

Central Bedfordshire
Council
Priory House
Monks Walk
Chicksands,
Shefford SG17 5TQ

**This meeting
may be filmed.***



please ask for Paula Everitt
direct line 0300 300 4196
date 16 November 2017

NOTICE OF MEETING

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date & Time

Thursday, 30 November 2017 10.00 a.m.

Venue at

Council Chamber, Priory House, Monks Walk, Shefford

Richard Carr
Chief Executive

To: The Chairman and Members of the CORPORATE RESOURCES OVERVIEW &
SCRUTINY COMMITTEE:

Cllrs P A Duckett (Chairman), J Chatterley (Vice-Chairman), Mrs A Barker,
Mrs C F Chapman MBE, N B Costin, J Kane, D McVicar, T Swain and T Woodward

[Named Substitutes:

C C Gomm, A Ryan, A M Turner, M A G Versallion and N Warren]

All other Members of the Council - on request

***MEMBERS OF THE PRESS AND PUBLIC ARE WELCOME TO ATTEND THIS
MEETING***

***This meeting may be filmed by the Council for live and/or subsequent broadcast online and can be viewed at**

<https://centralbedfordshire.public-i.tv/core/portal/home>.

At the start of the meeting the Chairman will confirm if all or part of the meeting will be filmed by the Council. The footage will be on the Council's website for six months. A copy of it will also be retained in accordance with the Council's data retention policy. The images and sound recording may be used for training purposes within the Council.

By entering the Chamber you are deemed to have consented to being filmed by the Council, including during any representation you might make, and to the possible use of the images and sound recordings made by the Council for webcasting and/or training purposes.

Phones and other equipment may also be used to film, audio record, tweet or blog from this meeting by an individual Council member or a member of the public. No part of the meeting room is exempt from public filming unless the meeting resolves to go into exempt session. The use of images or recordings arising from this is not under the Council's control.

AGENDA

1. **Apologies for Absence**

Apologies for absence and notification of substitute members.

2. **Minutes**

To approve as a correct record the Minutes of the meeting of the Corporate Resources Overview and Scrutiny Committee held on 21 September 2017 and to note actions taken since that meeting.

3. **Members' Interests**

To receive from Members any declarations of interest and of any political whip in relation to any agenda item.

4. **Chairman's Announcements and Communications**

To receive any announcements from the Chairman and any matters of communication.

5. **Petitions**

To receive petitions from members of the public in accordance with the Public Participation Procedure as set out in Annex 2 of Part A4 of the Constitution.

6. **Questions, Statements or Deputations**

To receive any questions, statements or deputations from members of the public in accordance with the Public Participation Procedure as set out in Annex 1 of part A4 of the Constitution.

7. **Call-In**

To consider any decision of the Executive referred to this Committee for review in accordance with Procedure Rule 10.10 of Part D2.

8. **Requested Items**

To consider any items referred to the Committee at the request of a Member under Procedure Rule 3.1 of Part D2 of the Constitution.

Reports

- | Item | Subject |
|-------------|--|
| 9 | <p>Executive Members Update</p> <p>To receive a brief verbal update from the Deputy Leader and Executive Member for Corporate Resources and the Executive Member for Education and Skills.</p> |
| 10 | <p>Local Council Tax Support Scheme for 2018/19</p> <p>The Committee review and comment on the Council's Local Council Tax Support Scheme for 2018/19; and comment on the update to the Council's Council Tax Discretionary Discounts Policy which proposes to provide a 100% exemption from payment of Council Tax to Central Bedfordshire care leavers.</p> |
| 11 | <p>Q1 2017/18 Budget Monitoring Reports</p> <p>To receive and scrutinise the Q1 2017/18 Budget Monitoring Report on all areas of Council Business.</p> <p>(a) Outturn Revenue Budget Monitoring
(b) Outturn Capital Budget Monitoring
(c) Outturn HRA Budget Monitoring</p> |
| 12 | <p>Farming Strategy Update</p> <p>To receive a verbal update on the progress made towards a new Farming Strategy.</p> |
| 13 | <p>Procurement Service</p> <p>To receive a presentation on a review on Procurement governance and how the service operates, together with statistical information from 2016/17.</p> |
| 14 | <p>LGSS Legal Service Update</p> <p>To receive a presentation on the LGSS Legal Service on its first year of service.</p> |
| 15 | <p>Work Programme 2014/15 & Executive Forward Plan</p> <p>The report provides Members with details of the currently drafted Committee work programme and the latest Executive Forward Plan.</p> |

CENTRAL BEDFORDSHIRE COUNCIL

At a meeting of the **CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE** held in Council Chamber, Priory House, Monks Walk, Shefford on Thursday, 21 September 2017.

PRESENT

Cllr P A Duckett (Chairman)
Cllr J Chatterley (Vice-Chairman)

Cllrs	Mrs A Barker	Cllrs	D McVicar
	Mrs C F Chapman MBE		T Swain

Apologies for Absence: Cllrs N B Costin
J Kane
T Woodward

Substitutes: Cllrs C C Gomm

Members in Attendance:	Cllrs	Cllr S Dixon	Executive Member for Education and Skills
		Mrs S A Goodchild	
		Mrs C Hegley	Executive Member for Social Care and Housing and Lead Member for Children's Services
		P Hollick	Chairman of Social Care, Health & Housing Overview & Scrutiny Committee
		B J Spurr	Executive Member for Health and Chairman of the Health and Wellbeing Board
		J N Young	Executive Member for Regeneration

Officers in Attendance:	Mrs V Chapman	Assistant Director People
	Mr M Coiffait	Director of Community Services
	Mr S Conaway	Chief Information Officer
	Mrs P Everitt	Scrutiny Policy Adviser
	Mr D Galvin	Head of Financial Performance
	Mrs C Jones	Chief People Officer
	Mr P Keates	Head of Development and Regulation
	Mr N Murley	Assistant Director Resources
	Mr T Stephenson	Programme Manager
	Mr C Warboys	Director of Resources

CROSC/17/28Minutes

RESOLVED that the Minutes of the meeting of the Corporate Resources Overview and Scrutiny Committee held on 27 July 2017 be confirmed and signed by the Chairman as a correct record.

CROSC/17/29Members' Interests

None.

CROSC/17/30Chairman's Announcements and Communications

None.

CROSC/17/31Petitions

None.

CROSC/17/32Questions, Statements or Deputations

None.

CROSC/17/33Call-In

None.

CROSC/17/34Requested Items

None.

CROSC/17/35Executive Members' Update

The Executive Member for Education and Skills advised the Committee of the latest news and events, on behalf of Cllr Wenham, including:-

- Council's website was awarded four stars in the recent Socitm Better Connected review.
- LGSS had completed its first year in service and had appointed a new business partner.
- A study facilitated by Deloitte for the replacement of the existing SAP Finance/Procurement System onto a new upgraded version of SAP, known as S4HANA. The outcome of the study will result in the development of the implementation plan and tender documentation. The delivery partner for the actual implementation phase will be subject to a procurement tender exercise.
- The Assets Team had reached its capital receipts target of £12m in this Financial Year.
- The Facilities Team had overseen repairs for a major water leak in Bedford Square, Houghton Regis and had provided regular updates to the Town Council.

In response to the update Cllr Goodchild requested that Ward Members in Houghton Regis be kept updated on developments in Bedford Square.

CROSC/17/36Human Resources Project Update

The Assistant Director People delivered a presentation that gave an overview of the major HR projects due to be delivered by the Service. The projects

ranged from the implementation of the SAP Success Factors, HM Revenue and Customs IR35 to Project Simplify that aimed to review the current workforce and roles within the Council and finally the development of the apprenticeship scheme in conjunction with the 38 apprentices already in post.

In light of the presentation Members queried whether the implementation of IR35 had caused a shortage of contracted specialist workers. In response, the Assistant Director advised the majority of specialist workers worked directly for the Council and it had not been adversely affected by the changes.

Members also queried whether all apprentices received a job offer from the Council at the end of a scheme. In response, the Assistant Director advised job offers did not always follow however opportunities were available elsewhere within the authority.

NOTED the update.

CROSC/17/37. Customer Services Technology Project Update

The Assistant Director Resources (Social Care Health and Housing) delivered a presentation that outlined the implementation of new Customer Services technology that included:

- STORM telephony system and performance data
- Teleopti Work Force Management tool and
- Scorebuddy - call monitoring

A Member reported the continued frustration felt by some residents when they tried to contact the Highways team. The Assistant Director acknowledged there had been some difficulties and work was underway to resolve the issues.

Members supported the introduction of the new telephony technology and requested a further update in six months time.

NOTED the presentation and welcomed an update in May 2018.

CROSC/17/38. The Council's Discretionary Rate Relief Scheme

The Head of Revenues and Benefits introduced a report that advised of the revaluation of business rates and revised Discretionary Rate Relief Scheme announced in the Spring Budget Statement that addresses the impact of some of the changes. For the 2017 rating list an overall increase in Rateable Values of 3% has been calculated by the Valuation Office Agency for Central Bedfordshire leading to a total Rateable Value of £215m. Some businesses, schools, pubs, doctors' surgeries and restaurants faced significant increases in rates whilst rates had been reduced in other areas.

The three rate relief funds were funded by Government and administered by the Revenues and Benefits Team. It was noted that the Government grant to administer the scheme did not fully cover the additional costs. The proposed distribution of the rate reliefs closely followed the methodology Government had used in determining the funding allocations.

RECOMMENDED TO EXECUTIVE

- 1. That the new Discretionary Rate Relief scheme be approved as set out in the report.**
- 2. Noting the very small value available for distribution in the final year of the scheme, the Committee further recommended that the Director of Resources, in consultation with the Executive Member for Corporate Resources, be given delegated authority to decide how best to distribute the available funds in that year, and to amend the scheme to that end.**

CROSC/17/39 Quarter 1 Performance Monitoring

The Head of Knowledge and Insight introduced the Quarter1 2017/18 performance report that continued to show good overall performance. The Committee's attention was drawn to new commentary in the data sets that explained progress that had been made against some measures.

In light of the report Members discussed the following: -

- Concerns regarding the target on school readiness, on which the Executive Member for Education and Skills advised a piece of work was underway to investigate this in detail. New data would be available at the end of September 2017.
- The growing use of the virtual Library service and a drop in footfall overall. It was noted that this pattern was not apparent in all areas, additional usage data on the Houghton Regis library would be provided to the Member for that ward.
- Concerns regards non-elective admissions to hospital, on which the Executive Member for Social Care and Housing responded that a piece of work to understand the reoccurring issues and to get a better understanding to inform and identify solutions in this area was underway.

In light of the discussion Members requested that previous data also be included on the score cards in order to draw a comparison in performance.

NOTED the update and agreed further details on those items outlined above would be circulated to Members of the Committee and other Members in attendance.

CROSC/17/40 Fees & Charges Policy 2018-2021 and proposed Fees and Charges 2018

The Assistant Director Finance delivered a report that detailed proposed changes to Fees and Charges from January 2018, the rationale behind the pricing options available and the advisory 2.3% price increase in line with the current inflation figure. Members were informed the fees and charges were based on figures to recover costs incurred and did not generate a profit. Any increase over and above the advisory 2.3% would be considered and would need to be agreed by the Executive and ratified by full Council. Proposed increases outside of the framework had been identified in the report along with charges that reflected a zero increase, confirmed as cost reflective and at the maximum level of charge.

A Member queried the frequency of use of some charges against the costs for those services and was advised that a project had been arranged to look at this area and to subsequently introduce a major overhaul of fees and charges over the next two years.

The Committee considered whether 2.3% was an appropriate increase when 2.9% was the new inflation figure. The majority of Members supported a figure of 2.9%..

RECOMMENDED

- **To Executive that an inflationary increase of 2.9% be applied to fees and charges**
- **Details of the fees and charges project be provided to the Committee in March 2018.**

Cllr Barker requested that her disapproval of the 2.9% increase be recorded.

CROSC/17/41 Work Programme 2017/18 & Executive Forward Plan

The Committee considered the work programme and agreed to include the following items:-

- Fees and Charges project - March 2018
- Customer Service Update - May 2018

AGREED the work programme as set out in Appendix A subject to the addition the two items outlined above.

(Note: The meeting commenced at 10.00 a.m. and concluded at 1.20 p.m.)

Chairman.....

Date.....

This page is intentionally left blank

Central Bedfordshire Council

Corporate Resources Overview and Scrutiny –30 November 2017

LOCAL COUNCIL TAX SUPPORT SCHEME 2018/19

Report of Cllr Richard Wenham, Deputy Leader & Executive Member for Corporate Resources (richard.wenham@centralbedfordshire.gov.uk)

Advising Officers: Charles Warboys, Director of Resources (charles.warboys@centralbedfordshire.gov.uk) and Gary Muskett, Head of Revenues and Benefits (gary.muskett@centralbedfordshire.gov.uk)

This report relates to a Key Decision

Purpose of this report

1. The purpose of the report is for the Committee to review and comment on the Council's Local Council Tax Support Scheme for 2018/19.

RECOMMENDATIONS

The Committee is asked to:

1. **Review and comment on the Local Council Tax Support Scheme for 2018/19.**
2. **Make any recommendations to Executive arising from this review.**

Background

2. The Welfare Reform Act 2012 abolished Council Tax Benefit. Under the Local Government Finance Act 2012 local authorities had to design their own Local Council Tax Support scheme (LCTS) for working age customers and administer the national Council Tax Support scheme for pensioners. There were certain limitations on what local authorities could include in their schemes, for example, pensioners were protected.
3. In January 2017 Council approved a Local Council Tax Support scheme for Central Bedfordshire for the financial year 2017/18. The scheme remained the same as that for 2016/17 and mirrored the previous entitlement under the old Council Tax Benefit system for all claimants except for:

- All working age claimants who do not fall into one of our vulnerable protected groups are required to make a 25% payment of their Council Tax liability.
- The removal of the Second Adult Rebate.
- The rate of Non-dependant deductions increased.

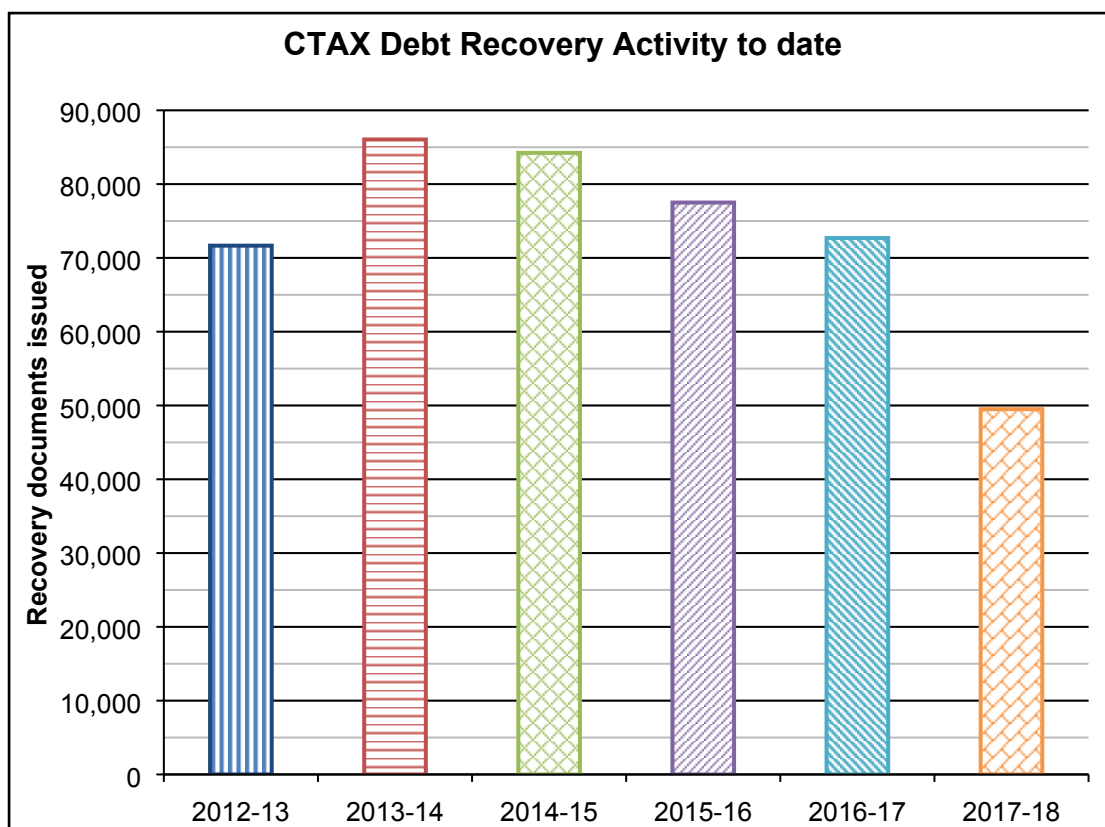
Pensioners have not seen any change to the support they receive.

4. The intention of the Central Bedfordshire Council scheme was to reduce the amount of Council Tax Support discount awarded from that paid under the previous Council Tax Benefit scheme to take into account the reduction in funding from Central Government. The current scheme ensures that every Council Tax payer pays at least 25% of their Council Tax bill unless they are a pensioner or they fall within one of our protected groups of claimants.
5. National trends for 2017/18 Local Council Tax Support schemes are examined in a New Policy Institute report. It includes the following information:
 - a) 74 authorities have changed their scheme for 2017/18, which is a slight increase compared to 66 Councils who changed their scheme for 2016/17 and an increase from the 50 who changed their scheme in 2015/16.
 - b) There are now only 37 local authorities who have made no changes to their original CTB scheme.
 - c) 277 out of 326 (85%) local authorities have cut the amount of LCTS available to claimants by introducing a minimum payment or a Council Tax band cap.
 - d) The number of local authorities charging a minimum payment of 20% or more has risen from 129 (40%) in 2016/17 to 145 (44%) for 2017/18.
6. The current legislation states that Council Tax Support schemes must be reviewed by Members each financial year and approved by full Council no later than the 30 January preceding the start of the new financial year.
7. If there are changes to the current scheme, legislation states that these changes must be consulted upon. Minor changes such as uprating of premiums and applicable amounts are exempt from this consultation process.

Impact of Council Tax Support Scheme on Collection Rates

8. Nationally the total uncollected Council Tax increased by £400m in 2016/17 compared to 2012/13 when the existing Council Tax Benefit scheme was abolished, from £2.4bn to £2.8bn.

9. The net collectable Council Tax debit for all Councils has increased by £3.8bn between 2012/13 and 2016/17, from £23bn to £26.8bn. This is a 17% increase compared to a 19% increase in total arrears.
10. The overall collection rate has however risen for the second year running and in 2016/17 was 97.2%, which is 0.2% lower than 2012/13. If this trend continues the collection rate will be back at its 2012/13 level within a few years.
11. The 41 Councils that retained the old Council Tax Benefit rules had £13.8m less uncollected Council Tax in 2016/17 compared to 2012/13.
12. The 67 Councils that had a minimum payment of over 20% in 2016/17 had the largest overall increase in that year, with £48.6m more uncollected than in 2012/13.
13. Nationally 25 Councils had collection rates below 95% in 2016/17, down from 28 the year before. The pattern of local authorities with low collection rates has remained consistent since 2015/16; the majority (16) of these local authorities have a minimum payment of 20% or more. Only one of them has no minimum payment, with a further three setting a minimum payment of less than 10%.
14. Central Bedfordshire Council collection performance for 2016/17 was the best since the Council was formed in 2009/10. An in-year Council Tax collection rate of 98.0% was achieved which was a 0.2% improvement on 2015/16 levels. Collection rates for the first 6 months of the 2017/18 financial year are slightly down on the same period in 2016/17.
15. The average collection rates for unitary authorities in 2016/17 were 97.0% and for all councils 97.2% in 2016/17. Central Bedfordshire therefore performed better than average on both measures.
16. In 2016/17 a total of 72,700 debt recovery documents were issued which was a 6% reduction on 2015/16 levels. This reduction can be attributed to improved collection rates and the fast tracking of debt recovery for persistent debtors which removed a reminder stage for over 1,000 cases. 8,218 Magistrates Court summonses were issued in 2016/17, a reduction of 1,590 on 2015/16 levels. In 2016/17 the Council's Revenues Team dealt with about 48,000 phone calls from residents regarding payment of their Council Tax liability. Most of the increased debt recovery action in 2013/14 can be attributed to the introduction of the LCTS scheme.
17. The chart below illustrates the level of Council Tax debt recovery activity for from 2012/13 to 2017/18. The activity levels for 2017/18 are as at 30th September 2017.

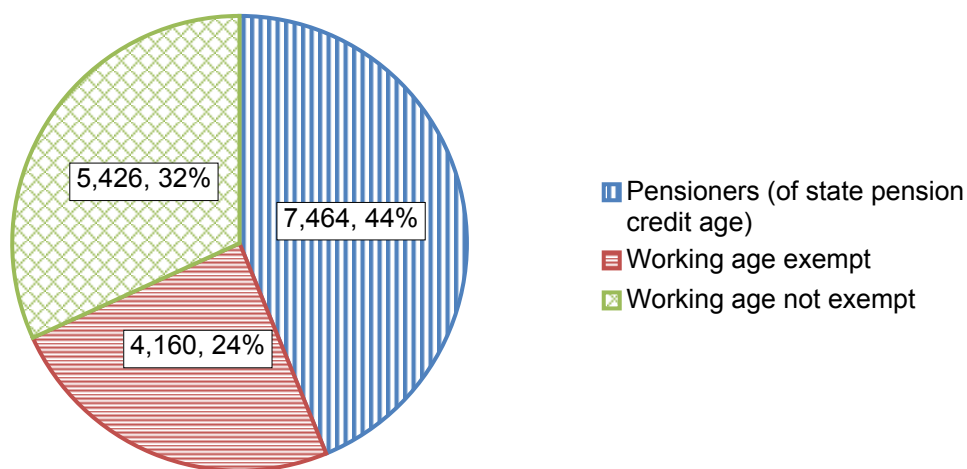


18. In 2016/17 Council Tax totalling £168.9m was collected compared to £160.3m in 2015/16, which was an increase of £8.6m. This reflects the growing tax base (number of households) and improved collection of both current years and previous year's Council Tax debt.

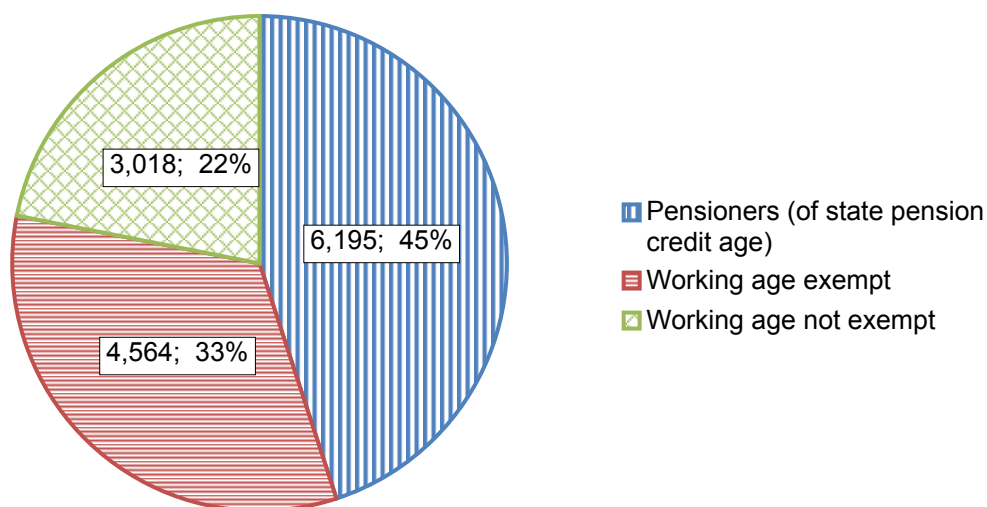
The Current Central Bedfordshire Council Scheme

19. Since the introduction of Council Tax Support the number of Central Bedfordshire Council claimants receiving LCTS has dropped by 22% or 3,890 claimants, from 17,667 in April 2013 to 13,777 in October 2017.
20. The case load can be separated into three distinct categories of claimants, Pensioners, Protected working age claimants and Non Protected working age claimants who are required to pay a minimum of 25% of their Council Tax liability.
21. The charts below illustrate how the number of claimants in these three categories has changed since the scheme was introduced.

**CTS caseload breakdown - July 2013
(17,050 claimants)**



**CTS caseload breakdown - October 2017
(13,777 claimants)**



22. The number of pensioner claimants has reduced by 995 cases or 13.3%, working age exempt (protected) claims have increased by 396 or 9.5% and working age not exempt (required to pay 25%) have reduced by 2,205 or 40.6%.
23. The overall reduction in claimants can in the main be attributed to the improved economic climate although this does not explain the increase in working age exempt cases. Several other Councils in the same benchmarking group have seen similar increases in their exempt cases, and whilst there are no hard facts available to explain the increase (other than we know we now have more disabled claimants), some of the advice agencies have said that the Personal

Independence Payment or PIP is easier to claim than Disability Living Allowance. This may be a factor, as well as an increase in the number of people affected by diabetes.

The proposed scheme for 2017/18

24. It is proposed that the current scheme be readopted for 2018/19 with no changes being proposed. The personal allowances and premiums used in the calculations of Local Council Tax Support will continue to be aligned to the allowances and premiums used by the DWP in the award of state benefits.

Options for consideration

25. None.

Reasons for decision

26. So that Full Council can endorse the Central Bedfordshire Council Local Council Tax Support scheme. If the scheme is not approved by 31 January 2018, the Council will have to award Local Council Tax Support in accordance with the Government's default scheme which will result in the cost of the scheme significantly exceeding that of the Local Council Tax Support scheme.

Reason for urgency

27. None.

Council Priorities

28. By protecting vulnerable and elderly people as well as providing incentives to work, the proposed Local Council Tax Support (LCTS) scheme is designed to support the Council's Medium Term Plan priorities of:
- Protecting the vulnerable and improving wellbeing
 - Improving education and skills

Corporate Implications

Risk Management

29. The transfer from Council Tax Benefit to localised Council Tax Support means the impact of increased demand and cost will be a risk for all preceptors.
30. The Council and its precepting partners, the Police and Fire authorities, will need to monitor closely local social and economic changes and ensure there is a consideration of the impact of possible future shortfalls in funding.

Staffing

31. The introduction of a local CTS scheme has led to a significant increase in the number of residents who have contacted the Council. These contacts have mainly been to the Revenues and Benefits teams and Customer Services.

Legal Implications

32. The Local Government Finance Bill 2012 states that for each financial year, Councils must consider whether to revise their Local Council Tax Support scheme or replace it with another scheme and that such decisions need to be made by 31 January in the financial year preceding that for which the revision or replacement scheme is to take effect. If the Council does not make a Council Tax Support scheme by 31 January 2018, a default scheme will be imposed on the Council which will be effective from April 2018.

Financial Implications

33. The gross Council Tax Support discount awarded within Central Bedfordshire in 2017/18 is presently £13,482,057 on an annualised basis, which is a 0.13% increase on the same period last year.
34. The Council's Medium Term Financial Plan assumes that the current scheme will continue with no additional savings planned to be met by scheme changes in 2018/19.

Equalities Implications

35. Public authorities have a statutory duty to advance equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age, disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
36. A full equality assessment was conducted as part of the approval process for the 2013/14 Council Tax Support Scheme to ensure that due regard was given to the impact of the scheme on the Council's residents, particularly those who are vulnerable and hard to reach.

Conclusion and next Steps

37. Approval is being sought to keep the local Council Tax Support scheme unchanged for 2018/19.

Appendices

38. None.

Background Papers

39. None.

Central Bedfordshire Council

Corporate Resources Overview and Scrutiny Committee 30 November 2017

Quarter 1 Budget Monitoring Report – June 2017 Revenue, Capital and Housing Revenue Account (subject to audit)

Report of Cllr Richard Wenham, Deputy Leader and Executive Member for Corporate Resources (cllr.richard.wenham@centralbedfordshire.gov.uk)

Advising Officers: Charles Warboys, Director of Resources & S151 Officer (charles.warboys@centralbedfordshire.gov.uk)

This report relates to a decision that is Non-Key

Purpose of this report

1. The report sets out the provisional outturn position for 2017/18 as at the end of June 2017. It sets out the outturn spend against the approved budgets.

RECOMMENDATIONS

The Committee is asked to:-

1. Consider and comment on the attached report and associated appendices which was reviewed by the Executive on the 10th October 2017.
2. Consider whether it wishes to refer any matters to a particular OSC for a deep-dive of any topic if there is a particular concern.

Appendices

- Item A:** Q1 2017 Revenue budget monitoring report
Item B:: Q1 2017 Capital budget monitoring report
Item C:: Q1 2017 HRA budget monitoring report

This page is intentionally left blank

Central Bedfordshire Council

Executive

10 October 2017

Revenue Budget Monitoring Provisional Forecast Outturn June 2017 (Q1)

Report of Cllr Richard Wenham, Deputy Leader and Executive Member for Corporate Resources (richard.wenham@centralbedfordshire.gov.uk)

Advising Officers: Charles Warboys, Director of Resources & S151 Officer (charles.warboys@centralbedfordshire.gov.uk)

This report relates to a Non Key Decision

Purpose of this report

1. The report sets out the forecast outturn financial position for 2017/18 as at the end of June 2017. It sets out spend against the approved budget and it excludes the Housing Revenue Account which is subject to a separate report. Explanations for the variances are set out below in Appendix A.
2. This report enables the Executive to consider the overall financial position of the Council.

RECOMMENDATIONS

The Executive is asked to:

1. **note the current forecast revenue outturn position which is an underspend of £0.2M (over budget by £1.9M in June 2016); and**
2. **note that the budget includes £2.1M of contingency costs against which no call has yet been made. If this contingency is released then this results in an underspend of £2.3M.**

Issues

3. The forecast outturn position as at June 2017 is £0.2M under budget (£1.9M over budget in June 2016).
4. Social Care, Health and Housing (SCHH) are forecast under budget by £0.3M, same as period 2, due to a £2.0M underlying underspend offset by a contribution to the SCHH Transformation Reserve of £1.7M.

This budget was not longer required as the 2016/17 outturn position was better than previously forecast.

5. Regeneration & Business Support are forecast under budget by £0.2M, a combination of staff costs below budget and additional income, the majority relating to Minerals & Waste applications income.
6. Corporate costs are forecast over budget by £0.4M. There is a forecast pressure of £0.5M in Cross Cutting Efficiencies due to the risk that part of the Vacancy Management target efficiency may not be achieved. All of the efficiency is budgeted within Corporate Costs but the savings will materialise within each directorate. As the year progresses the pressure in Corporate Costs will be offset by employment cost savings across all Directorates. The overall impact across the Council is being closely monitored.
7. We are holding a contingency of £2.1M against which no call has yet been made. If this contingency is released then this results in an underspend of £2.3M.
8. The year to date spend is £1.2M under budget (£1.0M under budget in June 2016).
9. Overall debt in June is £11.7M compared to £12.2M in May (£10.6M in June 2016). Within that £5.1M is under 30 days (44%). Debt over 270 days is £2.3M (19%). This is an improvement of £1.7M compared to last month. Work is continuing to analyse the debt and ensure effective and efficient recovery procedures are followed.
10. The Table below details the full year variances by directorate:

Directorate	Year to Date - June P3			Full Year			Rest of Year Variance £m
	Budget £m	Actual £m	Variance £m	Budget £m	Outturn £m	Variance £m	
SCHH	18.2	17.0	(1.3)	72.8	72.6	(0.3)	1.0
Childrens Services	9.1	9.1	0.0	36.1	36.1	0.0	0.0
Community Services	13.2	13.2	(0.1)	50.2	50.1	(0.1)	(0.0)
Regeneration	1.1	0.9	(0.1)	5.4	5.2	(0.2)	(0.1)
Public Health	0.0	(0.1)	(0.1)	0.1	0.1	0.0	0.1
Chief Executive's	0.3	0.4	0.0	1.3	1.4	0.0	(0.0)
Resources	2.8	2.9	0.1	11.5	11.4	(0.1)	(0.1)
Corporate Costs	1.8	2.1	0.2	12.1	12.5	0.4	0.2
Total Excl Landlord Business	46.6	45.3	(1.2)	189.6	189.3	(0.2)	1.0
Schools	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Landlord Business	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	46.6	45.3	(1.2)	189.6	189.3	(0.2)	1.0

Reserves Position

11. The general fund full year forecast position includes a net £1.9M contribution to reserves (excluding Schools).

Contributions to Reserves

12. There is a proposed transfer to reserves of £1.7M to the SCHH Transformation Reserve, funded by a decision not to use £1.7M of SCHH base budget. This budgeted pressure was no longer required as the 2016/17 outturn position was better than previously forecast. In addition there is a planned contribution to reserves of £2.2M which relates to the creation of budgeted reserves in SCHH (£1.3M extra Council Tax Precept and £0.9M one off additional funding previously announced see also use of reserves below). Public Health is also forecasting a £0.1M contribution to reserves.
13. There is a planned contribution of £3.9M earmarked reserves for the New Homes Bonus (NHB) which we will receive in 2017/18. This was a conscious decision within the MTFP to both reduce reliance on NHB and to build a fund for investment. This leaves the NHB reserve at £10.8M including carry forward from 2016/17. There is also a planned contribution to the redundancy reserve of £0.5M.

Use of Reserves

14. In terms of use of general fund earmarked reserves, SCHH are forecast to use £1.3M, of which £0.7M relates to an additional precept reserve agreed in the MTFP. This forecast drawdown from the Adult Social Care Council Tax Precept reserve is to fund a 4% uplift to care package costs. The remaining balance on the SCHH reserves do not currently impact on the forecast. This will change as these reserves are called into use during the year.
15. Community Services are forecasting to use £2.2M of which £0.9M relates to the IT reserve agreed at the end of 2016/17, £0.4M on Street Scene improvements, £0.2M for the Financial Investigation unit, £0.2M from the Redundancy Reserve, £0.1M Transformation reserve, £0.1M Civil Enforcement Officer and £0.1M in relation to Brewers Hill Middle School impact of funding deficit.
16. Other use of reserves include Resources £0.4M, Children's Services £0.3M and Regeneration & Business Support £0.1M. These reserves are being used for the purposes for which they were set aside.

General Reserves

17. The opening position for 2017/18 is £15.5M. There are no further uses or contributions planned this year.

Council Priorities

18. Sound financial management contributes to the Council's Value for Money and enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 6 Council priorities.

Corporate Implications

Legal Implications

19. None

Financial Implications

20. The financial implications are set out in the report.

Equalities Implications

21. Equality Impact Assessments were undertaken prior to the allocation of the 2017/18 budgets and Members were advised of significant equality implications relating to the budget proposals when setting the Council's Budget in February 2017.

Appendices

- Appendix A – Detailed Directorate Commentary
Appendix B – Earmarked Reserves.
Appendix C - Debt Management
Appendix D – Treasury Management

APPENDIX A – DIRECTORATE COMMENTARY

Social Care, Heath and Housing (SCHH)

1. The Directorate General Fund forecast outturn is below budget by £0.3M as at June 2017.

Month: June 2017	Year to date				Year				
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Social Care Health and Housing									
Director of Social Care, Health, Housing	65	132	(95)	(28)	260	640	380	(380)	-
Procurement and Customer Services	256	337	-	81	1,024	1,232	209	-	209
Housing Solutions (GF)	776	809	-	33	3,103	3,199	96	-	96
Care and Support	3,134	2,931	-	(203)	12,536	12,698	162	-	162
OPPD - Care Management	8,237	8,400	(175)	(12)	32,874	34,668	1,794	(700)	1,094
LD Care Management & MH Packages	5,439	4,727	-	(712)	21,742	20,420	(1,322)	-	(1,322)
Head of Integrated Services + Other IS	204	199	-	(5)	818	866	49	-	49
Commissioning	2,477	1,896	-	(581)	9,909	8,815	(1,094)	-	(1,094)
Resources	(2,356)	(2,569)	368	155	(9,424)	(10,351)	(927)	1,473	546
Total Social Care and Health	18,232	16,862	98	(1,272)	72,841	72,187	(654)	393	(261)

2. The June forecast incorporates technical adjustments in the establishment of the ASC Transformation Reserve (where £1.7M has been transferred into the reserve from the SCHH baseline budget for 2017/18), the 1% Precept Reserve and the ASC Dedicated Grant Reserve. £0.7M has been drawn down from the 1% Precept Reserve in recognition that there has been a 4% fee uplift for the Council's external care providers.
3. To support the pressure around transitional accommodation and the usage of Bed and Breakfast (B&B) accommodation, the Council agreed to invest £3.7M in purchasing transitional accommodation. To June 2017 (including the 2 previous financial years) 12 purchases have been completed. Two further purchases have been agreed and are in progress. In addition, lower cost "leasing" options are being progressed to provide further bed spaces for transitional accommodation.
4. The service is also using private self contained accommodation on a nightly let basis where the net cost is significantly lower than B&B accommodation but still costly. The Council are utilising an additional 28 "satellite" properties and five Aragon properties as transitional accommodation, as well as specific supported accommodation in Houghton Regis and Leighton Buzzard. The previous peak of April 2016, when there were 99 households in transitional accommodation, has been exceeded at the end of June 2017 to 171 (an increase from 161 at the end of May). The increase is due to the number of households approaching the Council for housing advice and also the limited supply of permanent rented housing to move people into. 143 approached in May and 148 in June, many of whom are approaching as homeless on the day and many with complex needs.
5. The Adult Social Care service (Care & Support, Older People with Physical Disabilities, Learning Disabilities, Integrated Services) is forecasting an underspend of £0.019M after use of reserves but excluding customer contributions. A £0.7M contribution from reserves has contributed to this favourable variance.
6. This division has to absorb the risk of increasing Older People, Physical and Learning Disability package volumes and costs. People are living longer and the costs of dementia are on the increase. Demographic, complex needs and fair cost of care pressures amounting to £4.038M has been built into the budget to reflect the impact of both an

ageing population and the additional costs associated with the transition of younger people with disabilities into Adult Social Care. There are, however, significant efficiency targets for this area totalling £1.264M.

7. The Commissioning Service is projecting an under spend of £1.095M. This is due to underspends within the Block Contracts and the Dementia Premium for 2017/18
8. Resources is showing a projected over spend of £0.5M. Within Resources there is a projected £1.1M over achievement in customer contributions. However, the transfer of £1.7M to the ASC Transformation Reserve accounts for Resources reporting a forecast over spend.
9. The Directorate continues to track the impact of former self funders who exert pressure on residential and nursing placements budgets. Twelve have required council support during 2017/18 compared to twenty three that required support for the same period in 2016/17. The full year cost is estimated to be £0.2M.
10. There remain risks relating to the funding of customers being assessed under the Clinical Treatment Review in a response to the Winterbourne View national programme.

Better Care Fund (BCF)

11. The overall funding for the financial year 2017/18, and corresponding programme, is still to be determined given that final BCF planning guidance has been delayed. The new improved BCF funding equates to £1.81M
12. HRA is subject to a separate report.

Children's Services

13. The Directorate forecast outturn is on budget as at June 2017.

Month: June 2017	Year to date				Year				
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Children's Services									
Director of Children's Services	163	163	-	-	652	652	-	-	-
Children's Services Safeguarding & Early Help	5,708	5,721	(13)	-	22,715	22,768	53	(53)	-
LAC Placement Costs	2,252	2,276	(24)	-	8,988	9,083	95	(95)	-
Education and Transformation	1,195	1,202	(7)	-	4,977	4,987	10	(10)	-
Partnerships	196	223	(27)	-	534	640	106	(106)	-
Education Services (Now reported in Education & Transformation)	-	-	-	-	-	-	-	-	-
Total Children's Services (ex Schools / Overheads)	9,514	9,585	(71)	-	37,866	38,130	264	(264)	-

14. A number of risks have been identified that could adversely affect the forecast later in the year and these have been placed on the risk register as possible overspends in 2017/18. Work will continue to find mitigating savings to offset these potential overspends:
 - £0.582M In-House Fostering likely overspend. Service is aiming for a 70/30 split with Independent Fostering and Adoptions currently 64/36. Currently 125 In-house placements, the budget and reserve allow for 99 average cost placements. An efficiency of £0.2M has been deducted from 2017/18. This is due to rise to £0.3M

in 2018/19 and £0.480M in 2019/20.

- £0.109M Independent Foster Agency, currently 71 placements, budget allows for 67 average cost placements. Three placements are due to end in 2017/18.
- £0.081M Court & Permanence pressure currently being offset by savings in the Swanstaff contract for Looked After Children (LAC) with external providers (£0.092M).

15. The tables below reflect the increased number of LAC and non care placements.

	May 2016		May 2017		% change
Number of LAC :		253		265	4.7%
In House Foster Placements	114		125		9.6%
Independent Foster Placements	66		69		4.5%
Residential Homes & Schools	9		8		(11%)
St Christopher's (Clapham & Bunyan Road)	6		6		n/c
St Christopher's (Stewartby)	1		1		n/c
Semi - Independent Living (aged 16 & 17)	10		7		(30%)
Placed for Adoption/ with Parents	32		32		n/c
Children with Disabilities (CWD Maytham and Residential School)	9		8		(11%)
Young Offenders serving custodial sentences /Temp Accom / Youth Offending/NHS	5		7		40%
IFA Parent & Baby	1		2		100%

Unaccompanied Asylum Seeking Children:		49		44	(10.2%)
In House Foster Placements	8		9		12.5%
Independent Foster Placements	14		6		(57%)
Semi Independent Living (aged 16 & 17)	27		29		7.4%
Total Number of LAC:		302		309	2.3%

	May 2016	May 2017	% change
Non care placements :			
Special Guardianship Orders	120	136	13.3%
Residential Orders	41	40	(2.4%)
Adoption Allowances	43	49	13.9%
Other information:			
Child Protection Plan	211	182	(13.7%)
Children in Need	1433	1373	(4.2%)
Number of Referrals (YTD)	371	363	(2.2%)

	Movement YTD Inc. UASC
LAC (28 th March Panel)	
In House Placements (April 134)	0
Independent Foster Placements (April 75)	0
Semi Independent Living (April 45)	-9
Special Guardianship Orders (April 136)	0

16. There are currently 22.6fte agency staff across Children's Services Operations covering 17.8fte vacant posts, two Assisted Years Supported Employment and 2.8fte maternity leave.

Community Services

17. The Directorate forecast outturn is below budget by £0.1M as at June 2017.

Month: June 2017	Year to date				Year				
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Community Services									
Community Services Director	70	60	(7)	(17)	280	246	(34)	(7)	(41)
Highways Transportation	4,517	4,437	(25)	(105)	16,169	16,101	(68)	(27)	(95)
Environmental Services - Waste	4,923	5,101	(67)	111	19,528	20,069	541	(480)	61
Environmental Services - Other	1,220	1,266	(148)	(102)	4,753	5,387	634	(633)	1
IT	1,308	1,549	(225)	16	5,231	6,131	900	(900)	-
Assets (including Working Smarter)	1,191	1,301	(86)	24	4,241	4,329	89	(129)	(41)
Total Community Services	13,229	13,714	(558)	(73)	50,201	52,263	2,062	(2,176)	(114)

Highways Transportation

18. Highways and Transport is forecasting an overall underspend of £0.1M and has a year to date underspend of £0.1M.
19. Educational Transport are forecasting an on budget position but have raised a risk of £1.5M. The risk has been raised due to the current actual position. New contracts will be let over the summer for the new academic year and a review of the costs and forecast will take place as the costs going forward are known.
20. Highways Contracts are forecasting a £0.1M overspend. This is due to the additional one-off cost of £0.1M for filling the new salt barn at Thorn Turn, along with a forecast overspend of £0.03M for fixed cost services which relates to the contract management.
21. Passenger Transport Services are forecasting an underspend of £0.2M, of which £0.135M relates to Transport Contracts where savings are forecast as a result of service changes due to new passenger transport strategy

Environmental Services

22. Environmental Services are forecasting an overall underspend of £0.06M after the use of reserves of £1.1M for one off specific projects.
23. Libraries are forecasting a £0.1M underspend. There are forecast underspends against staffing £0.17M due to the restructure of hours within the library service which has meant

that vacant positions are not currently being recruited to although there is use of casual staff, Car Mileage £0.017M as a result of fewer staff and a £0.013M underspend on fuel and repair costs for the library link van. There is a forecast £0.1M reduction in income against both Leighton Buzzard Theatre (£0.033M) due to lower ticket sales and bar receipts, and the library service and fines (£0.064M).

24. Public Protection is forecast a £0.08M overspend due to staffing costs as a result of delays in the restructure.
25. Community Safety is forecasting a £0.039M underspend, of this £0.058M is due to underspends in staffing due to vacancies within the service, which has helped offset a £0.022M reduction in grant income as we are no longer receiving income from Home Office Independent Domestic Violence Advisor and the Multi Agency Risk Assessment Conference.
26. Waste Service is forecasting a £0.061M overspend, which is due to an overspend of £0.145M for 3rd parties. This includes a forecast overspend of £0.171M on costs for waste disposal and £0.111M overspend on landfill tax due to increased tonnage. These have been partially offset by underspends on the Biffa contract for kerbside collection of £0.123M and £0.032M on maintenance costs of recycling centres as the Household Waste Recycle Centres (HWRC) have recently been renovated. There are also forecast underspends against staffing of £0.05M.
27. Leisure & Active Lifestyles is forecasting a £0.089M overspend. This is due to an overspend of £0.1M against private contractors as a result of the closure of Dunstable Leisure Centre which includes the relocation of the bowling club There is also an overspend due to a reduction in forecast income of £0.043M, of which £0.028M relates to the Leisure centre closure and £0.015M relates to the Leisure Management Contracts These are partially offset by underspends against buildings & repairs of £0.029M and an forecast staffing underspend of £0.024M as a result of vacancies.
28. Parking is forecasting a £0.005M underspend, this is due to a forecast staffing underspend of £0.031M, partially offset by an overspend of £0.026M for rates at Steppingley Road Car Park.
29. Emergency Planning is forecasting a £0.015M underspend, this is due to vacancies and a reduction in the forecast for training to reflect the needs of the service.

Assets

30. The service area is currently forecasting an underspend of £0.041M. The full year budget for Assets is £4.241M and made up of:
 - Corporate Assets £0.75M
 - Chief Assets Officer £0.1M
 - Head of Facilities Management £4.9M
 - Working Smarter –£0.004M
31. There is a risk of £0.1M on the PFI contract where the numbers of pupils are in decline

resulting in lower recharges to the schools. There is a potential opportunity to recharge the tenants at Kingsland £0.04M as a contribution towards the running costs.

32. Corporate Assets are forecasting an underspend of £0.2M after use of reserves. The main reasons for this are additional rental income from Farms and Commercial units of £0.15M, reduced business rates of £0.04M and reduced staffing costs of £0.02M.
33. The Chief Assets Officer is forecasting an overspend of £0.015M after use of reserves due to a staffing pressure.
34. The Head of Facilities Management is forecasting an overspend of £0.15M primarily due to ongoing pressures for delayed vacation of Stephenson Court and Houghton Lodge. This is partly offset by forecast underspends on staffing due to a number of vacancies and lower than budgeted business rates for Corporate properties.
35. The Working Smarter project is forecasting a nil variance at year end.

IT

36. The full year budget for the service of £5.231M is made up of IT Operations £2.259M and IT Corporate £2.972M. The current forecast is on budget after use of earmarked reserves.
37. Within IT Operations there is a forecast underspend of £0.03M as a result of underspends on staffing due to vacancies.
38. There is a forecast overspend it IT Corporate of £0.93M as a result of contract & software expenses and efficiencies against PSN, networks and data centre that are not expected to be achieved. There is proposed drawdown of £0.9M of earmarked reserves, which results in a forecast overspend after use of reserves of £0.03M.

Regeneration and Business Support

39. The Directorate forecast outturn is below budget by £0.22M as at June 2017.

Month: June 2017	Year to date				Year				
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Regeneration and Business									
Director	218	212	-	(6)	873	874	2	-	2
Business & Investment	(214)	(215)	-	(1)	902	999	97	(111)	(14)
Development Infrastructure Division	1,070	930	(1)	(141)	3,668	3,449	(219)	12	(207)
Total Regeneration and Business	1,074	927	(1)	(148)	5,442	5,322	(120)	(99)	(219)

40. Business and Investment is forecasting an underspend of £0.014M, the majority of this relates to the ERDF which is forecasting to underspend by £0.010M due to the phasing of the grant income.
41. The Development Infrastructure Division is forecasting an underspend of £0.2M. The underspend is a result of the following: additional income of £0.1M with the majority relating to Minerals & Waste income for applications which are expected in Autumn,

underspends against staffing of £0.17M which is the net result of vacancies across the division some of which have been covered through agency and underspends of £0.01M on car mileage as a result of the vacancies. These underspends are partly offset by overspends on Professional services of £0.08M which is due to community planning work.

Public Health

42. Public Health's forecast outturn is to achieve a balanced budget after proposed use of and contributions to reserves. The Public Health grant is currently ringfenced so any under/overspend results in a movement against the carried forward reserve from 2016/17.

Month: June 2017	Year to date				Year				
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Public Health									
Director of Public Health	(2,827)	(3,002)	-	(175)	(11,309)	(12,260)	(951)	951	-
Assistant Director of Public Health	2,842	2,935	-	93	11,370	12,257	887	(887)	-
Total Public Health	15	(67)	-	(82)	61	(3)	(64)	64	-

Chief Executive

43. The Directorate forecast outturn is a minor overspend of £0.016M as at June 2017.

Month: June 2017	Year to date				Year				
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Chief Executive's									
Chief Executive	77	75	-	(2)	309	309	-	-	-
Communications	259	280	-	21	1,036	1,072	36	(20)	16
Total Chief Executive's	336	355	-	19	1,345	1,381	36	(20)	16

Resources

44. The Directorate is forecasting an underspend of £0.067M as at June 2017.

Month: June 2017	Year to date				Year				
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Resources									
Director of Resources	12	13	-	1	50	50	-	-	-
Finance Performance and Control	815	870	-	55	3,504	3,479	(25)	-	(25)
Housing Benefit Subsidy	(179)	(104)	(75)	-	(718)	(418)	300	(300)	-
Revs & Bens	440	396	-	(44)	1,761	1,661	(100)	-	(100)
Audit	146	119	-	(27)	582	537	(45)	-	(45)
Legal Services	454	547	-	93	1,818	1,824	6	-	6
Governance	563	594	-	31	2,346	2,470	124	(25)	99
People	531	548	(47)	(30)	2,122	2,212	90	(92)	(2)
Total Resources	2,782	2,983	(122)	79	11,465	11,815	350	(417)	(67)

45. Within Revenues & Benefits the admin subsidy grant income is expected to be an additional £0.25M higher than budget. The total income received for administration of housing benefits from DWP and DCLG for 2017/18 has not reduced as much as originally anticipated. There is also forecast overspend of £0.3M in Housing Benefit Related Transactions. This is as a result of net recovery of overpaid housing benefit being lower than budgeted due to higher levels of historic write offs than in previous years. The adverse impact of this is proposed to be covered by earmarked reserves.
46. Democratic Services are forecasting an overspend of £0.1M largely due to an unachievable efficiency on Local Land Charges income.
47. Within Finance Performance and Control there is an underspend on salaries due to vacancy savings within Financial Operations of £0.026M. This is due to a number of vacancies in Brokerage & Direct Payments.
48. There is a forecast underspend within Audit of £0.045M due to an underspend on salaries due to a vacant Audit Manager post £0.043M and an underspend on printing and stationery of £0.002M.

Corporate Costs

49. Corporate Costs is forecasting an overspend of £0.433M as at June 2017.

Month: June 2017	Year to date				Year				
Director	Budget	Actual	Proposed (use of) / contribution to Earmarked reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed (use of) / contribution to Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Costs									
Debt Management	3,554	3,554	-	-	14,217	14,217	-	-	-
Premature Retirement Costs	452	452	-	-	2,756	2,689	(67)	-	(67)
Corporate Public Health Recharges	(158)	(151)	-	7	(631)	(631)	-	-	-
Corporate HRA Recharges	(30)	(30)	-	-	(120)	(120)	-	-	-
Efficiencies	(270)	(32)	-	238	(348)	152	500	-	500
Contingency and Reserves*	(1,737)	(2,713)	976	-	(3,794)	(8,200)	(4,406)	4,406	-
Total Corporate Costs	1,811	1,080	976	245	12,080	8,107	(3,973)	4,406	433

50. Within Premature Retirement Costs there is an expected underspend of £0.067M. Figures provided by Bedfordshire Pension indicate a saving against budget.
51. There is a forecast pressure of £0.500M in Cross Cutting Efficiencies due to the risk that part of the Vacancy Management target efficiency may not be achieved. All of the efficiency is budgeted within Corporate Costs but the savings will materialise within each directorate. As the year progresses the pressure in Corporate Costs will be offset by employment cost savings across all directorates. The overall impact across the Council is being closely monitored.

Appendix B – Earmarked Reserves

Description	Opening Balance 2017/18	Spent	Released	Technical Movements (inc funds received for activity in the following year)	Balance before new transfers	New Proposed transfers	Proposed Closing Balance 2017/18	MEMO: Net movement after proposals
	£000	£000	£000	£000	£000	£000	£000	£000
Social Care Health and Housing Reserves								
Deprivation of Liberty Safeguards	426				426		426	-
Winter Pressure 12/13 "Care Act"	20				20		20	-
Winter Pressure 13/14 "Care Act"	55				55		55	-
Mental Health Action Plan	60				60		60	-
Outcome Based Commissioning	1,908	(380)			1,528		1,528	(380)
Integrated Approaches	557	(227)			330		330	(227)
Better Care Fund	43				43		43	-
Support and Aspiration Grant	50				50		50	-
Welfare Reform - local welfare provision grant	112				112		112	-
Zero Base Review grant	18				18		18	-
1% Precept			(700)	1,334	634		634	634
ASC One Off Grant				869	869		869	869
ASC Transformation	-				-	1,700	1,700	1,700
Total Social Care, Health and Housing	3,249	(607)	(700)	2,203	4,145	1,700	5,845	2,596
Children's Services Reserves								
Fostering & Adoption	95	(95)			(0)		(0)	(95)
Children's Homes Co-location	-				-		-	-
Partnership Reserves inc Performance Reward Grant, LSP Sustainable Neighbourhoods and Assets of Community Value	180	(36)			144		144	(36)
SEN Reserves inc. Support and Aspiration Grant and Children's & Families Act	90				90		90	-
Locality Options	200				200		200	-
Children's Services Unspent Grant Income	463				463		463	-
Total Children's Services	1,027	(131)	-	-	896	-	896	(131)

Appendix B – Earmarked Reserves

Description	Opening Balance 2017/18	Spent	Released	Technical Movements (inc funds received for activity in the following year)	Balance before new transfers	New Proposed transfers	Proposed Closing Balance 2017/18	MEMO: Net movement after proposals
	£000	£000	£000	£000	£000	£000	£000	£000
Community Services Reserves								
Leisure Centre Reinvestment Fund	179				179		179	-
Integrated consumer protection	106				106		106	-
Transport Fund	291				291		291	-
Community Safety partnership fund	114	(7)			107		107	(7)
Community Safety Grant	60				60		60	-
Bedford & Luton Resilience Forum	67				67		67	-
Financial Investigation Unit	541	(233)			308		308	(233)
Biggleswade wind farm	23				23		23	-
countryside access grant	23				23		23	-
Woodside connection options appraisal	-				-		-	-
Rationalisation of Accommodation	-				-		-	-
Rural Payments	3				3		3	-
Sundon Landfill	497				497		497	-
Facilities Security	42				42		42	-
Street Scene Improvements	398	(385)			13		13	(385)
S38 works - Warren Farm and HN2/ Bidwell West	219				219		219	-
Community Safety	500				500		500	-
Civil Enforcement Officer	140	(86)			54		54	(86)
Community Integration	100	(30)			70		70	(30)
Construction Related Projects	150				150		150	-
IT Base Budget Shortfall	900	(900)			-		-	(900)
Total Community Services	4,353	(1,641)	-	-	2,712	-	2,712	(1,641)

Appendix B – Earmarked Reserves

Description	Opening Balance 2017/18	Spent	Released	Technical Movements (inc funds received for activity in the following year)	Balance before new transfers	New Proposed transfers	Proposed Closing Balance 2017/18	MEMO: Net movement after proposals
	£000	£000	£000	£000	£000	£000	£000	£000
Regeneration Reserves								
Career Development framework	33				33		33	-
External Funded Regeneration reserve	270				270		270	-
Local Development Framework	327	(5)			322		322	(5)
Minerals and Waste partnership funds	104				104		104	-
NIRAH	49				49		49	-
Business growth grants	115	(5)			110		110	(5)
Flood Defence	555	(61)			494		494	(61)
Building control	385				385		385	-
Unauthorised Development	159				159		159	-
Neighbourhood planning grant	80				80	30	110	30
Food Enterprise Zone	29				29		29	-
Self Build	20				20		20	-
Estate Regeneration Fund	757	(104)			653		653	(104)
PPA - training	530				530		530	-
Albion Archaeology	78				78	48	126	48
Sustainable Transport Bids	50				50		50	-
Employment Skills	100	(2)			98		98	(2)
Total Regeneration	3,641	(177)	-	-	3,464	78	3,542	(99)

Appendix B – Earmarked Reserves

Description	Opening Balance 2017/18	Spent	Released	Technical Movements (inc funds received for activity in the following year)	Balance before new transfers	New Proposed transfers	Proposed Closing Balance 2017/18	MEMO: Net movement after proposals
	£000	£000	£000	£000	£000	£000	£000	£000
Public Health Reserves								
Public Health Grant Reserve	1,785				1,785	64	1,849	64
Risk reserve	-				-		-	-
Total Public Health	1,785	-	-	-	1,785	64	1,849	64
Chief Executive's								
Pan Public Sector Funding	28				28		28	-
Webcasting	55				55		55	-
Customer First	13				13		13	-
Total Chief Executive's	96	-	-	-	96	-	96	-
Resources								
Housing Benefit Subsidy Audit Reserve	500				500		500	-
NNDR Discretionary Relief & NNDR Bad Debts	946	(300)			646		646	(300)
Elections Fund	244				244		244	-
Individual Electoral Registration	41				41	-	41	-
ICS - HR Apprentices & Graduates (£0.2m held in Corporate at year end)	254				254		254	-
Total Resources	1,985	(300)	-	-	1,685	-	1,685	(300)

Appendix B – Earmarked Reserves

Description	Opening Balance 2017/18	Spent	Released	Technical Movements (inc funds received for activity in the following year)	Balance before new transfers	New Proposed transfers	Proposed Closing Balance 2017/18	MEMO: Net movement after proposals
	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Reserves								
Redundancy/Restructure Reserve	388	(264)			124	500	624	236
Insurance reserve	4,413				4,413		4,413	-
Welfare Reform	310	(70)			240		240	(70)
Teachers' Pensions	229				229		229	-
S31 NNDR Income to offset NNDR discounts	1,730				1,730		1,730	-
Planning Decisions Legal Challenges	300				300		300	-
Community resilience	500				500		500	-
Tackling Safety and Vulnerability	328	(107)			221		221	(107)
New Homes Bonus	6,801				6,801	3,906	10,707	3,906
Impact of Funding Deficits	981	(129)			852		852	(129)
Smoothing MRP payments/Financing Charges	926				926		926	-
Transformation (Invest to save, Transforming service delivery)	679	(194)			485		485	(194)
Transforming lives	250				250		250	-
Independent careers service	250				250		250	-
Transformation (NEW)	900				900		900	-
SEN Transport	250				250		250	-
Capital Options	1,219				1,219		1,219	-
Highways/Street Scene	1,300				1,300		1,300	-
Legal	3,500				3,500		3,500	-
Planning enforcement	183	(42)			141		141	(42)
Business Operations	200				200		200	-
Total Corporate Reserves	25,636	(806)	-	-	24,830	4,406	29,236	3,600
Total Earmarked Reserves (General Fund)	41,772	(3,662)	(700)	2,203	39,613	6,248	45,861	4,089

This page is intentionally left blank

Appendix C - Debtors

- Overall debt in June is £11.7M compared to £12.2M in May (£10.6M in June 2016). Within that £5.1M is under 30 days (44%). Debt over 61 days is £3.5M (30%). Work is continuing to analyse the debt and ensure effective and efficient recovery procedures.

June															
DIRECTORATE	1 to 14 Days		15 to 30 Days		31 to 60 Days		61 to 90 Days		91 to 270		271 to 365		1 year and		Total Debt
	£k	%	£k	%	£k	%	£k	%	£k	%	£k	%	£k	%	£k
Social Care Health & Housing	459	11%	850	20%	66	2%	238	6%	800	19%	368	9%	1,497	35%	4,278
Children's Services	203	38%	270	50%	5	1%	35	7%	6	1%	14	3%	4	1%	537
Community Services	100	3%	420	12%	787	23%	375	11%	1,440	41%	25	1%	345	10%	3,492
Regeneration	255	9%	2,166	74%	280	10%	64	2%	161	5%	-7	0%	27	1%	2,946
Resources	430	82%	8	2%	8	2%	36	7%	5	1%	0	0%	39	7%	526
Public Health	0	0%	0	0%	0	0%	15	100%	0	0%	0	0%	0	0%	15
Unallocated & Non Directorate	0	0%	-10	11%	0	0%	-23	24%	-7	7%	-1	1%	-54	57%	-95
GRAND TOTAL	1,447	12%	3,704	32%	1,146	10%	740	6%	2,405	21%	399	13%	1,858	16%	11,699
PREVIOUS MONTH	2,387		2,517		814		799		370		2,172		1,805		10,864

- The largest items of note within the total debt are:

- SCHH debt at the end of June was £4.279M of which £0.055M is HRA related (reported separately in the HRA report). Of the £4.223M General Fund debt (£4.602M for May), £1.807M is Health Service debt (£2.165M for May). Of the remaining general debt of £2.416M, £1.514M (63%) is more than 60 days old. Of this, all is under active management (with solicitors, payable by instalments etc.) with none under query or scheduled to be written off. Excluding Health and house sales debt, there are 42 debtors whose outstanding balance is greater than £0.01M.
- Health Service debt at the end of June was £1.807M of which £1.353M or 75% is more than 60 days. All debts are under active management. A schedule of all outstanding debts is being shared and discussed regularly with the Bedfordshire CCG.
- Children's Services is £0.537M of which £0.064M is debt over 61 days.
- Community Services total debt is £3.492M of which £2.185M (63%) is debt over 61 days and is being actively pursued. The over 61 day's debt is spread over numerous cost categories.
- Regeneration is £2.946M of which £0.245M (8%) is over 61 days.

- Resources debt has increased by £0.385M in the month from £0.142M last month to £0.527M. Of this there is £0.43M which is not yet due representing 82% of the overall debt. The majority of this, £0.42M, are invoices to Bedford Borough Council and Luton Borough Council for their contribution to the 2016/17 costs of the joint Coroner service. These were raised within the month. There is currently £0.044M that is over 91 days old; this represents 8% of the current total debt.
- Public Health debt is zero.

Writes Offs

SUMMARY Q1 Apr - June

WRITE OFF	NUMBER	VALUE
£0 - £5,000	38	£ 22,766.30
£5,000 - £10,000	0	£ -
£10,000 - £50,000	0	£ -
>£50,000	1	£ 64,636.87
TOTAL	39	£87,403.17

- The £65K write off relates to a legal agreement dispute within Community Services whereby the case went to court and a settlement figure was agreed.

Appendix D- Treasury Management

Borrowing

As at 30 June 2017 the Council's total borrowing was £340.6M. Of this amount, £262.0M was with the Public Works Loan Board (PWLb), £65.0M was short-term temporary debt from other local authorities and £13.6M was market debt from banks. The table below also shows the split between the General Fund and HRA.

	PWLb Fixed £M	PWLb Variable £M	Temporary Debt £M	Market (LOBO) £M	Total £M
General Fund	97.0	0.0	65.0	13.6	175.6
HRA	120.0	45.0	0.0	0.0	165.0
TOTAL	217.0	45.0	65.0	13.6	340.6

To manage interest rate risk, the Council's debt is split between 64% fixed rate PWLB debt, 13% variable rate PWLB debt, 19% short-term temporary debt and 4% fixed rate market (LOBO) debt; this is shown in A1 on the Treasury Management Performance Dashboard.

Based on the latest available annual benchmark analysis conducted by the Chartered Institute of Public Finance and Accountancy (CIPFA), A2 of the Dashboard shows the Council's cost of borrowing is significantly lower than the 4.06% average annual interest rate paid by other local authorities. The average annual interest rate paid by the Council was 2.57% as at 31 March 2017, which is mainly due to a higher proportion of variable rate and short-term temporary debt.

In line with the Council's borrowing strategy, new short-term temporary borrowing was taken out during Quarter 1 at a cost of between 0.18% p.a. and 0.43% p.a. (inclusive of brokerage fees).

The Council's underlying need to borrow as measured by its Capital Financing Requirement (CFR) was £524.4M at 31 March 2017. Given external borrowing of £365.1M (inclusive of a £17.2M PFI outstanding liability) as at 31 March 2017, deferred borrowing was £159.3M using internal resources to fund the capital programme. In line with the approved treasury strategy, the Council used internal resources in lieu of borrowing to the full extent as this has continued to be the most cost effective means of funding capital expenditure.

Investments

When investing, the Council prioritises security and liquidity and aims to achieve a yield commensurate with these principles. To diversify the investment portfolio, the Council continues to invest in a range of funds such as notice accounts, call accounts and Money Market Funds as well as using a number of different financial institutions. B1 of the Dashboard shows the breakdown by investment counterparty as at 30 June 2017. It should be noted that as cash investments are maintained at minimal levels for operational purposes, the £5.3M long-term investment in the UK commercial property-based Lime Fund now represents a higher proportion of total investments even though the cash amount invested in it has not changed.

The latest available CIPFA Treasury Management benchmarking results are as at 31 March 2017. B2 of the Dashboard shows that the Council's average rate of return on investments was 1.64% which was higher than the benchmarked local authority average of 0.85% – this was due to the relatively high investment return on the Lime Fund (inclusive of capital appreciation).

In addition to the Lime Fund investment, the Council has cash deposits placed on varying interest rates ranging between 0.15% and 0.55%. The Council holds the majority of its investments in liquid form so it is available for cash flow purposes. As at 30 June 2017, the Council held cash investments of £13.2M (exclusive of the £5.3M Lime Fund investment). Of the total cash investment balance, £9.2M was held in liquid form in instant access call accounts and Money Market Funds (MMFs); and the remaining £4.0M was held in notice accounts.

Cash Management

The average cash balance the Council holds is considerably lower than other benchmarked local authorities. The 12-month rolling average cash balance as at the 31 March 2017 for the Council was £22.4M compared to a benchmark average of £170.4M. This reflects the Council's long-standing strategy of holding low cash balances to reduce investment counterparty risk and contain borrowing costs by utilising internal cash balances in lieu of external borrowing to fund capital expenditure.

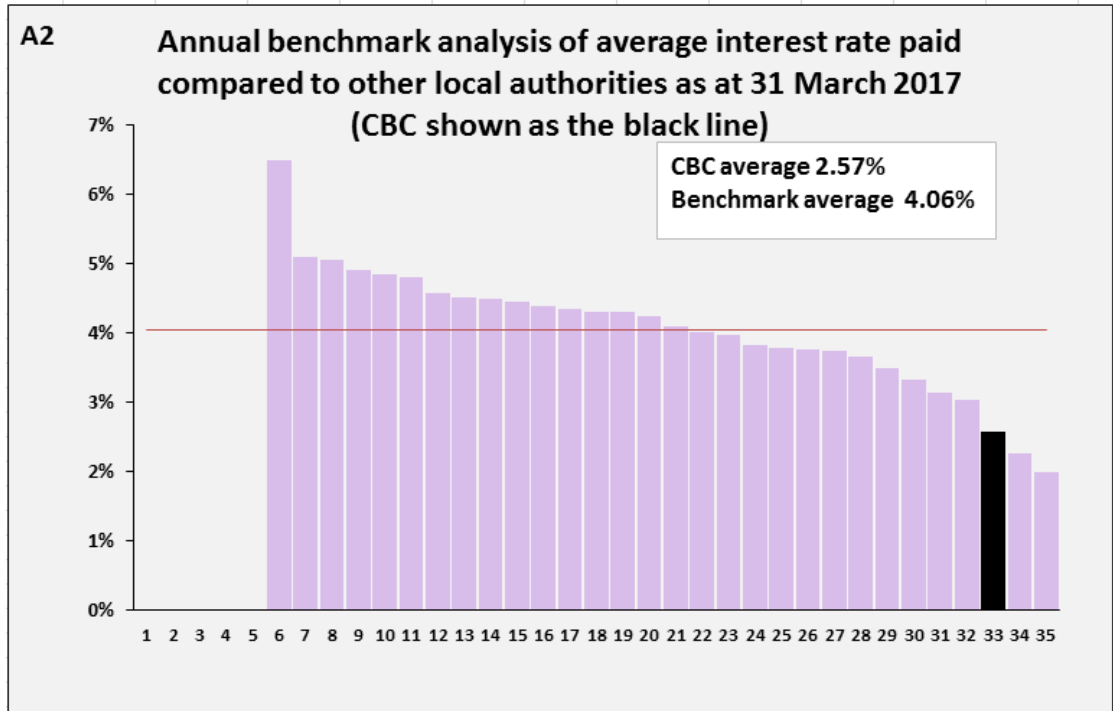
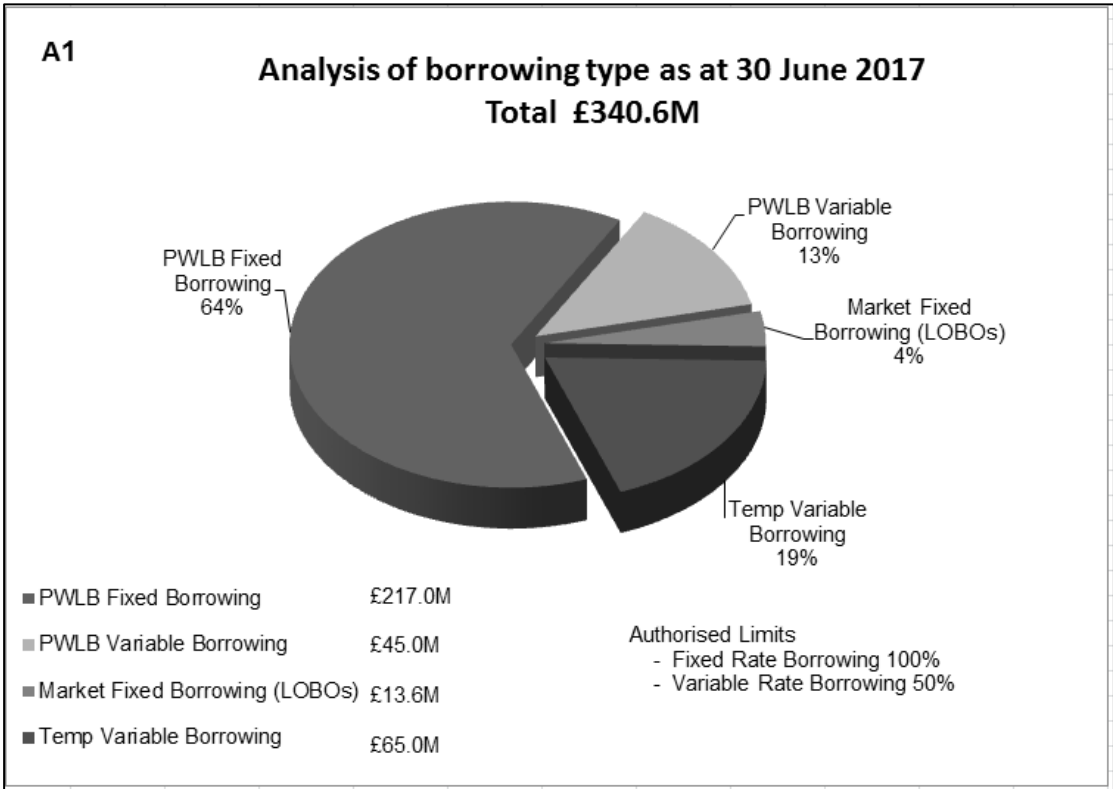
Outlook

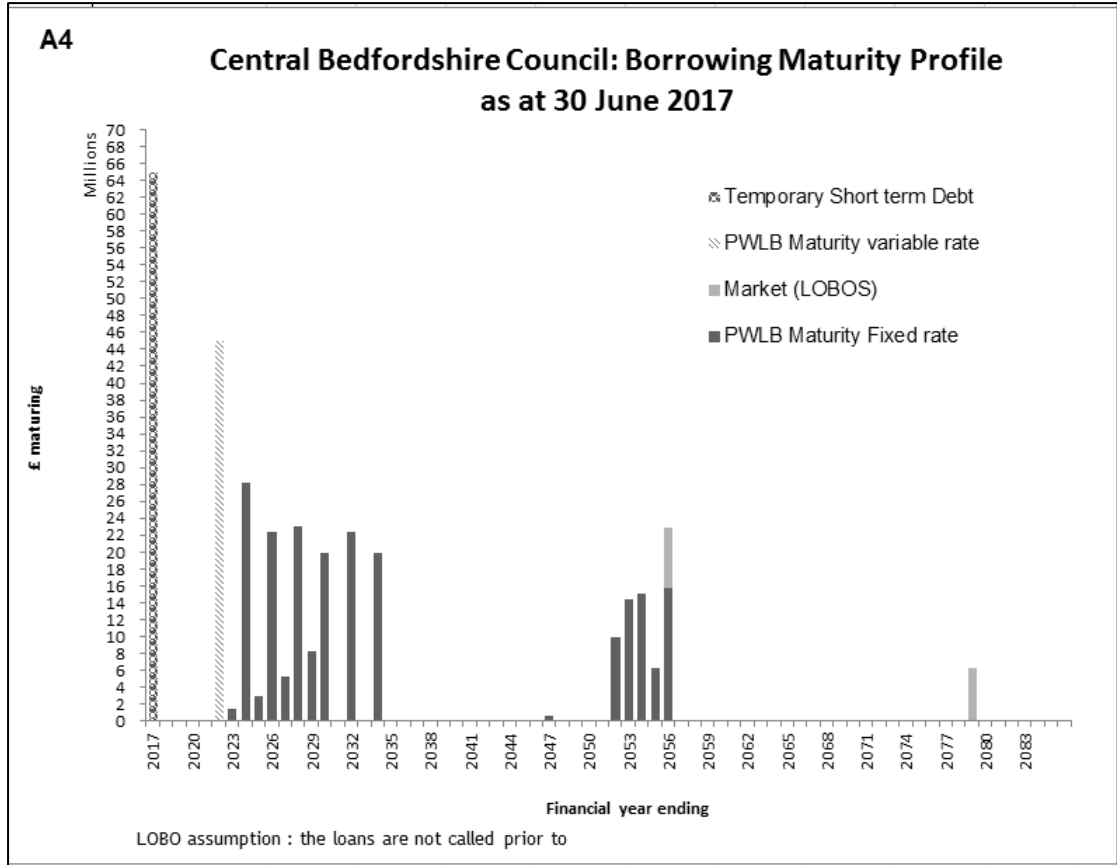
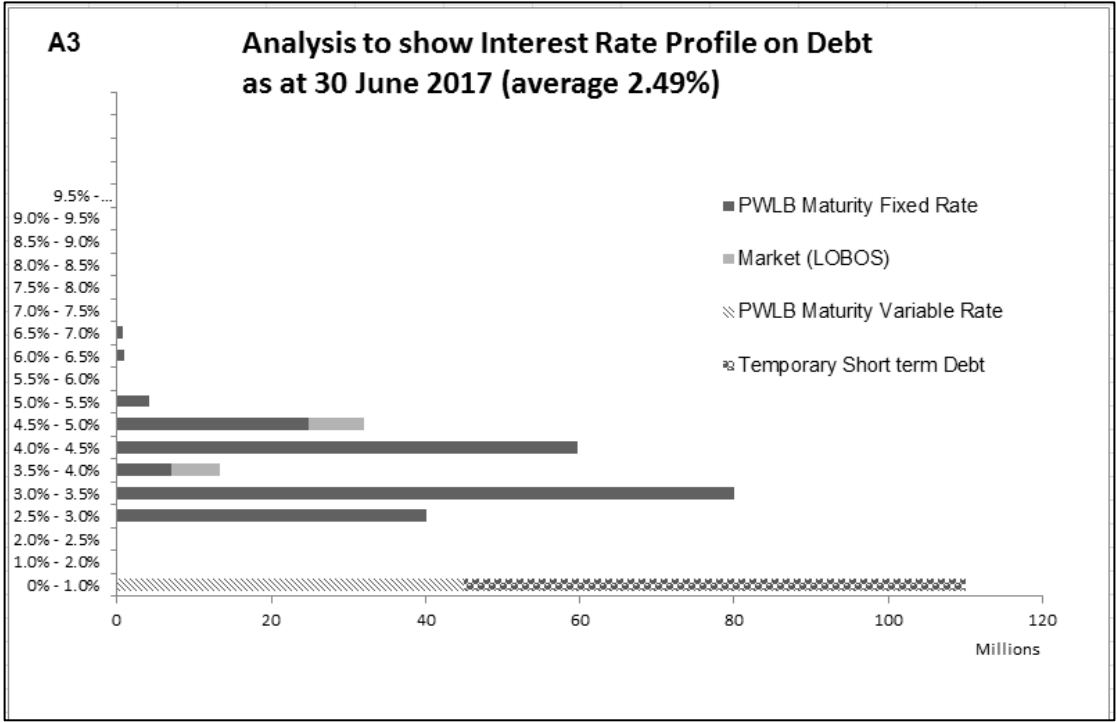
The Council's treasury advisers, Arlingclose, do not expect the Bank of England to raise the Bank Rate from its current level of 0.25% over the next three years. The new main measure of inflation, the Consumer Price Index including owner occupiers (CPIH) fell to 2.6%, down from 2.7% in May 2017. Whilst this continues to be above the Bank of England's 2.0% target, the Bank is expected to look through inflation overshoots over the course of 2017 when setting interest rates so as to avoid derailing the economy given the pressure on household spending and business investment.

The Council has continued to source its new borrowing requirements from other local authorities and other public sector bodies such as Police and Crime Commissioners, on a short-term temporary basis. The low market interest rates for temporary debt offer revenue cost savings relative to borrowing on a long-term basis from the PWLB. This borrowing strategy assumes that interest rates will continue to remain at historically low levels for the medium term.

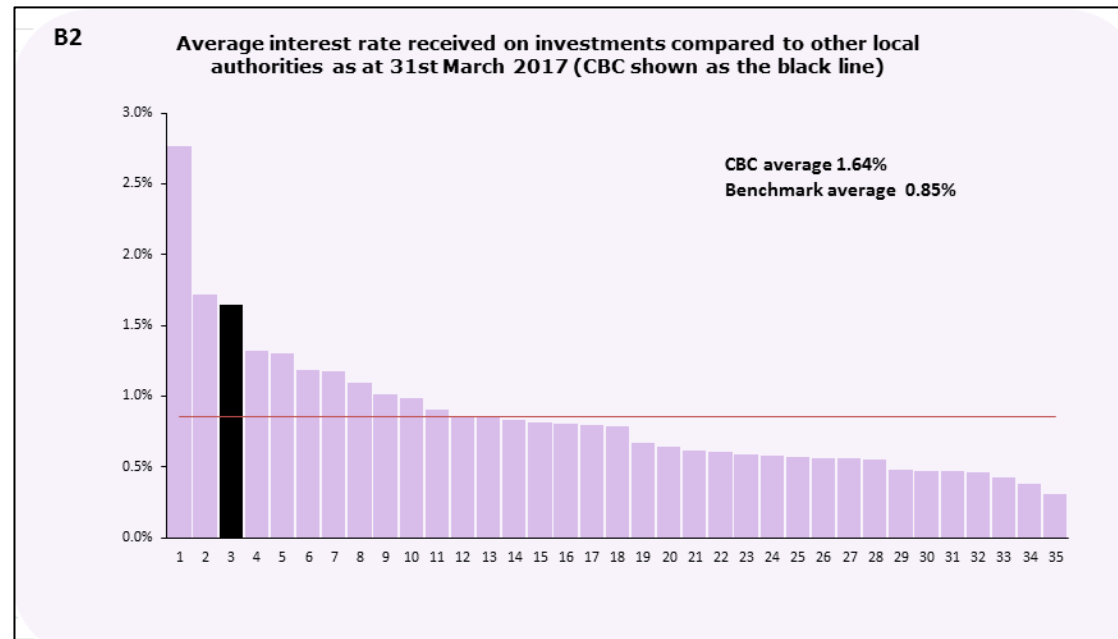
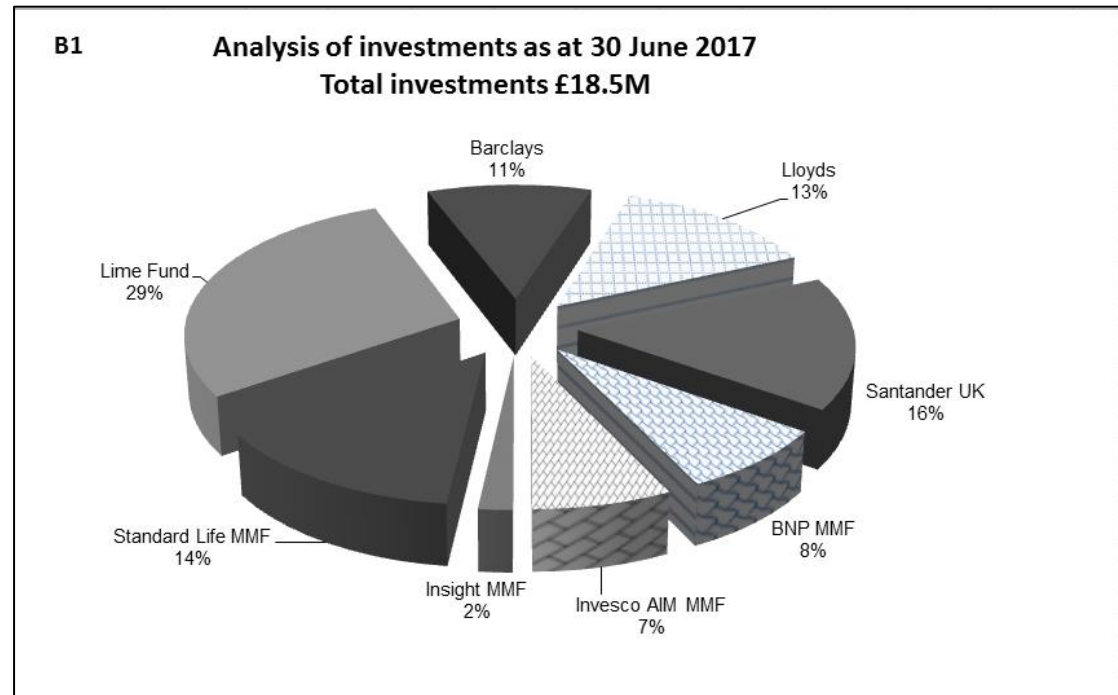
However, the Council advised by Arlingclose will continue to monitor long-term rates with a view to fixing a portion of any borrowing requirement if rates available are viewed as favourable.

Section A : Debt Information





Section B : Investment Information



Central Bedfordshire Council

Executive

10 October 2017

June 2017 Q1 Capital Budget Monitoring Forecast Outturn Report

Report of Cllr Richard Wenham, Deputy Leader and Executive Member for Corporate Resources (richard.wenham@centralbedfordshire.gov.uk)

Advising Officers: Charles Warboys, Director of Resources & S151 Officer (charles.warboys@centralbedfordshire.gov.uk)

This report relates to a Non Key Decision

Purpose of this report

1. The report sets out the Capital forecast outturn for 2017/18 as at the end of June 2017. It excludes the Housing Revenue Account (HRA) which is subject to a separate report.

RECOMMENDATIONS

The Executive is asked to:

1. note that the gross forecast outturn of £103.6M, excluding HRA but including deferred spend from 2016/17, is below the approved budget by £7.0M (£11.8M below last year against a higher budget of £124.6M). The net forecast is £3.2M below budget (£5.1M above budget last year); and
2. approve a virement of £3.102M (gross and net) from the Thorn Turn Waste Park Scheme to the Highways South Depot Scheme, both within Community Services.

BACKGROUND INFORMATION:

2. This report is based on the 2017/18 budget approved by Council at its 23 February 2017 meeting. The reported budget also includes deferred spend from 2016/17 which was approved under delegated authority and subsequently approved by the Executive on the 20 June 2017. The reported budget includes a further £8M approved at Council in July 2016 for Strategic Acquisitions. The approved budget excluding HRA and including deferred spend from 2016/17 is £110.5M (gross).

ISSUES: None

FINANCIAL AND OTHER OPTIONS: These are covered in the report.

3. **Forecast Outturn**

Principal variances

- i) Regeneration and Business Support are forecasting to be below budget by £4.1M (gross) and £3.4M (net). This primarily relates to the M1-A6 scheme. At present the forecast only reflects the confirmed funding.
- ii) Community Services are forecasting to be below budget by £4.8M (gross) and above budget by £0.2M (net). A number of schemes are forecast below budget including: the Crematorium forecast £1.6M (gross), Biggleswade Property Regeneration £0.9M (gross), Thorn Turn Waste Park £3.1M (gross), Highways North Depot and Salt Barn £0.4M (gross) and A421 Milton Keynes Magna Park £2.5M (gross). This is partially offset by the following schemes which are Forecasting above budget: Highways South Depot £3.1M (gross), Highways Structural Maintenance £0.4M (gross) and Stratton Park phase 5 & 6 £0.3M (gross).
- iii) The entire £8.0M strategic acquisitions budget is forecast to be spent in 2017/18, although currently there are no specific opportunities identified.
- iv) Social Care, Health and Housing are forecasting to be below budget by £1.9M (gross) and £0M (net). The Review of Accommodation/ Day support scheme is forecast to be below budget by £1.4M due to rephasing of the project. The NHS Campus Closure scheme is also forecast to be below budget by £0.5M (net) due to delays in production of a scheme outline.
- v) Children's Services are forecasting to be above budget by £3.9M (gross) and on budget (net). The increased expenditure is funded wholly by grant and S106 receipts and is as a result of the annual review of projects within the New School Places programme

Year to Date (YTD)

- vi) YTD Gross Spend is £0.1M below budget (£11.8M below budget last year). Actual spend is £12.4M (last year was £19.5M).

Capital Receipts

- vii) The overall budget for Capital receipts is £12.0M. The forecast is currently £12.0M.
- viii) To date we have received £1.3M in capital receipts.

Directorate	Year to Date P03			Full Year 2017/18			Year to Date P03			Full Year 2017/18		
	Gross Budget	Gross Actual	Gross Variance	Gross Budget	Gross Forecast	Gross Variance	Net Budget	Net Actual	Net Variance	Net Budget	Net Forecast	Net Variance
	£m	£m	£m	£m	Outturn £m	£m	£m	£m	£m	£m	Outturn £m	£m
CS	2.5	2.7	0.2	13.1	17.0	3.9	0.0	0.0	0.0	0.5	0.5	0.0
Community Service	6.5	8.0	1.5	66.8	62.0	(4.8)	4.0	6.9	3.6	42.4	42.6	0.2
Chief Executive's	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Resources	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Regeneration	2.9	1.4	(1.4)	19.8	15.6	(4.1)	0.6	1.1	0.5	9.7	6.2	(3.4)
ASCHH	0.7	0.4	(0.3)	10.9	9.0	(1.9)	0.1	(1.1)	(1.2)	6.6	6.6	(0.0)
Total Exc HRA	12.5	12.4	(0.1)	110.5	103.6	(7.0)	4.7	6.9	2.9	59.2	56.0	(3.2)

(Note: Any minor rounding differences are due to linking to detailed appendices)

Reasons for decision

- To complete schemes currently underway and facilitate effective financial management and planning.

Council Priorities

- Sound financial management contributes to the Council's Value for Money and enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 6 Council priorities.

Corporate Implications

Legal Implications

- None.

Financial Implications

- The financial Implications are contained in the report.

Equalities Implications

- Equality Impact Assessments were undertaken prior to the allocation of the 2017/18 budgets and Members were advised of significant equality implications relating to the budget proposals when setting the Council's Budget in February 2017.

Appendices

Appendix A – Detailed Directorate Commentary

This page is intentionally left blank

Appendix A - DIRECTORATE COMMENTARY

Social Care Health and Housing

1. The directorate outturn forecast is under gross budget by £1.9M and under net budget by £0M.
2. The tables below highlights the areas of spend :

SCHH Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget	Gross Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Disabled Facilities Grants Scheme	2,453	2,453	0	0	0
Empty Homes	210	210	0	0	0
Renewal Assistance	386	386	0	0	0
Additional Gypsy and Traveller Sites	1,575	1,575	0	0	0
MANOP Care Home Reprovision	1,026	1,026	0	0	0
MANOP Non-HRA Extra Care Schemes	2,550	2,550	0	0	0
NHS Campus Closure	517	0	(517)	517	0
Adult Social Care ICT Projects	280	280	0	0	0
Review of Accommodation/Day Support, "New Approaches to Outcome"	1,906	477	(1,429)	1,429	0
Better Care Fund Capital Grant	0	0	0	0	0
Total	10,903	8,957	(1,946)	1,946	0
% of Budget		82.2%			

SCHH Full Year Net Budget and Forecast					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Disabled Facilities Grants Scheme	1,785	1,785	0	0	0
Empty Homes	200	200	0	0	0
Renewal Assistance	286	286	0	0	0
Additional Gypsy and Traveller Sites	675	675	0	0	0
MANOP Care Home Reprovision	1,026	1,026	0	0	0
MANOP Non-HRA Extra Care Schemes	2,550	2,550	0	0	0
NHS Campus Closure	143	0	(143)	143	0
Adult Social Care ICT Projects	68	68	0	0	0
Social Care Single Capital Pot	0	0	0	0	0
Review of Accommodation/Day Support, "New Approaches to Outcome"	(124)	0	124	(124)	0
Better Care Fund Capital Grant	0	0	0	0	0
Total	6,609	6,590	(19)	19	0
% of Budget		99.7%			

3. **Disabled Facilities Grants (DFG)**
The grants provided to residents through the DFG programme assist some of the poorer and most vulnerable members of the community. Without these grants in many cases the properties involved would be unsuitable for the needs of the occupiers who may then be unable to remain in their own homes. This also reduces pressure on health service resources and residential care, as without these improvements more residents would require emergency or longer term care solutions.

The number and type of adaptations are reported quarterly and have been for quarter 1. The table below provides details for 2017/18 compared to 2016/17. There was an decrease in the number of adaptations completed.

Type of adaptation	Total Q1 16/17	Total Q1 17/18
Level access shower/wet room	44	12
Straight stair lift	8	2
Curved stair lift	7	6
Toilet alterations	12	8
Access ramps	8	4
Dropped kerb and hard standing	0	0
Wheelchair/step lift	1	0
Through floor lift	3	2
Major extension	4	0
Kitchen alterations	3	1
Access alterations (doors etc)	16	7
Heating improvements	2	1
Garage conversions/minor additions	2	1
Safety repairs/improvements	4	0
Other	8	7
Total	122	51

4. There have been 64 referrals to Housing in the year to date, an average of 21 per month, compared with 97 referrals at an average of 32 per month for the same period in 2016/17. As a result £0.350M of grant payments have been made to date. If this rate continues for the rest of the year this would result in a total of 256 referrals.
5. Requests for OT Assessments provide a further indication of demand. In the year to date there have been 177 referral requests (167 to June 2016/17). At the end of June the waiting list increased to 113 from 66 at the end of May. The extent to which these convert into DFG referrals will be closely monitored.
6. Having regard to all matters considered above, net expenditure is forecast to outturn on budget at £1.785M (net). Income is mainly from the Better Care Fund. In the current year funding is significantly higher than anticipated, at £1.445M; the Council is receiving national guidance on how to use this funding differently alongside DFGs. The additional income (£0.861M) has been transferred to the Better Care Fund Capital project. Having regard for demographic changes and the ageing population, the main way to reduce the need for DFGs is through the delivery of accessible homes (in all housing tenures) through future development.
7. Expenditure on **Empty Homes** relates to Empty Dwelling Management Orders (EDMOs) and Empty Homes Loans. A number of Empty Homes loans are being considered for long term empty homes. Empty Homes Loan assistance is an alternative for owners of empty homes willing to work with the Council. There are 30 Empty Homes Loan cases at enquiry stage and 10 approved and in progress.

8. Work is in progress on one EDMO property in Leighton Buzzard where the EDMO has been approved and the total cost is expected to be in excess of £0.140M (£0.117M spent in 2016/17), including costs to be incurred in relation to structural repairs. There is action to progress one further EDMO at this stage but the level of interest for loan assistance from owners of various properties in Dunstable Town centre far exceeds current budget. Reserve of a further £0.2M is likely to be needed in 2017/18 but this will be confirmed if these projects progress. The Empty Homes Programme is forecast to outturn on budget of £0.2M unless these new projects progress to an extent that reserve is required.
9. A full planning application for a new **Gypsy and Traveller site** was approved at the June 2016 Planning Committee meeting; the decision was referred to DCLG and final notification of granting of planning permission was received in July 2016. This approval will provide for a new site at Biggleswade South (12 pitches). This will be part funded by the General Fund and Homes and Communities Agency (HCA) financial contributions.
10. The proposal for additional funding following the tendering process was put forward to Executive in June 2017 and has been approved for an additional £0.195M of funding. The current net Gypsy and Traveller site forecasts suggest an outturn on budget at £0.87M.
11. The **MANOP** programme includes strategic acquisitions to develop the care home market and facilitate the provision of new modern residential homes for older people. It also includes capital grants to housing providers to develop extra care schemes. The current budget includes slippage of £1M to support the acquisition of a site in the Ivel Valley locality (Sorrell Way for which the planning application is currently being considered) and preparatory work on the West Mid Beds extra care scheme. Additional scheme budget this year of £2.5M is for the West Mid Beds non-HRA Extra Care scheme which is no longer likely to be part of the re-development of the Houghton Lodge site. The MANOP Programme is currently forecast on budget.
12. The capital aspects of the **MANOP** programme includes strategic land acquisitions or allocations to facilitate the provision of new modern residential homes for older people and the development of new extra care schemes. Expenditure generally relates to the cost of land acquisition or the foregoing of capital receipts for land disposal plus the associated fees as the current approach is that third part organisations will bear the cost of actually delivering the homes and schemes.
13. In respect of care home reprovision the current budget includes slippage of £1m to support the acquisition of a site West Mid Beds to facilitate the replacement of capacity in the Ferndale Older Persons Home (OPH) and a smaller amount in respect of Westlands where a replacement site was acquired in 2016 but where further expenditure will be required to bring this site forward in 2017. Expenditure on the Non-HRA Extra Care Schemes planned for 2017/18 includes slippage of £50k in respect of professional fees in bringing forward a scheme for Ivel Valley (Sorrel Way, Biggleswade) where a planning application is currently being considered. A further £2.5M is allocated in respect of a scheme for West Mid Beds and the feasibility work is under way in respect of two site options with a decision on the preferred option in late Q2 / early Q3 of 2017/18. Some expenditure will be needed to complete this work and it is envisaged that a full

business case would follow once a preferred option had been agreed. The MANOP Programme is currently forecast on budget

14. The **Review of Accommodation/Day Support** project includes provision for capital costs arising from the Adult Social Care Transformation Programme as well as funding for fabric and furniture within the residential homes for older people, capital enhancements to those homes and repairs to extend the useful life of boilers and lifts. The budget for this project has been re-profiled to align with the Transformation Programme.
15. Additional capital grant of £0.861M has been provided in 2017/18 through the DFG route to allow authorities to invest in broader strategic capital projects allied to the **Better Care Fund (BCF)** plan. There are also brought forward capital grants of £1.1M with the same purpose. Further work to determine the use of this funding will take place through the BCF Programme Delivery Team including the development of a business case

Children's Services

16. The directorate outturn forecast is above budget by £3.9M (gross) and on budget (net). The increased expenditure is funded wholly by grant and S106 receipts and as a result of the annual review of projects within the New School Places programme.
17. All but two projects within Children's Services Schools Access and Temporary Accommodation are funded wholly by grant receipts that have no expenditure deadline.
18. The table below highlights the areas of spend :

Children's Services Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget	Gross Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
New School Places	10,094	13,859	3,765	0	3,765
Schools Capital Maintenance	2,000	2,160	160	0	160
Schools Devolved Formula Capital	450	450	0	0	0
Temporary Accommodation	360	360	0	0	0
Schools Access Initiative	180	180	0	0	0
Total	13,084	17,009	3,925	0	3,925
% of Budget		130.0%			
	0	0	0	0	0

Children's Services Full Year Net Budget and Forecast					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
New School Places	0	0	0	0	0
Temporary Accommodation	360	360	0	0	0
Schools Access Initiative	180	180	0	0	0
Total	540	540	0	0	0
% of Budget		100.0%			

New School Places (NSP)

19. This programme provides the capital investment to deliver new school places required by population growth in areas of limited surplus capacity within our schools. The Council's School Organisation Plan is the evidence base that supports the commissioning of these new school places over a rolling five year period. The programme is funded by a combination of sources including Department for Education basic need grant, developer contributions and Council borrowings and capital receipts.
20. The rolling five year programme is dynamic with perpetual changes in forecasts of income and expenditure across financial years including those arising from variances in S106 totals and trigger points and in the timing and therefore cost profile of many projects.
21. In March 2017 the Council approved the programme for 2017/18 to 2020/21 with gross expenditure of:
 - £10M (net nil) in 2017/18
 - £12.5M (net nil) in 2018/19
 - £37.5M (£15M net) in 2019/20
 - £11M (net nil) in 2020/21
22. The forecasts on income and expenditure across 2017/18 to 2020/21 that were provided to inform the MTFP were taken from a snapshot of the programme's expenditure and income profile as at September 2016.

Given the volatility in forecasts of S106 income the School Organisation Team will now meet each quarter with the Regeneration team to review the forecast.
23. The revised forecast for the NSP programme for 2017/18 is gross expenditure of:
 - £13.9M (net nil) in 2017/18
 - £3.0M (net nil) in 2018/19
 - £8.0M (net nil) 2019/20
 - £12.0M (net nil) in 2020/21.
24. The 2017/18 NSP programme includes expenditure on 16 separate capital projects, most of which span more than a single financial year.
25. These projects include the provision of 1,500 new lower school places, 720 new middle school places and 285 new upper school places as expansions to existing schools or new school sites. These places have been commissioned to serve the communities of Ampthill, Fairfield, Flitwick, Biggleswade, Barton, Cranfield, Henlow, Leighton Linlade, Marston, Shefford, Silsoe and Stotfold.
26. All of the Council's New School Places are commissioned from Ofsted Good and Outstanding schools and academies. All of these new places have been provided local to the area of demographic demand where possible, ensuring a

sense of community belonging, supporting community use and promoting sustainable modes of transport. The addition of these new places as expansions to existing schools ensures their financial and therefore educational viability. All have been briefed and designed by Council officers and school leaders to provide teaching and non teaching school facilities that are recommended by DfE guidance and complement good and outstanding teaching.

Schools Capital Maintenance

27. This rolling programme is externally funded by a Department for Education (DfE) grant but does require schools to contribute to the cost of works, as set out in a formula contained within the Central Bedfordshire Council's Scheme for Financing Schools. These contributions are invoiced once planned works are complete. The contributions agreed to date indicate that income from schools contributions will be circa £0.2M in 2017/18.
28. In April 2017 the DfE announced the 2017/18 allocation of school condition funding to the Council for strategic capital maintenance of its school buildings. The allocation for 2017/18 is £2M. In addition to the grant, £0.2M unallocated funds from 2016/17 are to be utilised, making a total budget of £2.2M for the 2017/18 Schools Capital Maintenance Programme.
29. The schools capital maintenance programme for 2017/18 is funding projects including kitchen ventilation; roof repairs; boiler and heating replacement; lighting; fire alarms and renewal of electrical distribution boards.
30. The results of the Councils schools condition surveys in 2015 and the multi year indicative allocation of the DfE grant have enabled a five year programme of works to be developed, improving the ability to prioritise and communicate those priorities to schools for their own asset management planning.

Community Services

31. The directorate forecast outturn is below budget by £4.8M (gross) and above budget by £0.2M (net).

The table below highlights the areas of spend:

Community Services Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget	Gross Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Assets	17,551	15,373	(2,178)	2,490	312
Environmental Services	4,895	1,811	(3,084)	0	(3,084)
Leisure	7,008	7,023	15	0	15
Transport	33,830	34,250	420	2,897	3,317
IT	3,500	3,500	0	0	0
Total	66,784	61,957	(4,827)	5,387	560
% of Budget		92.8%			

Community Services Full Year Net Budget and Forecast					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Assets	17,551	15,373	(2,178)	2,490	312
Environmental Services	4,400	1,316	(3,084)	0	(3,084)
Libraries	0	0	0	0	0
Leisure	2,947	5,983	3,036	(3,037)	(1)
Transport	13,972	16,412	2,440	521	2,961
IT	3,500	3,500	0	0	0
Total	42,370	42,584	214	(26)	188
% of Budget		100.5%			

Assets

32. The major projects are;

- CBC Built Asset Programme (£2.705M),
- Thorn Turn Infrastructure (£0.901M),
- Enhancement work for disposals (£0.641M),
- Strategic Acquisitions (£8.151M),
- Energy Efficiency Improvement (0.378M),
- Farm Compliance (£0.563M),
- Westbury Phase 2 Industrial Units (£0.800M),
- Biggleswade Property Regeneration (£1.000M),
- Working Smarter (£0.318M)
- the new Crematorium (£2.000M)

33. The net forecast position for Assets is £15.373M. There is slippage of £1.550M for the crematorium where various options are being assessed and it is unlikely that it will be on site this financial year. Similarly there is a deferral of £0.940M for the Biggleswade Property Regeneration where feasibility options are likely to commence in the final quarter. Also, there is a forecast overspend of £0.311M on Stratton scheme due to a payment to Highways England for the A1 Biggleswade junction improvements.

Environmental Services

34. Environmental Services are forecasting a £3.084M underspend. This is due to Thorn Turn Waste park forecasting below budget by £3.1M, which offsets the above budget forecasts in the Household Waste Recycling Centre (HWRC) scheme and the Highways south depot scheme. A virement of £3.102M (gross and net) is requested from the Thorn Turn Waste park scheme to the Highways South Depot scheme.

Key Achievements to date:

35. Sundon Landfill Restoration – Final snagging with soil importation contractor completed. Planting of trees and shrubs completed on final phases. Installation

of fencing on western side of railway undertaken by Network Rail and gates installed across haul road bridge to the site

36. Waste & Recycling Containers, provision of replacement Bins & Containers – Successful procurement and provision of 90 x 140 litre, 2,760 x 240 litre, 288 x 360 litre, 2 x 660 litre, 16 x 1100 litre, 4,200 x 23 litre food caddies, 25 x plastic street litter bins, 20 x metal street litter bins, 30 x dual recycle/litter bins.

37. Houghton Hall Park – the new visitor centre is progressing well. Works completed included internal and external walls, roof construction, first fix electrics and commencement of the curtain walling (window) installation. The capital build works are on track for completion in Q2 2017

Leisure

38. Leisure is forecasting a £3.037M variance over budget, this is due to delays in receiving the external funding of £3.036M for the old Flitwick leisure centre, which is now not expected until 2018/19. The delay is due to the appointment of consultants to carry out an options appraisal in order to increase care provision on the site. There is a forecast overspend of £0.100M against Houghton Hall Park with outdoor access showing a £0.100M underspend for which a virement is to be processed.

39. Key Achievements to date:

40. Library & Leisure Centre Renewal Dunstable – Wates Construction Ltd have officially been appointed. The building has closed and the site enabling phase of works has commenced. Planning Application and pre-commencement conditions have been discharged. This project is on track.

41. Leisure Strategy – Delivery with Stakeholders – The Sandy Athletics Track has been successfully resurfaced and the project completed. The track now meets the International Association of Athletics Federation (IAAF) specification requirements.

Leisure Strategy – Stock Condition – Final works successfully completed to Houghton Regis Leisure Centre male & female changing areas and The Grove Theatre including the installation of a semi-sprung floor, door adjustment and decoration in the conference room to provide greater accessibility for a wider range of activities. Both projects were in preparation of the Dunstable Leisure Centre closure.

Transport

42. Transport is forecasting a £2.44M net variance over budget. This is due to an forecast above budget of £3M on the Highways South Depot scheme, for which a virement is proposed, and £0.521M of net expenditure being slipped to the next financial year. The slippage of £0.521M relates to two projects: £0.442M for the North Depot where work will continue until 2018/19 and £0.079M for the A421-M1 scheme. The A421-M1 junction will be reviewed

once the DfT business case is submitted in August.

Key Achievements to date:

43. A421-M1 Junction 13 – Milton Keynes Magna Park – A421-M1/J13, Milton Keynes, Magna Park – Work on the transport model to inform the Full Transport Business Case has been progressed and is programmed, subject to a tendered price and the acquisition of land, to be submitted to DfT by 29th September 2017. The detailed design has been completed by Jacobs and has been used as the basis for tender which is being undertaken via the Eastern Highways Alliance Framework. The tender documents went out on Friday 30th June and will be returned for consideration by 29th August 2017. Negotiations for the land within CBC required for the project is almost concluded and the Option Agreement and Heads of Terms have been agreed with the land owners. Negotiations for the land within Milton Keynes Council required for the project is complex and proving more difficult. However, progress is being made and is programmed to be concluded before the end of September. This work is being funded by DfT who have awarded Section 31 Grant for financial year 2017/18 of £0.5M.
44. Street Lighting – The Column Replacement Programme Phase 2 for Dunstable of 110 columns has been handed over. Column replacement for Ampthill has been handed over. Work orders have been placed for the replacement of damaged street lights in 20 locations.
45. Structural Maintenance -3 carriageway resurfacing schemes have been completed covering 0.8 km's.
46. Highways Flooding & Drainage -Design and investigation work orders have been placed for 10 schemes (of which one is now completed and awaiting contractor's commercial team to agree costs). A limited amount of construction work has been completed on site as part of the ongoing Russell Drive scheme.
47. Highways Bridge Assessment and Maintenance Mill Farm Culvert – Construction was completed at the end of April on Mill Farm Culvert and construction is estimated to be completed on Broughton Road Culvert by the end of June.

IT

48. There are three major projects which are
 - Digitisation (budget £2.0M)
 - ICT Strategic Investment (budget £1.0M)
 - IT Infrastructure Rolling Programme (budget £0.5M)
49. The full year forecast is currently on budget. There is not expected to be any overspends against the full year budget of £3.5M. There is also currently no proposed deferred budget to future years.
50. There is a year to date (YTD) underspend in IT Capital of £0.2M. Against a budget of £0.6M there has been £0.4M expenditure to date.

Regeneration & Business Support

51. The directorate forecast outturn is under gross budget by £4.1M and under net budget by £3.4M. Of this £3.38M is proposed to slip to 2018/19 and £0.02M is forecast underspend.

The table below highlights the areas of spend :

Regeneration & Business Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget	Gross Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Strategic Infrastructure	9,779	5,738	(4,041)	4,020	(21)
Other	9,990	9,903	(87)	87	0
Total	19,769	15,641	(4,128)	4,107	(21)
% of Budget		79.1%			

Regeneration & Business Full Year Net Budget and Forecast					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Strategic Infrastructure	5,804	2,763	(3,041)	3,020	(20)
Other	3,846	3,483	(363)	363	0
Total	9,650	6,246	(3,404)	3,383	(20)
% of Budget		64.7%			

52. The gross forecast below budget in Strategic Infrastructure primarily relates to the M1-A6 Phase 1 and 2 scheme where £3.0M(net) deferred spend is forecast, as the business case is yet to be submitted and signed off by the Department for Transport. Costs for this year are only expected to be for the design.
53. The Local Broadband Infrastructure scheme has now completed but has underspent by £0.3M (net) and in accordance with the contractual terms any underspend will be slipped to future projects or repaid to BDUK, this is therefore forecast as deferred spend.
54. The underspend of £0.02M relates to the Dunstable A5/M1 Link Road Strategic Infrastructure scheme where there is no anticipated spend this year.

Central Bedfordshire Council

Executive

10 October 2017

June Q1 Housing Revenue Account Budget Monitoring

Report of Cllr Carole Hegley, Executive Member for Social Care and Housing (carole.hegley@centralbedfordshire.gov.uk) and Cllr Richard Wenham, Deputy Leader and Executive Member for Corporate Resources (richard.wenham@centralbedfordshire.gov.uk)

Advising Officers: Julie Ogley, Director of Social Care, Health and Housing (julie.ogley@centralbedfordshire.gov.uk) and Charles Warboys, Director of Resources and s151 Officer (charles.warboys@centralbedfordshire.gov.uk)

This report relates to a Non Key Decision.

Purpose of this report

1. The report provides information on the 2017/18 Housing Revenue Account (HRA) projected outturn revenue and capital position as at June 2017.

RECOMMENDATIONS

The Executive is asked to note :

1. that the Revenue forecast position is to achieve a balanced budget with a contribution to HRA Reserves of £6.020M, thus strengthening the Council's ability to invest and improve its stock of Council Houses;
2. that the Capital forecast position indicates a net outturn of £12.654M, against a budget of £14.342M. It is proposed that £1.688M of future investment works are deferred to 2018/19; and
3. that Right to Buy (RtB) sales will be monitored for the possible impact on predicted surpluses in the medium to longer term.

Issues

2. The revenue forecast position as at the end of June 2017 projects a year end surplus of £6.020M compared to a budgeted surplus of £6.115M, a decrease of £0.095M.
3. The forecast position for the HRA capital programme indicates a net outturn below budget at £12.654M; this includes deferred works of £4.009M from 2016/17. It is proposed that £1.688M of future investment works are deferred to 2018/19.

4. The 2017/18 budget for the HRA anticipates a contribution to the Independent Living Development Reserve (ILDR) of £5.796M and contribution to the Strategic reserve of £0.319M. The year end forecast currently suggests a contribution to reserves of £6.020M, comprising £5.796 to ILDR and £0.224M to the Strategic reserve. This equates to a predicted total reserve balance of £23.464M

Council Priorities

5. Sound financial management contributes to the Council's Value for Money and enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 6 Council priorities.

Corporate Implications

Legal Implications

6. None.

Financial Implications

7. The financial implications are contained in the report.

Equalities Implications

8. Equality Impact Assessments were undertaken prior to the allocation of the 2017/18 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

Conclusion and next Steps

9. The report presents the 2017/18 HRA financial position as at the end of June 2017. It sets out spend to date against the profiled revenue and capital budgets, the forecast financial outturn, and provides explanations for any variations. This report enables the Executive to consider the overall financial position of the HRA.

Appendices

Appendix A – Housing Revenue Account Detailed Commentary

APPENDIX A

HRA REVENUE ACCOUNT (HRA)

1. The HRA annual expenditure budget is £22.524M and income budget is £28.639M, which allows a contribution of £6.115M to reserves to present a net budget of zero.
2. A subjective breakdown of budget, year to date position and forecast outturn is shown in **Table 1** below.

	2017/18 Budget	Budget YTD	Actual YTD	Variance YTD	Full Year Forecast	Variance Full Year Forecast to
	£m	£m	£m	£m	£m	£m
Total Income	(28.639)	(7.160)	(7.048)	0.112	(28.727)	(0.088)
Housing Operations	7.696	1.924	1.852	(0.072)	7.768	0.072
Financial Inclusion	0.461	0.115	0.116	0.001	0.461	-
Housing Investment	0.123	0.031	0.017	(0.014)	0.118	(0.005)
Corporate Resources	2.063	0.516	0.535	0.019	2.139	0.076
Maintenance	5.084	1.271	1.279	0.008	5.124	0.040
Debt related costs	0.119	0.030	0.030	-	0.119	-
Direct Revenue Financing	2.327	0.582	0.582	-	2.327	-
Efficiency Programme	(0.750)	(0.188)	(0.188)	-	(0.750)	-
Interest repayment	3.941	0.985	0.985	-	3.941	-
Principal repayment	1.460	0.365	0.365	-	1.460	-
TOTAL Expenditure	22.524	5.631	5.573	(0.058)	22.707	0.183
Surplus	(6.115)	(1.529)	^(1.474)	0.055	(6.020)	0.095
Contribution to / (from) reserve (at year end)	6.115	1.529	^1.474	(0.055)	6.020	(0.095)
Net Expenditure	-	-	-	-	-	-
^ Included for balancing and illustrative purposes only						

3. The year to date variances across the HRA show an adverse variance of £0.055M, whilst the full year forecast shows an adverse variance of £0.095M resulting in a full year surplus of £6.020M.
4. The forecast full year adverse variance of £0.183M on expenditure is a result

of under achievement of the Vacancy Management Saving and additional fire safety assessment and audit work following the Grenfell Tower tragedy. Fire safety at all properties requiring fire risk assessment will be reviewed during the rest of this financial year. The Corporate recharge forecast adverse variance of £0.076M reflects the outturn for 2016/17, but at this stage is currently an estimate as the final calculation does not take place until year end.

HRA CAPITAL PROGRAMME

5. The HRA Capital budget is £14.342M which includes slippage from 2016/17 of £4.009M. Across the HRA Capital Programme there is a year to date positive variance of £0.015M due to delays in tendering for the Houghton Regis Central project.
6. The full year forecast within Stock Protection is on budget at £6.045M. Projects relating to Future Investment are forecast to outturn at £6.609M, with proposed slippage into 2018/19 of £1.688M.
7. Analyses of forecast spend, and variance to year to date profile, for each HRA scheme is presented at **Table 2** below. The proposed funding of the programme is shown at Table 3.

	Budget 2017/18	Full Year Forecast	Variance	Monthly Budget Monitoring June 17		
				Profiled YTD	Actual YTD	Variance
Stock Protection	£'000	£'000	£'000	£'000	£'000	£'000
General Enhancements	105	105	0	25	2	(23)
Fire Safety & Alarm Systems	104	104	0	10	2	(8)
Garage Refurbishment	115	115	0	16	7	(9)
Paths & Fences Siteworks	110	110	0	27	0	(27)
Estate & Green Space Improvements	326	326	0	0	3	3
Energy Conservation	538	538	0	0	69	69
Roof Replacement	555	555	0	0	0	0
Assisted Living Technology	13	13	0	0	8	8
Central Heating Installation	738	738	0	79	31	(48)
Rewiring	233	233	0	23	56	33
Kitchens and Bathrooms	777	777	0	105	195	90
Central Heating communal	26	26	0	0	0	0
Door Replacement	290	290	0	73	55	(18)
Structural Repairs	221	221	0	69	36	(33)
Aids and Adaptations	425	425	0	112	29	(83)
Drainage and Water Supply	36	36	0	9	1	(8)
Capitalised Salaries	510	510	0	125	125	0
Asbestos Management	258	258	0	63	60	(3)
Parking Schemes	236	236	0	0	0	0
Investment Panel Programme	50	50	0	0	0	0
Communal/PIR Lighting	73	73	0	35	23	(12)
Targeted Door Replacement	6	6	0	1	1	0
Sheltered Housing Refurbishment	150	150	0	127	107	(20)
New Windows	150	150	0	25	93	68
Sub Total	6,045	6,045	0	924	903	(21)

	Budget 2017/18	Full Year Forecast	Variance	Monthly Budget Monitoring June 17		
				Profiled YTD	Actual YTD	Variance
Future Investment	£'000	£'000	£'000	£'000	£'000	£'000
Stock Remodelling	130	130	0	33	3	(30)
Houghton Regis Central	2,000	312	(1,688)	10	21	11
Site Development	315	315	0	0	0	0
Garage Site Development	269	269	0	0	0	0
Croft Green	3,895	3,895	0	0	0	0
New Build & Acquisitions	1,017	1,017	0	515	540	25
Crescent Court	313	313	0	0	0	0
Havelock Road	200	200	0	0	1	1
Windsor Drive	158	158	0	1	0	(1)
Sub Total	8,297	6,609	(1,688)	559	565	6
TOTAL HRA	14,342	12,654	(1,688)	1,483	1,468	(15)

Table 3

Proposed Funding of HRA Capital Programme	
Source	£'000
Revenue Contributions	2,327
Useable Capital Receipts	4,000
Independent Living Development Reserve	312
Strategic Reserve	6,015
Total	12,654

STOCK PROTECTION

8. At this early stage in the year it is anticipated that Stock Protection will outturn on budget at £6.045M.
9. There are a number of minor year to date variances across Stock Protection due to expenditure being either marginally behind or ahead of profile on various projects, resulting in an overall favourable variance of £0.021M.
10. There is a potential risk of an over spend on the fire safety capital budget, whilst the Council responds to changing fire safety guidance and best practice following the Grenfell tower incident. For example the installation of sprinkler systems in blocks of flats of four floors or higher is being investigated.

FUTURE INVESTMENT

11. Houghton Regis Central is a site comprising the vacant former Co Op site, the Grade II listed Red House and Red House Court in Houghton Regis town centre. The development will involve re-development in two stages, with construction initially taking place on the Co Op site to allow the current Red House Court residents to move to new apartments. This would enable the existing building (Red House Court) to be demolished, to then provide homes and new facilities on the existing site. The scheme will comprise 168 independent living apartments on a mixed tenure basis.
12. The scheme received planning consent in November 2016 and it is proposed that construction will start on site in the summer of 2018. The reason for the revised start date is due to re-programming following the establishment of new governance structures. This will enable a comprehensive tender pack to be prepared and a robust procurement process to be followed. As a result it is predicted that only £0.312M of the original budget of £2M will be spent in this financial year.
13. Major construction work at the Croft Green Development was forecast to commence in June 2017 with completion forecast for the winter of 2018. A

preferred bidder has been identified and the decision to award Part A of the contract was taken at the June 2016 Executive. The contractor was appointed to progress the Part A works. When complete, the development will provide 24 self-contained apartments and communal facilities. The contract sum that has been received and negotiated with the contractor would mean that the project is not currently in a financial viable position. Options for delivery are currently being considered.

14. There are increasing homelessness pressures, which are impacting upon General Fund (GF) transitional accommodation (TA) budgets. The approach being taken is to create “system resilience” for the future, establishing flexible provision across Central Bedfordshire, to be managed intensively as either TA and/or supported housing. The Housing Service has created an Intensive Property Management Team (within the HRA) that will manage all of the properties and rooms that are used for TA on a ‘hotel-style’ basis, in part to maximise income; but more importantly, to avoid cost at the level seen in neighbouring local authorities.
15. Over time, it is envisaged that this provision will increase to circa 250 units (homes, single rooms, shared accommodation). The use of this circa 250 units will function flexibly, as both TA and accommodation based supported housing, the main aim being to avoid cost to the system. Whilst management and maintenance costs are significantly higher for this type of accommodation, the greater concentration of tenancies will also generate additional income for the HRA. More importantly, this approach directly facilitates the Housing GF efficiencies, to reduce TA Budget provision over a three year period.
16. As part of this approach it was proposed and agreed to transfer Greenacre, the former care home in Dunstable, from the GF into the HRA. In the short to medium term this can provide flexible bedsit accommodation for up to 42 households, people, addressing demands for TA or Supported accommodation. In the longer term the site could be regenerated to provide new housing supply and would certainly enhance the HRA’s portfolio of assets. Work has commenced on refurbishing the site on a phased basis so it can start to provide accommodation from the latter part of 2017. The first phase will inform the refurbishment of the rest of the block. Various planning and building regulation permissions are being sought currently.

HRA EFFICIENCY PROGRAMME

17. Since 2010 the Housing Service has been using Housemark to provide a benchmarking service. The analysis provided has assisted in identifying the areas where HRA expenditure is high relative to other stock retained

authorities. Benchmarking has indicated, for example, that we should review the Repairs Delivery model, the result of which has been the achievement of 'in year' savings and further proposals for HRA efficiencies going forward.

18. The HRA revenue budget for 2017/18 was reduced by £0.750M, as part of the Council's efficiency programme.

19. This year's HRA efficiency target comprises mainly increased service charge income within Supported Housing (£0.150M), reduced Day to Day and Void maintenance costs (£0.130M), and savings resulting from the tenancy sustainment approach (£0.110). The remaining £0.360M is made up of: savings related to Business Process Review and Management rationalisation, reduction in cost relating to Sheltered Housing and reduced communications costs resulting from use of new media. The overall efficiency target for 2017/18 is forecast to be fully achieved.

HRA ARREARS

20. Table 4 shows a breakdown of the HRA debt position at June.

Table 4 debt

Debt Analysis - Tenant Arrears						
Description of debt	0-4 weeks	4-8 weeks	8-13 weeks	13-52 weeks	Over 1 yr	TOTAL
	£M	£M	£M	£M	£M	£M
Current Tenant	0.186	0.142	0.083	0.103	0	0.514
Former Tenant	0.008	0.01	0.015	0.071	0.409	0.513
						1.027
Debt Analysis - Other Arrears						
Description of debt	From 1 to 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 365 days	Over 1 yr	TOTAL
	£M	£M	£M	£M	£M	£M
Leaseholders	0.000	0.000	0.000	0.000	0.000	0.000
Misc recoveries	0.000	0.000	0.001	0.001	0.004	0.006
Shops	0.011	0.000	0.006	0.004	0.008	0.029
Void recoveries	0.008	0.000	0.000	0.005	0.020	0.033
	0.019	0.000	0.007	0.010	0.032	0.068

21. Total tenant debt amounted to £1.027M compared to £1.044M at the end of May 2017. Current Tenant Arrears (CTA) are £0.514M or 1.58% (£0.546M or 1.72% at May) of the annual rent debit of £32.562M, against a target of 1.8%, whilst Former Tenant Arrears (FTA) are at 1.58% with a balance of £0.513M against a target of 1.75% (1.57% with a balance of £0.498M at May).

22. In light of welfare reform Housing Operations have implemented a pro-active

approach to managing the impact on rent arrears. This includes early intervention, downsizing where necessary, increased contact with our residents, supporting tenants in making the right decisions regarding payment of rent and strong enforcement action when all other options have been exhausted. A new Tenant App is shortly to be launched whereby tenants will find it even easier to engage with staff and access more information- for example the balance on their rent account. It is hoped that this new service will have a similarly positive impact on maximising income.

23. Contacts with other Registered Providers of social housing have enabled us to benchmark, research good practice, and ensure genuine unrecoverable debts are presented for write off quarterly. This ensures the FTA officer is concentrating their time on cases with the highest probability of recovery. Since 2015 recovery of FTA debt has taken on a completely different approach from previous years as research has shown that the probability of recovery can actually increase with the age of the debt. For example, if a family is evicted from one of our properties it can take between 3 to 12 months for the family to resettlement, enabling a trace to be made and thus the debt can be pursued.
24. Debt recovery plans may be put in place and take several years to settle. An affordable payment plan reviewed on a regular basis increases the probability of full recovery. Where contact is maintained, debt can be recovered up to 6 years after becoming an FTA, however where a period of 2 years has elapsed and no contact or trace has been possible the debt will be put forward for write off.
25. There are currently £0.068M of non tenant arrears (£0.053M at May), which comprises the following: rents at shops owned by the HRA, service charges and ground rent relating to leaseholders who purchased flats via the Right to Buy scheme, and property damage relating to existing and former tenants.

PROMPT PAYMENT INDICATOR

26. The performance target for payment to suppliers, where there is no dispute over the amount invoiced, is 90% of invoices paid within 30 days of invoice receipt date. The HRA performance for June was 96.1% of 204 invoices (94.1% of 107 invoices in May) paid on time. Work is ongoing to create 'end to end' system integration between SAP and the QL system, so as to improve performance overall. This project is progressing well and will significantly improve timescales for making payment.
27. Since the beginning of the financial year, actions that have been implemented to improve this aspect of the service have resulted in a dramatic improvement

to the extent that performance has been consistently above 90%.

HRA CAPITAL RECEIPTS

28. New Right to Buy (RtB) discounts and proposals for re-investing the capital receipts came into effect from April 2012, which increased the maximum discount available to tenants from £0.034M to their current level of £0.079M.
29. Up to the end of June 2017, 18 RtB applications were received with 6 properties being sold, compared to 28 Applications and 9 sales over the same period in 2016/17. It is currently projected that the number of RtB sales will be approximately 20 to 25 for the year, resulting in a residual receipt for the year of circa £2M.
30. The Council has a balance as at quarter 1 of useable capital receipts of £7.083M, of which £3.540M is reserved for investment in new social housing. The Council has entered into an agreement with the Secretary of State to invest these receipts in new social housing. The use of these receipts is restricted to schemes that do not receive Homes and Communities Agency (HCA) funding.
31. The retained receipt from RtB sales can represent no more than 30% of the cost of the replacement properties. Since the agreement was signed in 2012, £4.523M has been spent on replacement properties up to 30 June 2017. The Council is committed to spend a further £11.802M on replacement properties by 30 June 2020.
32. The HRA's Budget proposals for the period of the Medium Term Financial Plan (MTFP) propose significant investment in new build (in excess of £12.6M by 30 June 2020).
33. Current projections suggest RtB sales will not have a negative impact on the Business Plan, particularly if the number of new build properties exceeds the properties sold. However if annual RtB sales were to make up a significant percentage of the Housing Stock, such that it diminished by 10% (equivalent to approximately 500 properties) or more over the period to 30 June 2020, then this would pose a threat to the surpluses predicted both in the medium and longer term.
34. If additional sales continue to represent a small percentage of the Council's stock, so there is no material impact on the Business Plan, there is a significant benefit as retained receipts will provide the Council with additional funds for reinvestment.

35. As at 1 April 2017 the balance of HRA Usable Capital receipts was £6.474M. It is anticipated that £2M of RtB receipts will be retained in the current year, this delivers a subtotal of £8.474M. It is proposed to use £4.0M of usable receipts to part fund the Capital programme, so the balance carried forward is forecast to be £4.474M.

RESERVES

36. The total reserves available as at year end 2016/17 were £23.771M, comprising £2.0M in HRA Balances, £14.898M in the Independent Living Development Reserve, £6.673M in the Strategic Reserve and £0.200M in the Major Repairs Reserve.

37. The current position indicates a year end balance in reserves of £23.464M. HRA Balances are projected to remain at a contingency level of £2.000M, with the Independent Living Development Reserve increasing to £20.382M, the Strategic reserve reducing to £0.882M, and the Major Repairs Reserve (MRR) remaining at £0.200M.

38. In total this equates to a forecast contribution to reserves for the year of £6.020M, offset by spend from reserves of £6.327M to result in a net reduction of £0.307M.

39. An Investment Strategy has been formulated, that sets out proposals for the use of the reserves that are forecast to materialise in the short to medium term. This strategy is referred to in the HRA Budget Report that was approved by Council in February 2017, and continues to be refined as part of the Council's Medium Term Financial Plan.

Table 5 – Reserves

Reserves **Month: June 2017**

Description	Opening Balance 2016/17	Spend against reserves	Release of reserves	Proposed transfer to Reserves	Proposed Closing Balance 2017/18
	£000	£000	£000	£000	£000
HRA Balances	2,000	-	-	-	2,000
Independent Living Development Reserve	14,898	(312)	-	5,796	20,382
Strategic Reserve	6,673	(6,015)	-	224	882
Major Repairs (HRA)	200	-	-	-	200
	23,771	(6,327)	-	6,020	23,464

Table 6 – Directorate Summary

Month: June 2017	Year to date				Year				
Director	Budget	Actual	Use of Reserves	Variance	Approved Budget	Provisional Outturn	Variance	Transfers to/(from) reserves	Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Assistant Director	4,236	4,231	-	(5)	16,945	16,861	(84)	-	(84)
Housing Operations	(5,919)	(5,833)	-	86	(23,677)	(23,478)	199	-	199
Repairs and Business Management	1,531	1,500	-	(31)	6,123	6,163	40	-	40
Financial Inclusion	133	128	-	(5)	531	381	(150)	-	(150)
Housing Investment	20	5	-	(15)	78	73	(5)	-	(5)
Total	0	31	0	31	0	0	0	0	0

Procurement Update

OSC Committee Meeting 30th Nov 2017
Head of Procurement - Paul Meigh

Governance – why we have procurement rules

- Required to be part of our constitution and are Contained in Part 4J – Code of Procurement Governance.
- Compliance to the Public Contracts Regulations 2015 and EU Treaty Principles on transparency and non discrimination.
- To ensure Compliance with applicable legislation for example:
 - Best Value duty under the Section 3 of the Local Government Act 1999.
 - Section 17 of the Local Government Act 1988.
 - Ensures good and consistent practice across the Council.

Scope of the Rules

- The rules apply to the conduct of procurements and award of contracts in relation to goods, works and services.
- The rules do not apply to the following:
 - Delegation of functions to other Councils.
 - Partnering arrangements where the Council is not the lead authority and the procurement rules of the lead authority apply.
 - Employment contracts.
 - Grants to organisations where services are provided to the community as opposed to services provided on behalf of the Council.
 - Contracts for the sale of land (pure sale of land) are governed by Asset Management Financial Procedure 9.

Procurement Procedure Rules - Quick Guide (PT70)

Step 1

FOR ALL PROCUREMENTS

You must use existing Corporate Contracts set up by the Council and available on the intranet under Procurement and in-house services (Print, Archaeology and ICT). If there is no existing contract you should check if a “framework” contract exists for that service via the “Procurement Hub” <http://contracts.eelga.gov.uk/>. Only after those two routes have been explored should you follow the rules and methods detailed in Step 2 below. Contact Procurement /Legal Teams if you need help or if it’s High Value.

Step 2

Up to £2,000

For contracts valued up to £2,000 the principles of best value apply and should be documented. Wherever possible obtain at least two competitive quotations.



£2001 - £20,000

QUOTATION

A minimum of three written quotations using the simplest of quotation documents. If the spec is more complicated/critical, you should use a higher value form.



Request for Quotation-
Low Value (PT54)

£20,001 - £59,999

QUOTATION

At least three suppliers should be invited; five or more is best practice. It should be a “sealed bid” If the spec is simple use a lower value form.



Request for Quotation
(PT38)

**£60,000 - OJEU
Threshold Supplies
/ Services £164,176**

A formal Open tender with advertisement which allows anyone to bid for the goods works and services. Works above £164,176 you can run a restricted process



Tender Open below
OJEU - No PQQ (PT66)

OJEU Threshold

**Works £4,104,394, Supplies
& Services £164,176, Health
& Social Care £589,148**

Above EU threshold you must advertise in OJEU. CBC mainly use the Restricted or Open procedures. There are other procedures available, Always consult the Procurement team for advice.



Tender Open OJEU (PT38)
Pre Qualification (PQQ)
Selection Questionnaire
(PT17)
Tender Restricted OJEU
(PT46)

Item 13
Page 4

**For Detailed Instructions see The Interactive Procurement Toolkit.
Procurement above £20k must use the Council’s electronic tender process
(In-Tend)**

Procurement Planning

- Start planning procurements early – there are potentially significant financial consequences of not complying with the Public Contracts Regulations 2015 (PCR 2015).
- Obtain benchmarking data and consider engaging with the market (PCR 2015 endorse this).
- Consider which route to market and what process meets your requirements.
- Identify, consider and take steps to mitigate risk.
- Involve legal, procurement and finance as early as possible.
- Engage with OSC and Executive Committees as appropriate.

Procurement Considerations & Contract Management

Consider: Producing a Business Case for the requirement; The total value of the Procurement; If TUPE applies See interactive toolkit for guidance see link below Contact Procurement /Legal Teams if you need help

Approval to Incur Expenditure

Managers must not commit expenditure until they are certain that sufficient budgets have been approved in compliance with the Council's Constitution (see below for link to Constitution). It is important to engage with your Finance support at the earliest opportunity to identify the costs and benefits of the procurement and to confirm the relevant route for approval of any subsequent expenditure. <http://www.centralbedfordshire.gov.uk/modgov/ecSDDisplay.aspx?name=Constitution&clean=1>

Project Start up Docs

- Quotation & Tender Date Calc PT69
- Project Start doc (PT57)
- Advert Expression of Interest (PT22)

Terms and Conditions

- CBC Minor T&C's (PT18)
- CBC Major T&C's (PT19)
- CBC Consultancy T&C's PT20

Awarding The Contract

- Contract Agreement (PT41) Contract Signing (PT47)
- Savings Form (PT56) Successful Letter non OJEU (PT32)
- Unsuccessful Letter non OJEU (PT31)

Contracts Over £5,000 must be placed on the Council's Contracts Register.

Contract Administration

The procurement/commissioning cycle does not end at order placement. Contract management is a key element. You should have a copy of the contract and regularly monitor :

- | | |
|--------------------------|--------------------------------|
| • KPI's | Contract Performance |
| • Costs | Outcomes & Benefits |
| • Systems for monitoring | Recording Issues & Resolutions |
| • Managing payments | Tracking Benefits |

Supplier Relationship Management

Annual efficiency and improvement reviews must be undertaken which monitor and report on progress against the contract. Reviews should look at performance, price, quality, delivery and any possible efficiency savings by using these documents. You should also record the final outcome/performance using Contract Completion form PT62.

Contract Efficiency Review Letter
(PT55)

Efficiency Monitoring
form (PT55)

Contract Completion Report (PT62)

Item 1
Page

NEED MORE HELP? For further guidance see interactive procurement toolkit

<http://intranet.centralbedfordshire.gov.uk/directorates-service-areas/improvement-corporate-services/procurement/toolkit.aspx> or contact the Procurement Team on: procurement@centralbedfordshire.gov.uk

Procurement Process (1)

- Creation of the procurement pack includes the entire process prior to publication.
 - Scope of procurement
 - Documentation includes: Standard Selection Questionnaire (SSQ), Invitation to Tender (ITT), scope of work, timeframe, pricing, KPIs, Ts&Cs, quality questions, selection criteria i.e. quality v price, scoring methodology and other relevant documentation.
- Preparation importance and timeframe.
- Managing the procurement process from publication and addressing clarifications.
 - Use of tender management system In-Tend.
 - All threshold procurements electronic.

Procurement Process (2)

- Evaluation of submissions (quality v financial considerations, evaluation team members & training, e.g. stakeholders can include tenants and members).
- Award approval required e.g. by Executive Committee.
- Award according to the evaluation outcome includes feedback on performance.
- Handling and advising on challenges both in formal and formal.

Decision making

- The award of all contracts must be properly authorised in line with the Constitution.
- Proper authorisation will depend on the circumstances of the procurement and the budget position.
- Officers at the Procurement planning stage should establish the correct authorisation.
 - Seek advice from Legal, Procurement and Finance

Waivers

- Waivers from CBC's procurement rules are **not** permissible for contracts valued above the EU threshold. The regulations provide for exceptions.
- Waivers from CBC's procurement rules will only be considered in a defined set of circumstances such as:
 - genuinely no competition
 - unforeseen emergency involving immediate risk to persons property or a serious disruption to Council Services
 - Extension to existing contract where changing supplier would cause disproportionate technical difficulties, diseconomies of scale or significant disruption to Council services
- Starting planning procurement late is NOT a ground for a waiver.

Statistical Information (1)

Procurement Performance Metrics – Extract from the MiH Scorecard (Oct 17)

...	Percentage of PO's raised after invoice date	Monthly	12.0 %	Sep 17	↑	★
...	% of procurement activity in line with the corporate pipeline (overall)	Quarterly	78 %	Sep 17	↓	●
...	Greatest variance in accuracy of pipeline projection of procurement activity	Quarterly	0 %	Sep 17	↑	■
...	Value of Waivers Approved per Month	Monthly	£203,134	Sep 17	↑	★
...	Percentage spend on contract	Monthly	94 %	Sep 17	↓	★

Statistical Information (2)

2016/17 Procurement Projects Undertaken by Directorate, Value and Number

Directorate	Value	Number
Chief Executive's Team	£799,321	5
Children's Services	£4,125,624	2
Community Services	£6,175,213	54
Public Health	£54,297	2
Regeneration	£6,507,854	16
Resources	£270,750	4
Social Care, Health & Housing	£47,585,157	25
Grand Total	£65,518,216	108

(Figs include Hub Projects, value is total contract value)

Transparency

- Required to publish statistics on payments to contractors: - the percentage of contractors paid within 30 days and interest payable on late payments.

Mandatory publications

- Spend above £500
- High level details of invitation to tenders and contracts above £5k. For example, contractor, price and duration of contract.

Discretionary publications

- Entire contracts above £5k, invitation to tenders above £500 and advertise contracts above £10k, spend above £250

The importance of compliance

- Mitigate commercial and legal risk.
- Awarding a contract outside the Procurement Rules would be unauthorised and may mean the contract is void, result in large fines being paid by CBC as well as having to pay damages to contractors who have suffered loss.
- Contract documents and associated documents are subject to audit or freedom of information requests.
- Use of the Council's Procurement Pipeline enables the Council to properly plan resources and consider opportunities across the Council.
- Achieve consistency across the Council.

Shared Legal Services Year 1 Review

Chris Rushworth – Legal Services Business Manager CBC
Quentin Baker – Executive Director LGSS Law
Lynne Owen - Practice Manager LGSS Law

30 November 2017

Key Achievements

- Service mobilisation achieved against challenging timescale
- TUPE transfer of 29 staff completed
- Work coding and billing systems implemented
- Instructing protocols implemented
- Greater scrutiny of legal requests and spend
- Shift to 'intelligent client' culture
- Increased transparency of cost and quality
- Capture of Year 1 experiences to improve Year 2 service delivery

Year 1 Performance Indicators

- Efficiencies target of £240k – Achieved (£260k)
- Customer satisfaction target @ 85%(end of case surveys)- Achieved (95%)
- Staff Satisfaction target @ 95% - Not Achieved (10%)
- Retention of Lexcel Accreditation- Achieved

Year 1 Financial Performance

- Legal work designated as 'Core' (business as usual) and 'Non-Core' (projects/one offs) to capture efficiencies
- Core legal spend reduced to £1972k from £2232k
- Non-Core spend via LGSS Law £51k (previously External spend)
- Additional External spend by Directorates using Legal GL Code £502k of which £110k on external solicitors

TUPE Staff Survey

- A key indicator for Year 1 only is the experience of transferring staff
- A survey was conducted in March 2017 of ex-CBC staff who transferred to the new shared service
- Questions mirrored those in the CBC staff survey to maintain alignment
- Of 21 eligible staff there were 18 responses

TUPE Staff Survey Results

Only c10% of respondents were 'satisfied'

Feedback included:

- Shortfalls in communication
- Perceived lack of assimilation in the wider LGSS Law structure
- Perceived lack of recognition
- Difficult transition to the DPS time recording system
- Lack of benefits package

TUPE Staff Survey Action Plan Headlines

Communications:

- Monthly branch meetings instigated
- Higher management team profile in Priory House
- Company wide 'awayday'
- Quarterly Legal Managers' forum

Training & Development:

- Increase in training and development sessions at Priory House
- Training to include support on main business systems
- T&Cs being harmonised to include incentivisation

Strategic Governance

- Governance Framework reviewed following 2016 LGSS customer survey and Chief Executives interviews
- LGSS is moving to a forum style user group
- LGSS Law limited retains the Management Board – CBC represented by Charles Warboys as a Non Executive Director
- LGSS Law limited retains the Shareholder Board- CBC represented by Cllr Wenham

Applying Learning

- Improvement of billing Management Information (MI) to identify costs drivers and spend patterns
- Target external spend to channel to LGSS Law
- Interrogation of billing detail to identify errors at source
- Setting of financial benchmarks using Year 1 data
- Implementing Fixed Fee Agreements
- Improving customer satisfaction response rates
- Implementing single points of contact under a 'Business Partner' arrangement

Developments for the future

- Lead Business Partner Role now based at Priory House 2 days each week
- Escalation and oversight and a primary point of contact
- Regular communications/meetings with Client Contacts/Directors, quarterly
- Discuss Service area developments in order to resource appropriately and efficiently against future service needs
- Ensure relevant business intelligence is fed back to Leadership Team at LGSS Law

Questions?

This page is intentionally left blank

Central Bedfordshire Council

CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

30 November 2017

Work Programme and Executive Forward Plan

Advising Officer: Paula Everitt, Scrutiny Policy Adviser
Paula.Everitt@centralbedfordshire.gov.uk

Purpose of this report

The report provides Members with details of the currently drafted Committee work programme and the latest Executive Forward Plan.

RECOMMENDATIONS

The Committee is asked to:

1. Consider and approve the work programme attached, subject to any further amendments it may wish to make; and
2. Consider the Executive Forward Plan; and
3. Consider whether it wishes to suggest any further items for the work programme and/or establish any enquiries to assist it in reviewing specific items.

Overview and Scrutiny Work Programme

1. During 2016/17 Members have been invited to share their experiences of the overview and scrutiny process and make suggestions to the Overview and Scrutiny Coordination Panel (OSCP) on future ways of working. This feedback was subsequently considered by the OSCP who resolved to encourage the OSCs to apply the following principles for ways of working:-
 - a. activity be led by the OSCs and residents as well as the Executive Forward Plan;
 - b. more policy development activity be undertaken through the exploration of proposals and principles at the earliest opportunity of commencement of strategy development;
 - c. shorter more focused agendas through prioritisation of items that add value and enable outcomes; and
 - d. create more time for Members outside of formal meetings in addition to providing more opportunity to brief Members informally on some topics.
2. In addition, the OSCP agreed that given the current experience with regard quarterly performance and budget reports a trial should be

undertaken whereby these reports will only be received by the Corporate Resources OSC from April onwards. This trial will enable Members to determine whether this approach provides greater focus on these aspects of scrutiny. All Members will be able to request an item to be added to the agenda of any the OSCs on aspects of budget or performance. The Corporate Resources OSC will also be able to refer matters to the relevant OSC for a 'deep-dive' of any topic if there is a particular concern.

3. The Committee is requested to consider the work programme and the indicated outcomes at **appendix 1** and to amend or add to it as necessary.
4. In considering which items should be added to the work programme Members are encouraged to minimise duplication, focus on those items that have been requested by residents and the committee and to focus on those items where Members can add value.
5. The work programme aims to provide a balance of those items on which the Executive would be grateful for a steer in addition to those items that the Overview and Scrutiny Committee (OSC) wishes to proactively scrutinise.

Overview and Scrutiny Task Forces

6. In addition to consideration of the work programme, Members may also wish to consider how each item will be reviewed, i.e. by the Committee itself (over one or a number of Committee meetings) or by establishing a Member Task Force to review an item in greater depth and report back its findings.

Executive Forward Plan

7. Listed below are those items relating specifically to this Committee's terms of reference contained in the latest version of the Executive Forward Plan. The full Executive Forward Plan can be viewed on the Council's website at the link at the end of this report.

Item	Indicative Exec Meeting date
Non Key Decisions	Indicative Exec Meeting date
Local Council Tax Support Scheme 2018/19	5 December 2017
Quarter 2 2017/18 Housing Revenue Account Budget Monitoring	5 December 2017
Quarter 2 Performance Report	5 December 2017
Quarter 2 2017/18 Revenue Budget Monitoring	5 December 2017
Quarter 2 2017/18 Capital Budget Monitoring	5 December 2017
Draft Budget 2018/19 and Medium Term Financial Plan	9 January 2018
Draft Capital Programme 2018/19 to 2021/22	9 January 2018
Draft Budget for the Housing Revenue Account (Landlord	9 January 2018

Business Plan)	
Treasury Management Strategy and Treasury Policy	06 February 2018
Traded Services to Schools & Academies - Proposed Charges for 2018/19	06 February 2018
Fees and Charges - Social Care Health & Housing - April 2018	06 February 2018
Final Budget 2018/19 and Medium Term Financial Plan	06 February 2018
Final Capital Programme 2018/19 to 2021/22	06 February 2018
Final Budget for the Housing Revenue Account (Landlord Business Plan) 2018/19	06 February 2018
2017/18 Quarter 3 Performance Report	3 April 2018

Corporate Implications

8. The work programme of the Overview and Scrutiny Committee will contribute indirectly to all 5 Council priorities. Whilst there are no direct implications arising from this report the implications of proposals will be details in full in each report submitted to the Committee.

Conclusion and next Steps

9. Members are requested to consider and agree the attached work programme, subject to any further amendment/additions they may wish to make and highlight those items within it where they may wish to establish a Task Force to assist the Committee in its work. This will allow officers to plan accordingly but will not preclude further items being added during the course of the year if Members so wish and capacity exists.

Appendices - Appendix A: OSC work programme

Background Papers

Executive Forward Plan (can be viewed at any time on the Council's website) at the following link:-

<http://centralbeds.moderngov.co.uk/mgListPlans.aspx?RPId=577&RD=0>

This page is intentionally left blank

Appendix A - Corporate Resources OSC Work Programme

Meeting date	Report Title	Description
25 January 2018	Q2 Budget Monitoring Report	To receive the relevant budget information.
25 January 2018	Treasury Management Strategy and Treasury Policy	Members are asked to consider the proposals outlined in the Treasury Report and provide their comments, observations and recommendations for the Executive Members to consider at their next meeting.
25 January 2018	Quarter 2 Performance Monitoring	To receive the relevant quarterly performance information.
25 January 2018	Draft Budgets 2018/19 MTFP, Draft Budget for the Housing Revenue Account (Landlord Business Plan) and Draft Capital Programme.	To consider and comment on the draft Budget, updated Medium Term Financial Plan, the Housing Revenue Account (Landlord Service) and Capital Programme pertaining to all Directorates. Members are requested to submit their comments, observations and recommendations in respect of the Executive's proposals, to the meeting of the Executive.
25 January 2018	Traded Services to Schools and Academies - proposed charges for 2018/19	To receive information and provide comments on the proposals to schools trading.
25 January 2018	Fees and Charges - Social Care, Health and Housing - April 2018	To review the fees and charges for the Social Care, Health and Housing directorate.
25 January 2018	Council Responsiveness Enquiry Update	To receive an update on the implementation of the Overview and Scrutiny Enquiry into Council Responsiveness recommendations.
22 March 2018	Ivel Valley Quadrant Plan	To receive a progress update on the Ivel Valley Quadrant Plan.
22 March 2018	Fees and Charges Project	To receive details of the Fees and Charges Project and learning.
22 March 2018	Options for Houghton Lodge	To receive details on the proposal to redevelop the Houghton Lodge site in Ampthill for an affordable extra care housing scheme.
03 April 2018	Quarter 3 Performance Monitoring	To receive the relevant quarterly performance information.
31 May 2018	Customer Services Technology Project Update	To receive an update on the roll out of the Customer Services technology project.

This page is intentionally left blank