



**MEETING** : PERFORMANCE, AUDIT AND GOVERNANCE  
SCRUTINY COMMITTEE  
**VENUE** : COUNCIL CHAMBER, WALLFIELDS, HERTFORD  
**DATE** : TUESDAY 4 JULY 2017  
**TIME** : 7.00 PM

**PLEASE NOTE TIME AND VENUE**

**MEMBERS OF THE COMMITTEE**

Councillor M Pope (Chairman)  
Councillors A Alder, P Ballam, P Boylan, K Crofton, R Henson, J Kaye,  
D Oldridge, L Radford, S Reed, P Ruffles, S Stainsby, T Stowe and  
J Wyllie (Vice-Chairman)

**Substitutes**

Conservative Group: Councillors D Andrews, S Cousins and  
W Mortimer

*(Note: Substitution arrangements must be notified by the absent Member  
to Democratic Services 24 hours before the meeting)*

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## **DISCLOSABLE PECUNIARY INTERESTS**

1. A Member, present at a meeting of the Authority, or any committee, sub-committee, joint committee or joint sub-committee of the Authority, with a Disclosable Pecuniary Interest (DPI) in any matter to be considered or being considered at a meeting:
  - must not participate in any discussion of the matter at the meeting;
  - must not participate in any vote taken on the matter at the meeting;
  - must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
  - if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
  - must leave the room while any discussion or voting takes place.
2. A DPI is an interest of a Member or their partner (which means spouse or civil partner, a person with whom they are living as husband or wife, or a person with whom they are living as if they were civil partners) within the descriptions as defined in the Localism Act 2011.
3. The Authority may grant a Member dispensation, but only in limited circumstances, to enable him/her to participate and vote on a matter in which they have a DPI.
4. It is a criminal offence to:
  - fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register;
  - fail to notify the Monitoring Officer, within 28 days, of a DPI that is not on the register that a Member disclosed to a meeting;
  - participate in any discussion or vote on a matter in which a Member has a DPI;
  - knowingly or recklessly provide information that is false or misleading in notifying the Monitoring Officer of a DPI or in disclosing such interest to a meeting.

(Note: The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.)

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If you think a meeting you plan to attend could be very busy, you can check if the extra space will be available by emailing [committee.services@eastherts.gov.uk](mailto:committee.services@eastherts.gov.uk) or calling the Council on 01279 655261 and asking to speak to Democratic Services.

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## AGENDA

1. Chairman's Announcements

2. Apologies

3. Minutes (Pages 5 - 16)

To receive the Minutes of the meeting held on 23 May 2017.

4. Declarations of Interest

5. General Fund Revenue and Performance Outturn 2016/17 (Pages 17 - 64)

6. Annual Governance Statement 2016/17 (Pages 65 - 82)

7. New Business Incubation Space in Bishop's Stortford (Pages 83 - 88)

8. Shared Internal Audit Service (SIAS) Annual Assurance Statement 2016/17 and Internal Audit Annual Review (Pages 89 - 114)

9. Shared Internal Audit Service (SIAS) Audit Plan 2017/18 Audit Plan Update (Pages 115 - 128)

10. Work Programme (Pages 129 - 138)

11. Urgent Items

To consider such other business as, in the opinion of the Chairman of the meeting is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information

MINUTES OF A MEETING OF THE  
PERFORMANCE, AUDIT AND  
GOVERNANCE SCRUTINY COMMITTEE  
HELD IN THE COUNCIL CHAMBER,  
WALLFIELDS, HERTFORD ON TUESDAY  
23 MAY 2017, AT 7.00 PM

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PRESENT: Councillor M Pope (Chairman)  
Councillors A Alder, P Ballam, R Henson,  
J Kaye, W Mortimer, D Oldridge, L Radford,  
S Reed, P Ruffles, S Stainsby, T Stowe,  
C Woodward and J Wyllie

ALSO PRESENT:

Councillors M Allen, M Freeman,  
M Stevenson and G Williamson

OFFICERS IN ATTENDANCE:

Lorraine Blackburn	- Democratic Services Officer
Isabel Brittain	- Head of Strategic Finance and Property
Fiona Corcoran	- Scrutiny Officer
Emily Coulter	- Graduate Management Trainee
Louise Harris	- Housing Strategy and Development Manager
Jonathan Geall	- Head of Housing and Health
Jess Khanom	- Head of Operations
Mark Kingsland	- Leisure Services-Manager
Claire Pullen	- Engagement and Partnerships Officer (Grants)
Alison Stuart	- Head of Legal and

Noel Wallis	Democratic Services
Liz Watts	- Information Analyst
Ben Wood	- Chief Executive
	- Head of Communications, Strategy and Policy

ALSO IN ATTENDANCE:

Darren Bowler	- Shared Anti Fraud Service
Nick Jennings	- Shared Anti Fraud Service

30 COVALENT DEMONSTRATION: ONLINE PORTAL FOR MEMBERS TO ACCESS PERFORMANCE DATA

The Improvement and Insight Analyst provided a demonstration on the on-line portal Covalent which provided time relevant and detailed information on the performance of the Council.

In response to a query from Councillor M Allen, the Officer explained that the information provided was “read only” and therefore could not be altered in any way.

The Head of Communications, Strategy and Policy explained that the system now used was an improvement on that used 18 months ago in that it was “live” and was a better product than in the past; used less resources and provided more timely information. He reminded Members that any issue of concern to Members could be “drilled down” for a more complete analysis and the issue explored further with the appropriate Officer.

Members received the presentation.

RESOLVED – that the presentation be received.

31 CHAIRMAN'S ANNOUNCEMENTS

The Chairman welcomed Members and guests to the newly established Performance, Audit and Governance Scrutiny Committee.

The Chairman stated that, with Members' consent, agenda item 9 (Scott's Grotto; Asset Transfer) be considered after agenda item 5 (Declarations of Interest). This was supported.

32 APPOINTMENT OF VICE-CHAIRMAN

It was moved by Councillor J Kaye and seconded by Councillor C Woodward that Councillor J Wyllie be appointed Vice-Chairman of Performance Audit and Governance Scrutiny Committee for the Civic Year 2017/18.

RESOLVED – that Councillor J Wyllie be appointed Vice-Chairman of Performance, Audit and Governance Scrutiny Committee for the Civic Year 2017/18.

33 APOLOGIES

Apologies for absence were submitted on behalf of Councillors P Boylan and K Crofton. It was noted that Councillors C Woodward and Councillor W Mortimer were substituting for Councillors P Boylan and Councillor K Crofton respectively.

34 DECLARATIONS OF INTEREST

Councillor P Ruffles commented that although not a disclosable pecuniary interest, he asked that his membership of Ware Society be recorded and that he was also a "Champion" of the Historic and Built Environment.

Councillor P Ballam asked that her membership of Ware Society also be noted.

The Committee Chairman, Councillor M Pope asked that his membership of Ware Society and Ware Town Council be noted .

## 35 SCOTT'S GROTTO ASSET TRANSFER

The Executive Member for Economic Development submitted a report setting out the background of Scott's Grotto in Ware and of the options available in terms of its future management arrangements. The Head of Communications, Strategy and Policy explained that ultimately, any decision to dispose of Scott's Grotto would be taken by the Executive but welcomed the views of Scrutiny Committee Members on the issues outlined in the report. He provided a summary of the report and highlighted the options for Members' consideration, which included the establishment of a trust and transferring Scott's Grotto or a "do nothing" approach.

The National Management Trainee provided an overview of the report adding that Members' views were also being sought on the best model which could be adopted, adding that if Executive Members agreed to support the establishment of a Trust, then its governance arrangements and objectives must be appropriate and sustainable.

Three Members of Ware Society were in attendance and referred to the Society's long and harmonious relationship with the Council. A brief overview of its historical value and local interest was provided. The Society's representative explained that its "ad hoc" management arrangements were no longer adequate and that the Grotto was falling into disrepair as the recent condition survey had revealed. The Society supported the establishment of a Trust represented by both parties and urged Members to support a one-off lump sum to carry out urgent works.

Members debated the report at length, including the establishment of a Trust, and discussed in detail, the impact of this generally and financially on prospective Trustees. Members supported the concept of establishing a Trust in order to secure the advancement of Ware's heritage by protecting the Grotto, summerhouse and the surrounding gardens and in ensuring that it continued to be available to the community.



In relation to the appointment of trustees, Members debated the liability of trustees and were of the view that if a Trust was to be established then any trustee (of at least three) should be appointed with the appropriate skills and areas of expertise to support the Trust's objectives and sustainability. Additionally, legal advice would need to be obtained on the issue of a trustee's indemnity in order to minimise their liability.

The Head of Communications, Policy and Strategy commented that the establishment of a Trust would help in securing grant funding. This was supported.

Members debated at length the best financial model to adopt, (given the condition survey) and one which might incentivise sustainability. Ware Society supported a "one-off" payment. Members were of the view that grant funding should also be explored.

The Head of Strategic Finance and Property explained that from a financial viewpoint, the preferred approach of the Council would be to support the allocation of a smaller lump sum as a means of securing match (grant) funding and to ring-fence the sum of £50,000 which would be released in agreed phases and should be subject to the provision of some form of service level agreement. This was supported.

The Head of Communications, Strategy and Policy acknowledged that any investment needed to first address urgent repair works.

Councillor P Ruffles stated that Members needed to make it clear to the Executive, that the successes of the past had been largely due to the work of Ware Society and while the Grotto did not fit within the Council's corporate priorities, the Council needed to be able to deal with "quirks" which were important to the District as a whole. Councillor P Ballam supported these comments adding that Scott's Grotto was the largest in the country and brought community and educational benefits.

Members were of the view that the Executive be advised that Performance Audit and Governance supported the

establishment of a trust, in order to secure the advancement of Ware's heritage by protecting the Grotto, its buildings and heritage and in ensuring that it continued to be available to the public. Additionally, Members acknowledged the need to appoint trustees (of at least three) with appropriate skills and areas of expertise in order to support objectives and sustainability but felt that the liability of those trustees needed further exploration to ensure the necessary safeguards were in place and to minimise their liability.

In terms of the best financial model, Members supported the allocation of a smaller lump sum (but that the sum of £50,000) be ring fenced as a means of securing match (grant) funding which would be released in agreed phases and subject to the provision of some form of service level agreement.

RESOLVED – that the Executive be advised (A) Performance, Audit and Governance Scrutiny Committee supports the establishment of a Trust, in order to secure the advancement of Ware's heritage by protecting the Grotto, its buildings and heritage and in ensuring that it continued to be available to the community as a whole;

(B) if a Trust was to be established, a minimum of three trustees be appointed with appropriate skills and areas of expertise, in order to support objectives and sustainability (once the necessary safeguards were in place to protect them and minimise their liability); and

(C) the allocation of a smaller lump sum be supported as the best financial model (but that the sum of £50,000) be ring fenced as a means of securing match (grant) funding which would be released in agreed phases and subject to the provision of some form of service level agreement.

## 36 SHARED ANTI-FRAUD SERVICE - MARCH 2017

The Shared Anti-Fraud Service (SAFs) submitted a report on the progress made against the Anti-Fraud Action Plan as at 31 July 2016.

The Counter Fraud Officer provided updates to the report which had been made after the report had been published. He explained that additional staff had been taken on board to add to the robustness of the service. The issue of value for money in relation to the service provided, investigation and detection of fraud was discussed and assurances provided by the Counter Fraud Officer. He explained the difficulties in trying to measure the value of the service as a deterrent but stated that as a “visible” deterrent to potential fraud, the service had value.

The Counter Fraud Officer explained that the Anti-Fraud and Corruption Policy was due for review. Members asked that the report be submitted to them for consideration.

The Counter Fraud Officer provided an update in relation to outstanding items on the action plan. Updates were also provided in relation to the “Cheater Campaign” and the value of running such a campaign in tandem with others. Councillor P Ballam asked if Fraud Awareness Training could be added to the work programme. This was supported.

In response to a query from Councillor D Oldridge regarding an excess of revenue which might be generated as a result of successful prosecutions, the County Fraud Officer assured Members that the revenue “stayed” with the Council. He explained in what circumstances and how, expenses between partner organisations were shared.

The Committee noted the progress of the Shared Anti-Fraud services and the progress made against the Anti-Fraud Action Plan 2016/17 and agreed the Anti-Fraud Action Plan 2017/18.

RESOLVED – that (A) the progress of the Shared Anti-Fraud Service and the progress made against the Anti-Fraud Action Plan 2016/17 be noted; and

(B) the Anti-Fraud Action Plan 2017/18 be agreed.

## 37 ANNUAL LEISURE CONTRACT PERFORMANCE REPORT FOR 2016

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The Head of Operations submitted a report on the eighth annual review of the Council's ten year leisure contract with Sport and Leisure Management Limited (SLM) trading as "Everyone Active". The Head of Operations and Leisure Services Manager provided a summary of the report which comprised two elements, performance in relation to the specification of the contract and qualitative successes and improvements.

Members sought and were provided with clarification on a number of issues including:

- Swim profiles and frequency (Hartham and Grange Paddocks swimming pools);
- Interventions to address the "drop off" in attendance in relation to the 60+ age range;
- Investment and the Council's liability;
- The curtailment of designated swimming areas for people with disabilities and whether this could be re-instated and extended to Grange Paddocks and Hartham Swimming Pools;
- Why public satisfaction levels for Grange Paddocks was only considered to be "Fair";
- Issues of cleanliness (Grange Paddocks), the aspirations of the public, monitoring and inspection levels;
- Competition from other (private) gyms and how well SLM compared in terms of the services provided.

The Head of Operations explained that a full report would be presented to Overview and Scrutiny Committee on 13 June 2017 reviewing the future direction of travel of all leisure facilities. It was noted that the issue of equality and diversity

was currently being reviewed by a Task and Finish group on leisure services issues.

The Chairman raised the issue of “Net Cost of the Leisure Service per user” and sought further information about national comparators. The Head of Operations undertook to review the figures on a county wide basis and write to Members.

The Committee received the Annual Report and asked that Members be provided with subsequent annual reports.

RESOLVED – that (A) the eighth Annual Report of the Council’s ten year leisure contract with SLM be received; and

(B) Members be provided with subsequent annual reports on the Council’s leisure contract providers.

## 38 HOUSING AND HEALTH STRATEGY ACTION PLAN UPDATE 2017

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The Executive Member for Health and Wellbeing submitted a report setting out the progress made in 2016/17 in delivering the objectives stemming from the Housing and Health Strategy Action Plan 2016 – 2021 and future ways of achieving the objectives going forward. The Housing Development and Strategy Manager provided a summary of the report, highlighting the achievements made.

Councillor J Wyllie expressed concern that only 200 new affordable housing units had been delivered through housing associations. He felt that Planning Officers could do more to secure more affordable units and should adopt a stricter approach at the planning stage. The Housing Development and Strategy Manager assured Members that in comparison to other districts, 200 was an achievement given the requirement to provide up to 40% on any new development relative to the density. Councillor J Kaye sought and was provided with clarification on the definition of affordable housing in relation to the elderly and vulnerable (which also included the young) and the types of accommodation which

could be offered to them.

Councillor A Alder raised the issue of “downsizing” and whether this related just to tenancies. The Head of Housing and Health explained that this was being promoted across all tenures but that there was little which could be done in the private sector, although work was ongoing with Hertfordshire County Council. He provided an update on the “Safe and Well” project.

Councillor A Alder sought information in relation to the number of houses in multiple occupation and the composition of Accommodation Boards. The Housing Development and Strategy Manager provided further information on the composition of the boards and the Head of Housing and Health undertook to write to Members with further information on houses in multiple occupation.

Councillor C Woodward referred to the number of empty homes and that bringing more into use would reduce the Council’s liability. The Head of Housing and Health explained that the figure currently stood at 350 and that the target for bringing in long term problematic properties was 15. He explained that work was ongoing to categorise different types of properties.

The Committee noted the progress made in 2016/17 in delivering the objectives stemming from the Housing and Health Strategy Action Plan 2016-2021 and asked that Members’ views regarding the adoption of a stricter approach with developers on the issue of affordable housing provision be referred to the Head of Planning and Building Control.

RESOLVED – that (A) the progress made in 2016/17 in delivering the objectives stemming from the Housing and Health Strategy Action Plan 2016-2021, be noted; and

(B) Members’ views regarding the adoption of a stricter approach with developers on the issue of affordable housing provision be referred to the Head of Planning and Building Control.

## 39 RISK MANAGEMENT MONITORING - QUARTER 4

The Executive Member for Finance and Support Services submitted a report on the action taken to mitigate and control strategic risks during the period January to March 2017. The Head of Strategic Finance and Property provided a summary of the report.

In response to a query from the Chairman, the Head of Strategic Finance and Property explained the definition of inherent and residual risk in relation to Strategic Risk 3 (risk that supplier contractor or key third sector partner fails or failed to deliver).

Councillor D Oldridge suggested that if the inherent and residual risk matrix was the same then any controls in place were ineffective. The Chief Executive explained that in some situations such as government funding, circumstances constantly changed and would affect the matrix and might take the Council back to the same position. In relation to the Development of Old River Lane, Bishop's Stortford (SR16), the Chief Executive explained that the matrix had been affected by the appointment of property consultants and project consultants and that there was now a huge framework in place in moving the project forward.

The Committee received the report, as now detailed.

RESOLVED – that the report be received.

## 40 SCRUTINY WORK PROGRAMME

The Head of Legal and Democratic Services submitted a report outlining the draft future programme for Performance, Audit and Governance Scrutiny Committee. The Scrutiny Officer explained that the work programme was a draft of future projects and that Officers were looking to add more issues for scrutiny to review. She explained that support for scrutiny would be split between two Scrutiny Officers. The Scrutiny Officer explained that a special meeting would be arranged to consider what issues might be added to the draft

work programme.

Councillor J Kaye suggested that many of the items appear to be “cyclical” and queried whether scrutiny would have the time and capacity to consider anything else. The Head of Strategic Finance and Property explained that the Statement of Accounts could be considered at a separate meeting.

RESOLVED – that the work programme as now detailed, be agreed.

The meeting closed at 9.37 pm

Chairman	.....
Date	.....



## EAST HERTS COUNCIL

### PERFORMANCE, AUDIT & GOVERNANCE – 4 JULY 2017

#### REPORT BY THE EXECUTIVE MEMBER FOR FINANCE & SUPPORT SERVICES

#### GENERAL FUND REVENUE, CAPITAL AND PERFORMANCE OUTTURN 2016/17

WARD(S) AFFECTED: All

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#### **Purpose/Summary of Report**

- To advise Members on the General Fund Revenue Outturn for 2016/17 and provide explanations for significant variances against the approved Budget.
- To advise Members of the financing arrangements for the 2016/17 Capital Outturn and the updated 2017/18 capital budget allowing for the approved slippage from 2016/17.
- To advise Members of the annual position against the Councils key performance indicators.

<b><u>RECOMMENDATIONS FOR PERFORMANCE, AUDIT &amp; GOVERNANCE COMMITTEE: to recommend to the Executive that</u></b>	
(A)	the General Fund revenue outturn of £166k overspend be funded from the General Reserve ;
(B)	Capital budgets of £1,899k be re-profiled from the 2016/17 capital programme to 2017/18 programme to fund ongoing capital schemes; and
(C)	the Capital Programme for 2017/18 to 2020/21 as set out in paragraph 4.5 be approved.
(D)	The Annual Performance results be noted.

## 1 Background

- 1.1 The 2016/17 Budget was approved by Executive on 7 February 2016. The Net Expenditure Budget approved was £15.548m with a contribution from reserves of £46k and corporate budgets of £1.4m and a net cost of services budget of £14.159m. This was funded by £8.9m of Council Tax, £1.96m Non Domestic Rates and £4.7m of Government grants.
- 1.2 In year budget monitoring and management actions have sought to deliver the spending plans approved by Council. Members have been kept updated throughout the year through the Healthcheck reports where significant variances have been reported.
- 1.3 This report contains the following sections and Essential Reference Papers:

REPORT SECTIONS	
2	General Fund Revenue Outturn
3	Reserves
4	Funding
5	Capital Outturn
6	Performance
7	2016/17 Annual Statement of Accounts
8	Implications

ESSENTIAL REFERENCE PAPERS	
B	General Fund Revenue Outturn
C	Capital Outturn
D	Performance

## 2 General Fund Revenue Outturn

- 2.1 The final outturn for the year, detailed in this report, is still subject to external audit. The final audited accounts will be presented to the Performance, Audit and Governance Committee in September.
- 2.2 An overspend of £166k is reported against the 2016/17 revenue budget. This is summarised in table 1 and **Essential Reference Paper B**.

**Table 1: Summarised 2016/17 Outturn Position**

	2016/17 budget	2016/17 Outturn	Variance to budget
	£m	£m	£m
Net Cost of Services	14.16	14.71	0.55
Use of Reserves	(0.05)	(1.26)	(1.21)
Corporate budget	2.35	3.31	0.96
Funding	(7.54)	(7.67)	(0.14)
Council Tax	(8.93)	(8.93)	-
Overspend			0.16

2.3 It is recommended that the 2016/17 overspend of £166k is funded from the Councils general reserve.

## NET COST OF SERVICES

2.4 An overspend against the 2016/17 net cost of services budget of £552k is reported, as shown by service in Table 2 below with explanations for significant variances in the following paragraphs.

**Table 2: Net Cost of Services Outturn**

	2016/17 Original budget	2016/17 Outturn	Variance
	£'000	£'000	£'000
Chief Executive & Directors	466	427	(39)
Communications, Strategy & Policy	1,165	1,129	(36)
HR & Organisational Development	469	492	23
Strategic Finance & Property	1,268	1,486	218
Housing & Health	2,407	2,322	(85)
Democratic and Legal	1,102	1,208	106
Planning & Building Control	1,044	1,230	186
Operations	4,490	4,058	(432)
Shared Revenues & Benefits Service	273	420	147
Shared Business & Technology Services	1,298	1,537	239
Redundancies & Pension Strain costs	177	402	225
<b>Total Net Cost of Services</b>	<b>14,159</b>	<b>14,711</b>	<b>552</b>

## **Redundancies & Pension Strain Costs**

- 2.5 Following the senior management restructure the salary budget has been aligned with the new structure resulting in £177k of salary budget not required for senior management costs. Redundancies and pension strain costs of £402k will be partially funded from this budget and the balance (£225k) will be funded from the Transformation Reserve.

## **Strategic Finance and Property**

- 2.5.1 Planning and Consultancy service costs for the Bishops Stortford town centre planning framework were £142k in 2016/17. This has been funded through the priority spend earmarked reserve.
- 2.5.2 In 2015/16 the Council let part of the office space that it uses in Charringtons House. This arrangement came to an end after the 2016/17 budgets were set. This resulted in a £55k overspend against the budget.

## **Democratic and Legal Services**

- 2.5.3 Income from land charges is £33k below the 2016/17 budget due to less activity in the housing market during the year.
- 2.5.4 There are increased salary costs of £70k in Democratic and Legal Services due to additional staffing costs.

## **Planning and Building Control**

- 2.5.5 Along with 6 other Hertfordshire authorities East Herts set up Hertfordshire Building Control, a company to carry out building control functions. A payment of £204k was made to the company in 2016/17 which represents work that had been paid for but not yet carried out.

## **Operations**

- 2.5.6 Pay and display income from car parks is 6% above the 2016/17 budget, resulting in an additional £172k of income. This is due to car park usage being greater than assumed when the budget was set. This increase in income is in line with the 2015/16 outturn position.
- 2.5.7 An additional £43k of income has been generated by Hertford Theatre, £30k from pantomime ticket sales and £17k from sales through the café.

2.5.8 Income from recycling was £214k above the 2016/17 budget, there are a number of contributing factors including;

- Increase of £2.54 in the price per tonne received in recycling credits from Hertfordshire County Council
- the tonnage of co-mingled recyclables collect was above the estimate for the year.
- a higher price achieved on the sale of aluminium cans from February 2017 following a new contract.

### **Revenues and Benefits Service**

2.5.9 An increase in the summons costs recovered has resulted in £51k additional income in 2016/17. This is in line with the outturn position for 2015/16 and is reflected in the changes to the MTFP for 2017/18

2.5.10 The housing benefit budget shows an overspend against budget of £280k. This is a result of the complex subsidy calculated allowances versus the actual benefits paid. This variance represents 0.1% of the £35m in housing benefits that the Council paid in 2016/17. Officers have put improved monitoring processes in place to highlight any similar issues at an earlier stage during 2017/18.

### **Shared Business and Technology Services**

2.5.11 There is a £239k overspend against the Business and Technology Service shared budget in 2016/17. This variance has arisen for increased software and contractual costs across both authorities.

### **Corporate Budgets**

2.6 Corporate budgets were overspent by £960k in 2016/17, table 3 below shows the items that are included in this area of the net expenditure budget.

**Table 3: Corporate budgets outturn**

	2016/17 Original budget	2016/17 Outturn	Variance
	£'000	£'000	£'000
NHB Grants to Town & Parish Councils	901	903	2
Contingency Budget	150	150	-
Interest Payments	662	677	15
Interest & Investment income	(902)	(1,203)	(301)
RCCO	25	166	141
Pension Fund Deficit contribution	600	600	-
Deficit on Collection fund	917	2,020	1,103
<b>Total Corporate Budgets</b>	<b>2,353</b>	<b>3,313</b>	<b>960</b>

- 2.7 The 2016/17 budgeted investment and interest income figure was £902k. Due to improved rates on direct property investments the 2016/17 outturn figure for investment income is £1.2m. The £300k difference will not impact on Revenue budgets as this has been transferred to the Interest Equalisation Reserve.
- 2.8 There was a greater Revenue Contribution to Capital Outlay (RCCO) than budgeted, the outturn figure includes £57k of capital salary costs and £109k of reserves used to fund capital expenditure, such as £76k towards demolition of the Causeway Building in Bishop's Stortford.
- 2.9 The deficit on collection fund figure is £1.253m higher than in the original budget. This relates to the Councils share of income from both the Council Tax and Non Domestic Rates (NDR) collection funds. There is a small surplus (£101K) that relates to Council Tax. The balance (£2.3m) relates to NDR, this deficit has come about due to the uncertainty around business rate appeals. Appeals are an area of risk for Local Authorities and this pressure for 2016/17 has been offset by provisions allocated from previous year's contributions.

### **3 Reserves**

- 3.1 The Council is generally well placed with regard to establishing appropriate Earmarked Reserves and Balances.
- 3.2 The Executive meeting on 7 February 2016 reviewed the Councils earmarked reserves in support of the MTFP.

3.3 A significant risk is posed by potential budget reductions and changes in the allocation of funding to Local Government. There is significant uncertainty with respect to the future New Homes Bonus allocations and Non Domestic Rates income. The DCLG have already consulted on proposed changes to the New Homes Bonus, the results of which are still to be published. A number of working groups have been set up by the DCLG and LGA to discuss future changes to Non Domestic Rates.

3.4 The following table show the appropriations during the year:

**Table 4: Reserve movements**

	2016/17 Original budget	2016/17 Outturn	Variance
	£'000	£'000	£'000
Contributions to Earmarked reserves	2,128	1,383	(745)
Contributions from Earmarked reserves	(2,175)	(2,637)	(462)
Net use of reserves	(47)	(1,254)	(1,207)

3.5 When setting the 2016/17 budget it was assumed that there would be a contribution of c£700k to earmarked reserves. Given that the final outturn position is an overspend of £166k this will instead be a contribution funded from the Councils earmarked reserves.

3.6 Contributions from earmarked reserves to fund revenue activities were greater than the budget set in February 2016 by £462k. As detailed in the preceding paragraphs this increase includes funding for;

- Payment to Hertfordshire Building Control company of income received for work not completed ahead of the transfer date.
- The shortfall in housing benefit subsidy received from central government.

## **4 Funding**

4.1 In 2016/17 the Council received £139k funding above the budgeted amount, details are shown in the following table.

**Table 5:2016/17 funding**

	2016/17 Original budget	2016/17 Outturn	Variance
	£'000	£'000	£'000
RSG	(1,145)	(1,145)	-
NDR	(1,956)	(2,116)	(160)
Section 31 Grants	(712)	(646)	66
Other General Grants	(120)	(159)	(39)
New Homes Bonus	(3,602)	(3,608)	(6)
<b>Total Funding</b>	<b>(7,535)</b>	<b>(7,674)</b>	<b>(139)</b>

4.2 There is increasing pressure on Local Government to find alternative sources of funding for the services delivered. With the loss of Revenue Support Grant (RSG), proposed move to 100% business rate retention and consultations around New Homes Bonus, officers are working in consultation with members to look at alternative funding streams.

4.3 The major contributor to funding above budget in 2016/17 is £160k Non Domestic Rating (NDR) income this is due to timing differences between when the Council sets its budget and statutory returns submitted to Central Government which determine the funding for the year.

## **5 Capital Outturn**

5.1 The progress of the capital programme for 2016/17 has been reported to the Executive throughout the year as part of the Healthcheck process.

5.2 Capital expenditure in 2016/17 is £2.8m as detailed in the table below:



**Table 6: Capital Outturn Summary**

	2016/17 Original budget £'000	2016/17 Revised budget £'000	2016/17 Outturn £'000	(Under)/ Over Spend £'000	Carry forward to future years £'000
Business & Technology Shared Service	675	1,076	415	(661)	658
Communications, Strategy & Policy	20	48	9	(40)	40
Housing & Health	2,028	2,711	846	(1,865)	312
Operations	1,029	1,325	880	(445)	110
Planning & Building Control	92	568	201	(473)	473
Strategic Finance & Property	764	928	396	(532)	308
Other	-	-	67	67	-
<b>Total:</b>	<b>4,608</b>	<b>6,656</b>	<b>2,813</b>	<b>(3,949)</b>	<b>1,899</b>

5.3 It is requested that £1,899k of budgets re-profiled from 2016/17 to the 2017/18 capital programme be approved. This relates to schemes that have either been re-timetabled to take place during 2017/18 or for schemes which were started during 2016/17 but not complete as at 31<sup>st</sup> March 2017. Further details can be found in **Essential Reference Paper C**

5.4 The 2016/17 capital programme has been financed from the following sources:

**Table 7: Capital Financing**

	£'000
Capital Receipts	1,876
Government Grants	316
Third Party Contributions	455
Revenue Contribution	166
<b>TOTAL:</b>	<b>2,813</b>

5.5 The future capital programme is detailed in the table below:

**Table 8: Capital Programme 2017/18 to 2020/21**

	2017/18 Revised budget £'000	2018/19 Budget £'000	2019/20 Budget £'000	2020/21 Budget £'000
Business & Technology Shared Service	1,198	555	467	400
Communications, Strategy & Policy	40	-	-	-
Housing & Health	2,149	1,184	934	-
Operations	749	325	145	-
Planning & Building Control	528	55	55	-
Strategic Finance & Property	622	530	260	250
<b>Total:</b>	<b>5,286</b>	<b>2,649</b>	<b>1,861</b>	<b>650</b>

## 6 **Performance**

6.1 The Council monitors performance on a monthly basis throughout the year. The following paragraphs include details of the Councils annual performance by Corporate priority, further information can be found in **Essential Reference Paper D** in addition to accessing the results online. Links and passwords can be found in MIB.

6.2 Priority One - Improve the health and wellbeing of our communities

### **Communications, Strategy and Policy (CSP)**

6.2.1 CSP successfully launched the new East Herts Website and expanded avenues for engagement setting up Instagram (for tourism and event/service promotion) and LinkedIn accounts (business engagement and recruitment)

6.2.2 QEHPI 5.12 Number of Twitter Followers (**Communications, Strategy & Policy**) - The number of users continues to rise as we become more digital and reach out to more and more users. The

Council has recently also started to promote other digital channels such as Instagram and LinkedIn which will be monitored corporately for 2016/17. QEHPI 5.12b Number of Facebook followers (Facebook likes) also increased 20% this year.

- 6.2.3 MEHPI 5.13a % Good Satisfaction (GovMetric) - Face to Face - Across the year, 2,419 customers gave a good score, representing 84% and over our 80% target. This is an improvement on last year's figures. A further 6% or 159 people gave a medium score with the remaining 10% or 286 people giving a poor score.
- 6.2.4 **QEHPI 5.13c (Communications, Strategy & Policy) – Customer Satisfaction (GovMetric) – Website Quarterly and Annual FAILING** – Satisfaction with the council website was red for the majority of the year averaging 32% against a target of 35%. The council were aware of issues with the website and launched the new website in May. This saw 9% increase on the annual average value in satisfaction to 41% making the indicator green for that month.
- 6.2.5 **QEHPI 5.13b (Communications, Strategy & Policy) – Customer Satisfaction (GovMetric) – Phone Quarterly and annual no feedback given.** Performance was absent in the majority of months throughout the year this is due to a lack of feedback from customers. The measure is being reviewed going forward in light of the lack of feedback.
- 6.2.6 **AEHPI 5.10 % of key Services that are available via a digital channel**-Based on the SOCTIM survey of key services delivered by the Council, currently around 48% or 54 of 114 services are in a digital channel.
- 6.2.7 **AEHPI 5.11 % of broadband accessibility in the district**- The District currently has around 65% or 44,708 properties, with broadband as supplied by Connected Counties with planned rollouts over the next 3 years to an estimated 93% of our District.

## Health and Housing

- 6.2.8 **QEHPI 150 Number of prevented homeless applications**- The council prevented 291 households becoming homeless this year a 27% improvement on last year.
- 6.2.9 **QEHPI 151 Number of homeless households living in temporary accommodation at the end of the quarter**- 2016/17 saw 14

households in temporary accommodation down from 19 the previous year.

- 6.2.10 **HEHPI 140 Number of over 50s participating in 'Forever Active' programme-** 1,186 new sign ups, 28% more than initially targeted.
- 6.2.11 **MEHPI 132 % of full applications for Disabled Facilities Grant approved within 7 weeks –** 100% against a target of 95%, there is no previous year to compare year on year to.
- 6.2.12 **HEHPI 141 East Herts residents & East Herts Council employees registered with Team Herts Volunteering scheme-** Across the year, there was a total of 245 people who signed up to The Herts Volunteering which surpassed our initial 200 annual target.

### **Revenues & Benefits**

- 6.2.13 **MEHPI 181 Time taken to process Housing Benefit new claims and change events-**averaging 7.05 days this is a further reduction of 2.68 days from last year (9.73 days) against a target of 10 days.

### **Operations**

- 6.2.14 Operations again saw 2 Green Flags awarded this year, however given the constraints on resources and time we are unlikely to bid for any further green flags awards.

- 6.3 Priority Two – Enhance the quality of people's lives

### **Operations**

- 6.3.1 **QEHPI 2.4 Fly-tips: removal** - Time taken to remove fly tipping has reduced to 1.62 days 6.24 hours faster than the previous year and below the 2 day target. Despite an increase in use with 1,114 in 2016/17 fly tips removed compared to 1,003 in 2015/16.
- 6.3.2 **EHPI 191 (Operations) Cumulative Annual Residual household waste per household-** With more material capture via the kerbside service than the previous year and street sweepings being recycled, household waste has gone down compared to last year (468.66kgs per household) this means we are well within the target of 435kg.

- 6.3.3 **MEHPI 192 % of household waste sent for reuse, recycling and composting-** Reused, recycled or composted 50.5% of our waste a new high point. This translates to 1,612.80 metric tonnes of waste no longer going to landfill, incinerators etc.
- 6.3.4 **MEHPI 2.2 Waste: missed collections per 100,000 collections of household-** slightly over the 30% target at 31.04% this is an increase from 22.47% last year.
- 6.3.5 **AEHPI 195a (Operations) % Improved Street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Litter.** The target was missed by 1%. Figures have always been quite stable at 3% marginally sitting above our 2% target.
- 6.3.6 **AEHPI 195b (Operations) Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Detritus.** The target was missed by 3% and the last 3 years results do show a general trend in missing annual targets.

## Planning

- 6.3.7 **MEHPI 157a % Processing of planning applications dealt with in timely manner - Major applications-** at 87% this is an improvement on 78% last year and well above target.
- 6.3.8 **MEHPI 157b % Processing of planning applications dealt with in timely manner- Minor applications-** at 93% this is an improvement on 89% last year and above target.
- 6.3.9 **MEHPI 157c % Processing of planning applications dealt with in timely manner- Other applications-** at 93% this is only a 1% improvement on the previous year's 92%; it is also the smallest over target of anytime of planning application handling time (just 3%).
- 6.3.10 **MEHPI 205 % of site visits undertaken in relation to urgent cases within 2 workings days of 'start date'-** On target (100%), this is the first year that this has been measured.

## Health & Housing

- 6.3.11 **AEHPI64 Number of private sector vacant dwellings that are returned into occupation or demolished-** 2016/2017 Outturn 2017 -

Target achieved. 20 private sector dwellings brought back into occupation; eight of which had been empty for 2 – 10 years with a further two being empty for over 10 years. This is an improvement on last year's outturn of 11 dwellings.

#### 6.4 Priority Three – Enable a flourishing local economy

##### **Governance and Risk Management**

- 6.4.1 **MEHPI 8 % of invoices paid on time-** at 98.6% this is an improvement on last year's 98.23% and brings performance above the 98.5% target..

##### **Communications, Strategy & Policy**

- 6.4.2 The Eastern Plateau Rural Development Programme allocated £145,903 to six projects in East Herts, projected to create 10.5 FTE jobs in rural areas.
- 6.4.3 The council has contracted with Central Management Consultants to work in Bishop's Stortford to deliver a Business Improvement District (BID) programme. 94 businesses have been consulted so far. This is a business led endeavour; businesses are first asked whether they want a BID in their area.
- 6.4.4 Face to face and live chat conversations undertaken with WENTA and 112 clients used the 'My Incubator' base.

#### 6.5 Corporate Priority – Supporting Corporate Health

##### **Communications, Strategy & Policy**

- 6.5.1 **QEHPI 5.1 % of complaints resolved in 14 days (10 working days) or less-** at 61.86% against a target of 70% this has consistently failed at every quarter this year despite an improvement in the last quarter. Figures are therefore much lower than previous year's 77.63%.
- 6.5.2 Planning typically has the lowest % of complaints dealt with within agreed time scales but it should be considered alongside producing a District Plan, more planning applications and complaints being of a more specialised nature than other Service Areas.
- 6.5.3 Remediation action in the last quarter has included setting up a weekly email notification which is presented to Leadership Team in

order for Heads of Service to be kept aware and to help progress complaints, which has improved performance.

- 6.5.4 **QEHPI (All) 5.2a % of complaints about the Council and its services that are upheld: 1<sup>st</sup> Stage**-below target (30%) and falling back on last year's 24.6% this year saw 36.59% complaints upheld. In every quarter, we failed to meet our 30% or less deadline though there was a slight improvement during Q4.
- 6.5.5 A great deal of these stage one complaints relate to missed bin collection as we do not directly manage this there is a limit as to what can be done quickly to address this.
- 6.5.6 **QEHPI 5.2b % of complaints about the Council and its services that are upheld: 2nd stage – appeal**- We failed to hit our target by less than 2% with 26.67% complaints upheld at the second stage.
- 6.5.7 As the above indicators make clear, complaints are a problem, while it may be the case that a service outside our direct control (waste collection) is a major contributor and while there have been improvements recently, ultimately the issues present are the responsibility of the council. These measures will be monitored closely in 2017/18 to see what improvements can be made. SIAS are also auditing our complaints process to identify weaknesses and recommend ways to improve our responses.

## **Revenues & Benefits**

- 6.5.8 **MEHPI 10.4 NNDR (Business rates) collection, % of current year liability collected**-equal with the previous year at 97.8% this was above target in 2016/17.
- 6.5.9 **MEHPI 10.2 Council tax collection, % of current year liability collected**- 98.4% of liability was collected, though equal with last year's figure this is below the target of 98.6%.

## **7 2016/17 Annual Statement of Accounts**

- 7.1 Regulations require the Council's Annual Statement of Accounts to be approved by Members after the annual audit has taken place. Approval and publication must take place by 30 September following the relevant accounting year. The Council's Constitution delegates the scrutiny and approval of the accounts to the Performance Audit and Governance Committee. The Accounts are required however to

be signed by the Council's Section 151 Officer by 30 June following the relevant accounting year.

- 7.2 In order to adopt best practice the Accounts will be submitted to the Performance, Audit and Governance Committee for consideration in order to give the Committee an early opportunity of viewing the (unaudited) accounts. Members should also note that in the wider interest of transparency and public accountability the unaudited accounts will also be available on the Council's website.
- 7.3 The audited accounts will be submitted for approval at the meeting of the Audit Committee on 26 September 2017.

## **8 Implications/Conclusion**

- 8.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper A**.

### Background Papers

Budget Report to Executive; 2 February 2016.

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## **ESSENTIAL REFERENCE PAPER ‘A’**

### **IMPLICATIONS/CONSULTATIONS**

Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):	Priority 1 – Improve the health and wellbeing of our communities  Priority 2 – Enhance the quality of people's lives  Priority 3 – Enable a flourishing local economy
Consultation:	Financial and non-financial discussions have taken place with the Leadership Team and Portfolio Holder for Finance and Support Services.
Legal:	There are no legal implications.
Financial:	Financial implications are included in the body of the report.
Human Resource:	There are no Human Resources implications.
Risk Management:	By not having effective performance management and reporting the Council is at risk of not being clear whether its priorities and objectives are being met and service delivery issues being resolved efficiently and effectively. Effective performance management supports transparency and improves local accountability.
Health and wellbeing – issues and impacts:	There no Health and Wellbeing issues raised as part of this report.

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## 2016/17 GENERAL FUND REVENUE OUTTURN

	2016/17 Original budget	2016/17 Outturn	Variance
	£'000	£'000	£'000
NET COST OF SERVICES	Chief Executive & Directors	466	427 (39)
	Communications, Strategy & Policy	1,165	1,129 (36)
	HR & Organisational Development	469	492 23
	Strategic Finance & Property	1,268	1,486 218
	Housing & Health	2,407	2,322 (85)
	Democratic and Legal	1,102	1,208 106
	Planning & Building Control	1,044	1,230 186
	Operations	4,490	4,058 (432)
	Shared Revenues & Benefits Service	273	420 147
	Shared Business & Technology Services	1,298	1,537 239
Redundancies & Pension Strain costs	177	402 225	
<b>Total Net Cost of Services</b>	<b>14,159</b>	<b>14,711</b>	<b>552</b>
CORPORATE BUDGETS	NHB Grants to Town & Parish Councils	901	903 2
	Contingency Budget	150	150 -
	Interest Payments	662	677 15
	Interest & Investment income	(902)	(1,203) (301)
	RCCO	25	166 141
	Pension Fund Deficit contribution	600	600 -
	Deficit on Collection fund	917	2,020 1,103
	<b>Total Corporate Budgets</b>	<b>2,353</b>	<b>3,313</b>
USE OF RESERVES	Contributions to Earmarked reserves	2,128	1,383 (745)
	Contributions from Earmarked reserves	(2,175)	(2,637) (462)
	<b>Net use of reserves</b>	<b>(47)</b>	<b>(1,254)</b>
FUNDING	RSG	(1,145)	(1,145) -
	NDR	(1,956)	(2,116) (160)
	Section 31 Grants	(712)	(646) 66
	Other General Grants	(120)	(159) (39)
	New Homes Bonus	(3,602)	(3,608) (6)
	<b>Total Funding</b>	<b>(7,535)</b>	<b>(7,674)</b>
<b>Council Tax</b>	<b>(8,930)</b>	<b>(8,930)</b>	<b>-</b>
<b>Overspend</b>	<b>-</b>	<b>166</b>	<b>166</b>

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As @ 31st March 2017

2016/17 Approved Schemes	2016/17 Revised Budget	2016/17 Actual to Date	COMMENTS
<b>Head of Strategic Finance &amp; Property</b>	<b>£</b>	<b>£</b>	
Fabric Improvements to Swimming Pools	40,000	20,885	Works commenced. Budget reprofiled
Glazing & equalities access works to Swimming Pools	40,000	0	Budget reprofiled to 2017/18
Grange Paddocks Teaching Pool - Replace existing handrail & tiles to walls, steps & base of pool	33,770	22,354	Works completed. Budget saving of £11,416
Leventhorpe Swimming Pool - Renew main supply fan to the main pool area	25,000	0	Budget reprofiled to 2018/19
Hartham Swimming Pool - Refurbishment of Pool Filters to ensure the efficiency of the pools filtration plant operation & to maintain the pools water quality	25,000	0	Budget reprofiled to 2017/18 Work to be completed over Xmas closure 2017.
Fanshawe Swimming Pool - Joint Provision Pools (Ward Freman, Leventhorpe & Fanshawe) - Replacement Air Conditioning to Offices	15,000	0	Budget reprofiled to 2018/19
Fanshawe Swimming Pool - Refurbish/Replace Pool Filters, to maintain efficient operation of the pool filter & pool water quality	20,000	29,196	Works completed, revised cost £29,196.00 increase due to inflation.
Fanshawe Swimming Pool - Replace Pool Circulating Pumps	20,000	0	Budget reprofiled to 2017/18
<b>OPERATIONAL BUILDINGS</b>			
Rolling programme for planned preventative capital maintenance of operational buildings	279,610	0	£179,610 reprofiled to 2017/18 for planned works
<b>Hertford Theatre</b>			
Entrance Lobby Roof - to replace the existing defective roof with new leak free, energy efficient roof and reduce overheating in the entrance lobby / foyer area in summer months	18,800	18,337	Completed.
Hertford Theatre - Flood Alleviation Works to Sump Pumps - To modify the existing sump pump installation to reduce the likelihood of any future flooding of the Theatre	20,000	3,760	1st phase of work completed. Balance reprofiled to 2017/18.
Hertford Theatre - Emergency Lighting works to backstage areas	11,000	10,482	Completed.
Buntingford Service Centre - Energy Saving Lighting - To replace the existing lighting in the recycling, workshop and storage area with energy efficient/low maintenance LED lighting	45,000	46,760	Completed
Library Car Park, Ware - to carry out drainage & resurfacing works to the annexe area of the public car park	20,000	19,234	Completed.
Replacement of Chairs & Desks	4,400	4,912	Completed
<b>Charringtons House 2nd Floor Suite Refurbishment</b>			
Maximise return from Council assets by generating rental income & business rates income from Charringtons House for the Council once the suite is refurbished	300,000	143,971	First and second phase of refurbishment complete. 3rd phase being planned for 2017/18.
Demolition 1 The Causeway, B/S	0	76,198	Planning approved. Funded from Commercial Property Fund. Works commenced April 2017
North Drive, Ware - reconstruct road & drainage	10,350		Planning Enforcement negotiating with developer to try and resolve outstanding issues. Reprofiled to 2017/18.
<b>Total Strategic Finance &amp; Property</b>	<b>927,930</b>	<b>396,089</b>	

As @ 31st March 2017

2016/17 Approved Schemes	2016/17 Revised Budget	2016/17 Actual to Date	COMMENTS
Head of Shared Business & Technology Services			
Replacement Infrastructure (Note 1)	47,140	7,096	Investment to update data centres to improve resilience and capacity for Digital Programmes. Balance reprofiled to 2017/18.
Merging IT systems - Licensing & Env Health	38,810	38,815	Completed.
Merging IT systems - Licensing & Env Health. Capital Salaries	25,380	23,109	Contract further extended for existing member of staff and remaining budget reprofiled.
Establishment of LES & internet links to replace MPLS	1,810	1,812	All datalinks to the Stevenage Data Centre have been completed.
New HR & Payroll System	55,000	33,078	Project in progress. Balance of funding to be reprofiled to 2017/18
New Finance System	175,000	65,420	Provider agreed. Budget to be reprofiled to 2017/18
New Asset Management System	20,000	6,125	Upgrade of Uniform to v10, ongoing implementation. Budget reprofiled to 2017/18.
Client Equipment	31,300	31,300	Budget used to deliver equipment needs identified within year.
Electoral Management Software	1,570	1,566	Completed.
Revs & Bens EDM Solution	91,560	91,561	Scheme complete
Car Park Data Warehousing	22,000	22,056	Completed
Audio & Visual Equipment Council Chamber Wallfields	4,700	0	Reprofiled to future years
Audio & Visual Equipment Hertford Theatre	36,100	36,109	Completed
Fix My Street	18,000	17,375	Scheme completed.
Exchange 2013	50,000	10,664	Budget reprofiled to future years
ICON: Migration to be Hosted	40,000	29,275	Budget reprofiled to future years
Rolling programme to be utilised on ICT projects subject to ITSG review	417,680	0	Budget reprofiled to future years
Total Shared Business & Technology Services	1,076,050	415,358	



As @ 31st March 2017

2016/17 Approved Schemes	2016/17 Revised Budget	2016/17 Actual to Date	COMMENTS
Head of Operations			
Car Park Management System - To implement a cost effective car park management system for the Council to manage its car parks for the next 10 years	340,000	305,916	Installation of final 16 machines + associated signage. Complete.
Refurbishment of Hertford Theatre Café/Bar			
The layout, design and equipment provision is in need of upgrade in order to meet the needs of our customers and maximise the potential for revenue generation	50,000	31,635	Reprofiled balance to 2017/18
Hertford Theatre replacement of 6 lighting hoists	13,080	13,001	Completed
Refuse Collection & Recycling			
Containers Replacement Programme	109,160	110,771	Completed
Replacement Litter Bins	7,370	5,908	Completed
Commercial Waste Bins	56,490	14,265	Reprofile balance to 2017/18
Bell Street, Sawbridgeworth - Modernise the public convenience facilities, in preparation for transferring the operation to Sawbridgeworth Town Council under an agency agreement	67,400	0	Reprofile budget to 2017/18
Hartham Pavilion Refurbishment - Replace public toilets, redevelop existing café area, create functional changing area for footballers & incorporate meeting/training room. (Note 2)	58,550	98,698	Additional S106 funding of £36k approved at Leadership Team to cover priced specification that came in above initial estimate. Works completed.
Play Area Grange Paddocks, B/S - Install new play area, to include new activity equipment & surfacing. New footpath & installation of new seating. (Note 6)	95,500	95,500	Scheme completed
Play equipment & infrastructure replacement	50,000	49,863	Scheme completed
Play Area, The Bourne, Ware (Phase 2) - Installation of a fitness & play facility for older children & open space access improvements. (Note 4)	41,200	45,310	Scheme completed
Hartham Common, Hertford - Preliminary works associated with the development of the major play site development project to be undertaken in 2016/17 in accordance with Hartham Common Development Plan (see note 5)	25,000	0	This project is to be reviewed in 2017/18 pending decisions on Leisure Strategy. Budget reprofiled to 2017/18
Open Space improvements Bishop's Park, B/S - Installation of a car park, footpath improvements & health/play facilities	106,000	106,000	Scheme completed
Pishiobury Park, Sawbridgeworth - Wetland Habitat Project - improvements to boardwalk/paths permitting safe access to the wetland area of the park	12,180		The land has now successfully been secured through a long term lease. Works were not possible over the summer due to bird nesting. The budget will be reprofiled to 2017/18.
Buryfield Recreation Ground, Ware - Installation of play area to encourage healthy activity for younger children	2,760	2,763	Retention only, scheme completed
Energy Efficiency & Carbon Reduction Measures - Installation of solar panels at Wallfields, Hertford	45,000		Potential contractors are being asked to provide revised costings and estimated FiT paybacks for the project (after revisions to government tariff payments). Budget to be reprofiled to 2018/18.
Castle Weir Micro Hydro Scheme - To provide a small Hydro-electricity turbine in the river Lee at Hertford Weir. This is an invest to save project and will generate electricity providing power for Hertford Theatre and for sale to the Grid. The scheme is subject to a rigorous approval process by the Environment Agency for flood risk and protection of biodiversity.	200,980	0	Flood operation protocols recently received from Environment Agency to move forward in revised flood modelling assessments to be undertaken (EA requirements), along with reveiw viability. Budget reprofiled to 2017/18.
Market Improvement Scheme	43,930	1,515	Budget reprofiled to 2017/18
Accrual adjustment		(1,595)	
Total Head of Operations	1,324,600	879,550	

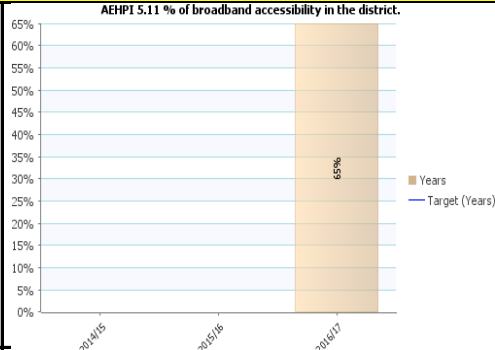
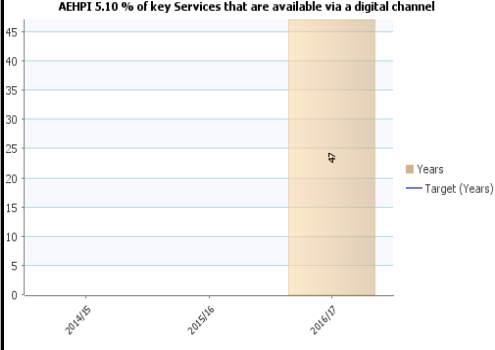
As @ 31st March 2017

2016/17 Approved Schemes	2016/17 Revised Budget	2016/17 Actual to Date	COMMENTS
Head of Housing & Health			
Community Capital grants - to provide the right tools for people to get involved with projects that improve facilities such as green spaces or community buildings – inspiring ownership and pride.	136,600	93,312	Budget reprofiled to 2017/18.
Future Social Housing Schemes	820,740	0	No current commitments. Budget reprofiled to 2017/18.
Ridgeway Scheme, Hertford (Network Homes)	500,000	250,000	50% paid on commencement of work to build 120 new build affordable housing units. Balance to be paid on completion. Budget reprofiled to future years.
Gladstone Road, Ware (Network Homes)	77,000	38,500	50% paid on commencement of work to build 10 new build affordable housing units. Balance to be paid on completion. Budget reprofiled to future years.
Private Sector Improvement Grants			
Disabled Facilities (Govt funding of £530,136 rec'd for 16/17)	694,150	315,249	Unused budget reprofiled to 2017/18.
Disabled Facilities - Discretionary	100,000	0	Budget not required
Decent Home Grants	150,000	20,294	Remaining budget not required
Energy Grants	58,000	400	Wider range of measures planned to take effect in 2017/18. The revised scheme will take account of the the new ECO scheme to achieve max value. Budget reprofiled to future years.
Capital Salaries	26,000	26,000	
River & Watercourse Structures - Improve, maintain & renew structures along rivers and watercourses to alleviate possible flooding throughout the district.	55,320	16,316	Bridge surveys on East Herts bridges have now been completed. Remedial works have been identified and outstanding budgets will be reprofiled to future years.
Air Quality Capital Grant Scheme - Subway improvement works in Hertford to include bespoke artwork & signage	1,130	970	Information signage installed
Land Management Programme - Land Management Asset Register & Associated Works	63,920	56,730	Works are ongoing. Many assets have been identified and surveyed with areas still to investigate. The data is being correlated and any remedial and/or major works that are identified will be carried out depending on priority & budget available. Some safety works have been identified and work carried out.
Land Management Programme - Land Management Asset Register & Associated Works. Capital Salaries	8,200	8,089	Funded to March 2017
Air Pollution Monitoring Equipment	20,000	19,830	Fully funded from HCC Contribution
Total Housing & Health	2,711,060	845,691	

As @ 31st March 2017


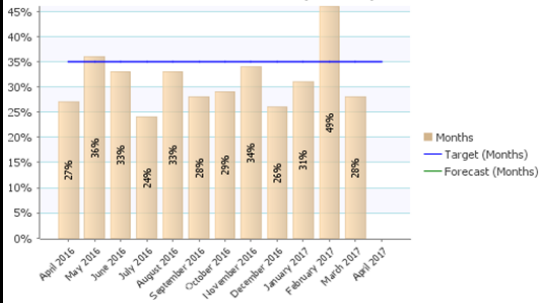
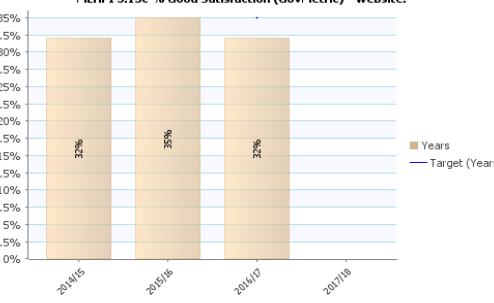

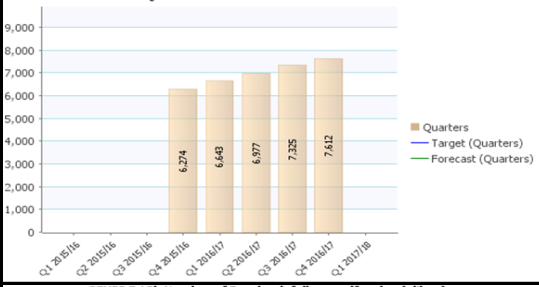

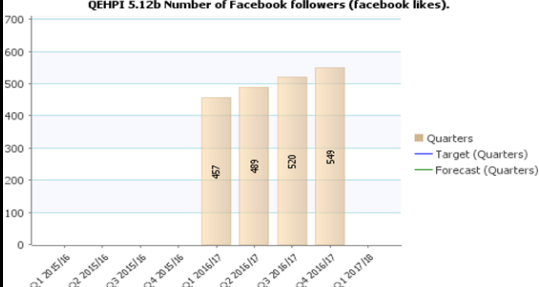
2016/17 Approved Schemes	2016/17 Revised Budget	2016/17 Actual to Date	COMMENTS
Head of Planning & Building Control			
Historic Building Grants - Enable grants to be offered to the owners of historic buildings to encourage their maintenance and upkeep.	67,680	70,286	Rolling programme of grants.
Building Control Loan	0	107,000	Start up Loan for Building Control Joint Venture Company.
Improvements to The Wash, Maidenhead Street & Bull Plain, Hertford	500,000	24,103	Consultants engaged. Unspent budget to be reprofiled to future years.
Total Planning & Building Control	567,680	201,389	
Head of Communications, Strategy & Policy			
Device Responsive Template - Revised website templates including new navigation, enhanced accessibility and device responsiveness	20,000	8,500	Delivery of new templates for public website plus new Intranet Templates. Outstanding budget to be reprofiled to future years.
Environmental Enhancements to East Herts town centres	28,000		Delay in the delivery of the Tudor Square project by Ware Town Council. Budget to be reprofiled to 2017/18.
Total Communications, Strategy & Policy	48,000	8,500	
Other			
Watton-at-Stone Parish Council - New Tennis Courts	0	38,000	Fully funded from S106 as agreed at CMT 9.2.16
Bishops Stortford Town Council - path works on Sworders Field	0	28,814	Fully funded from S106 as agreed in May 2014
Total Other	0	66,814	
TOTAL	6,655,320	2,813,391	

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Essential Reference Paper: Annual Performance Results						
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes
Priority 1 - Improve the Health & Wellbeing of Communities (16 Indicators)						
Service Area Communications, Strategy and Policy.						
AEHPI 5.11 % of broadband accessibility in the district.	65%	none set	N/A	N/A		The District currently has around 65%, around 44,708 properties, with broadband as supplied by Connected Counties with planned rollouts over the next 3 years to an estimated 93% of our District. There may well be private broadband companies that provide alternative internet coverage not covering this.
AEHPI 5.10 % of key Services that are available via a digital channel	47	none set	N/A	N/A		Based on the SOCTIM survey of key services delivered by the Council, currently around 48% or 54 of 114 services are in a digital channel.  However, with the launch of the new website, many new digital e-forms have been generated which should dramatically improve this number with more planned improvements over the course of 2017/18


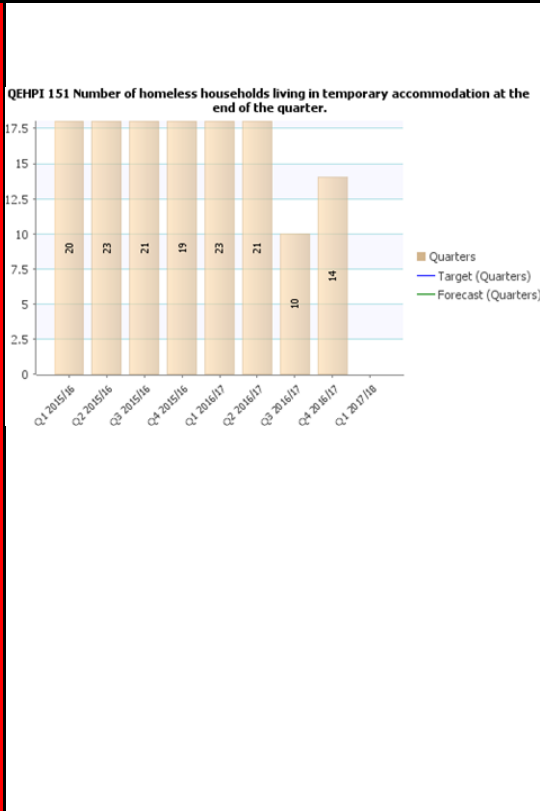
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PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes																																				
MEHPI 5.13b % Good Satisfaction (GovMetric) - Face to Face	84%	80%		<p>MEHPI 5.13a % Good Satisfaction (GovMetric) - Face to Face.</p>  <table><caption>MEHPI 5.13a % Good Satisfaction (GovMetric) - Face to Face (Monthly Data)</caption><thead><tr><th>Month</th><th>Percentage</th></tr></thead><tbody><tr><td>April 2016</td><td>81%</td></tr><tr><td>May 2016</td><td>82%</td></tr><tr><td>June 2016</td><td>91%</td></tr><tr><td>July 2016</td><td>84%</td></tr><tr><td>August 2016</td><td>88%</td></tr><tr><td>September 2016</td><td>85%</td></tr><tr><td>October 2016</td><td>87%</td></tr><tr><td>November 2016</td><td>87%</td></tr><tr><td>December 2016</td><td>85%</td></tr><tr><td>January 2017</td><td>87%</td></tr><tr><td>February 2017</td><td>87%</td></tr><tr><td>March 2017</td><td>79%</td></tr><tr><td>April 2017</td><td>92%</td></tr></tbody></table>	Month	Percentage	April 2016	81%	May 2016	82%	June 2016	91%	July 2016	84%	August 2016	88%	September 2016	85%	October 2016	87%	November 2016	87%	December 2016	85%	January 2017	87%	February 2017	87%	March 2017	79%	April 2017	92%	<p>MEHPI 5.13a % Good Satisfaction (GovMetric) - Face to Face.</p>  <table><caption>MEHPI 5.13a % Good Satisfaction (GovMetric) - Face to Face (Annual Data)</caption><thead><tr><th>Year</th><th>Percentage</th></tr></thead><tbody><tr><td>2014/15</td><td>82%</td></tr><tr><td>2015/16</td><td>83%</td></tr><tr><td>2016/17</td><td>84%</td></tr></tbody></table>	Year	Percentage	2014/15	82%	2015/16	83%	2016/17	84%	Across the year, 2,419 gave a good score, representing 84% and over our 80% target. This is an improvement on last years figures. A further 6% or 159 people gave a medium score with the remaining 10% giving a poor score
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MEHPI 5.13b % Good Satisfaction (GovMetric) - Telephone.	N/A	90%	n/a	<p>MEHPI 5.13b % Good Satisfaction (GovMetric) - Telephone.</p>  <table><caption>MEHPI 5.13b % Good Satisfaction (GovMetric) - Telephone (Monthly Data)</caption><thead><tr><th>Month</th><th>Percentage</th></tr></thead><tbody><tr><td>April 2016</td><td>100%</td></tr><tr><td>May 2016</td><td>100%</td></tr><tr><td>June 2016</td><td>100%</td></tr><tr><td>July 2016</td><td>100%</td></tr><tr><td>August 2016</td><td>100%</td></tr><tr><td>September 2016</td><td>100%</td></tr><tr><td>October 2016</td><td>100%</td></tr><tr><td>November 2016</td><td>100%</td></tr><tr><td>December 2016</td><td>100%</td></tr><tr><td>January 2017</td><td>100%</td></tr><tr><td>February 2017</td><td>100%</td></tr><tr><td>March 2017</td><td>100%</td></tr><tr><td>April 2017</td><td>100%</td></tr></tbody></table>	Month	Percentage	April 2016	100%	May 2016	100%	June 2016	100%	July 2016	100%	August 2016	100%	September 2016	100%	October 2016	100%	November 2016	100%	December 2016	100%	January 2017	100%	February 2017	100%	March 2017	100%	April 2017	100%	N/A	As we only have data over some of the months in the year, it would be unrepresentative to provide an annual score for this. It is planned that a new script and link for customers to be sent to at the end of a phone call is brought it but this cannot be achieved until the telephone package has been updated. Currently, the process is manual that operators have to manually ask the customers if they would mind being transferred to this which has had very varied results.								
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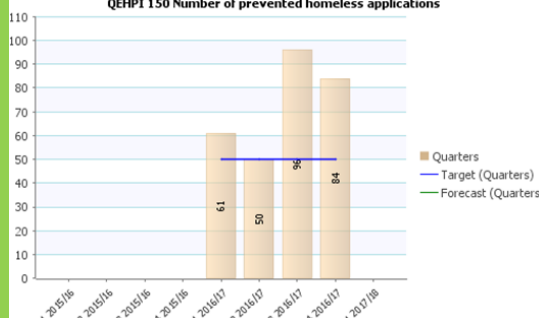
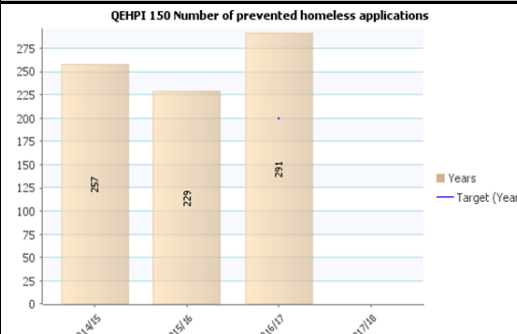

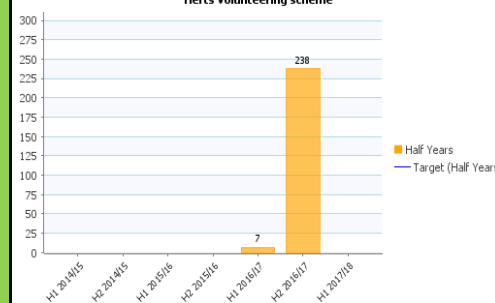
## Essential Reference Paper: Annual Performance Results


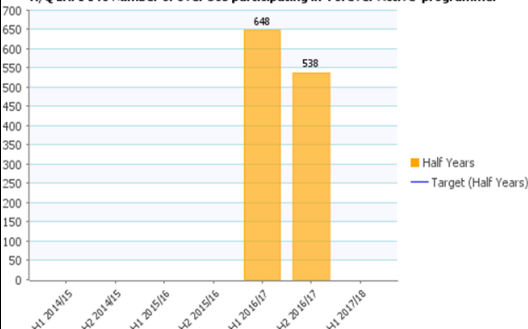

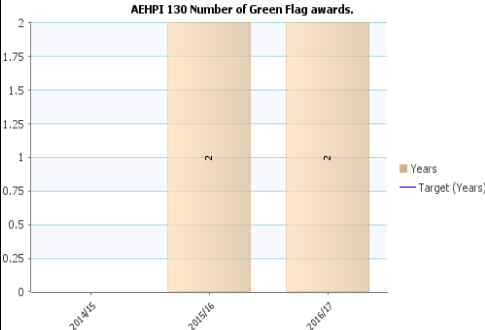
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes																																						
MEHPI 5.13c % Good Satisfaction (GovMetric) - Website.	32%	35%		<p>MEHPI 5.13c % Good Satisfaction (GovMetric) - Website.</p>  <table border="1"><thead><tr><th>Month</th><th>% Good Satisfaction</th></tr></thead><tbody><tr><td>April 2016</td><td>27%</td></tr><tr><td>May 2016</td><td>36%</td></tr><tr><td>June 2016</td><td>33%</td></tr><tr><td>July 2016</td><td>24%</td></tr><tr><td>August 2016</td><td>33%</td></tr><tr><td>September 2016</td><td>28%</td></tr><tr><td>October 2016</td><td>29%</td></tr><tr><td>November 2016</td><td>34%</td></tr><tr><td>December 2016</td><td>26%</td></tr><tr><td>January 2017</td><td>31%</td></tr><tr><td>February 2017</td><td>49%</td></tr><tr><td>March 2017</td><td>28%</td></tr><tr><td>April 2017</td><td>28%</td></tr></tbody></table>	Month	% Good Satisfaction	April 2016	27%	May 2016	36%	June 2016	33%	July 2016	24%	August 2016	33%	September 2016	28%	October 2016	29%	November 2016	34%	December 2016	26%	January 2017	31%	February 2017	49%	March 2017	28%	April 2017	28%	<p>MEHPI 5.13c % Good Satisfaction (GovMetric) - Website.</p>  <table border="1"><thead><tr><th>Year</th><th>% Good Satisfaction</th></tr></thead><tbody><tr><td>2016/15</td><td>32%</td></tr><tr><td>2016/16</td><td>35%</td></tr><tr><td>2016/17</td><td>32%</td></tr><tr><td>2017/18</td><td>32%</td></tr></tbody></table>	Year	% Good Satisfaction	2016/15	32%	2016/16	35%	2016/17	32%	2017/18	32%	A total of 456 people gave a good score over the 2016/17 period of a total of 1432, bringing a 32% score, marginally off our target and lower than last year. As anticipated for a number of months, we expect a big improvement in score when our new website goes live and our website is more engaging and user friendly.
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QEHPI 5.12a Number of Twitter followers	7,612	none set		<p>QEHPI 5.12a Number of Twitter followers</p>  <table border="1"><thead><tr><th>Quarters</th><th>Number of Twitter followers</th></tr></thead><tbody><tr><td>Q1 2016/16</td><td>0</td></tr><tr><td>Q2 2016/16</td><td>0</td></tr><tr><td>Q3 2016/16</td><td>0</td></tr><tr><td>Q4 2016/16</td><td>6,274</td></tr><tr><td>Q1 2016/17</td><td>6,648</td></tr><tr><td>Q2 2016/17</td><td>6,977</td></tr><tr><td>Q3 2016/17</td><td>7,325</td></tr><tr><td>Q4 2016/17</td><td>7,612</td></tr><tr><td>Q1 2017/18</td><td>7,612</td></tr></tbody></table>	Quarters	Number of Twitter followers	Q1 2016/16	0	Q2 2016/16	0	Q3 2016/16	0	Q4 2016/16	6,274	Q1 2016/17	6,648	Q2 2016/17	6,977	Q3 2016/17	7,325	Q4 2016/17	7,612	Q1 2017/18	7,612	N/A	As this figure is cumulative and is a new indicator, there are not long term results and Q4 figures are the same as the annual. The number of Twitter followers continues to rise, adding around 300 more followers to Q3 values																		
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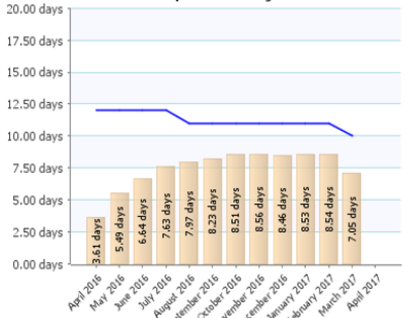
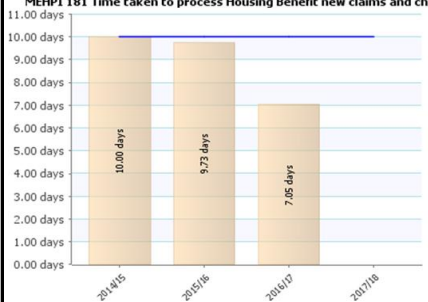
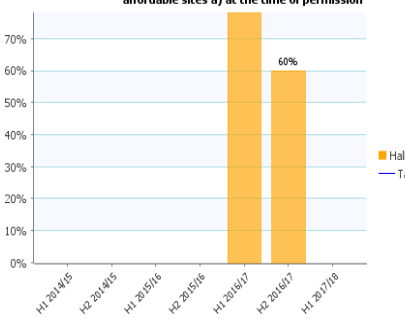
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HEHPI 155 Number of affordable homes delivered (gross)	106	none set	N/A	<p>H/Q EHPI 155 Number of affordable homes delivered (gross)</p> <table><thead><tr><th>Period</th><th>Half Years</th><th>Target (Half Years)</th></tr></thead><tbody><tr><td>H1 2016/17</td><td>94</td><td>100</td></tr><tr><td>H2 2016/17</td><td>106</td><td>100</td></tr></tbody></table>	Period	Half Years	Target (Half Years)	H1 2016/17	94	100	H2 2016/17	106	100	N/A	Oct- Mar 2017: 104 new affordable homes were completed from either S106 sites or from housing association asset sites. New Indicator so there is no long term data																																																					
Period	Half Years	Target (Half Years)																																																																		
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MEHPI 132 % of full applications for Disabled Facilities Grant approved within 7 weeks.	100%	95%		<p>MEHPI 132 % of full applications for Disabled Facilities Grant approved within 7 weeks.</p> <table><thead><tr><th>Month</th><th>Months</th><th>Target (Months)</th><th>Forecast (Months)</th></tr></thead><tbody><tr><td>April 2016</td><td>100%</td><td>95%</td><td>100%</td></tr><tr><td>May 2016</td><td>100%</td><td>95%</td><td>100%</td></tr><tr><td>June 2016</td><td>100%</td><td>95%</td><td>100%</td></tr><tr><td>July 2016</td><td>100%</td><td>95%</td><td>100%</td></tr><tr><td>August 2016</td><td>100%</td><td>95%</td><td>100%</td></tr><tr><td>September 2016</td><td>100%</td><td>95%</td><td>100%</td></tr><tr><td>October 2016</td><td>100%</td><td>95%</td><td>100%</td></tr><tr><td>November 2016</td><td>100%</td><td>95%</td><td>100%</td></tr><tr><td>December 2016</td><td>100%</td><td>95%</td><td>100%</td></tr><tr><td>January 2017</td><td>100%</td><td>95%</td><td>100%</td></tr><tr><td>February 2017</td><td>100%</td><td>95%</td><td>100%</td></tr><tr><td>March 2017</td><td>100%</td><td>95%</td><td>100%</td></tr><tr><td>April 2017</td><td>100%</td><td>95%</td><td>100%</td></tr></tbody></table>	Month	Months	Target (Months)	Forecast (Months)	April 2016	100%	95%	100%	May 2016	100%	95%	100%	June 2016	100%	95%	100%	July 2016	100%	95%	100%	August 2016	100%	95%	100%	September 2016	100%	95%	100%	October 2016	100%	95%	100%	November 2016	100%	95%	100%	December 2016	100%	95%	100%	January 2017	100%	95%	100%	February 2017	100%	95%	100%	March 2017	100%	95%	100%	April 2017	100%	95%	100%	<p>MEHPI 132 % of full applications for Disabled Facilities Grant approved within 7 weeks.</p> <table><thead><tr><th>Year</th><th>Years</th><th>Target (Years)</th></tr></thead><tbody><tr><td>2016/17</td><td>100%</td><td>95%</td></tr></tbody></table>	Year	Years	Target (Years)	2016/17	100%	95%	2016/2017 Outturn - Target exceeded. 100% of housing grant applications processed within target times. This represents 46 approved in target times since April 2016. Introduced in 2016/17 so no previous date to compare with
Month	Months	Target (Months)	Forecast (Months)																																																																	
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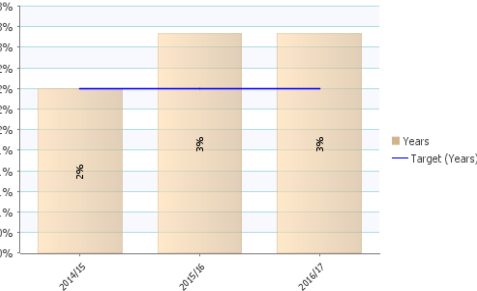


Essential Reference Paper: Annual Performance Results																										
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes																				
QEHPI 151 Number of homeless households living in temporary accommodation at the end of the quarter.	14	none set		<p>QEHPI 151 Number of homeless households living in temporary accommodation at the end of the quarter.</p>  <table><thead><tr><th>Quarter</th><th>Value</th></tr></thead><tbody><tr><td>Q1 2015/16</td><td>20</td></tr><tr><td>Q2 2015/16</td><td>23</td></tr><tr><td>Q3 2015/16</td><td>21</td></tr><tr><td>Q4 2015/16</td><td>19</td></tr><tr><td>Q1 2016/17</td><td>23</td></tr><tr><td>Q2 2016/17</td><td>21</td></tr><tr><td>Q3 2016/17</td><td>10</td></tr><tr><td>Q4 2016/17</td><td>14</td></tr><tr><td>Q1 2017/18</td><td>14</td></tr></tbody></table>	Quarter	Value	Q1 2015/16	20	Q2 2015/16	23	Q3 2015/16	21	Q4 2015/16	19	Q1 2016/17	23	Q2 2016/17	21	Q3 2016/17	10	Q4 2016/17	14	Q1 2017/18	14		Jan 17 - Mar 17: At the end of March 2017 the council had 14 households in temporary accommodation . The council owned hostel had 8 out of 12 flats occupied. One household was in B&B as they were unsuitable for the hostel. Three households were in temporary supported accommodation and two were in longer term private leased accommodation. This remains a low number in temporary accommodation and reflects the low number of homeless presentations and acceptances, the successful prevention of homelessness and the increased rehousing opportunities from the 200 new affordable homes developed since April 2016 which are in addition to the usual turnover of housing association homes.
Quarter	Value																									
Q1 2015/16	20																									
Q2 2015/16	23																									
Q3 2015/16	21																									
Q4 2015/16	19																									
Q1 2016/17	23																									
Q2 2016/17	21																									
Q3 2016/17	10																									
Q4 2016/17	14																									
Q1 2017/18	14																									


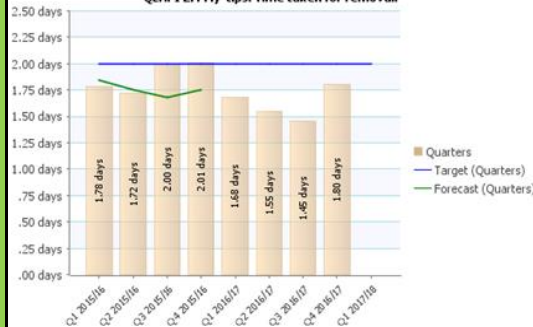
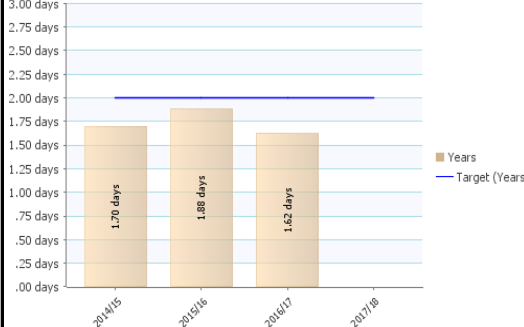

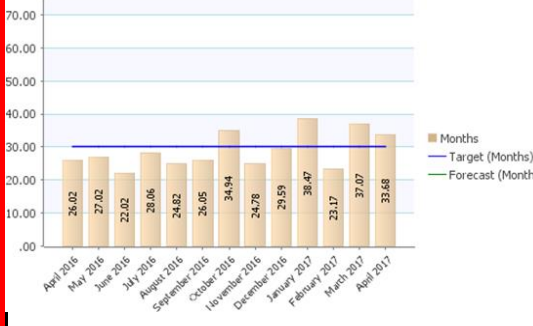
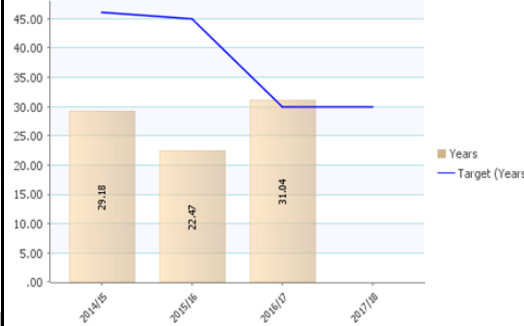
Essential Reference Paper: Annual Performance Results																								
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes																		
QEHPI 150 Number of prevented homeless applications	291	200		<p>QEHPI 150 Number of prevented homeless applications</p>  <table><tr><th>Quarters</th><th>Value</th></tr><tr><td>Q1 2016/17</td><td>61</td></tr><tr><td>Q2 2016/17</td><td>58</td></tr><tr><td>Q3 2016/17</td><td>96</td></tr><tr><td>Q4 2016/17</td><td>84</td></tr></table>	Quarters	Value	Q1 2016/17	61	Q2 2016/17	58	Q3 2016/17	96	Q4 2016/17	84	<p>QEHPI 150 Number of prevented homeless applications</p>  <table><tr><th>Years</th><th>Value</th></tr><tr><td>2014/15</td><td>257</td></tr><tr><td>2015/16</td><td>229</td></tr><tr><td>2016/17</td><td>291</td></tr></table>	Years	Value	2014/15	257	2015/16	229	2016/17	291	2016/17: The council prevented 291 households becoming homeless by the provision of advice to relieve homelessness or securing alternative accommodation through the housing register or actively assisting applicants secure accommodation through the private sector.
Quarters	Value																							
Q1 2016/17	61																							
Q2 2016/17	58																							
Q3 2016/17	96																							
Q4 2016/17	84																							
Years	Value																							
2014/15	257																							
2015/16	229																							
2016/17	291																							
HEHPI 141 East Herts residents & East Herts Council employees registered with Team Herts Volunteering scheme	245	200		<p>H/Q EHPI 141 East Herts residents &amp; East Herts Council employees registered with Team Herts Volunteering scheme</p>  <table><tr><th>Half Years</th><th>Value</th></tr><tr><td>H1 2016/17</td><td>7</td></tr><tr><td>H2 2016/17</td><td>238</td></tr></table>	Half Years	Value	H1 2016/17	7	H2 2016/17	238	N/A	Across the year, there was a total of 245 people who signed up to The Herts Volunteering which surpassed our initial 200 annual target although most of this uptake was across Q2. This is a new indicator so there is no long term data.												
Half Years	Value																							
H1 2016/17	7																							
H2 2016/17	238																							

Essential Reference Paper: Annual Performance Results						
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes
HEHPI 140 Number of over 50s participating in 'Forever Active' programme	1186	854		<p>H/Q EHPI 140 Number of over 50s participating in 'Forever Active' programme.</p> 	N/A	There were 1,186 sign ups to Forever Active, far exceeding the original set targets. As this is a new indicator, there is no long term trend
Service Area Operations						
AEHPI 130 Number of Green Flag awards.	2	none set		N/A	<p>AEHPI 130 Number of Green Flag awards.</p> 	This value is 2 again and this is not likely to ever change as we are unlikely to bid for any further green flags awards given the time and effort constraints this brings. It is proposed that this PI is scrapped therefore as adds no value
Service Area Revenues and Benefits						

Essential Reference Paper: Annual Performance Results						
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes
MEHPI 181 Time taken to process Housing Benefit new claims and change events.	7.05	10.00 days (This is a new lowered target (from 11))		<p>MEHPI 181 Time taken to process Housing Benefit new claims and change events.</p>  <p>Months Target (Months) Forecast (Months)</p>	<p>MEHPI 181 Time taken to process Housing Benefit new claims and change events.</p>  <p>Years Target (Years)</p>	Time taken has decreased over the past 3 years, a positive trend
Priority 2 - Enhance Quality of People's Lives (15 Indicators)						
Service Area: Health & Housing.						
HEHPI 149a % of affordable housing delivered on sites subject to s106 agreements on affordable sites a) at the time of permission	60%		N/A	<p>HEHPI 149a % of affordable housing delivered on sites subject to s106 agreements on affordable sites a) at the time of permission</p>  <p>Half Years Target (Half Years)</p>	N/A	Oct-March 2017: There were 7 schemes given planning permission in the second half of 2016/17 of which 4 were policy compliant with regards to the amount of affordable housing agreed on the S106 and three were not. This means that for 2016/17 overall 10 schemes were given planning permission of which 7 or 70% were policy compliant with regards to the percentage of affordable housing agreed in the S106. Indicator will be amended for the 2017/18 period (see 149b)

Essential Reference Paper: Annual Performance Results						
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes
HEHPI 149b % of affordable housing delivered on sites subject to s106 agreements on affordable sites b) at the time of delivery completion	100%	100	N/A	<p>HEHPI 149b % of affordable housing delivered on sites subject to s106 agreements on affordable sites b) at the time of delivery completion</p> <p>100% 90% 80% 70% 60% 50% 40% 30% 20% 10% 0%</p> <p>Half Years Target (Half Years)</p>	N/A	Frequency will change to Quarterly from 17/18 for better monitoring and will split into two measures; ' % of Affordable homes delivered on section 106 developments in Towns (149c) & Villages (149d)'
AEHPI 64 Number of private sector vacant dwellings that are returned into occupation or demolished	20	10		N/A	<p>A/Q EHPI 64 Number of private sector vacant dwellings that are returned into occupation or demolished</p> <p>20 17.5 15 12.5 10 7.5 5 2.5 0</p> <p>Years Target (Years)</p>	<p>2016/2017 Outturn 2017 - Target achieved. 20 private sector dwellings brought back into occupation; 10 of which had been empty for more than 2 years including 2 that had been empty for over 10 years. This figure is likely to be higher, but limitations on how the data is gathered has prevented a more detailed figure being produced. We plan to change this with the use of Uniform and are currently working with IT to this end. Target to rise to 15 for 2017/18. Frequency will change to Quarterly from 17/18 for better monitoring</p>

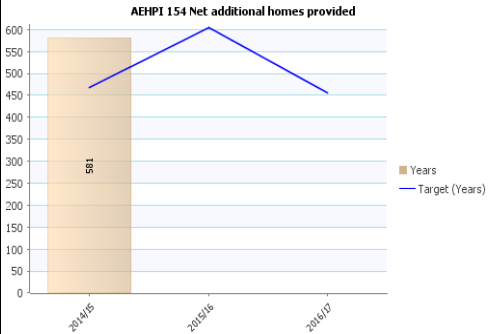

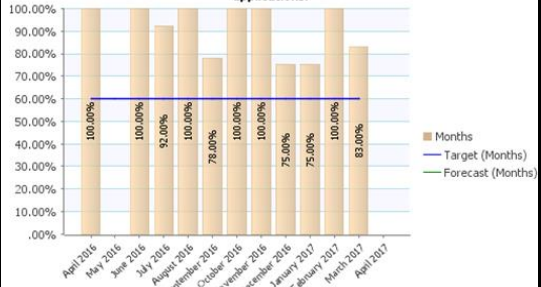
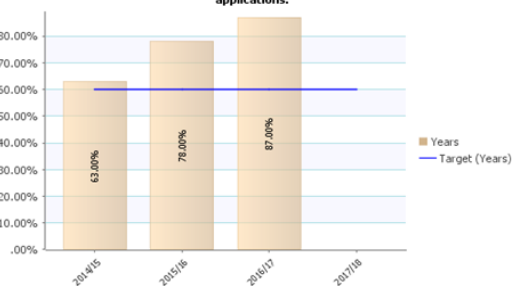
Essential Reference Paper: Annual Performance Results														
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes								
Service Area Operations														
AEHPI 195a Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Litter	3%	2%		N/A	 <table border="1"><caption>AEHPI 195a Litter Levels</caption><thead><tr><th>Year</th><th>Litter Level (%)</th></tr></thead><tbody><tr><td>2014/15</td><td>2%</td></tr><tr><td>2015/16</td><td>3%</td></tr><tr><td>2016/17</td><td>3%</td></tr></tbody></table>	Year	Litter Level (%)	2014/15	2%	2015/16	3%	2016/17	3%	2016/17 Outturn - Broken down into tranche 1- 3% , tranche 2 - 1%, tranche 3 - 4%. This shows that Litter levels rose in the last 4 months due to this being the worst time of year for litter when the vegetation dies back. In particular levels of litter were highest on main roads due to some contractor performance issues and difficulty getting traffic management from HCC.
Year	Litter Level (%)													
2014/15	2%													
2015/16	3%													
2016/17	3%													
AEHPI 195b Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Detritus	10%	7%		N/A	 <table border="1"><caption>AEHPI 195b Detritus Levels</caption><thead><tr><th>Year</th><th>Detritus Level (%)</th></tr></thead><tbody><tr><td>2014/15</td><td>5%</td></tr><tr><td>2015/16</td><td>8%</td></tr><tr><td>2016/17</td><td>10%</td></tr></tbody></table>	Year	Detritus Level (%)	2014/15	5%	2015/16	8%	2016/17	10%	2016/17 Outturn- performance below target (i.e. worse than target by 3%). Inspections throughout year broken down as follows Tranche 1 - 15.23%, Tranche 2 - 6.48%, Tranche 3- 7.08%. This shows that the first 4 months of the year brought down performance. The areas identified were in industry & warehousing, rural roads and other highways and these areas have now been brought back up to standard.
Year	Detritus Level (%)													
2014/15	5%													
2015/16	8%													
2016/17	10%													


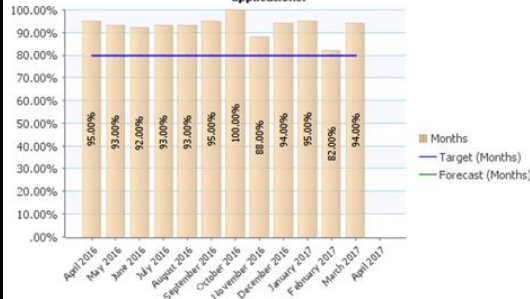
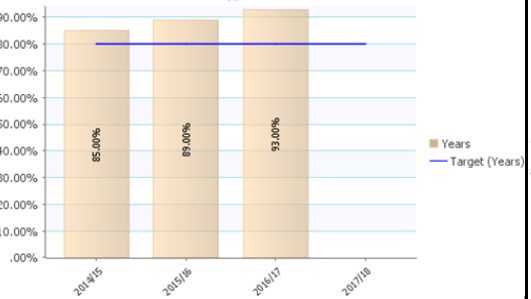

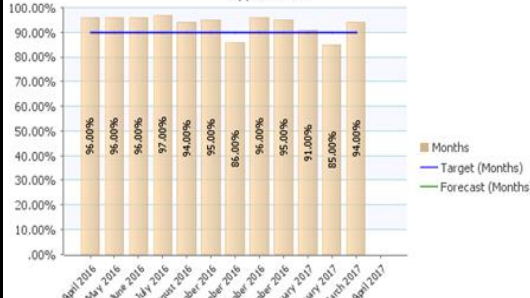
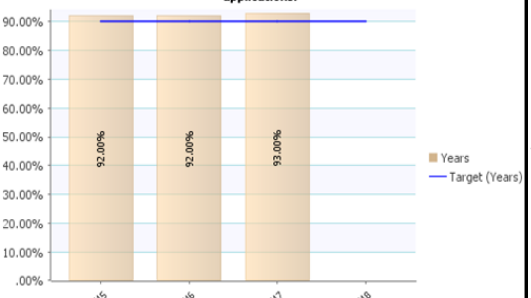
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PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes																																						
QEHPI 2.4 Fly-tips: removal.	1.62	2.00 days		<p>QEHPI 2.4 Fly-tips: Time taken for removal.</p>  <table><caption>QEHPI 2.4 Fly-tips: Time taken for removal (Short Term)</caption><thead><tr><th>Quarter</th><th>Time (days)</th></tr></thead><tbody><tr><td>Q1 2016/16</td><td>1.78</td></tr><tr><td>Q2 2016/16</td><td>1.72</td></tr><tr><td>Q3 2016/16</td><td>2.00</td></tr><tr><td>Q4 2016/16</td><td>2.01</td></tr><tr><td>Q1 2016/17</td><td>1.68</td></tr><tr><td>Q2 2016/17</td><td>1.55</td></tr><tr><td>Q3 2016/17</td><td>1.46</td></tr><tr><td>Q4 2016/17</td><td>1.80</td></tr><tr><td>Q1 2017/18</td><td>1.62</td></tr></tbody></table>	Quarter	Time (days)	Q1 2016/16	1.78	Q2 2016/16	1.72	Q3 2016/16	2.00	Q4 2016/16	2.01	Q1 2016/17	1.68	Q2 2016/17	1.55	Q3 2016/17	1.46	Q4 2016/17	1.80	Q1 2017/18	1.62	<p>QEHPI 2.4 Fly-tips: Time taken for removal.</p>  <table><caption>QEHPI 2.4 Fly-tips: Time taken for removal (Long Term)</caption><thead><tr><th>Year</th><th>Time (days)</th></tr></thead><tbody><tr><td>2014/15</td><td>1.70</td></tr><tr><td>2015/16</td><td>1.88</td></tr><tr><td>2016/17</td><td>1.62</td></tr><tr><td>2017/18</td><td>-</td></tr></tbody></table>	Year	Time (days)	2014/15	1.70	2015/16	1.88	2016/17	1.62	2017/18	-	2016/17 Outturn - Annual average for fly tipping removal well within target even though the number of fly tips removed is greater than last year (Fly tips removed 1114 in 2016/17 compared to 1003 in 2015/16)								
Quarter	Time (days)																																											
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MEHPI 2.2 Waste: missed collections per 100,000 collections of household	31.04	30		<p>MEHPI 2.2 Waste: missed collections per 100,000 collections of household.</p>  <table><caption>MEHPI 2.2 Waste: missed collections per 100,000 collections of household (Short Term)</caption><thead><tr><th>Month</th><th>Missed Collections</th></tr></thead><tbody><tr><td>April 2016</td><td>26.02</td></tr><tr><td>May 2016</td><td>27.02</td></tr><tr><td>June 2016</td><td>22.02</td></tr><tr><td>July 2016</td><td>28.06</td></tr><tr><td>August 2016</td><td>24.82</td></tr><tr><td>September 2016</td><td>26.05</td></tr><tr><td>October 2016</td><td>34.94</td></tr><tr><td>November 2016</td><td>24.78</td></tr><tr><td>December 2016</td><td>29.59</td></tr><tr><td>January 2017</td><td>38.47</td></tr><tr><td>February 2017</td><td>23.17</td></tr><tr><td>March 2017</td><td>37.07</td></tr><tr><td>April 2017</td><td>33.68</td></tr></tbody></table>	Month	Missed Collections	April 2016	26.02	May 2016	27.02	June 2016	22.02	July 2016	28.06	August 2016	24.82	September 2016	26.05	October 2016	34.94	November 2016	24.78	December 2016	29.59	January 2017	38.47	February 2017	23.17	March 2017	37.07	April 2017	33.68	<p>MEHPI 2.2 Waste: missed collections per 100,000 collections of household.</p>  <table><caption>MEHPI 2.2 Waste: missed collections per 100,000 collections of household (Long Term)</caption><thead><tr><th>Year</th><th>Missed Collections</th></tr></thead><tbody><tr><td>2014/15</td><td>29.18</td></tr><tr><td>2015/16</td><td>22.47</td></tr><tr><td>2016/17</td><td>31.04</td></tr><tr><td>2017/18</td><td>-</td></tr></tbody></table>	Year	Missed Collections	2014/15	29.18	2015/16	22.47	2016/17	31.04	2017/18	-	The first half of the year saw missed collections consistent under the target of the 30, the latter half of the year saw however missed collections increased above the target and despite a concerted effort on contractors part, the year ended about 30. The waste team will continue to closely monitor missed collections, breaking them down to service and area in a bid to tackle the issue.
Month	Missed Collections																																											
April 2016	26.02																																											
May 2016	27.02																																											
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Essential Reference Paper: Annual Performance Results						
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes
MEHPI 191 Cumulative Annual Residual household waste per household.	435kg	none set	N/A	<p>MEHPI 191 Residual household waste per household.</p>	<p>MEHPI 191 Residual household waste per household.</p>	With more material capture via the kerbside service than the previous year and street sweepings being recycled, household waste has gone down compared to last year (468.66kgs per household) this means we are well within the target of 435kg and have a recycling rate of 51.77% (which is a provisional figure based on data that is being checked)
MEHPI 192 % of household waste sent for reuse, recycling and composting	51.77	50%		<p>MEHPI 192 % of household waste sent for reuse, recycling and composting.</p>	<p>MEHPI 192 % of household waste sent for reuse, recycling and composting.</p>	Whilst in this short term, recycling rates fell, across the last 3 years, this is the highest recycling rate achieved. This figure remains provisional whilst the data is checked however we have collected more organic waste and more comingled material than last year and waste is down compared with last year also.
Service Area Planning and Building Control						

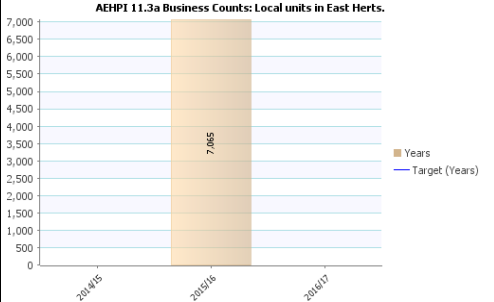
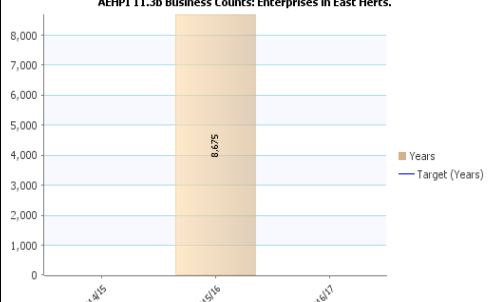

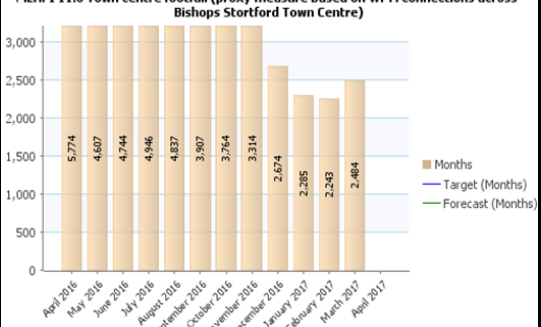


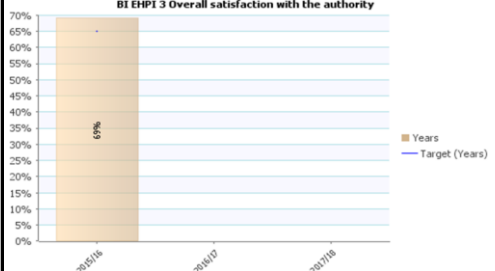

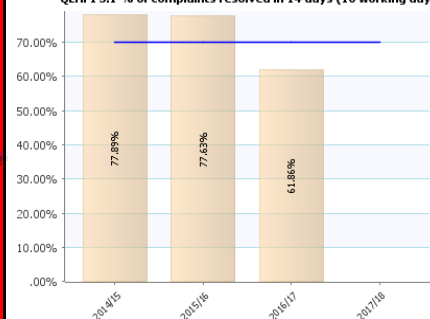
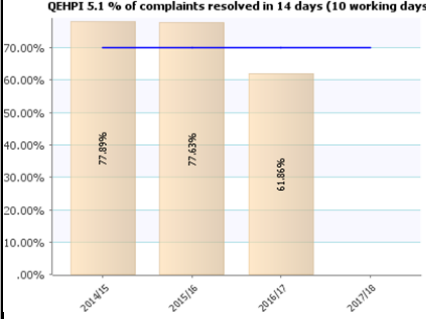
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PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes								
AEHPI 159 Supply of ready to develop housing sites. Annual Figures not available at this time	60% (2014/15)	none set	N/A	N/A	<div><p>AEHPI 159 Supply of ready to develop housing sites</p><table border="1"><thead><tr><th>Year</th><th>Value (%)</th></tr></thead><tbody><tr><td>2014/15</td><td>60.0%</td></tr><tr><td>2015/16</td><td>-</td></tr><tr><td>2016/17</td><td>-</td></tr></tbody></table></div>	Year	Value (%)	2014/15	60.0%	2015/16	-	2016/17	-	<p>2015/16 Estimated outturn. Latest assessment of land availability in the Authority Monitoring Report submitted to the 17 Dec 2015 meeting of the District Plan Executive Panel. Land supply is between 3.4 years (68%) based on the Liverpool calculation method (previous under delivery applied across the whole plan period) or 3.0 years (60%) based on the Sedgefield method (under delivery applied in first five years. Figures based on finalised SHMA OAN of 745 units per year.</p> <p>It is not possible to calculate the future position in relation to this indicator. This would require an assessment of housing land availability up to 8 years in advance. Such assessments are unreliable. A favourable outcome of examination of the District Plan would establish an OAN and sufficient available land allocations to enable delivery in relation to this. This would lead to a land supply figure of 100% or greater.</p>
Year	Value (%)													
2014/15	60.0%													
2015/16	-													
2016/17	-													


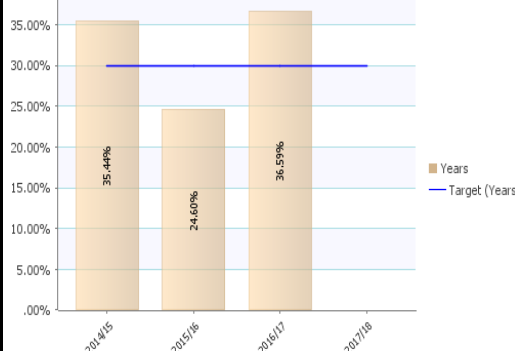
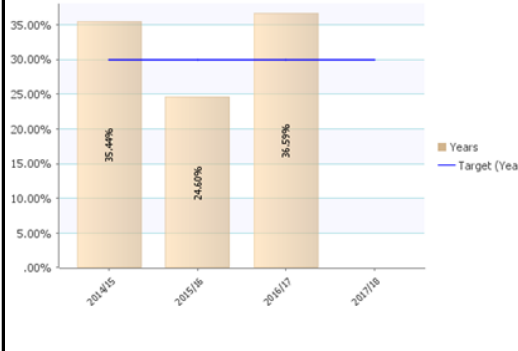

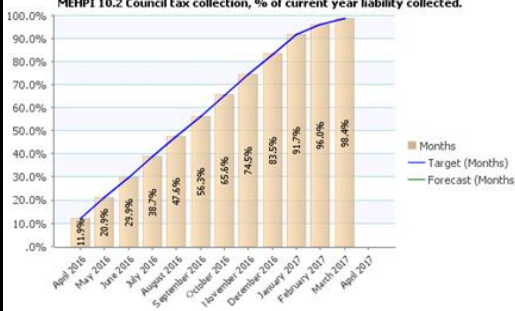
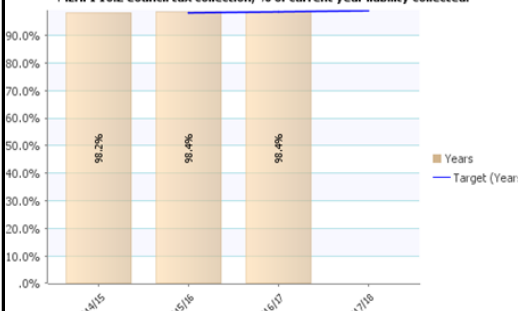
Essential Reference Paper: Annual Performance Results						
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes
AEHPI 154 Net additional homes provided. Annual Figures not available at this time	581 (2014/15)	467	N/A		 <p>AEHPI 154 Net additional homes provided</p>	<p>2014/15 Outturn: This figure is provided to us by HCC. It is a provisional figure as the service is continuing to check the accuracy of the data. Based on this provisional figure, New housing completions are higher than target for the year. This generally reflects a favourable development and investment climate.</p> <p>2015/16 Estimated outcome: Estimate of delivery in the current year set out in the Authority Monitoring Report submitted to the 17 Dec 2015 meeting of the District Plan Executive Panel. Estimated delivery of 786 new homes. Future targets: 2016/17: 455, 2017/18: 737 and 2018/19: 748</p>
MEHPI 157a % Processing of planning applications dealt with in timely manner - Major applications.	87.0%	60.0%		 <p>MEHPI 157a % Processing of planning applications dealt with in timely manner - Major applications.</p>	 <p>MEHPI 157a % Processing of planning applications dealt with in timely manner - Major applications.</p>	<p>40 out of 46 Applications dealt with within timely manner, a large increase on previous years.</p>

Essential Reference Paper: Annual Performance Results																																												
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes																																						
MEHPI 157b % Processing of planning applications dealt with in timely manner-Minor applications.	93.0%	80.0%		<p>MEHPI 157b % Processing of planning applications dealt with in timely manner- Minor applications.</p>  <table><caption>MEHPI 157b % Processing of planning applications dealt with in timely manner- Minor applications (Monthly Data)</caption><thead><tr><th>Month</th><th>Percentage</th></tr></thead><tbody><tr><td>April 2016</td><td>95.00%</td></tr><tr><td>May 2016</td><td>93.00%</td></tr><tr><td>June 2016</td><td>92.00%</td></tr><tr><td>July 2016</td><td>93.00%</td></tr><tr><td>August 2016</td><td>93.00%</td></tr><tr><td>September 2016</td><td>93.00%</td></tr><tr><td>October 2016</td><td>95.00%</td></tr><tr><td>November 2016</td><td>100.00%</td></tr><tr><td>December 2016</td><td>88.00%</td></tr><tr><td>January 2017</td><td>94.00%</td></tr><tr><td>February 2017</td><td>95.00%</td></tr><tr><td>March 2017</td><td>82.00%</td></tr><tr><td>April 2017</td><td>94.00%</td></tr></tbody></table>	Month	Percentage	April 2016	95.00%	May 2016	93.00%	June 2016	92.00%	July 2016	93.00%	August 2016	93.00%	September 2016	93.00%	October 2016	95.00%	November 2016	100.00%	December 2016	88.00%	January 2017	94.00%	February 2017	95.00%	March 2017	82.00%	April 2017	94.00%	<p>MEHPI 157b % Processing of planning applications dealt with in timely manner- Minor applications.</p>  <table><caption>MEHPI 157b % Processing of planning applications dealt with in timely manner- Minor applications (Yearly Data)</caption><thead><tr><th>Year</th><th>Percentage</th></tr></thead><tbody><tr><td>2014/15</td><td>85.00%</td></tr><tr><td>2015/16</td><td>89.00%</td></tr><tr><td>2016/17</td><td>93.00%</td></tr><tr><td>2017/18</td><td>-</td></tr></tbody></table>	Year	Percentage	2014/15	85.00%	2015/16	89.00%	2016/17	93.00%	2017/18	-	369 out of 397 Applications dealt with within timely manner, an increase on the previous 2 years
Month	Percentage																																											
April 2016	95.00%																																											
May 2016	93.00%																																											
June 2016	92.00%																																											
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MEHPI 157c % Processing of planning applications dealt with in timely manner-Other applications.	93.0%	90.0%		<p>MEHPI 157c % Processing of planning applications dealt with in timely manner- Other applications.</p>  <table><caption>MEHPI 157c % Processing of planning applications dealt with in timely manner- Other applications (Monthly Data)</caption><thead><tr><th>Month</th><th>Percentage</th></tr></thead><tbody><tr><td>April 2016</td><td>96.00%</td></tr><tr><td>May 2016</td><td>96.00%</td></tr><tr><td>June 2016</td><td>96.00%</td></tr><tr><td>July 2016</td><td>97.00%</td></tr><tr><td>August 2016</td><td>94.00%</td></tr><tr><td>September 2016</td><td>95.00%</td></tr><tr><td>October 2016</td><td>86.00%</td></tr><tr><td>November 2016</td><td>96.00%</td></tr><tr><td>December 2016</td><td>95.00%</td></tr><tr><td>January 2017</td><td>91.00%</td></tr><tr><td>February 2017</td><td>85.00%</td></tr><tr><td>March 2017</td><td>94.00%</td></tr><tr><td>April 2017</td><td>94.00%</td></tr></tbody></table>	Month	Percentage	April 2016	96.00%	May 2016	96.00%	June 2016	96.00%	July 2016	97.00%	August 2016	94.00%	September 2016	95.00%	October 2016	86.00%	November 2016	96.00%	December 2016	95.00%	January 2017	91.00%	February 2017	85.00%	March 2017	94.00%	April 2017	94.00%	<p>MEHPI 157c % Processing of planning applications dealt with in timely manner- Other applications.</p>  <table><caption>MEHPI 157c % Processing of planning applications dealt with in timely manner- Other applications (Yearly Data)</caption><thead><tr><th>Year</th><th>Percentage</th></tr></thead><tbody><tr><td>2014/15</td><td>92.00%</td></tr><tr><td>2015/16</td><td>92.00%</td></tr><tr><td>2016/17</td><td>93.00%</td></tr><tr><td>2017/18</td><td>-</td></tr></tbody></table>	Year	Percentage	2014/15	92.00%	2015/16	92.00%	2016/17	93.00%	2017/18	-	1440 out of 1542 applications dealt with within a timely manner, an increase on the previous 3 years
Month	Percentage																																											
April 2016	96.00%																																											
May 2016	96.00%																																											
June 2016	96.00%																																											
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Essential Reference Paper: Annual Performance Results						
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes
AEHPI 11.3a Business Counts: Local units in East Herts. Annual Figures not available at this time	7,065(2015/16)	none set	N/A	N/A	 <p>AEHPI 11.3a Business Counts: Local units in East Herts.</p>	New Trend captured for 2015/16 and sources from external sources so 2016/17 values yet to be provided. For 2017/18, this PI will change to 11a and 11b (see ERP C) which will provide a more timely and accurate figure
AEHPI 11.3b Business Counts: Enterprises in East Herts. Annual Figures not available at this time	8675 (2015/16)	none set	N/A	N/A	 <p>AEHPI 11.3b Business Counts: Enterprises in East Herts.</p>	New Trend captured for 2015/16 and sources from external sources so 2016/17 values yet to be provided. For 2017/18, this PI will change to 11a and 11b (see ERP C) which will provide a more timely and accurate figure
MEHPI 11.6 Town centre footfall (proxy measure based on Wi-Fi connections on market days).	2,484	none set		 <p>MEHPI 11.6 Town centre footfall (proxy measure based on Wi-Fi connections across Bishops Stortford Town Centre)</p>	N/A	There were 2,484 distinct Clients for the March period with an average of 249 clients daily. It has been agreed that from 2017/18 period, this Indicator will not be collected as it adds little to no value

Essential Reference Paper: Annual Performance Results						
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes
Supporting these Priorities (5 Indicators)						
Service Area Communications Strategy and Policy.						
BI EHPI 3 Overall satisfaction with the authority	69 (2015/16)	none set	69%	N/A		This was a bi-annual measure that was collected from the residents survey. Thus there is no figure this year. The methodology of how we collect this data will need to change in the future as the Resident survey will not be conducted next year due to costing and how representative it is of our population
QEHPI 5.1 % of complaints resolved in 14 days (10 working days) or less.	61.86%	70.00%				This has consistently failed at every quarter this year despite an improvement in the last quarter. Figures are therefore much lower than previous years

Essential Reference Paper: Annual Performance Results																																										
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes																																				
QEHPI 5.2a % of complaints about the Council and its services that are upheld: 1st stage	36.59%	30.00%		<p>QEHPI 5.2a % of complaints about the Council and its services that are upheld: 1st stage</p>  <table><caption>QEHPI 5.2a % of complaints about the Council and its services that are upheld: 1st stage</caption><thead><tr><th>Year</th><th>% of complaints</th></tr></thead><tbody><tr><td>2014/15</td><td>35.44%</td></tr><tr><td>2015/16</td><td>24.60%</td></tr><tr><td>2016/17</td><td>36.59%</td></tr></tbody></table>	Year	% of complaints	2014/15	35.44%	2015/16	24.60%	2016/17	36.59%	<p>QEHPI 5.2a % of complaints about the Council and its services that are upheld: 1st stage</p>  <table><caption>QEHPI 5.2a % of complaints about the Council and its services that are upheld: 1st stage</caption><thead><tr><th>Year</th><th>% of complaints</th></tr></thead><tbody><tr><td>2014/15</td><td>35.44%</td></tr><tr><td>2015/16</td><td>24.60%</td></tr><tr><td>2016/17</td><td>36.59%</td></tr></tbody></table>	Year	% of complaints	2014/15	35.44%	2015/16	24.60%	2016/17	36.59%	Across the year, in every quarter, we failed to meet our 30% or less deadline though there was a slight improvement during Q4.This is a worrying trend but as mentioned, missed waste bins do take up a bulk of our upheld complaints of which we do not directly manage. There has also been a lot of disruption with restructures which may have caused delays in getting the complaint to the most appropriate person																				
Year	% of complaints																																									
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Service Area Revenues & Benefits																																										
MEHPI 10.2 Council tax collection, % of current year liability collected.	98.4%	98.6%		<p>MEHPI 10.2 Council tax collection, % of current year liability collected.</p>  <table><caption>MEHPI 10.2 Council tax collection, % of current year liability collected.</caption><thead><tr><th>Month</th><th>% of current year liability collected</th></tr></thead><tbody><tr><td>April 2016</td><td>11.9%</td></tr><tr><td>May 2016</td><td>20.9%</td></tr><tr><td>June 2016</td><td>29.9%</td></tr><tr><td>July 2016</td><td>38.7%</td></tr><tr><td>August 2016</td><td>47.6%</td></tr><tr><td>September 2016</td><td>56.3%</td></tr><tr><td>October 2016</td><td>65.6%</td></tr><tr><td>November 2016</td><td>74.5%</td></tr><tr><td>December 2016</td><td>83.5%</td></tr><tr><td>January 2017</td><td>91.7%</td></tr><tr><td>February 2017</td><td>96.0%</td></tr><tr><td>March 2017</td><td>98.4%</td></tr><tr><td>April 2017</td><td>98.4%</td></tr></tbody></table>	Month	% of current year liability collected	April 2016	11.9%	May 2016	20.9%	June 2016	29.9%	July 2016	38.7%	August 2016	47.6%	September 2016	56.3%	October 2016	65.6%	November 2016	74.5%	December 2016	83.5%	January 2017	91.7%	February 2017	96.0%	March 2017	98.4%	April 2017	98.4%	<p>MEHPI 10.2 Council tax collection, % of current year liability collected.</p>  <table><caption>MEHPI 10.2 Council tax collection, % of current year liability collected.</caption><thead><tr><th>Year</th><th>% of current year liability collected</th></tr></thead><tbody><tr><td>2014/15</td><td>98.2%</td></tr><tr><td>2015/16</td><td>98.4%</td></tr><tr><td>2016/17</td><td>98.4%</td></tr></tbody></table>	Year	% of current year liability collected	2014/15	98.2%	2015/16	98.4%	2016/17	98.4%	PI slightly below targets which were based on 2015/16 period
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Essential Reference Paper: Annual Performance Results						
PI Code & Name	Annual figure (where applicable)	Target	Movement since last update	Short term Performance Trend	Long Term Performance Trend	Annual Notes
MEHPI 10.4 NNDR (Business rates) collection, % of current year liability collected.	97.8%	97.5%	N/A	<p>MEHPI 10.4 NNDR (Business rates) collection, % of current year liability collected.</p>	<p>MEHPI 10.4 NNDR (Business rates) collection, % of current year liability collected.</p>	PI slightly below targets which were based on 2015/16 period

## KEY

## PI Status

Performance is 6% or more off target	
Performance is on target or exceeding target	
No target to set performance against	Trend Only
Monthly/Q4/Annual data unavailable	

## Movement since last period

Value is higher than previous period & this is positive movement	
negative movement	
positive movement	
negative movement	
Value is the same as previous period	
period	n/a



## EAST HERTS COUNCIL

### PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY COMMITTEE – 4 JULY 2017

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#### REPORT BY THE LEADER OF THE COUNCIL

#### ANNUAL GOVERNANCE STATEMENT 2016/17

WARD(S) AFFECTED: All

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#### **Purpose/Summary of Report**

- This report presents the 2016/17 Annual Governance Statement and the 2017/18 Annual Governance Statement Action Plan.

<b><u>RECOMMENDATIONS FOR PERFORMANCE, AUDIT &amp; GOVERNANCE COMMITTEE:</u> to review and comment on the following items as detailed:</b>	
<b>(A)</b>	<b>the 2016/17 Annual Governance Statement and</b>
<b>(A)</b>	<b>to comment on the risks detailed within the 2016/17 Annual Governance Statement's 2017/18 Action Plans.</b>

## **1 Background**

- 1.1 The Accounts and Audit Regulations 2015 stipulate that all authorities must conduct a review of the effectiveness of the system of internal controls and prepare an Annual Governance Statement each financial year.
- 1.2 The annual governance statement must be approved in advance of the authority approving the statement of accounts.

## **2 Annual Governance Statement**

- 2.1 The Council is responsible for preparing and publishing its Annual Governance Statement in accordance with the Chartered Institute of Public Finance Accounts (CIPFA) and the Society of Local Authority Chief Executive and Senior Managers (SoLACE) framework.

- 2.2 This fulfils the statutory requirement that Local authorities review their governance arrangements at least once a year.
- 2.3 The Delivering Good Governance in Local Government Framework requires local authorities to be responsible for ensuring that:
- their business is conducted in accordance with all relevant laws and regulations;
  - public money is safeguarded, properly accounted for and used economically, efficiently and effectively;
  - there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.
- 2.4 The annual governance statement will act as a vehicle for the review of the Council's governance arrangement. The review should be reported both internally within the Council, to the Performance, Audit and Governance committee and externally within the published accounts to provide assurances that:
- Governance arrangements are adequate and operating effectively in practice or
  - Where reviews of the governance arrangements have revealed gaps, action is planned that will ensure effective governance in the future
- 2.5 The process of preparing the governance statement should itself add value to the corporate governance and internal controls framework of the Council.
- 2.6 It is important to recognise that the governance statement covers all significant corporate systems, processes and controls for all of the Council's activities.
- 2.7 The static part of the Annual Governance Statement can be found at **Essential Reading Paper 'B'**.
- 2.8 The Annual Governance Statement Action Plan 2017/18 can be found at **Essential Reading Paper 'C'**.

#### Background Papers

None.

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## **ESSENTIAL REFERENCE PAPER 'A'**

### **IMPLICATIONS/CONSULTATIONS**

Contribution to the Council's Corporate Priorities/ Objectives:  2017/18 wording	Priority 1 – Improve the health and wellbeing of our communities  Priority 2 – Enhance the quality of people's lives  Priority 3 – Enable a flourishing local economy  Effective use of the scrutiny process contributes to the Council's ability to meet one or more of its corporate objectives.
Consultation:	The AGS provides backward looking information and highlights key corporate risks that have arisen during that year.
Legal:	Production of the annual AGS is a statutory requirement.
Financial:	All financial risks are included in the report
Human Resource:	None
Risk Management:	The AGS is designed to highlight events that may be considered a risk to the Council. It addresses those risks with the use of an action plan.
Health and wellbeing – issues and impacts:	None

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## **ANNUAL GOVERNANCE STATEMENT 2016/17**

### **Introduction**

East Hertfordshire District Council is responsible for ensuring that its business is conducted in accordance with the law and relevant standards, and that public money is safeguarded and properly accounted for, used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having a regard of value for money.

The Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitation the effective exercise of its functions, including arrangements for the management of risk.

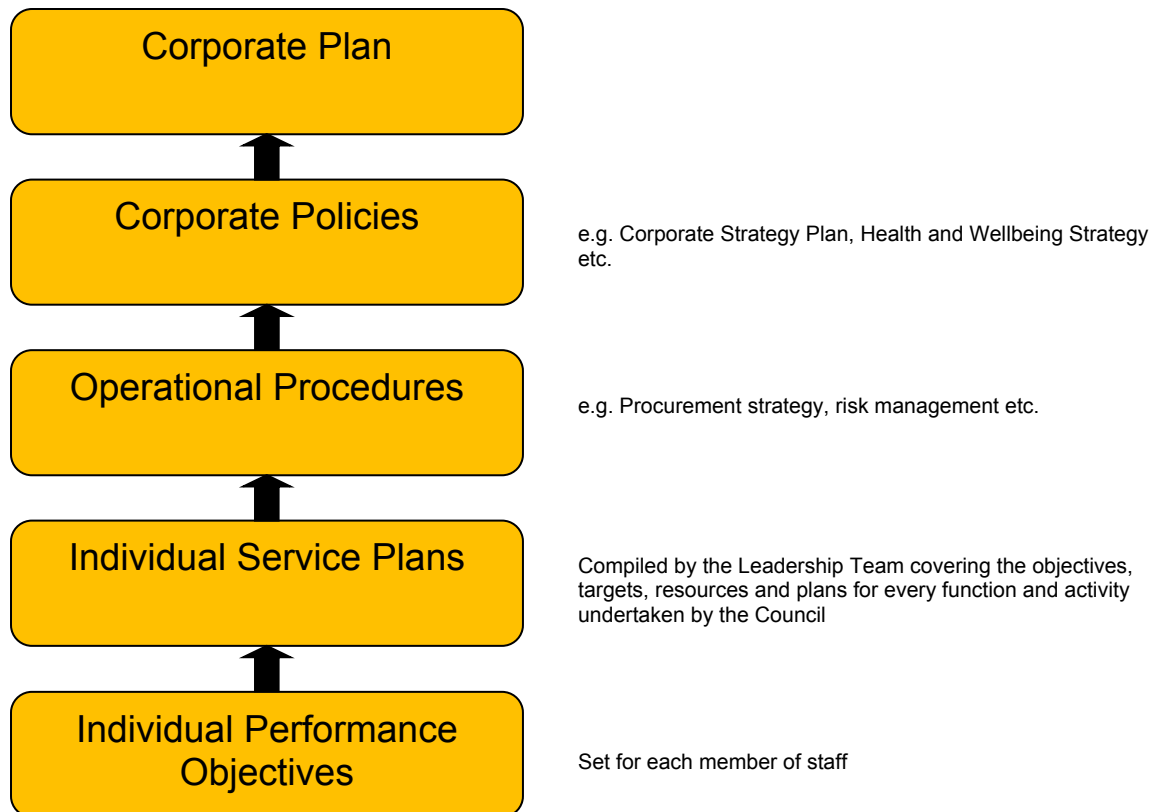
The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government 2010.

The Annual Governance Statement has been prepared and published in accordance with the Delivering Good Governance in Local Government: Framework (CIPFA/Solace, 2016) ('the Framework'). This fulfils the statutory requirement that Local authorities review their governance arrangements at least once a year. The Framework requires local authorities to be responsible for ensuring that:

- their business is conducted in accordance with all relevant laws and regulations;
- public money is safeguarded and property accounted for;
- there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.

The Framework also expects that local authorities should implement appropriate arrangements for the governance of their affairs in a way that facilitates the effective exercise of functions and ensure that the responsibilities set out above are met.

The following diagram shows how the Council's plans and strategies link together.



### **Meeting the CIPFA/SoLACE Framework Requirements**

The Council has approved and adopted:

- a Code of Corporate Governance;
- the requirements of the CIPFA/SoLACE Framework Delivering Good Governance in Local Government Framework 2016;
- a number of specific strategies and processes for strengthening corporate governance

The following sets out how the Council has complied with the seven principles set out in the CIPFA/SoLACE Framework during 2016/17.

#### **Principal A      Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**

The Council has a Code of Conduct for elected Members and a Code of Corporate Governance which provides guidance for officers and Members on expected standards of behaviours to ensure integrity. The Council has three priorities which are:



Priority	Outcomes we want to see
Improve the health and wellbeing of our communities	<ul style="list-style-type: none"> <li>Residents living active and healthy lives</li> <li>Support for our vulnerable families and individuals</li> <li>Communities engaged in local issues</li> </ul>
Enhance the quality of people's lives	<ul style="list-style-type: none"> <li>Attractive places</li> <li>Future development best meets the need of the district and its residents</li> </ul>
Enable a flourishing local economy	<ul style="list-style-type: none"> <li>Support our businesses and the local economy</li> <li>Vibrant town centres</li> <li>Working with others, to have achieved the right infrastructure for our businesses and communities</li> </ul>

To support these priorities members and officers receive training in Code of Conduct and behaviour issues. The Standards Committee and Monitoring Officer keep Codes of Conduct up to date and investigate any suspected breaches.

All officers and Members sign up to the Council's Anti-Fraud, Bribery and Corruption Policy. In addition, the Performance, Audit and Governance Committee receive an annual report setting out the arrangements in place and how these have been applied in practice during the year. The Whistleblowing policy places emphasis on the agreed ethical values of Members and employees, providing protection for individuals to raise concerns in confidence about suspect behaviour and ensuring that any concerns raised are properly investigated.

All Council decisions have to consider legal implications which are recorded on the Council's website. Senior officers and other key post holders receive support from Legal Services in this regard and if specialist legal advice is required then the Council will engage external advisors. The Section 151 and Monitoring Officers have specific responsibility for ensuring legality, for investigating any suspected instances of failure to comply with legal requirements, and for reporting any such instances to members.

**Principal B      Ensuring openness and comprehensive stakeholder engagement**

All meetings are open to the public and all agenda papers, reports and decisions made by the Council are published on the Council's website together with details of forthcoming consultation exercises, surveys and, public meetings, except those determined as exempt from publication. The Council's constitution sets out how it engages with stakeholders and partners through a combination of joint working arrangements, partnership boards and representation on the governing bodies of external organisations including local NHS bodies, neighbourhood forums, local business and other local authorities.

In addition to local associations, The Council also works closely with town and parish councils to ensure comprehensive involvement in all its decisions.

The Council periodically publishes a newsletter – Network eNewsletter. This is a free publication and is also available online and the Council utilises various online communication channels including Twitter, Instagram, Facebook, LinkedIn and YouTube. More specific e-bulletins are created for various communities of interest, such as Businesses and Families.

<b>Principal C</b>	<b>Defining outcomes in terms of sustainable economic, social and environmental benefits</b>
<b>&amp; Principal D</b>	<b>Determining the interventions necessary to optimize the achievement of the intended outcomes</b>

The Council's strategic vision for East Herts is set out in Our Corporate Strategy Plan. In pursuit of this vision, the Council develops various strategies to define specific outcomes for key service areas. Each Service also plans out how it will deliver the outcomes relevant to its area of work through business plans in accordance with the agreed annual budget. To remain focused on delivering sustainable social and environmental benefits, the Council has a Sustainable Community Strategy as well as a series of more specific strategies. These include the Health and Wellbeing Strategy, The Homeless and Homeless Prevention Strategy, Customer Services Strategy and Disclosure (Whistleblowing).

All service decisions are subject to rigorous scrutiny by the Overview and Scrutiny Committee which includes lead Members. Reviews of options and risk by officers and Members and key performance

indicators are in place for all services. These are reported quarterly and include reports to the Performance, Audit and Governance Committee for discussion and considered for intervention where target performance is not being achieved.

Budget proposals are developed by services, challenged and subject to scrutiny by the Leadership Team. The Council regularly engages with other authorities to learn and understand best practice as achieved in other places.

**Principal E      Developing the entity's capacity, including the capability of its leadership and the individuals within it.**

A key element of the Council's service planning is to maximise the investment in staff through staff training, including the management development programme to empower and facilitate our senior managers and through them our workforce. All employees are enrolled on the Performance Development Review Scheme (PDRS) which assists employees in creating learning and development plans.

The Council works across a broad set of partnerships and collaborative arrangements, and uses commissioning and procurement processes to maximise capacity by delivering services in the most effective and efficient way.

**Principal F      Managing risks and performance through robust internal control and strong public financial management.**

The Risk Management Strategy sets out the Council's approach to identifying and controlling risk. Risk registers are maintained at a corporate and individual service level with significant risks reported to the Leadership Team and to the Performance, Audit and Governance Committee.

Service outputs, outcomes, and achievements are monitored and reported quarterly.

The Council has an Anti-Fraud and Anti-Corruption strategy as well as Financial Regulations which set out expected processes and internal controls. The Shared Internal Audit Service (SIAS) team provide regular

reports on the effective operation of these controls together with an annual assessment of the overall control environment.

East Herts Council is developing a reputation for strong financial management. Internal quality assurance processes will be greatly enhanced by implementing the new finance system for financial planning and reporting.

**Principal G      Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.**

All Council decisions are published online together with supporting information to outline why such decisions were taken above comparable options. The Council follows the Government Communication Service guidance on providing clear and accurate information, and has developed its website to improve transparency and accessibility.

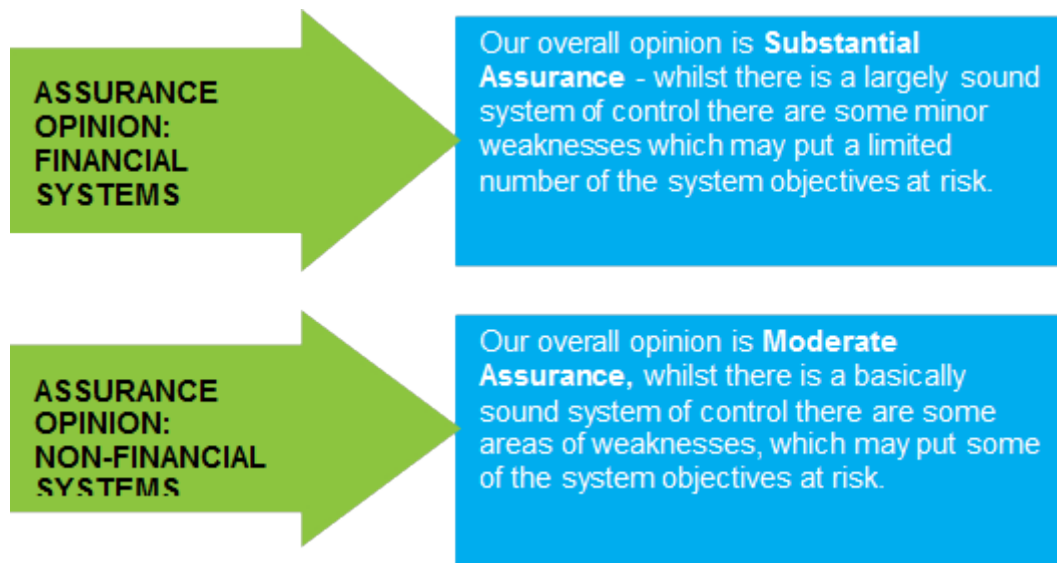
The Council reports its financial performance for scrutiny at the Performance, Audit and Governance Scrutiny Committee. This reporting incorporates services provided by all models of delivery including services shared with other authorities, partnerships and contracted out services, and reports performance and finance within the same document for ease of comparison.

### **Review of Effectiveness**

Through reviews by external auditors, external agencies, the Shared Internal Audit Service (SIAS) and internal review teams, the Council constantly seeks ways of securing continuous improvement in the way in which its functions are exercised.

Internal Audit activity provided by SIAS is overseen by the Audit Committee and its responsibilities are defined by the Audit Committee through the Internal Audit Charter. The Charter is applicable to all clients of Hertfordshire's SIAS and provides them with an independent and objective opinion on the organisation's governance arrangements, encompassing internal control and risk management, by completing an annual risk-based audit plan.

Based on the internal audit work undertaken at the Council in 2016/17, SIAS have provided the following unqualified opinion on the adequacy and effectiveness of the Council's control environment, broken down between financial and non-financial systems.



The Council's Head of Strategic Finance and Property has a statutory duty under Section 151 of the Local Government Act 1972 to establish a clear framework for the proper administration of the authority's financial affairs, hence the S151 officer relies amongst other sources, upon the work of the internal audit in reviewing the operation of systems of internal control and financial management.

The Council's external auditor, Ernst & Young, provides assurance on the accuracy of the year-end Statement of Accounts and the overall adequacy of arrangements for securing and improving value for money. The most recent Audit Letter, issued in October 2016, identified no material errors in the accounts and gave an unqualified opinion. They also concluded that East Herts has put in place proper arrangements to secure value for money in the use of resources.

The Council's Finance Team have undertaken a review to confirm that the principles described above have been in place throughout the year. A Management Assurance Statement, signed by the Heads of Service have also been obtained to provide confirmation that Codes of Conduct, Financial Regulations, and other corporate governance processes, have been operating as intended throughout the year so far as they are aware.

### **Follow up of issues identified in 2015/16**

During 2015/16, the following required enhancements to internal control arrangements were identified as a result of the review or arrangements and by the work of external and internal audit.

Issue	Actions needed to achieve milestone
Impact of Welfare Reform changes	<ul style="list-style-type: none"> <li>• Impending Legislation will have an adverse financial impact on a significant number of residents. Officers will monitor the impact of these changes both on residents and the business of the Council.</li> <li>• Provide residents more support for services across the council through staffing levels, budget management and the communication with residents.</li> <li>• Implement Council policies effectively</li> </ul>
Development of a District Plan that is approved by the planning inspectorate	<ul style="list-style-type: none"> <li>• Plan to be agreed within required timeframe</li> </ul>

The impending legislation changes to the Welfare Reform Act 2012 are still outstanding and the actions required will be still being needed as and when the legislation is passed.

The East Herts District Plan Pre-submission Consultation was published in November 2016.

A final consultation statement will be prepared once the Council is in a position to include reference to any representations made under regulation 20 at the end of the pre-submission consultation.

At the most recent District Planning Executive Panel it was recommended that a Duty to Co-operate Compliance Statement be agreed in support of the Pre-Submission District Plan and that the Head of Planning and Building Control, in consultation with the Leader of the Council, be authorised to agree any further amendments to the Duty to Co-operate Compliance Statement as required.

This item will continued to be monitored with the next meeting of the District Planning Executive Panel being in September 2017.

## Conclusion

The Council is satisfied that appropriate governance arrangements are in place however, it remains committed to maintaining and where possible improving these arrangements, in particular by:

- addressing the issues identified by Internal Audit as requiring improvement
- embedding the use of covalent to measure performance

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## **ANNUAL GOVERNANCE STATEMENT 2016/17**

### **Action Plan 2017/18 - Issues identified in 2016/17**

During 2016/17 SIAS conducted an audit on the East Herts / Stevenage Borough Council shared services Digital Information Management processes. This audit would supplement the previous Information Management (Storage and Retention) audit for the benefit of both Councils.

SIAS could only provide overall limited assurance that there are effective controls in operation with regards to the reviewed risk management processes. Two 'High', one 'Medium' and one 'Merits Attention' priority recommendations were made to improve the controls that have been implemented as part of the management of the Councils' digital records. These will be reviewed during 2017/18; the two high priority recommendations are as follows:

Issue	Recommendation
Digital Record Retention	<ul style="list-style-type: none"> <li>• Senior Management should identify an appropriate file management system.</li> <li>• Digital records should be reviewed on a routine basis and where there is not a demonstrable need for their retention, they should be disposed of.</li> <li>• IT should maintain a record of IT systems that do not conform to the Council's requirement for digital records retention along with compensating controls.</li> </ul>
Security Standards for IT Systems	<ul style="list-style-type: none"> <li>• Management should establish a standard for securing the IT systems that are used to collect, process and store digital records.</li> <li>• Management should maintain a record of the IT systems that do not comply with the standard and take appropriate action to mitigate the risk of a security breach.</li> </ul>

**We propose to address the previously described matters to further enhance our governance arrangements. We will monitor our performance against these recommendations as part of our next annual review.**

**Certified by the leader of the Council and the Head of Paid Service:**

**Signed.....Dated.....**

**Councillor Linda Haysey  
Leader of the Council**

**Signed.....Dated.....**

**Liz Watts  
Chief Executive**

## EAST HERTS COUNCIL

### PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY COMMITTEE - 4 JULY 2017

### PORTFOLIO HOLDER FOR ECONOMIC DEVELOPMENT

### CHARRINGTONS HOUSE BUSINESS INCUBATOR

### WARD(S) AFFECTED: BISHOPS STORTFORD CENTRAL

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#### **Purpose/Summary of Report**

- To present proposals around setting up a business incubation facility at Charringtons House in Bishop's Stortford.

#### **RECOMMENDATIONS FOR PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY:**

**That**

<b>(A)</b>	Members consider the proposals in terms of relevance and feasibility;
<b>(B)</b>	consider what measures should be adopted as part of the pilot to evaluate whether it has been successful in 12 months' time (see 1.8); and
<b>(C)</b>	agree that an evaluation report is brought back to Scrutiny in 12 months' time to establish whether the pilot has been successful and whether it should be expanded

#### 1.0 Background

- 1.1 The council is starting to adopt a more pro-active approach to business engagement than has hitherto been the case. This is partially in recognition of planned changes to the retention of business rates which will directly link council funding to economic growth in the future. It also in recognition that East Herts needs to have suitable jobs and employment opportunities for its residents alongside anticipated housing growth. Examples of the change in approach have been the employment of a Business Engagement

Manager and the implementation of a grant scheme to support businesses locating or expanding in the district.

- 1.2 There are over 7500 businesses registered in the district operating in a range of sectors and over 90% of these are small to medium sized enterprises (ie. 0-9 employees). There are relatively few large businesses (ie. Over 250 employees) meaning that SMEs are the major wealth creators in East Herts and this is where the council wishes to target its support. With that in mind we have a contract with WENTA to support individuals who are thinking of setting up their own businesses through the provision of on-line and face to face advice. WENTA also run business incubator space from Ware Regional College which a fledgling business can use rent free for a fixed period of time. The survival rate (ie. Still trading after 12 months) of businesses using the incubation space is substantially higher than normal survival rates.
- 1.3 Although the incubator space at Ware is effective (12 clients used the space over the 16/17 period) there is a gap in provision around Bishop's Stortford. This gap becomes more evident when we consider that major investment is going into business parks (including incubation space) on the fringes of the district in Stevenage (Stevenage Business and Technology Centre), Broxbourne (Basepoint Centre) and Stansted Airport. There is a risk that entrepreneurial individuals from East Herts will make use of these facilities in the absence of local provision. The levels of economic growth anticipated in the coming years around the London Stansted Cambridge Corridor, along with LEP research into opportunities around Bishop's Stortford suggest there is demand for incubation space in the town. It is with this in mind that the Communications, Strategy and Policy Service (responsible for Economic Development) have been looking for opportunities to test demand through a 12 month pilot.
- 1.4 Charringtons House is owned by the district council and currently is not 100% occupied. The future use of the building will be determined as part of the Old River Lane project however in the meantime it remains as commercial space and is likely to do so until at least 2023 when the longest running tenancy agreement expires. Vacant space is being advertised through commercial letting agents however is proving difficult to let. There is a particular area on the ground floor which could easily be converted into business incubation space. This would require some minor investment in new furniture and additional facilities such as

broadband provision to make it fit for purpose. The cost of this kit out would be less than £10,000.

- 1.5 WENTA also see Bishop's Stortford as a potential opportunity for provision of more business start-up services and have agreed to run the facility on our behalf from within the existing Service Level Agreement (i.e. at no extra cost). This will be alongside the council's Business Engagement Manager who will also help market the facility. The Bishop's Stortford Chamber of Commerce have also expressed an interest in having a presence.
- 1.6 The costs charged to the previous tenants for occupying the space in 2015/16 were as follows:

	<b>Amount (£)</b>
Commercial Rent	42,000
Service Charge	12,760
Business Rates	18,886
<b>TOTAL</b>	<b>73,646</b>

- 1.7 The costs of business rates and service charges will need to be covered by the council in order to run this pilot. However this is not the case for commercial rent which is additional income for the council. If a tenant were occupying the space this would represent a loss of income however whilst the space remains vacant there is no direct loss.
- 1.8 Overall then, at relatively low cost we can implement a business incubation facility in Charringtons House. It will be run for 12 month's initially to see what levels of demand exist and test whether the council should invest in this sort of facility on an on-going basis. Member views are sought on the measures of success for this pilot which could include:
- Numbers of individuals/ registered businesses using incubation space for 3/ 6/ 12 months
  - Numbers of individuals/ registered businesses attending advice and networking events and/ or accessing formal support
  - Survival rates of businesses who have used the incubator after 12 months
  - Proportion of individuals/ registered businesses who, after using the incubator, move to premises at a commercial rate

1.9 **Essential Reference Paper B** contains more details on the proposals.

2.0 Implications/Consultations

2.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers:  
None

Contact Member: Councillor Gary Jones  
Portfolio Holder for Economic Development

Contact Officer: Benjamin Wood, Head of Communications, Strategy and Policy  
Tel: 01992 531699  
[benjamin.wood@eastherts.gov.uk](mailto:benjamin.wood@eastherts.gov.uk)

Report Author: Chris Smith, Business Engagement Manager  
Tel: 01992 531698  
[chris.smith@eastherts.gov.uk](mailto:chris.smith@eastherts.gov.uk)

## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate)</i> :	<b><i>Enabling a Flourishing Local Economy</i></b> This priority focuses on supporting business development
Consultation:	Consultation with the Portfolio Holder and Leadership Team has taken place
Legal:	State Aid rules will be built into any agreement with individuals or businesses who end up using the space
Financial:	Additional costs to get the facility up and running are expected to under £10,000 and primarily for furniture and broadband provision
Human Resource:	N/A
Risk Management:	Assessment to be undertaken when the incubation space is kitted out in terms of risk
Health and wellbeing – issues and impacts:	N/A

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**East Herts Council**  
**2016/17 Annual Assurance Statement**  
**and**  
**Internal Audit Annual Report**  
**4 July 2017**

**Recommendations**

Members are recommended to:

Note the Annual Assurance Statement and Internal Audit Annual Report

Note the results of the self-assessment required by the Public Sector Internal Audit Standards (PSIAS) and the Quality Assurance and Improvement Programme (QAIP)

Accept the SIAS Audit Charter

Seek management assurance that the scope and resources for internal audit were not subject to inappropriate limitations in 2016/17

## Contents

1. Purpose and Background
  - 1.1 Purpose
  - 1.2 Background
2. Annual Assurance Statement for 2016/17
  - 2.1 Context
  - 2.2 Control Environment
  - 2.4 Review of Effectiveness - compliance with the PSIAS and QAIP
  - 2.10 Confirmation of independence of internal audit and assurance on limitations
  - 2.11 Assurance Opinion on Internal Control
  - 2.12 Assurance Opinion on Corporate Governance and Risk Management
3. Overview of Internal Audit Activity at the Council in 2016/17
4. Performance of the Internal Audit Service in 2016/17
  - 4.1 Performance Indicators
  - 4.2 Service Developments
5. Audit Charter 2017/18

## Appendices

- A Final position against the Council's 2016/17 Audit Plan

- B Definitions of Assurance Levels and Priority of Recommendations**
- C Position against Public Sector Internal Audit Standards as at May 2017**
- D Internal Audit Charter 2017/18**

## 1. Purpose and Background

### Purpose of Report

#### 1.1 This report:

- Details the Shared Internal Audit Service's (SIAS) overall opinion on the adequacy and effectiveness of East Herts Council's (the Council) control environment. Reference is made to significant matters and key themes
- Shows the outcomes of the self-assessment against the Public Sector Internal Audit Standards (PSIAS) incorporating the requirements of the Quality Assurance and Improvement Programme (QAIP)
- Summarises the audit work that informs this opinion
- Shows SIAS's performance in respect of delivering the Council's audit plan
- Presents the 2017/18 Audit Charter

### Background

- 1.2 A key duty of the Head of Assurance is to provide an annual opinion on the Council's internal control environment. This opinion informs the conclusions of the Council's Annual Governance Statement.
- 1.3 The assurance opinion in this report is based on 2016/17 internal audit work which was planned and amended to give sufficient assurance on the Council's management of its key risks. Also considered is any relevant work undertaken in 2017/18 before the committee report deadline.
- 1.4 SIAS is grateful for the co-operation and support it has received during 2016/17.

## 2. Annual Assurance Statement 2016/17

### Context

#### *Scope of responsibility*

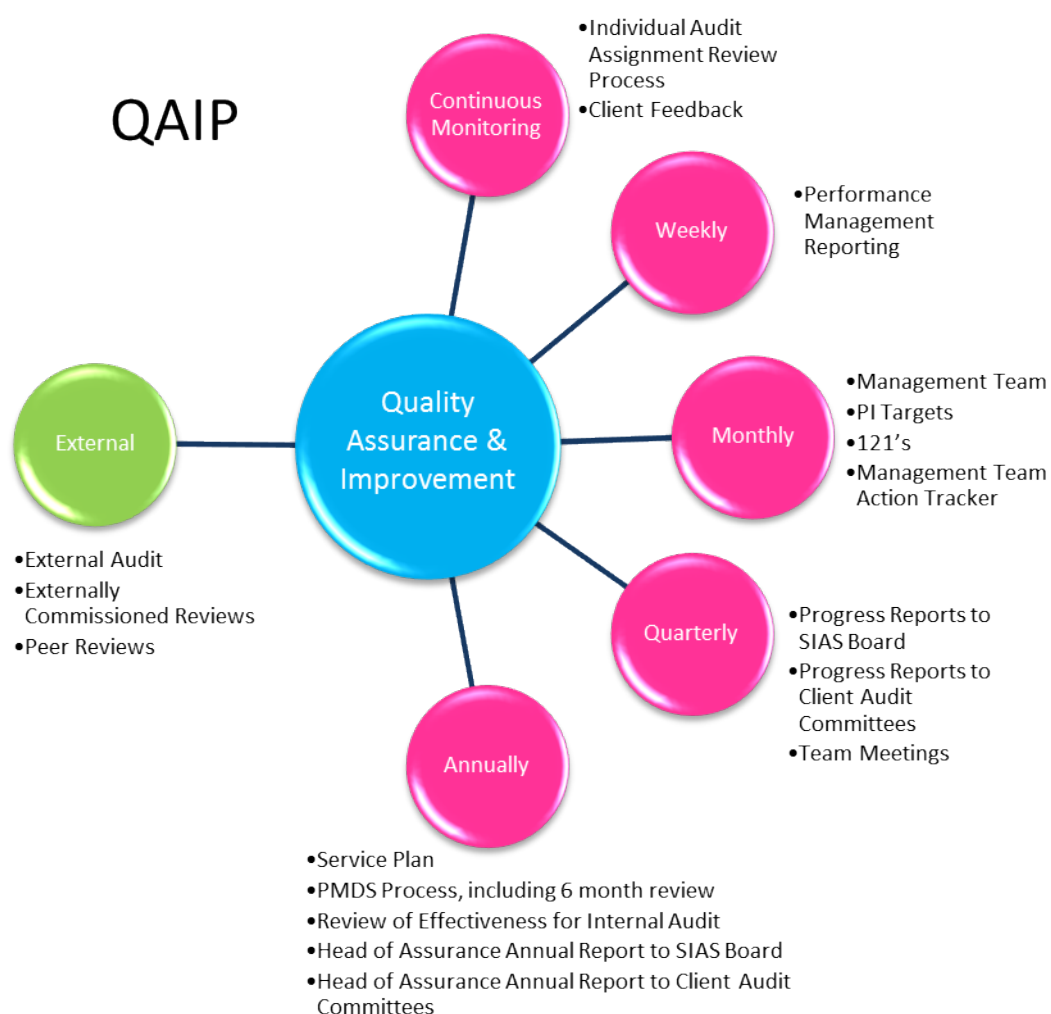
- 2.1 Council managers are responsible for ensuring Council business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. They are also responsible for ensuring internal controls are robust and risk management arrangements are appropriate.

*Control environment*

- 2.2 The control environment comprises three key areas: internal control, governance, and risk management. Together these aim to manage risk to an acceptable level but not to eliminate it.
- 2.3 A robust control environment helps ensure that the Council's policies, priorities and objectives are achieved.

*Review of effectiveness*

- 2.4 The Head of Assurance must confirm annually that the internal audit function is suitably qualified to carry out the work that informs the assurance opinion.
- 2.5 As part of a QAIP, a self-assessment was conducted against the Public Sector Internal Audit Standards (PSIAS). The PSIAS encompass the mandatory elements of the Chartered Institute of Internal Auditors (CIIA) International Professional Practices Framework (IPPF). They promote professionalism, quality, consistency and effectiveness of internal audit across the public sector. They highlight the importance of robust, independent and objective internal audit arrangements to provide senior management with the key assurances needed to support them in both managing the organisation and producing the Annual Governance Statement.
- 2.6 The 2016/17 self-assessment identified 2 areas of agreed non-conformance. These are detailed in Appendix A. There are no significant deviations from Standards which warrant inclusion in the Council's Annual Governance Statement
- 2.7 The Head of Assurance has concluded, therefore, that SIAS 'generally conforms' to the PSIAS, including the Definitions of Internal Auditing, the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing. 'Generally conforms' is the highest rating and means that SIAS has a charter, policies and processes assessed as conformant to the Standards and is consequently effective.
- 2.8 The SIAS QAIP includes both internal and external monitoring and reporting to assess the efficiency and effectiveness of internal audit activity and identify opportunities for improvement. The diagram below details the methods used to monitor and report on these. Detailed information outlining activity in each area is contained in the SIAS Audit Manual.
- 2.9 The Head of Assurance confirms that during 2016/17 SIAS operated according to its QAIP with evidence available within the service to support the achievement of each QAIP element.



*Confirmation of independence of internal audit and assurance on limitations*

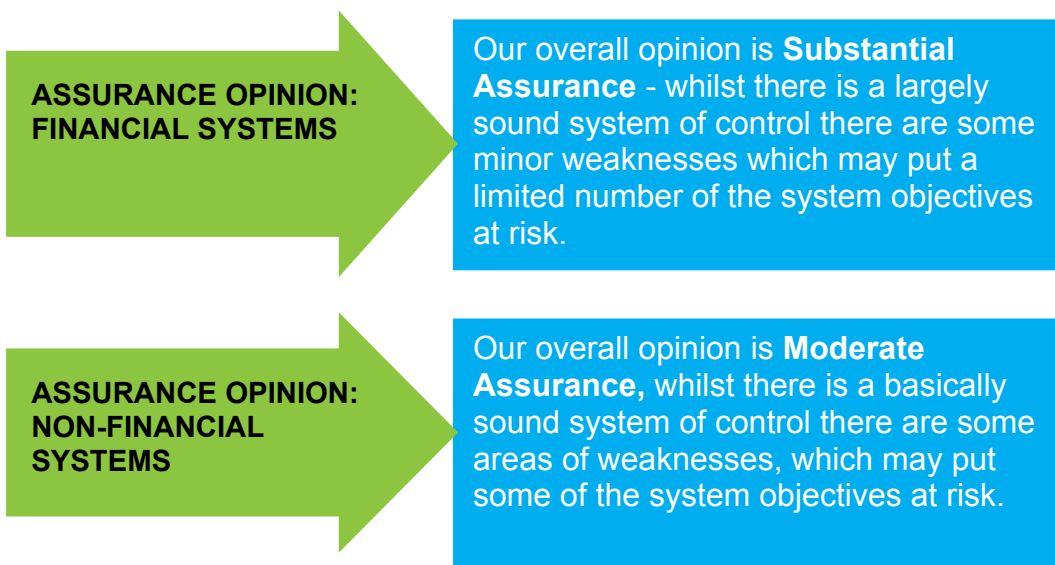
2.10 The Head of Assurance confirms that during the year:

- no matters threatened SIAS's independence; and
- SIAS was not subject to any inappropriate scope or resource limitations.

Annual Assurance Statement for 2016/17

*Assurance opinion on internal control*

- 2.11 Based on the internal audit work undertaken at the Council in 2016/17, SIAS can provide the following unqualified opinion on the adequacy and effectiveness of the Council's control environment, broken down between financial and non-financial systems.



*Assurance opinion on Corporate Governance and Risk Management*

- 2.12 SIAS has concluded that the corporate governance and risk management frameworks substantially comply with the CIPFA/SOLACE best practice guidance on corporate governance. This conclusion is based on the work undertaken by the Council and reported in its Annual Governance Statement for 2016/17. Although SIAS did not undertake specific risk management or corporate governance audits in 2016/17, these arrangements are considered during annual audit planning and the delivery of individual audit assignments.

**Head of Assurance for the Shared Internal Audit Service  
June 2017**

### 3. Overview of Internal Audit Activity at the Council in 2016/17

- 3.1 This section summarises work undertaken at the Council by SIAS in 2016/17. It highlights internal control matters and opportunities for improvement.
- 3.2 Appendix A shows the final position against the agreed revised audit plan, assurance levels and the number of recommendations made. A summary of assurance levels and recommendations priority is shown in the tables below and compared to 2015/16.

<b>Assurance Level</b>	<b>Number of reports 2016/17 (2015/16 data in brackets)</b>	<b>Percentage of reports 2016/17 (2015/16 data in brackets)</b>
Full	8 (6)	29% (22%)
Substantial	11 (16)	41% (59%)
Moderate	4 (2)	15% (8%)
Limited	1 (0)	4% (0%)
No	0 (0)	0% (0%)
Not Assessed	3 (3)	11% (11%)
Total	27 (27)	100% (100%)

<b>Recommendation Priority Level</b>	<b>Number of recommendations 2016/17 (2015/16 data in brackets)</b>	<b>Percentage of recommendations made 2016/17 (2015/16 data in brackets)</b>
High	3 (1)	5% (2%)
Medium	37 (23)	62% (50%)
Merits Attention	20 (22)	33% (48%)
Total	60 (46)	100% (100%)

- 3.3 The substantial assurance opinion overall on financial systems (same as 2015/16) has been concluded from the nine financial systems audits where an opinion has been given. Six received full assurance and three received substantial assurance. No high priority recommendations were made in these audits.
- 3.4 The moderate assurance opinion overall on non-financial systems (was substantial in 2015/16) has been concluded from the fifteen audits where an opinion has been given. Two received full assurance, eight substantial assurance, four moderate assurance and one limited assurance. Three high priority recommendations were made.



The limited assurance report relates to Digital Information Management where two high priority and one medium priority recommendation was made. These recommendations cover:

- The indefinite retention of the Councils' digital records, including those that are stored within the Councils' IT systems.
- Standards for securing digital records, including those that are collected, processed and stored within the Councils' IT systems.
- The identification and management of IT systems that are used to collect, process and store digital information.

3.5 Details of the four moderate assurance audits for 2016/17 are as follows:

Consultants

Nine medium priority recommendations made relating to:

- Agreement and publication of a clear corporate policy on consultants.
- Identification of all consultancy engagements across the Council and the maintenance of relevant details in a single central record.
- Having a formal signed agreement for every consultancy engagement.
- Updating and on-going maintenance of the Contracts Register.
- Checking and maintenance of appropriate professional indemnity cover.
- ESI awareness, guidance, completion, retention and recording of in the creditors system (3 recommendations in total).
- Accuracy of coding of payments in the general ledger.

Project Management & Benefits Realisation

Six medium and three merits attention priority recommendations made. The medium priority recommendations relate to:

- Enhancement of the Project Management Toolkit.
- Governance arrangements.
- Use of resources to manage high profile projects.
- Introduction of a central projects register.
- Improvements to processes for evaluating benefits realisation and sharing lessons learnt (two recommendations).

Tree Surveying

One high, three medium and one merits attention priority recommendation made. The high priority recommendation relates to:

- Expiry of the Council's contract for tree surveying services in 2015/16 without the appropriate waivers in place to extend it.

The medium priority recommendations relate to:

- The identification of tree stock and the completeness of stock records.
- Record keeping upon inspection of completed jobs.
- The prioritisation of tree works.

Cyber Risk

Three medium and two merits attention priority recommendations made.  
The medium priority recommendations relate to:

- Cyber security training.
- Compliance Group meetings.
- Incident management policy and procedures for IT officers.

## 4. Performance of the Internal Audit Service in 2016/17

Performance indicators

- 4.1 The table below compares SIAS's performance at the Council against the 2016/17 targets set by the SIAS Board.

Indicator	Target 2016/17	Actual to 31 March 2017
<b>1 SIAS Planned Days</b> – percentage of actual billable days delivered against planned billable days	<b>95%</b>	<b>99%</b> 356 days delivered out of a total of 359.5 (400 agreed days less 40.5 contingency days)
<b>2 SIAS Planned Projects</b> – actual completed projects to draft report stage against planned completed projects	<b>95%</b>	<b>93%*</b> 27 projects delivered out of a total of 29 agreed projects
<b>3 External Auditors' Satisfaction</b> – the Annual Audit Letter formally records that the External Auditors are able to rely upon the range and quality of SIAS' work	<b>Formal Reliance</b>	Not applicable as the Council's current External Auditors choose not to place reliance upon the range and quality of internal audit work.
<b>4 SIAS Annual Plan</b> – presented to the March Audit Committee or the first meeting of the financial year should a March committee not meet.	<b>Deadline met</b>	<b>Achieved</b>
<b>5 Client Satisfaction</b> - client satisfaction questionnaires returned at 'satisfactory overall' level (minimum of	<b>100%</b>	<b>100%</b>

## Annual Assurance Statement and Internal Audit Annual Report East Herts Council

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39/65 overall)		
<b>6 Head of Assurance's Annual Report</b> – presented at the first Audit Committee meeting of the financial year.	<b>Deadline met</b>	<b>Achieved</b>
<b>7 Number of High Priority Audit Recommendations agreed</b>	<b>95%</b>	<b>100%</b>

\* The Two audits not at draft report stage at 31 March 2017 were the PREVENT Agenda and Local Authority Trading joint reviews. These were in progress at the date of this report.

### Service Developments

4.2 During 2016/17 the development activities for SIAS included:

- Responding to the recommendations made by Veritau Ltd in its external peer review of January 2016.
- Developing a satisfaction survey to elicit the views of all key stakeholders
- Implementing a performance dashboard which allows auditors to measure their performance to date against their annual target on a weekly basis
- Putting in place a performance management regime which rewards achievement of a billable days stretch target and supports the development of underperforming individuals
- Commencing discussions on a single assurance service brand
- Undertaking a peer review at another audit partnership.

## 5. Audit Charter 2017/18

- 5.1 The PSIAS require a local authority to formally adopt an Audit Charter which covers the authority and responsibility for an internal audit function.
- 5.2 The SIAS Audit Charter sets out the framework within which it discharges its internal audit responsibilities to those charged with governance in the partner councils. It details the permanent arrangements for internal audit and key governance roles and responsibilities to ensure the effectiveness of internal audit provision.

- 5.3 The Audit Charter is reviewed annually. The 2017/18 review did not result in any fundamental changes although a number of minor amendments were made. The 2017/18 Charter is attached at Appendix D.

## APPENDIX A - FINAL POSITION FOR THE 2016/17 AUDIT PLAN

### 2016/17 East Herts Council Audit Plan

	Level of Assurance	Recommendations			Plan Days	Audit progress /Status
Key Financial Systems						
Asset Management	Full	0	0	0	12	Final report issued
Benefits	Full	0	0	0	12	Final report issued
Council Tax	Substantial	0	1	1	10	Final report issued
Creditors CRSA Yr1	Full	0	0	0	10	Final report issued
Debtors CRSA Yr1	Full	0	0	0	10	Final report issued
Main Accounting	Full	0	0	0	12	Final report issued
NDR	Substantial	0	3	0	10	Final report issued
Payroll	Substantial	0	0	0	12	Final report issued
Payroll Pension Certificate	N/A	-	-	-	1	Complete
Treasury Management CRSA Yr2	Full	0	0	0	6	Final report issued
Operational Audits						
Absence Management	Substantial	0	2	1	10	Final report issued

## APPENDIX A - FINAL POSITION FOR THE 2016/17 AUDIT PLAN

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BACS	N/A	-	-	-	6	Final report issued
Car Parks – New Pay & Display Machines	Substantial	0	1	1	10	Final report issued
Cash & Banking	Full	0	0	0	12	Final report issued
Consultants	Moderate	0	9	1	10	Final report issued
Development Management – pre applications	-	-	-	-	1	Cancelled
Digital by Default	-	-	-	-	2	Cancelled
Elections	-	-	-	-	4.5	Cancelled
Enviro Crime	Substantial	0	0	4	15	Final report issued
Freedom of Information	Substantial	0	0	3	10	Final report issued
Health & Safety	Substantial	0	2	1	12	Final report issued
Land Charges	Full	0	0	0	8	Final report issued
Project Management & Benefits Realisation	Moderate	0	6	2	12	Final report issued
Safeguarding	Substantial	0	2	2	15	Final report issued*
Tree Surveying	Moderate	1	3	1	12	Final report issued*
DFG Capital Grant Certification	N/A	-	-	-	2	Complete

### Procurement

## APPENDIX A - FINAL POSITION FOR THE 2016/17 AUDIT PLAN

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New Payroll Contract – controls assurance	-	-	-	-	1	Cancelled
Trade & Clinical Waste	Substantial	0	2	0	12	Final report issued
Land Drainage Contract	-	-	-	-	3	Cancelled
<b>Shared Learning</b>						
Shared Learning Newsletters and Summary Reports	-	-	-	-	5	Complete
Joint Review – Local Authority Trading					5	In fieldwork
Joint Review – PREVENT					5	In fieldwork
Joint Review - CIL	-	-	-	--	0	Cancelled
<b>IT Audits</b>						
Internet & Email Usage	Substantial	0	2	0	4	Final report issued
Cyber Risk	Moderate	0	3	2	8	Final report issued
Digital Information Management	Limited	2	1	1	4	Final report issued*
<b>Contingency</b>						
Unused Contingency	-	-	-	-	40.5	
<b>Anti-Fraud</b>						
Follow up fraud related themes					0	Cancelled

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## APPENDIX A - FINAL POSITION FOR THE 2016/17 AUDIT PLAN

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### Follow-Up Audits

Follow up of outstanding high priority audit recommendations	-	-	-	-	5	Complete
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### Strategic Support

2017/18 Audit Planning	-	-	-	-	10	Complete
------------------------	---	---	---	---	----	----------

Audit Committee	-	-	-	-	15	Complete
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Client Meetings	-	-	-	-	10	Complete
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Liaison with External Audit	-	-	-	-	1	Complete
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Head of Internal Audit Opinion 2015/16	-	-	-	-	5	Complete
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Plan Monitoring	-	-	-	-	10	Complete
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SIAS Development	-	-	-	-	5	Complete
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### 2015/16 Projects Requiring Completion

2015/16 Projects Requiring Completion	-	-	-	-	15	Complete
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### Recommendations

3	37	20
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### Plan Days

400
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\* - At Draft Report stage at 31 March 2017, Final Report issued after year end



**APPENDIX A - FINAL POSITION FOR THE 2016/17 AUDIT PLAN**

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Key to Assurance Level and Recommendation Priority Levels:

N/A = Not Applicable

H = High priority recommendations; M = Medium priority recommendations; MA = Merits Attention priority recommendations

## APPENDIX B - DEFINITIONS OF ASSURANCE LEVELS AND PRIORITY OF RECOMMENDATIONS

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Levels of assurance	
<b>Full Assurance</b>	There is a sound system of control designed to achieve the system objectives and manage the risks to achieving those objectives. No weaknesses have been identified.
<b>Substantial Assurance</b>	Whilst there is a largely sound system of control, there are some minor weaknesses, which may put a limited number of the system objectives at risk.
<b>Moderate Assurance</b>	Whilst there is basically a sound system of control, there are some areas of weakness, which may put some of the system objectives at risk.
<b>Limited Assurance</b>	There are significant weaknesses in key control areas, which put the system objectives at risk.
<b>No Assurance</b>	Control is weak, leaving the system open to material error or abuse.

Priority of recommendations	
<b>High</b>	There is a fundamental weakness, which presents material risk to the objectives and requires urgent attention by management.
<b>Medium</b>	There is a significant weakness, whose impact or frequency presents a risk which needs to be addressed by management.
<b>Merits Attention</b>	There is no significant weakness, but the finding merits attention by management.

**Section A: Conformance** - During 2016/17 all areas apart from those identified in Section B below are conforming.

**Section B: Intentional Non-Conformance**

Ref	Area of Non-Conformance with the Standard	Commentary	
3.1a	<b>Purpose, Authority and Responsibility</b>  Does the board (defined as the Audit Committee) approve decisions relating to the appointment and removal of the Chief Audit Executive (CAE) (Head of Assurance)?	The Director of Resources, Hertfordshire County Council (HCC), in consultation with the Board of the Shared Internal Audit Services approves decisions relating to the appointment and removal of the CAE.  This is as provided for in the governance of the Shared Internal Audit Service.	<b>Non-conformance</b>  No further action proposed. The current arrangements are considered effective given the shared nature of SIAS.
3.1c	<b>Purpose, Authority and Responsibility</b>  Does the chief executive or equivalent undertake, countersign, contribute feedback to or review the performance appraisal of the CAE?	The performance appraisal is carried out by the Director of Resources (HCC).	<b>Non-conformance</b>  No further action proposed. The appraisal process was carried out by the Director of Resources (HCC) with input from all partner chief finance officers. The current arrangements are considered effective given the shared nature of SIAS.

# Audit Charter 2017/18

## 1. Introduction and Purpose

- 1.1. Internal auditing is an independent and objective assurance and consulting activity. It is guided by a philosophy of adding value to the operations of an organisation. It assists a council to achieve its objectives by systematically evaluating and improving the effectiveness and efficiency of risk management, control and governance processes.

## 2. Scope

- 2.1. This Charter applies to all SIAS clients.

## 3. Statutory Basis of Internal Audit

- 3.1. Local government is statutorily required to have an internal audit function. The Accounts and Audit Regulations 2015 require that 'a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.
- 3.2. In addition, a council's Chief Finance Officer has a statutory duty under Section 151 of the Local Government Act 1972 to establish a clear framework for the proper administration of the authority's financial affairs. To fulfil this requirement, the S151 officer relies, amongst other sources, upon the work of internal audit.

## 4. Role

- 4.1. SIAS internal audit activity is overseen by each council's committee charged with fulfilling audit committee responsibilities herewith referred to as the Audit Committee. As part of its oversight role, the Committee is responsible for defining the responsibilities of SIAS via this Charter.
- 4.2. SIAS may undertake additional consultancy activity requested by management. The Head of Assurance will determine such activity on a case by case basis assessing the skills and resources available. Significant additional consultancy activity not already included in the audit plan will only be accepted and carried out following consultation with the SIAS Board.

## 5. Professionalism

- 5.1. SIAS governs itself by adherence to the Public Sector Internal Audit Standards (PSIAS). These standards include the Definition of Internal Auditing, the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing. They set out the fundamental requirements for the professional practice of internal auditing and the evaluation of the effectiveness of an internal audit function's performance.
- 5.2. SIAS also recognise the Mission of Internal Audit as identified within the IPPF, 'To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight' and the Core Principles for the Professional Practice of Internal Auditing, which demonstrate an effective internal audit function, achieving internal audit's mission.
- 5.3. SIAS's operations are guided by, as applicable, CIIA Position Papers, Practice Advisories and Guides and relevant council policies and procedures, including compliance with the Bribery Act 2010. These are included in SIAS's operating procedures manual, which is subject to regular review.
- 5.4. Should non-conformance with the Standards be identified, the Head of Assurance will investigate and disclose, in advance if possible, the exact nature of the non-conformance, the reasons for it and, if applicable, its impact on a specific engagement or engagement outcome.

## 6. Authority and Confidentiality

- 6.1. Internal auditors are authorised full, free, and unrestricted access to any and all of a client's records, physical properties, and personnel as required to carry out an engagement. All employees are requested to assist SIAS in fulfilling its roles and responsibilities. Information obtained during the course of an engagement is safeguarded and confidentiality respected.
- 6.2. Internal auditors will only use information obtained to complete an engagement. It will not be used in a manner that would be contrary to the law, for personal gain, or detrimental to the legitimate and ethical objectives of the client organisation(s). Internal auditors will disclose all material facts known which if not disclosed, could distort a report or conceal unlawful practice.

## 7. Organisation

- 7.1. The Head of Assurance and their representatives, have free and unrestricted direct access to Senior Management, the Audit Committee, the Chief Executive, the Chair of the Audit Committee and the External Auditor. The Head of Assurance will communicate with any and all of the above parties at both committee meetings and between meetings as appropriate.

- 7.2. The Head of Assurance is line managed by the Director of Resources at Hertfordshire County Council (HCC), who approves all decisions regarding the performance evaluation, appointment, or removal of the Head of Assurance, in consultation with the SIAS Board. Each partner's Section 151 Officer is asked to contribute to the annual appraisal of the Head of Assurance.

## 8. Stakeholders

The following groups are defined as stakeholders of SIAS:

- 8.1. The Head of Assurance, suitably experienced and qualified (CCAB and / or CMIIA), is responsible for:
- hiring, appraising and developing SIAS staff in accordance with the host authority's HR guidance
  - maintaining up-to-date job descriptions which reflect the roles, responsibilities, skills, qualifications, and attributes required of SIAS staff
  - ensuring that together, SIAS staff possess or obtain the skills, knowledge and competencies (including ethical practice) needed to effectively perform SIAS engagements
- 8.2. The Audit Committee, in its role of 'board', is responsible for overseeing the effectiveness of SIAS and holding the Head of Assurance to account for delivery. This is achieved through the setting of performance targets and receipt of regular reports. The Audit Committee is also responsible for the effectiveness of the governance, risk and control environment within the Council, holding managers to account for delivery.
- 8.3. Senior Management, defined as the Head of Paid Service, Chief Officers and their direct reports, are responsible for helping shape the programme of assurance work. This is achieved through analysis and review of key risks to achieving the Council's objectives and priorities.
- 8.4. The SIAS Board is the governance group charged with monitoring and reviewing the overall operation of SIAS, including:
- resourcing and financial performance
  - operational effectiveness through the monitoring performance indicators
  - the overall strategic direction of the shared service

## 9. Independence and Objectivity

- 9.1. No element in the organisation should interfere with audit selection, scope, procedures, frequency, timing, or report content. This is necessary to ensure that internal audit maintains the necessary independent and objective mental attitude.
- 9.2. As well as being impartial and unbiased, internal auditors will have no direct operational responsibility or authority over any activity audited. They will not

implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that might impair their judgment.

- 9.3. When asked to undertake any additional roles/responsibilities outside internal auditing, the Head of Assurance will highlight to the board any potential or perceived impairment to independence and objectivity having regard to the principles contained within the Code of Ethics as well as any relevant requirements set out in other professional bodies to which the CAE may belong. The Board will approve and periodically review any safeguards put in place to limit any impairments to independence and objectivity.
- 9.4. The Head of Assurance will confirm to the Audit Committee, at least annually, the organisational independence of SIAS.

## 10. Conflicts of Interest

- 10.1. Internal auditors will exhibit clear professional objectivity when gathering, evaluating, and communicating engagement information. When forming judgments, they will make a balanced assessment of all relevant circumstances and not be influenced by their own interests or the views and interests of others.
- 10.2. Each auditor will comply with the ethical requirements of his/her professional body and proactively declare any potential conflict of interest, whether actual or apparent, prior to the start of an engagement.
- 10.3. All auditors sign an annual declaration of interest to ensure that the allocation of work avoids conflict of interest. Auditors who undertake consultancy work or are new to the team will be prohibited from auditing in those areas where they have worked in the past year. Audits are rotated within the team to avoid over-familiarity and complacency.
- 10.4. SIAS has procured an arrangement with an external audit partner to provide additional internal audit days on request. The external partner will be used to deliver engagements as directed by the Head of Assurance in particular providing advice and assistance where SIAS staff lack the required skills or knowledge.
- 10.5. In the event of a real or apparent impairment of independence or objectivity, (acceptance of gifts, hospitality, inducements or other benefits) the Head of Assurance will investigate and report on the matter to appropriate parties.

## 11. Responsibility and Scope

- 11.1. The scope of SIAS encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organisation's governance, risk management, and internal control processes (as they relate to the organisation's priorities and objectives) and the promotion of appropriate ethics and values. SIAS is also available to assist the Audit Committee in evaluating

the quality of performance of external auditors and ensuring a proper degree of coordination is maintained.

- 11.2. Internal control and risk management objectives considered by internal audit extend to the organisation's entire control and risk management environment and include:
- consistency of operations or programs with established objectives and goals, and effective performance
  - effectiveness and efficiency of governance, operations and employment of resources
  - compliance with significant policies, plans, procedures, laws, and regulations
  - design, reliability and integrity of management and financial information processes, including the means to identify, measure, classify, and report such information
  - safeguarding of assets
- 11.3. SIAS is well placed to provide advice and support on emerging risks and controls and will, if requested, deliver consulting and advisory services or evaluate specific operations.
- 11.4. SIAS is responsible for reporting to the Performance, Audit & Governance Scrutiny Committee and senior management, significant risk exposures (including those to fraud addressed in conjunction with the Shared Anti-Fraud Service), control and governance issues and other matters that emerge from an engagement.
- 11.5. Engagements are allocated to (an) internal auditor(s) with the appropriate skills, experience and competence. The auditor is then responsible for carrying out the work in accordance with the SIAS Audit Manual, and must consider the relevant elements of internal control, the needs and expectations of clients, the extent of work required to meet the engagement's objectives, its cost effectiveness, and the probability of significant error or non-compliance.

## 12. Role in Anti-Fraud

- 12.1. The SIAS work programme, designed in consultation with Senior Management, the Performance, Audit & Governance Scrutiny Committee and the Shared Anti-Fraud Service, seeks to help deter fraud and corruption.
- 12.2. SIAS shares information with relevant partners, including central government via the National Fraud Initiative and the Shared Anti-Fraud Service to increase the likelihood of detecting fraudulent activity and reducing the risk of fraud to all.
- 12.3. The Head of Assurance should be notified of all suspected or detected fraud, corruption or impropriety so that the impact upon control arrangements can be evaluated.



### 13. Internal Audit Plan

- 13.1. Following discussion with appropriate senior management, the Head of Assurance will submit a risk based plan to the Audit Committee for review and approval. This will occur at least annually. The plan sets out the engagements agreed and demonstrates the priorities of both SIAS (the need to produce an annual internal audit opinion) and those of the organisation. Also included will be any relevant declarations of interest.
- 13.2. The plan will be accompanied by details of the risk assessment approach used and will make reference to the organisation's assurance framework. Also shown will be the timing of an engagement, its budget in days, details of any contingency for new or changed risks, time for planning and reporting and a contribution to the development of SIAS.
- 13.3. The plan will be subject to regular review in year, and may be modified in response to changes in the organisation's business, risks, operations, programmes, systems and controls. All significant changes to the approved internal audit plan will be communicated in the quarterly update reports.

### 14. Reporting and Monitoring

- 14.1. A draft written Terms of Reference will be prepared and issued to appropriate personnel at the start of an engagement. It will cover the intended objectives, scope and reporting mechanism and will be agreed with the client. Changes to the terms of reference during the course of the engagement may occur and will be agreed following consultation with the client.
- 14.2. A report will be issued on completion of an engagement. It will include a reasoned opinion, details of the time period and scope within which it was prepared, management's responses to specific risk prioritised findings and recommendations made and a timescale within which corrective action will be / has been taken. If recommended action is not to be taken, an explanation for this will also be included.
- 14.3. SIAS will follow-up the implementation of agreed recommendations in line with the protocol at each client. As appropriate, the outcomes of this work will be reported to the audit committee and may be used to inform the risk-based planning of future audit work. Should follow-up activity identify any significant error or omission, this will be communicated by the Head of Assurance to all relevant parties. A revised internal audit opinion may be issued on the basis of follow-up activity.
- 14.4. In consultation with senior management, the Head of Assurance will consider, on a risk-basis, any request made by external stakeholders for sight of an internal audit report.
- 14.5. Quarterly update reports to the Audit Committee will detail the results of each engagement, including significant risk exposures and control issues. In

addition, an annual report will be produced giving an opinion on the overall control, governance, and risk management environment (and any other issues judged relevant to the preparation of the Annual Governance Statement), with a summary of the work that supports the opinion. The Head of Assurance will also make a statement of conformance with PSIAS, and detail the nature and reasons for any impairments, qualifications or restrictions in scope for which the Committee should seek reassurances from management.

## 15. Periodic Assessment

- 15.1. PSIAS require the Head of Assurance and the SIAS Board to make arrangements for an independent review of the effectiveness of internal audit undertaken by a suitably knowledgeable, qualified and competent individual or organisation. This should occur at least five yearly.
- 15.2. The Head of Assurance will ensure that continuous efforts are made to improve the efficiency, effectiveness, and quality of SIAS. These will include the Quality Assurance and Improvement Programme, client feedback, appraisals and shared learning with the external audit partner as well as coaching, supervision, and documented review.
- 15.3. A single review will be carried out to provide assurance to all SIAS partners with the outcomes included in the partner's Annual Report.

## 16. Review of the Audit Charter

- 16.1. The Head of Assurance will review this charter annually and will present, to the first audit committee meeting of each financial year, any changes for approval.
- 16.2. The Head of Assurance reviewed this Audit Charter in May 2017. It will next be reviewed in May 2018.

### Note:

For readability, the term 'internal audit activity' as used in the PSIAS guidance has been replaced with 'SIAS' in this Charter.



East Herts Council  
Performance, Audit and Governance  
Scrutiny Committee  
SIAS Progress Report  
4 July 2017

## Recommendation

Members are recommended to:

- Note the Internal Audit Progress Report,
- Approve amendments to the Audit Plan as at 16 June 2017, and
- Note the status of high priority recommendations.

# Contents

- 1 Introduction and Background
  - 1.1 Purpose
  - 1.2 Background
- 2 Audit Plan Update
  - 2.1 Delivery of Audit Plan and Key Findings
  - 2.3 High Priority Recommendations
  - 2.4 Proposed Amendments to Audit Plan
  - 2.5 Performance Management

## Appendices

- A Progress against the 2017/18 Audit Plan
- B Implementation status of high priority recommendations
- C Audit Plan Items (April 2017 to March 2018) – Start Dates Agreed with Management

# 1. Introduction and Background

## Purpose of Report

1.1 This report details:

- a) Progress made by the Shared Internal Audit Service (SIAS) in delivering the Council's Annual Audit Plan for 2017/18 as at 16 June 2017.
- b) Proposed amendments to the approved 2017/18 Audit Plan.
- c) An update on performance management information as at 16 June 2017.

## Background

- 1.2 The 2017/18 Audit Plan was approved by the Audit and Governance Committee on 22 March 2017.
- 1.3 The Audit and Governance Committee receives periodic updates against the Annual Internal Audit Plan, the most recent of which was brought to the Committee on 22 March 2017.
- 1.4 The work of Internal Audit is required to be reported to a Member Body so that the Council has an opportunity to review and monitor an essential component of corporate governance and gain assurance that its internal audit provision is fulfilling its statutory obligations. It is considered good practice that progress reports also include proposed amendments to the agreed annual audit plan.

# 2. Audit Plan Update

## Delivery of Audit Plan and Key Audit Findings

- 2.1 As at 16 June 2017, 14% of the 2017/18 Audit Plan days had been delivered (calculation excludes unused contingency). Appendix A provides a status update on each individual project within the audit plan.
- 2.2 Eight projects from the 2016/17 Audit Plan have been finalised since the March 2017 meeting of the Audit & Governance Committee:

<b>Audit Title</b>	<b>Date of Issue</b>	<b>Assurance Level</b>	<b>Number and Priority of Recommendations</b>
Absence Management	Mar '17	Substantial	Two medium One merits attention
Asset Management	Mar '17	Full	None

Land Charges	Mar '17	Full	None
Consultants	Mar '17	Moderate	Nine medium One merits attention
Payroll	Mar '17	Substantial	None
Safeguarding	May '17	Substantial	Two medium Two merits attention
Tree Surveying	May '17	Moderate	One high Three medium One merits attention
Digital Information Management	Jun '17	Limited	Two high One medium One merits attention

The following 2017/18 project has been finalised:

<b>Audit Title</b>	<b>Date of Issue</b>	<b>Assurance Level</b>	<b>Number and Priority of Recommendations</b>
Payroll Certificate	Apr ' 17	N/A	N/A

#### High Priority Recommendations

- 2.3 A final audit report is issued when agreed by management; this includes an agreement to implement recommendations that have been made. It is SIAS's responsibility to bring to the attention of Members the implementation status of high priority recommendations; it is the responsibility of Officers to implement the recommendations by the agreed date.
- 2.4 The current position in respect of existing outstanding high priority recommendations is shown at Appendix B.

#### Proposed Audit Plan Amendments

- 2.5 The following changes to the 2017/18 Audit Plan have been agreed with Officers of the Council. These are detailed below for Committee approval:

Deleted Audits (days returned to contingency):

- Risk Management (6 days)

Audit cancelled following a re-prioritisation of audits to provide a budget for the new audit noted below.

New Audits (days taken from contingency)

- Petty Cash & Procurement Cards (8 days)  
Audit added to inform internal reviews of these areas.

#### Performance Management

- 2.6 Annual performance indicators and associated targets were approved by the SIAS Board in March 2017 and are reviewed annually.
- 2.7 As at 16 June 2017 actual performance for East Herts against the targets that can be monitored in year was as shown in the table below.

Performance Indicator	Annual Target	Profiled Target to 16 June 2017	Actual to 16 June 2017
<b>1. Planned Days</b> – percentage of actual billable days against planned chargeable days completed (excluding unused contingency)	95%	18%	14%
<b>2. Planned Projects</b> – percentage of actual completed projects to draft report stage against planned completed projects	95%	3% (1 of 35 projects to draft)	3% (1 of 35 projects to draft)
<b>3. Client Satisfaction</b> – percentage of client satisfaction questionnaires returned at 'satisfactory' level	100%	100%	100%
<b>4. Number of High Priority Audit Recommendations agreed</b>	95%	95%	None yet made in 2017/18

- 2.8 In addition, the performance targets listed below are annual in nature. Performance against these targets will be reported on in the 2017/18 Head of Assurance's Annual Report:

- **5. External Auditor's Satisfaction** – the Annual Audit Letter should formally record whether or not the External Auditors are able to rely upon the range and the quality of SIAS' work.

- **6. Annual Plan** – prepared in time to present to the March meeting of each Audit and Governance Committee. If there is no March meeting then the plan should be prepared for the first meeting of the civic year.
- **7. Head of Assurance's Annual Report** – presented at the Audit and Governance Committee's first meeting of the civic year.



## APPENDIX A - PROGRESS AGAINST THE 2017/18 AUDIT PLAN AS AT 16 JUNE 2017

### 2017/18 SIAS Audit Plan

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
<b>Key Financial Systems</b>								
Asset Management					10		0	
Council Tax					10		0	
Creditors					13		0	
Debtors					13		0	
General Ledger					10		0	
Housing Benefits & Rent Allowances					10		0	
NDR					10		0	
Payroll					14		0	
Payroll Certificate	N/A	-	-	-	1	Yes	1	Complete
Treasury					8		0	
<b>Operational Audits</b>								
Development Management (pre-application process)					6		0	
Section 106 Agreements (application of revised charging)					8		0	
Old River Lane Development					14		0	
Accommodation Project (challenge assumptions)					12		0	
Business Continuity Planning					10		0	
Communications					10		0	
3 Es					12	Yes	9	In fieldwork

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AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Hertford Theatre – income					10		0	
Play Safety Inspections					10		0	
Digital East Herts					12		0	
Off-Payroll Payments					5	Yes	0.5	In planning
Licensing - processing of applications and issue of licences					15	Yes	10	In fieldwork
Taxi Licensing Enforcement					8	Yes	1	In planning
Food Safety Inspections					10		0	
New Payroll System – rollout of self-service					8		0	
DFG Capital Grant Certification					2		0	
Petty Cash & Procurement Cards					8	Yes	0.5	In planning
<b>Procurement</b>								
Local Authority Serious and Organised Crime Checklist					10		0	
Procurement					15	Yes	5	In fieldwork
<b>IT Audits</b>								
Mobile Device Management					6		0	
IT Procurement					6		0	
IT Shared Service Agreement					6		0	
IT Incident Management					6	BDO	0.5	In planning
Cyber Security					6	BDO	0.5	In planning

## APPENDIX A - PROGRESS AGAINST THE 2017/18 AUDIT PLAN AS AT 16 JUNE 2017

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
<b>Shared Learning</b>								
Shared Learning Newsletters and Summary Themed Reports					5	N/A	1	
Joint Reviews – topics to be determined by the SIAS Board					5		0	
<b>Risk Management</b>								
Risk Management					0	N/A	0	Cancelled
<b>Anti-Fraud</b>								
Anti-Fraud – Controls Review					5		0	
<b>Strategic Support</b>								
2018/19 Audit Planning					10	N/A	0	
Audit Committee					12	N/A	3	Ongoing
Client Liaison					10	N/A	2	Ongoing
Liaison with External Audit					1	N/A	0.5	Ongoing
Head of Internal Audit Opinion 2016/17					5	N/A	5	Complete
Plan Delivery Monitoring					10	N/A	2	Ongoing
SIAS Development					5	N/A	5	Complete
<b>Contingency</b>								
Unused Contingency					0	N/A	0	
<b>Follow Ups</b>								

# Page 124 APPENDIX A - PROGRESS AGAINST THE 2017/18 AUDIT PLAN AS AT 16 JUNE 2017

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Follow up of high priority recommendations					3	N/A	0	
<b>2016/17 Projects requiring completion</b>								
Various					8.5	N/A	8.5	Complete
Elections					5.5	Yes	0	Due Q2
Joint Review – PREVENT					0.5	BDO	0	In fieldwork
Joint Review – Local Authority Trading					0.5	BDO	0	In fieldwork
<b>EHC TOTAL</b>					<b>400</b>		<b>55</b>	

## APPENDIX B – IMPLEMENTATION STATUS OF HIGH PRIORITY RECOMMENDATIONS

No.	Report Title / Date of Issue	Recommendation	Management Response	Responsible Officer	Original Target Date	Management Comments	SIAS Comment (June 2017)
1.	Tree Surveying (May 2017)	<p>It is recommended that formal approvals are obtained for the extension of the current Tree Management contract at the earliest opportunity</p> <p>It is recommended that the service is let in accordance with the Council's contract standing orders for future years.</p>	<p>To arrange the appropriate waiver to extend the contract while work is undertaken to develop the specification to include facility to inform a schedule of works type maintenance contract.</p> <p>To retender the tree risk inspection contract and to design and procure a new schedule of works based maintenance contract.</p>	Parks and Open Spaces Manager	<p>30 June 2017</p> <p>31 March 2018</p>	<p><u>June 2017</u> N/A</p>	Verbal update to be given at the Committee meeting.

# APPENDIX C - AUDIT PLAN ITEMS (APRIL 2017 TO MARCH 2018) – START DATES AGREED WITH MANAGEMENT

Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Payroll Annual Pension Certificate  <b>Complete</b>	Petty Cash & Procurement Cards  <b>In planning</b>	Off-Payroll Payments  <b>In planning</b>	Business Continuity Planning	Section 106	Food Safety Inspections	Council Tax	Treasury Management	Debtors	Creditors	Comms	
Licensing  <b>In fieldwork</b>	Taxi Licensing Enforcement  <b>In planning</b>		Hertford Theatre – income	Digital East Herts (actual timings tbd)	DFG Capital Grant Sign- Off	Housing Benefits & Rent Allowances	Payroll	Asset Management	Joint Reviews (tbd)	Play Safety Inspections	
3 C's (complaints compliment comments)  <b>In fieldwork</b>	Procurement  <b>In fieldwork</b>		IT Procurement	Mobile Device Mgmt	Accomm Project (actual timings tbd)	Development Management (Pre- applications)	NDR	General Ledger			
			Cyber Security*  <b>In planning</b>	Serious & Organised Crime	IT Shared Service Agreement	Old River Lane (actual	New Payroll System – rollout of self-				

APPENDIX C - AUDIT PLAN ITEMS (APRIL 2017 TO MARCH 2018) – START DATES AGREED WITH MANAGEMENT

				Checklist		timings tbd)	service (actual timings tbd)				
				IT Incident Mgmt  In planning							

\*Notes

- Cyber Security moved from June to July to align with resource availability.

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## EAST HERTS COUNCIL

### PERFORMANCE, AUDIT AND GOVERNANCE: 4 JULY 2017

#### REPORT BY CHAIRMAN OF PERFORMANCE AUDIT AND GOVERNANCE SCRUTINY COMMITTEE

#### WORK PROGRAMME

WARD(S) AFFECTED: *none*

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#### **Purpose/Summary of Report**

- To review and determine Performance, Audit & Governance (PAG) Committee's future work programme

<b><u>RECOMMENDATION FOR PERFORMANCE, AUDIT AND GOVERNANCE: that</u></b>
--

<b>(A)</b>	the work programme as detailed, be agreed.
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#### 1.0 Background

1.1 Items previously required, identified or suggested for the PAG work programme are set out in **Essential Reference Paper B**.

#### 2.0 Report

2.1 The draft agenda for 2017/18 meetings of PAG Committee is shown in **Essential Reference Paper B**. The timing of some items shown may have to change depending on availability of essential data (eg. from central government).

2.2 A work planning workshop was held on the 15 June and Members suggested the following topics for potential inclusion: emergency planning, report from Executive Member, update on constitutional review, waste contract, grant giving, annual police report/night time economy, and resilience of corporate IT systems.

- 2.3 Scrutiny Officers will liaise with lead officers on how to best address each topic.
- 2.4 Members are asked whether there are any additional topics they wish to put forward for inclusion on any future agenda. Suggestions can be made at the meeting or by completing the form attached as **Essential Reference Paper C** and submitting to the Scrutiny Officer.
- 2.5 At the work planning workshop, Members agreed to extend an invitation to the Executive Member for Finance and Support Services.
- 2.6 Members are asked whether there is any training relevant to scrutiny or to the function/remit of PAG as a committee which they would like to have arranged. This could be done as a separate session open to all scrutiny members or as an item on a future PAG agenda (as appropriate).
- 3.0 Implications/Consultations
- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers: none

Contact Member: PAG Scrutiny Committee Chairman: Cllr Mark Pope  
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## **ESSENTIAL REFERENCE PAPER 'A'**

### **IMPLICATIONS/CONSULTATIONS**

Contribution to the Council's Corporate Priorities/ Objectives:  2017/18 wording	<p>Priority 1 – Improve the health and wellbeing of our communities</p> <p>Priority 2 – Enhance the quality of people's lives</p> <p>Priority 3 – Enable a flourishing local economy</p> <p>Effective use of the scrutiny process contributes to the Council's ability to meet one or more of its corporate objectives.</p>
Consultation:	Potential topics for scrutiny are always invited from the Executive and all Members and the public are asked through an annual item in the 'council tax' edition of LINK magazine which is delivered to every household. Members of each scrutiny committee are consulted at every meeting as their work programme is a standing item on the agenda.
Legal:	According to the Council's constitution, the scrutiny committees are responsible for the setting of their own work programme in consultation with the Executive and in doing so they shall take into account wishes of members on that committee who are not members of the largest political group on the Council.
Financial:	Any additional meetings and every task and finish group has resource needs linked to officer support activity and time for officers from the services to make the required input.
Human Resource:	None
Risk Management:	Matters which may benefit from scrutiny may be overlooked. The selection of inappropriate topics for review would risk inefficient use of resources. Where this involved partners, it could risk damaging the reputation of the council and relations with partners.
Health and wellbeing – issues and impacts:	The broad remit of scrutiny is to review topics which are of concern to the public, many of which have an indirect impact on the general wellbeing of residents of East Herts.

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## ESSENTIAL REFERENCE PAPER B

### Draft PAG Work Programme 2017/2018

Meeting Date	Topic	Lead Officer	Notes
<b>26 September 2017 (FC to support)</b>  <b>Deadline 13<sup>th</sup> September</b>	Anti-Fraud Investigations Training	Darren Bowler and Hayley Frazer, (SAFS, HCC)	
	Update on SAFS Plan	Nick Jennings, SAFS, HCC	
	Asset Management Plan	Isabel Britain	<i>To be moved to 21/11/17</i>
	Emergency Planning - tbc	Jonathan Geall, Head of Housing & Health, Claire Carter, Community Wellbeing and Partnerships Manager	<i>Proposed at work planning workshop 15/6/17</i>
	Annual Performance Report for Network Homes and Circle Housing South Anglia Housing Associations	Jonathan Geall, Claire Bennett, Manager of Housing Services	
	Financial Health Check (April – June 2017).	Isabel Britain, Head of Finance	<i>Includes section on performance.</i>
	Sign off on Statement of Accounts 16/17.	Isabel Britain	<i>Separate briefing to be arranged for all members (1st or 2nd wk Sept) - tbc</i>
	Treasury Management Strategy 16/17 Outturn	Isabel Britain	
	Risk Management Monitoring Report (April – June 2017)	Isabel Britain, Graham Mully, Risk Assurance Officer or Rob Winterton, Finance Manager	<i>Quarterly report. Confirmed with GM 13/6/17</i>
	Annual Audit Letter/Report	Isabel Britain\Ernst & Young	
	Shared Internal Audit Plan (SIAS) Update	Margaret Mulkerrin HCC	<i>Propose to combine these reports into 1 item.</i>
	Annual SIAS Board Report 2015-16	Margaret Mulkerrin HCC	
	Work Programme	Fiona Corcoran Scrutiny officer	

Meeting Date	Topic	Lead Officer	Notes
<b>21 November 2017 – CP to support</b>  <b>Deadline 8<sup>th</sup> Nov</b>	Report on corporate strategic plan progress	Ben Wood, Head of Communications, Strategy and Policy	
	Update from Portfolio Holder for Finance & Support Services	Cllr Geoff Williamson + Isabel Britain, Head of Strategic Finance	<i>Agreed at programme planning meeting on 15/6/17</i>
	Review of the introduction of 'pay-on-exit' parking software	Andrew Pulham, Parking Manager	<i>Due to start in Nov 2016 (base review on 9 months of data)</i>
	Report on Asset Management	Isabel Brittain	
	Financial Health Check Report (July – Sept 2017), incl section on performance	Isabel Britain, Head of Strategic Finance	
	Treasury Management - Mid-year Review 2016-17	Isabel Britain, Head of Strategic Finance	
	<del>External Auditor Annual Letter/report &amp; response to Audit Letter</del>		<i>Moved to 26/9/17</i>
	Update on the Implementation of the Annual Governance Statement 2016/17 – Action Plan	Isabel Britain, Head of Strategic Finance	
	Risk Management Monitoring Report (July to Sept 2017)	Isabel Britain, Graham Mully, or Finance Manager	
	Work Programme	Claire Pullen, Scrutiny Officer	

Meeting Date	Topic	Lead Officer	Notes
<b>16 January 2018 – FC to support</b>  <b>Deadline 3<sup>rd</sup> Jan 2018</b>	Budget report & Medium Term Financial Plan	Isabel Britain, Head of Strategic Finance	
	External Audit Grants Certification 2016/17	Isabel Britain, Head of Strategic Finance	
	Treasury Management Strategy 2017-18	Isabel Britain, Head of Strategic Finance and External Auditor from Ernst & Young	
	Shared Internal Audit Service (SAIS) Update on Audit Plan	Margaret Mulkerrin SAIC, HCC	
	Update on Implementation of Annual Governance Statement 2017/18 Action Plan	Isabel Britain, Head of Strategic Finance	
	Work Programme	Fiona Corcoran, Scrutiny Officer	

Meeting Date	Topic	Lead Officer	Notes
<b>13 March 2017 – FC to support</b>  <b>Deadline 28<sup>th</sup> February 2018</b>	Financial Health Check Report (Oct – Dec 2017), incl section on performance	Isabel Britain, Head of Strategic Finance	
	External Auditor 2017-18 Audit Plan	Ernst & Young	
	UPDATE ON IMPLEMENTATION OF ANNUAL GOVERNANCE STATEMENT 2017/18 ACTION PLAN	Isabel Britain, Head of Strategic Finance	
	Shared Anti-Fraud Service with draft plan for 2018/19 for approval	Nick Jennings HCC	<i>Confirmed via email 30/5/17</i>
	Shared Internal Audit Plan (SIAS) 2018/19	Margaret Mulkerrin SAIC, HCC	<i>Propose to combine into 1 report</i>
	SIAS Audit Plan Update	As above	
	Risk Management Monitoring Report (Oct to Dec 2017)	Isabel Britain, Head of Strategic Finance/Graham Mully, Risk Assurance Officer	
	Annual Review of Risk Management Strategy	Isabel Britain/Graham Mully, Risk Assurance Officer OR Rob Winterton, Finance Manager	
	Work Programme	Fiona Corcoran, Scrutiny Officer	
<b><u>Other items/notes:</u></b> <ul style="list-style-type: none"> <li>• Report from Monitoring Officer (Alison Stuart, Head of Democratic and Legal Support Services). This will be as and when</li> <li>• Constitution Review update – This was mentioned at PAG work programming meeting. Any further reporting back/monitoring needed? (Alison Stuart, Head of Democratic and Legal Support Services)</li> </ul>			



## ESSENTIAL REFERENCE PAPER C

### Scrutiny Proposal form

**Name of proposer:**

**What would you like to suggest for investigation / review by scrutiny?**

**Why would you like this to be reviewed? (Include the main issues / concerns to be considered)**

Please continue on a separate sheet if necessary

**What would be the likely benefits and outcomes of carrying out this investigation / review?**

**Estimated resource implications on staff and councillors (e.g. research group, one-off report, dedicated meeting etc) to achieve the likely outcome. The outcome must be proportionate to the cost of carrying out the review.**

**Suggested witnesses, documentation and consultation required**

**Will this investigation / review contribute to one or more of the Council's Strategic Priorities? If so, which (please tick)?**

Improve the health and wellbeing of our communities

Enhance the quality of people's lives

Enable a flourishing local economy

**Will this investigation / review meet one of the criteria below? If so, which (please tick)?**

**Public Interest:** The issue has been identified as a concern by local people

**Impact (Value):** The issue will make a significant difference to the social, economic and environmental wellbeing of residents, and has the potential for outcomes that could lead to real improvements

**Relevance:** The issue is relevant and does not duplicate existing work being undertaken elsewhere

**Partnership working or external scrutiny:** The issue involves moving towards collective action and community leadership

**Would you like to be involved in the investigation / review?**

**Yes**

**No**

**Date of request:**

**Signed:**

Please return this form to the: Scrutiny Officer, East Herts Council, Wallfields, Pegs Lane, Hertford, SG13 8EQ Email: [fiona.corcoran@eastherts.gov.uk](mailto:fiona.corcoran@eastherts.gov.uk)