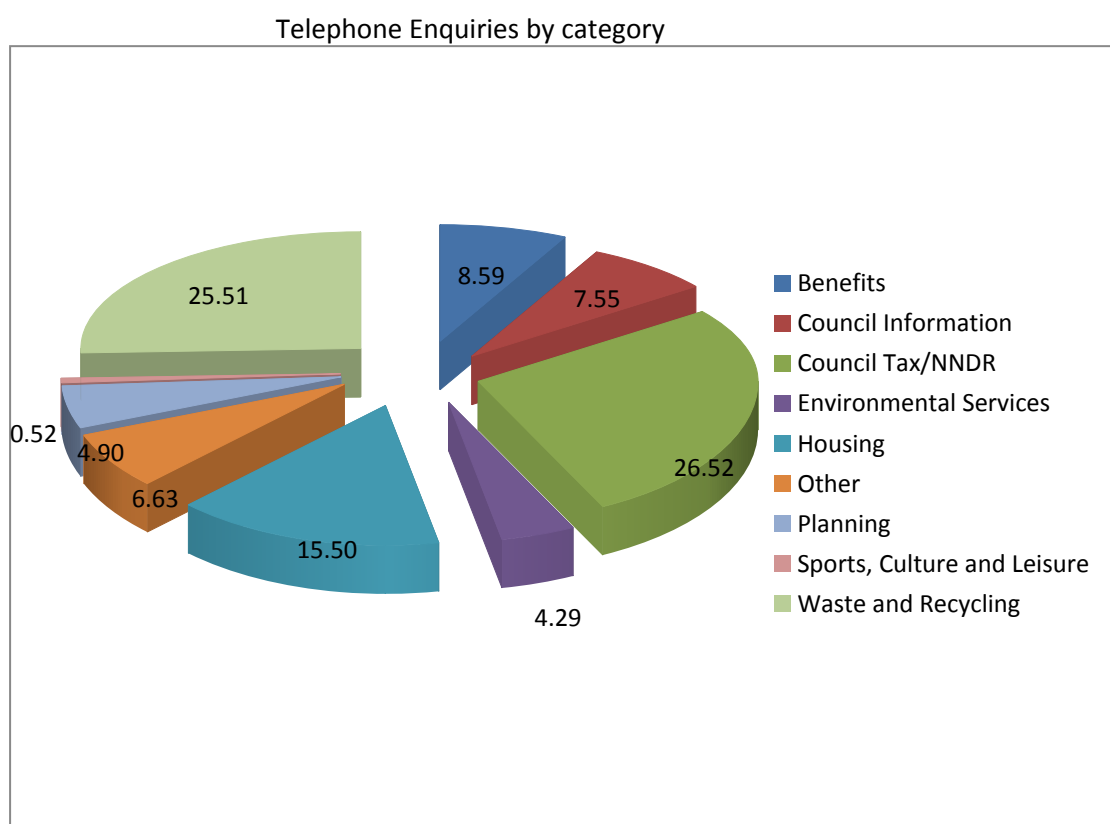
- 3.1 Whilst the Committee requested a 6 month progress report at its meeting on 19 September 2016, for completeness, this report provides a 12 month overview of the Customer Services function for 2016/17 including final outturn.
- 3.2 The Customer Services team handles all telephone enquiries as well as serving customers on the Meet and Greet counter and on the front desks. From April 2016 to March 2017 the team answered 121,739 calls and dealt with 18,245 customers face to face. This equates to an average of over 10,000 calls per month, with a peak of 15,000 calls in March when council tax and garden waste enquiries are at their maximum due to annual billing.
- 3.3 Service delivery is supported by the Customer Relationship Management system (CRM). This system provides the council with a consistent method of capturing customer enquiries and the ability to resolve the majority of those requests at the first point of contact without referring to the back office. The CRM system allows the adviser to capture customer data and send requests, via workflow, to back office systems which then integrate into the back office system. For example, if a customer requires the garden waste service, the customer adviser will complete that request including taking the payment, through the CRM by completing a web based form.

The web based form, via workflow, directly integrates into the back office system, which in turn will be updated.

3.4 Performance – Contact Centre

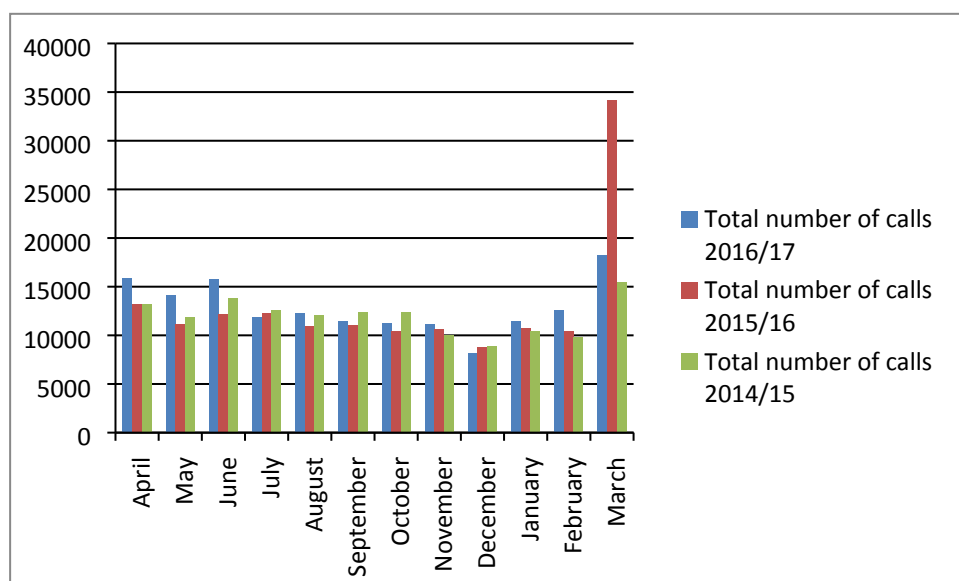
The customer services team works to key performance indicators that have been developed and agreed by the Strategic Leadership Team and monitored as part of the corporate performance framework. Monthly meetings are held with the Customer Services Manager to understand the variety of short term and long term factors that may impact upon service delivery. Customer satisfaction levels are also reviewed.

The following chart shows a breakdown of the most popular telephone transaction types handled by the contact centre.

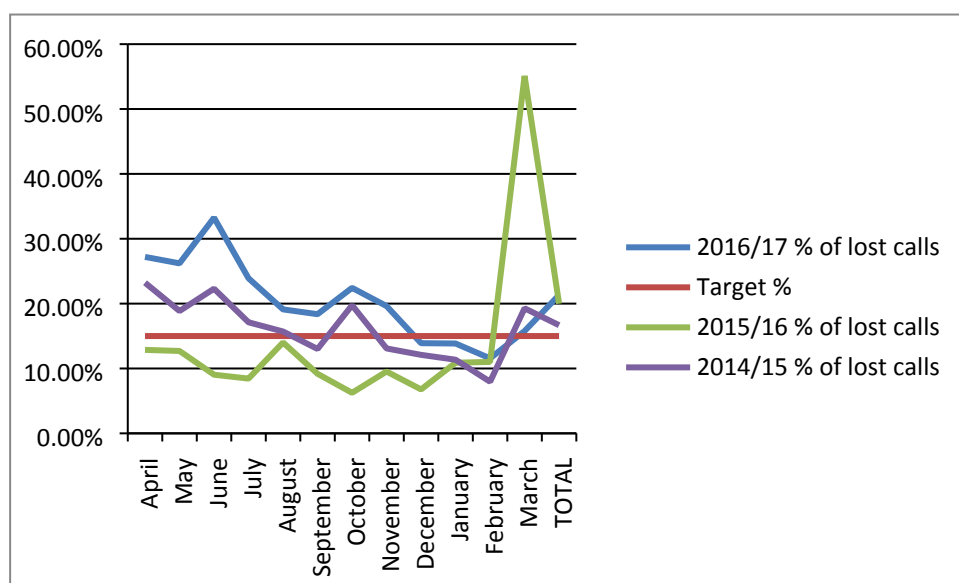


Council Tax and NNDR enquires account for 26.52% of all calls which create the highest call traffic throughout the year, peaking at its maximum during the annual billing period (March – April). Annual billing enquiries are often complex and can only be dealt with by skilled and fully trained advisers. The second highest category is Waste and Refuse enquiries (25.51%). These requests generally relate to the subscription or renewal of the garden waste service, reporting bin collection issues, requesting a new bin/larger bin/additional bin and requesting the removal of bulky items.

Call volumes for the last three years are represented within the chart below. Call volumes have been higher during 2016/17 particularly April – June 2016, as a result of the launch of the Garden Waste scheme. During the remaining months of 2016 calls levelled, however increased again during January – March 2017. This was due to early enquiries in regard to the renewal of the Garden Waste scheme.



Increase in call volumes for 2016/17 and the average length of calls has resulted in a dip in performance in regard to lost calls. The chart below shows the percentage of lost calls for the financial the last three years 2014/15 2015/16 and 2016/17 shown against the target indicator of 15%.



Historically, peak periods for telephone enquiries occur at annual billing, which starts in March and ends in May and this is reflected each year within the graph (full data is set out for telephone and face to face enquiries at Appendix 1). Throughout the eleven month period in 2015/16 lost calls was consistently lower compared to the previous year 2014/15. However there was a sharp rise in calls lost in March 2016 due to the introduction of the garden waste service and this negatively impacted the final outturn for 2015/16 for lost calls, which was above target at 19.99% due to the indicator being reported on a cumulative basis. Performance did not recover as lost calls continued into the first quarter 2016/17 due to repeat contact by customers enquiring about the service and whether their payment had been made, and general enquiries about the garden waste service. As previously reported to this Committee, this was due to the e-payment system which was in place last year, which needed

upgrading as it was not fully integrating into the back office. The payment system has now been upgraded and performance has since then vastly improved for those customers signing up to the service and renewing the service.

During the second quarter of 2016/17 lost calls started to decrease but were still above target. During this period two new members of staff started their six month training period and this factor, coupled with continuing enquiries regarding the garden waste and the European Referendum, led to an increase in average call length per call and ultimately impacted on the lost calls. During the third and fourth quarter lost calls reduced and December through to March lost calls were actually below target. Despite this, the final outturn for 2016/17 was 21.33%. The Customer Services Manager has put in place numerous initiatives to minimise the impact of increased customer contact such as:

- Limiting the holiday rota during peak periods
- The use of additional temporary staff to deal with Garden Waste enquiries
- Specialised agency staff for Council Tax enquiries
- Offering call backs to customers after 5pm for customers who do not want to wait
- During quiet periods on the front desk, customer service advisers log into the phone system to support the telephone queue

Whilst the target has not been met it is important to note that Customer Satisfaction remains extremely high. Customer feedback states that our customers are prepared to wait as they recognise the complexity of their enquiries and our aim to resolve them. This is exemplified by the Govmetric survey, which we conduct to measure customer satisfaction. Over 10% of our customers both telephone and face to face, are surveyed using this method and the Customers Services team in comparison to other local authorities, regularly achieve high level of satisfaction. In January this year we were top of the league table shown below:

Telephone				Jan-2017	
Position	Council	Type	Population	Total Feedback Responses	Net Satisfaction
↑	Hinckley and Bosworth Borough Council	District	105078	539	0.99
↓	Devon County Council	County	746399	312	0.98
↑	Oxford City Council	District	151906	1636	0.96
↑	Hambleton District Council	District	85382	953	0.96
↑	Hertfordshire County Council	County	1116062	1232	0.95
↑	Norfolk County Council	County	796728	2664	0.95
↓	East Ayrshire Council	Unitary	120235	129	0.95
↓	South Tyneside Metropolitan Borough Council	Unitary	148127	976	0.94
↓	Stevenage Borough Council	District	83957	803	0.94
↑	The Royal Borough of Kensington and Chelsea	Unitary	158649	4941	0.94

3.5 Performance – Meet and Greet/Front Desks

All face to face enquiries are dealt with, in the first instance, at the Meet and Greet counter with staff dealing with a variety of basic enquiries including signposting to other partners located within the Hub, such as Adult and Children's services (LCC) and the Citizens Advice Bureau. The counter deals with on average, over 1600 enquires per month (annually 19,466). Should the customer need specific advice they are then allocated a Customer Service Adviser (served at the front desks) with over 68% of enquiries relating to Housing Benefits, 13% Council Tax, Rents 8%. The advisers deal with, on average, 1440 customers per month (annually 17,313) which has steadily increased over the last two years.

The corporate target which measures customer face to face waiting times is '80% of our customers are seen within 10 minutes'. The final outturn for 2016/17 was 74.97% (2015/16 77.83%). Increase in waiting times in the spring and summer months of 2016 were mainly attributable to an increase in enquiries that have been received by the Contact Centre (i.e. Council Tax and Garden Waste enquiries). Performance did start to improve in the Autumn/Winter months peaking at 79.6% in February.

Customer satisfaction levels are also high for face to face enquiries and this is shown through Govmetric feedback.

Face To Face				Jan-2017	
Position	Council	Type	Population	Total Feedback Responses	Net Satisfaction
↔	Hinckley and Bosworth Borough Council	District	105078	234	0.99
↑	London Borough of Barnet	Unitary	356386	2170	0.92
↓	East Ayrshire Council	Unitary	120235	1628	0.91
↓	Charnwood Borough Council	District	166100	399	0.85
↑	Hambleton District Council	District	85382	139	0.81
↓	London Borough of Sutton	Unitary	190146	1227	0.80
↑	East Hertfordshire District Council	District	137687	234	0.79
↔	Southwark Council	Unitary	288283	690	0.75
↑	Stevenage Borough Council	District	83957	422	0.69
↑	North Somerset Council	Unitary	202566	406	0.67

3.6 Service Development – Channel Shift

In order to improve the way we deliver front line services, a number of developments are under way centred around customer self service to encourage customers to interact with the council online. At the heart of this is work is the integration of existing online forms within our CRM system. A new CRM system is currently being implemented as part of the first phase of the 'MyAccount' project (the second phase being the launch of a web based Customer Portal for customers to self-serve requesting services such as council tax changes, viewing rent balances and reporting a missed bin). Ongoing improvements to the way we work are resulting in more and more services being made increasing accessible to customers whilst at the same

time still providing excellent services to customers who prefer to contact us via phone or face to face. It is essential therefore, that we use similar methods for data capture for both customer services and our external self- serving customers and the new CRM system will allow for this.

The new CRM system will go live in June 2017 and the launch of the customer web portal going live late 2017. Whilst customers can already request online services via our website, the portal will allow customers to open up personal account with the council and request multiple services and view recent transactions. The portal will not only show customers what requests have been made but also keep customers up to date with the status of that request.

A further report to this committee in regard to the launch of MyAccount and its impact upon the customer services footfall and call traffic will be presented following the launch in early 2018.

3.7 **Summary**

Whilst the council is working towards moving customers to request services online, it is acknowledged that many customers still want to deal with the council either face to face or over the telephone. The key role of the Customer Service team is to ensure that customer service levels are maintained and the team work hard to ensure that customers continue to be placed at the heart of the organisation.

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

4.1 Report to be taken in open session.

5. FINANCIAL IMPLICATIONS [FMC]

5.1 There are no financial implications arising from this report.

6. LEGAL IMPLICATIONS [AR]

6.1 None.

7. CORPORATE PLAN IMPLICATIONS

7.1 The provision of excellent customer service ensures that the council meets the following Corporate Values:

- FAIR – ensuring that our services are available to everyone.
- EFFICIENT – provide quality services that represent good value for money

8. CONSULTATION

8.1 Customers are surveyed in regard to the quality of our service using Govmetric and annual surveys.

9. RISK IMPLICATIONS

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

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

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

None.

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 Customer services regular carries out surveys of its customer base via Govmetric. The service also seeks feedback through an annual summer survey to ensure the service provided meets the needs of council customers. This year, the summer survey is focussing particularly upon accessing services online in the future. The automation of services may negatively impact upon the council's customers, such as the roll out of applying for housing benefit online, who are vulnerable and it is therefore essential that the council must maintain the continuation of face to face services for its most vulnerable residents.

11. CORPORATE IMPLICATIONS

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

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

Background papers: None.

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

Executive Member: Councillor A Wright.

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CONTACT CENTRE

APPENDIX 1

2016													
Month	April	May	June	July	August	September	October	November	December	January	February	March	TOTAL
Total number of calls	15899	14173	15782	11831	12325	11507	11284	11131	8194	11491	12566	18195	154,368
Total number of answered calls	11557	10440	10533	9002	9969	9389	8732	8946	7048	9897	11096	15130	121,739
Total number of lost calls	4325	3715	5249	2828	2356	2115	2532	2185	1705	1592	1452	2870	32,924
% of lost calls	27.20%	26.21%	33.25%	23.90%	19.11%	18.37%	22.43%	19.62%	13.90%	13.85%	11.56%	15.77%	21.33%
Average time of call including wrap up in seconds	303	307	301	330	301	297	293	289	299	286	293	293	299
Total time of calls and wrap up in hours	927	890	880	825	833	774	710	718	585	786	903	1,231	10,062

2015													
Month	April	May	June	July	August	September	October	November	December	January	February	March	TOTAL
Total number of calls	13243	11188	12200	12316	10966	11091	10483	10647	8830	10718	10440	34162	156,284
Total number of answered calls	11533	9760	11088	11276	9427	10073	9827	9629	8231	9552	9289	15307	124,992
Total number of lost calls	1705	1421	1103	1040	1537	1018	656	1015	598	1166	1150	18825	31,234
% of lost calls	12.87%	12.70%	9.04%	8.44%	14.01%	9.18%	6.25%	9.53%	6.77%	10.89%	11.01%	55.10%	19.99%
Average time of call including wrap up in seconds	259	278	265	266	293	266	255	254	255	260	268	337	271
Total time of calls and wrap up in hours	829	754	816	833	767	744	696	679	583	690	691	1,433	9,515

2014													
Month	April	May	June	July	August	September	October	November	December	January	February	March	TOTAL
Total number of calls	13195	11916	13786	12605	12041	12366	12417	10029	8929	10448	9801	15460	142,993
Total number of answered calls	10119	9640	10697	10446	10135	10742	9944	8702	7846	9261	9019	12454	119,005
Total number of lost calls	3064	2247	3074	2157	1891	1610	2453	1313	1081	1185	780	2982	23837
% of lost calls	23.22%	18.86%	22.30%	17.12%	15.70%	13.01%	19.75%	13.09%	12.10%	11.35%	7.96%	19.28%	16.67%
Average time of call including wrap up in seconds	342	341	318	315	311	308	302	289	295	263	254	273	301
Total time of calls and wrap up in hours	961	913	944	914	875	919	834	698	642	676	636	944	9,956

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FACE TO FACE ENQUIRIES
APPENDIX 1

2016/17														
Front desks (QUEUE 1)	Target	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	TOTAL
All enquiries - categories used	N/A	1677	1655	1704	1389	1518	1538	1445	1401	1185	1539	1392	1802	18,245
Number of Customers seen	N/A	1593	1526	1580	1307	1485	1445	1402	1335	1122	1468	1357	1693	17,313
Number of Customers handled within 10mins	N/A	1124	1219	1248	995	1103	943	1025	919	892	1116	1080	1315	12,979
% Customers seen at front desks within 10 minutes - each mo	80%	70.56%	79.88%	78.99%	73.10%	74.28%	65.26%	73.11%	68.84%	79.50%	76.00%	79.60%	77.67%	74.97%
Average waiting time	10 mins	8.5	5.8	6.3	7.5	6.8	9.4	7.2	8.1	5.3	6.8	5.7	6.3	7
Meet & Greet (QUEUE 4)	Target	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	TOTAL
Number of enquiries completed	N/A	1895	1692	2080	1539	1752	1766	1610	1484	1053	1449	1395	1751	19,466

2015/16														
Front desks (QUEUE 1)	Target	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	TOTAL
All enquiries - categories used	N/A	1139	1270	1613	1548	1307	1506	1347	1524	1288	1450	1524	2416	17,932
Number of Customers seen	N/A	1052	1169	1534	1450	1273	1445	1277	1404	1241	1383	1428	2174	16,830
Number of Customers handled within 10mins	N/A	778	909	1159	1141	961	1151	1110	1115	1092	1116	1171	1395	13,098
% Customers seen at front desks within 10 minutes - each mo	80.00%	73.95%	77.76%	75.60%	78.69%	75.50%	79.90%	86.90%	79.40%	88.00%	80.70%	82.00%	64.20%	77.83%
Average waiting time	10 mins	6.9	6	6.6	5.8	6.9	6.1	3.8	6	4	5.8	5.6	9.1	6
Meet & Greet (QUEUE 4)	Target	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	TOTAL
Number of enquiries completed	N/A	1590	1546	1741	1556	1650	1891	1588	1494	1213	1685	1526	2013	19,493

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FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

Finance & Performance Scrutiny

22 May 2017

WARDS AFFECTED: ALL WARDS

SUNDRY DEBTS – Q4 2016/2017

Report of Head of Finance (Section 151 Officer)

1. PURPOSE OF REPORT

- 1.1 To inform members of the position on sundry debts as at 31 March 2017.

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 31/03/2017 there were sundry debts with a value of £1,761,138. 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
£	£	£	£	£	£	£	£
-2,653	31,539	540,319	140,254	25,723	85,026	940,930	1,761,138

- 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 March 2017 was 30.24%, 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 918, with an average value of £1117.60. The primary reason the target was not met was due to 2 large invoices that have become due in March. These two debts total £72,000 and have increased the percentage from 25.12 to 30.24.

	£	Description
Total debt	1,761,138	
Less	-493,581	Tin Hat
	-134,363	Homelessness
	-79,330	VAT to w/o
	1,053,864	(A)
Over 90 days	1,025,957	
less	-493,581	Tin Hat
	-134,363	Homelessness
	-79,330	VAT to w/o
	318,683	(B)
Performance	30.24%	Over 90 days/Total debt (amended) B/A
Target	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 yearend balance. The value of this provision at the end of March 17 was £117,500
- 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 (30.43%, £161k). 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 reduced marginally by 1.51%. 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					Q3 to Q4	
	Q1	Q2	Q3	Q4	Mvt £	Mvt %
Building Control	£6,475.29	£5,962.09	£4,085.91	£2,929.91	-£1,156.00	-19.39%
Environmental Health	£3,024.03	£3,590.03	£2,806.11	£6,724.50	£3,918.39	109.15%
Estates	£111,302.48	£160,776.22	£149,694.04	£161,494.49	£11,800.45	7.34%
Green Spaces	£511.00	£637.40	£637.40	£466.40	-£171.00	-26.83%
Grounds Maintenance	£4,528.00	£4,870.06	£2,582.56	£2,552.56	-£30.00	-0.62%
Homeless	£129,494.00	£136,575.43	£134,946.18	£132,883.68	-£2,062.50	-1.51%
Housing	£21,735.07	£45,874.76	£34,007.63	£33,226.31	-£781.32	-1.70%

Licensing	£1,630.00				£0.00	
Markets	£4,614.49	£6,229.55	£5,507.97	£5,580.78	£72.81	1.17%
Other	£110,459.12	£96,124.68	£97,295.35	£90,687.80	-£6,607.55	-6.87%
Refuse/ Recycling	£12,226.53	£21,300.32	£15,206.41	£14,790.66	-£415.75	-1.95%
Planning	£36,748.59	£6,155.33	£30,902.67	£69,988.26	£39,085.59	634.99%
Pest Control	£137.80			£434.04	£434.04	
Other LA	£402.00	£3,167.61	£5,065.67	£6,865.67	£1,800.00	56.83%
Cemeteries		£61.50	£1569.60	£385.50	-£1,184.10	-1925.37%
Licensing		£50.00	£306.00	£740.00	£434.00	868.00%
Grand Total	£443,288.40	£491,374.98	£484,613.50	£529,750.56	£45,137.06	9.31%

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

4.1 Report is taken in an open session.

5. FINANCIAL IMPLICATIONS (IB)

5.1 Contained within the body of the report.

6. LEGAL IMPLICATIONS (MR)

6.1 The legal implications are contained within the report.

7. CORPORATE PLAN IMPLICATIONS

7.1 Sundry Debts contributes to delivery of all Corporate Plan objectives.

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

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

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

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

Contact Officer: Ilyas Bham, Accountancy Manager, Ext 5694
 Executive Member: Councillor M Hall



Hinckley & Bosworth
Borough Council

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FINANCE & PERFORMANCE SCRUTINY 22 May 2017

WARDS AFFECTED: All Wards

TREASURY MANAGEMENT QUARTER 4 2016/17

Report of Head of Finance

1. PURPOSE OF REPORT

- 1.1 To inform the Committee of the Council's Treasury Management activity in the fourth 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 March 2017:

1. The economy lost some momentum.

2. Rising inflation started to dent household consumption.
3. The labour market continued to tighten but wages growth softened.
4. One MPC member voted for an increase in Bank Rate as CPI inflation exceeded the 2% target.
5. The Brexit process was started with the triggering of Article 50.

The latest forecasts are detailed in the table below:

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Bank Rate	0.25%	0.25%	0.25%	0.25%	0.25%
5yr PWLB rate	1.40%	1.60%	1.60%	1.70%	1.70%
10yr PWLB rate	2.10%	2.30%	2.30%	2.30%	2.40%
25yr PWLB rate	2.70%	2.90%	3.00%	3.00%	3.00%
50yr PWLB rate	2.50%	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 March 2017 the Council held the following investments totalling £10,666,400. Investments as at 31st March are summarised below:-

Counterparty	Investment Date	Maturity Date	Amount	Interest Rate
Central Bedfordshire Council	03/03/2017	03/05/2017	£1,200,000	0.3600
Hinckley & Rugby BS	20/01/2017	20/04/2017	£2,000,000	0.3300
Hsbc Call MMF	31/03/2017	01/04/2017	£2,466,400	0.1800
Midlothian Council	21/03/2017	21/04/2017	£1,000,000	0.3700
Nationwide BS	12/01/2017	12/06/2017	£1,000,000	0.3600
Nationwide BS	06/02/2017	16/06/2017	£1,000,000	0.2900

Nationwide BS	01/02/2017	01/06/2017	£2,000,000	0.2900
Total			£10,666,400	

Details of investments held from April 2016 to March 2017 are available on request.

Details of the weighted average investment to March 2017 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 0.32% compared against 0.25%).

Period	Weighted Average invested	Average period (days)	HBBC Average Return	Overnight LIBID	7 Day LIBID	1 Month LIBID
Apr to Mar 17	17,443,530	11	0.3213	0.1893	0.2004	0.2198

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 13th 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

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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Hinckley & Bosworth
Borough Council

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Finance & Performance Scrutiny Work Programme 2017/2018

MAY 2017

FINANCE & PERFORMANCE SCRUTINY

Date	Issue	Reason	Outcomes	Lead Officer	Supports corporate aims
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	3
22 May 2017	Treasury management outturn 2016/17	Inform of treasury management activity	Ensure compliance with policy	Ashley Wilson	3
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	Performance & risk end of year 2016/17	To monitor performance	Identify improvements	Cal Bellavia	All
24 July 2017	Frontline service review – Housing	Programme of performance reviews	Monitor performance	Sharon Stacey	All
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	3
24 July 2017	Business rates retention year end 2016/17	Monitor levels of retention and pooling arrangements	Ensure appropriate arrangements and value for money	Ashley Wilson	3
24 July 2017	Treasury management quarter 1 2017/18	Inform of treasury management activity	Ensure compliance with policy	Ashley Wilson	3
25 September 2017	Frontline service review – refuse & recycling	Programme of performance reviews	Monitor performance	Caroline Roffey	All
25 September 2017	Performance & risk quarter 1 2017/18	To monitor performance in-year	Identify improvements	Cal Bellavia	All
25 September 2017	Business rates retention quarter 1 2017/18	Monitor levels of retention and pooling arrangements	Ensure appropriate arrangements and value for money	Ashley Wilson	3

Date	Issue	Reason	Outcomes	Lead Officer	Supports corporate aims
6 November 2017	Frontline service review – Planning	Programme of performance reviews	Monitor performance	Nic Thomas	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	3
6 November 2017	Treasury management quarter 2 2017/18	Inform of treasury management activity	Ensure compliance with policy	Ashley Wilson	3
29 January 2018 (provisional)	Performance & risk quarter 2 2017/18	To monitor performance in-year	Identify improvements	Cal Bellavia	All
29 January 2018	Frontline service review – Environmental Health	Programme of performance reviews	Monitor performance	Rob Parkinson	All
29 January 2018	Business rates retention quarter 2 2017/18	Monitor levels of retention and pooling arrangements	Ensure appropriate arrangements and value for money	Ashley Wilson	3
29 January 2018	Aged debts quarter 3 2017/18	Monitor levels of debt	Ensure recovery processes are robust	Ashley Wilson	3
29 January 2018	Treasury management quarter 3 2017/18	Inform of treasury management activity	Ensure compliance with policy	Ashley Wilson	3
19 March 2018 (provisional)	Performance & risk quarter 3 2017/18	To monitor performance in-year	Identify improvements	Cal Bellavia	All
19 March 2018	Business rates retention quarter 3 2017/18	Monitor levels of retention and pooling arrangements	Ensure appropriate arrangements and value for money	Ashley Wilson	3
21 May 2018 (provisional)	Aged debts quarter 4 2017/18	Monitor levels of debt	Ensure recovery processes are robust	Ashley Wilson	3
21 May 2018	Treasury management quarter 4 2017/18	Inform of treasury management activity	Ensure compliance with policy	Ashley Wilson	3
16 July 2018 (provisional)	Performance & risk year end 2017/18	To monitor performance in-year	Identify improvements	Cal Bellavia	All
16 July 2018	Business rates retention quarter	Monitor levels of	Ensure appropriate	Ashley	3

Date	Issue	Reason	Outcomes	Lead Officer	Supports corporate aims
	4 2017/18	retention and pooling arrangements	arrangements and value for money	Wilson	
10 September 2018 (provisional)					
5 November 2018 (provisional)					

To programme

Living / minimum wage (SC)
Housing & Planning Act (SC)

Key to corporate aims

- 1 – People
- 2 – Places
- 3 – Prosperity