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Steve Atkinson MA(Oxon) MBA FIoD FRSA
Chief Executive

Date: 27 November 2015

Hinckley & Bosworth
Borough Council

A Borough to be proud of

**To: Members of the Finance, Audit & Performance
Committee**

Mrs R Camamile (Chairman)
Mr P Wallace (Vice-Chairman)
Mr DS Cope
Mr KWP Lynch

Mr LJP O'Shea
Miss DM Taylor
Mr HG Williams

Copy to all other Members of the Council

(other recipients for information)

Dear Councillor,

There will be a meeting of the **FINANCE, AUDIT & PERFORMANCE COMMITTEE** in the De Montfort Suite - Hub on **MONDAY, 7 DECEMBER 2015** 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 of the Finance Audit & Performance Committee held on 26 October 2015.
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 in accordance with Council Procedure Rule 10.
6. INTERNAL AUDIT PROGRESS REPORT (Pages 3 - 14)
Report of the Head of Internal Audit.
7. TREASURY MANAGEMENT TO 30TH SEPTEMBER 2015 (Pages 15 - 26)
Report of the Deputy Chief Executive (Corporate Direction).
8. SUNDRY DEBTS - QUARTER 2 2015/2016 (Pages 27 - 30)
Report of the Deputy Chief Executive (Corporate Direction).
9. REVENUE AND CAPITAL OUTTURN - 2ND QUARTER 2015/16 (Pages 31 - 34)
Report of the Deputy Chief Executive (Corporate Direction).
10. PERFORMANCE AND RISK MANAGEMENT FRAMEWORK 2015/16 QUARTER 2 OUTTURN (Pages 35 - 46)
Report of the Deputy Chief Executive (Corporate Direction).
11. WORK PROGRAMME (Pages 47 - 48)
12. ANY OTHER ITEMS OF BUSINESS WHICH THE CHAIRMAN DECIDES HAVE TO BE DEALT WITH AS MATTERS OF URGENCY

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Agenda Item 2

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

FINANCE, AUDIT & PERFORMANCE COMMITTEE

26 OCTOBER 2015 AT 6.30 PM

PRESENT: Mrs R Camamile - Chairman
Mr P Wallace – Vice-Chairman

Mr DS Cope, Mr DC Bill MBE (for Mr KWP Lynch), Mr LJP O'Shea and Miss DM Taylor

Also in attendance: Councillor M Hall, Councillor MJ Surtees, Alison Breadon and Chris Dickens

Officers in attendance: Steve Atkinson, Ilyas Bham, Sanjiv Kohli, Rebecca Owen, Rob Parkinson, Caroline Roffey and Ashley Wilson

224 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillors Lynch and Williams, with the substitution of Councillor Bill for Councillor Lynch authorised in accordance with Council Procedure Rule 4.

225 MINUTES OF PREVIOUS MEETING

It was moved by Councillor Wallace, seconded by Councillor O'Shea and

RESOLVED – the minutes of the meeting held on 7 September 2015 be confirmed and signed by the Chairman.

226 DECLARATIONS OF INTEREST

No interests were declared at this stage.

227 INTERNAL AUDIT PROGRESS REPORT

The committee gave consideration to the Internal Audit Progress report. Concern was expressed regarding those actions that were long overdue. In response members were reassured that this was due to them not having been updated, and most of them had now been rectified as officers could now access the system to update. It was noted that those outstanding would be updated in each progress report.

228 EXTERNAL AUDIT ANNUAL AUDIT LETTER 2014/2015

Members received the Annual Audit Letter which summarised the results of the 2014/15 audit work and marked the last piece of work of PricewaterhouseCoopers as the council's external auditor. It was noted that, since the last meeting of the committee, the Executive had given direction and a consultation had been published in order to inform decisions on budget setting.

229 SERVICE REVIEW UPDATE - STREET SCENE SERVICES AND ENVIRONMENTAL HEALTH

Members received a report on the performance of Street Scene Services. Clarification was requested on some of the performance indicators that appeared to be below target, but it was explained that they were cumulative and due to meet target by the year end.

230 BUDGET STRATEGY 16-17

The committee reviewed the budget strategy 2016-17 prior to approval by the Executive. It was

RESOLVED – the budget strategy 2016/17 be endorsed for approval by the Executive.

231 WORK PROGRAMME

Members received the work programme for 2015-16.

232 MATTERS FROM WHICH THE PUBLIC MAY BE EXCLUDED

On the motion of Councillor Bill seconded by Councillor Taylor, it was

RESOLVED – in accordance with section 100A(4) of the Local Government Act 1972, the public be excluded from the following item of business on the grounds that it involves the disclosure of exempt information as defined in paragraphs 3 and 10 of Part I of Schedule 12A of that Act.

233 FRAUD AND CORRUPTION UPDATE

A report was presented which provided an update on cases of fraud investigated.

(The Meeting closed at 7.08 pm)

CHAIRMAN

***Internal Audit Progress Report
Update to the Finance, Audit and
Performance Committee on Internal Audit
Activity***

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November 2015

Agenda Item 6

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Distribution list	Finance Audit and Performance Committee, Executive Team
Background and scope	The purpose of this report is to provide a progress update on the agreed 2015/16 internal audit plan.

Plan outturn

2015/16 Audit Plan

During the initial months of the new internal audit contract we engaged with senior officers at the Council to develop our knowledge and understanding of the council and its operations. We continue to attend a number of meetings at the council such as CDMT, Project Forum and Service Managers meetings.





Work has now been undertaken to plan and scope all reviews up to and including Q3. We have completed reviews of Building Control and Safeguarding, and commenced the review of the Leicestershire Revenues and Benefits Partnership. Terms of reference have been agreed for the Financial Systems and Housing Repairs reviews and a scoping meeting held for the remaining Q3 review on Town Centre Management.

At the time of submitting this report, we have issued draft reports for both Safeguarding and Building Control and hope to finalise these reports by the time of the FAP meeting. Details of this and other activity are shown later in the report.

A statement tracking assignments undertaken and planned activity is shown in Appendix One. At the time of writing this report we have completed 38 days (33%) of the planned audit days. Work will increase during November and December and we will continue to keep members informed of progress.

Activity and Progress

This section will provide a summary of all final reports issued since the previous Committee meeting.

Ref	Name of audit	Conclusion	Date final report issued	No of recommendations made			
				 Critical	 High	 Medium	 Low
A14	Safeguarding	Medium assurance*	Draft at this stage			2	3
B3	Building Control	Medium assurance*	Draft at this stage			3	3

* At the time of writing this update, these reports had been issued in draft and management responses were being drafted. If there is any change to the overall rating or the individual findings this will be communicated at the meeting.

We summarise the main findings from these reports below:

A14 Safeguarding

We raised two medium risk issues relating to:

- Process and documentation to demonstrate that the Council is meeting its safeguarding responsibilities - In 5/20 cases we tested there was no record of action taken by the DSO on receiving the Incident Form, and in 1/20 cases it was not clear whether referral to LCC had taken place or not. There was also insufficient evidence to demonstrate that referral decisions were robust in all cases.
- Document management - The current paper-based system is inefficient and inadequate in the context of rising referrals. Documentation stored in paper files is not systematically scanned or stored securely electronically. This presents a risk should paper files be lost or destroyed. The current system places limits on the extent of searches which can be performed, and does not allow easy retrieval of documentation.

We raised three low risk issues relating to:

- Closing the loop on referrals - There is a lack of clarity over responsibility for following up referrals, and consequently a lack of process in place for this.

- Compliance with the Leicester and Rutland Safeguarding Children Board (LSCB) competency framework - For Officers assigned to competency groups 2-9 a system of self-assessment logs is being implemented to demonstrate compliance with the framework. There is no robust plan for reviewing the adequacy of these logs.
- Adult safeguarding policy - The current policy is out of date, and the Council needs to develop a plan to demonstrate compliance with the new Adult competency framework.

We also raised two advisory points for consideration:

- DSO capacity - As the volume and complexity of cases increases the demands of the role may begin to have a negative impact on the day-to-day role of DSOs. There is also a significant “admin” burden associated with the paper based system of managing referrals.
- Supervision and support - There is limited awareness amongst DSOs of the emotional support mechanisms available to them.

B3 Building Control

We identified three medium risk findings relating to the following:

- Documentation and retention of information – There are no formal procedure notes for processes carried out by the Building Control team. As a result the quality of documentation retained is variable and sometimes insufficient to demonstrate compliance with regulations. There is also a lack of ability to record site visits in real time.
- Fees review – Fees should be reviewed annually to ensure they remain in compliance with regulations on cost recovery however the current fees have not been revised since 2011.
- Strategy for building and marketing a competitive service – There are no formal strategies in place, putting the service at risk of losing work to competitors.

We also identified three low risk findings relating to:

- Budget setting and monitoring – Meaningful budget setting and monitoring does not take place.
- Individually determined fees – There is no review of fee calculations by a separate officer to ensure reasonableness.
- KPIs – Current KPIs are not challenging enough and are not assisting in improving efficiency and quality of the service.

Fieldwork and draft reports

Work is progressing in the following areas:

- Project Management – Internal Audit will continue to attend meetings of the Project Forum and to provide support and challenge to the council in this key area
- Council tax and business rates – fieldwork commenced 16th November
- Financial systems – terms of reference agreed and fieldwork scheduled to commence 7th December
- Housing repairs follow up – terms of reference agreed and fieldwork scheduled to commence 14th December
- Markets – scoping meeting held 16th November

Other activity

We have also reviewed the Council's Risk Management framework and Project Management framework and provided feedback on each. We have also conducted a training session for members of the Finance Audit and Performance Committee in conjunction with the council's external auditor.

Appendix 1 - Internal audit detailed progress tracker

<i>Ref</i>	<i>Auditable unit</i>	<i>Indicative number of days*</i>	<i>Actual audit days to date</i>	<i>Scoping meeting date</i>	<i>Proposed fieldwork dates</i>	<i>Proposed draft report date</i>	<i>Proposed management response date</i>	<i>Proposed final report date</i>	<i>Audit Committee reporting date</i>
A1	Finance Systems	20	2	September 2015	December 2015				March 2016
A2	Medium Term Financial Strategy	5	0		Moved from Q3 to Q4 at management's request				May 2016
A5	Corporate Governance and Risk Management	7	0		Moved from Q3 to Q4 at management's request				May 2016
A6	Partnerships / Joint Arrangements	5	0		Q4				May 2016
A7	Project Management	15	12	August 2015	Q2	2 nd October 2015	16 th October 2015	23 rd October 2015	October 2015 March 2016
A14	Safeguarding	10	9.5	August 2015	October 2015	20 th November 2015	27 th November 2015	4 th December 2015	December 2015

<i>Ref</i>	<i>Auditable unit</i>	<i>Indicative number of days*</i>	<i>Actual audit days to date</i>	<i>Scoping meeting date</i>	<i>Proposed fieldwork dates</i>	<i>Proposed draft report date</i>	<i>Proposed management response date</i>	<i>Proposed final report date</i>	<i>Audit Committee reporting date</i>
B1	Housing Rents	5	0		Q4				May 2016
B2	HRA Investment Plan	5	0		Moved from Q3 to Q4 at management's request				May 2016
B3	Building Control Service	5	5	July 2015	October 2015	30 th November 2015	7 th December 2015	14 th December 2015	December 2015
B4	Town Centre Management - Markets	5	0.25	November 2015	December 2015	January 2015	January 2015	February 2015	February 2016
B5	Recycling and Refuse Collection	5	0		Q4				May 2016
C1	Housing Repairs	5	0.25	October 2015	December 2015	January 2015	January 2015	February 2015	February 2016
D1	Council Tax	5	1.5	October 2015	November 2015	December 2015	December 2015	December 2015	February 2016
D2	Business Rates	5	1.5	October 2015	November 2015	December 2015	December 2015	December 2015	February 2016
M1	Audit Management	10	6	n/a	n/a	n/a	n/a	n/a	n/a

Ref	Auditable unit	Indicative number of days*	Actual audit days to date	Scoping meeting date	Proposed fieldwork dates	Proposed draft report date	Proposed management response date	Proposed final report date	Audit Committee reporting date
	Total days (excl. contingency)	112	38	n/a	n/a	n/a	n/a	n/a	n/a
	Contingency	3	0						
	Total days	115	38	n/a	n/a	n/a	n/a	n/a	n/a

* Where appropriate and in agreement with client management, we are able to flex our audit service to include more senior or specialist staff to respond to the risks generated by audit reviews. Where we do this we effectively agree a fixed fee for the audit work which is derived from the combined fees of the planned audit days allocated to this audit review during the annual planning process.

Appendix 2 – Outstanding audit actions – TrAction report

Audit Title	Finding Heading	Finding Rating	Action Reference	Agreed Action	Action Status	Responsible People	Implementation Deadline	Days Overdue	Update
CWAS - Brought forward issues	Assurance processes	Advisory	New	An assurance process should be introduced to review samples of officer assessments of applications and banding decisions, allocations to properties and nominations to Housing Associations.	Open	Jo Wykes	31/07/2015	115	Outstanding
CWAS - Brought forward issues	Compliance with policies around advertising properties	Advisory	New	Management information should be produced to enable officers to monitor the advertising of vacancies to ensure that the policies relating to the advertising of properties in the sub-region are adhered to.	Open	Jo Wykes	31/07/2015	115	Updated 8/10 Discussed at CBL steering group and no other authorities monitor this information
CWAS - Brought forward issues	Reporting and monitoring	Advisory	New	Management should consider reporting specific information on the value and age profile of rent arrears for both current and former tenants.	Open	Madeline Shellard	01/09/2015	83	Outstanding In Madeline's absence other staff are reviewing this action.
CWAS - Brought forward issues	Annual Review of Applications	Advisory	New	Officers should consider reinstating an annual review of applicants' circumstances.	Open	Jo Wykes	31/10/2015 (revised from 30/09/2015)	23	Updated 8/10 Training for staff on annual renewals has commenced

Appendix 3 -Thought leadership publications

As part of the regular reporting to you we plan to keep you up to date with emerging thought leadership published by PwC. The PwC Public Sector Research Centre produces a range of research and is a leading centre for insights, opinion and research on best practice in government and the public sector.

All publications can be read in full at www.psrc.pwc.com/

What is the future of government?

Responding to Citizens' changing needs

“If you aren’t changing, you’re regressing. If you aren’t agile, you’re standing still and watching everyone else move further and further ahead of you.”

Over the past year, we joined up with Canada’s Public Policy Forum to host a series of roundtable sessions across the country on the topic of agility. In our report, we look closer at what public service leaders think of agility, how they’re applying it, and what critical actions governments should consider undertaking to operate in a rapidly changing environment.

This report provides a view of what public service leaders think of agility, how they’re applying it in their organizations, and what critical actions governments should consider undertaking if they’re going to be truly agile in the new reality.



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FINANCE AUDIT & PERFORMANCE COMMITTEE
07 DECEMBER 2015

TREASURY MANAGEMENT TO 30TH SEPTEMBER 2015

REPORT OF [DEPUTY CHIEF EXECUTIVE CORPORATE DIRECTION



Hinckley & Bosworth
Borough Council

A Borough to be proud of

WARDS AFFECTED: ALL WARDS

1. PURPOSE OF REPORT

- 1.1 To inform the Committee of the Council's Treasury Management activity in the second quarter of 2015/16.

2. RECOMMENDATION

- 2.1 That the Committee note the report.

3. BACKGROUND TO THE REPORT

- 3.1 At its meeting in February 2015 the Council approved the Council's Treasury Management Policy for the year 2015/16 and delegated the oversight of the execution of the Policy to the Select Committee.

This report sets out the Treasury Management activities for the first half of 2015/16 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

- Although the economic recovery picked pace in Q2, with real GDP growth accelerating from 0.4% in Q1 to 0.7%, it looks unlikely to have maintained this strength in Q3. Admittedly, survey indicators paint a somewhat mixed message. On the one hand, the CBI's Composite Growth indicator points to an even more robust expansion in Q3 than in Q2. However, the survey has consistently over-stated the strength of GDP over past few years. By contrast, the more reliable Markit/CIPS composite PMI, points to quarterly GDP growth easing to about 0.5% in Q3.
- Household spending should continue to be supported over the coming quarters by developments in the labour market. Indeed, after coming off the boil a little over recent months, the jobs recovery has began rebuild some steam, with the ILO unemployment falling from 5.6% at the end of Q2 to 5.5% in July, not far above pre crisis levels. The decline in labour market slack has fed through to stronger pay growth, with headline (three month average of annual) growth in regular pay (i.e. excluding bonuses) rising to 2.9% in July,

its fastest in six years. Admittedly, if the unemployment rate has started to level out, then this would suggest that nominal pay growth won't pick up much further. However, real earnings growth should continue to be bolstered as inflation near zero.

- CPI inflation fell from +0.1% in July to 0.0% in August, narrowly avoiding deflation. This was despite the dive in the sterling price of Brent crude oil (which plummeted to as low as £27 per barrel) lowering petrol prices at the pumps. Core CPI inflation did not fall as expected, in part due to rises in particular components such as furniture. Nonetheless, we expect negative inflation to return again soon, British Gas' energy price cut will hit September's CPI figures for the first time. And we expect earlier falls in oil prices to have started to feed through into the non energy components of CPI. What's more, we expect inflation will remain negative for much of the rest of this year, before picking up around the turn of the year as the previous (sharper), fall in oil prices drop out of the annual comparison.
- Eurozone GDP growth lost some pace in Q2, falling from, (an upwardly-revised), 0.5% q/q in Q1 to 0.4%. This slowdown was driven by domestic demand. Survey evidence suggests that GDP growth maintained its pace in Q3. But the outlook further ahead does not look as bright. The boost from low oil prices should begin to fade, and we don't think that the Euro will begin to peter out too. Accordingly, we still think the ECB will have to expand its QE programme, possibly as soon as this year.

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. Following the economic background above, officers are implementing an operational strategy which tightens the controls already in place in the approved investment strategy.

The Council's investment criteria, approved by Council in February 2015 are:-

- **Banks 1 - Good Credit Quality** – the Council will only use banks which:
 - i) Are UK banks; and/or
 - ii) Are non-UK and domiciled in a country which has a minimum Sovereign long term rating of AAA.

And have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):

- i) **Short Term** – F1
 - ii) **Long Term** – A
- **Banks 2 – Part Nationalised UK Banks** (Lloyds Banking Group & Royal Bank of Scotland) – These banks will be included if they continue to be part nationalised or they meet the ratings criteria in Bank 1 above.
 - **Banks 3** - The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time.
 - **Bank Subsidiary and treasury operations** – the Council will use these where the parent bank has the necessary ratings outlined above or has provide an appropriate guarantee.

- **Building Societies** – the Council will use all Societies which:
 - i) meet the ratings for banks outlined above or are both:
 - ii) Eligible Institutions; and
 - iii) Have assets in excess of £500m.
- **Money Market Funds – AAA**
- **Enhanced Money Market Funds.**
- **UK Government** (including gilts and the DMADF)
- **Local Authorities, Parish Councils etc**
- **Supranational institutions**
- **Property fund and Corporate Bonds** – The Council will use these funds if they meet the creditworthiness criteria. No decision will be made on the use of these funds without Council approval.

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

As at 30 September 2015 the Council held the following investments totalling £14,267,400

Counterparty	Investment Date	Maturity Date	Amount	Interest Rate
Coventry BS	01/09/2015	01/10/2015	1,300,000	0.4100
Skipton BS	01/09/2015	01/10/2015	1,000,000	0.4000
Black Rock Money Mkt	21/09/2015	01/10/2015	1,478,000	0.3890
Nationwide BS	03/09/2015	05/10/2015	2,000,000	0.4300
Skipton BS	03/09/2015	05/10/2015	1,000,000	0.4000
Principality BS	07/09/2015	07/10/2015	1,650,000	0.4300
Hinckley & Rugby BS	24/09/2015	23/10/2015	2,000,000	0.4000
Coventry BS	28/09/2015	28/10/2015	500,000	0.4000
West Bromwich BS	28/09/2015	28/10/2015	2,000,000	0.4300
HSBC Call	30/09/2015	01/10/2015	1,339,000	0.3500

Details of all investments held from April 2015 to June 2015 are included in Appendix A

Details of the weighted average investment to September 2015 are shown in the table below together with the average overnight, 7 day and 1 month London Inter Bank Bid (LIBID) as a bench mark to the rates received by the Council.

Period	Weighted Average invested	Average period (days)	HBBC Average Return	Overnight LIBID	7 Day LIBID	1 Month LIBID
April 15 to Sep 15	11,113,402	14	1.6200	0.3563	0.3621	0.3825

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

It also shows that the weighted average period is within the maximum set of 0.5 years.

Mergers of Building Societies has meant the Counter Party invest list of organisations has shrank. Average investments returns are however still higher then the comparable inter bank rate (return of 1.62% compared against 0.38%).

3.4 Borrowing Activities

Long term borrowing to finance Capital Expenditure

Excluding the HRA self financing element the Council has a Capital Financing Requirement of around for the current year is £18.14m which arises from previous decisions to incur Capital Expenditure that was not financed immediately by internal resources e.g. Capital Receipts or Grants giving rise to the need to borrow to finance the expenditure. This borrowing requirement can either be met by long or short term external borrowing or by internal borrowing i.e. using the cash behind the authority's balances and reserves and foregoing investment income. At the present time the interest payable on long term borrowing is significantly greater than the returns the Council could expect on its investments and therefore the Council has adopted a policy of being "under-borrowed" with only £3.3m of long term loans on its books. One year loans from the PWLB currently cost 1.46% so if the Council was fully funded with short term money and was receiving investment income of 0.4% there would be a cost of £157,000 pa. With 20 year rates at about 3.40% the additional cost would be £445,000pa. In these circumstances the Council has not undertaken any long term borrowing in the current year and has relied on short term borrowing to meet cash flow needs.

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

3.5 Short Term Borrowing

Some short term borrowing took place to cover temporary cash flow shortfalls. The movements are as follows:-

Amount outstanding at 1 April 2015	£7,000,000
Plus Total Amount borrowed to Sep 2015	£2,600,000
Less Total Amount repaid to June 2015	£9,600,000
Amount outstanding at Sep 2015	Nil

The average amount borrowed was	£2,370,410
Average period of loans	96 Days
Number of occasions	2
Average rate of interest paid	0.4958%

All borrowing was conducted with the Operational Limit set by the Council

4. FINANCIAL IMPLICATIONS [AW]

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

5. LEGAL IMPLICATIONS [JB]

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

6. CORPORATE PLAN IMPLICATIONS

6.1 This report supports the following Corporate Aims

- Thriving Economy

7. CONSULTATION

7.1 None

8. RISK IMPLICATIONS

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

8.2 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.

8.3 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	S.Kohli

9. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

9.1 None

10. CORPORATE IMPLICATIONS

10.1 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 Surtees

APPX A
TEMPORARY ADVANCES APRIL TO SEP 2015

DATE	BROKER	RATE %	NOTICE	AMOUNT(£)	BORROWER	NO DAYS	INTEREST	DATE REPAID	Outstanding Investment
01/04/2015	Black R	0.3497	09/04/2015	2,500,000	Black Rock	8	191.62	09/04/2015	
01/04/2015	Sterling	0.4000	16/04/2015	900,000	Skipton BS	15	147.95	16/04/2015	
01/04/2015	Direct	0.4000	20/04/2015	2,000,000	Hinckley & Rugby	19	416.44	20/04/2015	
01/04/2015	Sterling	0.4000	27/04/2015	500,000	Coventry BS	26	142.47	27/04/2015	
01/04/2015	Sterling	0.4100	01/05/2015	1,000,000	Coventry BS	30	336.99	01/05/2015	
01/04/2015	Sterling	0.4300	01/05/2015	2,000,000	Nationwide BS	30	706.85	01/05/2015	
01/04/2015	Sterling	0.4000	01/05/2015	1,000,000	Skipton BS	30	328.77	01/05/2015	
01/04/2015	Sterling	0.4300	01/05/2015	2,000,000	Westbrom BS	30	706.85	01/05/2015	
01/04/2015	Capita	0.6001	12/06/2015	2,000,000	Santander	72	2,367.36	12/06/2015	
01/04/2015	Sterling	0.6600	06/07/2015	1,650,000	Principality BS	96	2,864.22	06/07/2015	
01/04/2015	THP	7.5000	08/07/2015	1,000,000	Tin Hat Partnershi	98	20,136.99	24/07/2015	
01/04/2015	THP	7.5000	08/07/2015	1,000,000	Tin Hat Patnership	98	20,136.99	24/07/2015	
01/04/2015	THP	7.5000	08/07/2015	1,000,000	Tin Hat Partnershi	98	20,136.99	24/07/2015	
01/04/2015	THP	7.5000	08/07/2015	1,000,000	Tin Hat Partnershi	98	20,136.99	24/07/2015	
01/04/2015	THP	7.5000	08/07/2015	1,000,000	Tin Hat Partnershi	98	20,136.99	24/07/2015	
01/04/2015	THP	7.5000	08/07/2015	1,000,000	Tin Hat Partnershi	98	20,136.99	24/07/2015	
01/04/2015	Hsbc	0.3500	02/04/2015	1,711,400	Hsbc Call	1	16.41	02/04/2015	
02/04/2015	Hsbc	0.3500	07/04/2015	1,164,400	Hsbc Call	5	55.83	07/04/2015	
07/04/2015	Hsbc	0.3500	08/04/2015	1,314,400	Hsbc Call	1	12.60	08/04/2015	
08/04/2015	Hsbc	0.3500	09/04/2015	1,576,400	Hsbc Call	1	15.12	09/04/2015	
09/04/2015	Sterling	0.3800	21/04/2015	500,000	Coventry BS	12	62.47	21/04/2015	
09/04/2015	Hsbc	0.3500	10/04/2015	2,840,400	Hsbc Call	1	27.24	10/04/2015	
10/04/2015	Sterling	0.4300	11/05/2015	1,000,000	Nationwide BS	31	365.21	11/05/2015	
10/04/2015	Hsbc	0.3500	13/04/2015	2,727,400	Hsbc Call	3	78.46	13/04/2015	
13/04/2015	Hsbc	0.3500	14/04/2015	2,859,400	Hsbc Call	1	27.42	14/04/2015	
14/04/2015	Hsbc	0.3500	16/04/2015	2,831,400	Hsbc Call	2	54.30	16/04/2015	
15/04/2015	Black R	0.3557	21/04/2015	3,225,000	Black Rock	6	188.59	21/04/2015	
16/04/2015	Sterling	0.4000	18/05/2015	1,000,000	Skipton BS	32	350.68	18/05/2015	
16/04/2015	Hsbc	0.3500	17/04/2015	2,959,400	Hsbc Call	1	28.38	17/04/2015	
17/04/2015	Hsbc	0.3500	20/04/2015	2,306,400	Hsbc Call	3	66.35	20/04/2015	
20/04/2015	Direct	0.4000	20/05/2015	2,000,000	Hinckley & Rugby	30	657.53	20/05/2015	
20/04/2015	Hsbc	0.3500	21/04/2015	2,437,400	Hsbc Call	1	23.37	21/04/2015	
21/04/2015	Hsbc	0.3500	22/04/2015	1,073,400	Hsbc Call	1	10.29	22/04/2015	
22/04/2015	Hsbc	0.3500	23/04/2015	953,400	Hsbc Call	1	9.14	23/04/2015	
23/04/2015	Hsbc	0.3500	24/04/2015	997,400	Hsbc Call	1	9.56	24/04/2015	
24/04/2015	Hsbc	0.3500	27/04/2015	936,400	Hsbc Call	3	26.94	27/04/2015	
27/04/2015	Sterling	0.4000	27/05/2015	500,000	Coventry BS	30	164.38	27/05/2015	
27/04/2015	Hsbc	0.3500	28/04/2015	1,013,400	Hsbc Call	1	9.72	28/04/2015	
28/04/2015	Hsbc	0.3500	29/04/2015	1,812,400	Hsbc Call	1	17.38	29/04/2015	
29/04/2015	Hsbc	0.3500	30/04/2015	2,122,400	Hsbc Call	1	20.35	30/04/2015	
30/04/2015	Hsbc	0.3500	01/05/2015	881,400	Hsbc Call	1	8.45	01/05/2015	
01/05/2015	Black R	0.3544	08/05/2015	1,200,000	Black Rock	7	81.55	08/05/2015	

DATE	BROKER	RATE %	NOTICE	AMOUNT(£)	BORROWER	NO DAYS	INTEREST	DATE REPAID	Outstanding Investment
01/05/2015	Sterling	0.4100	28/05/2015	2,000,000	Westbrom BS	27	606.58	28/05/2015	
01/05/2015	Sterling	0.4100	01/06/2015	1,000,000	Coventry BS	31	348.22	01/06/2015	
01/05/2015	Sterling	0.4300	01/06/2015	2,000,000	Nationwide BS	31	730.41	01/06/2015	
01/05/2015	Sterling	0.4000	01/06/2015	1,000,000	Skipton BS	31	339.73	01/06/2015	
01/05/2015	Hsbc	0.3500	05/05/2015	2,566,400	Hsbc Call	4	98.44	05/05/2015	
05/05/2015	Hsbc	0.3500	06/05/2015	2,688,400	Hsbc Call	1	25.78	06/05/2015	
06/05/2015	Hsbc	0.3500	07/05/2015	2,670,400	Hsbc Call	1	25.61	07/05/2015	
07/05/2015	Hsbc	0.3500	08/05/2015	2,045,400	Hsbc Call	1	19.61	08/05/2015	
08/05/2015	Sterling	0.3900	28/05/2015	500,000	Coventry BS	20	106.85	28/05/2015	
08/05/2015	Hsbc	0.3500	11/05/2015	2,574,400	Hsbc Call	3	74.06	11/05/2015	
11/05/2015	Black R	0.3516	15/05/2015	1,000,000	Black Rock	4	38.53	15/05/2015	
11/05/2015	Hsbc	0.3500	12/05/2015	2,668,400	Hsbc Call	1	25.59	12/05/2015	
12/05/2015	Hsbc	0.3500	13/05/2015	2,653,400	Hsbc Call	1	25.44	13/05/2015	
13/05/2015	Hsbc	0.3500	14/05/2015	2,769,400	Hsbc Call	1	26.56	14/05/2015	
14/05/2015	Hsbc	0.3500	18/05/2015	2,653,400	Hsbc Call	4	101.77	18/05/2015	
15/05/2015	Black R	0.3501	19/05/2015	3,239,000	Black Rock	4	124.28	19/05/2015	
18/05/2015	Sterling	0.4000	18/06/2015	1,000,000	Skipton BS	31	339.73	18/06/2015	
18/05/2015	Hsbc	0.3500	19/05/2015	2,747,400	Hsbc Call	1	26.34	19/05/2015	
19/05/2015	Hsbc	0.3500	20/05/2015	2,725,400	Hsbc Call	1	26.13	20/05/2015	
20/05/2015	Direct	0.4000	22/06/2015	2,000,000	Hinckley & Rugby	33	723.29	22/07/2015	
20/05/2015	Hsbc	0.3500	22/05/2015	2,625,400	Hsbc Call	2	50.35	22/05/2015	
22/05/2015	Hsbc	0.3500	22/05/2015	2,266,400	Hsbc Call	4	86.93	26/05/2015	
26/05/2015	Hsbc	0.3500	27/05/2015	2,741,400	Hsbc Call	1	26.29	27/05/2015	
27/05/2015	Sterling	0.4000	26/06/2015	500,000	Coventry BS	30	164.38	26/06/2015	
27/05/2015	Hsbc	0.3500	28/05/2015	2,692,400	Hsbc Call	1	25.82	28/05/2015	
28/05/2015	Hsbc	0.3500	29/05/2015	1,400,400	Hsbc Call	1	13.43	29/05/2015	
29/05/2015	Hsbc	0.3500	01/06/2015	1,189,400	Hsbc Call	3	34.22	01/06/2015	
01/06/2015	Black R	0.3588	12/06/2015	1,700,000	Black Rock	11	183.82	12/06/2015	
01/06/2015	Sterling	0.4100	01/07/2015	1,000,000	Coventry BS	30	336.99	01/07/2015	
01/06/2015	Sterling	0.4300	01/07/2015	2,000,000	Nationwide BS	30	706.85	01/07/2015	
01/06/2015	Sterling	0.4000	01/07/2015	1,000,000	Skipton BS	30	328.77	01/07/2015	
01/06/2015	Sterling	0.4300	01/07/2015	2,000,000	Westbrom BS	30	706.85	01/07/2015	
01/06/2015	Hsbc	0.3500	02/06/2015	2,440,400	Hsbc Call	1	23.40	02/06/2015	
02/06/2015	Hsbc	0.3500	04/06/2015	2,412,400	Hsbc Call	2	46.27	04/06/2015	
04/06/2015	Hsbc	0.3500	05/06/2015	2,532,400	Hsbc Call	1	24.28	05/06/2015	
05/06/2015	Hsbc	0.3500	08/06/2015	2,615,400	Hsbc Call	3	75.24	08/06/2015	
08/06/2015	Hsbc	0.3500	09/06/2015	2,763,400	Hsbc Call	1	26.50	09/06/2015	
09/06/2015	Hsbc	0.3500	10/06/2015	2,763,400	Hsbc Call	1	26.50	10/06/2015	
10/06/2015	Hsbc	0.3500	11/06/2015	2,897,400	Hsbc Call	1	27.78	11/06/2015	
11/06/2015	Sterling	0.4000	13/07/2015	500,000	Coventry BS	32	175.34	13/07/2015	
11/06/2015	Hsbc	0.3500	16/06/2015	2,612,400	Hsbc Call	5	125.25	16/06/2015	
12/06/2015	Black R	0.3624	15/06/2015	3,449,000	Black Rock	3	102.74	15/06/2015	
15/06/2015	Black R	0.3621	19/06/2015	4,011,000	Black Rock	4	159.15	19/06/2015	
15/06/2015	Sterling	0.5000	15/09/2015	2,000,000	Newcastle BS	92	2,520.55	15/09/2015	
16/06/2015	Hsbc	0.3500	17/06/2015	1,765,400	Hsbc Call	1	16.93	17/06/2015	
17/06/2015	Hsbc	0.3500	18/06/2015	1,800,400	Hsbc Call	1	17.26	18/06/2015	

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18/06/2015	Sterling	0.4000	20/07/2015	1,000,000	Skipton BS	32	350.68	20/07/2015	
18/06/2015	Hsbc	0.3500	19/06/2015	1,848,400	Hsbc Call	1	17.72	19/06/2015	
19/06/2015	Black R	0.3631	22/06/2015	3,432,000	Black Rock	3	102.42	22/06/2015	
19/06/2015	Hsbc	0.3500	23/06/2015	2,499,400	Hsbc Call	4	95.87	23/06/2015	
22/06/2015	Black R	0.3629	26/06/2015	1,277,000	Black Rock	4	50.78	26/06/2015	
22/06/2015	Direct	0.4000	22/07/2015	2,000,000	Hinckley & Rugby	30	657.53	22/07/2015	
23/06/2015	Hsbc	0.3500	24/06/2015	2,065,400	Hsbc Call	1	19.81	24/06/2015	
24/06/2015	Hsbc	0.3500	25/06/2015	1,980,400	Hsbc Call	1	18.99	25/06/2015	
25/06/2015	Hsbc	0.3500	26/06/2015	1,436,400	Hsbc Call	1	13.77	26/06/2015	
26/06/2015	Sterling	0.4000	27/07/2015	500,000	Coventry BS	31	169.86	27/07/2015	
26/06/2015	Hsbc	0.3500	30/06/2015	2,015,400	Hsbc Call	4	77.30	30/06/2015	
29/06/2015	Black R	0.3645	01/07/2015	1,058,000	Black Rock	2	21.13	01/07/2015	
30/06/2015	Hsbc	0.3500	01/07/2015	2,092,400	Hsbc Call	1	20.06	01/07/2015	
01/07/2015	DMO	0.2500	02/07/2015	3,000,000	DMO	1	20.55	02/07/2015	
01/07/2015	Black R	0.3537	02/07/2015	2,700,000	Black Rock	1	26.16	02/07/2015	
01/07/2015	Sterling	0.4000	27/07/2015	2,000,000	Westbrom BS	26	569.86	27/07/2015	
01/07/2015	Sterling	0.4100	03/08/2015	1,000,000	Coventry BS	33	370.68	03/08/2015	
01/07/2015	Sterling	0.4300	03/08/2015	2,000,000	Nationwide BS	33	777.53	03/08/2015	
01/07/2015	Sterling	0.4000	03/08/2015	1,000,000	Skipton BS	33	361.64	03/08/2015	
01/07/2015	Hsbc	0.3500	03/07/2015	2,589,400	Hsbc Call	2	49.66	03/07/2015	
02/07/2015	Black R	0.3650	09/07/2015	1,019,000	Black Rock	7	71.33	09/07/2015	
03/07/2015	Hsbc	0.3500	06/07/2015	2,447,400	Hsbc Call	3	70.40	06/07/2015	
06/07/2015	Sterling	0.4300	06/08/2015	1,650,000	Principality BS	31	602.59	06/08/2015	
06/07/2015	Hsbc	0.3500	07/07/2015	2,859,400	Hsbc Call	1	27.42	07/07/2015	
07/07/2015	Hsbc	0.3500	08/07/2015	2,581,400	Hsbc Call	1	24.75	08/07/2015	
08/07/2015	Hsbc	0.3500	09/07/2015	2,797,400	Hsbc Call	1	26.82	09/07/2015	
09/07/2015	Black R	0.3696	15/07/2015	1,800,000	Black Rock	6	109.36	15/07/2015	
09/07/2015	Hsbc	0.3500	10/07/2015	2,243,400	Hsbc Call	1	21.51	10/07/2015	
10/07/2015	Hsbc	0.3500	13/07/2015	1,600,400	Hsbc Call	3	46.04	13/07/2015	
13/07/2015	Sterling	0.4000	13/08/2015	500,000	Coventry BS	31	169.86	13/08/2015	
13/07/2015	Hsbc	0.3500	14/07/2015	1,661,400	Hsbc Call	1	15.93	14/07/2015	
14/07/2015	Hsbc	0.3500	15/07/2015	1,378,400	Hsbc Call	1	13.22	15/07/2015	
15/07/2015	Black R	0.3635	20/07/2015	3,914,000	Black Rock	5	194.90	20/07/2015	
15/07/2015	Hsbc	0.3500	17/07/2015	2,378,400	Hsbc Call	2	45.61	17/07/2015	
17/07/2015	Hsbc	0.3500	21/07/2015	2,281,400	Hsbc Call	4	87.51	21/07/2015	
20/07/2015	Black R	0.3607	24/07/2015	1,586,000	Black Rock	4	62.70	24/07/2015	
20/07/2015	Sterling	0.4000	20/08/2015	1,000,000	Skipton BS	31	339.73	20/08/2015	
21/07/2015	Hsbc	0.3500	22/07/2015	2,775,400	Hsbc Call	1	26.61	22/07/2015	
22/07/2015	Direct	0.4000	24/08/2015	2,000,000	Hinckley & Rugby	33	723.29	24/08/2015	
22/07/2015	Hsbc	0.3500	23/07/2015	2,824,400	Hsbc Call	1	27.08	23/07/2015	
23/07/2015	Hsbc	0.3500	27/07/2015	2,487,400	Hsbc Call	4	95.41	27/07/2015	
24/07/2015	Black R	0.3677	31/07/2015	5,000,000	Black Rock	7	352.62	31/07/2015	
24/07/2015	DMO	0.2500	31/07/2015	2,566,000	DMO	7	123.03	31/07/2015	

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27/07/2015	Sterling	0.4000	27/08/2015	500,000	Coventry BS	31	169.86	27/08/2015	
27/07/2015	Sterling	0.4300	27/08/2015	2,000,000	Westbrom BS	31	730.41	27/08/2015	
27/07/2015	Hsbc	0.3500	28/07/2015	2,564,400	Hsbc Call	1	24.59	28/07/2015	
28/07/2015	DMO	0.2500	31/07/2015	1,000,000	DMO	3	20.55	31/07/2015	
28/07/2015	Hsbc	0.3500	29/07/2015	2,234,400	Hsbc Call	1	21.43	29/07/2015	
29/07/2015	Hsbc	0.3500	30/07/2015	2,353,400	Hsbc Call	1	22.57	30/07/2015	
30/07/2015	Hsbc	0.3500	31/07/2015	2,497,400	Hsbc Call	1	23.95	31/07/2015	
30/07/2015	Hsbc	0.3500	31/07/2015	2,568,400	Hsbc Call	1	24.63	31/07/2015	
30/07/2015	Hsbc	0.3500	03/08/2015	2,568,400	Hsbc Call	4	98.51	03/08/2015	
30/07/2015	Hsbc	0.3500	04/08/2015	2,468,400	Hsbc Call	5	118.35	04/08/2015	
31/07/2015	Black R	0.3747	03/08/2015	1,546,000	Black R	3	47.61	03/08/2015	
31/07/2015	Hsbc	0.3500	01/08/2015	2,568,400	Hsbc Call	1	24.63	01/08/2015	
01/08/2015	Hsbc	0.3500	02/08/2015	2,568,400	Hsbc Call	1	24.63	02/08/2015	
03/08/2015	Black R	0.3750	06/08/2015	5,000,000	Black R	3	154.10	06/08/2015	
03/08/2015	DMO	0.2500	07/08/2015	2,652,000	DMO	4	72.66	07/08/2015	
03/08/2015	Sterling	0.4300	03/09/2015	2,000,000	Nationwide BS	31	730.41	03/09/2015	
03/08/2015	Sterling	0.4000	03/09/2015	1,000,000	Skipton BS	31	339.73	03/09/2015	
04/08/2015	Hsbc	0.3500	05/08/2015	2,274,400	Hsbc Call	1	21.81	05/08/2015	
05/08/2015	Hsbc	0.3500	06/08/2015	2,310,400	Hsbc Call	1	22.15	06/08/2015	
06/08/2015	Sterling	0.4300	07/09/2015	1,650,000	Principality BS	32	622.03	07/09/2015	
06/08/2015	Hsbc	0.3500	10/08/2015	2,628,400	Hsbc Call	4	100.82	10/08/2015	
07/08/2015	Black R	0.3706	13/08/2015	2,280,000	Black R	6	138.89	13/08/2015	
10/08/2015	Hsbc	0.3500	12/08/2015	2,743,400	Hsbc Call	2	52.61	12/08/2015	
12/08/2015	Hsbc	0.3500	13/08/2015	2,825,400	Hsbc Call	1	27.09	13/08/2015	
12/08/2015	Hsbc	0.3500	18/08/2015	2,825,400	Hsbc Call	6	162.56	18/08/2015	
13/08/2015	Black R	0.3713	14/08/2015	2,843,000	Black R	1	28.92	14/08/2015	
14/08/2015	Black R	0.3721	17/08/2015	1,754,000	Black R	3	53.64	17/08/2015	
17/08/2015	Black R	0.3705	19/08/2015	4,336,000	Black R	2	88.03	19/08/2015	
18/08/2015	Hsbc	0.3500	21/08/2015	2,544,400	Hsbc Call	3	73.20	21/08/2015	
19/08/2015	Black R	0.3705	20/08/2015	2,345,000	Black R	1	23.80	20/08/2015	
20/08/2015	Black R	0.3755	25/08/2015	3,779,000	Black R	5	194.39	25/08/2015	
21/08/2015	Hsbc	0.3500	24/08/2015	2,051,400	Hsbc Call	3	59.01	24/08/2015	
24/08/2015	Direct	0.4000	24/09/2015	2,000,000	Hinckley & Rugby	31	679.45	24/09/2015	
24/08/2015	Hsbc	0.3500	25/08/2015	865,400	Hsbc Call	1	8.30	25/08/2015	
25/08/2015	Black R	0.3762	27/08/2015	1,600,000	Black R	2	32.98	27/08/2015	
25/08/2015	Hsbc	0.3500	26/08/2015	2,384,400	Hsbc Call	1	22.86	26/08/2015	
26/08/2015	Hsbc	0.3500	27/08/2015	2,442,400	Hsbc Call	1	23.42	27/08/2015	
27/08/2015	Black R	0.3821	01/09/2015	2,300,000	Black R	5	120.38	01/09/2015	
27/08/2015	Sterling	0.4000	28/09/2015	500,000	Coventry BS	32	175.34	28/09/2015	
27/08/2015	Sterling	0.4300	28/09/2015	2,000,000	Westbrom BS	32	753.97	28/09/2015	
27/08/2015	Hsbc	0.3500	28/08/2015	1,921,400	Hsbc Call	1	18.42	28/08/2015	
28/08/2015	Hsbc	0.3500	01/09/2015	2,651,400	Hsbc Call	4	101.70	01/09/2015	

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01/09/2015	Black R	0.3800	11/09/2015	5,000,000	Black Rock	10	520.50	11/09/2015	
01/09/2015	Sterling	0.4100	01/10/2015	1,300,000	Coventry BS	30	438.08	01/10/2015	1,300,000
01/09/2015	Skipton	0.4000	01/10/2015	1,000,000	Skipton BS	30	328.77	01/10/2015	1,000,000
01/09/2015	Hsbc	0.3500	02/09/2015	2,694,400	Hsbc Call	1	25.84	02/09/2015	
02/09/2015	Hsbc	0.3500	03/09/2015	2,656,400	Hsbc Call	1	25.47	03/09/2015	
03/09/2015	Sterling	0.4300	05/10/2015	2,000,000	Nationwide BS	32	753.97	05/10/2015	2,000,000
03/09/2015	Sterling	0.4000	05/10/2015	1,000,000	Skipton BS	32	350.68	05/10/2015	1,000,000
03/09/2015	Hsbc	0.3500	04/09/2015	2,846,400	Hsbc Call	1	27.29	04/09/2015	
04/09/2015	Hsbc	0.3500	07/09/2015	919,400	Hsbc Call	3	26.45	07/09/2015	
07/09/2015	Sterling	0.4300	07/10/2015	1,650,000	Principality BS	30	583.15	07/10/2015	1,650,000
07/09/2015	Hsbc	0.3500	08/09/2015	1,139,400	Hsbc Call	1	10.93	08/09/2015	
08/09/2015	Hsbc	0.3500	09/09/2015	1,322,400	Hsbc Call	1	12.68	09/09/2015	
09/09/2015	Hsbc	0.3500	10/09/2015	1,551,400	Hsbc Call	1	14.88	10/09/2015	
10/09/2015	Hsbc	0.3500	11/09/2015	1,636,400	Hsbc Call	1	15.69	11/09/2015	
11/09/2015	Hsbc	0.3500	14/09/2015	1,945,400	Hsbc Call	3	55.96	14/09/2015	
14/09/2015	Hsbc	0.3500	15/09/2015	1,993,400	Hsbc Call	1	19.11	15/09/2015	
15/09/2015	Black rock	0.3875	21/09/2015	3,400,000	Black Rock	6	216.57	21/09/2015	
15/09/2015	Hsbc	0.3500	16/09/2015	2,040,400	Hsbc Call	1	19.57	16/09/2015	
16/09/2015	Hsbc	0.3500	17/09/2015	2,103,400	Hsbc Call	1	20.17	17/09/2015	
17/09/2015	Hsbc	0.3500	18/09/2015	2,161,400	Hsbc Call	1	20.73	18/09/2015	
18/09/2015	Hsbc	0.3500	19/09/2015	2,261,400	Hsbc Call	1	21.68	19/09/2015	
21/09/2015	Black Rock	0.3890	01/10/2015	1,478,000	Black Rock	10	157.52	01/10/2015	1,478,000
22/09/2015	Hsbc	0.3500	23/09/2015	1,924,400	Hsbc Call	1	18.45	23/09/2015	
23/09/2015	Hsbc	0.3500	24/09/2015	1,959,400	Hsbc Call	1	18.79	24/09/2015	
24/09/2015	Direct	0.4000	23/10/2015	2,000,000	Hinckley & Rugby	29	635.62	23/10/2015	2,000,000
24/09/2015	Hsbc	0.3500	25/09/2015	2,050,400	Hsbc Call	1	19.66	25/09/2015	
25/09/2015	Hsbc	0.3500	28/09/2015	1,074,400	Hsbc Call	3	30.91	28/09/2015	
28/09/2015	Sterling	0.4000	28/10/2015	500,000	Coventry BS	30	164.38	28/10/2015	500,000
28/09/2015	Sterling	0.4300	28/10/2015	2,000,000	Westbrom BS	30	706.85	28/10/2015	2,000,000
28/09/2015	Hsbc	0.3500	29/09/2015	1,097,400	Hsbc Call	1	10.52	29/09/2015	
29/09/2015	Hsbc	0.3500	30/09/2015	1,266,400	Hsbc Call	1	12.14	30/09/2015	
30/09/2015	Hsbc	0.3500	01/10/2015	1,339,400	Hsbc Call	1	12.84	01/10/2015	1,339,400
				408,775,000			180,041		14,267,400

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FINANCE, AUDIT AND PERFORMANCE COMMITTEE – 10TH AUGUST 2015

SUNDRY DEBTS – QUARTER 2 2015/2016

REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)

WARDS AFFECTED: ALL WARDS

1. PURPOSE OF REPORT

1.1 To inform members of the position on sundry debts as at 30th September 2015.

2. RECOMMENDATION

2.1 That the committee note the current aged debt position for sundry debts

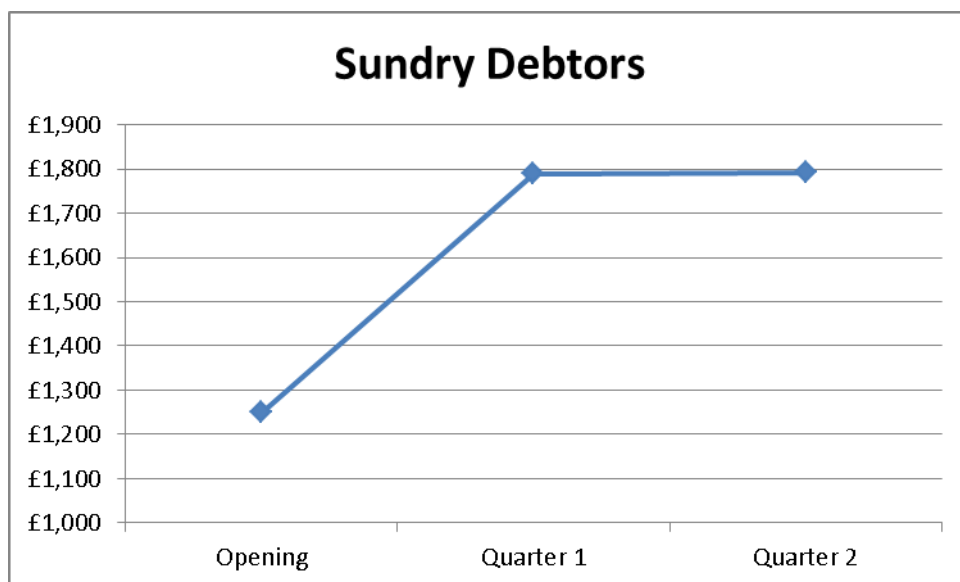
2.2 That the committee note that a report will follow at the next meeting on the action being taken on recovery of estates debt.

3. BACKGROUND TO THE REPORT

3.1 As at 30th September 2015 there were 1,847 sundry debt invoices outstanding with a value of £1,791,738¹ (an average balance of £970.60). This balance can be broken down by age as follows:

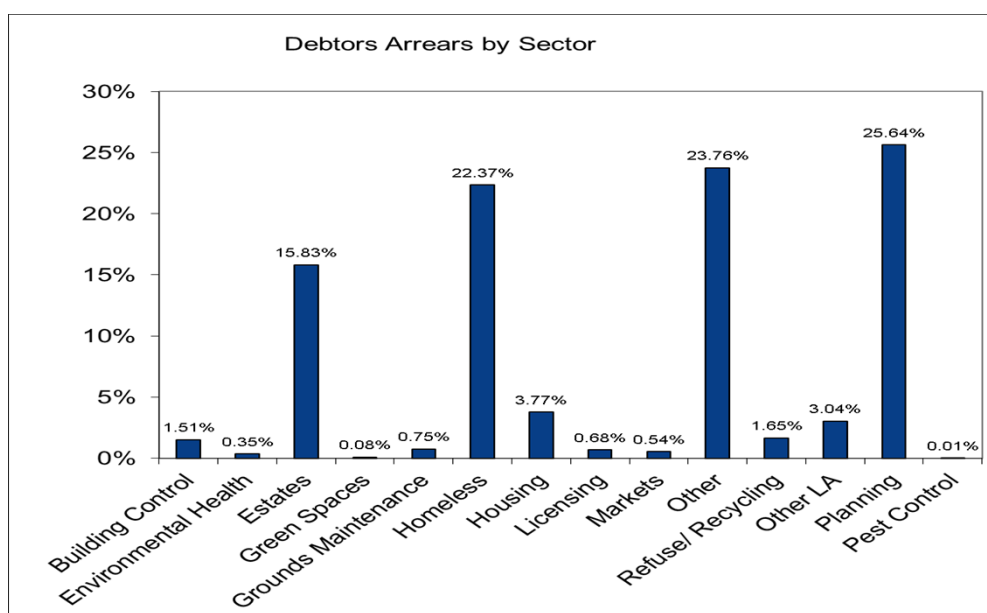
Credits and Refunds	Not Yet Due	< 30 Days	30 - 59 Days	60 - 89 Days	90 - 119 Days	> 120 Days	Total Debt
£	£	£	£	£	£	£	£
-2,430	13,973	526,849	544,660	258,351	100,596	349,739	1,791,738

3.2 The value of aged debt has been mapped for 2015/16 for information. The value of debt has decreased marginally since the first quarter, but is higher than the beginning of the year mainly due to the issuing of quarterly invoices in September.



¹ Note, this balance does not include an invoice raised for the CPO amounts due from Tin Hat Partnership as these will be paid through the Council's solicitors and offset by a corresponding payment

- 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 for 2014/15 was £131,498
- 3.4 The split of the current debt position over 120 days by type of debt is detailed below. The largest element is due from Homelessness Bonds at 22.37%, which is down from the 38.75% reported at the last 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.



4. FINANCIAL IMPLICATIONS (AW)

Raised in the body of the report.

5. LEGAL IMPLICATIONS (xx)

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.	Katherine Plummer

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: Ashley Wilson, Interim Head of Finance . Ex 5609

Executive Member: Councillor M Surtees

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**FINANCE, AUDIT AND PERFORMANCE COMMITTEE –
7TH DECEMBER 2015**

**REVENUE AND CAPITAL OUTTURN – 2ND QUARTER 2015/16
REPORT OF DEPUTY CHIEF EXECUTIVE – (CORPORATE DIRECTION)** *A Borough to be proud of*

1. PURPOSE OF REPORT

1.1 To inform members of the revenue and capital outturn at the end of the second quarter of 2015/16

2. RECOMMENDATION

2.1 That the committee notes the report

3. BACKGROUND TO THE REPORT

3.1 Attached to this report are the monthly outturn reports including the following information for the quarter ending 30th September 2015:

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

General Fund

3.2 When the budget was approved by Council in February 2015 it was anticipated that £159,456 would be taken to General Fund balances and a net £188,634 transferred from earmarked reserves.

3.3 Since that date, the budget has been increased by £301,122 (Appendix 1), representing supplementary budgets that have been approved in line with financial procedures rules. On 21st July 2014 Council approved that £100,128 (Appendix 2) of unspent budgets from 2014/15 could be carried forward to 2015/16. These have been included in the 2nd quarter outturn report.

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:

	Timing Differences	Outturn variances	Explanation
	£000's Under spend/(Overspend)		
General Grants	87	630	The Council has been awarded a "section 31 grant" in 2014/15 and 2015/16 to reimburse the cost of offering a number of business rate exemptions. The level of this grant that may be retained depends on the business rates outturn at 31 st March each year. Therefore in order to be prudent, this income is placed into the Business Rates reserve pending any notification.

Refuse Collection	23	74	There is additional trade waste income, and savings on fuel, staff overtime and vehicle leasing, but offset to some extent by additional LCC disposal costs.
Planning Policy	25	132	Local Plan 2026 Plus is funded from reserves. The Retail Capacity Study has been committed for 15/16. All the other schemes have now been scheduled for future years. This balance will now be used in in 2016/17 and 20017/18 for sport, recreation and transport studies.
Development Control		210	Additional planning fees received/forecast in year, but this is dependent on planning applications received and approved.

3.5 Based on these forecasts the current 2015/16 outturn shows **£11,868,892** being spent on services with **£ 33,365** net being transferred **from** earmarked reserves and **£188,634** being transferred to General Fund balances. On this basis a net under spend of £29,178 is forecast to year end.

Capital

3.6 £8,112,889 has been spent on capital schemes to the end of September 2015 against a budget for that period of £13,764,145. This represents an under-spend of £5,651,256. The major service variations in excess of £50,000 have be summarised as follows:

Scheme	£000's Under spend/ (Overspend)	Explanation
Regional Growth Fund	(508)	Scheme will be funded from unspent grants received in previous year. The carry forward of income was approved by Council in July 2015 and has been reflected in the 2 nd quarter monitoring.
Council Office Relocation	(104)	Awaiting final invoice from contractor for works performed. No further spend anticipated. CCTV budget to be separated and profiled.
Channel Shift	82	Budget has been split into schemes, but requires reprofiling to reflect the separate schemes agreed. All Transformation Challenge Funding must be spent by 31 st March 2016
New Squash Facility	(140)	Scheme will be funded by carry forwards of underspend from 2014/15. These were approved by Council in July 2015 and have been reflected in the 2 nd quarter monitoring. Works are progressing in line with plan. Total scheme is a fixed price and therefore risks of overspends are eliminated.
Housing Repairs (Cumulative repairs schemes)	471	Difference represents the value of "Work in Progress" (WIP) currently sat within the Council's Orchard system. This will be

		transferred to the financial ledger following completion of works. The value of this WIP is being monitored on a periodic basis to ensure that the outturn on these budgets is accurately forecast. Taking into account this balance as at 30 th September 2015, a small under spend is forecast to year end.
Affordable Housing	1,498	An indicative budget allocation was included in the 2015/16 budget pending approval of particular schemes. A five year development plan is currently being produced which will inform how this budget will be spent.

Housing Revenue Account

- 3.7 As 30th Sept 2015 it is anticipated that the HRA outturn deficit will be £310,987 against a latest budget showing the same position.
- 3.8 The Housing Repairs Account, is currently forecasting to be spent in line with budget for 2015/16 which is a deficit of £102,124.

4. **FINANCIAL IMPLICATIONS (AW)**

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

5. **LEGAL IMPLICATIONS (MM)**

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	S Kohli

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

Background Papers: Civica Financial Files

Author: Ashley Wilson, Interim Head of Finance, ext 5609

Executive Member: Cllr M Surtees

FINANCE AUDIT & PERFORMANCE COMMITTEE – 7 DECEMBER 2015

PERFORMANCE & RISK MANAGEMENT FRAMEWORK 2015/16 QUARTER 2 OUTTURN REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)



Hinckley & Bosworth
Borough Council

A Borough to be proud of

WARDS AFFECTED: ALL WARDS

1. PURPOSE OF REPORT

- 1.1 To provide the Joint Boards with the 2nd quarter 2015/16 outturn position for :
- Performance Indicators (PIs) including available benchmarking
 - Service Improvement Plans (SIPs)
 - Corporate risks
 - Service area risks

2. RECOMMENDATION

That the Committee:

- 2.1 Note the 2nd quarter (2015/16) position for items listed at 1.1 above
- 2.2 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

4. OVERALL SUMMARY – 2nd quarter 2015/16

4.1 Performance Indicators – for this financial year (2015/16). There are **seventy four** performance indicators that measure and monitor performance across Council services.

Twelve indicators are currently not meeting their targets and are detailed in the table below

Indicator	2 nd Qtr target	2 nd Qtr actual	Variance to target	Comments
Cultural Services: CS4. Increase footfall at Hinckley Leisure Centre	316,262	120,027	38%	HBBC continue to work with PFP in the provision of accurate and meaningful footfall data. Q2 comparisons against 2014/15 still shows that footfall is down, although monthly comparisons are now starting to bring in line to previous year and reporting is becoming more meaningful. Income continues to show like for like comparison and PFP are not overly concerned over the footfall differences.
Corporate Governance: BV016a - % Employees with a Disability	4%	2.66%	50%	Reduced establishment and employee turnover now 11 employees out of 412 with a disability
Customer services: LCUS3. Appropriate person sees customer within 10 minutes	80.0%	77%	4%	Slight variance to target caused by approximately 230 out of 7,923 customers seen. Satisfaction results continue to support customers are happy to wait for the service provided.
Housing repairs: LHS2. Percentage of Priority 2 works completed on time	100%	98.14%	2%	Slight variance to target caused by 28 of 1506 jobs completed outside of their target. All were individually investigated and addressed.
Street Scene: NI192 - Household waste sent for reuse, recycling & composting	54%	51.9%	4%	Q2 Data validated for quarter 1 (but non-audited) indicates a continued reduction in recycling tonnage with the largest reduction relating to compostable waste. Whilst residual waste remains the same the net effect is a 2% reduction in the amount of waste recycled compared to the same quarter in 2014/15.

Indicator	2 nd Qtr target	2 nd Qtr actual	Variance to target	Comments
Revs & Bens: LRBP8. Processing of new claims (days)	19	19.17	1%	Benefits performance has been affected by the need to recruit new staff and increased workloads mainly due to RTI. New staff should be in place in August and we anticipate performance should improve for Q3.
Revs & Bens: LRBP9 Processing of change of circumstances (days)	9	9.54	6%	Benefits performance has been affected by the need to recruit new staff and increased workloads mainly due to RTI. New staff should be in place in August and we anticipate performance should improve for Q3
Revs & Bens: LRBP7. Housing Benefit overpayments collection rate	26.0%	24.72%	6%	We will always seek to identify and recover overpaid housing benefits but it is often the case that the person we are recovering from may not have the ability to re-pay as quickly as we would like which can have a negative impact on our collection rates
Street Scene: LI195 Assessment of street cleaning surveys	270	295	9%	Decrease in standards within some sites across Hinckley. Sites are monitored within first week of the quarter and last week. Drop in standards mainly due to reduced numbers of staff working in Hinckley. This quarter team leader has been on long term sick and another member was dismissed. Both issues rectified and cleansing standards have improved.
Planning: NI157b. Processing of Planning apps - minor	80%	77.12%	4%	Apps processed April - September 118/153. A very small no of apps (4) have caused the PI to fall slightly short of the target
Env Health: LHE32b. Hackney Carriage Driver Licenses issued within 60 days	96%	94%	2%	86 licences issued between 1st April and 30th September 2015. 5 licences outside of P.I. - third party checks (DBS & Medicals) and applicants failing local knowledge test
Housing: LHS213. Housing advice, preventing homelessness	350	314	11%	We operate intensive case management approach and don't close a case until a positive outcome or the applicant cv loses contact or refuses assistance. Previously advice would be given and the case closed so we got a lot of repeat presentations. Although the numbers have reduced, the no of contacts with each applicant (or with people on their behalf) have increased.

4.1.1 At the time of writing this report, two indicators were outstanding for the latest reporting period:

- NI154 Net additional homes provided (not available till Dec due to monitoring process)
- NI155 Affordable homes delivered (not available till Dec due to monitoring process)

4.2 Benchmarking indicators - As part of an East Midlands Performance Benchmark group initiative there are currently **four** indicators which can be compared against other district councils. The group is currently working to agree additional indicators to benchmark. The table below shows the latest status (quarter 1 2015/16) of agreed indicators against all (participating) district councils in the UK.

Indicator	No of participating district councils (UK)	UK district average	HBBC performance	HBBC rank	HBBC rank of quartile
Residual household waste per household	77	121kg	107kg	17	Top quartile
Percentage of household waste sent for reuse, recycling and composting	81	47.83%	52.50%	27	3 rd quartile
Average number of working days lost to sickness absence per FTE	112	2.1	1.6	31	2nd quartile
Number of formal complaints received per 10,000 population	99	6.97	2.88	32	Top quartile

4.3 Service Improvements Plans – In total for 2015/16 there are **three hundred and seventy three** SIP actions across all council services.

As agreed with Joint Boards, for 2015/16, only those SIP actions with a “corporate impact” (i.e not business as usual) will be monitored by the Joint Boards. Of the three hundred and seventy three actions, **one hundred and sixty six** have been flagged as having a corporate impact.

Of these one hundred and sixty six, **twelve** service improvement plans are currently highlighted by service managers/lead officers as slipping from their original intended target date/s. These are detailed below along with explanations on progress:

SIP Action	Progress	Target date/s
Implement Information Governance Framework (<i>Corporate Governance</i>)	Framework has been drafted and policies are being drafted in turn.	August 2015
Implementation of the Virtual Mail Room (<i>Revs & Bens</i>)	[Sept] Awaiting clarification from Crown Commercial services who operate the framework on a number of points. Approval will then be sought from Management Board to award contract .	June 2015
SIP Action	Progress	Target date/s
Implement Civica budget monitoring module & associated upgrade to web based browser by August	Meeting has been held with Civica. Works have commenced in September. Testing taking place in November. Project Completion December	August 2015

2015. Ensure all budget holders fully trained on new system. (<i>Finance & Compliance</i>)		
Develop continuous market engagement with HCA regarding the PSL scheme (<i>Housing</i>)	Met with the HCA who are keen to work further with the PSH on empty properties. Consideration being given to capacity requirements needed to undertake more work through this funding.	September 2017
Maintain high levels of recycling through effective collection services and reduce waste going to landfill (<i>Street Scene</i>)	Q2 Data validated for quarter 1 (but non-audited) indicates a continued reduction in recycling tonnage with the largest reduction relating to compostable waste. Whilst residual waste remains the same the net effect is a 2% reduction in the amount of waste recycled compared to the same quarter in 2014/15.	March 2016
Conduct a review of TOIL and flexi time policy (<i>Corporate Governance</i>)	TOIL policy now drafted. Managers consulted and Unison to be advised of draft policy at next Unison meeting 14 October. Query in regard to reimbursement rate of TOIL.	August 2015
Consider the requirements for set up of a dedicated counter fraud team or sharing resourced with Leicester City Council (<i>Finance & Compliance</i>)	Further work has been undertaken to understand the product that Leicester City Council are offering, alongside establishing the impact on the Council of SFIS. The LCC product was originally meant to go live in August 2015 but this has slipped. HBBC are due to meet with DWP in October to obtain further detail of the transfer of responsibilities. Following this, options for delivery of a counter fraud team will be investigated.	September 2015
Implement legal structure and scrutiny of formally merged Community Safety Partnership (<i>Corporate Governance</i>)	Delay across partnership in moving forward. Training session, report to Council re formal merger, and first meeting of joint scrutiny to be rescheduled	December 2015
Update Attendance Management Framework (<i>Corporate Governance</i>)	Consultation with Unison now complete. Revised policy to be presented to COB/SLB.	October 2015
Work with colleagues across the Council to roll out Channel Shift Strategy (Accountancy). The key action for finance will cover procurement of a suitable payment portal. (<i>Finance & Compliance</i>)	Work will be carried out in line with wider Channel Shift Strategy. Capita element of the system has been upgraded. Testing on new portal to commence in December 2015	August 2015

SIP Action	Progress	Target date/s
Comprehensive condition survey and stonework repairs for cemetery chapel (<i>Estates & Assets</i>)	Condition Survey Complete. Obtaining quotes for identified works, target date for completion works end Sept 2015 . Work on chapels commenced October with planned completion Jan 2016. Green space consulted to avoid burial bookings.	June 2015
Review pre-application processes (<i>Planning</i>)	This ties in with new charging schedule. Procedure needs to be in place to ensure collection of income and to to make sure service properly resourced to deliver pre-application service. Sept 15 - This has now been put back to later in the year/early 2016 due to work pressures in respect of the management of the team.	August 2015

- 4.4 Corporate/Strategic risks – There are a total of **thirty** risks on the corporate risk register as at the end of June 2015. Of these, **seventeen** are high (red) net risk level and are detailed below.

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

Risk	Review commentary	Last review
S.01 - Failure to focus on priorities and initiatives	Work on the two major projects still progressing on time and budget. Detailed discussions on Budget for 2016/17 have identified a 'gap' of c£500k. A budget Strategy has been considered and supported by Finance, Audit and Performance Committee and will be considered by the Executive on 4 November. Consultation on two options for closing the gap for 2016/17 (referendum on increase in Council Tax – 16%; or Charge for collection of Green Waste) is ongoing. Revised MTFS will now be considered by Council in February 2016.	Sep 2015
S.06 - Failure to implement the Town Centre Plan	Sainsbury's have confirmed opening for 4 November and Cineworld for 14 December. There will possibly be some delays in completion of all works within the scheme by November 2015 but Contractor is currently looking to accelerate programme. Further updates will be provided at the next Crescent Board. A marketing group has been established lead by the Council's Communications Manager linked to the phased opening of the scheme which will see the full opening in Spring 2016. Good progress is being made on signing up occupiers. Station Road Public Realm scheme is scheduled to be complete by end of November 2015 having experienced some delays due to Section 278 works adjacent to the Crescent.	Sep 2015

Risk	Review commentary	Last review
S.11 - Failure to successfully deliver the Medium Term Financial Strategy	<p>The position for 2016/17 has now become even more uncertain with the change in Administration and the initial direction of reducing debt through early redemption of borrowing, no introduction of green waste recycling charges and limiting Council Tax increases to 2%. This effectively means that the Council will now be facing a deficit in the budget for 2016/17 of around £500K to £600K as the shortfall resulting from LCC decision to remove recycling credits from 2015/16 was funded from general fund balances and reserves for this current year.</p> <p>Although there is a desire to increase income through "invest to earn" projects the revenue benefits will not be seen in 2016/17 and with the time lag resulting from the need for comprehensive business plans is unlikely until 2018/19 at the earliest.</p> <p>This position is of concern and will need further detailed discussions with the new administration.</p>	Aug 2015
S.12 - Insufficient Business Continuity Management (incl Disaster recovery) arrangements	COB will continue to monitor SLB has undertaken exercises on emergency planning scenarios	Sep 2015
S.14 - Dealing with numerous Public Enquiries	A recent appeal decision linked to a residential development proposal at Markfield has reinforced the Council's Five Year land position as well as its delivery programme.	Sep 2015
S.15 - Failure to successfully adopt & deliver LDF	The Examination on the Allocations DPD was convened in October 2015 and there are likely to be some major modifications recommended by the Inspector linked to reflecting adopted NDP for Market Bosworth and potentially some further housing allocations.	Sep 2015
S.22 - Failure of County Council Support/ engagement for the LSP	LCC have still not responded to a request to complete its own benchmarking exercise for Leicestershire Together. However, LCC have recently announced a fundamental review of Leicestershire Together, with a view to reducing resourcing to the Partnership along with questions being raised by LCC Chief Executive over the effectiveness of the Partnership April update: LCC have not yet published outcomes of its review of Leicestershire Together	Sep 2015
S.25 - Failure to provide a fit for purpose Leisure Centre	Good progress is being made on delivery of the new Leisure Centre which is currently on time and on budget. Outcomes of legal advice regarding private gym competition in the Crescent has been provided to PFP and their formal response is awaited. This advice positions the Council in a good position on the informal challenge raised by PFP.	Sep 2015

Risk	Review commentary	Last review
S.30 - Review by the Equalities Commission for Human Rights of disability issues	Two cases currently causing concern and being addressed corporately, coordinated by Chief Executive	Sep 2015
S.33 - MIRA RGF Fund	The snagging works are still underway and HE expected to be taking handover of scheme imminently and outstanding works are being tightly monitored by the Council's Project Manager.	Sep 2015
S.34 - Safeguarding of vulnerable adults, children & young people	Due to the high number and challenging nature of the referrals received this risk remains red. There is effective communication with LCC and the DSO's are working well to manage the referrals. Risks remain high.	Sep 2015
S.36 - Variances to Housing Repairs Account	Budget continues to be monitored closely and regularly. Spend is always dependent upon customer demand.	Sep 2015
S.37 - Non delivery of capital projects which are interdependent	<p>The restrictions in funding new capital projects remains. The position has been further exasperated by the direction from the current administration to reduce borrowing in the HRA. This is not only expensive in redemption costs but will threaten the deliverability of the current Housing Business Case. An investment/development strategy is being prepared by the Chief Officer for Housing and Communities which will be presented for consideration to the Executive on 5th August. The Chief Officer for Finance and the Deputy Chief Executive (Corporate Direction) are also seeking external advice on the restructuring of borrowing. This again will be presented to the executive on 5th August.</p> <p>In addition, a comprehensive business plan is being prepared for the operations of the wholly owned company and the Council who will need to provide funding to the company. This plan for the company will however be heavily dependent upon approved borrowing by the Company from the Council with some equity funding. The desire to keep borrowing at pre 2015 election levels may restrict the viability and future of the company. This will be under constant review between now and February 2016 when it is intended to take a comprehensive report to the Council together with the 2016/17 budget and MTFs.</p>	Sep 2015

Risk	Review commentary	Last review
S.43 - Leicestershire County Council budget cuts	<p>LCC have given notice of withdrawal of green recycling credits from 2015/16. This impacts HBBC budgets by taking away income of around £320K which has now been planned for in the Council's MTFS and budget for 2015/16.</p> <p>LCC also announced that their financial position has worsened so it is likely that they will also remove dry recycling credits from 2017/18. This could mean a further £250 loss of income.</p> <p>In addition, as LCC position worsens to a budget gap of £130m with some savings not yet identified there is a likelihood that their further decisions on budget reductions will continue to have an ongoing impact on Leicestershire District council's budgets.</p> <p>Position is under constant review.</p> <p>Recent direction from the Administration not to increase Council Tax by more than 2% and not to introduce charges for Green waste will have an immediate impact on the budget deficit for 2016/17. This position is considered not sustainable and further discussions are needed with members of the administration.</p>	Sep 2015
S.45 - Council does not prevent or detect fraudulent activities	<p>Leicestershire Transformation Bid successful. Kat Plummer now working with Leicester City (accountable body) and the Leicestershire revenues and Benefits Partnership to set up a counter fraud service. This should be in place by 31 March 2015. Review of Whistle blowing Policy complete. This revealed a lack of understanding of process to follow. Chief Executive has included a clarification note in the Monthly Newsletter. Taken appropriate action to inform members of staff and elected Members</p>	Sep 2015
S.46 - Construction of Hinckley Leisure Centre	<p>Although the net risk is high, assurance can be provided that the scheme is being well managed, is within budget and is on programme.</p> <p>The risks remain high as this is a significant HBBC led construction project which is very visible to the public.</p> <p>Details Project Risk register is held on file via Project Manager.</p>	Sep 2015
S.47 - Loss of key contractor	<p>New signed contract awaited from Contractor. Budget provision for 2015-16. Future budgets to reflect new rates. Noted other LA contracts with Contractor also being renegotiated</p>	Sep 2015

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

- No new risks have been added
- Two (S.01 & S.30) existing risks have increased (got worse) in rating
- No existing risks have decreased in rating
- No risks have been closed

4.5 Service area risks - There are a total of **one hundred and six** risks across all service areas which are kept on individual service area risk registers. Of these, **twelve** have a high net risk level (red risks). These are all detailed below:

Risk	Review commentary	Last review
CLS.04 - Risk of realising plans for	<p>Good progress is being made. M&S now have Site Manager allowing for enhanced</p>	September 2015

Hinckley Leisure Centre (Cultural Services)	communications Station Road works are being coordinated 4 net red risks remain On budget and on programme.	
DLS.42 - Meet the need of Gypsy and Travellers in the borough (Planning)	Recent planning permissions have been granted which helps to boost the supply of gypsy and traveler pitches in the Borough. Additional pitches will be required each year to meet demand. An updated Gypsy and Traveler Accommodation assessment has been commissioned to ensure compliance with Planning Policy for Travelers. This will tell us how many additional pitches are required for the remainder of the Plan period (up until 2016).	August 2015
DLS.44 - Five year housing land supply (Planning)	A 5.69 Year Housing Land Supply has been reported at the April 2015 monitoring base date. Maintenance of 5 Year Housing Land Supply continues to require positive action: 1. Barwell Section 106 Agreement to be completed by August 2015 so permission can be issued and work on site can begin. 2. Barwell pre-commencement conditions to be discharged promptly. 3. Earl Shilton SUE planning application to be encouraged from developers. 4. Sites within the Site Allocations document are being promoted for early delivery. 5. Member engagement / training in relation to housing developments has taken place. 6. Site Allocations & DM Policies DPD being considered at Examination hearings starting 29 September 2015. 7. Encourage additional SHLAA sites to come forward for development where appropriate. 8. Developer Forums for strategic development sites	August 2015
SS.37 - External funding (Street Scene)	Q2: LCC have engaged consultants to look at options to reduce their expenditure on recycling credits. Opinions sought from districts. HBBC responded 6/10/12. All options reduce HBBC funding. LCC expected to conclude consultation and announce new payment system in December 2015.	September 2015
HCS.84 - Ending of funding for the DA Children's worker	Options paper being written to consider how the service could continue. Work with partners to influence commissioning decisions around this work.	October 2015

Risk	Review commentary	Last review
HCS.85 - Reduction in supported accommodation/hostel spaces due to county council commissioning	Closely monitor use of temporary accommodation. Review of council hostel accommodation and work with partners to identify accommodation	October 2015
HCS.86 - Private rented sector becoming more expensive resulting in increased demand for housing options/council accommodation	Consider alternative provision, including private sector leasing and the establishment of a social lettings agency.	October 2015
HCS.87 - PCC Commissioning uncertainties	Robust response to current consultation. Work closely with the PCC's office and partners to ensure effective commissioning decisions	October 2015
HCS.88 - Impact of police changes resulting in increase demand for ASB services	Continual effective partnership working to ensure assistance from partners. Consideration of not dealing with particular lower level issues	October 2015
HCS.89 - Impact of changes in legislation/new responsibilities	flag up impacts and capacity issues at earliest opportunity. Ensure officers are appropriately trained	October 2015
HCS.90 - Impact of agencies reducing their services	Ensure flag up impacts and capacity issues at earliest opportunity. Work with partner agencies to reduce impact where possible through joint working.	October 2015
HCS.91 - Central government housing proposals, including the 1% rent reduction	Refresh of the HRA Investment Strategy taking place to identify impacts and consider options	October 2015

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

- Nine new risks have been added to the Housing & Community Safety register
- No existing risk has increased in rating
- Two existing risks have decreased (improved) in rating
- No risks have been closed

5. FINANCIAL IMPLICATIONS [KP]

None arising directly from this report.

6. LEGAL IMPLICATIONS [MR]

None arising directly from this report

6. CORPORATE PLAN IMPLICATIONS

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

7. CONSULTATION

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.

8. RISK IMPLICATIONS

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

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

9. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

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

10. CORPORATE IMPLICATIONS

All

Background papers: TEN reports

Contact Officer: Cal Bellavia ☎5795

Executive Member: Councillor M.J. Surtees

Finance, Audit and Performance Committee – Programme of Work 2015/2016

Meeting date	Agenda Items
7 th December 2015	Capital and Revenue Outturn – 2 nd Quarter 2015/2016 Performance and Risk Update – 2 nd Quarter 2015/2016 Aged Debts – 2 nd Quarter 2015/2016 Treasury Management Update – 2 nd Quarter 2015/2016 Internal Audit Progress Report
8 th February 2016	External Audit Plan 2015/2016 External Audit Grants Certification Report 2014/2015 Internal Audit Progress Report Service Review Update – Housing and Community Safety & Housing Repairs
21 st March 2016	Capital and Revenue Outturn – 3 rd Quarter 2015/2016 Aged Debts – 3 rd Quarter 2015/2016 Business Rates Retention – 3 rd Quarter 2015/2016 Treasury Management Update – 3 rd Quarter 2015/2016 Performance and Risk Update – 3 rd Quarter 2015/2016 Internal Audit Progress Report Service Review Update - Cultural Services

NB: A Joint meeting of FAP and Scrutiny Commission will be held on 21st January 2016 to discuss the draft 2016/2017 budgets

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