

# Public Document Pack



Leader and Members  
of the Executive

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Date: 30 January 2015

cc. All other recipients of the  
Executive agenda

Dear Councillor

## **EXECUTIVE - 3 FEBRUARY 2015: SUPPLEMENTARY AGENDA NO 1**

Please find attached the following reports which were marked "to follow" on the agenda for the above meeting:

5. Issues Arising from Scrutiny (Pages 3 - 8)
10. Planning Peer Challenge (Pages 9 - 30)
11. Monthly Corporate Healthcheck - December 2014 (Pages 31 - 90)

Please bring these papers with you to the meeting next Tuesday.

Yours faithfully

Martin Ibrahim  
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Democratic Services  
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**MEETING** : EXECUTIVE  
**VENUE** : COUNCIL CHAMBER, WALLFIELDS, HERTFORD  
**DATE** : TUESDAY 3 FEBRUARY 2015  
**TIME** : 7.00 PM

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EAST HERTS COUNCIL

EXECUTIVE – 3 FEBRUARY 2015

REPORT BY SCRUTINY COMMITTEE CHAIRMEN

ISSUES ARISING FROM SCRUTINY

WARD(S) AFFECTED: All

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**Purpose/Summary of Report**

- This report details the comments and recommendations made by the Scrutiny Committees since the last meeting of the Executive and should be read in conjunction with reports of the Executive Members found elsewhere on the agenda.

<b><u>RECOMMENDATION FOR DECISION:</u></b>	
<b>(A)</b>	<b>That the report be received.</b>

1.0 Background

1.1 Scrutiny meetings have been held recently as follows:

Joint meeting of Scrutiny Committees – 20 January 2015

2.0 Report

2.1 **Consolidated Budget Report and 2015/16 – 2017/18 Medium Term Financial Strategy (Agenda Item 9)**

A detailed and wide-ranging discussion took place and the joint meeting made a number of comments. The following is a summary of comments referred to the Executive:

- staffing resources within Building Control and Enforcement be reviewed in view of the fact that performance targets were not being met and of the potential increase in workload expected during 2015/16;

- the Council considers working in partnership with active community groups in relation to leaf clearance and in arranging special collection of leaves collected by those groups;
- some underspends in the Council's budget be used to set charges to a zero increase (with the exception of those which may need to be increased as a result of a statutory requirement);
- Scrutiny Committees in 2015/16 review Fees and Charges relevant to their specific areas in order to assess whether they are commercially viable and meet community needs;
- fees and charges for Hertford Theatre be afforded a level of flexibility in their box office pricing arrangements in order to take account of its varied programming and the use of the building by not-for-profit local groups; and
- capital funding (including the use of Section 106 monies and NHB), be used to improve current facilities and acquire land for new sporting facilities across the District and in particular, in Bishop's Stortford, including football pitches, a sports hall and the extension of Grange Paddocks swimming pool to allow users of the pool to train and compete at a regional and national level.

### 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

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Councillor Mrs D Hollebon, Chairman, Community Scrutiny Committee

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## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATION

Contribution to the Council's Corporate Priorities/ Objectives:	This report seeks to summarise scrutiny activities, which in general terms, support all of the Council's objectives.
Consultation:	This report assists the wider consultation process in reporting issues arising from scrutiny to the Executive.
Legal:	The Constitution provides for issues arising from Scrutiny to be reported to the Executive.
Financial:	None
Human Resource:	None
Risk Management:	None
Health & Wellbeing – issues and impacts:	None

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## EAST HERTS COUNCIL

EXECUTIVE - 3 FEBRUARY 2015

REPORT BY THE LEADER OF THE COUNCIL

PLANNING PEER CHALLENGE

WARD(S) AFFECTED: ALL

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

- The report provides details of the Planning Peer Challenge and presents an action plan to implement the recommendations in the Peer Challenge Report.

<b><u>RECOMMENDATIONS FOR EXECUTIVE: That:</u></b>	
<b>(A)</b>	<b>the content of the report be noted; and</b>
<b>(B)</b>	<b>the action plan, as detailed at Essential Reference Paper 'C' of the report submitted, be approved.</b>

### 1.0 Background

1.1 The Peer Challenge report is a summary of the findings of a planning peer challenge organised by the Local Government Association (LGA) in cooperation with the Planning Advisory Service (PAS) and carried out by its trained peers. The report is contained in **Essential Reference Paper 'B'**.

1.2 Peer challenges are managed and delivered by the sector for the sector. They are improvement oriented and are tailored to meet individual Councils' needs.

1.3 The Council wanted the challenge team to focus on some detailed issues:

- Member and officer working
- Moving to a Development Management culture and being 'open for business'

- Localism and the Community |Infrastructure levy (CIL)
- The Development Management Committee

1.4 These specific areas for examination are picked up under the themes and focus used for a planning peer challenge:

- Clarity and locally distinctive vision and leadership for the planning service
- Community leadership and engaging with the community
- Management and service delivery
- Partnership working both internally and externally
- Achieving outcomes.

## 2.0 Report

2.1 The Peer Challenge report makes a number of recommendations. These recommendations have been converted into an action plan. The action plan shows the relationship between the recommendations in the Peer Challenge report and the actions which are proposed. The action plan is contained in **Essential Reference Paper 'C'**.

## 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

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Report Author: Simon Drinkwater- Director of Neighbourhood Services

## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives:	<p><b>People – Fair and accessible services for those that use them and opportunities for everyone to contribute</b></p> <p>This priority focuses on delivering strong services and seeking to enhance the quality of life, health and wellbeing, particularly for those who are vulnerable.</p> <p><b>Prosperity – Improving the economic and social opportunities available to our communities</b></p> <p>This priority focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic opportunities and delivering cost effective services.</p>
Consultation:	The relevant Members were consulted.
Legal:	There are no significant legal implications although any changes should comply with the planning legislation.
Financial:	Most of the actions within the action plan will be funded from existing resources. Where additional costs are identified, a business case will be developed for the particular action providing full details of the costs. A source of funding will be identified that stage.
Human Resource:	There are no specific HR implications.
Risk Management:	Proper and effective implementation is important to ensure that the full benefits of the recommendations in the report are achieved.
Health and wellbeing – issues and impacts:	Effective planning for the district contributes to the wellbeing of the community.

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# Planning Peer Challenge

## East Herts Council

12 – 14 November 2014

Report

# 1. Background and scope of the peer challenge

This report is a summary of the findings of a planning peer challenge organised by the Local Government Association (LGA) in cooperation with the Planning Advisory Service (PAS) and carried out by its trained peers. Peer challenges are managed and delivered by the sector for the sector. They are improvement oriented and are tailored to meet individual councils' needs. Indeed they are designed to complement and add value to a council's own performance and improvement focus.

The Council wanted the challenge team to focus on some detailed issues:

- Member and officer working
- Moving to a Development Management culture and being 'open for business'
- Localism and the Community Infrastructure Levy (CIL)
- The Development Management Committee

These specific areas for examination are picked up under the themes and focus used for a planning peer challenge:

- Clarity and locally distinctive vision and leadership for the planning service
- Community leadership and engaging with the community
- Management and service delivery
- Partnership working both internally and externally
- Achieving outcomes.

Peers were:

- Simon Machen, Director of Growth and Regeneration, Peterborough City Council
- Alan Gomm, Local Development Framework Manager, Kings Lynn and West Norfolk Borough Council
- Councillor Neil Clarke, Leader, Rushcliffe Borough Council (Conservative member peer)
- Bob Kenyon Peer Challenge Manager, LGA Associate

The LGA and PAS make a significant investment in planning peer challenge delivery and are keen to ensure councils follow this up with an improvement programme. After the planning peer challenge report is finalised the following support is available to the council:

- A LGA and PAS Improvement Planning day structured to meet the council's requirements and involving members of the peer challenge team.
- A range of additional planning support – much of this at no cost – is available from [PAS http://www.pas.gov.uk/pas/core/page.do?pageId=1](http://www.pas.gov.uk/pas/core/page.do?pageId=1)
- Follow-up advice through Gary Hughes, Principal Adviser, LGA on further support that the planning service and the council might require.
- A range of other support from the LGA – some of this might be at no cost, some might be subsidised and some might be fully charged <http://www.local.gov.uk/>

The LGA may ask to meet with the council 6-12 months after the peer challenge to make an assessment of the peer challenge recommendations; how the council acted on these; and what beneficial impact came from this.

The team appreciated the welcome and hospitality provided by East Herts Council and the candour and openness in which discussions were held. The team would like to thank everybody that they met during the process for their time and contribution.

## 2. Executive summary and recommendations

The Council's Executive is clear about the vision for the District and provides strong leadership to promote this, particularly with external stakeholders. This vision recognises the need for the District to contribute to sub-regional growth whilst maintaining its own distinctive identity. However, not all councillors are on board with the vision and the lack of an adopted local plan means that Development Management Committee members and local people feel powerless to reject unwanted development.

Partners welcome the Council's clear commitment to working together to deal with the need for growth. But they are concerned that, with the upcoming political changes with elections in May and several key councillors standing down, there is a risk that the impetus will stall.

Partnership working is strong, particularly with neighbouring councils. The planning policy portfolio holder is seen as a proactive place shaper who is open to the Duty to Cooperate (Localism Act 2011) but not at the expense of the distinctiveness of the District. Neighbouring councils welcome his approach.

The Council employs some excellent staff. We found the majority of officers to be very customer focussed and with a "can do" attitude. The planning policy function is well resourced, the portfolio holder provides strong political leadership to the function and staff value this. Development management, by comparison, lacks a similar level of political or senior management commitment. Development management staff feel undervalued, have high workloads, and there is a significant risk to the service if more staff leave. Despite this, staff are delivering a good service with a good approach to customers and good speed of determining planning applications. This could be further improved by a significant overhaul of processes and procedures, many of which are outdated. Implementation of the new IT system provides the ideal opportunity to do this.

Management of the planning function is underdeveloped. We found outdated and inefficient processes and procedures that are recognised by staff but have not been challenged. We also found a lack of structured team meetings and briefings that contributed to inconsistent approaches and a lack of a corporate, joined up approach to overseeing the planning function.

The Council has a genuine desire to involve and engage its local community in important place shaping decisions, as well as individual local planning decisions. The consultation on its emerging Local Plan is comprehensive and thorough and 5 communities are working on their own neighbourhood plans. Strong local engagement will be important because difficult decisions will be needed to accommodate growth and not all communities will understand or accept the need for growth.

There is a widely held view, shared by the peer challenge team, that the Development Management Committee takes a parochial approach to decision making and has a default position of saying no to development. There are several significant opportunities to improve the effectiveness of the Committee that include: the way reports are presented; the scheme of delegation; organisational arrangements; and training.

The Council recognises the need to ensure that the local plan programme does not slip any further and is also considering how it will implement the community infrastructure levy (CIL). The Council is successful at maximising community benefits from developments, but more could be done to improve delivery of rural affordable housing.

The Council provides some useful training and information for its councillors but more is needed, particularly for members of the Development Management Committee. Town and parish councils would also welcome some training about planning matters. This could help to improve the contribution from town and parish councils to planning decisions.

To support the planning service at East Herts Council to improve further, the peer challenge team has made the following recommendations. These are:

- R1 Introduce better management and communication across the planning functions, and with other key stakeholders, such as highways, to ensure a joined up approach to planning services that reflects corporate priorities. Consider how senior managers can demonstrate more visibly their commitment to the functions.
- R2 Ensure effective engagement, with communities and key partners, on the development and spatial implementation of the Community Infrastructure Levy - to agree how infrastructure needs will be prioritised and how money will be spent.
- R3 Maximise investment in the rural housing enabler post, and work with the willingness of existing registered providers to deliver appropriate small scale affordable housing in rural areas, to deliver the housing that local communities want to meet their needs.
- R4 Carry out a review of development management processes, using LEAN or similar approach, with external facilitation from another council if appropriate, to ensure a strong focus on customers and the removal of duplication. Updated processes should be introduced alongside implementation of the new IT system.
- R5 Consider increasing pre-application charges, or redistributing existing income, to increase the capacity of partner organisations such as county highways, so they can provide dedicated, specialist advice - to input into planning policy and the determination of planning applications.
- R6 Review Development Management Committee to include:
  - Simpler, plain English written reports that include a one page summary of salient issues.
  - Case officers providing short presentations of applications to Committee.
  - Changing the layout of the Committee to provide clarity about which councillors are part of the Committee, which are ward members, and include job titles on staff name cards.
  - Review the scheme of delegation to avoid last minute call in of small scale or less complex applications.
  - Consider further mandatory training for all Development Management Committee members to include policy context and material planning considerations including the benefits of external input tailored to members specific needs
- R7 Consider providing planning training for town and parish councils - to improve their knowledge of the planning decision making process and the context that decisions have to be made in.



## **3. Detailed findings**

### **3.1 Vision and Leadership**

#### **Strengths**

East Herts Council has a cabinet model of governance and the Executive Committee is made up of councillors from the Conservative majority administration. The Chair of the Development Committee is a member of the Conservative group.

The Council's Executive Committee has a clear vision for East Herts. It wishes to maintain the identity and vitality of the 5 market towns in the District and conserve the heritage of the area. The vision includes developing high skill and high value small and medium enterprises.

The Executive also understands the key role that the District will need to play in the growth agenda for the wider region. The portfolio holder for planning policy provides very strong leadership. He recognises the need to maintain the integrity and identity of the District whilst accommodating some of the growth that will be necessary in the London Stansted Cambridge Corridor,. This is important because of the significant Government commitment to national growth. The Council will need to shape future development in the District to meet its own vision for the place rather than have the wishes of others imposed upon the area. Several external partners told us how highly they regard the portfolio holder because of his clear vision and the proactive role that he and the Council are taking in trying to shape the growth agenda.

The Council provides a range of training and information for councillors. We were told that this had been particularly effective in relation to some planning policy matters.

Member and officer working relationships are strong in relation to planning policy. We found excellent mutual trust and respect between the planning policy portfolio holder and planning policy officers. Officers felt that the portfolio holder understood the issues and challenges facing them. They recognised the support that he provided them including ensuring they have adequate resources to carry out their function.

#### **Areas for consideration**

Whilst the Executive has a clear vision for the District, the lack of a current adopted local plan means that this vision has not yet been formally endorsed by the Council. We asked a number of councillors from the Development Management Committee to tell us what the vision for the District is. We did not hear the same clear vision from this group of councillors. When the Local Plan is adopted, it will be vitally important that the Development Management Committee adhere to it when making planning decisions.

Partners strongly expressed their concerns about political succession planning. The Peer team agrees that this is a significant risk to the Council. The planning policy portfolio holder will not be standing at the next election in May and it is not yet clear who will take on this role following the elections. Partners are keen that the Council maintains its positive and proactive approach to the sub-regional planning agenda.

Whilst we found some good training opportunities for councillors, we were not clear whether basic planning training is mandatory for all Development Management Committee members. Many councils do not allow members to take planning decisions unless they have undergone mandatory planning training. We found that many Development

Management Committee members do not always attend training that is provided, partly because of the timing of it - directly before committee meetings. There is also a need to ensure that ward members receive training on planning policy and development management issues given the Council's position with its emerging Local Plan and lack of a 5 year housing land supply.

Working relationships between councillors on the Development Management Committee and officers are strained. The Council's lack of an adopted Local Plan means that officers are operating in a local policy vacuum to some extent. There are some saved policies but these do not make up for the lack of a comprehensive local planning framework. This means that officers (and the Council) must rely on the National Planning Policy Framework, which sets a very clear presumption in favour of sustainable development. The absence of a five year land supply and a local plan means that officers are sometimes unable to provide sound planning policy reasons for refusing what councillors see as opportunistic applications. Councillors and local people feel frustrated by this lack of power to decide locally where development will go. This results in the Committee members making unrealistic and inappropriate demands on officers to refuse applications when there are no material planning grounds to do so, and doing so in a public arena. Care will be needed to explain the 5 year land supply situation even in a post Pre-Submission Plan situation.

## **3.2 Community leadership and engagement**

### **Strengths**

The Council's planning policy consultation is thorough and comprehensive, for example the Preferred Options roadshows. This has led to a lengthy plan making process resulting in the position that the Council now finds itself with no adopted plan or five year land supply. In the circumstances though, the peer challenge team understands this approach. In particular that the Council will need to make some difficult decisions in relation to growth that may not be popular with parts of the local community.

A comprehensive consultation process that allows a genuine engagement with councillors and the community will help ensure that all possible options are explored, and will allow the Council to promote a plan that delivers the "least worst" option. Whilst people may not like the outcomes, it is important that they have the chance to have their say and make suggestions in relation to the location of new development.

The Council has an open and transparent approach to planning policy development. A District Planning Executive Panel meets in public and meetings are webcast. The Panel tests policy development in a public arena including looking at consultation responses and making sure these are properly considered.

The Council is keen to involve local people in the place shaping agenda. The Council sees neighbourhood planning as a good way to deliver this and supports communities in the plan making process. Five town / parish councils are progressing with neighbourhood plans with the first to be examined soon.

The Development Management Service is keen to take a proactive approach to development despite being under pressure from a high volume of planning applications. They have delivered documents to help with the place shaping agenda such as the Mead Lane Urban Design Framework - a "vision and strategy to promote a sustainable mixed-use development to enhance a much neglected area of Hertford".

## **Areas for consideration**

The Council recognises that despite the comprehensive consultation on its emerging Local Plan, it will still be difficult to convince some parts of the local community of the need for growth. It will be important once the Council adopts its Local Plan that all councillors take every opportunity to promote it. This will make it easier for the Development Management Committee to take the difficult decisions it will need to make to secure planned growth referred to above.

We heard a perception from several partners that the Development Management Committee takes a parochial approach to decision making and has a default position of saying 'no' to development. This perception was backed up by what we saw at the Development Management Committee we attended. This means that the Council is increasingly subject to planning by appeal with councillors turning down applications without robust material planning grounds to do so. This forces developers to take applications to appeal where there is a significant risk that they will be allowed. This has resulted in significant award of costs against the Council.

The peer challenge team recognises that this is partly because the Council has to rely on the NPPF for decision making given the local planning policy vacuum, and the fact that councillors currently feel powerless to stop what they and the community consider to be unwanted development. Adoption of the new Local Plan will provide the Committee with a clear framework setting out where development should and should not go. It could also provide the Council with an opportunity to change the culture of the Development Management Committee. The Executive will need to take an active role to ensure this happens.

Some parish and town councillors feel undervalued and excluded. We heard from some that they do not feel that their views are taken into account in planning decisions. They also told us that they would welcome more feedback and training about planning decisions. The Council does not provide a programme of planning training for town and parish councils. Training could help to dispel some myths and perceptions; help the town and parish councils to better understand things like material planning considerations; and hence make more meaningful contributions to the planning process.

## **3.3 Partnership working**

### **Strengths**

The Council works well with neighbouring councils. We heard from neighbouring districts that East Herts is helpful and proactive in the Duty to Cooperate. We heard that the Council understands the need to accept housing growth for some neighbouring councils. The planning policy portfolio holder is seen as a proactive place shaper who is open to the duty to cooperate but not at the expense of the distinctiveness of the District. Neighbouring districts welcomed his approach. One example of this is the start of discussions on hard issues such as the expansion of Harlow into Gilston. We also heard that East Herts is an equal partner in the Hertfordshire Infrastructure Planning Partnership - looking at how to achieve the benefits of development in delivering improvements to infrastructure.

We found some good working across service areas in relation to planning. For example, a representative of the housing team meets regularly with planning officers to discuss upcoming planning applications that include affordable housing legal obligations.

We found that local partners are keen to work with the Council to help deliver affordable housing needs identified by the community. We heard that the Council part funds a rural

housing enabler who has not yet secured delivery of any affordable housing in the District but is very effective in other areas. One registered provider told us that they were keen to work with the Council to improve delivery of affordable housing in rural areas of the District. The registered provider and the rural housing enabler are keen to engage with individual parishes and local communities - to deliver appropriate schemes that local people want - to meet their local identified needs. This is a good opportunity for the Council.

### **Areas for consideration**

Capacity issues in some partner organisations impacts on the planning service. For example, the planning service struggles to get the input it requires from highways in both policy formulation and planning decision making. This can impact on the Council in a variety of ways. For example, a lack of highways input at the pre-application stage means that planning officers are unable to give comprehensive advice about highway requirements in relation to proposals. It is important that East Herts recognises the financial and capacity issues facing partner organisations. We heard that sometimes expectations are too high about what information should be provided and by when. For example, around transport modelling to support the Local Plan, and that the same information is sometimes requested in different formats or by different staff. A more structured approach to engagement, for example through service level agreements with partners, would be beneficial with East Herts recognising that it may need to fund some of this support.

Whilst we found that some partners such as neighbouring districts think that East Herts works well to deliver growth, other key partners, such as the Hertfordshire Local Enterprise Partnership (LEP) think the Council could do more. For example, future expansion of Stansted Airport may increase demand for housing and location for food preparation businesses in the Bishop's Stortford area. The Council is aware of this and has communicated its vision for the type of growth it is and is not prepared to accept to key partners such as the LEP. But it needs to ensure, that despite this, it continues to have effective working relationships with key stakeholders.

We heard that some groups would like to have better engagement with the planning service. One planning agent told us that an East Herts specific forum would be welcomed, and the Council could consider hosting a wider customer forum including town and parish council, and key consultee representatives. Some interest groups also told us that they would like opportunities for improved engagement. The peer challenge team recognises that some interest groups can be hard to engage with - but a planned and systematic approach may help to reduce lengthy engagement on specific applications.

## **3.4 Management, service delivery and service to users**

### **Strengths**

Planning staff are hard working and enthusiastic. We heard that most planning staff are well regarded by colleagues in the Council and those stakeholders they work with. We found there were some very high calibre officers. We found that staff are well motivated and many see East Herts as a good place to work.

The Council's performance in relation to the speed of determining applications is strong and the Council has responded to past performance issues in development management. For example, performance data showed that the Council was not meeting government targets for the amount of time taken to determine major planning applications. As a result

of this, the Council made changes to the way it processes planning applications - including agreeing extensions of time where appropriate. Developers welcome this approach as it avoids the pressure for early refusal or the need to withdraw applications.

The plan making process is working well. Although the plan has taken a long time to produce, the process is thorough with strong political commitment and good community involvement. The Council has allocated resources to the process and the staff feel valued and supported.

The Council has recognised the need for better information technology to support development management and a new software system is imminent.

### **Areas for consideration**

Whilst the peer challenge team understands the reasons why the Council is taking so long to produce its new Local Plan, it is essential that there is no further slippage to the timetable. Further slippage will result in even more pressure for unwanted and unplanned development.

Staff retention is a critical risk for the delivery of the development management service. The Council has lost some key staff and these posts remain vacant at a time when there is significant demand across the public and private sector for planning staff. We heard that pay levels at the Council are lower than neighbouring councils and that this, along with potential cuts to remuneration packages, has the potential to impact on staff morale. A number of staff told us they were actively looking for new jobs because of these factors. The Council does not have a clear staff retention strategy or workforce succession plan in place and this should be addressed as a matter of urgency.

Many of the Council's existing development management systems, procedures and processes are outdated and inefficient. Whilst the Council recognises this to some extent and has invested in a new IT system, effective, timely implementation of this will be key. The Council will need to make sure that it uses this opportunity to overhaul existing processes - rather than using a new system to replicate old, outdated processes and procedures. For example, at the moment when the Council receives electronic applications, it prints several copies of these and then scans the paper copies to get them into the electronic system. A different approach could completely eliminate this time consuming redundant process and release resource capacity. The Council will need to consider allocating additional resources to this, and could buy in expertise from a council that has implemented transformational change with a similar IT system.

Additional resources could also be used to great effect to deal with capacity and financial pressures in some key partner organisations, as highlighted earlier in relation to highways.

Team working and communication across the service, and with other Council teams, could be improved. For example, best practice in development management is not always shared across the two area teams and there have been clear differences of interpretation of planning policy and appeal decisions between planning policy and development management staff, resulting in conflicting officer advice to Development Management Committee.

Internal consultee responses (for example from the Council's Landscape Officer) sometimes seem at odds with the overall policy context and planning guidance. On other occasions the decision of whether to consult internally with other teams on planning applications or policy formulation appears inconsistent. Whilst it is important to allow

professional integrity, the lack of a joined up approach within the Council means that reports can appear inconsistent and contain conflicting messages. This is important because it does not provide clarity and certainty to developers and members about what is and what is not acceptable in planning terms. The peer team feel that a much more systematic approach to team meetings and briefings in the planning service, and a more structured approach to internal consultation, would help develop a more consistent response to planning applications.

The perception of the peer team is that development management staff feel "unloved". The team believe that this results from a combination of factors discussed elsewhere including: the pressures of operating in a policy vacuum including difficult member relationships in Committee; cuts in remuneration; working with outdated systems and technology; lack of cross team working; a lack of positive feedback for the work they do; and the lack of visible management and political commitment to address service issues.

The pre-application service is well used but is not comprehensive. As pointed out above, the lack of input from key external consultees, such as highways, results in pre-application advice sometimes being overturned when an application is received. This results in a perception that the advice is inconsistent and can lack credibility.

Opportunities exist to improve the operation of the Development Management Committee. We found reports to be very lengthy and it appeared that members had not read, or understood, them fully. We think that a short presentation to the committee by the case officer bringing out the salient points and answering any questions would be helpful. The reports would benefit from being shorter and written in plain English with a single page summary at the front - setting out the key points.

In addition, setting out conflicting views of internal consultees does not aid decision making without balanced reasoning and weighing up the overall assessment to reach a clear conclusion. We found that in one case the personal opinion of one internal consultee was included in a report, and that this conflicted with their objective planning assessment of the case. This personal opinion was not relevant and may have influenced the decision of the Committee. The Council also recognises that it needs to address the lack of highways advice to the Committee.

The Committee also considers applications that could be delegated. Under the current scheme of delegation a councillor can call in a planning application for determination by the Committee at any time, rather than there being a deadline following receipt of the application. This impacts on performance. We found some relatively minor applications being considered by the Committee.

The practical arrangements of the Committee do not give a good impression. The Council recognises the importance of engaging the public in planning decisions and it does provide a webcast of the meeting. But we found that ward councillors sat immediately behind committee members and this meant it was not clear to the public which councillors were involved in the decision making process. Name cards did not explain the roles of the attendees.

At the meeting we attended (and subsequently viewed in full on the webcast), some basic issues to do with meeting conduct seemed confused. At times members seemed uncertain about what to do. For example, after the vote on one item members assumed that they had refused the application contrary to officer advice but this was not the case. It took some considerable time for it to be recognised that a motion to refuse, with planning

reasons, was required. Officers did eventually provide this advice to the Committee, but not in a timely fashion

Our view, and that of some of the partners we spoke to, was that the Committee came across as parochial and anti-development. It did not consistently apply objective planning reasoning in its decisions. Inappropriate pressure was also put on officers in the meeting to come up with reasons for refusal, for example, for an application where there did not appear to be any valid planning reasons. Where members of the Committee require clarification about planning policy or about the technical aspects of a proposal, they may find it helpful to discuss individual applications with case officers prior to the Committee, or to channel these requests through the Chairman's briefing process, which could be made better use of. Members told us that they are concerned about pre-determination but, particularly given the local policy vacuum, it is appropriate for members to seek officer advice and support prior to Committee. Officers are willing to provide this support and this should be encouraged. The peer team's view is that further training is necessary for Committee members.

### **3.5 Achieving outcomes**

#### **Strengths**

The Council's officers provide good customer service and operate well in the absence of a local plan. Officers promote an "open for business" culture. When determining planning applications they appropriately apply: the Council's own saved policies; the National Planning Policy Framework (NPPF); and the National Planning Practice Guidance (NPPG).

The Council is successfully delivering affordable houses in urban developments such as High Oaks Grove, Ware. However, it rarely achieves its target of 40 per cent affordable housing but this is not unlike many councils given the challenges of development viability and the competing pressures for community infrastructure investment.

The Council is maximising public benefit from large development schemes such as the Bishops Stortford North urban extension. On this site, the Council reported that its negotiations have resulted in 30 per cent affordable housing as well as a legal agreement to secure £53.8 million of infrastructure benefits. This is a significant achievement and helps to demonstrate to the community that growth can bring tangible benefits.

#### **Areas for consideration**

The Council's lack of an adopted local plan results in pressure for unwanted development. The Council is aware of this. It recognises that it needs to ensure a 5 year land supply to be able to effectively control development in the area and ensure that its spatial vision for East Herts is protected and achieved. Care will be needed to address, and explain, the peaks and troughs in supply in the housing trajectory before large sites come on stream.

The Council recognises that it needs to prioritise developing its community infrastructure levy (CIL) charging schedule and geographical coverage. This will be important to ensure that the Council continues to maximise the benefits from new development. It will also be important to agree with partners the priorities for spending future CIL income well in advance of its introduction.

Development in urban areas continues to provide affordable housing. In rural areas, registered providers have been delivering affordable housing by redeveloping existing garage sites. This supply is now drying up and in any event, is not systematically linked to local need. The Council has an opportunity to look at how it can deliver rural affordable

housing more effectively in the future. For example, the rural housing enabler can help willing local communities to work with registered providers. The outcome could be bespoke small scale developments that match community aspirations and needs.

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### **Planning Advisory Service - recommended support**

The Planning Advisory Service (PAS) offers a wealth of information, tools and activities.

Information is available at:

<http://www.pas.gov.uk>

PAS will engage with East Herts Council to discuss further relevant support activities. We have listed some specific areas of information and support relevant to the recommendations from the peer challenge. There may be some scope to support learning from another authority on some particular issues such as the implementation of the new IT system.

### **Development Management support:**

#### **Performance Framework for Quality Planning Services**

The framework is a collection of tools and techniques that can help you to understand how your Development Management service is performing and to deliver service improvement

<http://www.pas.gov.uk/planning-quality-framework>

### **Pre-application advice**

<http://www.pas.gov.uk/pre-application>

### **Planning Committee and Councillor support:**

#### **Councillor briefings**

[http://www.pas.gov.uk/web/pas1/councillors-page/-/journal\\_content/56/332612/15306/ARTICLE](http://www.pas.gov.uk/web/pas1/councillors-page/-/journal_content/56/332612/15306/ARTICLE)

### **Planning Committee Peer Challenge**

We do offer a peer challenge specifically focused on the planning committee which might be of interest. It would be useful to take a look at the sample brief to ask help you to look at your committee processes.

[http://www.pas.gov.uk/web/pas1/peer-challenge/-/journal\\_content/56/332612/6286978/ARTICLE](http://www.pas.gov.uk/web/pas1/peer-challenge/-/journal_content/56/332612/6286978/ARTICLE)

### **Probity in Planning Guide**

PAS has published a guide reflecting the changes in the Localism Act around probity in planning for councillors. This guide helps councillors to understand roles and responsibilities, and how to make sure they can be an effective councillor without getting into 'probity' difficulties.

[http://www.pas.gov.uk/web/pas1/councillors-page/-/journal\\_content/56/332612/5638784/ARTICLE](http://www.pas.gov.uk/web/pas1/councillors-page/-/journal_content/56/332612/5638784/ARTICLE)

### **Plan Policy support:**

#### **Local plan production update Information and support**

<http://www.pas.gov.uk/local-planning>



### **Local Plan Direct Support**

We have a range of free direct support available to aid local authorities to produce their local plan, ranging from evidence and plan reviews to specific advice on production time tables and councillor training.

[http://www.pas.gov.uk/web/pas1/local-planning/-/journal\\_content/56/332612/15148/ARTICLE](http://www.pas.gov.uk/web/pas1/local-planning/-/journal_content/56/332612/15148/ARTICLE)

### **Community Infrastructure Levy (CIL) support and information:**

We have a range of information and support available on setting CIL charging schedules.

<http://www.pas.gov.uk/community-infrastructure-levy>

### **CIL Direct Support**

We can provide free direct support for the local authority to help develop the CIL charging schedule.

[http://www.pas.gov.uk/web/pas1/39-cil-direct-support/-/journal\\_content/56/332612/15080/ARTICLE](http://www.pas.gov.uk/web/pas1/39-cil-direct-support/-/journal_content/56/332612/15080/ARTICLE)

### **Neighbourhood Planning advice**

<http://www.pas.gov.uk/neighbourhood-planning>



#### **Local Government Association**

Local Government House  
Smith Square  
London SW1P 3HZ

Telephone 0207 664 3000  
Fax 0207 664 3030  
Email [info@local.gov.uk](mailto:info@local.gov.uk)  
[www.local.gov.uk](http://www.local.gov.uk)

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**Planning Peer Challenge Recommendations**

<b>Recommendation</b>		<b>Actions</b>	<b>Owner</b>	<b>Success/Outcomes</b>	<b>Timescales</b>
R1	i	Introduce better management and communication across the planning functions.	Simon Drinkwater	More effective management resulting in improved performance and service delivery.	December 2015
	ii	Better management and communication with other key stakeholders, such as Highways, to ensure a joined up approach to planning services that reflects corporate priorities.	Simon Drinkwater	More informed decision making by the Committee with greater challenge of consultee's responses.	December 2015
	iii	Consider how senior managers can demonstrate more visibly their commitments to the functions.	Simon Drinkwater	Senior managers provide more support and demonstrate greater involvement to support staff.	December 2015
R2	i	Ensure effective engagements with communities and key partners, on the development and spatial implementation of the Community Infrastructure Levy.	Simon Drinkwater	The Council is able to maximise the benefits of introducing the Community Infrastructure Levy evidenced by the level of contributions to infrastructure requirements.	March 2016
	ii	To agree how infrastructure needs will be prioritised and how money will be spent.	Simon Drinkwater	Infrastructure needs are identified and prioritised in consultation with partners with clear agreement about how the money is to be spent.	March 2016
R3	i	Maximise investment in the rural housing enabler post. Consider the benefits of having a dedicated s.106 Officer (funded through the legal agreements themselves).	Simon Drinkwater	Increased investment in rural housing with maximum benefits from s.106 contributions.	August 2015
	ii	Work with the willingness of existing registered providers to delivery appropriate small scale affordable housing in rural areas, to deliver the housing that local communities want to meet their needs.	Simon Drinkwater	Small scale affordable homes are provided in rural areas appropriate to local needs and the local environment.	August 2015

	i	Carry out a review of development management processes, using LEAN or similar approach, with external facilitation from another Council if appropriate, to ensure a strong focus on customers and the removal of duplication. Produce a Development Management Procedure Manual to aid processes and consistency between the teams	Simon Drinkwater	The processing of applications is more efficient with improved consistency resulting in improved customer satisfaction. A comprehensive Development Management Procedure Manual is developed and implemented throughout the service	December 2015
	ii	Updated development management processes should be introduced alongside the implementation of the new IT system	Simon Drinkwater	The processing of applications is more efficient with improved consistency resulting in improved customer satisfaction.	March 2016
	iii	Produce a Development Management Procedure Manual to aid processes and consistency between the Development Management teams	Simon Drinkwater	A comprehensive Development Management Procedure Manual is developed and implemented throughout the service	March 2016
R5	i	Consider increasing pre-application charges, or redistributing existing income, to increase the capacity of partner organisations such as Education and the Environment Agency so they can provide dedicated, specialist advice- to input into Planning Policy and the determination of planning applications.	Simon Drinkwater	Dedicated specialist advice is provided for both Planning Policy development and the determination of planning applications.	December 2015
	ii	Seek attendance of Highways Officer when appropriate to explain issues to deal with lack of Highway advice to Committee.	Simon Drinkwater	Develop contract arrangement with HCC Highways	
R6	i	Create simpler, plain English written reports that include a one page summary of salient issues	Simon Drinkwater	Reports are simplified using plain English with a one page executive summary.	June 2015
	ii	Case officers to provide short presentations of applications to Committee	Simon Drinkwater	Short presentations on applications are provided at Committee.	June 2015

	iii	Change the layout of the Committee to provide clarity about which Councillors are part of the Committee, which are ward Members and include staff name cards.	Simon Drinkwater	The layout of the Council Chamber is amended for Development Management Committee to show a distinction between Members of the Committee and other Members. All Members and staff are clearly identified.	June 2015
	iv	Review the scheme of delegation to avoid last minute call in of small scale or less complex applications.	Simon Drinkwater	The scheme of delegation is amended to avoid last minute call in.	May 2015
	v	Consider further mandatory training for all Development Management Committee Members to include policy context and material planning considerations including the benefits of external input tailored to Members specific needs.	Simon Drinkwater	Mandatory training is provided.	October 2015
	vi	Invite PAS to attend Development Management Committee meetings to observe the progress of the meetings and offer advice to the Committee. This process would include analysis after the meeting of the debate about the material considerations relating to the planning application, other issues discussed at the Committee and the reasons for the decision. The risks associated with the decision would be considered.	Simon Drinkwater	Appropriate development and training is provided to the Committee.	October 2015
	vii	The review would consider how the Committee was informed about the details of the application, the relevant considerations including policy issues, professional advice and details of representations and other matters which the Committee should consider.	Simon Drinkwater	The Committee receives appropriate support and information to assist decision making.	October 2015

Page 30					
	viii	Areas for future development and training would be identified with a focus on the Member experience so that training and development would meet the needs which had been identified.	Simon Drinkwater	Appropriate development and training is provided to the Committee to improve decision making.	October 2015
R7	i	Consider providing planning training for town and parish Councils- to improve their knowledge of the planning decision making process and the context that decisions have to be made in.	Simon Drinkwater	The knowledge about the planning decision making process is enhanced for town and parish Councils.	
		Develop specific training programme for Chairman of Development Management	Simon Drinkwater		
		Include officer briefings sessions before each committee sites, to provide clarification of issues.	Simon Drinkwater		
		Consider a mini peer challenge of Development Management Committee six months after new administration.	Simon Drinkwater		
		Do not include Portfolio Holder as a member of the committee.	Simon Drinkwater		

## EAST HERTS COUNCIL

EXECUTIVE – 3 FEBRUARY 2015

MONTHLY CORPORATE HEALTHCHECK – DECEMBER 2014

REPORT BY THE LEADER OF THE COUNCIL

WARD (S) AFFECTED: All

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### Purpose/Summary of Report:

- To set out an exception report on finance, performance and risk monitoring for East Herts Council for December and quarter three for 2014.

<b><u>RECOMMENDATIONS FOR EXECUTIVE:</u> that:</b>	
<b>(A)</b>	<b>the budgetary variances set out in paragraph 2.1 and the forecast outturn position in paragraph 3.4 of the report be noted;</b>
<b>(B)</b>	<b>the current position and action proposed to address seven performance indicators that are currently off target be noted, and advise if further information is required regarding the current position for:</b> <ul style="list-style-type: none"><li>• <b>EHPI 181 – measure has been off target for the fifth consecutive month</b></li><li>• <b>EHPI 2.6 – measure have been off target for the second consecutive quarter.</b></li></ul> <b>(Paragraphs 2.8 and 2.12)</b>
<b>(C)</b>	<b>the risk controls, as detailed at paragraph 6.1 of the report submitted, be approved or amended if necessary.</b>




### 1.0 Background



- 1.1 This is the finance, performance and risk monitoring report for the council.

- 1.2 Each report will contain a breakdown of the following information by each corporate priority where remedial action is needed:
- Salary, capital and revenue variance.
  - Performance information (based on the performance indicator suite that is reported on a monthly basis and where relevant quarterly data) and also the directorate's position in respect to payment of invoices.
  - Risk information
- 1.3 This report also now includes forecast budget information on an exception basis for the Council's total revenue budget and uses the terminology of budget 'building blocks' introduced in the 'Budget Report and MTFP 2014/15 – 2018/19' on the Executive's agenda for 3 February 2015.
- 1.4 **Essential Reference Paper 'B'** shows the Dashboard performance indicator summary analysis.  
**Essential Reference Paper 'C'** shows the full set of performance indicators that are reported on a monthly basis.  
**Essential Reference Paper 'D'** shows the Expected Variance at the 31 March 2015 on the Net Cost of Services by Priority  
**Essential Reference Paper 'E'** shows explanations of variances on the Revenue Budget reported in previous months.  
**Essential Reference Paper 'F'** shows summarised information on salary costs.  
**Essential Reference Paper 'G'** shows the amounts committed against the Contingency budget in 2014/15  
**Essential Reference Paper 'H'** shows detailed information on the capital programme.  
**Essential Reference Paper 'I'** shows the council's 2014/15 savings.  
**Essential Reference Paper 'J'** shows the October to December 2014 strategic risk register.

The codes used in relation to performance indicator monitoring are as follows:



Status	
	This PI is 6% or more off target.
	This PI is 1-5% off target.
	This PI is on target or exceeding target.

Short Term Trends	
	The value of this PI has changed in the short term.
	The value of this PI has not changed in the short term.

## 2.0 Financial and Performance Analysis for each Council priority

- 2.1 This part of the report looks at financial and performance information on an exception basis for each of the Council's priorities. In terms of the budget 'building blocks' this part of the report is reviewing the Net Cost of Services.
- 2.2 The financial aspects of this report are based on budgetary information from April 2014 to December 2014. The financial figures are best estimates for the forecast outturn based on year to date information. Strategic Finance and budget holders will continue to monitor budgets throughout the year and report any exceptions where necessary.
- 2.3 Details of budget variances reported against the Net Cost of Services in previous months can be found in **Essential Reference Paper 'D'**. Executive should note that in previous Healthcheck reports we have shown this table in the main part of the report not as a separate Essential Reference Paper. Movements from the position reported in previous months are highlighted in the paragraphs that follow and in **Essential Reference Paper 'E'**.
- 2.4 The forecast outturn for the Net Cost of Services budget (Original Estimate) shows an underspend of £626,000. This represents 4.4% of the approved Net Cost of Services budget. As summarised in the table below

Service	2014/15 Original Estimate	2014/15 Revised Estimate	2015/16 Forecast Outturn	Variance Original to Forecast
	£000s	£000s	£000s	£000s
Customer and Community	5,915	6,199	6,153	238
Neighbourhood Services	3,240	3,419	2,686	(554)
Finance and Support Services	5,123	5,208	4,813	(310)
<b>Total Net Cost of Services</b>	<b>14,278</b>	<b>14,826</b>	<b>13,652</b>	<b>(626)</b>

2.5 A summarised salaries monitoring report for the period April to December 2014 is attached at **Essential Reference Paper 'F'**. Currently an adverse variance of approximately £41,000 has been identified comparing salary costs for the financial year with the approved annual budget.

2.6 The variance reflects the following:

- Minor overspends due to the vacancy factor not being achieved and the use of agency staff
- The impact of the national and local Pay Award as detailed in the Budget Report

## **People**

### **Financial analysis**

2.7 Following the withdrawal of the lease cars for staff and a review of the essential user allowance, car expenses are lower than the 2014/15 approved estimate; resulting in a favourable variance of £35,000.

### **Performance analysis**

2.4 **EHPI 181 – Time taken to process housing benefit new claims and change events.** Performance was 'Red' for December 2014. This is the fifth consecutive month where this indicator has not met the target and the second consecutive month where this indicator has shown a declining trend. Performance has not been helped by a data matching exercise that the DWP are requiring the service to carry out, which is very resource intensive. Recruitment to the new posts which

were agreed as part of previous Corporate Healthcheck reports continues which is expected to help improvements in performance. The cumulative position is 13.78 days, compared to 13.72 days for the same period last year. The estimated outturn for 2014/15 is 10 days and therefore the service expects to meet its target at year end. Additional resource as well as the annual uprating of benefits in March will help to adjust the cumulative position positively.

Please refer to **Essential Reference Paper 'C'** for full details.

## Place

### **Financial analysis**

- 2.5 The forecast favourable variance for dry recycling income has improved from the £10,000 previously reported to £43,000. This is due to an increase in the price received for paper tonnages and a higher market price and improvement in sorting processes.
- 2.6 Pest control income is lower than budgeted due to a poor wasp season and some businesses not renewing contracts for pest control. An adverse variance of £10,000 is reported.
- 2.7 An overspend against the Kerbside dry recycling collection budget of £83,000 has been previously reported. This has now increased to £95,000. This in part is due to a decision to haul materials to the reprocessor in exchange for a higher material price. This overspend is partially offset by the increase in dry recycling income reported in 2.11 above.

### **Performance analysis**

- 2.8 **EHPI 2.6 – Percentage of residual waste (refuse) sent for disposal.** Performance was 'Amber' for Quarter 3 for the second consecutive quarter. Trend similar to that experienced last quarter. This is a rolling quarter covering the periods from September to November.
- 2.9 **EHPI 192 – Percentage of household waste sent for reuse, recycling and composting.** Although November 2014 performance has slightly declined from the previous month (this indicator reports one month in arrears), performance has improved when a comparison is made to the same period last year (52.68% in November 2014 compared to 50.61% in November 2013).

2.10 The following indicators were 'Green', meaning that the targets were either met or exceeded for December 2014. They were:

- EHPI 157a – Processing of planning applications: Major applications.
- EHPI 157b – Processing of planning applications: Minor applications.
- EHPI 157c – Processing of planning applications: Other applications.
- EHPI 2.2 – Missed waste collections per 100,000 collections of household waste.
- EHPI 2.4 – Fly-tips: Removal.

2.11 However despite meeting the target for December/Quarter 3 the following indicators showed a declining trend when performance is compared to the previous month/quarter:

- EHPI 157a – Processing of planning applications: Major applications.
- EHPI 157b – Processing of planning applications: Minor applications.
- EHPI 157c – Processing of planning applications: Other applications.

Please refer to **Essential Reference Paper 'C'** for full details.

## **Prosperity**

### **Financial analysis**

2.12 The Housing Benefits Service in the Revenues and Benefits Section contains the largest of the Council's budgets. These budgets have been reviewed to reflect actual activity in 2014/15. A reduction in the Rent Allowances Transfer Payments and government subsidy has resulted in a fall in the net cost of the Housing Benefit Service. A favourable variance against the original budget of £470,000 is forecast.

2.13 A net favourable variance of £52,000 is reported due to increased income levels at Hertford Theatre. The income targets for the River room, Studio and Pantomime have exceeded targets.

2.14 The budgeted legal fees income from Section 106 agreements was overly optimistic and the forecast outturn is expected to result in an adverse variance of £25,000.

## Performance analysis

2.15 The following indicators were 'Green', meaning that targets were either met or exceeded for December 2014. They were:

- EHPI 10.2 – Council tax collection, % of current year liability collected.
- EHPI 10.4 – NNDR (Business rates) collection, % of current year liability collected.
- EHPI 12c – Total number of sickness absence days per FTE staff in post.
- EHPI 6.8 – Turnaround of pre NTO PCN challenges.
- EHPI 6.9 – Turnaround of NTO Representations.
- EHPI 8 - % of invoices paid on time.

2.16 However despite meeting the target for December 2014 the following indicator showed a declining trend when performance is compared to the previous month:

- EHPI 12c – Total number of sickness absence days per FTE staff in post.

Please refer to **Essential Reference Paper 'C'** for full details.

### **3 Total Revenue Budget and Forecast Outturn position**

3.1 This part of the report reviews the forecast outturn position for the Council's total revenue budget

3.2 Priority Spend budget – The total budget for 2014/15 is £547k. There are no additional commitments on the budget in December. The uncommitted balance therefore remains £349k.

3.4 Contingency budget – The original 2014/15 budget is £513k, which allows for unforeseen events to be funded in-year. Currently there is a balance of £177,000. Which if not required by the end of the financial year will result in a further underspend in addition to the £626k reported in 2.4. There is a detailed table showing the current agreed commitments against the contingency budget is **Essential Reference Paper 'G'**

3.5 Non Domestic Rate (NDR) and Section 31 grants – Strategic Finance have reviewed the NDR and Section 31 grant income., It is anticipated that the total NDR income retained by East Herts will be

£719k lower than forecast. However this loss is more than matched by an increase in section 31 grant. A net increase of £318k is forecast.

3.6 It is anticipated that there will be an underspend of £1.2m in the total revenue budget at the end of this financial year. This is made up of:

- £626k of extra income and underspend in various budget items in net cost of services.
- A £318k net increase in the combined total income from NDR and section 31 grant income.
- A £307k surplus from the collection fund that was not included in the original estimate.

3.7 This could increase to £1.7m if the unallocated amounts in the Contingency Budget (£177k) and New Homes Bonus Priority Spend Fund (£353k) are not used. This forecast outturn is the same as that being reported in the Budget Report.

3.8 Full explanations of how this forecast outturn underspend has arisen have been given in the Budget Report which is on the same Executive agenda as this report. The Budget Report recommends for Council decision that the forecast underspend should be transferred to reserves.

#### 4.0 **Capital Programme**

4.1 The table below sets out summarised projected expenditure to 31 March 2015 on the capital programme (shown in column 3) whilst **Essential Reference Paper 'F'** contains detailed information with comments from project control officers on the individual capital schemes.

4.2 The latest forecast shows a further underspend on the capital programme from that being reported in the Budget Report (a £228k underspend from the proposed Revised Estimate).

	<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Summary</b>	<b>2014/15 Original Estimate</b>	<b>2014/15 Revised Estimate</b>	<b>2014/15 Projected Outturn</b>	<b>Variance Col 3 – Col 2</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
People	1,970	564	564	0
Place	874	860	660	(200)
Prosperity	671	1,346	1,319	(28)
Re-profiling potential slippage	(250)	0	0	0
<b>Total</b>	<b>3,265</b>	<b>2,770</b>	<b>2,542</b>	<b>(228)</b>

Notes: The Revised Estimate is that proposed in the Budget Report for Council approval  
The brackets show an underspend against the capital programme budget

- 4.3 The Budget Report gives an explanation of the movements between the Revised and Original Estimates for the capital programme. This report highlights movements now forecast from the Revised Estimate (which was prepared in December – one month ago). The movement of £228k from the Revised Estimate comprises of schemes slipping into the new financial year as detailed below in paragraphs 4.4 -4.7 (£214,800) and schemes where minor savings have been made in the capital budget (£7,400).
- 4.4 The scheme to replace the Hartham Common tennis courts with 3 floodlit 3G 5-a-side pitches, has been delayed due to concerns about floodlighting raised by the Environment Agency. Following further work these plans have now been agreed by the Environment Agency and are currently being submitted to the Development Management Committee for approval. It is recommended that the remaining budget of £84,800 is reprogrammed as slippage into the 2015/16 capital programme.
- 4.5 The completion of the feasibility study required to implement the scheme to install solar panels at Wallfields has been delayed. It is therefore recommended that the budget of £45,000 is slipped into the 2015/16 capital programme.
- 4.6 The modernisation of the of the public convenience facilities at Bell Street, Sawbridgeworth is behind schedule. The Estates Team are

currently working on design specifications. It is recommended that the budget of £70,000 is reprogrammed as slippage into the 2015/16 capital programme.

- 4.7 The refurbishment of windows at the Wallfields office now needs to be reprogrammed for warmer summer months. It is recommended that the £15k budget is slipped into the to the 2015/16 capital programme
- 4.8 The capital budget for essential repairs to the Causeway car park (£30,000) is expected to underspend by £7,400.

## 5. **2014/15 Savings**

- 5.1 The external auditor requires the council to establish whether the 2014/15 savings offered up by Heads of Service and Managers and agreed by Members to set the 2014/15 Council Tax, have actually been achieved. This is monitored and reported on a quarterly basis. **Essential Reference Paper 'J'** sets out those savings and using a RAG system of Red, Amber or Green, Heads of Service and Managers have indicated the relevant RAG with accompanying narrative as to the savings status.
- 5.2 As at the end of the third quarter 98% of the £584,660 of planned savings have been classified as 'Green' or 'Amber' or alternative action taken.

## 6 **STRATEGIC RISKS**

- 6.1 Controls for the period October to December 2014 have been updated. The scores of all risks are also reviewed quarterly. All remain unchanged.

Please refer to **Essential Reference Paper 'J'** for full strategic risk register.

## 7 **Implications/Consultation**

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

### **Background Papers:**

2013/14 Estimates and Future Targets Report, Essential Reference Paper B – For complete list of performance indicators that are being monitored for 2014/15.



Budget Report and MTFP 2014/15 – 2018/19' Executive 3 February 2015.  
<http://online.eastherts.gov.uk/moderngov/ieListDocuments.aspx?CId=119&MId=1792&Ver=4>

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ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives:</p>	<p><b>People – Fair and accessible services for those that use them and opportunities for everyone to contribute</b></p> <p><i>This priority focuses on delivering strong services and seeking to enhance the quality of life, health and wellbeing, particularly for those who are vulnerable.</i></p> <p><b>Place – Safe and Clean</b></p> <p><i>This priority focuses on sustainability, the built environment and ensuring our towns and villages are safe and clean.</i></p> <p><b>Prosperity – Improving the economic and social opportunities available to our communities</b></p> <p><i>This priority focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic opportunities and delivering cost effective services.</i></p>
<p>Consultation:</p>	<p>Performance monitoring discussions have taken place between Directors and Heads of Service.</p>
<p>Legal:</p>	<p>There are no legal implications.</p>
<p>Financial:</p>	<p>Financial discussions have taken place between Directors and Heads of Service at their DMT meetings.</p>
<p>Human Resource:</p>	<p>There are Human Resource implications in the form of Sickness Absence monitoring in Performance indicators.</p>
<p>Risk Management:</p>	<p>By not having effective performance management arrangements in place puts the Council at risk of not being clear whether it's priorities and objectives are being met and if there are any service delivery issues, that could impact on their delivery. The Corporate Healthcheck report is one tool designed to help mitigate against this risk. Also effective performance management arrangements help to support transparency and increase local accountability.</p>
<p>Health and wellbeing – issues and impacts:</p>	<p>There are no direct Health and Wellbeing implications in regard to this report. However a number of the council's performance indicators do support/contribute to the health and wellbeing agenda.</p>

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# Essential Reference Paper B - Executive

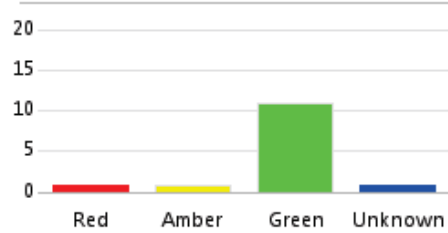
**1** PIs at Red

**1** PIs at Amber

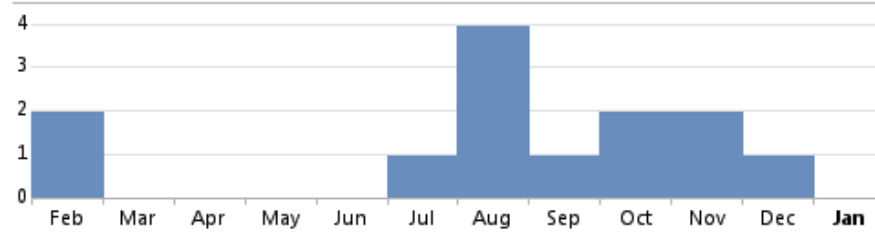
**11** PIs at Green

**14** Total number of PIs

Current PI statuses



PIs at Red



Best Performing (PIs)	Value	Target	Gauge
EHPI 6.9 Turnaround of NTO Representations. (MINI...	14 days	21 days	
EHPI 12c Total number of sickness absence days per ...	0.42 da...	0.54 da...	
EHPI 2.4 (47) Fly-tips: removal. (MINIMISING INDICAT...	1.60 da...	2.00 da...	
EHPI 2.2 Waste: missed collections per 100,000 collec...	25.85	46.00	
EHPI 10.4 NNDR (Business rates) collection, % of curr...	83.5%	74.7%	
EHPI 157a Processing of planning applications: Majo...	67.00%	60.00%	
EHPI 157b Processing of planning applications: Min...	85.00%	80.00%	
EHPI 157c Processing of planning applications: Othe...	91.00%	90.00%	
EHPI 8 % of invoices paid on time. (MAXIMISING INDI...	98.78%	98.50%	
EHPI 6.8 Turnaround of Pre NTO PCN challenges (10 ...	14 days	14 days	
EHPI 10.2 Council tax collection, % of current year lia...	83.0%	83.4%	
EHPI 2.6 Percentage of residual waste (refuse) sent f...	47%	46%	
EHPI 181 Time taken to process Housing Benefit new...	13.8 da...	10 days	
EHPI 192 Percentage of household waste sent for re...	52.68%		

Improving (PIs)	Value	Target	History
EHPI 6.9 Turnaround of NTO Representations. (MINI...	14 days	21 days	
EHPI 6.8 Turnaround of Pre NTO PCN challenges (10 ...	14 days	14 days	
EHPI 10.4 NNDR (Business rates) collection, % of curr...	83.5%	74.7%	
EHPI 10.2 Council tax collection, % of current year lia...	83.0%	83.4%	
EHPI 2.4 (47) Fly-tips: removal. (MINIMISING INDICAT...	1.60 da...	2.00 da...	
EHPI 2.2 Waste: missed collections per 100,000 collec...	25.85	46.00	
EHPI 8 % of invoices paid on time. (MAXIMISING INDI...	98.78%	98.50%	

Deteriorating (PIs)	Value	Target	History
EHPI 157a Processing of planning applications: Majo...	67.00%	60.00%	
EHPI 12c Total number of sickness absence days per ...	0.42 da...	0.54 da...	
EHPI 157c Processing of planning applications: Othe...	91.00%	90.00%	
EHPI 157b Processing of planning applications: Min...	85.00%	80.00%	
EHPI 181 Time taken to process Housing Benefit new...	13.8 da...	10 days	
EHPI 192 Percentage of household waste sent for re...	52.68%		

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## December/Quarter 3 Executive Corporate Healthcheck 2014/15




**Traffic Light Red**  
**Corporate Priority: People**

### Revenues and Benefits Services

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 181	Time taken to process Housing Benefit new claims and change events. (MINIMISING CUMULATIVE INDICATOR)		13.8 days	10 days		Performance did not meet the target for December 2014. This is the fifth consecutive month where this indicator has not met the target and the second consecutive month where this indicator has shown a declining trend. Performance has not been helped by a data matching exercise that the DWP are requiring the service to carry out, which is very resource intensive. In addition recruitment to the new posts which were agreed as part of previous Corporate Healthcheck reports continues slowly. However the cumulative position is 13.78 days, compared to 13.72 days for the same period last year. The estimated outturn for 2014/15 is 10 days and therefore is expecting to meet its annual target.	<p>December 2014 result</p> <p>0 days      10.1 days      10.6 days      20 days</p> <p>13.8 days</p>




**Traffic Light Amber**  
**Corporate Priority: Place**

**Environment Services**

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 2.6	Percentage of residual waste (refuse) sent for disposal. (MINIMISING INDICATOR)		47%	46%		Trend similar to that experienced last quarter. This is a rolling quarter covering the periods from September to November.	 <p>Q3 2014/15 result</p>

**Traffic Light Green**  
**Corporate Priority: Place**

**Environmental Services**



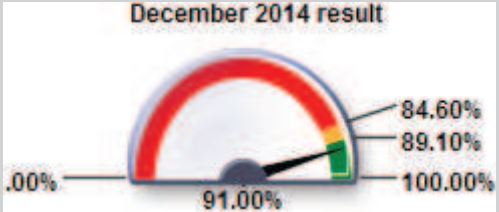
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 2.4 (47)	Fly-tips: removal. (MINIMISING INDICATOR)		1.60 days	2.00 days		Performance improved this month due to faster removal times of large fly tips, still within target of 2 days.	 <p>December 2014 result</p>






Environment Services							
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 2.2	Waste: missed collections per 100,000 collections of household. (MINIMISING INDICATOR)		25.85	46.00		Small decrease from last month (which is good). Still well within target.	<p>December 2014 result</p>

Planning and Building Control							
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 157a	Processing of planning applications: Major applications. (MAXIMISING INDICATOR)		67.00%	60.00%		Performance is above target in December 2014 with 4 out of 6 major applications determined on time.	<p>December 2014 result</p>

Planning and Building Control							
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 157b	Processing of planning applications: Minor applications. (MAXIMISING INDICATOR)		85.00%	80.00%		Performance is above target for December 2014. 22 out of 26 minor applications were determined on time.	<p>December 2014 result</p>

Planning and Building Control							
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 157c	Processing of planning applications: Other applications. (MAXIMISING INDICATOR)		91.00%	90.00%		Performance on target for December 2014. 100 out of 110 other applications were determined on time.	 <p>December 2014 result</p>

**Traffic Light Green**  
**Corporate Priority: Prosperity**

Governance and Risk Management							
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 8	% of invoices paid on time. (MAXIMISING INDICATOR)		98.78%	98.50%		Performance is exceeding target for December 2014. Of the 905 invoices paid, 894 were paid on time.	 <p>December 2014 result</p>

Parking Services							
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 6.8	Turnaround of Pre NTO PCN challenges (10 working days). (MINIMISING INDICATOR)		14 days	14 days		Performance has again improved and once again indicator is on target.	<p>December 2014 result</p>




Parking Services							
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 6.9	Turnaround of NTO Representations. (MINIMISING INDICATOR)		14 days	21 days		Performance is within target.	<p>December 2014 result</p>




People Services & Organisational Development							
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 12c	Total number of sickness absence days per FTE staff in post (MINIMISING INDICATOR)		0.42 days	0.54 days		Sickness absences for December 2014 are within the target. Total absence for the year so far is 2.98 days (end of year target is 6.5 days)	<p>December 2014 result</p>

Revenues and Benefits							
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 10.2	Council tax collection, % of current year liability collected. (MAXIMISING CUMULATIVE INDICATOR)		83.0%	83.4%		Performance is on target for December 2014.	<p>December 2014 result</p>

Revenues and Benefits							
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge
EHPI 10.4	NNDR (Business rates) collection, % of current year liability collected. (MAXIMISING CUMULATIVE INDICATOR)		83.5%	74.7%		Performance for December 2014 is exceeding the target.	<p>December 2014 result</p>

Environment Services																								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes																		
EHPI 192	Percentage of household waste sent for reuse, recycling and composting. (MAXIMISING INDICATOR)	N/A	52.68%	N/A	↓	Although November 2014 performance has slightly declined from the previous month (this indicator reports one month in arrears), performance has improved when a comparison is made to the same period last year (52.68% in November 2014 compared to 50.61% in November 2013).																		
<b>Trend Chart</b>						<b>Performance Gauge</b>																		
<p><b>EHPI 192 Percentage of household waste sent for reuse, recycling and composting. (MAXIMISING INDICATOR)</b></p> <table border="1"> <caption>EHPI 192 Performance Data (2014)</caption> <thead> <tr> <th>Month</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>April 2014</td><td>54.04%</td></tr> <tr><td>May 2014</td><td>55.10%</td></tr> <tr><td>June 2014</td><td>55.18%</td></tr> <tr><td>July 2014</td><td>54.29%</td></tr> <tr><td>August 2014</td><td>53.49%</td></tr> <tr><td>September 2014</td><td>53.09%</td></tr> <tr><td>October 2014</td><td>53.09%</td></tr> <tr><td>November 2014</td><td>52.68%</td></tr> </tbody> </table>						Month	Percentage	April 2014	54.04%	May 2014	55.10%	June 2014	55.18%	July 2014	54.29%	August 2014	53.49%	September 2014	53.09%	October 2014	53.09%	November 2014	52.68%	N/A
Month	Percentage																							
April 2014	54.04%																							
May 2014	55.10%																							
June 2014	55.18%																							
July 2014	54.29%																							
August 2014	53.49%																							
September 2014	53.09%																							
October 2014	53.09%																							
November 2014	52.68%																							

PI Status	
	Alert
	Warning
	OK

Short Term Trends	
	Improving
	No Change
	Getting Worse

## Expected variance at 31 March 2015 by Priority

	Current period		Variance since last month		Expected variance at year end	
	Favourable	Adverse	Favourable	Adverse	Favourable	Adverse
	£000	£000	£000	£000	£000	£000
<b>(1) People</b>						
Staff salaries (ERP D)	0	859	0	0	0	41
Car expenses	28	0	0	0	35	0
Land charges income	16	0	0	0	20	0
IT Licences	0	22	92	0	39	0
B&B charges	9	0	3	0	8	0
Renovation Grant (Repayment)	23	0	0	0	23	0
Assess accessibility of website	10	0	0	0	10	0
Leisure contract	0	40	0	23	0	17
Citizens Advice Bureau	0	149	0	0	0	20
<b>(2) Place</b>						
New Homes Bonus grant	33	0	0	0	33	0
Contracted litigation service	10	0	0	0	10	0
Dev Mgmt appeals	0	33	0	0	0	40
Police Community Safety Officers	0	20	0	0	0	22
DCLG Housing Options Grant	0	50	0	0	0	50
Kerbside dry recycle collection	0	57	0	12	0	95
Trade bin disposal	49	0	98	0	0	7.5
Parking enforcement contract	164	0	24	8	103	0
Ring-Go expense	0	12	0	4	0	16
Refuse contract	1	0	9	0	24	0
Green waste collection	0	1	0	3	5	0
Dry recycling income	0	76	188	0	43	0
Paper banks income	0	7	0	3	0	4
Recycling miscellaneous	5	0	0	0	4	0

Trade waste collection	0	22	0	1	0	21
Trade bin income	34	0	0	6	36	0
Clinical contract collection	0	3	0	0	0	4
Clinical waste disposal	2	0	3	0	0	4
Clinical waste income	17	0	3	0	17	0
Market fees	0	17	0	6	0	20
Recycling textile bank	0	28	0	11	0	12.5
Recycling contribution (other LAs)	0	431	0	360	0	35
Domestic paid loads income	5	0	1	0	4	0
Street cleansing contract	14	0	7	0	0	15
Public conveniences rent	0	5	0	2	0	6
Pest control income	0	5	0	0	0	10
Wallfields electricity	11	0	0	0	10	0
Wallfields rent	0	3	1	0	0	7
Charington House electricity	101	0	6	0	97	0
Charington House service charge	0	27	0	10	0	27
Premises NDR revaluation Costs	0	13	0	3	0	6
Premises NDR costs	36	0	0	0	36	0
Building control safestyle partnership	5	0	12	0	24	0
Planning section supplies & services	7	0	2	0	7	0
Local development plan upkeep	0	15	0	7	0	55
Flood grant expenditure	0	34	0	3	0	31
Private sector tenancies	2	0	0	0	3	0
Housing options contributions	34	0	0	0	6	0
Single person homeless payments	0	15	0	0	6	0
Environmental pollution surveys	17	0	11	0	19	0
Engineering and Land Drainage	0	1	0	2	0	10
Stray Dog Publicity	0	4	0	0	0	4



<b>(3) Prosperity</b>						
Investment income	0	52	0	0	0	89
Accountancy - subscriptions	0	4	2	0	0	3
Legal Fees	0	24	0	0	0	25
Housing benefits	0	0	0	0	470	0
Environmental health misc. hire	0	3	2	0	0	3
Development management charges	323	0	28	0	300	0
Planning pre-application charges	4	0	0	5	15	0
Development mgmt monitoring fees	16	0	5	0	24	0
Other development mgmt (income)	10	0	7	0	10	0
Other development mgmt (spend)	12	0	0	0	13	0
Licence fee income	28	0	0	9	8	0
Jackson Square car washing	3	0	2	0	6	0
Parking pay & display income	10	0	0	0	0	172
Parking new charging policy	0	12	0	0	0	12
PCN income	0	47	0	7	0	36
Car parking consultancy	5	0	0	0	5	0
Bishops Stortford Parking Futures	11	0	1	0	15	0
Environmental coordination	13	0	1	0	6	0
Hertford Theatre	165	0	0	0	52	0
<b>TOTAL</b>	<b>1233</b>	<b>2091</b>	<b>508</b>	<b>485</b>	<b>1546</b>	<b>920</b>
<b>Net Projected Underspend</b>						<b>626</b>

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## ESSENTIAL REFERENCE PAPER E

### SUMMARY OF PREVIOUSLY REPORTED VARIANCES ON THE REVENUE BUDGET

		Projected Outturn 31 August 2014 £'000	
1.1	April	0	
	May	35	Adverse
	June	222	Favourable
	July	289	Favourable
	August	205	Favourable
	September	377	Favourable
	October	407	Favourable

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
<b>People</b>	
1.2 TURNOVER There are no financial issues this month regarding this priority.	April
1.3 TURNOVER The Forecast Outturn for 2014/15 is expected to result in a favourable variance of £59k. The projection includes vacancies within the Planning Section and the opting out of the Pension Auto Enrolment Scheme by fifteen (15) members of staff (Para 2.... of report)	May
1.4 CITIZENS ADVICE BUREAUX Demand for advice increases significantly during periods of recession, placing added pressure on resources. In response to this, an additional £20,000 will be required in each of the financial years 2014/15 and 2015/16, to be met from contingency in support of the Citizen's Advice Bureau.	May
1.5 CAPITAL PROGRAMME Re-profile of Capital Programme for Portfolio as follows: People – Community Capital Grant -Slippage of £40k.	May
1.6 RENOVATION GRANT Income is being received from the repayment of renovation grant which was not expected this year. At the end of June, £8,290 had been received.	June
1.7 B&B CHARGES Income from Bed & Breakfast charges is expected to exceed budget by approximately £3,000.	June

- 1.8 CONSERVATION OFFICER'S CONTRACT July  
CMT is requested that the conservation officer's contract within planning and building control should be extended to the end of the financial year. This will enable the officer to continue with the work being undertaken. The cost of this contract extension will be funded from other salary savings within the planning & building control service. This is already included in the salary monitoring as a cost to the section.
- 1.9 RENOVATION GRANT July  
Income is being received from the repayment of the renovation grant which was not expected this year. At the end of July 2014, £13,000 had been received.
- 1.10 LAND CHARGES July  
Development in the district was initially higher than anticipated, however this has not continued in June 2014 and July 2014. Outturn variance of land charges has been revised from £50k to 30k favourable.
- 1.11 HR EXTERNAL RESOURCE August  
A special item of £20k was approved last year for 2014/15 financial year to bring in an external resource to facilitate HR operations. However, following CMT approval on 24 June 2014 to extend the existing contract of a temporary member of staff to August 2015, it is recommended that the budget be moved from the Agency budget to the Salaries budget.
- 1.12 ASSESS ACCESSIBILITY OF WEBSITE September  
The project to assess the accessibility of the East Herts Council website has been deferred until 2015/16 due to capacity issues. This will result in an underspend of £10k in the current year.
- 1.13 IT LICENCES October  
A favourable variance of £39,000 on the IT Licences budget is expected due to licence cost savings from the implementation of Civica Financials and £10,000 of growth no longer required.
- 1.14 LEISURE CONTRACT October  
The leisure contract budget includes a savings item of £17,000 for a 3G artificial turf pitch development at Hartham Common. This item was flagged as 'Amber' in 'ERP H – Savings' in September's month's healthcheck report. The saving is no longer considered achievable for 2014/15 due to slippage in the associated capital project caused by the need to review design proposals in response to concerns raised by the Environment Agency. Savings may however be achievable in 2015/16 or future years depending on when the capital project can be carried out. An adverse variance of £17,000 is therefore reflected in the Net Projected Underspend figure and will be closely monitored for 2015/16.

- Place**
- 2.0 CONTINGENCY May  
 The original 2014/15 budget includes a planning contingency sum of £513,000 which allows for unforeseen events to be funded in-year. Currently there is a balance of £282,000 which if not required during the year will result in an additional favourable variance to absorb the **£35,000 overspend reported** for the period. The current assumptions are that the remainder of this budget are also fully utilised in 2014/15. Future Healthcheck reports will consider if there are further calls on this sum.
- 2.1 KERBSIDE DRY RECYCLING May  
 The decision to haul materials to the re-processor in exchange for a higher material price, has resulted in a projected overspend of £80,000. It is expected that this will be offset by additional income over time; however it is too early to estimate how much additional income will be made at this stage.
- 2.2 DCLG (HOUSING OPTIONS GRANT) May  
 Following changes to the Government's 2014/15 funding arrangement, the assumed £50,000 DCLG (Housing Options) grant has been incorporated within the Council's Revenue Support Grant.
- 2.3 VIREMENT FROM CREDIT UNION TO RENT DEPOSITS BUDGET May  
 CMT are asked to approve a request to vire £30k from Credit Union to rent Deposits. The Council gave £26,000 to the credit union in 2013/14, of which they have carried over £15,000 to this financial year. To date, they have given out approximately £11,000 in loans of which they have received £1,500 in loan repayments. Currently therefore, they do not need any top up of grant. This will be reassessed in January 2015. (This virement has been approved by Executive on 1 July 2014).
- 2.4 CAPITAL PROGRAMME May  
 There is no Re-profile request for this portfolio
- 2.5 TRADE BIN DISPOSAL June  
 Trade bin disposal is likely to overspend by £3,000 due to an under accrual in 2013/14.
- 2.6 ENFORCEMENT CONTRACT June  
 Enforcement contract contingency budget of £25,000 which is held for the purpose of bedding in the contract is no longer required. Also the Mobile ANPR camera implementation (£29,000) is impacted by the status of County Traffic

Regulation Orders on Schools Zigzags. Delay has become necessary to ensure that Orders are in place.

- 2.7 RING-GO June  
Usage of the RingGo scheme increased by 106% between 2012/13 to 2013/14. Additional use increases the cost to the Council, as it is provided as a free service to the motorist.
- 2.8 CONTINGENCY BUDGET June  
The original 2014/15 budget includes a contingency sum of £513,000 which allows for unforeseen events to be funded in-year. Currently there is a balance of £245,000 which if not required during the year will result in a further favourable variance in addition to £222,000 underspend reported for the period. Future Healthcheck reports will consider if there are further calls on this sum. These budgets are mainly for one-off areas of spend; however, some service growth has been identified (detailed below) for inclusion in the 2015/16 base budget.
- 2.9 REFUSE CONTRACT July  
The refuse contract is currently predicting an underspend at year end. Non-core work is currently low. Inflation is also lower than anticipated (1.01% rather than 1.6%) making a difference of £6k on the full year projection. £22k was added to this account for property growth but this should have been added to the dry recycling contract code. This will be corrected at the probable stage.
- 2.10 GREEN WASTE July  
The green waste collection budget is currently on target but is slightly overstated due to inflation being lower than forecast.
- 2.11 DRY RECYCLING July  
The dry recycling service is expecting significant under recovery of income. Paper tonnage has continued to decline in line with national trends and income currently is £27k below profile. Comingled materials (glass, cans, plastics) - higher tonnage but not yet receiving higher price from removing soft plastics and therefore £23k under profile to date.
- 2.12 PAPER BANK July  
The paper bank income is currently under profile for the same reasons as kerbside paper above (see paragraph 2.12).
- 2.13 MISCELLANEOUS INCOME July  
There is additional miscellaneous recycling income from the sale of obsolete plant.
- 2.14 TRADE WASTE July  
Trade waste expenditure is currently slightly above profile due to increased

business. This is however offset by increased income.

- 2.15 TRADE BIN INCOME July  
The trade bin income is currently performing better against profile due to increased business (based on Quarter 2 billing). A forecast of up to £50k additional income could be achieved by year end.
- 2.16 CLINICAL WASTE July  
Clinical waste collections are expected to overspend due to extra business. However this is expected to be matched by a significant increase in expected income as a result of the extra business.
- 2.17 STREET CLEANSING July  
The street cleansing estimate is now slightly overstated due to inflation being lower than forecast.
- 2.18 MARKETS FEES AND CHARGES July  
The reduced income in markets fees and charges is a consequence of trends in retail in town centre shopping habits, including the tendency for shoppers to now use internet shopping and the use of out of town retail parks. These local trends are reflected in the markets industry nationally and have been reported by market authorities across the UK.
- 2.19 NEW HOMES BONUS SCHEME July  
An additional grant of £33k is anticipated as part of national adjustment to the new homes bonus scheme.
- 2.20 CONTINGENCY BUDGET July  
The original 2014/15 budget includes a contingency sum of £513,000 which allows for unforeseen events to be funded in-year. Currently there is a balance of £306,000 which if not required during the year will result in a further favourable variance in addition to £289,000 underspend reported for the period. Future Healthcheck reports will consider if there are further calls on this sum. These budgets are mainly for one-off areas of spend; however, some service growth has been identified (detailed below) for inclusion in the 2015/16 base budget.
- 2.21 RECYCLING TEXTILE BANK SERVICE August  
Income from the Recycling Textile Bank Service is expected to under achieve by approximately £15k due to falling demand.
- 2.22 CLINICAL WASTE DISPOSAL SERVICE August  
The Clinical Waste Disposal Service is expected to overspend by £4k due to extra business however this will be offset by the income from the extra business.
- 2.23 RECYCLING CONTRIBUTION FROM OTHER AUTHORITIES August  
The recycling contribution from other authorities is expected to be less based on

current estimates from Hertfordshire County Council's Alternative Financial Model (AFM).

- 2.24 WALLFIELDS ELECTRICITY September  
Electricity costs at the Wallfields office have increased less than expected. This will result in an estimated underspend of £5k.
- 2.25 WALLFIELDS RENT September  
HMRC have now vacated the space they rent from the council at the Wallfields office. Rental income will therefore be £12k less than anticipated.
- 2.26 CHARRINGTON HOUSE ELECTRICITY September  
There is a favourable variance of £97k in respect of electricity costs at Charrington House. The council accrued for estimated electricity costs going back 4 years which had not been passed on by the landlord and which pre-date the fitting of a separate electricity meter. The landlord has agreed that these costs will not now be passed on to the council. The accrual is therefore no longer needed and has been reversed.
- 2.27 CHARRINGTON HOUSE SERVICE CHARGE September  
During the resolution of the Charrington House electricity issue (explained in the paragraph above) it was discovered that the council's air conditioning system was running off the landlord's electricity supply. These costs will be backdated for 1 year with an estimated additional cost of £27k to the council in 2014/15. The net underspend resulting from Charrington House electricity issues is therefore £70k.
- 2.28 COUNCIL PREMISES REVALUATION AND NNDR COSTS September  
Revaluations of council premises resulted in a reduction of £36k in business rate expenditure. This is offset by an additional £6k of revaluation fees. The net underspend is therefore £30k.
- 2.29 BUILDING CONTROL SAFESTYLE PARTNERSHIP September  
Building Control Service - The Safestyle UK Partnership commenced in October 2014. The council will undertake plan checking. Based on the anticipated number of monthly submissions, additional income of £12k is expected. Volumes are however at this stage uncertain.
- 2.30 LOCAL DEVELOPMENT PLAN UPKEEP September  
Total expenditure on the Local Development Plan is expected to be £320k. This will be funded from the existing budget (£90k), money from the Herts Local Enterprise Project & PAS (£40k) and from a previously agreed use of reserves (£135k). It is requested that CMT support a recommendation to Executive to fund the additional £55k by a draw down from the Local Plan Reserve.
- 2.31 FLOOD GRANT EXPENDITURE September  
Expenditure on flood prevention shows an overspend of £21k which will be funded from a government grant of £125k received in 2013/14 and which currently forms part of earmarked reserves. The balance of the overspend reflects current known commitments.



- 2.32 SINGLE PERSONS HOMELESS PAYMENTS September  
Single Persons Homelessness monies received from Watford Borough Council over the last 2 years totals £36k (£30k carried forward from 2013/14 and £6k in 2014/15). It is estimated that £12k will remain unspent by the end of 2014/15 and will be carried forward to future years.
- 2.33 Dry RECYCLING INCOME October  
The forecast outturn for dry recycling income has improved from an adverse variance of £30,000 previously reported to CMT to a favourable variance of £10,000. The decline in paper tonnages has reversed. Income has also benefitted from a higher market price and improvement in sorting processes.
- 2.34 CLINICAL WASTE INCOME October  
The forecast outturn for clinical waste income has been reduced from a favourable variance previously reported to CMT of £31,000 to a favourable variance of £15,000. The reduction is due to a forecasting error. The favourable variance is driven by higher demand for the service than was originally expected.
- 2.35 DOMESTIC PAID LOADS October  
The domestic paid loads income budget is forecast to show a favourable variance of £6,000 due to an increase in demand above expectations.
- 2.36 STREET CLEANSING October  
The street cleansing contract is forecast to show an adverse variance of £12,000 due to an increased level of fly tipping.
- 2.37 PUBLIC CONVENIENCES October  
The public conveniences rent budget includes a savings item of £5,600 for the modernisation of the Bell Street toilets. This item is no longer considered achievable in the current financial year due to slippage in the associated capital project and was flagged as 'Red' in 'ERP H - Savings' in Septembers' healthcheck report. An adverse variance of £5,600 is therefore reflected in the Net Projected Underspend figure
- 2.38 SAFESTYLE October  
Building Control Service - The Safestyle UK Partnership commenced in October 2014 and expected gross income of £12,000 was reported in Septembers' healthcheck report. Volumes are higher than anticipated and the expected gross income has now been increased to £24,000. Note that additional expenditure caused by increasing volumes relates to potential overtime payments and is expected to be minimal.
- 2.39 ENVIRONMENTAL POLLUTION SURVEY October  
The Environmental Pollution Survey budget of £19,000 will no longer be spent as the work has now been included as part of a proposed larger capital scheme.
- 2.40 ENGINEERING AND LAND DRAINAGE October  
Due to the flood event in February the Engineering and Land Drainage budget is

no longer deemed sufficient to cover the winter months. An overspend of £10,000 is forecast.

### **Prosperity**

- 3.0 NOISE POLLUTION May  
Cost relating to noise pollution at the Standon Calling Festival is expected to exceed budget by £3,400.
- 3.1 PARKING INCOME May  
With the award of the Jackson Square Car wash contract, the Parking Service expects to achieve additional income of £18,000 per annum. However only £6,000 is deemed achievable in 2014/15 financial year as the contract doesn't come into effect until 31 July 2014.
- 3.2 CAPITAL PROGRAMME May  
CMT are asked to note possible underspend of the Future Social Housing Scheme (Budget of £820k). Registered Providers are currently awaiting the outcome of bids to the HCA. If unsuccessful they may approach the Council for funding. First priority is to spend S106 sums which have been collected for affordable housing.
- 3.3 CAPITAL PROGRAMME May  
CMT are asked to approve a request to slip £40,000 of Community Capital Grant into 2015/16. £80,000 of Community Capital Grant is available for allocation in 2014/15 with a deadline of 6 June 2014. We anticipate that if the grants are awarded in July and beneficiaries have a year to spend, most will not claim until the following financial year, hence £40,000 slippage is estimated at this stage.
- 3.4 DEVELOPMENT MANAGEMENT June  
It is anticipated that income target for Development Management Charges in 2014/15 will be exceeded by some £200,000.
- 3.5 PRE-APPLICATION FEE June  
Pre application fee income is expected to exceed target by approximately £15,000 in the current year.
- 3.6. DEVELOPMENT MANAGEMENT July  
It is anticipated that the income target for development management charges in 2014/15 will be exceeded by some £300,000. This represents £100,000 increase on the forecast provided in the June 2014 healthcheck.
- 3.7. DEVELOPMENT MANAGEMENT July  
Development management has also identified potential favourable variance in a number of budget areas which, if achieved, could result in a total favourable variance of approximately £22,000. These have been reported in the revenue variance table above as other development income.

- 3.8. LEGAL SERVICES July  
Based on a review of profile spend over the last three years and anticipated litigation requirements as of the date of this report, it is likely that the contracted litigation budget will be underspent by an estimated £20,100. It should be noted, however that this budget has a high degree of volatility as it relates to re-active action to legal activity instigated by external parties.
- 3.9 CHARGING POLICY FOR PARKING August  
A new charging policy for parking was approved by Executive on 5 August 2014 at an estimated cost of £30k, to be funded from the contingency budget. However the actual cost has come in at £42k. A further £12k is required from the contingency budget to enable the project to be funded in full.
- 3.10 PARKING AND DISPLAY INCOME August  
Parking and display income is expected to exceed budget for the year to August by £38k. However, there is a planned free Parking Day scheduled for December 2014 which will impact income by approximately £12k.
- 3.11 INTERNAL AUDIT August  
The Internal Audit Services is expected to overspend by £4,760 due to the increase in the daily rate of the Shared Internal Audit Service (SIAS) to £276.
- 3.12 SUBSCRIPTIONS August  
An adverse variance of £2,500 in the Accountancy Services subscriptions budget is expected in the year due to LG Futures subscription which will provide briefings in relation to Government Funding.
- 3.13 PCN INCOME September  
A £36k (5%) adverse variance is expected in PCN income. This is due to an increase in motorist compliance and a reduction in performance by the PCN contractor.
- 3.14 CAR PARKING CONSULTANCY September  
Car parking consultancy expenditure is expected to underspend by £5k. It is anticipated that this money will now be spent in 2015/16.
- 3.15 BISHOPS STORTFORD CAR PARK September  
Budgeted expenditure for Bishops Stortford car park is now no longer required. This will result in a favourable variance of £15k.
- 3.16 ENVIRONMENTAL COORDINATION October  
The environmental coordination budget is showing a favourable variance of £6,000. There has been a lower than expected number of bids for environmental grants in 2014/15
- 3.17 DEVELOPMENT MANAGEMENT October  
A favourable variance of £11,000 for Development Management Monitoring Fees & Discharge of Conditions has previously been reported to CMT. Due to a further

increase in activity the variance has been increased by an additional £13,000 to £24,000.

### 3.18 LICENCING INCOME

October

Additional taxi, gambling, alcohol and entertainment licences issued are expected to result in a favourable variance in licence fee income of £8,000.

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**SALARIES/AGENCY/APPOINTMENT OF STAFF**

**Essential Reference Paper 'F'**

SECTION	APPROVED BUDGET	APPROVED BUDGET PROFILE To 31.12.2014	ACTUAL EXPENDITURE To 31.12.2014	VARIANCE TO PROFILE AT 31.12.2014	PROJECTED OUTTURN 2014/15	Outturn Variance To Approved Budget 2014/15
	£	£	£		£	£
Finance & Support Services	4,955,470	4,955,470	3,764,764	(1,190,706)	4,994,580	39,110
Neighbourhood Services	3,957,490	3,957,490	2,911,533	(1,045,957)	3,902,740	(54,750)
Customer & Community	2,871,070	2,871,070	2,206,407	(664,663)	2,927,740	56,670
<b>Summary</b>	<b>11,784,030</b>	<b>11,784,030</b>	<b>8,882,704</b>	<b>(2,901,326)</b>	<b>11,825,060</b>	<b>41,030</b>



	Approved Budget £'000	Expected Spend £'000	Comment
Contingency budget at the start of the financial year Less Committed Budget:	513		
People & Organisational Services	9	0	<b>One-off Funding</b> to support one HR officer post to August 2014. Contingency Funding is however no longer required in 2014/15 as £20k funding has been approved as a Special Item for 2014/15 only. The post has now been approved until August 2015. <b>A growth item will therefore be required for 2015/16.</b>
HR	40	32	<b>2x</b> graduate trainee scheme for a 2 year term. Year one to be funded from contingency, Year 2 from cost of change reserve.
Facilities	15	16	<b>One-off funding</b> to support one temporary position.
Procurement	8	8	Procurement officer now employed full time by EHDC, contingency to fund 14/15 shortfall only. <b>Growth item needed for future years.</b>
Housing	11	11	To fund permanent increase in housing manager hours. <b>This is a growth item required for future years.</b>
Community Safety & Health	30	26	<b>One-off funding</b> to support 4 posts of different grades in Community Safety & Health. <b>This is a growth item required for</b>

			<b>future years.</b>
<b>Environmental Services</b>	12	8	To support assistant waste services manager post while on maternity leave.
<b>Head of Customer Services</b>	14	6	<b>On-going</b> funding to support full time replacement of customer service manager from September 2014. <b>Growth Item needed for future years.</b>
<b>The Web Team</b>	21	21	<b>One-off cost</b> to support the role of Information analyst within the Web Team until December 2016. 2015/16 to be funded form Cost of Change
<b>Parking Services</b>	42	42	<b>One-off</b> funding to support car park consultancy and signage cost. (New Charging Policy for Parking)
<b>Parking Services</b>	52	0	<b>On-going</b> funding to support evening enforcement contract. <b>This contract is no longer going ahead therefore funding is not required.</b>
<b>Business &amp; Technology Services</b>	11	11	<b>On-going</b> funding for Microsoft software licence. <b>Growth Item needed for future years.</b>
<b>Accountancy Services</b>	20	20	<b>One-off</b> funding to support the strategic review of the financial services function.
<b>Citizen Advice Bureaux</b>	20	20	On-going funding to support the citizen advice bureaux service for 2 years. <b>Growth Item needed for future years.</b>



<b>Housing</b>	40	40	One off funding to carry out a housing needs survey designed to determine the future needs of social housing tenants
<b>Facilities</b>	75	75	Funding is required to fill a sink hole in Cherry Tree, Hertford. There is a risk that it may be significantly higher
<b>Contingency Utilised</b>	<b>420</b>	<b>336</b>	
<b>Contingency still to be utilised</b>	<b>93</b>	<b>177</b>	

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<b>SUMMARY</b>	<b>2014/15 Original Budget</b>	<b>2014/15 Revised Budget</b>	<b>2014/15 Total Spend to Date</b>	<b>2014/15 Projected Spend</b>	<b>2014/15 Variance between Projected Spend &amp; Revised Budget</b>
	£	£	£	£	£
<b>People - focuses on enhancing the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable &amp; delivering strong services</b>	1,969,700	563,690	279,937	<b>563,690</b>	0
<b>Place - focuses on sustainability, the built environment and our neighbourhoods and ensuring our towns and villages are safe and clean</b>	874,140	859,900	391,084	<b>660,100</b>	<b>(199,800)</b>
<b>Prosperity - focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic opportunities &amp; delivering cost effective services</b>	671,120	1,346,470	418,974	<b>1,317,880</b>	<b>(28,590)</b>
<b>TOTAL</b>	<b>3,514,960</b>	<b>2,770,060</b>	<b>1,089,995</b>	<b>2,541,670</b>	<b>(228,390)</b>
<b>RE-PROFILING POTENTIAL SLIPPAGE (71264/7501)</b>	<b>(250,000)</b>	0			0
<b>GRAND TOTAL</b>	<b>3,264,960</b>	<b>2,770,060</b>	<b>1,089,995</b>	<b>2,541,670</b>	<b>(228,390)</b>
Reconciliation of Original to Revised Estimate					
Slippage from 2013/14	334,290				
Other Amendments	<b>(829,190)</b>				
	<b>2,770,060</b>				

Exp Code	2014/15 Approved Schemes	2014/15 Original Budget	2014/15 Revised Budget	2014/15 Total Spend to Date	2014/15 Projected Spend	2014/15 Variance between Projected Spend & Revised Budget	COMMENTS
		£	£	£	£	£	
	<b>Leventhorpe Swimming Pool *</b>						
72338	Renew main supply fan to the main pool area	25,000	0	0	0	0	This project was scheduled for 2014/15, however some revenue repair work has been completed on the Air Handling system and this work is not needed in the short term. Therefore this project has dropped back to 2016/17 within the Capital Programme. Under the joint provision agreement, Leventhorpe Academy would be required to fund 40% of the capital works.
72354	Gym Air Conditioning Replacement & Roof Refurbishment (Note 1). Remove existing unreliable air conditioning system & replace with new fully compliant system. Works to include refixing of related trunking to facilitate the replacement of the roof covering	0	30,000	27,757	30,000	0	The air conditioning has now failed completely and cannot be repaired. It is integral with the roof, which is also leaking. £25,000 has been bought forward from 2015/16 to 2014/15. Exec on 2.9.14 agreed that the £25,000 budget be increased to £30,000 to allow for inflationary increases and a contingency. Works commenced.
	<b>Hartham Swimming Pool</b>						
72339	Replacement Fire Exit Doors & Frames	0	(1,270)	(1,272)	(1,270)	0	Completed, saving achieved.
72340	Replace Main Pool Circulating Pumps	16,960	0	0	0	0	Completed, saving achieved.
72349	Pool Hall Air Handling Renewal - to remove the existing unreliable air handling plant serving the pool hall & replace with a new energy efficient system	100,000	15,000	10,870	15,000	0	SLM project management on behalf of the Council. Scheme delayed by SLM as not able to meet their Xmas closure deadline. However, fees will be paid this year with the balance slipping into 15/16 as works needs to be rescheduled.
	<b>Grange Paddocks Swimming Pool</b>						
72343	Renew Pool Heat Exchanger & defective pipework	0	17,840	0	17,840	0	Design stage, still looking at options.
	<b>Fanshawe Swimming Pool *</b>						
72345	Refurbish/Replace Pool Filters, to maintain efficient operation of the pool filter & pool water quality	20,000	0	0	0	0	There is no immediate need to do this work in the current year and it has therefore been dropped back in the Capital Programme to 2016/17. Under the joint provision agreement, Chauncy School would be required to fund 40% of the works.
72346	Replace Pool Circulating Pumps	20,000	0	0	0	0	See above

Exp Code	2014/15 Approved Schemes	2014/15 Original Budget	2014/15 Revised Budget	2014/15 Total Spend to Date	2014/15 Projected Spend	2014/15 Variance between Projected Spend & Revised Budget	COMMENTS
	<b>Private Sector Improvement Grants</b>						
72602	Disabled Facilities (Note 2)	595,000	300,000	136,849	<b>300,000</b>	0	Budget reflected likely need according to previous trends, but referral rate from HCC has been very low, so £200k has already slipped to 2015/16 as that budget was less than anticipated demand. Spend and commitment plus anticipated showers/stairlifts indicate that £300k will be sufficient this year, with £106k offered as savings. Indications from HCC are that their waiting list is now reduced, and appears unlikely that referral rates will increase significantly next year, so £450k now likely to be sufficient for 2015/16.
72605	Disabled Facilities - Discretionary	50,000	0	0	<b>0</b>	0	No Discretionary grants under consideration this year. Had slipped £30k, leaving £20k potential spend this year. However, no spend is now likely, and the £20k is offered as a saving.
72606	Decent Home Grants	120,000	40,000	12,329	<b>40,000</b>	0	2 Decent Home Grants approved. £60K already slipped to 2015/16, and consider scheme changes for then. Anticipated spend based on current commitment is £16.5k, allowing for additional urgent winter works, max £40k spend is likely.
72604	Energy Grants	20,000	1,000	664	<b>1,000</b>	0	£40k budget for this year (£20k + £20k slippage from 14/15) was to allow wider range of incentives to be included in Assistance Policy. However, resource was directed to the re-launch of our insulation grants, and taking advantage of external funding, therefore budget reduced back down to £20k for this year. At current rates, spend of £1k is likely. However, grants are about to be promoted on Christmas bin hangers, which might increase spend of up to £10k. All dependent on other, constantly changing, external schemes. Underspend to be slippage, to allow more expensive hard to treat measures in next financial year, if scheme approved.

Exp Code	2014/15 Approved Schemes	2014/15 Original Budget	2014/15 Revised Budget	2014/15 Total Spend to Date	2014/15 Projected Spend	2014/15 Variance between Projected Spend & Revised Budget	COMMENTS
72685	Future Social Housing Schemes	820,740	0	0	0	0	No current commitments. Registered Providers are currently awaiting the outcome of bids to the HCA. If unsuccessful they may approach the Council for funding. First priority is to spend S106 sums which have been collected for affordable housing. Agreed with Director of Neighbourhood Services that this budget has slipped into 2016/17.
71201	Capital Salaries	26,000	26,000	0	26,000	0	
	<b>Community Capital Grants</b>						
72442	Capital grants 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.	156,000	124,200	85,390	124,200	0	Remaining projects for 13/14 are set to claim by their deadlines and payments will be made subject to inspections. Of the 10 awards made this summer, 5 have already completed their community project and claimed their grant. In December, we received 19 applications requesting £65,000 out of a remaining 14/15 budget of £56,000 which means the fund is oversubscribed.
72582	LSP (Local Strategic Partnership) Capital Grants (Note 3)	0	1,520	0	1,520	0	LSP board determines when grants are going to be awarded. Sum of £30,790 held in Capital Grants in Advance.
	<b>Presdales Pavilion, Ware</b>						
72545	New Paving & landscaping at the front of the pavilion	0	9,400	7,350	9,400	0	Remaining budget has been spent on further works required to pavilion & car park. Property organising works.
	<b>TOTAL</b>	<b>1,969,700</b>	<b>563,690</b>	<b>279,937</b>	<b>563,690</b>	<b>0</b>	

\* Expenditure on Joint Use Pools 40% funding sought from HCC/schools as appropriate.

Note 1. Joint Provision Agreement does not apply to the Gym, EHC is liable for 100% of the costs

Note 2. Government funding of £240,174 in 14/15 and assumed £175,000 from Better Care Fund in both 15/16 and 16/17.

Note 3. Expenditure to be funded from PRG

Exp Code	2014/15 Approved Schemes	2014/15 Original Budget	2014/15 Revised Budget	2014/15 Total Spend to Date	2014/15 Projected Spend	2014/15 Variance between Projected Spend & Revised Budget	COMMENTS
		£	£	£	£	£	
	<b>Hertford Theatre</b>						
72705	Upgrade of seating in the auditorium	0	109,000	92,626	<b>109,000</b>	0	Completed, awaiting final invoices. 5% retention to be paid at the end of the financial year.
72594	Renew Boilers		80	80	<b>80</b>	0	Small overspend i/r 13/14 commitments.
	<b>Historic Building Grants</b>						
74102	Enable grants to be offered to the owners of historic buildings to encourage their maintenance and upkeep.	55,000	49,070	21,680	<b>49,070</b>	0	Anticipated that total spend will be within budget.
	<b>Refuse Collection &amp; Recycling</b>						
75165	Containers Replacement Programme	100,000	100,000	92,604	<b>100,000</b>	0	Spend is as expected. Budget will be fully spent by year end, if not before.
75145	Replacement Litter Bins	5,500	5,500	4,970	<b>5,500</b>	0	Will spend full budget.
75152	Commercial Waste Bins	33,500	33,500	24,304	<b>33,500</b>	0	Will spend full budget.
75170	Comingled Recycling Service - Wheeled Bins	0	5,160	4,590	<b>5,160</b>	0	Will spend full budget.
72504	Play equipment & infrastructure replacement	50,000	50,000	9,064	<b>50,000</b>	0	On target
	<b>Art in Parks Project</b>						
72506	To work with local artists to develop cultural & artistic features in public open spaces (Note 3)	0	5,000	800	<b>5,000</b>	0	Local artist commissioned to produce chainsaw sculptures at Pishiobury Park using fallen timber at the site. Work coincided with the Friends of the Park's "ParkFest" event in May. Further works planned later in the year.
	<b>The Bourne, Ware</b>						
72585	Replace existing equipment with natural play equipment & installation of new fencing around the play area. (Note 1)	40,760	60,760	44,527	<b>60,760</b>	0	Work nearing completion. Residents and local Members have requested the installation of a fence around the new play area, subject to public consultation. This will result in an overspend of up to £15k. £5,000 funded from S106.
	<b>Pishiobury Park, Sawbridgeworth</b>						
72507	Wetland Habitat Project - improvements to boardwalk/paths permitting safe access to the wetland area of the park (Note 2)	0	12,180	0	<b>12,180</b>	0	The fishing club have now indicated that they wish to pull out of the land swap and so the project is to be suspended, however, Asset Management are still negotiating with the fishing club.
	<b>Hartham Common, Hertford</b>						
72508	Potential projects include development of water play area, improvements to car parking & pedestrian access (Note 4)	25,000	0	0	<b>0</b>	0	Unable to attract external funding stream this year. Project has slipped into 15-16 to allow alternative funding sources to be pursued.
	<b>Great Innings, Watton-at-Stone</b>						
72509	Installation of Multi Use Games Area (MUGA) to provide a ball game facility for local young people & will reduce levels of nuisance caused to neighbouring residents relating to noise & escaping footballs (Note 5)	80,000	80,000	69,401	<b>80,000</b>	0	Installation now complete. Expect to fully spend.

Exp Code	2014/15 Approved Schemes	2014/15 Original Budget	2014/15 Revised Budget	2014/15 Total Spend to Date	2014/15 Projected Spend	2014/15 Variance between Projected Spend & Revised Budget	COMMENTS
		£	£	£	£	£	
	<b>Southern Country Park, Bishop's Stortford</b>						
72510	Boardwalk installation across balancing pond to improve the functionality & attractiveness of this Green Flag award winning park (Note 6)	80,400	80,400	0	<b>80,400</b>	0	Project is at the design stage. Engineering Team undertaking procurement
	<b>3G Artificial Turf Pitch development at Hartham Common, Hertford.</b>						
72514	To replace the under utilised Hartham Common tennis courts with 3 floodlit 3G 5-a-side pitches (Note 8)	85,000	85,000	195	<b>200</b>	<b>(84,800)</b>	Submission to Development Management delayed due concerns raised by the Environment Agency about light levels from floodlighting impacting on biodiversity. Following further work, the Environment Agency has now agreed to the plans and these are being submitted to Development Management Committee for approval. Due to timescales, this scheme to slip into 15/16.
	<b>Energy Efficiency &amp; Carbon Reduction Measures</b>						
75168	Installation of solar panels at Wallfields, Hertford	45,000	45,000	0	<b>0</b>	<b>(45,000)</b>	Unfortunately the planned feasibility study on the installation of proposed PV panels has been delayed, so the mini tender process proposed by the Procurement Officer has yet to start, therefore, scheme to slip into 15/16
	<b>Castle Weir Micro Hydro Scheme</b>						
72591	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.	203,980	3,000	3,000	<b>3,000</b>	0	Revised plans submitted to Env Agency for consideration in Oct/Nov. Will review timing of planning application subject to feedback. Response not yet received from EA and given planning and procurement timetable it is now unlikely that the project will be completed in the current financial year. Project has slipped to 2015/16
	<b>Bell Street, Sawbridgeworth</b>						
72513	Modernise the public convenience facilities, whilst providing storage space for Sawbridgeworth T C, relieving EHC of the ongoing revenue burden of this service provision	70,000	70,000	0	<b>0</b>	<b>(70,000)</b>	Project behind schedule due to staff vacancies and other priority projects. Estates Team currently working on design specification, scheme will slip into 15/16 due to timescales.
74105	Environmental Enhancements to East Herts town centres	0	66,250	23,243	<b>66,250</b>	0	Expecting the Town Centre Enhancement money to be spent by the end of the financial year. The Sawbridgeworth project has already completed and an invoice is being processed. Bishop's Stortford are on profile to spend by the end of December. Expecting Ware TC to complete by the end of March.



Exp Code	2014/15 Approved Schemes	2014/15 Original Budget	2014/15 Revised Budget	2014/15 Total Spend to Date	2014/15 Projected Spend	2014/15 Variance between Projected Spend & Revised Budget	COMMENTS
		£	£	£	£	£	
74106	Heart of Bishop's Stortford - Market Improvement Scheme	0	0	0	0	0	The Heart of Bishop's Stortford funding (originally provided through the countywide Local Strategic Partnership) is on hold until we identify opportunities for the market emerging from the Henderson's development. However, this ambition will be subject to review if insufficient progress is made with the development. Request that this slips into 15/16.
	<b>TOTAL</b>	<b>874,140</b>	<b>859,900</b>	<b>391,084</b>	<b>660,100</b>	<b>(199,800)</b>	

Note 1. Provision to attract external funding.

Note 2. £5,000 funded from Riversmead Housing Association S106

Note 3. This project will require match funding to maximise the potential of this project and this sum reflects provision for this.

Note 4. Currently working with the Countryside Management Service to lever in external funding

Note 5. Fully funded from S106 monies

Note 6. £70,400 funded from S106 monies

Note 7. Agreed annual management fee reduction of £17,000 over 8 years

Note 8. Relates to provision for energy efficiency measures following C3W. This is subject to bids for grant funding.



Exp Code	2014/15 Approved Schemes	2014/15 Original Budget	2014/15 Revised Budget	2014/15 Total Spend to Date	2014/15 Projected Spend	2014/15 Variance between Projected Spend & Revised Budget	COMMENTS
		£	£	£	£	£	
	<b>IT</b>						
71442	Revenues & Benefits Programme	0	8,000	1,200	8,000	0	Working 14/15 to use consultancy for the online customer portal. Balance to slip to fund 15/16 programme.
71395	EDM - Corporate	11,070	0	0	0	0	No urgent need established outside Planning & BC this year, therefore, request to transfer to Applications budget and slip into 15/16.
71414	Replacement Hardware (Note 1)	5,000	12,980	349	12,980	0	To fund the need for equipment replacement.
71431	Establishment of LES & internet links to replace MPLS	0	34,640	0	34,640	0	Will hopefully be completed by March 2015.
71443	Civica ICON Upgrade	0	18,350	18,351	18,350	0	System upgraded May 2014. Saving achieved on Chip & Pin stands.
71444	BACS Software	0	21,980	0	21,980	0	Will hopefully be completed by March 2015.
71435	Funding for Applications	350,000	366,590	4,227	272,790	(93,800)	Confident that this total budget will be spent by year end. See comment on 71416.
71437	Windows Server Licensing	5,000	5,000	0	5,000	0	Some window server licensing purchases will be req'd in Qtr 4, balance will slip.
71416	Merging IT systems - Licensing & Env Health	15,000	0	0	93,800	93,800	Scheme not to go ahead in it's original form, therefore, £15k transferred into Applications scheme until a solution to this is found. Need to transfer £93,800 from Applications budget to this scheme as new software about to be purchased.
71418	Mayrise Upgrade	0	2,050	0	2,050	0	Final invoices still due
71420	Integrated Dev Mgt and Bldg Ctrl Systems	0	181,700	65,500	181,700	0	£8,500 has been vired from Applications budget to implement the start of document management and £20,000 also from Applications budget as Bldg Ctrl & Dev Mgt now being implemented separately therefore, increased cost.
71438	EH 50% share of technical/project management costs	0	32,640	1,440	32,640	0	Had to retain the services of our consultant for longer than originally anticipated , a decision supported by the Shared services partnership board. Awaiting final invoice. Request to transfer £9,530 from Applications budget.
71439	Service Desk & Utilities	0	15,000	0	15,000	0	More work to be done on harmonising infrastructure tools and software in Qtr 4 & early 2015.
71440	Shared service print investment costs 50%	0	20,500	0	20,500	0	Work not yet undertaken, scheduled for 14/15. Work is crucial to establish a print hub for the shared service. A business case which will clarify the way forward and timeframes is expected in Qtr 4.



Exp Code	2014/15 Approved Schemes	2014/15 Original Budget	2014/15 Revised Budget	2014/15 Total Spend to Date	2014/15 Projected Spend	2014/15 Variance between Projected Spend & Revised Budget	COMMENTS
		£	£	£	£	£	
71441	Shared service accommodation costs 50%	0	0	0	0	0	To be utilised on works to old Wallfields building for shared IT staff. Unlikely this will occur in this financial year.
71447	Data Centre Implementation		10,000	4,975	10,000	0	Request to transfer £10k from Applications budget for Load Balancers to improve resilience for business continuity.
71448	New Devices		5,500	5,512	5,500	0	Request to transfer £5.5k from Applications budget for the purchase of new devices.
71449	New Desktop Software		5,000	0	5,000	0	Request to transfer £5k from Applications budget for the purchase of new desktop software.
	<b>Car Parks:-</b>						
75269	Bell Street, Sawbridgeworth - Resurfacing & Lining	0	(130)	(130)	(130)	0	Completed, saving achieved.
75271	Causeway Car Park, Bishop's Stortford - essential repairs incl. resurfacing of defective areas, drainage repairs, re-lining, repairs to lighting and planted areas	0	30,000	22,556	22,600	(7,400)	Completed, saving achieved as works to planted areas not carried out.
	<b>Council Offices, Wallfields, Hertford</b>						
71274	Boiler Room Works - refurbishment of certain elements of plant	60,000	60,000	35,912	60,000	0	Works commenced, 95% completed.
71269	Security Gates & Fencing to Side Access to Boiler Room to ensure that this area is kept secure.	15,000	15,000	9,091	9,100	(5,900)	Completed, saving achieved.
71275	Lift Improvements, to ensure that the lift complies with all current health & safety requirements	0	6,730	2,555	6,730	0	Lighting improvement works in progress.
71276	Equality Access & Card Control to Doors to make all staff doors equality compliant & secure		(800)	0	(800)	0	Commitment from 13/14 to be cancelled.
71277	Refurbishment Works to Old Building, to include lighting replacement	25,000	34,420	32,952	32,950	(1,470)	Completed.
71278	Refurbishment of Windows, to ensure the efficient and safe operation of the windows so as to provide a comfortable environment for staff	15,000	15,000	0	0	(15,000)	Need to programme for warmer summer months.
	<b>Cricketfield Lane, Bishop's Stortford</b>						
72598	Resurface Footpath & Retainment Works to provide a safe pedestrian route for the public	75,000	11,120	11,124	11,120	0	Scheme has been reviewed. Reduced scheme, saving has been achieved.
	<b>Compliance Software System</b>						
71445	Comprehensive system to record & update information related to all areas of compliance in Council properties	10,000	9,930	9,926	9,930	0	Completed.
71203	Replacement of Chairs & Desks	10,000	8,820	9,678	10,000	1,180	There are a number of furniture issues that have come out of the "Space Utilisation" report approved by CMT that will need to be funded from this budget, but detail on precise requirement has yet to be built up.
75157	Footbridge over the River Stort, Bishop's Stortford	0	87,400	23,779	87,400	0	Work to rectify the defects/repairs on the Stort bridge is progressing and anticipate spending the remaining money before year end.



Exp Code	2014/15 Approved Schemes	2014/15 Original Budget	2014/15 Revised Budget	2014/15 Total Spend to Date	2014/15 Projected Spend	2014/15 Variance between Projected Spend & Revised Budget	COMMENTS
		£	£	£	£	£	
72568	North Drive, Ware - reconstruct road & drainage	14,750	530	527	530	0	The existing capital budget is insufficient to carry out any effective surfacing of this road so we are hoping to link the upgrade of the road to private developments that are coming forward in the local area. These are only in the early stages and unlikely to be sufficiently progressed before year end, therefore, request to slip into 15/16.
	<b>River &amp; Watercourse Structures</b>						
75160	Improve, maintain & renew structures along rivers and watercourses to alleviate possible flooding throughout the district.	47,500	65,720	34,380	65,720	0	Further flood alleviation works have been identified and are waiting EA consent. The work to upgrade and automate the weir gate in Hertford Castle Grounds will commence on 12th Jan weather permitting. The structural bridge surveys are now complete. Once the final reports have been received we will prioritise any works required depending on resource & budgets available
	<b>Land Management Programme</b>						
	To investigate/improve possible contaminated land		30,000	0	30,000	0	Meetings with EA and specialist consultant to be arranged to agree initial works and start dates.
75162	Repairs & Renewals Scheme (Flood Grants) Note 2	0	220,000	119,928	220,000	0	DEFRA have stated that for the Repair & Renew Grant applicants that were flooded between 1 <sup>st</sup> Dec 2013 – 31 <sup>st</sup> March 2014 there will be an additional opportunity for us to be reimbursed for RRG payments made. This new date is 30 <sup>th</sup> June 2015. Envisage that we will be able to meet this date. To date there are still 26 grant applications that have been approved but the grant has not been claimed. Over the next few weeks we will be contacting each applicant to check the progress of their works.
71251	Installation of Automated Telling Machines at Hertford & Bishop's Stortford	12,800	12,800	5,142	12,800	0	KPR Midlink and the Shared IT Service are in the final stages of testing with go live anticipated by end of 2014.
	<b>TOTAL</b>	<b>671,120</b>	<b>1,346,470</b>	<b>418,974</b>	<b>1,317,880</b>	<b>(28,590)</b>	

Note 1. Funding for future years as follows (as agreed at 23.7.13 Exec):-

2017/18 - £35,000  
2018/19 - £154,950  
2019/20 - £67,010  
2020/21 - £74,000

Note 2. Fully funded from DEFRA

Essential Reference Paper 'I'

Ledger Code	Savings	Responsible officer	2014/15 £	Red/Amber/ Green	COMMENTS	Q3
<b>Planning &amp; Building Control</b>						
Various	Planning Administration	KS	(34,000)	GREEN	There are currently no apparent issues which should prevent the delivery of the identified saving.	Kevin Steptoe
<b>Community Safety &amp; Health</b>						
17107/3878	Set taxi licence fees to recover full costs	BS	(5,000)	RED	As per last year, the remainder of this saving is now considered unachievable without serious impact upon the licensed taxi trade	Brian Simmonds
	Restructuring the services delivered by Licensing, Community Safety and Environmental Health leading to a reduction in resources	BS	(106,000)	GREEN	The new restructured service can deliver this ongoing saving, but without reducing the demand, the service delivery will be below that required. Standards are currently being maintained, just, and with limited resilience, with the support of 1.4 FTE staff in the Business Support Team. These are currently 'additionally funded' for 12 months following a request for growth to CMT.	Brian Simmonds
<b>Community Engagement</b>						
20603/various	Hertford Theatre - new business plan	WO	(45,000)	GREEN	The number of ticket sales etc. that can be achieved is uncertain at this stage. We will continue to monitor ticket sales and other income streams and update accordingly.	Will O'Neil
<b>Environmental Services</b>						
	Waste services contract transition	CC	(100,000)	GREEN	Waste Service Contract transition has already been taken out of the 2014/15 budget estimate. Every effort is being made to achieve the savings.	Cliff Cardoza
	Grounds Maintenance Contract Extension	CC	(12,500)	GREEN	The Grounds Maintenance contract extension takes effect from Jan 2015. This has been allowed for in 2014/15 Budget Estimates.	Cliff Cardoza

**ICT - Shared Services Savings**

Estimated Shared services Savings

HL

(208,000)

AMBER

The ICT shared service is in the process of identifying full year service savings of approximately £407k, just below the target for the shared service as a whole of £420k. The timing of the savings has yet to be determined and agreed. These result from reductions in the revenue cost of the ICT Infrastructure and from staff savings arising from the management restructuring of the service completed last year and the staff restructuring which is now underway. There is potential for further savings in the East Herts managed budgets and the cost of implementing the shared service. The service management team are working closely with the Accountancy Teams in both Councils to determine and agree the savings.

Henry Lewis

SBC contribution to EHC retained recharges

HL

(9,560)

GREEN

See Above

**People & Property**

17411/0110

Phased reduction in hours of estates staffing

EF

(14,000)

AMBER

This was based on a member of staff retiring but is now not planned and therefore saving will need to be achieved within other areas of the Estates Management budget or by increased income.

Emma Freeman

Reduce HR support - Shared Support Services

EF

(2,000)

GREEN

Shared services did not proceed for HR savings will be delivered by reduction in Employee Assistance Programme budget.

Emma Freeman

Reduction in corporate training budget pro rata to staff reduction

EF

(3,000)

GREEN

Learning and Development Plan 2014/15 agreed by HRC based on revised budget for corporate training including saving.

Emma Freeman

**Democratic & Legal Services**

Land Charges - staffing reductions

JH

(23,000)

GREEN

Not implemented due to increase demand for service. Target met through favourable income position.

Jeff Hughes

**Revenue Effects on Capital**

Bell Street Public Conveniences modernisation

CC

(5,600)

RED

This is a part-year effect. Project currently stalled due to staff shortages. Unlikely to achieve part year savings in 2014-15, but still expect to achieve full year savings in 2015-16, subject to agreement with Sawbridgeworth Town Council.

Cliff Cardoza

3G Artificial Turf Pitch development at Hartham Common (Management fee reduction)

CC

(17,000)

AMBER

Business Case agreed by CMT in April 2014. This included a revised part year saving of £9,900 for 2014/15. Subsequent public consultation on the scheme resulted in the need for a redesign of proposals. Savings for the project overall still achievable but the part year savings for 2014-15 will be reduced to £2,500.

Cliff Cardoza

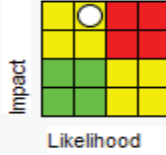
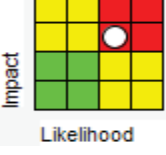
**Total Savings**(584,660)

## Strategic Risk Register October to December 2014

Code	Title	Description	Current Risk Matrix	Impact	Likelihood	Managed By	Latest Note
14-SR1	Risk of significant reduction in funding above that planned for, in particular localisation of Council Tax Support, localisation of business rates and New Homes Bonus.	There is uncertainty around future funding, both from Government and other areas such as income from commodities markets for recycled materials. There are cost pressures combined with an increased awareness and scrutiny of financial position.		3	3	Adele Taylor	October to December 2014: Finance settlement for 2015/16 and the impact on the budget and Medium Term Financial Plan have now been modelled. This will be considered by Joint Scrutiny Committee, The Executive and Council from January to February 2015. Significant risk remains for 2016/17 onwards given uncertainty around finding.
14-SR2	Risk of not having capacity / capability and flexibility to continue to deliver service levels over time.	There are challenges around workforce planning to ensure the Council is fit for the future, in terms of workforce skills, capacity and flexibility. Also about being fleet of foot and responsiveness		3	3	George A Robertson	October to December 2014: Here to Help is considering all aspects of how staff work together, deploy resources and consider to build on the good practice within the authority to continue to improve how we do things. The outcomes of this work will feed into the refreshed Workforce Development and Planning work co-ordinated by the Head of People & Property.
14-SR3	Risk that supplier / contractor or key third sector partner fails or fails to deliver.	A number of key external and internal services are delivered through major contracts, both directly and in consortia. This is both through private sector supply chains and in conjunction with the voluntary and third sector.		3	2	George A Robertson	October to December 2014: The council has robust contract management processes and procedures in place to ensure any concerns are flagged up early.
14-SR4	Risk that investment and effort does not deliver benefits and returns in Shared Services.	Moving more towards shared services with other public sector partners. Potential for lack of consistent political buy-in by all partners resulting in considerable effort without benefit. There is also a challenging skill set for managers due to the complexity.		3	3	Adele Taylor	October to December 2014: Current shared services are delivering expected benefits. Governance arrangements in place to measure performance.
14-SR5a	There is short term uncertainty around government policy and a number of changes required without accompanying resource.	Risk of policy changes by decree which we do not comply with or implement		3	4	Simon Drinkwater	October to December 2014: The Council's ability to respond promptly and efficiently to changes in legislation poses risks for delivery of service. Software changes are not always reliable or easy to implement.

14-SR5	There is long term uncertainty on overall future government policy and direction, and its impact on local government.	Risk of being unable to long term strategically plan.		3	3	Simon Drinkwater	October to December 2014: The Council has responded well to changes in welfare legislation. The risk remains that future changes to housing benefit and housing rules may be more difficult to manage particularly if they are accompanied by funding reductions.
14-SR6	HR and Workforce management policies are being brought up to date. These will need to be applied across the Council in a coherent and consistent way.	There could be a lack of consistency and cohesion at senior management levels of applying policies.		3	2	Adele Taylor	October to December 2014: The review and update of policies is continuing with policies being regularly presented for decision at HRC. Appropriate training is being provided for new and existing policies.
14-SR7	Availability and performance of IT systems and resources impacting on service delivery.	Reduced levels of service across the Authority. Targets may not be achieved. Staff morale and reputation of Council may suffer. Influence of ITSG should reduce risks		4	3	Adele Taylor	October to December 2014: The core infrastructure is now more resilient. Roll out of the system is ongoing, with Revenues & Benefits being the largest service remaining outstanding but will go live in early 2015. All key systems with the exception of Finance are now operating from the new data centres and are protected by the new business continuity arrangements.
14-SR8	Data Protection: Failure to comply with the data protection principles. The potential disclosure of personal data inappropriately.	Action may be taken by the ICO. Individuals may suffer if their personal data, particularly sensitive personal data is disclosed.		3	2	George A Robertson	October to December 2014: Additional training to further assist staff in application of Data Protection principles to working environment has commenced. Data protection risk assessments revisited within service planning process.
14-SR9	Impact of welfare reform changes, specifically Universal Credit.	New legislation will have an adverse financial impact on a significant number of residents. Residents will require more support from services across the Council affecting staffing levels, finances, and a risk of increased aggression. There may also be difficulties in implementing Government policy, with uncertainty on timetable.		3	3	Adele Taylor	October to December 2014: Uncertainty on timetable remains but relevant officers are ensuring that they attend briefings and learning events to prepare for changes as they come in.



14-SR10	Development of an Investment Strategy with sufficient levels of governance and due diligence.	A need to find the optimum position of balancing risk and return and having financial strength to contribute to the local economy. Risk of failing to undertake and implement effective due diligence and governance meaning potential consequences of: Incurring significant costs, Challenge, Qualification of accounts, Scrutiny Publicity, Loss of reputation		4	2	Adele Taylor	October to December 2014: Two property funds have been selected to invest money in to and the Council is currently on the waiting list. Investment adheres to updated Treasury Management Strategy. New Principal Accountant starting early 2015 will review other aspects of investment strategy.
14-SR11	Development of a District Plan that is acceptable to the community and the planning inspectorate.	Risk of not being able to agree plan in timeframe meaning: Increased costs, Lack of effective development control, Cannot bid for funding for infrastructure, Lost opportunity, Open to challenge in meantime, Legal / Reputational / political issues		3	3	Simon Drinkwater	October to December 2014: Progress continues to be made on the production of the District Plan. It is clear that detailed scrutiny of the infrastructure that can be provided to support delivery is necessary. Consultants appointed by the Council have undertaken significant work to review the evidence and identify gaps which will need to be filled before the District Plan can move forward to an amendments consultation version. The result of this work will have an impact on the timetable. In December 2014 SIAS reviewed the District Plan Consultation Process and reported full assurance.

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