



Alison Stuart
Head of Legal and
Democratic Services

MEETING : PERFORMANCE, AUDIT AND GOVERNANCE
SCRUTINY COMMITTEE
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : TUESDAY 21 NOVEMBER 2017
TIME : 7.00 PM

PLEASE NOTE TIME AND VENUE

MEMBERS OF THE COMMITTEE

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

Substitutes

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

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

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DISCLOSABLE PECUNIARY INTERESTS

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

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

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AGENDA

1. Training - Shared Anti-Fraud Service

A presentation will be provided by Nick Jennings, Counter Fraud Manager, SIAS on the Anti-Fraud Service.

2. Apologies

3. Minutes - 26 September 2017 (Pages 7 - 18)

To confirm the Minutes of the meeting held on 26 September 2017 as a correct record.

4. Chairman's Announcements

5. Declarations of Interest

6. Shared Anti-Fraud Plan - Update (Pages 19 - 26)

7. Standards - Consultation on updating disqualification criteria for Local Authority Members (Pages 27 - 50)

8. Corporate Health Check Quarter 2 (July - September 2017) (Pages 51 - 108)

9. Treasury Management - Mid Year Review 2016-17 (Pages 109 - 132)

10. Update on the Implementation of the Annual Governance Statement 2016-17: Action Plan (Pages 133 - 140)

11. Risk Management Monitoring (July - September 2017) (Pages 141 - 150)

12. Work Programme 2017/18 (Pages 151 - 160)

13. Urgent Items

To consider such other business as, in the opinion of the Chairman of the

meeting is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information

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

PRESENT: Councillor M Pope (Chairman)
Councillors A Alder, D Andrews, P Boylan,
S Cousins, R Henson, J Kaye, D Oldridge,
L Radford, S Reed, P Ruffles and T Stowe

OFFICERS IN ATTENDANCE:

Lorraine Blackburn	- Democratic Services Officer
Isabel Brittain	- Head of Strategic Finance and Property
Fiona Corcoran	- Scrutiny Officer
Jonathan Geall	- Head of Housing and Health
Robert Winterton	- Financial Services Manager

ALSO IN ATTENDANCE:

Natalie Clark	- Ernst and Young LLP
Alan Cooper	- SIAS
Debbie Hanson	- Ernst Young LLP

163 APOLOGIES

Apologies for absence were submitted from Councillors P Ballam, K Crofton and J Wyllie. It was noted that Councillor S Cousins was substituting for Councillor Crofton and Councillor D Andrews was substituting for Councillor Wyllie.

164 MINUTES - 4 JULY 2017

RESOLVED – that the Minutes of the meeting held on 4 July 2017 be confirmed as a correct record and signed by the Chairman.

165 CHAIRMAN'S ANNOUNCEMENTS

The Committee Chairman asked that, with Members' consent agenda items 11 (Annual Statement of Accounts 2016-17) and 12 (Audit Result report - shown on the agenda as the Annual Audit Letter) be brought forward. This was supported.

166 ANNUAL AUDIT LETTER

The External Auditor (Ernst Young) submitted a report on the results of the Audit Plan. The External Auditor referred Members to the Executive Summary and advised that, subject to concluding outstanding matters referred to in the report, they expected to issue an unqualified opinion on the Council's financial statements as detailed within Section 3 of their report.

The External Auditor explained the areas of the audit focus and confirmed that they were still completing procedures in relation to the Council's property asset valuations. They referred to the issue in relation to the methodology deployed and confirmed that this was in line with the CIPFA Code of Practice and guidelines. The Head of Strategic Finance and Property explained that this was under review for next year.

In response to a query from the Committee Chairman regarding pension disclosures, the External Auditors confirmed that they were happy with the range of assumptions which had been made.

The Committee Chairman queried the new accounting and regulatory accounting standards referred to within Appendix C of the External Auditor's report. The Head of Strategic Finance and Property assured Members that the Council would work with the External Auditor to close the accounts within the regulatory timeframe.

In response to a query by the Committee Chairman regarding the Audit Fee, the External Auditor said that this had not yet been completed and that any additional fee requests would be referred back to the Committee as soon as a final figure had been reached.

Members received the Audit Result report.

RESOLVED – that the Audit Result report be received.

167 ANNUAL STATEMENT OF ACCOUNTS 2016-17

The Executive Member for Finance and Support Services submitted a report which set out the background to the 2016/17 Statement of Accounts and provided details of the Council's overall financial position in terms of the Balance Sheet, and revenue activities for the General Fund and the Collection Fund.

The Committee Chairman referred to the briefing on 14 September 2017 regarding the Statement of Accounts and said that this had provided a useful opportunity to review the accounts, adding that the narrative and format of the accounts was informative and helped the document read well. Councillor P Ruffles welcomed the introduction but queried the reference to the 10 museums cited as being under the control of the Council which, he said was incorrect.

Councillor J Kaye referred to the Priority 1 which encouraged residents to live active and healthy lives and stated that having been involved in one initiative, he was impressed with the responses he had received.

The Head of Strategic Finance and Property advised Members that the issue of a valuation in relation to Hill Cress Hostel, Spellbrook remained outstanding and subject to its satisfactory conclusion, asked Members to approve the Statement of Accounts 2016/17 as a fair and true representation and that the Letter of Representation be approved for signature by the Chairman. This was supported.

The Committee supported the recommendations, as now detailed.

RESOLVED – that (A) the Council’s Statement of Accounts for the financial year 2016/17 be approved and authorised by the Chairman of Performance, Audit and Governance Scrutiny Committee at the conclusion of the meeting; and

(B) the Letter of Representation be approved for signature by the Chairman of Performance, Audit and Governance Scrutiny Committee and the Head of Strategic Finance and Property.

168 SIAS 2017/18 AUDIT PLAN PROGRESS REPORT

The Shared Internal Audit Services (SIAS) submitted a report setting out the progress made in delivering the Council’s Annual Audit Plan for 2017/18 and on performance management information (as at 8 September 2017).

The SIAS Officer provided a summary of the report. In response to a query by Councillor P Ruffles, regarding the introduction of items onto the Audit Plan, the SIAS Officer explained how the process worked, including working with Heads of Service to highlight key areas of risk. The Head of Strategic Finance and Property explained that she had been liaising with SIAS on the issue of future plans and that she would prefer that the next Audit Plan start from a “zero” position and would be reviewing the Council’s risk profile.

Councillor P Ruffles sought and was provided with clarification by the Head of Strategic Finance and Property on the issue of the removal of the risk management plan from the Audit Plan.

Councillor P Boylan expressed concern regarding the Performance Management statistics and commented that it was not until a report was presented to Members with quarter three figures before Members became aware of possible issues of concern. He asked for assurances that more frequent reporting be put in place. The SIAS Officer commented that he would be happy to write to Members with

information and was confident that Internal Audit would meet the targets as set out in the Audit Plan. The Head of Strategic Finance and Property agreed to present a short report to the next meeting.

Members of Performance, Audit and Governance Scrutiny Committee noted the Internal Audit Progress report and the status of high priority recommendations.

RESOLVED – that (A) the Internal Audit progress report and amendments to the Audit Plan as at 8 September 2017 as now submitted, be noted; and

(B) the status of high priority recommendations be noted.

169 ANNUAL SIAS BOARD REPORT 2015-16

The Shared Internal Audit Services (SIAS) submitted the annual report of its activity of the service for the financial year 2016/17. The Officer from SIAS provided a summary of the key issues.

The Committee Chairman sought and was provided with clarification regarding the issue of salaries and salary related partner and consultancy costs on the SIAS Cost Centre papers and why the deficit had come about.

The Committee noted the report, as now detailed.

RESOLVED – that the report be noted.

170 THE ROLE, RESPONSIBILITY AND PREPAREDNESS OF EAST HERTS COUNCIL IN A MAJOR EMERGENCY SITUATION

The Head of Housing and Health submitted a report setting out the key elements of the Council's Emergency Plan and how the Council would react to a major incident. The report set out work currently under review. The Head of Housing and Health provided a summary of the report.

Councillor D Andrews commented that following the Grenfell Tower incident, he was not sure about Members' roles and responsibilities in the wake of any such future emergency event. He referred to the reliance on electricity and telephony and queried what would happen if all means of communication were "down". He cited by example, the constant difficulty he had in trying to get through to the Council's own telephone systems. He asked that more information be included in the Plan regarding Members' roles and responsibilities. Councillor Andrews referred to a "test" whereby evacuees were sent to the Sports Centre, Wodson Park, Ware. He agreed that although lessons had been learned from the exercise, many issues had not been thought through properly, e.g., the absence of food for the volunteers, etc.

The Head of Housing and Health explained how emergencies were classified and how volunteers were issued with credit cards to buy things and "Grab Bags" and emergency power connections and the various categories of emergencies. He explained that alternative incident rooms (rather than Wallfields) were being investigated.

In response to a query from Councillors A Alder and P Boylan, the Head of Housing and Health explained that Town and Parish Councils were involved in the development of an Emergency Plan and the role of Hertfordshire County Council in working across boundaries. Assurances were provided by the Head of Service regarding competency training for Officers generally and that Officers who were included on the duty rota received appropriate training.

Councillor D Oldridge queried whether the Council could take a proactive approach in getting email addresses from all residents in order to disseminate information. It was noted that the Council could collate email addresses as part of the electoral process but that Data Protection legislation might preclude the Council from using this information. The Head of Housing and Health stressed the need for the Council to co-ordinate with appropriate agencies.

Councillor P Ruffles raised the issue of terrorism and stated

that radicalisation was happening in outlying areas. He urged the prevention of working in “silos” and to work with a cross agenda approach. The Head of Housing and Health explained that his role enabled him to take a cross partnership approach and that he was in regular contact with the Police. He explained his role in terms of pro-activity and in helping develop continuity of management.

Councillor S Cousins referred to the issue of “swallow holes” and urged the Council to ensure that it had a list of current specialist contractors to call on in any emergency.

Councillor P Boylan emphasised the issue of a clear lines of communication (“not tweeting”) and of the expectation of clear guidelines in the event of a major incident. Councillor D Andrews reminded Members that communication and IT could be viewed as a potential target and that the Police could turn off mobile networks if necessary. The Head of Housing and Health stated that the Council had a priority SIM card system should anything happen.

The Committee supported the remit of review so far and asked Officers to report back with a revised version of the Emergency Plan.

The Committee Chairman suggested that recommendation (A) be amended slightly to acknowledge that the review was underway and that Officers would report back with a revised version of the Emergency Plan. This was supported.

RESOLVED – that (A) Members acknowledge the review currently underway and request Officers to submit a revised version of the Emergency Plan for further consideration by Members;

(B) the issues for consideration as detailed in paragraph 3.3 of the report be endorsed as part of the review of the Plan; and

(C) any additional proposed issues identified be forwarded to the Head of Housing and Health for future consideration by Members.

171 RISK MANAGEMENT MONITORING REPORT (APRIL - JUNE 2017)

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

The Committee Chairman queried whether, in relation to 5b (Information Management: Cyber Risk) the Council was being complacent in relation to residual and inherent risks and the levels of protection. The Head of Strategic Finance and Property assured Members that she would report this matter back to Leadership Team.

Councillor A Alder referred to item 10 on the Strategic Risk Register (Compliance with the Children's Act 2004) and requested the Head of Strategic Finance and property to provide feedback on the Awareness Raising Session held on 20 July 2017. She also sought further information in relation to item 15 (Referendum Vote to leave the EU) in terms of information about unspent funds.

The Committee noted the controls implemented and those planned and received the report, as now detailed.

RESOLVED – that (A) the report be received; and

(B) the Executive be advised of Members' concerns in relation to 5b (Information Management: Cyber risk).

172 QUARTERLY CORPORATE HEALTHCHECK - JUNE, QUARTER 1 2017/18

The Head of Strategic Finance and Property and the Head of Communications, Strategy and Policy submitted a report updating Members on finance and performance monitoring for East Herts Council for 2016/17 as at 30 June 2017. Officers provided a summary of the report in relation to revenue

budget forecasts, capital schemes and performance indicators.

It was noted that of the 37 Performance Indicators reported corporately, 17 of the 28 indicators had achieved or sat within their target range. Three results were not available and eight did not meet their target, the detail of which was set out in the report.

The Head of Strategic Finance and Property explained why the overspend in Legal and Democratic Services had occurred and that the underspend in Housing related to staff vacancies. The Head of Housing and Health assured Members that targets were being achieved despite some “pinch points” within the service.

In relation to schemes within the remit of the Head of Shared Business and Technology Services (Essential Reference Paper E), the Head of Strategic Finance and Property assured Councillor D Oldridge that there were a lot of complex projects being pursued across two authorities, but that economies of scale were being achieved. She commented that some of the schemes might require a longer timeframe.

Councillor D Andrews referred to the issue of contaminated loads and queried whether this was getting worse. The Head of Strategic Finance and Property stated that she would refer the issue to the Head of Operations.

The Committee Chairman referred to the Capital Programme adding that there were a lot of old schemes still included in this. The Head of Strategic Finance and Property provided an update and in relation to the housing benefit subsidy scheme.

Councillor P Boylan drew Members’ attention to Table 2 (Revenue Forecast Outturn) in that the total net cost of services was £13,945,000 and not as detailed in the report.

Officers responded to a number of detailed queries from the Committee. Members received the report and supported the recommendations, now detailed.

RESOLVED – that (A) the report be received;

(B) the projected revenue budget forecast overspend of £90k in 2017/18, as detailed in paragraph 2.1 of the report, be reviewed;

(C) a transfer of £500k from earmarked reserves to set up a Housing Benefit Subsidy equalisation reserve as detailed in paragraphs 2.8.1 and 4.7 be supported;

(D) the capital budget forecast underspend of £318k, as detailed in paragraph 6.1 of the report submitted, be reviewed; and

(E) the reported performance for the period April to June 2017 as detailed in paragraph 8, be noted.

173 ANNUAL TREASURY MANAGEMENT REVIEW 2016-17

The Executive Member for Finance and Support Services submitted a report setting out the Council's treasury management activities for 2016/17, the prudential indicators and the associated impact on the 2017/18 treasury management strategy. The Head of Strategic Finance and Property provided a summary of the report.

The Committee Chairman queried the Overall Treasury Position (as at 31 March 2017) and whether the income from property could be left in the outturn figures. The Head of Strategic Finance and Property said that she would provide Members with a written response.

The Committee approved the 2016/17 Treasury Management Activity and Prudential Indicators.

RESOLVED – that the 2016/17 Treasury Management Activity and prudential Indicators, be approved.

174 WORK PROGRAMME 2017/18

The Committee Chairman submitted a report detailing the proposed work programme for the Committee.

The Scrutiny Officer provided an update on topics that had been suggested so far. It was suggested that Members could receive a training item from the Shared Anti-Fraud Service at their next meeting. This was supported.

Performance, Audit and Governance Scrutiny Committee supported the revised work programme, as now amended.

RESOLVED – that the work programme, as now amended, be approved.

The meeting closed at 9.01 pm

Chairman
Date

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**East Herts Council
Shared Anti-Fraud Service
Report
November 2017**

Recommendation

Members are recommended to:

Note the progress of the Shared Anti-Fraud Service progress against the Anti-Fraud Action Plan 2017/2018.

Note the action taken by the Council to prevent and deter fraud and protect public funds.

Contents

Introduction

1. Background
2. Summary of SAFS Activity at EHC 2017/2018
3. Anti-Fraud Action Plan 2017/2018
4. Reporting & Transparency Code Data

Appendix

- A. EHC/SAFS Anti-Fraud Action Plan 2017/2018
- B. Quarter 1&2 progress against delivery of the 2017/2018 Plan

Introduction

This report provides details of the work undertaken to protect the Council against the threat of fraud and the Council's Anti-Fraud Action plan for 2017/2018. The Committee is asked to note this work.

Recent reports have been provided to officers and are being used by SAFS to ensure that the Council is aware of its own fraud risks and finding ways to mitigate or manage these effectively wherever possible.

These reports include:

Fighting Fraud and Corruption Locally 2016–2019 Strategy, Produced by CIPFA in March 2016 and supported by CLG. The new strategy estimates annual fraud losses in local government at around £2.1bn.



CIPFA Fighting Fraud Strategy

UK Annual Fraud Indicator. Produced by PKF, Portsmouth University and Experian in May 2016, estimates the risk of fraud losses for local government in excess of £7bn per annum (this does not include fraud in local taxation or care services).



UK National Fraud Indicator

1. Background

- 1.2 According to reports from CIPFA, National Audit Office (NAO), Cabinet Office and the Private Sector, fraud risk across local government in England exceeds £2billion each year, with some more recent reports indicating levels considerably higher.
- 1.3 The Cabinet Office, Department for Communities and Local Government, NAO, and CIPFA have also issued advice and best practice guidance to support local councils in the fight to reduce the risk of fraud and prevent loss to the public purse. This advice includes the need for councils to be vigilant in recognising their fraud risks and to invest resources in counter fraud activities that deliver savings.
- 1.4 It is essential that, to support this service, the Council has in place a robust framework to prevent and deter fraud, including effective strategies and policies, as well as plans to deal with the investigation and prosecution of identified fraud.
- 1.5 East Herts Council is a founding Partner of the Shared Anti-Fraud Service (SAFS). SAFS works across the whole Council dealing with all aspects of fraud, from prevention to prosecution, working with staff at all levels across all services.

2. Activity 2017/2018

Staffing

- 2.1 The SAFS Team is composed of fourteen staff based at the County Council offices in Stevenage.
- 2.2 Each SAFS Partner receives dedicated support and response from the Team. At present the most effective way to do this is by allocating officers to work exclusively for each Partner. These officers act as the first point of contact for that Partner's services and will assist in developing relationships at a service level, deliver training, and working on local pilot projects. SAFS officers have access to Council offices, officers and systems to conduct their enquiries.

Fraud Awareness and Reported Fraud

- 2.3 One of the key aims for the Council is to create an 'Anti-Fraud' culture that will deter fraud; encourage senior managers and Members to consider the risk of fraud when developing policies or processes to prevent fraud occurring; encourage staff and the public at large to understand the impact of fraud on the Council; and to report fraud where it is identified.
- 2.4 The SAFS webpage – www.hertfordshire.org/reportfraud includes an online reporting tool for staff and public alike. A confidential fraud hotline (0300 123 4033) and a secure email account are also available for reporting fraud – fraud.team@hertscg.gcsx.gov.uk. These contact details have been added to the Council's website. These functions compliment the Council's own in-house Whistleblowing reporting procedures.

- 2.5 To compliment National Fraud Awareness Week (commences 13.11.2017) SAFS will be delivering its county-wide annual ‘Spot the Cheater’ campaign at the same time. The themes this year include fraud affecting Council Tax Discounts/ Housing/ Blue Badge/ Schools Admissions. The Councils own Communication Team have been fully briefed and will assist with the delivery of the campaign to East Herts residents to highlight the risk of fraud to themselves personally and the Council as local taxpayers.
- 2.6 By 30.9.2017 46 allegations of fraud against Council services. SAFS also carried forward 58 live cases from 2016/2017.

Table 1. Types of fraud being reported (17/18)

Council Tax Discount Fraud	Blue Badge Abuse	Housing Fraud	Cyber Crime	Total
35	4	6	1	46

Table 2. Who is reporting Fraud (17/18)

Fraud Reported by Staff	Reports from Public	DWP/Joint Working	Total
20	21	5	46

- 2.7 61 cases have been investigated and closed in year, 43 cases are still under investigation at present, of the live cases 10 are awaiting sanctions of other criminal disposal. 28 reported matters were closed without requiring investigation or were referred to other agencies such as the DWP, Police or Action Fraud. SAFS issued Warning Letters or Advice Files in 18 cases. Fraud was identified in 7 cases and ‘Not Proved’ in a further 8 matters.
- 2.8 The Council has issued 3 financial penalties as alternatives to prosecution. A further 6 cases are awaiting similar disposal and 1 case is awaiting prosecution led by the DWP
- 2.9 The following data breaks down the financial benefits to the Council of the SAFS activity in 2017/18 and details the types of savings associated with the work of the Service and the related amounts. The ‘value’ of identified fraud falls broadly into three categories.

a) Fraud Loss

This is the value of actual fraud losses that HCC can take action to recover; It includes:

- Financial fraud committed by third parties (this includes ‘payment scams’)
- Council Tax or Housing Benefit Fraud
- Contract/Procurement Fraud

b) Cashable Savings

This is the value/funds not paid out as a result of investigations or where fraud has been prevented at point of ‘application’.

c) Non-Cashable Savings

This is the value of prevented loss where there may be notional rather than real savings. This could relate to a fraudulent housing application that is detected prior to the applicant being housed or ongoing misuse of a Blue Badge that is stopped.

Table 3. Fraud Losses

Housing Benefit £,000	Council Tax Support/Discounts £,000	Other £,000	Total £,000
22.3*	3.8	0	26.1

**The Council will also receive 40% subsidy from DWP on this value (£9,000)*

Table 4. Fraud Cashable/Non-Cashable Savings

Housing Benefit £,000 (Cashable)**	Council Tax Support/Discounts £,000 (Cashable)	Blue Badge Abuse £,000 (Non-Cashable)	Cyber £,000 (Non- Cashable)	Total £,000
3	2	2	5	12

***As well as the HB/CTax Savings SAFS have identified additional Welfare Benefits fraud in excess of £23,000.*

SAFS/EHC Pilots & Projects

- 2.10 SAFS have worked with the Council’s Shared Revenues & Benefits Service to identify potential fraud around discounts and exemptions. The Council is applying civil and financial penalties for false claims for discounts and exemptions, where appropriate, and in line with the Prosecution and Sanctions Policy.
- 2.11 Since April 2016 SAFS has been working with the DWP to investigate fraud affecting national benefits linked to local benefits such as Council Tax Support. East Hertfordshire Council is one of six pilot sites across the UK for this type of work. This provides additional assurance to the Council about its ability to deal with Housing Benefit fraud.
- 2.12 SAFS have delivered a county-wide framework to identify Council Tax fraud, affecting discounts and exemptions, empty homes, and Council Tax Support schemes. The Council has been able to make use of this framework from April 2017.
- 2.13 SAFS have completed the Council’s response to CIPFAs *Corruption & Fraud Tracker* for 2016/2017, which will inform CIPFAs report on the local government response to the risk of fraud and how the Council is meeting the recommendations of the *Fighting Fraud Locally Strategy 2016-2019*.

- 2.14 The National Fraud Initiative data upload and submission to the Cabinet Office was completed by SAFS for the Council in October 2016. The Service is now reviewing all matches (1,700 across the Council) with relevant services including Housing Waiting List, Council Tax, Residential Parking Permits, Payroll and others, to ensure the Council complies with the statutory requirements to complete this exercise in 2017
- 2.15 Since early 2017 SAFS have worked closely with the Councils contracted Parking Enforcement Officers dealing with reported or suspected Blue Badge abuse in pay and display car parks across the District. This work has been very effective with a number of misused badges being seized and in more serious cases individuals are being prosecuted.

3. 2017/2018 Anti-Fraud Action Plan

- 3.1 The Council has in place an Anti-Fraud and Corruption Strategy amongst other counter fraud policies and procedures. These documents set out the Council's response to fraud and corruption, and include advice to Members, senior management and staff about reporting suspected fraud. These documents are all under review at present but still meet much of the best practice guidance issued by CIPFA.
- 3.2 A copy of the 2017/2018 Anti-Fraud Action Plan is attached at **Appendix A**. The Action Plan covers all areas recommended by CIPFA to ensure that the Council acknowledges the risk of fraud, its own responsibility to combat these risks, and takes appropriate action to prevent/deter/pursue fraud. The Plan also includes assurance that the Council will benefit from a positive return on its investment in the SAFS Partnership.
- 3.3 Progress against the Plan at the end of the second quarter of the year can be seen at **Appendix B**.
- 3.4 SAFS will provide a final report to this Panel in March 2018 on the performance against the 2017/2018 Anti-Fraud Action Plan and a proposed Action Plan for 2018/2019. This is part of a rolling programme of counter fraud activity at the Council.

4 Transparency Code- Fraud Data

- 4.1 The Department for Communities and Local Government (DCLG) published a revised Transparency Code in February 2015, which specifies what open data local authorities must publish.

The Code also recommends that local authorities follow guidance provided in the following reports/documents:

CIPFA: *Fighting Fraud Locally Strategy*

(https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/118508/strategy-document.pdf).

The National Fraud Strategy: *Fighting Fraud Together*

(<https://www.gov.uk/government/publications/nfa-fighting-fraud-together>)

CIPFA Red Book 2 – *Managing the Risk of Fraud – Actions to Counter Fraud and Corruption*

(http://www.cipfa.org/-/media/files/topics/fraud/cipfa_corporate_antifraud_briefing.pdf)

4.2 The Code requires that Local Authorities publish the following data in relation to Fraud. The response for East Herts Council for 2016/2017 is in **Bold**:

- 3 Number of occasions they use powers under the Prevention of Social Housing Fraud (Power to Require Information) (England) Regulations 2014, or similar powers. **Nil. East Herts Council is a Partner to the Hertfordshire Shared Anti-Fraud Service and use the National Anti-Fraud Network (NAFN) to conduct such enquiries on their behalf.**
- 4 Total number (absolute and full time equivalent) of employees undertaking investigations and prosecutions of fraud. **1.5 FTE Staff**
- 5 Total number (absolute and full time equivalent) of professionally accredited counter fraud specialists. **1.5 FTE**
- 6 Total amount spent by the authority on the investigation and prosecution of fraud. **£75,000**
- 7 Total number of fraud cases investigated. **53 Cases investigated and closed in year**

4.3 In addition, the Code recommends that local authorities publish the following (*for East Herts Council Fraud/Irregularity are recorded together and not separated*):

- Total number of cases of irregularity investigated- **See 7 above**
- Total number of occasions on which a) fraud and b) irregularity was identified. **31 occasions where fraud/irregularity identified**
- Total monetary value of a) the fraud and b) the irregularity that was detected. **£98,000**
- Total monetary value of a) the fraud and b) the irregularity that was recovered. **Not recorded.**

Appendix.



Appendix A. EHC
Local Anti-Fraud Plan



Appendix B.
Progress against EHC

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EAST HERTS COUNCIL

PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY COMMITTEE– 21 NOVEMBER 2017

REPORT BY HEAD OF LEGAL AND DEMOCRATIC SERVICES

STANDARDS

WARD(S) AFFECTED: NONE

Purpose/Summary of Report

- This report is to seek Members views on a DCLG consultation on proposals to update the criteria that bar individuals from becoming or being a local councillor or directly-elected mayor. The purpose of this report is to ensure good governance within the Council.

<u>RECOMMENDATIONS FOR PERFORMANCE, AUDIT AND GOVERNANCE:</u>	
That:	
(A)	the report be noted;
(B)	Members consider whether the Monitoring Officer should respond to the Department for Communities and Local Government (DCLG) consultation on behalf of the Council and, if so, gives its view on the approach to take.

1.0 Background

1.1 Within its terms of reference the Performance Audit and Governance Committee has a function of “to promote and maintain high standards of conduct by Members and Co-Opted Members of the authority”. The Committee will therefore receive update reports from the Monitoring Officer on matters that relate to, or assist to govern, Member conduct.

2.0 DCLG Consultation

2.1 DCLG is currently consulting on proposals to update the criteria that bar individuals from becoming or being a local councillor or directly-elected mayor. Currently, individuals cannot stand for, or hold, office as a local authority member if they have, within the previous five years or since their election, been convicted of an offence that carries a prison sentence of at least three months without a fine and whether suspended or not. The consultation paper is attached as Essential Reference Paper B for ease of reference and can be viewed at the following link:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/645454/Disqualification_criteria_for_councillors_and_mayors.pdf

2.2 The Government is proposing to amend the disqualification criteria so that anyone convicted of a serious crime, regardless of whether it comes with a custodial sentence, will not be able to serve as a councillor. Individuals will be banned from standing for office if they are subject to:

- the notification requirements set out in the Sexual Offences Act 2003 (being on the sex offenders register);
- a civil injunction granted under s.1 of the Anti-social Behaviour, Crime and Policing Act 2014 (the 2014 Act); or
- a Criminal Behaviour Order made under s.22 of the 2014 Act.

The new rules would apply to councillors and mayors in parish, district, county and unitary councils, London boroughs, combined authorities and the Greater London Assembly. The proposed changes would not be retrospective. The closing date for comments on the disqualification criteria is 8 December 2017.

2.3 The consultation follows previous examples where the current rules have proved to be ineffective, the highest profile being a Saddleworth Parish Councillor who was convicted of child pornography offences but who was not disqualified from holding office as his sentence did not meet the three month threshold (he received a community penalty). The Parish Councillor refused to resign and the Council had no mechanism to remove him from office.

2.4 Separately at the beginning of September 2017 it was reported that Thurrock Council had written to the Communities Secretary to request legislation for a new 'Right to Recall' councillors in the event of significant conduct or ethical breach, similar to that put in

place for Members of Parliament by the Recall of MPs Act 2015. The proposals are that should a councillor fall foul of an agreed set of criteria – like not attending meetings, conviction of a crime or breaching the members code of conduct – voters would have the choice to recall their representative and go to the ballot box to choose another candidate.

2.5 Members will be aware that the Standards Committee has often discussed that the Localism Act 2011 changes to the standards regime which abolished the Standards Board for England, removed most of the meaningful sanctions which could previously have been imposed following findings of poor Councillor conduct. Local authorities are no longer able to suspend or disqualify councillors who bully, are rude, disclose confidential information or bring their own authorities and local government generally into disrepute. Provided they do not commit a serious criminal offence, members can remain in office until the electorate have a chance to remove them at the next election. The consultation does not touch on these issues and has been criticised as being a missed opportunity.

2.6 The Committee is asked to consider whether the Council should respond to the DCLG consultation and, if so, specifically the following points:-

- Should the proposed additions to the disqualification criteria be supported?
- How should the Council respond to the six consultation questions, as set out in Appendix A?
- Should proposals for a right of recall, such as those proposed by Thurrock Council, be supported? If so, what limitations should be placed around this?
- Should the Council support the return of more meaningful sanctions, such as the ability to suspend or disqualify Councillors? If so, what limitations should be placed around this?
- Are there any other points that the Committee feel should be reflected in a response to the consultation?

Committee on Standards in Public Life (CSPL)

2.7 In its Annual Report and Forward Plan 2017/18, published in mid-July 2017, the CSPL said it “maintains a longstanding interest in local government standards, and regularly receives correspondence from members of the public expressing their concern about this issue”. The CSPL added that it was actively

conducting research and engaging with partners on this subject throughout 2016-17 and in its Forward Plan confirmed it will undertake a review of local government standards during 2017/18. The review will be based around a consultation to be launched in early 2018, with the findings and recommendations to be published later in 2018.

3.0 Implications/Consultations

Information on any corporate issues and consultation associated with this report are contained within **Essential Reference Paper A**.

Background Papers: None

Contact Officer and report author:

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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate)</i> :	Priority 1- Improve the health and wellbeing of our communities Priority 2- Enhance the quality of people's lives Priority 3- Enable a flourishing local economy
Consultation:	The proposed changes been brought before Members to consider whether a response is required.
Legal:	It is important that significant proposed changes are considered in order to maintain an effective Council decision making process.
Financial:	There are no financial implications
Human Resource:	Not applicable
Risk Management:	It is important that the Council is aware of proposed significant changes.
Health and wellbeing – issues and impacts:	N/A

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Department for
Communities and
Local Government

Disqualification criteria for Councillors and Mayors

Consultation on updating disqualification criteria for local authority members



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Scope of the consultation

A consultation paper issued by the Department for Communities and Local Government on behalf of the Secretary of State

Topic of this consultation:	This consultation paper sets out the government’s proposals for updating the criteria disqualifying individuals from standing for, or holding office as, a local authority member, directly-elected mayor or member of the London Assembly.
Scope of this consultation:	<p>The Department for Communities and Local Government is consulting on proposals to update the criteria disqualifying individuals from standing for, or holding office as, a local authority member, directly-elected mayor or member of the London Assembly, if they are subject to:</p> <ul style="list-style-type: none"> • the notification requirements set out in the Sexual Offences Act 2003 (commonly referred to as ‘being on the sex offenders register’); • a civil injunction granted under section 1 of the Anti-social Behaviour, Crime and Policing Act 2014; or • a Criminal Behaviour Order made under section 22 of the Anti-social Behaviour, Crime and Policing Act 2014. <p>Any changes to the disqualification criteria would require changes to primary legislation, in particular the Local Government Act 1972, the Local Democracy, Economic Development and Construction Act 2009, and the Greater London Authority Act 1999.</p> <p>The proposed changes would not act retrospectively.</p>
Geographical scope:	The proposals in this consultation paper apply to certain authorities in England, including local authorities, combined authorities and the Greater London Authority. They do <u>not</u> apply to authorities in Wales, Scotland or Northern Ireland.
Impact Assessment:	No impact assessment has been produced for this consultation.

Basic Information

To:	This consultation is open to everyone. We particularly seek the views of individual members of the public, prospective and current councillors and those bodies that represent the interests of local authorities and councillors at all levels.
Body responsible for the consultation:	The Local Government Stewardship Division in the Department for Communities and Local Government is responsible for conducting the consultation.
Duration:	The consultation will begin on Monday 18 September 2017. The consultation will run for 12 weeks and will close on Friday 8 December 2017. All responses should be received by no later than 5pm on Friday 8 December 2017.
Enquiries:	<p>If you have any enquiries, please contact:</p> <p>Stuart Young email: stuart.young@communities.gsi.gov.uk</p> <p>DCLG Tel: 0303 44 40000</p> <p>How to respond:</p> <p>Please respond by email to: Section80consultation@communities.gsi.gov.uk</p> <p>Alternatively, please send postal responses to:</p> <p>Stuart Young Department for Communities and Local Government 2nd Floor, NE, Fry Building 2 Marsham Street London SW1P 4DF</p> <p>Responses should be received by 5pm on Friday 8 December 2017.</p>
How to respond:	<p>You can respond by email or by post.</p> <p>When responding, please make it clear which questions you are responding to.</p> <p>When you reply it would be very useful if you could confirm whether you are replying as an individual or submitting an</p>

	<p>official response on behalf of an organisation, and include:</p> <ul style="list-style-type: none">- your name- your position (if applicable)- the name and address of your organisation (if applicable)- an address, and- an email address (if you have one)
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Introduction

1. Local authority members (i.e. councillors), mayors of combined authorities, members of the Greater London Assembly and the London Mayor take strategic decisions that affect all our lives. They decide how best to use taxpayers' money and manage local authority resources, including property, land and assets. They also have a leading role to play in building and preserving a society where the rights and freedoms of individuals are respected. They should be community champions. It is vital, therefore, that they have the trust of the electorate.
2. The Government considers that there should be consequences where councillors, mayors and London Assembly members fall short of the behaviour expected of anyone in a free, inclusive and tolerant society that respects individuals and society generally, and where this has led to enforcement action against an individual.
3. Existing legislation prevents individuals standing, or holding office, as a local authority member, London Assembly member or directly-elected mayor if they have, within five years of the day of the election, or since their election, been convicted in the UK, Channel Islands or Isle of Man of any offence and have received a sentence of imprisonment, suspended or not, for a period of not less than three months without the option of a fine.
4. The Government considers that the law should be updated to reflect new options which exist to protect the public and address unlawful and unacceptable behaviour.
5. This consultation proposes updating the disqualification criteria in section 80 of the Local Government Act 1972, paragraph 9 of schedule 5B to the Local Democracy, Economic Development and Construction Act 2009, and section 21 of the Greater London Authority Act 1999 to prohibit those subject to the notification requirements (commonly referred to as 'being on the sex offenders register') and those subject to certain anti-social behaviour sanctions from being local authority members, London Assembly members or directly-elected mayors.
6. This consultation does not propose changing the disqualification criteria for Police and Crime Commissioners (PCCs). For the purposes of this consultation, 'local authority member' also extends to directly-elected mayors and co-opted members of authorities, and 'local authority' means:
 - a county council
 - a district council
 - a London Borough council
 - a parish council

The disqualification criteria in section 80 of the Local Government Act 1972, paragraph 9 of schedule 5B to the Local Democracy, Economic Development and Construction Act 2009, and section 21 of the Greater London Authority Act 1999 do not cover the Council of the Isles of Scilly or the Common Council of the City of

London. Therefore, the proposals in this consultation do not extend to these councils.

The Current Disqualification Criteria

7. Under section 80 of the Local Government Act 1972, a person is disqualified from standing as a candidate or being a member of a local authority, if they:
 - are employed by the local authority;
 - are employed by a company which is under the control of the local authority;
 - are subject to bankruptcy orders;
 - have, within 5 years before being elected, or at any time since being elected, been convicted in the UK, Channel Islands or Isle of Man of any offence and have received a sentence of imprisonment (suspended or not) for a period of not less than three months without the option of a fine;
 - are disqualified under Part III of the Representation of the People Act 1983;
 - are employed under the direction of various local authority committees, boards or the Greater London Authority; or
 - are a teacher in a school maintained by the local authority.

8. Paragraph 9 of schedule 5B to the Local Democracy, Economic Development and Construction Act 2009 sets out the criteria on disqualification from standing as, or being, a directly-elected mayor of a combined authority. A person is disqualified from being elected or holding office as the mayor of a combined authority if they:
 - hold any paid office or employment (other than the office of mayor or deputy mayor), including any appointments or elections made by or on behalf of the combined authority or any of the constituent councils of the combined authority;
 - are subject to bankruptcy orders;
 - have, within 5 years before being elected, or at any time since being elected, been convicted in the UK, Channel Islands or Isle of Man of any offence and have received a sentence of imprisonment (suspended or not) for a period of not less than three months without the option of a fine; or
 - is disqualified for being elected or for being a member of a constituent council under Part 3 of the Representation of the People Act 1983.

9. Section 21 of the Greater London Authority Act 1999 disqualifies someone from being the Mayor or an Assembly member if they:
 - are a member of staff of the Authority;
 - hold an office that disqualifies the holder from being Mayor or an Assembly member;
 - are subject to bankruptcy orders are bankrupt or have made a composition agreement with creditors;
 - have, within 5 years before being elected, or at any time since being elected, been convicted in the UK, Channel Islands or Isle of Man of any offence and have received a sentence of imprisonment (suspended or not) for a period of not less than three months without the option of a fine;
 - are disqualified under section 85A or Part III of the Representation of the People Act 1983 from being the Mayor or an Assembly member; or

- are a paid officer of a London borough council who is employed under the direction of:
 - a council committee or sub-committee whose membership includes the Mayor or someone appointed on the nomination of the Authority;
 - a joint committee whose membership includes a member appointed on the nomination of the council and a member appointed on the nomination of the Authority;
 - the council executive, or one of its committees, whose membership includes the Mayor or someone appointed on the nomination of the Authority;
 - a member of the council's executive who is the Mayor or someone appointed on the nomination of the Authority.

Sexual Offences

10. The Government considers that anyone who is subject to sex offender notification requirements, commonly referred to as 'being on the sex offenders register', should be barred from standing for election, or holding office, as a local authority member, directly-elected mayor or member of the London Assembly. The period of time for which they would be barred would end once they were no longer subject to these notification requirements.

11. An individual can become subject to notification requirements by committing certain criminal acts or being issued with certain types of civil order:

- Being subject to sex offender notification requirements is an automatic consequence of being cautioned or convicted of a sexual offence listed in Schedule 3 of the Sexual Offences Act 2003 (see: <http://www.legislation.gov.uk/ukpga/2003/42/schedule/3>).
- Sexual Harm Prevention Orders are civil orders intended to protect the public from offenders convicted of a sexual or violent offence who pose a risk of sexual harm to the public by placing restrictions on their behaviour. Offenders who are subject to Sexual Harm Prevention Orders become subject to notification requirements.
- Notification Orders are civil orders intended to protect the public in the UK from the risks posed by sex offenders who have been convicted, cautioned, warned or reprimanded for sexual offences committed overseas. Such offenders may be British or foreign nationals convicted, cautioned etc. abroad of a relevant offence. Offenders who are subject to Notification Orders become subject to notification requirements.

12. The duration of the notification requirement period (i.e. how long a person is on the sex offenders register) is set out in the Sexual Offences Act 2003 and in the table below. The courts have no discretion over this.

Where the (adult) offender is:	The notification period is:
Sentenced to imprisonment for life or to a term of 30 months or more	An indefinite period
Detained in a hospital subject to a restriction order	An indefinite period
Sentenced to imprisonment for more than 6 months but less than 30 months imprisonment	10 years
Sentenced to imprisonment for 6 months or less	7 years
Detained in a hospital without being subject to a restriction order	7 years
Cautioned	2 years

Conditional discharge	The period of the conditional discharge
Any other description (i.e. community sentence, fine)	5 years

These periods are halved for offenders who are under 18 on the date of the caution, conviction or finding, as defined within the 2003 Act.

13. Offenders who are subject to the notification requirements must notify the police of (amongst other things) their: name, date of birth, national insurance number, home address, passport number, bank account and credit card details. They must do this annually, any time the details change or when they travel abroad. They must also notify the police when they stay or reside with a child for more than 12 hours.
14. Further information on the Sexual Offences Act 2003 can be found at: <https://www.gov.uk/government/publications/guidance-on-part-2-of-the-sexual-offences-act-2003>.
15. The Government does not propose including another type of civil order, the Sexual Risk Order, as this person would not have been convicted or cautioned of a sexual offence under the Sexual Offences Act 2003 and are not subject to notification requirements for registered sex offenders. A Sexual Risk Order does require the individual to notify to the police their name and their home address. A Sexual Risk Order can be sought by the police against an individual who has not been convicted, cautioned etc. of an offence under Schedule 3 or Schedule 5 of the 2003 Act but who is nevertheless thought to pose a risk of harm to the public in the UK and/or children or vulnerable adults abroad.

Q1. Do you agree that an individual who is subject to the notification requirements set out in the Sexual Offences Act 2003 (i.e. who is on the sex offenders register) should be prohibited from standing for election, or holding office, as a member of a local authority, mayor of a combined authority, member of the London Assembly or London Mayor?

Q2. Do you agree that an individual who is subject to a Sexual Risk Order should not be prohibited from standing for election, or holding office, as a member of a local authority, mayor of a combined authority, member of the London Assembly or London Mayor?

Anti-Social Behaviour

16. Anti-social behaviour blights people's lives and can leave victims feeling powerless. These are a range of powers to the courts, police and local authorities to tackle the problems in the table below.

17. The Government considers that an individual who is subject to an anti-social behaviour sanction that has been issued by the court, i.e. a Civil Injunction or a Criminal Behaviour Order, should be barred from standing for election, or holding office, as a local authority member, directly-elected mayor or member of the London Assembly. The period of time for which they would be barred would end once they were no longer subject to the injunction or Order.

Anti-Social Behaviour (ASB) Powers

Type	Power	Description
Issued by the court to deal with individuals	Civil Injunction	A civil order with a civil burden of proof. The injunction can include both prohibitions and positive requirements to tackle the underlying causes of the behaviour. Applications can be made by police, councils, social landlords, Transport for London, Environment Agency, Natural Resources Wales and NHS Protect.
	Criminal Behaviour Order	A court order available on conviction. The order can be issued by any criminal court against a person who has been convicted of an offence. It is aimed at tackling the most persistently anti-social individuals who are also engaged in criminal activity. The order can include both prohibitions and positive requirements. Applications are made by the prosecution, in most cases by the Crown Prosecution Service, either at its own initiative or following a request from the police or council.
Used by the police to move problem groups or individuals on	Dispersal Power	A flexible power which the police can use in a range of situations to disperse anti-social individuals and provide immediate short-term respite to a local community. It allows the police to deal instantly with someone's behaviour and prevent it escalating. The use of the power must be authorised by an officer of at least inspector rank, to be used in a specific locality for up to 48 hours or on a case by case basis. This is to ensure that the power is used fairly and proportionately and only in circumstances in which it is necessary.

Issued by councils, the police and social landlords to deal with problem places	Community Protection Notice	A notice designed to deal with particular problems which negatively affect the community's quality of life. The Notice can be issued to anyone aged 16 or over, businesses or organisations. This is a two-stage power and a written warning has to be issued first. Failure to stop the behaviour or take action to rectify the problem would lead to the notice being issued. The power can be used by councils, police and social landlords (if designated by the council).
	Public Spaces Protection Order	Designed to deal with anti-social behaviour in a public place and apply restrictions to how that public space can be used to stop or prevent anti-social behaviour. The order is issued by the council. Before the order can be made, the council must consult with the police and whatever community representatives they think appropriate, including regular users of the public space. Before the order is made the council must also publish the draft order.
	Closure Power	A fast and flexible two-stage power. Can be used to quickly close premises which are being used, or likely to be used, to commit nuisance or disorder, including residential, business and licensed premises. The police and councils are able to issue Closure Notices for up to 48 hours and the courts are able to issue Closure Orders for up to six months if satisfied that the legal tests have been met. Following the issue of a Closure Notice, an application must be made to the magistrates' court for a closure order.

Q3. Do you agree that an individual who has been issued with a Civil Injunction (made under section 1 of the Anti-social Behaviour, Crime and Policing Act 2014) or a Criminal Behaviour Order (made under section 22 of the Anti-social Behaviour, Crime and Policing Act 2014) should be prohibited from standing for election, or holding office, as a member of a local authority, mayor of a combined authority, member of the London Assembly or London Mayor?

Q4. Do you agree that being subject to a Civil Injunction or a Criminal Behaviour Order should be the only anti-social behaviour-related reasons why an individual should be prohibited from standing for election, or holding office, as a member of a local authority, mayor of a combined authority, member of the London Assembly or London Mayor?

Retrospection

18. Legislation does not generally apply retrospectively, the principle being that the law should operate in a clear and certain manner and the public is entitled to know the state of the law at a particular time.
19. The proposals in this consultation would not apply retrospectively, i.e. any incumbent local authority member, directly-elected mayor or member of the London Assembly, who is on the sex offenders register or subject to a Civil Injunction or Criminal Behaviour Order at the time the changes come into force would not be affected.
20. Such individuals would of course be prevented from standing for re-election after the changes came into force.

Questions

Q1. Do you agree that an individual who is subject to the notification requirements set out in the Sexual Offences Act 2003 (i.e. is on the sex offenders register) should be prohibited from standing for election, or holding office, as a member of a local authority, mayor of a combined authority, member of the London Assembly or London Mayor?

Q2. Do you agree that an individual who is subject to a Sexual Risk Order should not be prohibited from standing for election, or holding office, as a member of a local authority, mayor of a combined authority, member of the London Assembly or the London Mayor?

Q3. Do you agree that an individual who has been issued with a Civil Injunction (made under section 1 of the Anti-social Behaviour, Crime and Policing Act 2014) or a Criminal Behaviour Order (made under section 22 of the Anti-social Behaviour, Crime and Policing Act 2014) should be prohibited from standing for election, or holding office, as a member of a local authority, mayor of a combined authority, member of the London Assembly or London Mayor?

Q4. Do you agree that being subject to a Civil Injunction or a Criminal Behaviour Order should be the only anti-social behaviour-related reasons why an individual should be prohibited from standing for election, or holding office, as a member of a local authority, mayor of a combined authority, member of the London Assembly or London Mayor?

Q5. Do you consider that the proposals set out in this consultation paper will have an effect on local authorities discharging their Public Sector Equality Duties under the Equality Act 2010?

Q6. Do you have any further views about the proposals set out in this consultation paper?

About this consultation

This consultation document and consultation process have been planned to adhere to the Consultation Principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004.

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department for Communities and Local Government will process your personal data in accordance with DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.
Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the Consultation Principles? If not or you have any other observations about how we can improve the process please contact us via the [complaints procedure](#).

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EAST HERTS COUNCIL

PERFORMANCE, AUDIT & GOVERNANCE SCRUTINY – 21 NOVEMBER 2017

QUARTERLY CORPORATE HEALTHCHECK – QUARTER 2 SEPTEMBER 2017

REPORT BY THE HEAD OF STRATEGIC FINANCE AND PROPERTY AND HEAD OF COMMUNICATIONS, STRATEGY & POLICY

WARD (S) AFFECTED: All

Purpose/Summary of Report:

- To provide a report on finance and performance monitoring for East Herts Council for 2017/18 as at 30th September 2017.
- The net revenue budget for 2017/18 is £9.335m as set out in table 1, this is funded by Council Tax. The forecast expenditure at 30th September 2017 predicts a year end overspend of £251k. This equates to 2.7% of that budget.
- The revised capital budget for 2017/18 is £5.287m. The forecast position shows a variance of £1.573m underspend.
- There are 38 Performance Indicators reported corporately in total at Q2. Within the 28 indicators that have a target set against them, four have failed to meet their targets by varying degrees. Two results are a month in arrears due to sourcing from an external body.
- Of the 11 Performance Indicators that are trend only data;-
 - a) Five have improved compared to the previous reporting period
 - b) Five are in a worse position than the previous reporting period
 - c) One is a new indicator with no previous data to compare to.
- There are 44 corporate actions that East Herts Council committed to completing as set out within the Corporate Strategic Plan. 16 of those actions were completed within the 2017 calendar year.

RECOMMENDATIONS FOR PERFORMANCE, AUDIT & GOVERNANCE**SCRUTINY: the Executive be advised****That:**

(A)	the projected revenue budget forecast overspend of £251k in 2017/18 be noted (paragraph 2.1)
(B)	the capital budget forecast underspend of £1.573m be noted (paragraph 6.1)
(C)	the reported performance and actions for the period July 2017 to September 2017 be noted (paragraph 9)

1 BACKGROUND

- 1.1 This is the finance and performance monitoring report for East Herts Council.
- 1.2 On 1st March 2017 Council approved a balanced budget for the 2017/18 financial year. This report sets out the financial position for the year to date and provides forecasts for the outturn position.
- 1.3 The Councils revenue budget is made up of 5 areas; these are shown in table 1 below. The report that follows provides details of the forecast outturn position against these areas.

Table 1: 2017/18 revenue budget

	Original Budget 2017/18	Forecast outturn	Variance
	£'000	£'000	£'000
Total Net Cost of Services	13,945	14,225	280
Corporate Budgets Total	2,230	2,080	(150)
Net Use of Reserves	(647)	(647)	-
Funding	(6,192)	(6,071)	121
Net Revenue Spend	9,335	9,647	251
Funded by Council Tax	(9,335)	(9,335)	-
Overspend	-	-	251

- 1.4 Council approved the performance measures that would be monitored. This report sets out the year to date performance against those targets.
- 1.5 This report contains the following sections and Essential Reference Papers:

REPORT SECTIONS	
2	Net Cost of Services
3	Corporate budgets
4	Reserves
5	Funding
6	Capital budgets
7	Medium Term Financial Plan
8	Debtors
9	Performance analysis
10	Corporate Actions
11	Implications/Consultations

ESSENTIAL REFERENCE PAPERS	
A	Implications/Consultations
B	Revenue budget
C	Capital Monitor
D	Debtors, aged debt profile
E	Performance monitoring
F	Corporate Action Update

2 NET COST OF SERVICES

- 2.1 The Councils net cost of services budget for 2017/18 is £13.945m. An over spend of £280k is forecast in 2017/18. Table 2 below shows this current forecast outturn position broken down by service area.

Table 2: Revenue forecast outturn

		Original Budget 2017/18	Forecast outturn	Variance
		£'000	£'000	£'000
Net Cost of Services	Chief Executive & Directors	490	498	8
	Communications, Strategy & Policy	1,000	995	(5)
	HR & Organisational Development	505	503	(2)
	Strategic Finance & Property	1,402	1,633	231
	Housing & Health	2,470	2,392	(78)
	Democratic and Legal	1,206	1,335	129
	Planning & Building Control	855	904	49
	Operations	4,312	4,295	(17)
	Shared Revenues & Benefits Service	1,694	1,701	7
	Revenues & benefits retained costs	(371)	(422)	(51)
	Housing Benefit Subsidy	(866)	(866)	-
	Shared Business & Technology Services	1,273	1,283	10
	Capital Salaries	(26)	(26)	-
	Total Net Cost of Services	13,945	14,225	280

2.2 There are a number of budgets where there is a risk of overspend or underachievement of income. Officers continue to work to reduce those funding gaps throughout the year to ensure that the final outturn position remains in budget. Initiatives currently underway include a review of all vacant posts and the necessity to fill them prior to 31st March 2018. Heads of Service have also agreed to a review of all service specific spend ensuring that all purchases are challenged and considered essential in delivering current services. This work will also form part of the work currently being undertaken to set the 2018-19 Medium Term Financial Plan.

Details of the larger variances are shown below:

2.3 Strategic Finance and Property

2.3.1 A current predicted overspend of £231k in Strategic Finance and Property relates to the depressed rental income of Charringtons House and the fixed costs from units that are currently vacant. Officers are currently exploring alternative accommodation options to attract potential tenants.

2.4 Housing and Health

2.4.1 There is a forecast underspend of £78k across Housing and Health. This is the result of a £91k underspend arising from vacancies to posts created in the new structure being filled later than anticipated net of agency costs incurred, offset to some extent by income from taxi, licensed premises and gambling establishment licences being predicted to be 4.7% lower at year end than assumed in the annual budget, that is, just under £13k below budget.

2.5 Democratic and Legal

2.5.1 As reported previously, following revisions in work practices in order to comply with the statutory requirements of the Electoral Register and the workload and costs required to ensure compliance, current projections estimate a forecast overspend of £65k in Democratic Services. These costs will be built into the base budget for 18/19.

2.5.2 There are increased salary costs of £47k in Democratic and Legal Services due to additional staffing costs. These costs are one off and will not recur in 18/19.

2.6 Planning

2.6.1 The planning service area has recently undergone a restructure process, seeking to ensure that it is able to deliver the significant amount of development which will come forward following the adoption of the District Plan. Whilst recruitment is taking place to new posts in the service, interim staffing is being utilised to deal with some current workloads which is leading to the current predicted overspend of £25k. This is part of the overall £49k overspend shown in table 2

2.7 Operations

- 2.7.1 As reported previously, the resale price for dry recyclables, coupled with additional gate fees has had a significant impact on the income projections for 2017/18. Contaminated loads have also led to a reduced income levels. Officers are seeking to mitigate the impact of these issues by distributing leaflets to households and using pickers to sort the recyclables.
- 2.7.2 The income projected on season tickets at Bishops Stortford car parks is forecast to be £51k less than budgeted. This relates to the number of tenants currently in Charringtons House where parking has been temporarily suspended due to the creation of the new temporary car park.
- 2.7.3 There is an increase of £30k in the cleansing contract due to the requirement of additional resources to respond to fly tipping incidents. Officers are working to identify offenders and recoup costs.
- 2.7.4 Additional income of £74k is predicted relating to an increase in trade refuse business.
- 2.7.5 Hertford theatre is forecasting additional income of £23k which relates to an increase in ticket sales.

2.8 Shared Business and Technology Services

- 2.8.1 An overspend of £10k is reported against the BATS shared service. This relates to increased costs in respect of cyber security and additional software licences.

3 CORPORATE BUDGETS

- 3.1 Corporate budgets are costs and income received by the Council that are not service specific, these include income from the Council's investments, pension deficit contributions and New Homes Bonus grants to Town and Parish Councils.
- 3.2 Table 3 below shows the forecast outturn position against the corporate budgets.

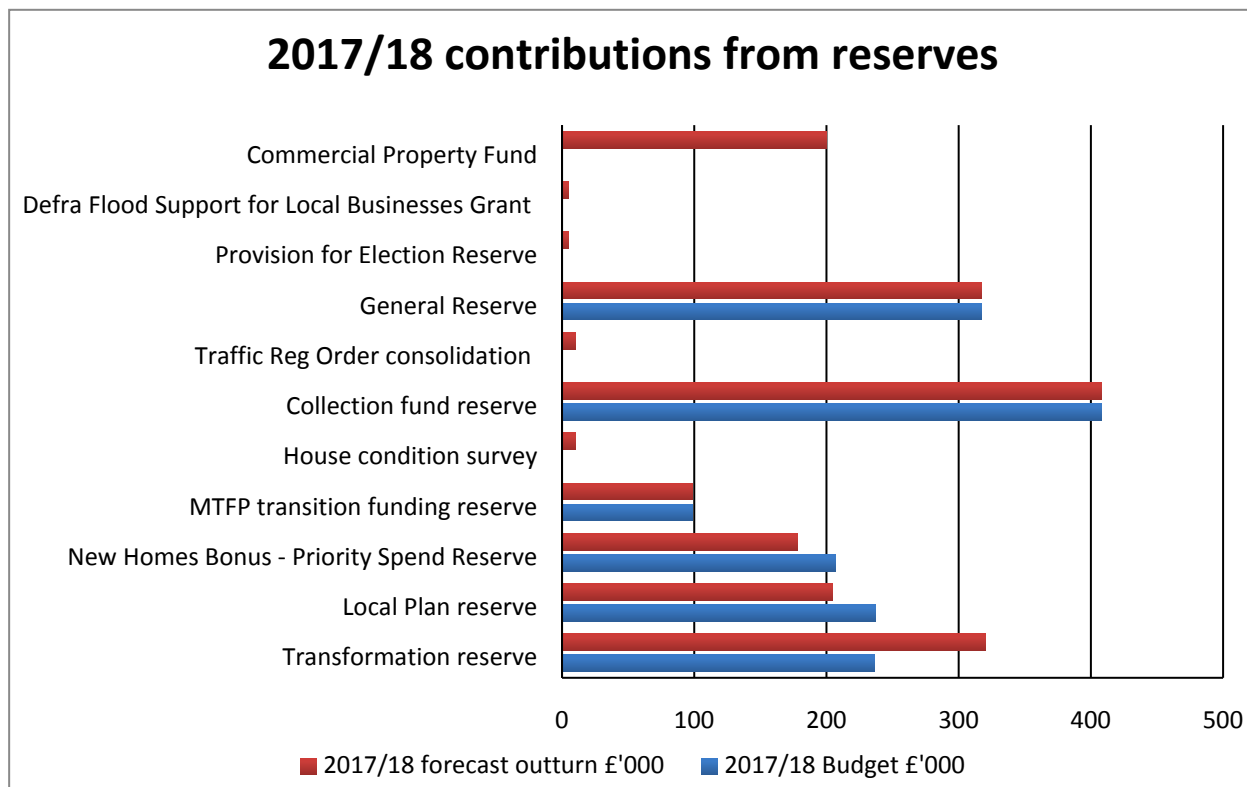
Table 3: Corporate budgets 2017/18 forecast outturn

	Original Budget 2017/18	Forecast outturn	Variance
	£'000	£'000	£'000
NHB Grants to Town & Parish Council	890	890	0
NHB Priority Spend	890	890	0
Contingency Budget	150	0	(150)
Interest Payments	662	662	0
Interest & Investment Income	(1,084)	(1,084)	0
RCCO	26	26	0
Pension Fund Deficit contribution	696	696	0
Corporate Budget Total	2,230	2,080	(150)

4 RESERVES

- 4.1 The Council holds earmarked reserves to fund unpredictable financial pressures and to smooth the effect of known spending over time. Graph 1 and 2 below reflect the forecast outturn position as at 30th September 2017.
- 4.2 Funding from reserves will offset expenditure shown in section 2 of this report whilst a contribution to reserves will be shown as income in the revenue forecast outturn.

Graph 1: 2017/18 forecast contributions from reserves



4.3 As at 30th September 2017 it is forecast that there will be a total contribution from reserves of £1.756m in 2017/18 this is £252k higher than approved as part of the 2017/18 budget setting process. The significant variances are reported in the following paragraphs.

4.4 The transformation reserve was created to fund transitional staffing costs and service improvements. The total use of reserve is £84k above the 2017/18 budget, these items were agreed after the 2017/18 budget was approved at full Council. This includes:

- £75k funding for costs relating to Leisure Development project, approved in 2016/17 not included in the original 2017/18 budget.
- £10k to fund the procurement review costs
- £10k to fund additional staff costs in Community Wellbeing section
- £22k to fund the agency costs for the HR systems temporary role
- £19k to fund the employee rewards and benefits scheme 'My Rewards' provided by HR
- (£51k) reduction in the use of reserve to fund planning staff cost due to a higher estimate during the budget process.

4.5 The New Homes Bonus – Priority spend reserve was established from unspent New Homes Bonus monies and is utilised to fund items agreed by Leadership Team and Executive. The use of this reserve is £29k below budget, these items were approved after the 2017/18 budget was approved at full Council. The main items are:

- (£103k) reduction in the use of reserve to fund East Herts contribution to Public Health projects.
- (£10k) reduction in the use of reserve to fund the Wenta 'My Incubator' project as it does not provide good value for money. Officers are reviewing other providers.
- £25k for the implementation of the new financial system
- £14k to fund East Herts Digital Transformation projects.
- £49k to fund the development of the Business Improvement District project.

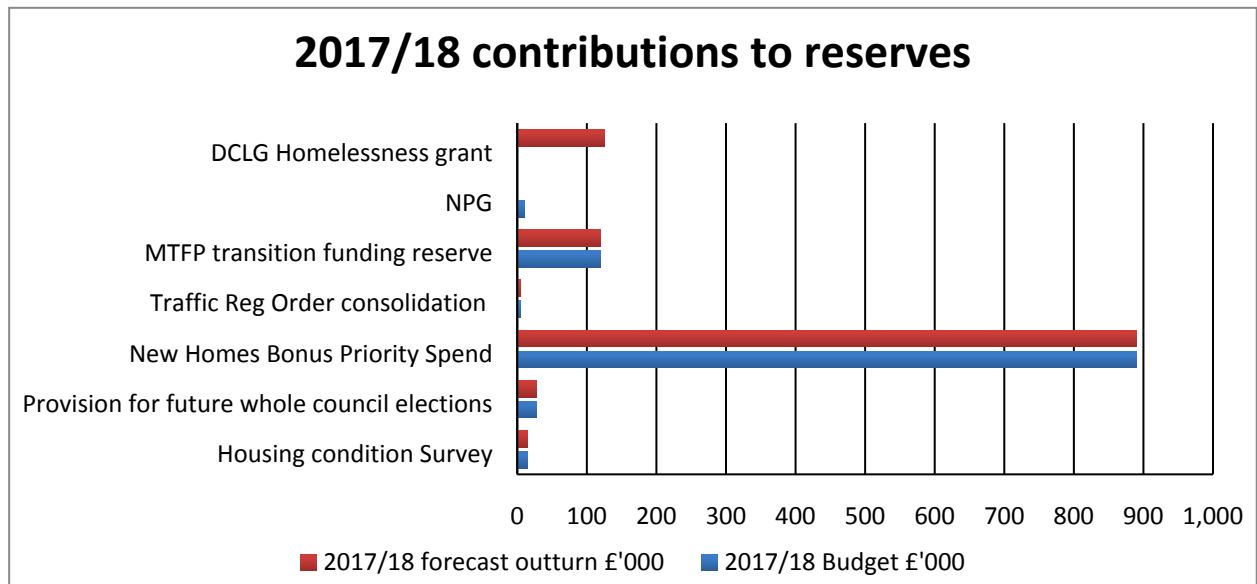
4.6 The Commercial Property Fund reserve is used to support the development of investment opportunities in commercial property. The costs funded from the reserve in 2017/18 are:

- Development of a housing company
- Cost associated with Old River Lane development including a project manager.

£200k of revenue expenditure for the above items will be funded from this reserve in 2017/18. These items were approved after the 2017/18 budget was approved at full Council in March 2017.

4.7 £240k will be used from the Housing Benefits equalisation reserve to offset the forecast variance in Housing Benefits subsidy received in 2017/18.

Graph 2: 2017/18 forecast contributions to reserves



4.8 The forecast outturn total contribution to reserves has decreased by £10k to £1.057m from the 2017/18 budgeted position. This is due to the budgeted Neighbourhood Planning Grant being utilised in 2017/18 and not transferred to reserves.

5 FUNDING

5.1 These income budgets are general and non-service specific income sources. The table below shows the value and source of these funding streams as at 30th September 2017.

Table 4: 2017/18 funding

	Original Budget 2017/18	Forecast Funding 2017/18	Variance
Council Tax	(9,335)	(9,335)	-
NDR & S31	(2,570)	(2,495)	75
Deficit on collection fund	408	454	46
RSG	(351)	(351)	-
New Homes Bonus	(3,559)	(3,559)	-
Transition Grant	(120)	(120)	-
Total Funding	(15,527)	(15,406)	121

5.2 The variance against the original budget shown above, in relation to Non Domestic Rates, is due to timing differences between the setting of the Council's budget and the statutory return to central government which forms the basis of the Councils income for 2017/18. The original budget is set before Christmas while the NNDR1 (statutory return) is submitted at the end of January. This year's budget setting was impacted by the business rates revaluation and the subsequent provisions and adjustments required in respect of business rate appeals.

5.3 Section 31 grants are those given direct from central government. The movement in the grants in the table above are to offset the impact on local government of reliefs that government has granted to business rate payers.

6 CAPITAL PROGRAMME

6.1 The total 2017/18 capital budget is £5.287m this includes a carry-forward of £1.899m underspend from 2016/17. As at 30th September 2017 there is a £1.573m underspend. Details of the movements against budget that make up this underspend can be found in the following paragraphs.

6.2 The 2017/18 capital forecast expenditure is summarised in Table 5

below. **Essential Reference Paper C** sets out the detailed forecast on each scheme.

Table 5: Capital forecast outturn

	2017/18 Original Budget	2017/18 Revised Budget	2017/18 Total to Date	2017/18 Forecast Outturn	Variance between Forecast Outturn & Revised Budget
	£'000	£'000	£'000	£'000	£'000
Strategic Finance & Property	315	622	340	702	80
Shared Business & Technology Services	540	1,198	350	1,022	(176)
Operations	617	784	80	561	(223)
Housing & Health	1,819	2,073	311	1,138	(935)
Planning & Building Control	97	570	180	263	(307)
Communications, Strategy & Policy	0	40	0	28	(12)
Total	3,388	5,287	1,261	3,714	(1,573)

6.3 An £80k overspend is predicted against the capital schemes that sit under the Head of Strategic Finance and Property. This includes;

- An estimated £600k for demolition of 1 The Causeway building. Work commenced on 3rd April 2017 following planning permission. This will be funded from the Capital Receipts Reserve.
- Underspend of £330k against the rolling programme for planned maintenance of operational buildings
- Underspend of £156k against the refurbishment for Charringtons House capital scheme. Planned works will be funded from revenue budgets however, should the work prove to be more extensive then additional funding maybe drawn from this budget.
- Underspend of £25k for refurbishment works to be carried out at Grange Paddocks pool. This is due to reprogramming of maintenance works by the leisure management company. Scheme to slip into 2018/19
- Underspend of £10k due to refurbishing pool pumps instead of

replacing at Fanshawe swimming pool

6.4 An underspend of £935k is reported against the capital schemes under Housing and Health. This main area of underspend in this area is;

- Capital resources held for future social housing schemes of £821k remaining unallocated. New affordable housing is typically funded by developers through section 106 agreements. The council's resources arising from s106 commuted sums are then a secondary funding source which the council has yet to draw upon in full. It is recommended that these funds are placed in a reserve while priorities for their use are identified.

6.5 An underspend of £223k is reported against the capital schemes under Operations. These include;

- The capital budget for Castle Weir Micro Hydro Scheme remains forecast to be largely unspent (£189k). A business case review is currently underway to assess if the flood modelling analysis work, required for this scheme, can be undertaken in house, through investment in software and staff training. This business case review will be completed this year. Once this has been completed the results would need to be submitted to the Environment Agency for approval therefore scheme will not be fully completed this financial year.
- Energy grants are forecast to be underspent by £58k. A report on new home energy measures will go to Overview & Scrutiny Committee for consideration in December and if measures are approved this budget may be spent in this financial year

6.6 An underspend of £307k is reported against the capital schemes under the Planning service. There is a delay in the procurement phase for this project to make improvements to The Wash, Maidenhead Street & Bull Plain in Hertford. This funding will be carried forward into 2018/19.

6.7 A full review of the programme will be undertaken during Quarter 3 to ensure that projects within the programme are delivering the expected outcomes from when they were agreed. This process will help to form the programme for 2018/19 onwards. An update on this process will be included in the Quarter Three Health check report.

7. Medium Term Financial Plan update on progress

- 7.1 Officers are currently undertaking the initial work for the production of the 2018/19 Medium Term Financial Plan. As the main funding contributions from Central Government disappear in 2018/19 and the uncertainties around Business Rates Retention cast doubts around Local Government funding on a year by year basis, the theme of financial sustainability becomes of greater importance. Work on a Financial Sustainability Policy and the key initiatives to support it will ensure that East Herts has a firm basis on which to develop ideas and initiatives to address future years funding gaps.
- 7.2 The timetable for the Medium Term Plan is shown below and sets out the engagement of all stakeholders within the organisation and the importance of a transparent, inclusive process.

Budget 2018/19 Timetable

w/c 13 November 2017	Budget Holder Challenge meetings with Finance
w/c 20 November 2017	Member briefings initially Executive and followed by all
30 November 2017	Final budget submissions & savings provisionally agreed
7 th December 2017	Informal PAG – all members to be invited
December 2017	MTFP 2018/19- 2021/22 & budget report produced
13 December 2017	Deadline for 2018/19 Budget Report to LT on 18 December 2017 to include: <ul style="list-style-type: none"> • Capital Programme • Fees and Charges 2018/19 • Service Budgets - Forecast Outturn for 2017/18, Revenue Budget 2018/19 • Consolidated Budget Report and 2018/19 – 2021/22 Medium Term Financial Plan
18 December 2017	LT meeting for 2018/19 Budget report
3 January 2018	Deadline for 2018/19 Budget Report to Performance, Audit & Governance on 16 th January 2018:
16 January 2018	Performance, Audit & Governance meeting for 2018/19 Budget report
24 January 2018	Deadline for 2018/19 Budget Reports to Executive on 6 th February 2018:
6 February 2018	Executive meeting to agree 2018/19 Budget report
15 February 2018	Deadline for Council Tax Resolution to Council .
15 February 2018	Deadline for 2018/19 Budget report to Council
1 March 2018	Council to consider and approve the 2018/19 Budget.
1 March 2018	Council to approve the 2018/19 Council Tax.

8. DEBTORS

- 8.1 Total Outstanding debt as at 30th September 2017 is £1.45m. This is a 15% decrease from the previous quarter.
- 8.2 The outstanding debt over 120 days old totals £714k. Of this debt, and as reported previously, over 90% relates to disputed invoices

where negotiations are ongoing to collect the debt owed on a complex lease arrangement for a property ground lease in Bishop's Stortford. The remainder of the debts over 120 days are invoices relating to environmental health enforcement, where a charge is held against property to pay the debt once the property is sold, or housing debts where repayments are being made with a payment plan over several months.

8.3 **Essential Reference Paper D** analyses the profile of aged debtors.

9. PERFORMANCE ANALYSIS

Performance against targets

9.1 Summaries of performance can be found below however please refer to **Essential Reference Paper E** for the full performance indicator analysis. Our latest results can be found on the online browser which has been rebranded from Covalent to Pentana Performance. Members have been issued with a password to access these results, which can be found in the MIB.

9.2 Q2 analysis shows 38 performance indicators. These indicators demonstrate the performance against our three corporate priorities, and supporting all three priorities.

9.3 Three performance indicators will cease to be reported after Q2, for reasons detailed within the corporate priorities

9.4 **Corporate Priority 1: Improve the Health and Wellbeing of our Communities (9 performance indicators) summary**

- **MEHPI 5.13b - % of Good satisfaction (GovMetric) - telephone**

Traditionally we have very few customers who provide feedback via this channel. The automated telephone answers customers hear when they dial the Main Switchboard (01279 655261) was amended to include better advertising of this survey at the end of the call. The current volume and score includes a number of test calls to ensure each customer variation worked properly. As a result, this month's figures should not be considered valuable, but hopefully this script change will encourage greater feedback going forward.

There are also some amendments to how the following two indicators will be reported going forward:

- **QEHPI 140 - Number of over 50s participating in 'Forever Active' programme**

After review, it was decided that the figure reported would provide more value if it was cumulative over the year rather than setting a target for each quarter. As a result, across the year, we are on schedule to hit our annual target.

- **QEHPI 150 - Number of prevented homeless applications**

As above, the indicator adds more value as a cumulative figure across the year so targets have been amended to reflect this.

The one performance indicator remaining is a trend indicator (**EHPI 151 - Number of homeless households living in temporary accommodation at the end of the quarter**) which is showing a negative movement from the last quarter. Whilst the relevant team will be able to assist with providing accommodation, there are many external factors that may lead to the occurrence in the first place. This indicator is monitored closely but has been relatively consistent since monitoring began

9.5 **Corporate priority 2: Enhance the quality of people's lives (13 performance indicators summary**

- **EHPI 2.2 – Waste: missed collections per 100,000 collections of household**

Missed collections marginally missed the target of 30 again despite the dramatic improvement in August. This is under constant review and monitoring with our contractors.

There were also some amendments to collection methods:

- **QEHPI 149c – % of Affordable homes delivered on section 106 developments in Towns**

The target associated with this indicator was removed going forward to make it trend only indicator. This was because a 40% target was set across the year, so unless every housing scheme was 40% affordable, the indicator would fail by default. The 40% target is also not set by Housing and Health, it is governed by Planning Policy so cannot be changed once agreed. The indicator will now read '**QEHPI 149c% of Affordable homes delivered on section 106 developments in TOWNS against an annual 40% cumulative**

Planning Policy target'. Currently, this sits at 32%

Within the three remaining trend only indicators, one was a new indicator with no previous data, one was in a better position than the previous reporting period and the remaining, **MEHPI 191 Residual household waste per household**, is a cumulative indicator across the year.

Year on year, waste per household has marginally increased but this was against 2016/17 levels which were the best observed since the indicator was reported. The kg difference year on year has decreased since the last reporting period (August) so this is an improving picture

9.6 Corporate priority 3: Enable a flourishing local economy (4 performance indicators) summary

- **QEHPI 32 - % of planned premises licencing enforcement visits due that were undertaken**

This indicator has been discontinued as the methodology for visiting changed in April from a routine schedule to a risk based / complaints based approach. Planned premises enforcement visits will no longer take place and providing a figure for this gave very little value or insight to the council. The council will continue to monitor other licencing features and manage the performance of this within the service.

The two trend only indicators both showed downward trends on the previous quarter. They provide an insight into the state of our local economy of which East Herts has some influence over, however there are again many external factors influencing these changes.

Both of these trend only indicators (**QEHPI 11a - Number of active Businesses with their registered office in East Herts & QEHPI 11b Number of active Businesses with their registered office % and trading address in East Herts**) were provided by FAME, a business database that was funded for three years by HCC. This agreement ended in August, with the final results provided on the 15th September. Purchasing this system ourselves was not viable so East Herts will look at alternative measures of how our local economy is progressing, such as measuring vacancy rates.

9.7 Corporate priority: Supporting all priorities (12 Performance Indicators) summary

- **MEHPI 8 – % of invoices paid on time**

The target was marginally not been met this month (by 1.27%) and this is due largely to outstanding invoices from Community Safety and Health.

- **EHPI 5.1 – % of complaints resolved in 14 days or less**

As per previous quarter, 68% of complaints were resolved within 14 days (10 working days) meaning the target was narrowly missed by 2%. This indicator is being closely monitored following four failed targets across the last five quarters.

- **% of FOI cases closed in month that were closed within 20 working days or less**

The number of FOI cases closed within 20 working days failed marginally during September, achieving 85.8% against a 90% target. This was largely down to some long standing FOI cases that were closed in September but opened in previous months. Each Head of Service now receives weekly emails outlining outstanding FOI cases hence there is greater awareness and accountability

Data for one of the target indicators (**EHPI 12C -Total number of sickness absence days per FTE staff in post**) has been unavailable for a number of months due to the installation of a new HR system. The long term aim is that figures will be able to be extracted easily from this system; however, the installation of this phase of the software has not occurred as yet. All figures will be back dated when figures become available.

The remaining four being trend only indicators. The trend indicators are all showing positive trends.

10. CORPORATE ACTIONS UPDATE

Please see Essential Reference Paper F for full details of corporate actions.

- 10.1 There are 44 corporate actions that East Herts Council committed to completing as set out within the Corporate Strategic Plan. 16 of those actions were completed within the 2017 calendar year. Of the

16 completed, seven were completed in advance of their due dates.

A further 16 of these actions are due to be completed before the end of the financial year. The remaining 12 actions are due to complete on or after April 1st 2018

10.3 Only two actions were overdue within the original time scales set:

10.4 Formerly Known as KA.40 “Implement the Council Environmental Crime Strategy and associated Public Space Protection Orders (PSOPs)”

The Environmental Enforcement Pilot was completed in October 2017. Litter enforcement function carried out within the Operations service only.

10.5 Formerly known as KA.30 “Provision of efficient, easy to use telephony facilities to access services and for staff to have the tools required to support efficient working”.

Project is overdue due to resource issues (staff departure). Phase 1 is on track for weekend of 21st Oct. Phase 2 is due to start end of October.

11. IMPLICATIONS/CONSULTATIONS

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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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

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

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		Original Budget 2017/18 £'000	Budget to date £'000	Actual to date £'000	Variance to date £'000	Forecast outturn £'000	Variance £'000
Net Cost of Services	Chief Executive & Directors	490	243	39	(204)	498	8
	Communications, Strategy & Policy	1,000	548	251	(297)	995	(5)
	HR & Organisational Development	505	252	102	(150)	503	(2)
	Strategic Finance & Property	1,402	712	552	(160)	1,633	231
	Housing & Health	2,470	1,374	23	(1,351)	2,392	(78)
	Democratic and Legal	1,206	602	129	(473)	1,335	129
	Planning & Building Control	855	586	1	(585)	904	49
	Operations	4,312	2,746	362	(2,384)	4,295	(17)
	Shared Revenues & Benefits Service	1,694	1,616	485	(1,131)	1,701	7
	Revenues & benefits retained costs	(371)	59	(32)	(91)	(422)	(51)
	Housing Benefit Subsidy	(866)	17,378	16,103	(1,275)	(866)	-
	Shared Business & Technology Services	1,273	637	795	158	1,283	10
	Capital Salaries	(26)	(26)	-	-	(26)	-
	Total Net Cost of Services	13,945	26,727	18,810	(7,943)	14,225	280
Corporate Budgets	NHB Grants to Town & Parish Councils	890	-	-	-	890	-
	New Homes Bonus Priority Spend	890	-	-	-	890	-
	Contingency Budget	150	-	-	-	-	(150)
	Interest Payments	662	-	-	-	662	-
	Interest & Investment income	(1,084)	-	-	-	(1,084)	-
	RCCO	26	-	-	-	26	-
	Pension Fund Deficit contribution	696	-	-	-	696	-
	Corporate Budgets Total:	2,230	-	-	-	2,080	(150)
Use of Reserves	Contributions to Earmarked reserves	177	-	-	-	177	-
	Contributions from Earmarked reserves	(824)	-	-	-	(824)	-
	Net Use of Reserves:	(647)	-	-	-	(647)	-
Net Cost of Services Total:		15,528	26,727	18,810	(7,943)	15,658	130
Funding	RSG	(351)	-	-	-	(351)	-
	NDR	(2,048)	-	-	-	(1,592)	456
	Section 31	(522)	-	-	-	(903)	(381)
	(Surplus)/Deficit on Collection fund	408	-	-	-	454	46
	Other General Grants	(120)	-	-	-	(120)	-
	New Homes Bonus	(3,559)	-	-	-	(3,559)	-
Non Departmental Budgets Total:		(6,192)	-	-	-	(6,071)	121
Total:		9,335	26,727	18,810	(7,943)	9,587	251

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2017/18 CAPITAL MONITORING SEPTEMBER 2017

2017/18 Approved Schemes	Original Completion Date	Expected Completion Date	Project RAG Status	2017/18 Original Budget	2016/17 Slippage	2017/18 Amendments	2017/18 Revised Budget	2017/18 Total spend + commitment to Date	2017/18 Forecast Outturn	Variance between Forecast Outturn & Revised Budget	Outturn RAG Status	COMMENTS
				£'000	£'000	£'000	£'000	£'000	£'000	£'000		
TOTAL				3,388	1,899	0	5,287	1,261	3,714	(1,573)		
RP - ROLLING PROGRAMME												
Head of Strategic Finance & Property												
Hartham Swimming Pool - Refurbishment of Pool Filters to ensure the efficiency of the pools filtration plant operation & to maintain the pools water quality	Dec-16	Dec-17	RED	0	25		25	0	25	0	GREEN	Works to be done Xmas closure 2017.
Fanshawe Swimming Pool - Replace Pool Circulating Pumps	Dec-13	2017/18	RED	20			20	0	10	(10)	RED	Pumps to be refurbished rather than replaced, therefore, saving will be achieved.
Fabric improvements to Swimming Pools	Not known	Jun-17		20			20	21	21	1	GREEN	Works completed, awaiting final invoices
Grange Paddocks Pool - to treat laminated timber beams to ensure they are properly protected from high humidity & chemicals used in the treatment of the pool water	Dec-17	Dec-17	GREEN	25			25	0	0	(25)	RED	Works were planned for Xmas closure 2017, however, scheme to slip due to SLM re-programming associated plant maintenance works.
OPERATIONAL BUILDINGS												
Rolling programme for planned preventative capital maintenance of operational buildings	RP	RP		240	100	2	342	0	12	(330)	RED	Budget in place to allow appropriate schemes to go forward upon provision of appropriate business case. Asset Management Group to be re-instated, with delegated authority to agree new bid proposals.
Hertford Theatre - Flood Alleviation Works to Sump Pumps - To modify the existing sump pump installation to reduce the likelihood of any future flooding of the Theatre	Aug-16	2017/18	RED	0	16	(16)	0	0	0	0	GREEN	1 st phase of works completed, 2 nd phase may not now be required. Budget transferred to rolling programme & any future works to be funded from rolling programme budget.
Replacement of Chairs & Desks	RP	RP		10			10	3	10	0	GREEN	
Charringtons House 2nd Floor Suite Refurbishment												
Maximise return from Council assets by generating rental income & business rates income from Charringtons House for the Council once the suite is refurbished	Apr-16	2017/18	RED	0	156		156	0	0	(156)	GREEN	There is a programme of works being undertaken to remodel the building but these will be funded from other sources and at this stage we are unlikely to need the remainder of this budget. Should the work prove to be more extensive than currently anticipated then we may need to draw on some of it at a later date.
Demolition 1 The Causeway, B/S	Jul-17	Oct-17	RED					315	600	600		Funded from Commercial Property Fund. Car Park works to commence 23.10.17
CCTV at Wallfields			GREEN	0		14	14	0	14	0	GREEN	Additional cameras needed for security measures, drawn down from rolling programme. Quotes received
North Drive, Ware - reconstruct road & drainage	Mar-10	Mar-18	RED	0	10		10	1	10	0	GREEN	Developer close to finishing drainage works for new development. Second planning application in for development of further land off North Drive so money held until this determined
Total Strategic Finance & Property				315	307	0	622	340	702	80		

Page 76	2017/18 Approved Schemes			Original Completion Date	Expected Completion Date	Project RAG Status	2017/18 Original Budget	2016/17 Slippage	2017/18 Amendments	2017/18 Revised Budget	2017/18 Total spend + commitment to Date	2017/18 Forecast Outturn	Variance between Forecast Outturn & Revised Budget	Outturn RAG Status	COMMENTS
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Head of Shared Business & Technology Services															
							0								
Replacement Infrastructure	RP	RP		35	40	375	450	71	271	(179)	AMBER	SHARED SCHEME w/Stevenage BC Implementation of new data centre hardware to improve performance and resilience in preparation for an increased reliance on technology. Additional funding to enable capitalisation of salaries, allowing recruitment of agency staff to support Business As Usual. Will need to slip £180k as this will be needed to refresh the hardware associated with the desktop environment. Before making this spend, a review needs to be taken place on how to deliver this service to ensure it's fit for purpose going forward - particularly thinking about a more mobile workforce and needs associated with the new building. Further £200k to be spent this year on UPS devices, new backup hardware & new server storage hardware			
New HR & Payroll System		Jul-17		0	22	41	63	15	63	0	GREEN	SHARED SCHEME w/Stevenage BC Core HR and Payroll went live in Apr-17. Additional modules and reporting services are now being implemented with 3rd party support.			
New Finance System		Jan-18		125	110		235	196	235	0	GREEN	Implementation now underway, with target completion of Jan-18			
New Asset Management System	Sep-16	Mar-18	RED	0	14		14	10	14	0	GREEN	System is the next in line for implementation following the upgrade of Uniform to v10. Ongoing implementation due for completion in 2017/18.			
Client Equipment	RP	RP		0		20	20	0	20	0	GREEN	Budget used to service new and replacement equipment needs identified within year.			
Audio & Visual Equipment Council Chamber Wallfields				0	5	5	10	9	10	0	GREEN	Alternative solution identified			
Audio & Visual Equipment Hertford Theatre				0			0	0	0	0	GREEN	Scheme was scheduled for completion in 2016/17, small overspend this year			
Exchange 2013				0	39	15	54	26	54	0	GREEN	SHARED SCHEME w/Stevenage BC Migration to an updated email platform that is shared with SBC. Additional funding to enable capitalisation of salaries, allowing recruitment of agency staff to support Business As Usual.			
ICON: Migration to be Hosted				0	11		11	2	11	0	GREEN	Drawn down from rolling programme			
Telephony Enhancements	Sep-17	Sep-17		0		75	75	6	75	0	GREEN	SHARED SCHEME w/Stevenage BC Project to relocate and upgrade the Mitel phone system. Includes moving to a new SIP provider. Additional funding to enable capitalisation of salaries, allowing recruitment of agency staff to support Business As Usual.			
Cyber Security	Mar-18	Mar-18		0		95	95	0	95	0	GREEN	SHARED SCHEME w/Stevenage BC A number of our existing security solutions need to be revisited to ensure our Cyber Risks are being effectively mitigated. Additional funding to enable capitalisation of salaries, allowing recruitment of agency staff to support Business As Usual.			
Revenues and Benefits Mobile Working						12	12	15	15	3	AMBER	Implementation of mobile working solution included in the Capita contract.			
Land Charges Textual Data						20	20	0	20	0	GREEN	Improve data quality to enable efficiencies through search automation. Drawn down from RP			
Rolling programme to be utilised on ICT projects subject to ITSG review	RP	RP		380	417	(658)	139	0	139	0	GREEN	Remaining £139k funding to be used to support deliver of Digital East Herts programme			
Total Shared Business & Technology Services							540	658	0	1,198	350	1,022	(176)		

2017/18 Approved Schemes	Original Completion Date	Expected Completion Date	Project RAG Status	2017/18 Original Budget	2016/17 Slippage	2017/18 Amendments	2017/18 Revised Budget	2017/18 Total spend + commitment to Date	2017/18 Forecast Outturn	Variance between Forecast Outturn & Revised Budget	Outturn RAG Status	COMMENTS
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Head of Operations												
Car Park Management System - To implement a cost effective car park management system for the Council to manage its car parks for the next 10 years	Sep-16	Apr-17	RED	0	34		34	37	52	18	RED	5% retention still likely to be paid, however, due to poor contractor performance in a number of areas, this decision has yet to be made. Legitimate recharge of 50% of relevant capital and revenue costs in Jackson Square MSCP to the landlord will eliminate the current overspend.
Waytemore Castle, Bishops Stortford - Open space improvements and historical conservation work	Sep-20			169			169		169	0	GREEN	We are on target with this project and are currently completing the procurement process for the main contracts which we should be awarding this month. The new community engagement officer is in post and the stakeholder meetings are ongoing. HLF satisfied with progress report, all major contracts are now tendered. Consultation with the public
Refurbishment of Hertford Theatre Café/Bar												
The layout, design and equipment provision is in need of upgrade in order to meet the needs of our customers and maximise the potential for revenue generation	Sep-16	Aug-17	RED		18		18	24	24	6	AMBER	Completed during summer closure
Hertford Theatre replacement of 6 lighting hoists								0	0		GREEN	Old year invoice
Bell Street, Sawbridgeworth - Modernise the public convenience facilities, in preparation for transferring the operation to Sawbridgeworth Town Council under an agency agreement	Sep-15	2017/18	RED	67			67	0	67	0	GREEN	Various meetings held with Sawbridgeworth Town Council & HOS to discuss future proposals. Project may go ahead during 2017/18.
Hartham Pavilion Refurbishment - Replace public toilets, redevelop existing café area, create functional changing area for footballers & incorporate meeting/training room. (Note 2)	Dec-15	Feb-17	RED				0	0	0	0	GREEN	Old year invoice still o/s
Play Area Grange Paddocks, B/S - Install new play area, to include new activity equipment & surfacing. New footpath & installation of new seating. (Note 6)	Mar-17	Mar-17					0	0	0	0	GREEN	Completed, 5% retention fee to be paid.
Hertford & Beyond				30			30	19	30	0	GREEN	Hertford and Beyond - creation of walking routes emanating from Hertford Town centre providing health and well being opportunities. Will include waymarked routes supported by interpretation boards, maps and leaflets and footpath improvements in EHC parks. Follows on from the success of Southern Country Park and Beyond. CMS are applying for external funding to support the project
Play Equipment - Rowleys Road, Hertford				20			20	0	20	0	GREEN	Refurbishment of equipment in response to previous play audit.
Woodland restoration at Presdales Recreation Ground, Ware - Installation of a circular walk, car park improvements & woodland restoration. (Note 3)		Mar-18		85			85	0	85	0	GREEN	This is in the programme to be completed by end of financial year 17/18
Hartham Common, Hertford - Potential projects include development of water play area, improvements to car parking & pedestrian access (Note 8)				25			25	0	25	0	GREEN	This project is to be delayed & reviewed in 2017/18 pending decisions on plans for the leisure centre. The play area revamp is still an important improvement but may benefit from being considered as part of a larger project. A draft brief has been created & is ready to modify in line with any new objectives.
Pishiobury Park, Sawbridgeworth - Wetland Habitat Project - improvements to boardwalk/paths permitting safe access to the wetland area of the park	Mar-13	Oct-17	RED		12		12	0	12	0	GREEN	Agreement with fishing club has now been found. Bat, ecological and tree surveys completed. Project design is complete and EA approval has been applied for. Stakeholders are on board and works are planned through October to January.
Energy Efficiency & Carbon Reduction Measures - Installation of solar panels at Wallfields, Hertford	Mar-12	2017/18	RED		45		45	0	45	0	GREEN	Project awaiting programming within property work plan but it is currently anticipated that the project can be completed this financial year.

KEY: Project RAG status: Green – on schedule; Amber – 1-3 months delay; Red – over 3 months delay

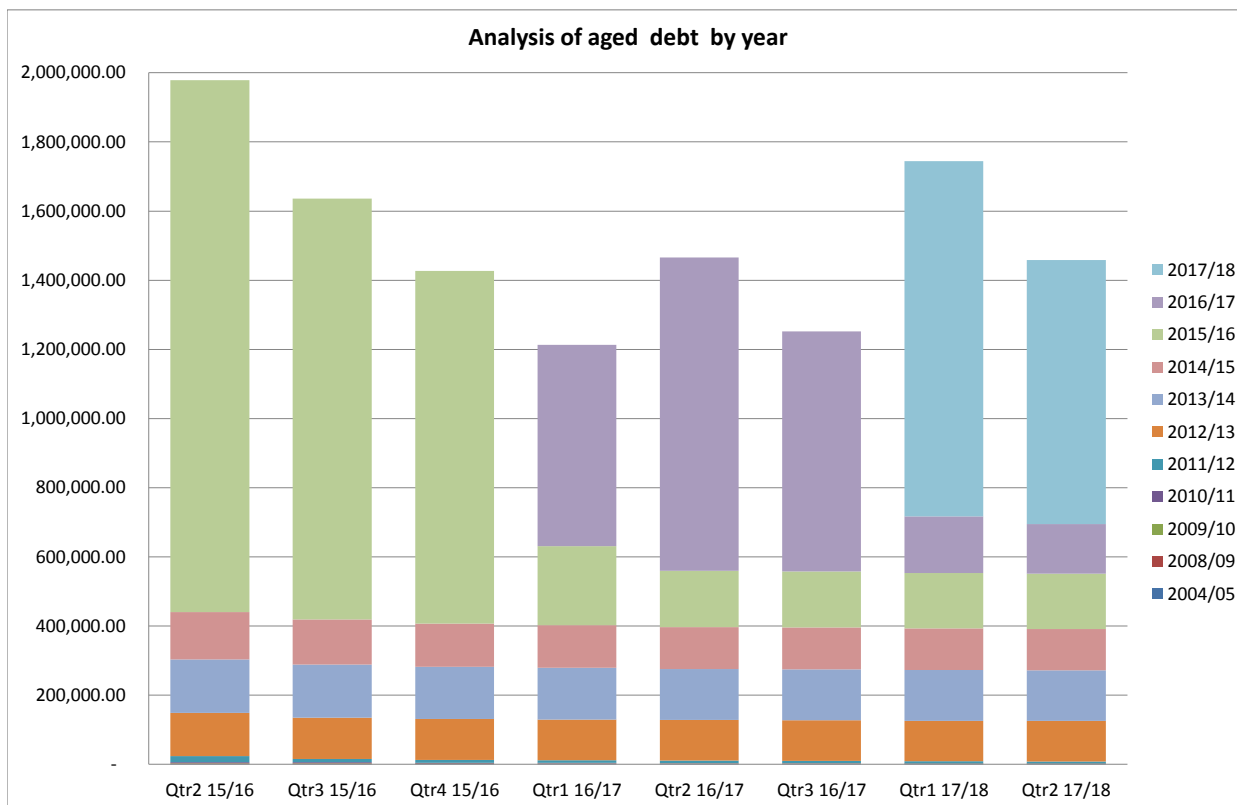
KEY: Outturn RAG status: Green – up to 10% variance; Amber – 10-50% variance; Red – over 50% variance

Page 78 2017/18 Approved Schemes	Original Completion Date	Expected Completion Date	Project RAG Status	2017/18 Original Budget	2016/17 Slippage	2017/18 Amendments	2017/18 Revised Budget	2017/18 Total spend + commitment to Date	2017/18 Forecast Outturn	Variance between Forecast Outturn & Revised Budget	Outturn RAG Status	COMMENTS
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Castle Weir Micro Hydro Scheme - To provide a small Hydro-electricity turbine in the river Lee at Hertford Weir. This is an invest to save project and will generate electricity providing power for Hertford Theatre and for sale to the Grid. The scheme is subject to a rigorous approval process by the Environment Agency for flood risk and protection of biodiversity.	Mar-12	2018/19	RED	201			201	0	12	(189)	RED	Health and Housing are taking opportunity to undertake a wider business case review to determine if it is possible for this and future flood modelling analysis work to be undertaken in-house which may also achieve revenue generating opportunities if it proves possible to offer a wider external service. A range of modelling software is being examined. Hydro project will form a significant part of the initial in-house modelling and once software/ staff training undertaken, hydro modelling can be completed. After modelling complete, it will be submitted to Env Agency for draft approval. Officers are hopeful that scheme delivery will move forward this year, official consents permitting, although scheme will not be completed this financial year. Periodic meetings with local ward members to update them on progress continue to be held.
Energy Grants	RP	RP		20	58		78	0	20	(58)	RED	We have a Member Task and Finish Group taking place which will consider home energy measures with a report to Overview Scrutiny on 12 December where it is the intention to take a report on new grant proposals - these will be for considerably more expensive measures which would then utilise the budget. However, clearly once approved it only gives us 3 months to spend so will be tight for this year , but very much dependent on what members agree.
								0				
Total Head of Operations				617	167	0	784	80	561	(223)		

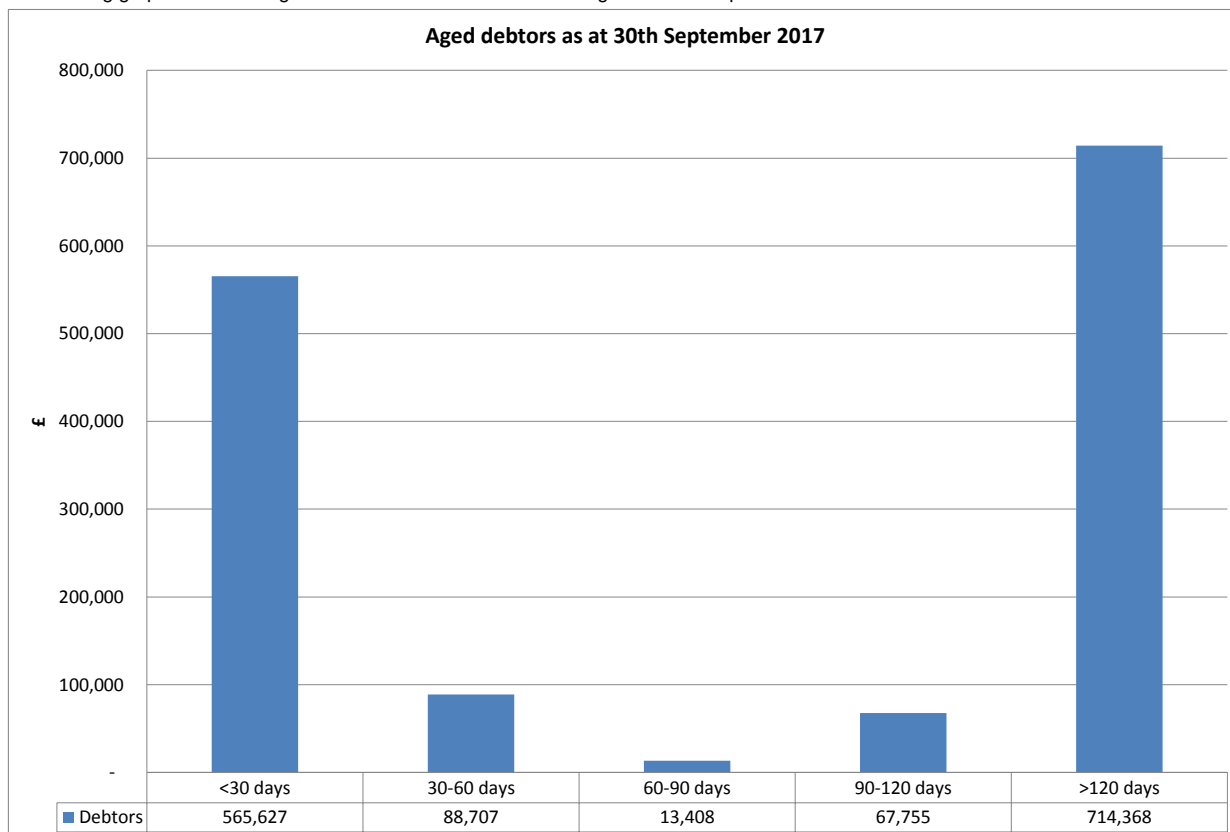
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				£'000	£'000	£'000	£'000	£'000	£'000	£'000		
										(0)		
Head of Housing & Health												
Community Capital grants - to provide the right tools for people to get involved with projects that improve facilities such as green spaces or community buildings – inspiring ownership and pride.	RP	RP		125			125	13	56	(69)	RED	3 outstanding grant commitments remaining (1 from 15/16 and 2 from 16/17); these will be claimed by end of Dec 2017. Note: spending this budget is always dependant on successful applicants being able to complete their project within the 1 year time frame. 15 applications for capital funding were received by 2 Oct and the fund was oversubscribed. Next round closes 22 Dec.
Future Social Housing Schemes				821			821	0	0	(821)	RED	No current commitments. First priority is to spend S106 sums which have been collected for affordable housing.
Gladstone Road, Ware (Network Homes)				39			39	0	39	0	GREEN	Grant to be paid to Network Homes - fully funded from S106 commuted sum. To build 10 affordable housing units. Scheme should be completed by early 2018. 50% paid when work commenced on site & 50% on completion.
Private Sector Improvement Grants												
Disabled Facilities	RP	RP		530	215		745	246	745	0	GREEN	Work underway on new HIA with planned "go live" in October 2017. The referral rate is projected to increase as a result of the new HIA for this year and subsequent years. In addition alternative projects are being looked at for spending increase in BCF allocation. All funding is to be transferred to the new HIA and East Herts will monitor spend.
Disabled Facilities - Discretionary	RP	RP		60			60	0	15	(45)	RED	We are profiling an increase in the number of DFGs because of the new HIA, however likely spend this year is projected to be lower than subsequent years. This money will remain with East Herts after the HIA is up and running.
Decent Home Grants	RP	RP		120			120	3	120	0	GREEN	Assistance policy is being reviewed, to increase the scope of works that the money can be spent on. It is too early to profile this budget, once the new policy is agreed, we will have a better understanding of likely spend.
Capital Salaries	RP	RP		26			26	0	26	0	GREEN	
River & Watercourse Structures - Improve, maintain & renew structures along rivers and watercourses to alleviate possible flooding throughout the district.	RP	RP		48	39		87	49	87	0	GREEN	Programme of works underway.
Land Management Programme - Land Management Asset Register & Associated Works	RP	RP		50			50	0	50	0	GREEN	Programme of works underway.
							0	0				
Total Housing & Health				1,819	254	0	2,073	311	1,138	(935)		

Page 80 2017/18 Approved Schemes	Original Completion Date	Expected Completion Date	Project RAG Status	2017/18 Original Budget	2016/17 Slippage	2017/18 Amendments	2017/18 Revised Budget	2017/18 Total spend + commitment to Date	2017/18 Forecast Outturn	Variance between Forecast Outturn & Revised Budget	Outturn RAG Status	COMMENTS
				£'000	£'000	£'000	£'000	£'000	£'000	£'000		
							0					
Head of Planning												
Historic Building Grants - Enable grants to be offered to the owners of historic buildings to encourage their maintenance and upkeep.	RP	RP		55	(3)		52	27	52	0	GREEN	Claimants have 6 months from grant offer date to complete works. Maximum payment now £2,000. However, if a grant is approved for a property on the Buildings at Risk Register, maximum payment will be £10,000.
Improvements to The Wash, Maidenhead Street & Bull Plain, Hertford					476		476	153	169	(307)	RED	The procurement phase for this project is not scheduled to be complete until end March '18 so the remaining £306k in the budget, that has not currently been committed, will not be spent until 18/19.
Market Improvement Scheme		2017/18		42			42	0	42	0	GREEN	Options appraisal for markets went to Community Scrutiny March 2017 - preferred option was to work with town councils to transfer the management of markets service subject to formal Members approval. Now to be included as part of wider HUDS (Herts Urban Design Scheme)
Total Planning				97	473	0	570	180	263	(307)		
Head of Communications, Strategy & Policy												
Device Responsive Template - Revised website templates including new navigation, enhanced accessibility and device responsiveness	Sep-16	Sep-17	RED		12		12	0	0	(12)	RED	It is unlikely we will spend the £11k capital for website templates. Reality is that we are looking at smaller pieces of work to support the on-going development of the w/site which would total £10k but likely to be composed of smaller transactions of <£5k.
Environmental Enhancements to East Herts town centres	Not known		RED		28		28	0	28	0	GREEN	This scheme was expected to complete last year but there have been delays in the delivery of the Tudor Square project by Ware Town Council. Further delays encountered, including delays relating to challenges from Herts Highways on the proposals, which the Town Council are addressing. No delivery date as of yet.
Total Communications, Strategy & Policy				0	40	0	40	0	28	(12)		

The following graph shows the Council's aged debt by year that the debt was raised. This position is shown for the most recent period and the preceding 7 periods. The debt outstanding as at 30th September 2017 is £1.45m



The following graph shows the age of the £1.45m of debts outstanding as at 30th September 2017



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Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note
Directorate Improve the health & wellbeing of our communities						
Service: Health & Housing						
MEHPI 132 % of full applications for Disabled Facilities Grant approved within 7 weeks.		100%	95%		<p>MEHPI 132 % of full applications for Disabled Facilities Grant approved within 7 weeks.</p>	2017/2018 Qtr 2 - Target exceeded. 100% of housing grant applications processed within target times. This represents 20 approved in target times since April 2017.
QEHPI 140 Number of over 50s participating in 'Forever Active' programme.		716	648	Cumulative Figure	<p>QEHPI 140 Number of over 50s participating in 'Forever Active' programme (Cumulative figure)</p>	Provisional results indicate 187 new people have signed up during this quarter; however as per previous quarters notes, this is reported in calendar year and figures are collected from Sports England half yearly so our initial figure is an estimated figure at this stage. On course to exceed our annual target comfortably
QEHPI 141 East Herts residents & East Herts Council employees registered with Team Herts Volunteering scheme		78	50	Cumulative Figure	<p>QEHPI 141 East Herts residents & East Herts Council employees registered with Team Herts Volunteering scheme</p>	78 individuals signed up, including those signed up for the volunteering newsletter

Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note																				
QEHPI 151 Number of homeless households living in temporary accommodation at the end of the quarter.	trend only	19	none set	↑	<p>QEHPI 151 Number of homeless households living in temporary accommodation at the end of the quarter.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Value</th> </tr> </thead> <tbody> <tr><td>Q1 2016/17</td><td>23</td></tr> <tr><td>Q2 2016/17</td><td>21</td></tr> <tr><td>Q3 2016/17</td><td>10</td></tr> <tr><td>Q4 2016/17</td><td>14</td></tr> <tr><td>Q1 2017/18</td><td>18</td></tr> <tr><td>Q2 2017/18</td><td>19</td></tr> <tr><td>Q3 2017/18</td><td>19</td></tr> <tr><td>Q4 2017/18</td><td>19</td></tr> <tr><td>Q1 2018/19</td><td>19</td></tr> </tbody> </table>	Quarter	Value	Q1 2016/17	23	Q2 2016/17	21	Q3 2016/17	10	Q4 2016/17	14	Q1 2017/18	18	Q2 2017/18	19	Q3 2017/18	19	Q4 2017/18	19	Q1 2018/19	19	<p>At the end of September 2017 the council had 19 households in temporary accommodation . The council owned temporary accommodation hostel had 11 out of 12 flats occupied. One household was in B&B as they were unsuitable for the hostel. Five households were in temporary supported accommodation and two were in longer term private leased self contained accommodation. This remains a low number in temporary accommodation despite an increase in this quarter</p>
Quarter	Value																									
Q1 2016/17	23																									
Q2 2016/17	21																									
Q3 2016/17	10																									
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QEHPI 150 Number of prevented homeless applications		119	100	Cumulative Figure	<p>QEHPI 150 Number of prevented homeless applications</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Value</th> </tr> </thead> <tbody> <tr><td>Q1 2016/17</td><td>61</td></tr> <tr><td>Q2 2016/17</td><td>50</td></tr> <tr><td>Q3 2016/17</td><td>96</td></tr> <tr><td>Q4 2016/17</td><td>84</td></tr> <tr><td>Q1 2017/18</td><td>65</td></tr> <tr><td>Q2 2017/18</td><td>119</td></tr> <tr><td>Q3 2017/18</td><td>119</td></tr> <tr><td>Q4 2017/18</td><td>119</td></tr> <tr><td>Q1 2018/19</td><td>119</td></tr> </tbody> </table>	Quarter	Value	Q1 2016/17	61	Q2 2016/17	50	Q3 2016/17	96	Q4 2016/17	84	Q1 2017/18	65	Q2 2017/18	119	Q3 2017/18	119	Q4 2017/18	119	Q1 2018/19	119	<p>In the second quarter the council prevented 54 households becoming homeless. This was by a variety of housing options: by the provision of housing advice to relieve homelessness or securing alternative accommodation through an offer of accommodation following an application to the council's housing register, or following a referral to supported accommodation or actively assisting applicants secure accommodation through the private sector with the council's rent deposit offer.</p>
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Q3 2016/17	96																									
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Service: Revs & Bens

Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note																																																				
MEHPI 181 Time taken to process Housing Benefit new claims and change events.		10.84 days	12.00 days	↓	<p>MEHPI 181 Time taken to process Housing Benefit new claims and change events.</p> <table border="1"> <caption>MEHPI 181 Time taken to process Housing Benefit new claims and change events (Days)</caption> <thead> <tr><th>Month</th><th>Value</th></tr> </thead> <tbody> <tr><td>April 2016</td><td>3.41 days</td></tr> <tr><td>May 2016</td><td>5.84 days</td></tr> <tr><td>June 2016</td><td>6.64 days</td></tr> <tr><td>July 2016</td><td>7.43 days</td></tr> <tr><td>August 2016</td><td>7.97 days</td></tr> <tr><td>September 2016</td><td>8.27 days</td></tr> <tr><td>October 2016</td><td>8.55 days</td></tr> <tr><td>November 2016</td><td>8.46 days</td></tr> <tr><td>December 2016</td><td>8.52 days</td></tr> <tr><td>January 2017</td><td>8.44 days</td></tr> <tr><td>February 2017</td><td>7.85 days</td></tr> <tr><td>March 2017</td><td>8.15 days</td></tr> <tr><td>April 2017</td><td>10.07 days</td></tr> <tr><td>May 2017</td><td>12.44 days</td></tr> <tr><td>June 2017</td><td>11.50 days</td></tr> <tr><td>July 2017</td><td>11.50 days</td></tr> <tr><td>August 2017</td><td>10.82 days</td></tr> <tr><td>September 2017</td><td>10.82 days</td></tr> <tr><td>October 2017</td><td>10.84 days</td></tr> <tr><td>November 2017</td><td>10.84 days</td></tr> <tr><td>December 2017</td><td>10.84 days</td></tr> <tr><td>January 2018</td><td>10.84 days</td></tr> <tr><td>February 2018</td><td>10.84 days</td></tr> <tr><td>March 2018</td><td>10.84 days</td></tr> <tr><td>April 2018</td><td>10.84 days</td></tr> </tbody> </table>	Month	Value	April 2016	3.41 days	May 2016	5.84 days	June 2016	6.64 days	July 2016	7.43 days	August 2016	7.97 days	September 2016	8.27 days	October 2016	8.55 days	November 2016	8.46 days	December 2016	8.52 days	January 2017	8.44 days	February 2017	7.85 days	March 2017	8.15 days	April 2017	10.07 days	May 2017	12.44 days	June 2017	11.50 days	July 2017	11.50 days	August 2017	10.82 days	September 2017	10.82 days	October 2017	10.84 days	November 2017	10.84 days	December 2017	10.84 days	January 2018	10.84 days	February 2018	10.84 days	March 2018	10.84 days	April 2018	10.84 days	Current Figures are well within targets
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MEHPI 5.13a % Good Satisfaction (GovMetric) - Face to Face.		83%	80%	↑	<p>MEHPI 5.13a % Good Satisfaction (GovMetric) - Face to Face.</p> <table border="1"> <caption>MEHPI 5.13a % Good Satisfaction (GovMetric) - Face to Face (%)</caption> <thead> <tr><th>Month</th><th>Value</th></tr> </thead> <tbody> <tr><td>April 2016</td><td>81%</td></tr> <tr><td>May 2016</td><td>82%</td></tr> <tr><td>June 2016</td><td>81%</td></tr> <tr><td>July 2016</td><td>84%</td></tr> <tr><td>August 2016</td><td>80%</td></tr> <tr><td>September 2016</td><td>85%</td></tr> <tr><td>October 2016</td><td>87%</td></tr> <tr><td>November 2016</td><td>87%</td></tr> <tr><td>December 2016</td><td>83%</td></tr> <tr><td>January 2017</td><td>87%</td></tr> <tr><td>February 2017</td><td>79%</td></tr> <tr><td>March 2017</td><td>82%</td></tr> <tr><td>April 2017</td><td>81%</td></tr> <tr><td>May 2017</td><td>81%</td></tr> <tr><td>June 2017</td><td>84%</td></tr> <tr><td>July 2017</td><td>88%</td></tr> <tr><td>August 2017</td><td>88%</td></tr> <tr><td>September 2017</td><td>83%</td></tr> <tr><td>October 2017</td><td>83%</td></tr> <tr><td>November 2017</td><td>83%</td></tr> <tr><td>December 2017</td><td>83%</td></tr> <tr><td>January 2018</td><td>83%</td></tr> <tr><td>February 2018</td><td>83%</td></tr> <tr><td>March 2018</td><td>83%</td></tr> <tr><td>April 2018</td><td>83%</td></tr> </tbody> </table>	Month	Value	April 2016	81%	May 2016	82%	June 2016	81%	July 2016	84%	August 2016	80%	September 2016	85%	October 2016	87%	November 2016	87%	December 2016	83%	January 2017	87%	February 2017	79%	March 2017	82%	April 2017	81%	May 2017	81%	June 2017	84%	July 2017	88%	August 2017	88%	September 2017	83%	October 2017	83%	November 2017	83%	December 2017	83%	January 2018	83%	February 2018	83%	March 2018	83%	April 2018	83%	169 of 204 gave a 'good' score during Q2, giving a score of 83%. A further 5% gave a neutral score with only 12% providing a negative score
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Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note
MEHPI 5.13b % Good Satisfaction (GovMetric) - Telephone.		67%	90%	N/A		<p>The telephone script was altered which resulted in more customers being made aware of the Survey at the end of the call. As part of this change, there was a great deal of testing and this included testing the scenarios for Good, average and Poor scores.</p> <p>Therefore, this months scores cannot be relied upon. From next month, scores will be accurate and reflect our customers.</p>
MEHPI 5.13c % Good Satisfaction (GovMetric) - Website.		45%	35%	↑		<p>38 of 54 gave a 'good' score during Q2, giving a score of 45%. A further 5% gave a neutral score with 50% providing a negative score.</p>

Directorate Enhance the quality of people's lives

Service: Health & Housing

Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note
HEHPI 148 Number of applicants on the housing register broken down by demand for property sizes.	trend only	2,048	N/A	new indicator	<p>HEHPI 148 Number of applicants on the housing register broken down by demand for property sizes.</p>	There are currently 2,048 households on the Housing Register. This is broken down by property size needed as follows: 1 bed need - 1,074; 2 bed need - 649; 3 bed need - 266; 4+ bed need - 59. The total household figure is up very slightly from the 2,026 households on 1 April 2017.
QEHPI 149c% of Affordable homes delivered on section 106 developments in Towns against an annual 40% cumulative Planning Policy target	trend only	32%	N/A	↓	<p>QEHPI 149c % of Affordable homes delivered on section 106 developments in Towns against a 40% cumulative Planning Policy target</p>	So far this year, two sites have been delivered with the 40% target, with the third being delivered at 27%. This scheme was agreed at below 40% as it was designated an enabling site for Hertford Regional College redevelopment of their Ware campus. The cumulative % of affordable homes achieved is therefore 32% at this stage
QEHPI 149d % of Affordable homes delivered on section 106 developments in Villages		0%	0%	■	<p>QEHPI 149d % of Affordable homes delivered on section 106 developments in Villages</p>	No village affordable homes were handed over or due to be handed over in this quarter or the previous quarter. This was expected and was reflected in the targets. This target may be considered in the same way as 149c going forward and will depend on if key schemes are built within the next two quarters.

Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note																																								
QEHPI 155 Number of affordable homes delivered (gross)		51	47	cumulative Figure	<p>QEHPI 155 Number of affordable homes delivered (gross)</p> <table border="1"> <caption>Data for QEHPI 155 Trend Chart</caption> <thead> <tr> <th>Quarter</th> <th>Actual</th> <th>Target</th> <th>Forecast</th> </tr> </thead> <tbody> <tr><td>Q1 2016/17</td><td>0</td><td>0</td><td>0</td></tr> <tr><td>Q2 2016/17</td><td>0</td><td>0</td><td>0</td></tr> <tr><td>Q3 2016/17</td><td>0</td><td>0</td><td>0</td></tr> <tr><td>Q4 2016/17</td><td>0</td><td>0</td><td>0</td></tr> <tr><td>Q1 2017/18</td><td>15</td><td>15</td><td>15</td></tr> <tr><td>Q2 2017/18</td><td>15</td><td>25</td><td>25</td></tr> <tr><td>Q3 2017/18</td><td>25</td><td>45</td><td>45</td></tr> <tr><td>Q4 2017/18</td><td>45</td><td>75</td><td>75</td></tr> <tr><td>Q1 2018/19</td><td>51</td><td>115</td><td>115</td></tr> </tbody> </table>	Quarter	Actual	Target	Forecast	Q1 2016/17	0	0	0	Q2 2016/17	0	0	0	Q3 2016/17	0	0	0	Q4 2016/17	0	0	0	Q1 2017/18	15	15	15	Q2 2017/18	15	25	25	Q3 2017/18	25	45	45	Q4 2017/18	45	75	75	Q1 2018/19	51	115	115	A total of 51 new affordable homes were delivered in the first and second quarters of 2017/18. There were 41 affordable rented homes, nominated to applicants on the council's housing register, and 10 shared ownership homes. The primary source of new affordable homes for 2017/18 is through Section 106 agreements between the council, developers and housing associations. The schemes with affordable homes are monitored, with our partner housing associations, by the council's housing team.
Quarter	Actual	Target	Forecast																																											
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Q2 2016/17	0	0	0																																											
Q3 2016/17	0	0	0																																											
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Q1 2017/18	15	15	15																																											
Q2 2017/18	15	25	25																																											
Q3 2017/18	25	45	45																																											
Q4 2017/18	45	75	75																																											
Q1 2018/19	51	115	115																																											
QEHPI 64 Number of private sector vacant dwellings that are returned into occupation or demolished (Cumulative figure)		9	7	cumulative Figure	<p>QEHPI 64 Number of private sector vacant dwellings that are returned into occupation or demolished (Cumulative over year)</p> <table border="1"> <caption>Data for QEHPI 64 Trend Chart</caption> <thead> <tr> <th>Quarter</th> <th>Actual</th> <th>Target</th> <th>Forecast</th> </tr> </thead> <tbody> <tr><td>Q1 2016/17</td><td>0</td><td>0</td><td>0</td></tr> <tr><td>Q2 2016/17</td><td>0</td><td>0</td><td>0</td></tr> <tr><td>Q3 2016/17</td><td>0</td><td>0</td><td>0</td></tr> <tr><td>Q4 2016/17</td><td>0</td><td>0</td><td>0</td></tr> <tr><td>Q1 2017/18</td><td>0</td><td>3</td><td>3</td></tr> <tr><td>Q2 2017/18</td><td>9</td><td>12</td><td>12</td></tr> <tr><td>Q3 2017/18</td><td>9</td><td>12</td><td>12</td></tr> <tr><td>Q4 2017/18</td><td>9</td><td>12</td><td>12</td></tr> <tr><td>Q1 2018/19</td><td>9</td><td>12</td><td>12</td></tr> </tbody> </table>	Quarter	Actual	Target	Forecast	Q1 2016/17	0	0	0	Q2 2016/17	0	0	0	Q3 2016/17	0	0	0	Q4 2016/17	0	0	0	Q1 2017/18	0	3	3	Q2 2017/18	9	12	12	Q3 2017/18	9	12	12	Q4 2017/18	9	12	12	Q1 2018/19	9	12	12	Nine private sector properties have been returned to use since April 2017, of which three had been vacant for over five years, following an intervention from the council. The post of Empty Homes Officer is currently vacant and will be advertised shortly. All these 9 were achieved during Q2 after 0 in Q1
Quarter	Actual	Target	Forecast																																											
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Service: Planning & Building Control

Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note
MEHPI 157a % Processing of planning applications dealt with in timely manner - Major applications (Majors under 13 weeks).		60.00%	60.00%	N/A	<p>MEHPI 157a % Processing of planning applications dealt with in timely manner - Major applications (Majors under 13 weeks)</p>	There were 3 out of 5 applications dealt with within a timely manner. There were no major applications in August to compare with
MEHPI 157b % Processing of planning applications dealt with in timely manner- Minor applications (Minors under 8 weeks).		80.00%	80.00%	↓	<p>MEHPI 157b % Processing of planning applications dealt with in timely manner- Minor applications (Minors under 8 weeks).</p>	Figures fell on the previous month but had shown an improvement from June and July. 35 out of 44 applications

Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note
MEHPI 157c % Processing of planning applications dealt with in timely manner- Other applications (Others under 8 weeks).		91.00%	90.00%	↑	<p>MEHPI 157c % Processing of planning applications dealt with in timely manner- Other applications (Others under 8 weeks).</p>	118 out of 130
MEHPI 205 % of site visits undertaken in relation to urgent cases within 2 workings days of 'start date'.	N/A	N/A	100%	N/A	<p>MEHPI 205 % of site visits undertaken in relation to urgent cases within 2 workings days of 'start date'.</p>	There have been no site visits in relation to urgent cases within the last 2 months

Service: Operations

Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note																																																				
MEHPI 191 Residual household waste per household.	trend only	194 kg	none set	Cumulative Figure	<p>MEHPI 191 Residual household waste per household.</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Value (kg)</th> </tr> </thead> <tbody> <tr><td>April 2016</td><td>41 kg</td></tr> <tr><td>May 2016</td><td>78 kg</td></tr> <tr><td>June 2016</td><td>112 kg</td></tr> <tr><td>July 2016</td><td>147 kg</td></tr> <tr><td>August 2016</td><td>179 kg</td></tr> <tr><td>September 2016</td><td>220 kg</td></tr> <tr><td>October 2016</td><td>258 kg</td></tr> <tr><td>November 2016</td><td>295 kg</td></tr> <tr><td>December 2016</td><td>328 kg</td></tr> <tr><td>January 2017</td><td>368 kg</td></tr> <tr><td>February 2017</td><td>400 kg</td></tr> <tr><td>March 2017</td><td>435 kg</td></tr> <tr><td>April 2017</td><td>41 kg</td></tr> <tr><td>May 2017</td><td>73 kg</td></tr> <tr><td>June 2017</td><td>114 kg</td></tr> <tr><td>July 2017</td><td>144 kg</td></tr> <tr><td>August 2017</td><td>194 kg</td></tr> <tr><td>September 2017</td><td>194 kg</td></tr> <tr><td>October 2017</td><td>228 kg</td></tr> <tr><td>November 2017</td><td>228 kg</td></tr> <tr><td>December 2017</td><td>228 kg</td></tr> <tr><td>January 2018</td><td>228 kg</td></tr> <tr><td>February 2018</td><td>228 kg</td></tr> <tr><td>March 2018</td><td>228 kg</td></tr> <tr><td>April 2018</td><td>228 kg</td></tr> </tbody> </table>	Month	Value (kg)	April 2016	41 kg	May 2016	78 kg	June 2016	112 kg	July 2016	147 kg	August 2016	179 kg	September 2016	220 kg	October 2016	258 kg	November 2016	295 kg	December 2016	328 kg	January 2017	368 kg	February 2017	400 kg	March 2017	435 kg	April 2017	41 kg	May 2017	73 kg	June 2017	114 kg	July 2017	144 kg	August 2017	194 kg	September 2017	194 kg	October 2017	228 kg	November 2017	228 kg	December 2017	228 kg	January 2018	228 kg	February 2018	228 kg	March 2018	228 kg	April 2018	228 kg	<p>Kgs per property are greater than the same period last year by 6.44kgs (from April to September). This is remaining consistently higher each month as anticipated. Estimated annual figure of 451.76kgs which remains under the target of 475kgs.</p>
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MEHPI 192 % of household waste sent for reuse, recycling and composting.	trend only	52.60%	none set	<p>MEHPI 192 % of household waste sent for reuse, recycling and composting.</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Value (%)</th> </tr> </thead> <tbody> <tr><td>April 2016</td><td>50.87%</td></tr> <tr><td>May 2016</td><td>52.62%</td></tr> <tr><td>June 2016</td><td>54.17%</td></tr> <tr><td>July 2016</td><td>55.11%</td></tr> <tr><td>August 2016</td><td>55.11%</td></tr> <tr><td>September 2016</td><td>55.40%</td></tr> <tr><td>October 2016</td><td>50.25%</td></tr> <tr><td>November 2016</td><td>53.92%</td></tr> <tr><td>December 2016</td><td>52.87%</td></tr> <tr><td>January 2017</td><td>51.93%</td></tr> <tr><td>February 2017</td><td>51.77%</td></tr> <tr><td>March 2017</td><td>50.50%</td></tr> <tr><td>April 2017</td><td>50.50%</td></tr> <tr><td>May 2017</td><td>52.87%</td></tr> <tr><td>June 2017</td><td>52.70%</td></tr> <tr><td>July 2017</td><td>52.87%</td></tr> <tr><td>August 2017</td><td>52.70%</td></tr> <tr><td>September 2017</td><td>52.60%</td></tr> <tr><td>October 2017</td><td>52.60%</td></tr> <tr><td>November 2017</td><td>52.60%</td></tr> <tr><td>December 2017</td><td>52.60%</td></tr> <tr><td>January 2018</td><td>52.60%</td></tr> <tr><td>February 2018</td><td>52.60%</td></tr> <tr><td>March 2018</td><td>52.60%</td></tr> <tr><td>April 2018</td><td>52.60%</td></tr> </tbody> </table>	Month	Value (%)	April 2016	50.87%	May 2016	52.62%	June 2016	54.17%	July 2016	55.11%	August 2016	55.11%	September 2016	55.40%	October 2016	50.25%	November 2016	53.92%	December 2016	52.87%	January 2017	51.93%	February 2017	51.77%	March 2017	50.50%	April 2017	50.50%	May 2017	52.87%	June 2017	52.70%	July 2017	52.87%	August 2017	52.70%	September 2017	52.60%	October 2017	52.60%	November 2017	52.60%	December 2017	52.60%	January 2018	52.60%	February 2018	52.60%	March 2018	52.60%	April 2018	52.60%	<p>For September comingled recycling and paper tonnages are down on compared to September 2016. Composting however is up from 1283 tonnes in September 2016 to 1387 in September 2017. Residual waste is up from 1962 tonnes in September 2016 to 2071.75 tonnes in September 2017.</p>	
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MEHPI 2.2 Waste: missed collections per 100,000 collections of household.		31.15%	30	↑	<p>MEHPI 2.2 Waste: missed collections per 100,000 collections of household.</p> <table border="1"> <caption>MEHPI 2.2 Waste: missed collections per 100,000 collections of household</caption> <thead> <tr> <th>Month</th> <th>Value</th> </tr> </thead> <tbody> <tr><td>April 2016</td><td>26.02</td></tr> <tr><td>May 2016</td><td>27.02</td></tr> <tr><td>June 2016</td><td>25.06</td></tr> <tr><td>July 2016</td><td>24.06</td></tr> <tr><td>August 2016</td><td>24.89</td></tr> <tr><td>September 2016</td><td>26.05</td></tr> <tr><td>October 2016</td><td>26.78</td></tr> <tr><td>November 2016</td><td>34.94</td></tr> <tr><td>December 2016</td><td>26.78</td></tr> <tr><td>January 2017</td><td>29.59</td></tr> <tr><td>February 2017</td><td>38.47</td></tr> <tr><td>March 2017</td><td>21.17</td></tr> <tr><td>April 2017</td><td>37.07</td></tr> <tr><td>May 2017</td><td>33.88</td></tr> <tr><td>June 2017</td><td>25.95</td></tr> <tr><td>July 2017</td><td>40.98</td></tr> <tr><td>August 2017</td><td>34.93</td></tr> <tr><td>September 2017</td><td>29.49</td></tr> <tr><td>October 2017</td><td>31.15</td></tr> <tr><td>November 2017</td><td>29.49</td></tr> <tr><td>December 2017</td><td>33.48</td></tr> <tr><td>January 2018</td><td>31.15</td></tr> <tr><td>February 2018</td><td>31.15</td></tr> <tr><td>March 2018</td><td>31.15</td></tr> </tbody> </table>	Month	Value	April 2016	26.02	May 2016	27.02	June 2016	25.06	July 2016	24.06	August 2016	24.89	September 2016	26.05	October 2016	26.78	November 2016	34.94	December 2016	26.78	January 2017	29.59	February 2017	38.47	March 2017	21.17	April 2017	37.07	May 2017	33.88	June 2017	25.95	July 2017	40.98	August 2017	34.93	September 2017	29.49	October 2017	31.15	November 2017	29.49	December 2017	33.48	January 2018	31.15	February 2018	31.15	March 2018	31.15	Missed collections marginally missed target in September despite the improvement in August. This is still an improvement on previous months however. Refuse has the highest number of missed collections, the dry recycling next and garden waste the lowest.
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QEHPi 2.4 Fly-tips: Time taken for removal.		1.87 days	2.00 days	↑	<p>QEHPi 2.4 Fly-tips: Time taken for removal.</p> <table border="1"> <caption>QEHPi 2.4 Fly-tips: Time taken for removal</caption> <thead> <tr> <th>Quarter</th> <th>Value (days)</th> </tr> </thead> <tbody> <tr><td>Q1 2016/17</td><td>1.68</td></tr> <tr><td>Q2 2016/17</td><td>1.55</td></tr> <tr><td>Q3 2016/17</td><td>1.46</td></tr> <tr><td>Q4 2016/17</td><td>1.80</td></tr> <tr><td>Q1 2017/18</td><td>1.84</td></tr> <tr><td>Q2 2017/18</td><td>1.87</td></tr> <tr><td>Q3 2017/18</td><td>1.87</td></tr> <tr><td>Q4 2017/18</td><td>1.87</td></tr> </tbody> </table>	Quarter	Value (days)	Q1 2016/17	1.68	Q2 2016/17	1.55	Q3 2016/17	1.46	Q4 2016/17	1.80	Q1 2017/18	1.84	Q2 2017/18	1.87	Q3 2017/18	1.87	Q4 2017/18	1.87	Q2 performance is within target and an improvement on the previous quarter (268 fly tips removed in Q2 2017/18 compared to 298 in 2016/17)																																
Quarter	Value (days)																																																							
Q1 2016/17	1.68																																																							
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Q3 2017/18	1.87																																																							
Q4 2017/18	1.87																																																							

Directorate Enable a flourishing local economy

Service: Communications, Strategy & Policy

Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note														
<p>QEHPI 11a Number of active Businesses with their registered office in East Herts</p>	trend only	12,802	none set	↓	<p>QEHPI 11a Number of active Businesses with their registered office in East Herts</p> <table border="1"> <caption>QEHPI 11a Data</caption> <thead> <tr> <th>Quarter</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>11,460</td> </tr> <tr> <td>Q2 2016/17</td> <td>12,866</td> </tr> <tr> <td>Q3 2016/17</td> <td>13,160</td> </tr> <tr> <td>Q4 2016/17</td> <td>13,247</td> </tr> <tr> <td>Q1 2017/18</td> <td>13,098</td> </tr> <tr> <td>Q2 2017/18</td> <td>12,802</td> </tr> </tbody> </table>	Quarter	Value	Q1 2016/17	11,460	Q2 2016/17	12,866	Q3 2016/17	13,160	Q4 2016/17	13,247	Q1 2017/18	13,098	Q2 2017/18	12,802	<p>There has been a further decline in the number of active businesses with a registered office in East Herts and is a combination of lots of factors.</p> <p>These figures were provided by FAME, a business database, funded for 3 years by HCC. This agreement ended at the end of August with the last results provided on the 15th September. Purchasing this system ourselves is not viable so EH will look at alternative measures of how our local economy is progressing going forward.</p>
Quarter	Value																			
Q1 2016/17	11,460																			
Q2 2016/17	12,866																			
Q3 2016/17	13,160																			
Q4 2016/17	13,247																			
Q1 2017/18	13,098																			
Q2 2017/18	12,802																			
<p>QEHPI 11b Number of active Businesses with their registered office % and trading address in East Herts</p>	trend only	6,039	none set	↓	<p>QEHPI 11b Number of active Businesses with their registered office % and trading address in East Herts</p> <table border="1"> <caption>QEHPI 11b Data</caption> <thead> <tr> <th>Quarter</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>5,995</td> </tr> <tr> <td>Q2 2016/17</td> <td>6,126</td> </tr> <tr> <td>Q3 2016/17</td> <td>6,120</td> </tr> <tr> <td>Q4 2016/17</td> <td>6,039</td> </tr> </tbody> </table>	Quarter	Value	Q1 2016/17	5,995	Q2 2016/17	6,126	Q3 2016/17	6,120	Q4 2016/17	6,039	<p>There has been a further decline in the number of business registered in East Herts and trading since the last quarter. This indicator follows the same process as above and hence will cease for Q3</p>				
Quarter	Value																			
Q1 2016/17	5,995																			
Q2 2016/17	6,126																			
Q3 2016/17	6,120																			
Q4 2016/17	6,039																			

Service: Health & Housing

Essential Reference Paper E - Performance Analysis																
PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note										
QEHPI 184 % of food premises in the area which are broadly compliant with food hygiene law		95.00%	85.00%	↑	<p>QEHPI 184 % of food premises in the area which are broadly compliant with food hygiene law</p> <table border="1"> <caption>Performance Data Trend Chart Data</caption> <thead> <tr> <th>Quarter</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>Q3 2016/17</td> <td>93%</td> </tr> <tr> <td>Q4 2016/17</td> <td>94%</td> </tr> <tr> <td>Q1 2017/18</td> <td>94%</td> </tr> <tr> <td>Q2 2017/18</td> <td>95%</td> </tr> </tbody> </table>	Quarter	Performance (%)	Q3 2016/17	93%	Q4 2016/17	94%	Q1 2017/18	94%	Q2 2017/18	95%	2017/2018 Qtr 2 - Target exceeded. 95% of registered food businesses in East Herts are broadly compliant with food law; this represents 919 businesses.
Quarter	Performance (%)															
Q3 2016/17	93%															
Q4 2016/17	94%															
Q1 2017/18	94%															
Q2 2017/18	95%															
QEHPI 32 % of planned premises licencing enforcement visits due that were undertaken	N/A	N/A	80%	N/A	N/A	As per notes given in Qtr1, this PI has been discontinued as the methodology for visiting changed in April from routine schedule to a risk based / complaints based approach. Thus, planned premises enforcement visits were no longer a feature and in any case, providing a figure for this gave very little value or insight into the Council. The Council continues to monitor other licencing features and manage performance of this within Service.										
Directorate Supporting All Priorities																
Service: Revs & Bens																

Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note
MEHPI 10.2 Council tax collection, % of current year liability collected.		56.40%	56.00%	Cumulative Figure	<p>MEHPI 10.2 Council tax collection, % of current year liability collected.</p>	Target was 0.1% better than this period last year and was within target.
MEHPI 10.4 NNDR (Business rates) collection, % of current year liability collected.		56.40%	56.00%	Cumulative Figure	<p>MEHPI 10.4 NNDR (Business rates) collection, % of current year liability collected.</p>	Figures within target and much better year on year position (55.8%).
Service: Human Resources						

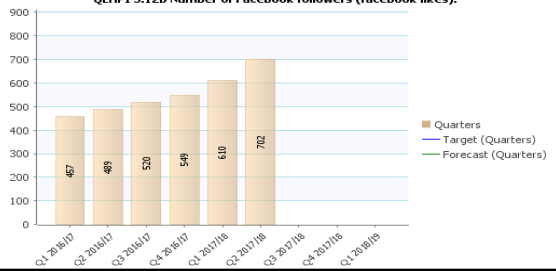
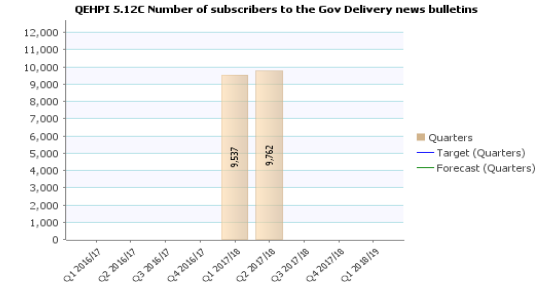
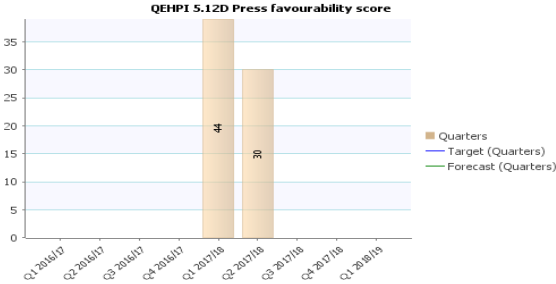
Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note																																																				
<p>LATEST FIGURE MARCH - MEHPI 12c Total number of sickness absence days per FTE staff in post</p>	<p>N/A</p>	<p>N/A</p>	<p>0.54 days</p>	<p>N/A</p>	<p>MEHPI 12c Total number of sickness absence days per FTE staff in post</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Value (days)</th> </tr> </thead> <tbody> <tr><td>April 2016</td><td>0.50</td></tr> <tr><td>May 2016</td><td>0.51</td></tr> <tr><td>June 2016</td><td>0.61</td></tr> <tr><td>July 2016</td><td>0.51</td></tr> <tr><td>August 2016</td><td>0.65</td></tr> <tr><td>September 2016</td><td>0.44</td></tr> <tr><td>October 2016</td><td>0.44</td></tr> <tr><td>November 2016</td><td>0.30</td></tr> <tr><td>December 2016</td><td>0.34</td></tr> <tr><td>January 2017</td><td>0.46</td></tr> <tr><td>February 2017</td><td>0.47</td></tr> <tr><td>March 2017</td><td>0.55</td></tr> <tr><td>April 2017</td><td>0.54</td></tr> <tr><td>May 2017</td><td>0.59</td></tr> <tr><td>June 2017</td><td>0.54</td></tr> <tr><td>July 2017</td><td>0.54</td></tr> <tr><td>August 2017</td><td>0.54</td></tr> <tr><td>September 2017</td><td>0.54</td></tr> <tr><td>October 2017</td><td>0.54</td></tr> <tr><td>November 2017</td><td>0.54</td></tr> <tr><td>December 2017</td><td>0.54</td></tr> <tr><td>January 2018</td><td>0.54</td></tr> <tr><td>February 2018</td><td>0.54</td></tr> <tr><td>March 2018</td><td>0.54</td></tr> <tr><td>April 2018</td><td>0.54</td></tr> </tbody> </table>	Month	Value (days)	April 2016	0.50	May 2016	0.51	June 2016	0.61	July 2016	0.51	August 2016	0.65	September 2016	0.44	October 2016	0.44	November 2016	0.30	December 2016	0.34	January 2017	0.46	February 2017	0.47	March 2017	0.55	April 2017	0.54	May 2017	0.59	June 2017	0.54	July 2017	0.54	August 2017	0.54	September 2017	0.54	October 2017	0.54	November 2017	0.54	December 2017	0.54	January 2018	0.54	February 2018	0.54	March 2018	0.54	April 2018	0.54	<p>To date, the ability for our new HR system to extract bespoke reports including sickness has been unavailable. As soon as this information is available, the results will be entered for all missing periods</p>
Month	Value (days)																																																									
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<p>Service: Democratic & Legal Services</p>																																																										
<p>MEHPI 5.15 % of FOI cases closed in month that were closed within 20 working days or less</p>	<p>85.80%</p>	<p>90.00%</p>	<p>↓</p>	<p>↓</p>	<p>MEHPI 5.15 % of FOI cases closed in month that were closed within 20 working days or less</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Value (%)</th> </tr> </thead> <tbody> <tr><td>April 2016</td><td>83.00</td></tr> <tr><td>May 2016</td><td>67.31</td></tr> <tr><td>June 2016</td><td>92.86</td></tr> <tr><td>July 2016</td><td>89.80</td></tr> <tr><td>August 2016</td><td>89.80</td></tr> <tr><td>September 2016</td><td>80.49</td></tr> <tr><td>October 2016</td><td>92.40</td></tr> <tr><td>November 2016</td><td>92.00</td></tr> <tr><td>December 2016</td><td>92.00</td></tr> <tr><td>January 2017</td><td>91.38</td></tr> <tr><td>February 2017</td><td>91.38</td></tr> <tr><td>March 2017</td><td>95.59</td></tr> <tr><td>April 2017</td><td>82.76</td></tr> <tr><td>May 2017</td><td>90.15</td></tr> <tr><td>June 2017</td><td>86.86</td></tr> <tr><td>July 2017</td><td>93.24</td></tr> <tr><td>August 2017</td><td>95.46</td></tr> <tr><td>September 2017</td><td>95.46</td></tr> <tr><td>October 2017</td><td>86.80</td></tr> <tr><td>November 2017</td><td>86.80</td></tr> <tr><td>December 2017</td><td>86.80</td></tr> <tr><td>January 2018</td><td>86.80</td></tr> <tr><td>February 2018</td><td>86.80</td></tr> <tr><td>March 2018</td><td>86.80</td></tr> <tr><td>April 2018</td><td>86.80</td></tr> </tbody> </table>	Month	Value (%)	April 2016	83.00	May 2016	67.31	June 2016	92.86	July 2016	89.80	August 2016	89.80	September 2016	80.49	October 2016	92.40	November 2016	92.00	December 2016	92.00	January 2017	91.38	February 2017	91.38	March 2017	95.59	April 2017	82.76	May 2017	90.15	June 2017	86.86	July 2017	93.24	August 2017	95.46	September 2017	95.46	October 2017	86.80	November 2017	86.80	December 2017	86.80	January 2018	86.80	February 2018	86.80	March 2018	86.80	April 2018	86.80	<p>36 cases of the 42 were closed within the 20 Working day target. Of those remaining 6, 5 are cases that have been long outstanding and were raised in a previous month. There has been a renewed emphasis on chasing cases nearing targets however there was a resourcing issues over the past 6 weeks that have made this target challenging.</p>
Month	Value (%)																																																									
April 2016	83.00																																																									
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<p>Service: Strategic Finance & Property</p>																																																										

Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note																																																				
MEHPI 8 % of invoices paid on time.		97.23%	98.50%	↓	<p>MEHPI 8 % of invoices paid on time.</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Value (%)</th> </tr> </thead> <tbody> <tr><td>Apr 2016</td><td>98.15%</td></tr> <tr><td>May 2016</td><td>98.23%</td></tr> <tr><td>Jun 2016</td><td>98.35%</td></tr> <tr><td>Jul 2016</td><td>98.45%</td></tr> <tr><td>Aug 2016</td><td>98.55%</td></tr> <tr><td>Sep 2016</td><td>98.65%</td></tr> <tr><td>Oct 2016</td><td>98.75%</td></tr> <tr><td>Nov 2016</td><td>98.85%</td></tr> <tr><td>Dec 2016</td><td>98.95%</td></tr> <tr><td>Jan 2017</td><td>99.05%</td></tr> <tr><td>Feb 2017</td><td>99.15%</td></tr> <tr><td>Mar 2017</td><td>99.25%</td></tr> <tr><td>Apr 2017</td><td>99.35%</td></tr> <tr><td>May 2017</td><td>99.45%</td></tr> <tr><td>Jun 2017</td><td>99.55%</td></tr> <tr><td>Jul 2017</td><td>99.65%</td></tr> <tr><td>Aug 2017</td><td>99.75%</td></tr> <tr><td>Sep 2017</td><td>99.85%</td></tr> <tr><td>Oct 2017</td><td>99.95%</td></tr> <tr><td>Nov 2017</td><td>100.00%</td></tr> <tr><td>Dec 2017</td><td>100.00%</td></tr> <tr><td>Jan 2018</td><td>100.00%</td></tr> <tr><td>Feb 2018</td><td>100.00%</td></tr> <tr><td>Mar 2018</td><td>100.00%</td></tr> <tr><td>Apr 2018</td><td>97.23%</td></tr> </tbody> </table>	Month	Value (%)	Apr 2016	98.15%	May 2016	98.23%	Jun 2016	98.35%	Jul 2016	98.45%	Aug 2016	98.55%	Sep 2016	98.65%	Oct 2016	98.75%	Nov 2016	98.85%	Dec 2016	98.95%	Jan 2017	99.05%	Feb 2017	99.15%	Mar 2017	99.25%	Apr 2017	99.35%	May 2017	99.45%	Jun 2017	99.55%	Jul 2017	99.65%	Aug 2017	99.75%	Sep 2017	99.85%	Oct 2017	99.95%	Nov 2017	100.00%	Dec 2017	100.00%	Jan 2018	100.00%	Feb 2018	100.00%	Mar 2018	100.00%	Apr 2018	97.23%	The target has not been met this month. This is due largely to 16 outstanding invoices from Community Safety and Health. Many of the invoices were 2,3 or more months old. Some of which were for individuals providing a service to the community for health and wellbeing.
Month	Value (%)																																																									
Apr 2016	98.15%																																																									
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Service: Communications, Strategy & Policy																																																										
QEHPI 5.1 % of complaints resolved in 14 days (10 working days) or less.		68.00%	70.00%	-	<p>QEHPI 5.1 % of complaints resolved in 14 days (10 working days) or less.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Value (%)</th> </tr> </thead> <tbody> <tr><td>Q1 2016/17</td><td>69.00%</td></tr> <tr><td>Q2 2016/17</td><td>51.85%</td></tr> <tr><td>Q3 2016/17</td><td>51.85%</td></tr> <tr><td>Q4 2016/17</td><td>77.00%</td></tr> <tr><td>Q1 2017/18</td><td>68.00%</td></tr> <tr><td>Q2 2017/18</td><td>68.00%</td></tr> <tr><td>Q3 2017/18</td><td>68.00%</td></tr> </tbody> </table>	Quarter	Value (%)	Q1 2016/17	69.00%	Q2 2016/17	51.85%	Q3 2016/17	51.85%	Q4 2016/17	77.00%	Q1 2017/18	68.00%	Q2 2017/18	68.00%	Q3 2017/18	68.00%	As per the previous quarter, there were again 25 complaints closed off in Q2 and there were 17 that were closed off within 10 working days, meaning we marginally missed our 70% target																																				
Quarter	Value (%)																																																									
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QEHPI 5.12a Number of Twitter followers	trend only	8,171	none set	↑	<p>QEHPI 5.12a Number of Twitter followers</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Value</th> </tr> </thead> <tbody> <tr><td>Q1 2016/17</td><td>6,643</td></tr> <tr><td>Q2 2016/17</td><td>6,977</td></tr> <tr><td>Q3 2016/17</td><td>7,325</td></tr> <tr><td>Q4 2016/17</td><td>7,612</td></tr> <tr><td>Q1 2017/18</td><td>7,908</td></tr> <tr><td>Q2 2017/18</td><td>8,171</td></tr> </tbody> </table>	Quarter	Value	Q1 2016/17	6,643	Q2 2016/17	6,977	Q3 2016/17	7,325	Q4 2016/17	7,612	Q1 2017/18	7,908	Q2 2017/18	8,171	Twitter followers have increased by 263 this quarter, as we would expect with twitter being used as a primary channel for social media communication/engagement																																						
Quarter	Value																																																									
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Essential Reference Paper E - Performance Analysis

PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note														
QEHPI 5.12b Number of Facebook followers (Facebook likes).	trend only	702	none set	↑	<p>QEHPI 5.12b Number of Facebook followers (facebook likes).</p>  <table border="1"> <caption>Facebook Followers Data</caption> <thead> <tr> <th>Quarter</th> <th>Value</th> </tr> </thead> <tbody> <tr><td>Q1 2016/17</td><td>457</td></tr> <tr><td>Q2 2016/17</td><td>495</td></tr> <tr><td>Q3 2016/17</td><td>520</td></tr> <tr><td>Q4 2016/17</td><td>548</td></tr> <tr><td>Q1 2017/18</td><td>610</td></tr> <tr><td>Q2 2017/18</td><td>702</td></tr> </tbody> </table>	Quarter	Value	Q1 2016/17	457	Q2 2016/17	495	Q3 2016/17	520	Q4 2016/17	548	Q1 2017/18	610	Q2 2017/18	702	Facebook likes are steadily increasing as we increase the council's use of this channel
Quarter	Value																			
Q1 2016/17	457																			
Q2 2016/17	495																			
Q3 2016/17	520																			
Q4 2016/17	548																			
Q1 2017/18	610																			
Q2 2017/18	702																			
QEHPI 5.12C Number of subscribers to the Gov Delivery news bulletins	trend only	9,762	none set	↑	<p>QEHPI 5.12C Number of subscribers to the Gov Delivery news bulletins</p>  <table border="1"> <caption>Gov Delivery News Subscribers Data</caption> <thead> <tr> <th>Quarter</th> <th>Value</th> </tr> </thead> <tbody> <tr><td>Q1 2017/18</td><td>9,537</td></tr> <tr><td>Q2 2017/18</td><td>9,762</td></tr> </tbody> </table>	Quarter	Value	Q1 2017/18	9,537	Q2 2017/18	9,762	Numbers of subscribers are increasing steadily and weekly news bulletins are being sent to all subscribers.								
Quarter	Value																			
Q1 2017/18	9,537																			
Q2 2017/18	9,762																			
QEHPI 5.12D Press favourability score	trend only	30	none set	↑	<p>QEHPI 5.12D Press favourability score</p>  <table border="1"> <caption>Press Favourability Score Data</caption> <thead> <tr> <th>Quarter</th> <th>Value</th> </tr> </thead> <tbody> <tr><td>Q1 2017/18</td><td>4</td></tr> <tr><td>Q2 2017/18</td><td>30</td></tr> </tbody> </table>	Quarter	Value	Q1 2017/18	4	Q2 2017/18	30	press favourability scores were lower than in the previous quarter but reflect less stories relating to East Herts Council going to press								
Quarter	Value																			
Q1 2017/18	4																			
Q2 2017/18	30																			

Essential Reference Paper E - Performance Analysis




PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note																				
QEHPI 5.2a % of complaints about the Council and its services that are upheld: 1st stage		18.00%	30.00%	↑	<p>QEHPI 5.2a % of complaints about the Council and its services that are upheld: 1st stage</p> <table border="1"> <caption>QEHPI 5.2a Performance Data</caption> <thead> <tr> <th>Quarter</th> <th>Value (%)</th> </tr> </thead> <tbody> <tr><td>Q1 2016/17</td><td>41.67%</td></tr> <tr><td>Q2 2016/17</td><td>36.00%</td></tr> <tr><td>Q3 2016/17</td><td>39.00%</td></tr> <tr><td>Q4 2016/17</td><td>33.00%</td></tr> <tr><td>Q1 2017/18</td><td>10.00%</td></tr> <tr><td>Q2 2017/18</td><td>18.00%</td></tr> </tbody> </table>	Quarter	Value (%)	Q1 2016/17	41.67%	Q2 2016/17	36.00%	Q3 2016/17	39.00%	Q4 2016/17	33.00%	Q1 2017/18	10.00%	Q2 2017/18	18.00%	4 of 22 complaints were upheld during this quarter, comfortably within our target.						
Quarter	Value (%)																									
Q1 2016/17	41.67%																									
Q2 2016/17	36.00%																									
Q3 2016/17	39.00%																									
Q4 2016/17	33.00%																									
Q1 2017/18	10.00%																									
Q2 2017/18	18.00%																									
QEHPI 5.2b % of complaints about the Council and its services that are upheld: 2nd stage - appeal		0.00%	25.00%	↓	<p>QEHPI 5.2b % of complaints about the Council and its services that are upheld: 2nd stage - appeal</p> <table border="1"> <caption>QEHPI 5.2b Performance Data</caption> <thead> <tr> <th>Quarter</th> <th>Value (%)</th> </tr> </thead> <tbody> <tr><td>Q1 2016/17</td><td>0.00%</td></tr> <tr><td>Q2 2016/17</td><td>0.00%</td></tr> <tr><td>Q3 2016/17</td><td>33.00%</td></tr> <tr><td>Q4 2016/17</td><td>33.00%</td></tr> <tr><td>Q1 2017/18</td><td>20.00%</td></tr> <tr><td>Q2 2017/18</td><td>0.00%</td></tr> <tr><td>Q3 2017/18</td><td>0.00%</td></tr> <tr><td>Q4 2017/18</td><td>0.00%</td></tr> <tr><td>Q1 2018/19</td><td>0.00%</td></tr> </tbody> </table>	Quarter	Value (%)	Q1 2016/17	0.00%	Q2 2016/17	0.00%	Q3 2016/17	33.00%	Q4 2016/17	33.00%	Q1 2017/18	20.00%	Q2 2017/18	0.00%	Q3 2017/18	0.00%	Q4 2017/18	0.00%	Q1 2018/19	0.00%	0 of three stage two complaints were upheld during Q2
Quarter	Value (%)																									
Q1 2016/17	0.00%																									
Q2 2016/17	0.00%																									
Q3 2016/17	33.00%																									
Q4 2016/17	33.00%																									
Q1 2017/18	20.00%																									
Q2 2017/18	0.00%																									
Q3 2017/18	0.00%																									
Q4 2017/18	0.00%																									
Q1 2018/19	0.00%																									






PI Status

Performance is 6% or more off target	
Performance is 3% or more off target	
Performance is on target or exceeding target	
No target to set performance against	Trend Only
Latest data unavailable - last data shown	


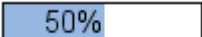





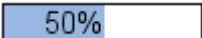



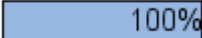

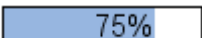
Movement since last period

Value is higher than previous period & this is positive movement	↑
Value is higher than previous period but this is negative movement	↑






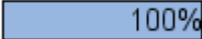






Essential Reference Paper E - Performance Analysis						
PI code and Name	Status	Latest Value	Current Target	Movement since last update	Performance Data Trend Chart	Notes & History Latest Note
Value is lower than previous period but this is positive movement						
Value is lower than previous period & this is negative movement						
Value is the same as previous period						
N/A -Cumulative so will always be above previous period					n/a	

Action Code	Action Title	Dates Completed Date	Status	Status Icon	Progress Bar	Notes & History Latest Note
CSP 2016/17	Formerly known as KA 31. Provision of efficient, effective face to face services ensuring customers can access the services they need as quickly as possible when visiting our offices.	22-Jun-17	Completed		<div style="width: 100%;"><div style="width: 100%; background-color: #4f81bd; height: 10px;"></div>100%</div>	Minor changes to the reception areas (e.g. Private booths). Now achieved.
CSP 2016/17	Formerly known as KA 68. Work with key partners such as the County Council on sustainable transport solutions for East Herts, including community transport and green travel planning.		In Progress		<div style="width: 35%;"><div style="width: 35%; background-color: #4f81bd; height: 10px;"></div>35%</div>	Seconded with HCC starting with East Herts 6th November. will be progressing green travel initiatives following on from T&F Group
CSP 2016/17	Formerly known as KA 107. Review and deploy new communication technologies and methods.		In Progress		<div style="width: 75%;"><div style="width: 75%; background-color: #4f81bd; height: 10px;"></div>75%</div>	New channels such as Instagram launched, new tools around gov delivery also implemented. Review of effectiveness to be undertaken by April 2018
CSP	Formerly known as KA.23 - Support ward councillors in rural areas to facilitate installation of super-fast broadband and continue marking options available to maintain interest.	23-May-17	Completed		<div style="width: 100%;"><div style="width: 100%; background-color: #4f81bd; height: 10px;"></div>100%</div>	<i>This action shows as complete but will be revised. It has been challenging to support the rollout of rural broadband in any meaningful way as the programme is led by Connecting Counties. East Herts will continue to signpost residents to other options available (e.g. Community fibre) however the biggest challenge will be working with developers on new sites to ensure adequate broadband infrastructure is provided on all new homes. The revised action going forward will be looking at how this can be achieved through the District Plan</i>
CSP	Formerly known as KA.30 - Provision of efficient, easy to use telephony facilities to access services and for staff to have the tools required to support efficient working.		Overdue		<div style="width: 50%;"><div style="width: 50%; background-color: #4f81bd; height: 10px;"></div>50%</div>	IT working on resolving call routing issues with new provider. All testing and transfer of SIP complete however


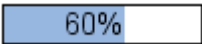





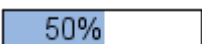


Corporate Actions Update

Action Code	Action Title	Dates Completed Date	Status	Status Icon	Progress Bar	Notes & History Latest Note
CSP	Formerly known as KA.57 - Strengthen networks with local businesses.		In Progress			Business Engagement Manager actively engaging with Chamber of Commerce, FSB and individual businesses.
CSP	Formerly known as KA.59 - Liaise with LEP Growth Hub to ensure East Herts businesses benefit.	03-Nov-17	Completed			Conversations with Growth Hub have taken place to ensure that Launchpad actively refers businesses to further support
CSP	Formerly known as KA.61 - Support Visit Herts with delivery of a destination management programme.	03-Nov-17	Completed			SLA funding of £5k agreed for a further 2 years (until end 2019) to promote East Herts as a destination. Latest data indicates East Herts generates the most revenue from tourism of all districts in the county
CSP Projects	Formerly known as. KA. 62. Business Improvement District (Bishop's Stortford)		In Progress			Ballot likely to take place in April/ May (date TBC). Feasibility stage is complete and initial meetings of the steering group have taken place however engagement with businesses needs to be strengthened. CMS have revised their project plan and brought in a new manager. East Herts have employed Tom Hardy one day per week to oversee this process. 2nd meeting of the steering group taking place 3rd November
CSP Projects	Formerly known as KA. 25. Launch New Website	12-May-17	Completed			Website Launched as Planned without any issues
CSP Projects	Formerly known as KA. 58. Review of business start-up provision	12-Sep-17	Completed			Action completed. Launchpad facility opened 12 September in Bishop's Stortford to support start up and pre-start business growth.
CSP Projects	Formerly known as KA. 60. Rural Development Programme		In Progress			16 projects have been awarded monies through the programme represented almost 90% of the available funding. 6 of these are from East Herts. around 150,000 euros remain to be allocated and 7 projects are in the pipeline





Corporate Actions Update

Action Code	Action Title	Dates Completed Date	Status	Status Icon	Progress Bar	Notes & History Latest Note
D	Formerly known as KA.28 - . Develop a new Target Operating Model (TOM) for the Council that will deliver an improved digital offer for our customers. Undertake process reviews to ensure that our digital offer is efficient, effective and responsive	31-Oct-17	Completed			Target operating model launched and communicated with significant staff engagement. Digital East Herts agenda has been developed to move improve the current digital offering and move the organisation towards the TOM.
HH	Formerly known as KA.49 - Support and maximise the provision of additional affordable housing in association with developers and registered providers		In Progress			HIA went live on Monday 2 October 2017. Service action monitored through PI for number of affordable homes delivered against target. Total of 51 affordable homes delivered in first and second quarters against a target of 116 for 17/18.
HH	Formerly known as KA. 1. Shared service Home Improvement Agency (HIA)	28-Sep-17	Completed			Review on track to completion by the end of December
HH Projects	Formerly known as KA.32 - Review of licensing policies and procedures		In Progress			Report drafted. Progressed with a full review of our policies, processes and procedures. He has produced suggestions for efficiencies and has been revising our web content.
HH Projects	Formerly known as KA. 14. Review of temporary accommodation		In Progress			Housing Company business plan and funding approved at full Council on 18 October 2017
HH Projects	Formerly known as KA 48. Housing Company		In Progress			The Executive approved the incorporation of a wholly owned property investment company, to be called Millstream Property Investments Ltd, at its meeting on 5 September 2017. The 30 year business will be considered by full Council on 18 October along with a recommendation to transfer the council's existing residential properties and make available equity investment and loans. It is anticipated that the company will be registered with Companies House shortly thereafter




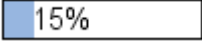

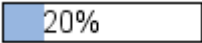
Corporate Actions Update

Action Code	Action Title	Dates Completed Date	Status	Status Icon	Progress Bar	Notes & History Latest Note
O	Formerly known as KA.10 - Invest in our parks and open spaces to encourage health and fitness including improvements to Grange Paddocks, Hartham Common and Presdales Recreation Ground.		In Progress			Works to develop the management plan for the woodland are under way and the footpath route has been agreed. Investigation to inform how best to improve parking at this site to encourage better access is under way. Hartham Common walking routes are mapped and the proposed network designed. The new short all-weather, fully accessible circular route has been installed. Match funding has been applied for.
O	Formerly known as KA.22 - Co-ordination and promotion of the arts and cultural offer in East Herts.		Assigned			Audit in progress. Currently compiling the building provision to help identify the various sector groups.
O	Formerly known as KA.65 - Delivery of a cost effective on-street and off-street enforcement function that fulfils the objectives of the Traffic Management Act 2004		In Progress			Report confirming enforcement priorities to go before Executive on 16 October. Preparation of Specification takes place over winter. Method statements being developed and agency agreements with partner councils in an advanced stage of preparation.
O	Formerly known as KA.66 - Optimisation of on-street parking for all user groups within existing Resident Permit Zones.		In Progress			The Revised completion date was changed as the volume of objections we are receiving to our proposals means a report will need to go to Committee and that onl 28 November. If the scheme goes ahead it is likely to be in the Spring/ Summer of 2018 as the winter weather make works difficult.
O	Formerly known as KA.67 - Support a Task and Finish Group to review options for sustainable transport in	07-Mar-17	Completed			Executive approved recommendations and work has now begun on progressing the individual actions








Corporate Actions Update

Action Code	Action Title	Dates Completed Date	Status	Status Icon	Progress Bar	Notes & History Latest Note
	the district.					
O	Formerly Known as KA.8 - Produce a leisure strategy to determine future direction and planning for the council's two Leisure Centres and three joint use swimming pools.	06-Jul-17	Completed		<div style="width: 100%;"><div style="width: 100%; background-color: #4f81bd; color: white; text-align: center;">100%</div></div>	leisure strategy produced, going to full council on 18 July
O	Formerly Known as KA.40 - Implement the Council Environmental Crime Strategy and associated Public Space Protection Orders (PSOPs).		Overdue		<div style="width: 90%;"><div style="width: 90%; background-color: #4f81bd; color: white; text-align: center;">90%</div></div>	Environmental Enforcement Pilot completed October 2017. Litter enforcement function carried out within the Operations service only.
O	Formerly known as KA. 19. Work with local community groups to develop community energy schemes in East Herts.		In Progress		<div style="width: 25%;"><div style="width: 25%; background-color: #4f81bd; color: white; text-align: center;">25%</div></div>	Final outcome of East Herts joint bid with other business/academic partners in the Hertfordshire, New Anglia and Cambridgeshire LEP areas for ERDF funding to support "Eastern New Energy" - a project aimed at taking forward Community Energy initiatives locally is still awaited (expected year-end) . Feedback is positive and scheme has progressed successfully through initial rounds. East Herts also taking Hertfordshire lead on another project also working with the Tri-LEP area on a Business, Energy and Industrial Strategy Department funded scheme to develop a local energy plan, encompassing renewables, carbon reduction development and grid constraint identification (project end March 2018).
O Projects	Formerly known as KA 41. Shared waste and street cleansing service		In Progress		<div style="width: 50%;"><div style="width: 50%; background-color: #4f81bd; color: white; text-align: center;">50%</div></div>	Standstill period ends 31st Oct.








Corporate Actions Update

Action Code	Action Title	Dates Completed Date	Status	Status Icon	Progress Bar	Notes & History Latest Note
O Projects	Formerly known as KA.11Castle Park BS - Heritage Lottery Fund (HLF) Stage 1 bid 1		In Progress			Consultation with users under way, early indications show strong support for project. Archaeologists and historical experts engaged and assessing structures and ground. Some GeoPhys surveys completed. Some environmental surveys completed. Architects proceeding to draft building outline application drawings for end October. Play consultant engaged with consultation work to inform their design. Consultant has suggested that it would be beneficial to influence design of BSTC BMX project to ensure consistency and best value; this is being explored by project manager.
O Projects	Formerly known as KA.13- Hertford Theatre expansion		In Progress			Bidders (Hertford Theatre Development plans project) submissions to be in by 30 October. Bidder submissions presentations to take place on 2 & 3 November.
ORL Projects	Individual branch of KA. 46. Overarching Progress		In Progress			Contract with contractors for the temporary car park at No 1 The Causeway in place. Viability assessment of the ORL options well underway. Planning application for the Multi-Storey Car Park in preparation. Negotiations with Rhodes and the BS Town Council in progress. Preferred land use and associated decisions going to Executive on 28 November and Council on 13 December.

Corporate Actions Update

Action Code	Action Title	Dates Completed Date	Status	Status Icon	Progress Bar	Notes & History Latest Note
PBC 2016/17	Formerly known as KA. 44. Appropriate control in relation to unauthorised development in the district.		In Progress		<div style="width: 60%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 60%	Performance remains in accordance with PIs. Vacancies within the team have been filled, and the team is now fully staffed.
PBC	Formerly known as KA.45 - Ensure that an appropriate policy framework is in place to enable residential and commercial development and to support key infrastructure decisions.		In Progress		<div style="width: 60%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 60%	District Plan Hearing Sessions currently underway. Part 1 completed; Part 2 commenced on 7 November. A Main Modifications consultation is anticipated to commence end of 2017/early 2018.
PBC	Formerly known as KA.46 - Requirement to manage and proactively respond to key development proposals to enable acceptable development to be delivered.		In Progress		<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 50%	Action being managed in association with the delivery of the District Plan. BS Goods yard site subject to master planning following refusal of earlier application. Masterplan endorsed by Executive: 31 Oct 2017. Other sites at various stages in the pre-application/ master planning processes.
PBC Projects	Formerly known as KA 63. Bishops Stortford Town Centre	16-May-17	Completed		<div style="width: 100%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 100%	A completed report has been provided by the consultants A+M and is to be reported for endorsement to the next Exec on 16 May
PBC Projects	Formerly known as KA.64. Implementation of Hertford Urban Design Study		In Progress		<div style="width: 20%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 20%	Longer scheme design and formulation stages for Maidenhead Street project will result in implementation being pushed into the 2018/19 financial year. Will be delayed in relation to the current delivery target with construction work to commence in April 2018.
RB 2016/17	Formerly known as KA. 18. Work with partners to assist customers through the transition into universal credit.	11-Aug-16	Completed		<div style="width: 100%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 100%	April -June 2016 universal credit roll out continues slowly. Working closely with DWP & CAB to support customers through transition
RB	Formerly known as KA.154 - Provision of timely and accurate information to relevant parties in relation to the Business Rates values and appeals.		In Progress		<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 50%	Appeals date and other supporting information being provided

Corporate Actions Update

Action Code	Action Title	Dates Completed Date	Status	Status Icon	Progress Bar	Notes & History Latest Note
RB	Formerly known as KA.155 - Respond to customers desire to access services 24/7 using e technology.		In Progress		<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 50%	Actions are on target - products are being rolled out and take up encouraged
SBT	Formerly known as KA.102 - Deliver the milestones for 2017/18 set out in the four year ICT Strategy.		Unassigned		<div style="width: 70%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 70%	The current strategy was largely front loaded, with the majority of deliverables being achieved within the first two years. Approximately 70% of the deliverables have been achieved. The strategy is now under review with development of a new strategy being undertaken during 2018/19
SFP 2016/17	Formerly known as KA. 79. Monitor the council's investment in the Capital programme to ensure that resources are delivering the assets required to deliver services/benefit to local taxpayers.	17-Jul-17	Completed		<div style="width: 100%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 100%	Monitored throughout 2016/17 - Compliant.
SFP 2016/17	Formerly known as KA. 95. Property asset holdings are constantly reviewed to ensure that assets are fit for purpose and utilised to their full potential.		In Progress		<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 50%	Assets and Estates continue to review property; currently migrating data onto IDOX, AMG reinstated, Herts Property Forum attended, ePIMS has been completed. Lease events are diarised and monitored for value.
SFP	Formerly known as KA.88 - Review of Shared Audit Service.	25-Sep-17	Completed		<div style="width: 100%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 100%	This action was completed
SFP	Formerly known as KA. 78. Maximise yield through a spread of financial instruments, maturity dates and counterparties whilst considering the risk of each investment in accordance with the Investment Strategy.	25-Sep-17	Completed		<div style="width: 100%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 100%	This action was completed
SFP	Formerly known as KA. 87. Review of Shared Anti-Fraud Service.	25-Sep-17	Completed		<div style="width: 100%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 100%	This action was completed

EAST HERTS COUNCIL

PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY COMMITTEE – 26 SEPTEMBER 2017

REPORT BY EXECUTIVE MEMBER FOR FINANCE AND SUPPORT SERVICES

TREASURY MANAGEMENT MID YEAR REVIEW 2017-18

WARDS AFFECTED: NONE

Purpose/Summary of Report

- The report reviews the Council's treasury management activities for the first 6 months of 2017/18 financial year, including the prudential indicators.

<u>RECOMMENDATION FOR PERFORMANCE, AUDIT AND GOVERNANCE COMMITTEE: to recommend to the Executive that</u>	
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(A)	the Treasury management activity and prudential indicators for the first 6 months of the 2017/18 financial year be recommended to Executive for approval
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1 Background

1.1 Treasury management is defined as: 'The management of the Council's investments and cash flows, its banking arrangements, money market and capital transactions; the effective control of the risks associated with these activities; and the pursuit of optimum returns consistent with the Council's risk management policy for treasury management.'

1.2 This activity is supported by the council's appointed independent advisors – Link Asset Services (formally known as Capita Asset Services).

1.3 The Council is required by regulations under the Local Government Act 2003 to produce a treasury management mid-year review of activities and prudential and treasury indicators for 2017/18.

1.4 This report meets the requirements of both the CIPFA Code of

Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

- 1.5 The Council is required by the CIPFA Prudential Code to approve a treasury management mid-year review describing the activity compared to the strategy.

2 Report

- 2.1 Please refer to the Treasury Management Mid-Year Review, **Essential Reference Paper 'B': Treasury Management Mid-Year Review 2017-18.**

- 2.2 Updated interest rate forecast, provided by Link Asset Services following the recent increase in bank rate **Essential Reference Paper 'C': Updated Interest Rate Forecast 7 November 2017.**

3 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

CIPFA Code of Practice on Treasury Management (2011)

CIPFA Prudential Code for Capital Finance in Local Authorities (2013)

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Contact Officers: Isabel Brittain, Head of Strategic Finance and Property, Tel: 01279 502050.
isabel.brittain@eastherts.gov.uk

Report Author: Nicola Munro, Finance Business Partner, Tel: 01279 502044. nicola.munro@eastherts.gov.uk

ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate)</i> :	Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy
Consultation:	Not Applicable
Legal:	<p>The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that members be updated on treasury management activities regularly (Treasury Management Strategy Statement, annual and midyear reports). This report therefore ensures this Council is implementing best practice in accordance with the Code.</p> <p>The report fulfils the following legislative requirements:</p> <ul style="list-style-type: none">• Reporting of prudential Indicators in line with the requirements of the CIPFA Code of Practice.• Reporting to those charged with governance a mid-year treasury management report.
Financial:	Within the body of the report.
Human Resource:	Not Applicable
Risk Management:	Within the body of the report.
Health and wellbeing – issues and impacts:	Not Applicable

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East Herts District Council

Treasury Management Mid-Year Review

2017/18

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1 Background

The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering optimising investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

Accordingly, Treasury Management is defined as:

“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

2 Introduction

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2011) is adopted by this Council.

The primary requirements of the Code are as follows:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
3. Receipt by the Full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a **Mid-year Review Report** and an Annual Report (stewardship report) covering activities during the previous year.
4. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
5. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is Audit and Governance Committee:

This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first part of the 2017/18 financial year;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure (prudential indicators);
- A review of the Council's investment portfolio for 2017/18;
- A review of the Council's borrowing strategy for 2017/18;
- A review of any debt rescheduling undertaken during 2017/18;
- A review of compliance with Treasury and Prudential Limits for 2017/18.

Key Changes to the Treasury and Capital Strategies

There have been no key changes to the Treasury and Capital Strategies.

3 Economics and interest rates

3.1 Economics update provided by Link Asset Services (previously Capita Asset Service)

UK: After the UK economy surprised on the upside with strong growth in 2016, growth in 2017 has been disappointingly weak; quarter 1 came in at only +0.3% (+1.7% y/y) and quarter 2 was +0.3% (+1.5% y/y) which meant that growth in the first half of 2017 was the slowest for the first half of any year since 2012. The main reason for this has been the sharp increase in inflation, caused by the devaluation of sterling after the referendum, feeding increases in the cost of imports into the economy. This has caused, in turn, a reduction in consumer disposable income and spending power and so the services sector of the economy, accounting for around 75% of GDP, has seen weak growth as consumers cut back on their expenditure. However, more recently there have been encouraging statistics from the manufacturing sector which is seeing strong growth, particularly as a result of increased demand for exports. It has helped that growth in the EU, our main trading partner, has improved significantly over the last year. However, this sector only accounts for around 11% of GDP so expansion in this sector will have a much more muted effect on the average total GDP growth figure for the UK economy as a whole.

The Monetary Policy Committee (MPC) meeting of 14 September 2017 surprised markets and forecasters by suddenly switching to a much more aggressive tone in terms of its words around warning that Bank Rate will need to rise. The Bank of England Inflation Reports during 2017 have clearly flagged up that they expected CPI inflation to peak at just under 3% in 2017, before falling back to near to its target rate of 2% in two years' time. Inflation actually came in at 2.9% in August, (this data was released on 12 September), and so the Bank revised its forecast for the peak to over 3% at the 14 September meeting MPC. This marginal revision can hardly justify why the MPC became so aggressive with its wording; rather, the focus was on an emerging view that with unemployment falling to only 4.3%, the lowest level since 1975, and improvements in productivity being so weak, that the amount of spare capacity in the economy was significantly diminishing towards a point at which they now needed to take action. In addition, the MPC took a more tolerant view of low wage inflation as this now looks like a common factor in nearly all western economies as a result of increasing globalisation. This effectively means that the UK labour faces competition from overseas labour e.g. in outsourcing work to third world countries, and this therefore depresses the negotiating power of UK labour. However, the Bank was also concerned that the withdrawal of the UK from the EU would effectively lead to a decrease in such globalisation pressures in the UK, and so would be inflationary over the next few years.

It therefore looks very likely that the MPC will increase Bank Rate to 0.5% in November or, if not, in February 2018. The big question after that will be whether this will be a one off increase or the start of a slow, but regular, increase in Bank Rate. As at the start of October, short sterling rates are indicating that financial markets do not expect a second increase until May 2018 with a third increase in November 2019. However, some forecasters are flagging up that they expect growth to improve significantly in 2017 and into 2018, as the fall in inflation will bring to an end the negative impact on consumer spending power while a strong export performance will compensate for weak services sector growth. If this scenario were to materialise, then the MPC would have added reason to embark on a series of slow but gradual increases in Bank Rate during 2018. While there is so much uncertainty around the Brexit negotiations, consumer confidence, and business confidence to spend on investing, it is far too early to be confident about how the next two years will pan out.

EU. Economic growth in the EU, (the UK's biggest trading partner), has been lack lustre for several years after the financial crisis despite the ECB eventually cutting its main rate to -0.4% and embarking on a massive programme of QE. However, growth picked up in 2016 and now looks to have gathered ongoing substantial strength and momentum thanks to this stimulus. GDP growth was 0.5% in quarter 1 (2.0% y/y) and 0.6% in quarter 2 (2.3% y/y). However, despite providing massive monetary stimulus, the European Central Bank is still struggling to get inflation up to its 2% target and in August inflation was 1.5%. It is therefore unlikely to start on an upswing in rates until possibly 2019.

USA. Growth in the American economy has been volatile in 2015 and 2016. 2017 is following that path again with quarter 1 coming in at only 1.2% but quarter 2 rebounding to 3.1%, resulting in an overall annualised figure of 2.1% for the first half year. Unemployment in the US has also fallen to the lowest level for many years, reaching 4.4%, while wage inflation pressures, and inflationary pressures in general, have been building. The Fed has started on a gradual upswing in rates with three increases since December

2016; and there could be one more rate rise in 2017 which would then lift the central rate to 1.25 – 1.50%. There could then be another four more increases in 2018. At its June meeting, the Fed strongly hinted that it would soon begin to unwind its \$4.5 trillion balance sheet holdings of bonds and mortgage backed securities by reducing its reinvestment of maturing holdings.

Chinese economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems.

Japan is struggling to stimulate consistent significant growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.

3.2 Interest rate forecasts

The Council's treasury advisor, Link Asset Services (Previously named Capita Asset Services), has provided the following forecast:

	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
Bank rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.75%	0.75%
5yr PWLB rate	1.50%	1.60%	1.70%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%
10yr PWLB rate	2.20%	2.30%	2.30%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%
25yr PWLB rate	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%
50yr PWLB rate	2.70%	2.70%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%

Capita Asset Services undertook its last review of interest rate forecasts on 9 August after the quarterly Bank of England Inflation Report. There was no change in MPC policy at that meeting. However, the MPC meeting of 14 September revealed a sharp change in sentiment whereby a majority of MPC members said they would be voting for an increase in Bank Rate "over the coming months". It is therefore possible that there will be an increase to 0.5% at the November MPC meeting. If that happens, the question will then be as to whether the MPC will stop at just withdrawing the emergency Bank Rate cut of 0.25% in August 2016, after the result of the EU withdrawal referendum, or whether they will embark on a series of further increases in Bank Rate during 2018.

4 Treasury Management Strategy Statement and Annual Investment Strategy Update

The Treasury Management Strategy Statement (TMSS) for 2017/18 was approved by this Council on 01 March 2017.

- There are no policy changes to the TMSS; the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

5 The Council's Capital Position (Prudential Indicators)

This part of the report is structured to update:

- The Council's capital expenditure plans;
- How these plans are being financed;
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

5.1 Prudential Indicator for Capital Expenditure

This table shows the revised estimates for capital expenditure and the changes since the capital programme was agreed at the Budget.

Capital Expenditure by Service	2017/18 Original Estimate £m	Position as at 30-09-2017 £m	2017/18 Revised Estimate £m
Total capital expenditure	3.38	0.90	5.29

The increase between Original and Revised estimates being slippage brought forward from 2016/17.

5.2 Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure.

Capital Expenditure	2017/18 Original Estimate £m	2017/18 Revised Estimate £m
Total capital expenditure	3.38	5.29
Financed by:		
Capital receipts	0.80	2.29
Capital grants	0.29	0.29
Capital reserves	0.12	0.12
Revenue	0.03	0.03
Total financing	2.14	2.56
Borrowing requirement	0	0

Movement in capital receipts represents increased Council house sales.

5.3 Changes to the Prudential Indicators for the Capital Financing Requirement (CFR), External Debt and the Operational Boundary

The table below shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period, which is termed the Operational Boundary.

Prudential Indicator – Capital Financing Requirement

The Council is currently in a negative CFR position. We are almost on target to achieve the original forecast Capital Financing Requirement but the change to internal borrowing to fund capital slippage has resulted in an increase in the net movement.

Prudential Indicator – the Operational Boundary for external debt

	2017/18 Original Estimate £m	2017/18 Revised Estimate £m
Prudential Indicator – Capital Financing Requirement		
Opening CFR	(23.3)	(23.1)
Closing CFR	(21.2)	(20.5)
Net movement in CFR	2.1	2.6
Prudential Indicator – the Operational Boundary for external debt	7.5	7.5
Borrowing	7.5	7.5
Other long term liabilities*	0.0	0.0
Total debt (year-end position)	7.5	7.5

* On balance sheet finance leases etc.

5.4 Limits to Borrowing Activity

The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose*. Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2017/18 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.

* The management of transferred debt should be excluded from net borrowing.

	2017/18 Original Estimate £m	2017/18 Revised Estimate £m
Borrowing	7.5	7.5
Other long term liabilities*	0.0	0.0
Total debt	7.5	7.5
CFR* (year-end position)	(21.2)	(20.5)

* Includes on balance sheet finance leases etc.

The Head of Strategic Finance and Property reports that no difficulties are envisaged for the current or future years in complying with this prudential indicator.

A further prudential indicator controls the overall level of borrowing. This is the Authorised Limit which represents the limit beyond which borrowing is prohibited, and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

Authorised limit for external debt	2017/18 Original Indicator £m	2017/18 Revised Indicator £m
Borrowing	11.5	11.5
Other long term liabilities*	0.2	0.2
Total	11.7	11.7

* Includes on balance sheet finance leases etc.

6 Investment Portfolio

In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. As shown by forecasts in section 3.2, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the current 0.25% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis, and its impact on banks, prompts a low risk and short term strategy. Given this risk environment and the fact that increases in Bank Rate are likely to be gradual and unlikely to return to the levels seen in previous decades, investment returns are likely to remain low.

The Council held £48.3m of investments as at 30th September 2017 (£41.8m at 31 March 2017) and the investment portfolio yield for the first 6 months of the year is 0.51% against a benchmark 6 months Libid uncompounded of 0.32 %.

The Council also holds £20m, as long term investments, in two property funds which have produced an average net yield of 3.63%

The Head of Strategic Finance and Property confirms that the approved limits within the Annual Investment Strategy were not breached during the first 6 months of 2017/18

The Council's budgeted investment return for 2017/18 is £1,084k, performance for the year to date is on target to achieve budget, however with the recent increase in base rate it is hoped an improvement on short term rates could help investment return exceed budget.

Investment Counterparty criteria

The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

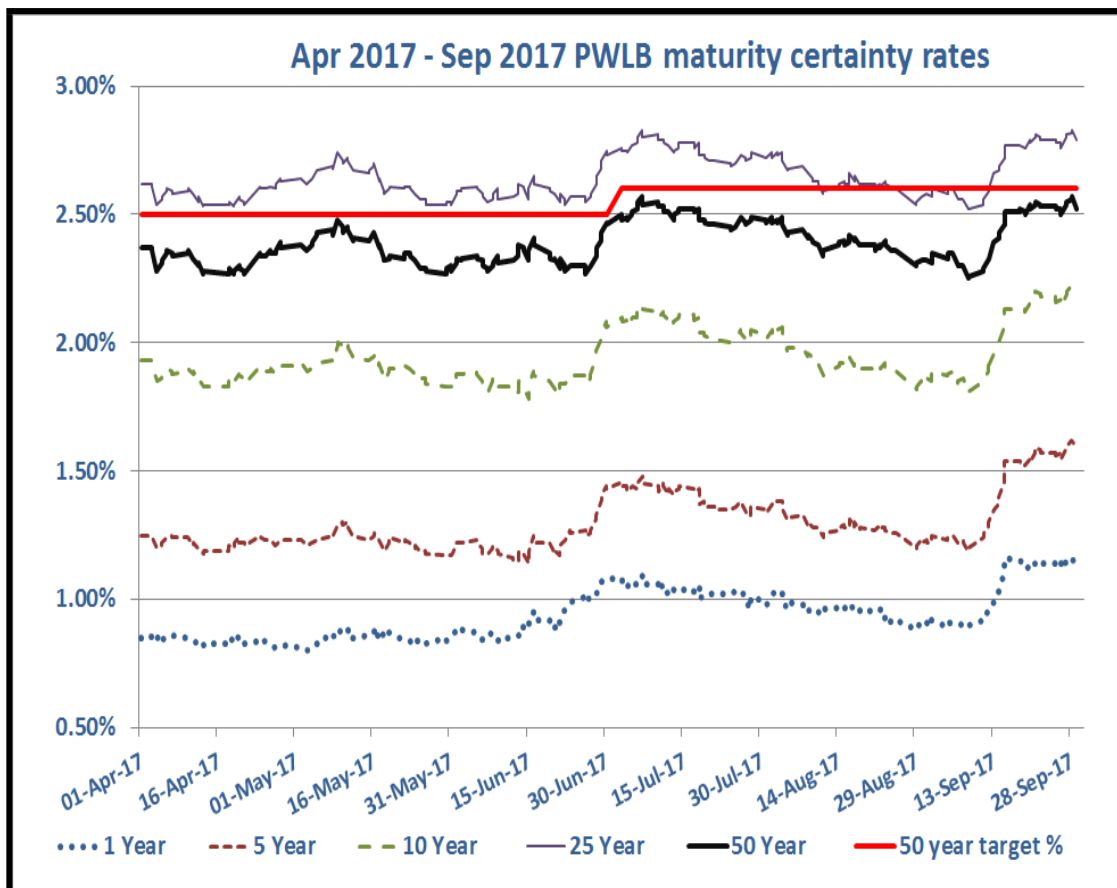
7 Borrowing

The Council's capital financing requirement (CFR) for 2017/18 is (£20.5m). The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. The Council has a negative CFR position and external borrowings of £7.5m.

It is anticipated that further borrowing will not be undertaken during this financial year.

The graph and table below show the movement in PWLB certainty rates for the first six months of the year to date:

PWLB certainty rates 1 April 2017 to 30 September 2017



	1 Year	5 Year	10 Year	25 Year	50 Year
Low	0.8	1.14	1.78	2.52	2.25
Date	03/05/2017	15/06/2017	15/06/2017	08/09/2017	08/09/2017
High	1.16	1.62	2.22	2.83	2.57
Date	15/09/2017	28/09/2017	28/09/2017	07/07/2017	07/07/2017
Average	0.9408	1.2981	1.9470	2.6475	2.3917

8 Debt Rescheduling

Debt rescheduling opportunities have been very limited in the current economic climate given the consequent structure of interest rates, and following the increase in the margin added to gilt yields which has impacted PWLB new borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year.

9 Other

1. Revised CIPFA Codes

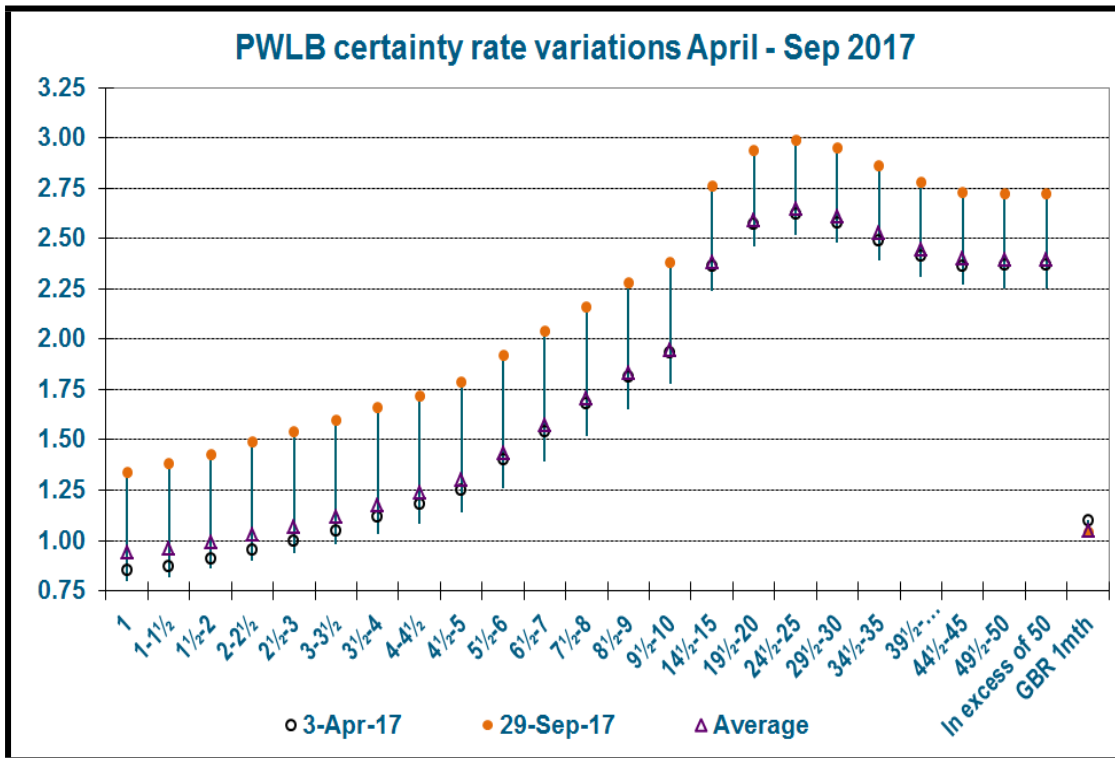
The Chartered Institute of Public Finance and Accountancy, (CIPFA), is currently conducting an exercise to consult local authorities on revising the Treasury Management Code and Cross Sectoral Guidance Notes, and the Prudential Code. CIPFA is aiming to issue the revised codes during November.

A particular focus of this exercise is how to deal with local authority investments which are not treasury type investments e.g. by investing in purchasing property in order to generate income for the authority at a much higher level than can be attained by treasury investments. One recommendation is that local authorities should produce a new report to members to give a high level summary of the overall capital strategy and to enable members to see how the cash resources of the authority have been apportioned between treasury and non-treasury investments. Officers are monitoring developments and will report to members when the new codes have been agreed and issued and on the likely impact on this authority.

2. MIFID II

The EU has now set a deadline of 3 January 2018 for the introduction of regulations under MIFID II. These regulations will govern the relationship that financial institutions conducting lending and borrowing transactions will have with local authorities from that date. This will have little effect on this authority apart from having to fill in forms sent by each institution dealing with this authority and for each type of investment instrument we use apart from for cash deposits with banks and building societies.

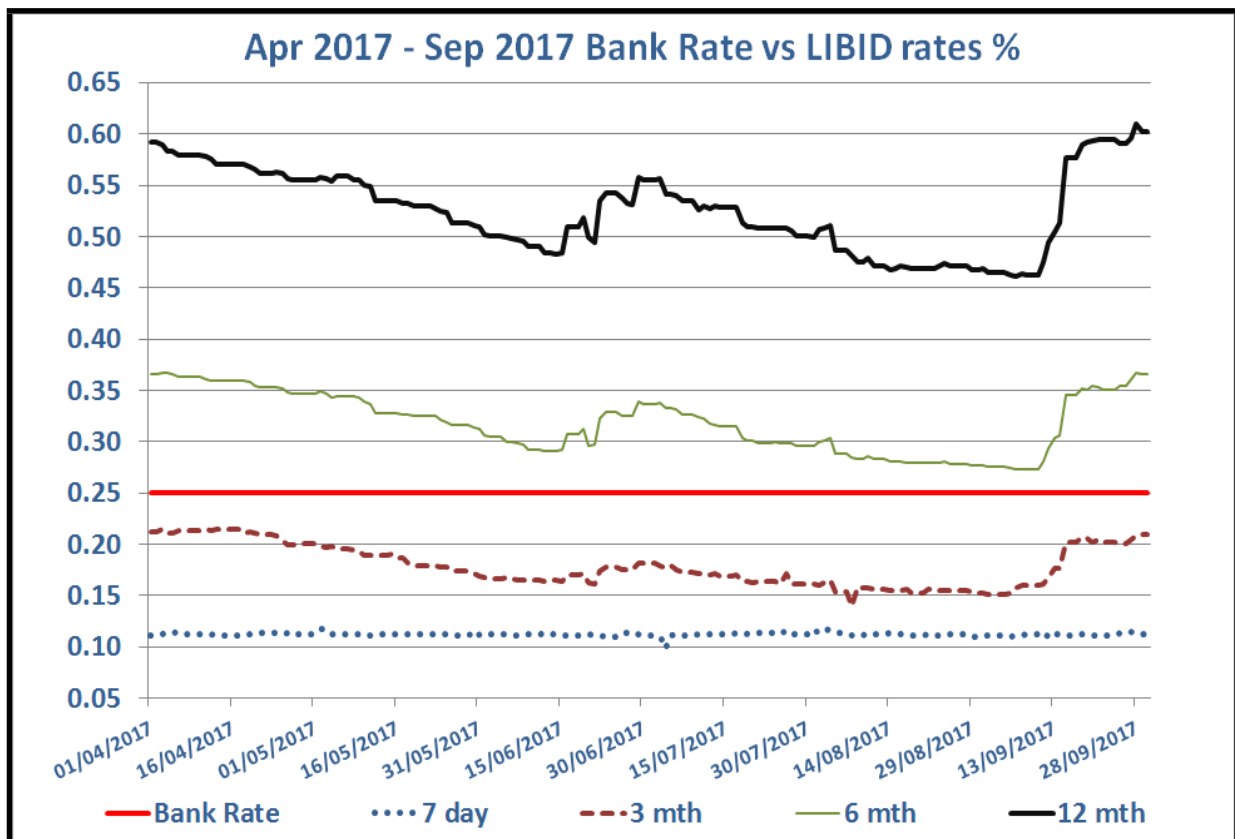
APPENDIX 1: Borrowing



APPENDIX 2: Investments

Investment performance year to 30 September 2017

Benchmark	Benchmark Return (LIBID Uncompounded)	Council Performance
7 day	0.11%	0.17%
1 month	0.13%	0.21%
3 month	0.18%	0.23%
6 month	0.32%	0.59%
12 month	0.53%	0.80%



APPENDIX 3: Approved countries for investments

Based on lowest available rating as at 30.9.17

AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Finland
- Hong Kong
- U.S.A.

AA

- Abu Dhabi (UAE)
- France
- U.K.

AA-

- Belgium
- Qatar

Updated Interest Rate Forecast

7th November 2017

Monetary Policy Committee (MPC) meeting 2 November 2017

Our previous interest rate forecasts, updated on 9 August, contained this paragraph: -

Our forecasts assume that there is no cancellation of the emergency cut in Bank Rate in August 2016 from 0.50% to 0.25% and a stop to the Quantitative Easing (QE) programme in the shorter-term. There is a potential risk, and there has probably been some increase in this risk, that the MPC could muster a majority to simply reverse both and then pause for a further period before reaching a time when there is a progression to a sustained trend of gentle increases in Bank Rate. Our forecasts for both Bank Rate and PwLB rates would then need revision if both were to occur.

Last week we saw two major developments: -

1. After the MPC painted themselves into a corner with their words following their previous meeting on 14 September, it was a virtual certainty that Bank Rate would go up by 0.25% this time around. The MPC duly delivered on those words by a vote of 7-2 to remove the post EU referendum emergency monetary stimulus implemented in August 2016 by reversing the cut in Bank Rate at that time from 0.5% to 0.25%, (with no change in QE this time). In view of the robust rate of growth in the second half of 2016 which confounded the Bank's August 2016 forecasts for a sharp slowdown, many commentators subsequently held the view that that emergency action was unnecessary. On the face of it, to now increase Bank Rate when economic growth in 2017 in quarters 1 and 2 was so disappointingly weak, (0.2% and 0.3% respectively), can appear to be perverse.
2. The MPC also gave forward guidance that they expected to increase Bank Rate only twice more in the next three years to reach 1.0% by 2020. This is, therefore, not quite the 'one and done' scenario but is, nevertheless, a very relaxed rate of increase prediction in Bank Rate in line with previous statements that Bank Rate would only go up very gradually and to a limited extent.

The markets viewed this result as being more dovish than they had expected and sterling duly responded by falling 0.8% against the dollar and euro on the day. As this was the first increase in Bank Rate for a decade, the MPC was right to avoid alarming consumers and financial markets, and to be very reassuring about the pace of future increases.

The quarterly Inflation Report itself, was notably downbeat about economic growth based on a view that the trend rate of growth for the economy has now fallen from 2.2% to only 1.5%, (whereas in the decade before the financial crash it grew at 2.9% p.a.). One of the main focuses for this was a view that productivity growth would remain very weak at about only 1% p.a. This does not augur well for increases in wage rates. This, in turn, is likely to feed through into weak domestically generated, (i.e. excluding the one off post referendum imported inflation through the fall in the value of sterling), price pressures underpinning CPI inflation. Overall, the Inflation Report was little changed from the August report and again forecast that inflation would be barely above the 2% target at the three year time horizon; it is also expected to peak very soon at 3.2%, (September was 3.0%), before falling thereafter as the devaluation effect gradually falls out of the 12 month statistics. As for forecasts for GDP growth, these also barely changed with growth falling from 1.7% to 1.6% for 2017 and being unchanged for 2018 (1.6%) and 2019 (1.8%). The MPC was also quite concerned about the situation over Brexit as there has been little significant agreement so far in terms of moving towards giving UK firms some confidence of what sort of trade terms the UK is likely to have with the EU from 2019. They felt that this uncertainty was holding back investment. The MPC's forecasts are predicated on an assumption that households and companies base their decisions on a smooth adjustment to a new trading relationship with the EU.

It has to be said that overall, this is really a quite pessimistic outlook for the UK economy. For some commentators, raising Bank Rate with such a weak outlook, did not sit easily together. However, the MPC's main justification for taking action now to raise Bank Rate was that because unemployment was at the lowest rate for 42 years at only 4.3%, there was little spare capacity left in the economy, especially when increases in productivity were expected to be so weak and taking account of Brexit caused expected falls in net immigration. They also noted that consumer confidence has remained resilient and the global economy was growing strongly which would help UK exports. In addition, financial conditions were highly accommodative through the current level of monetary policy.

Accordingly, despite this weak outlook for GDP growth, they needed to take action now to ward off the potential for inflationary pressures to start building up.

Link Asset Services forecasts

The MPC made some obvious comments around the fact that the UK is going through a period of heightened uncertainty due, particularly, to the unknowns around how the Brexit negotiations will proceed and the likely effect on households and companies. They will adjust their responses according to how these turn out and in the light of how the economy progresses over the next two to three years. We would agree with these qualifications. Obviously, if the negotiations are very difficult and end up being disappointing, this could put in jeopardy even two Bank Rate increases over the next three years.

We can only forecast given the current situation and have to flag up that there is a wide spread of potential outcomes during this forecast period. There is, therefore, a likelihood of heightened volatility as events actually unfold. We would, however, refer clients back to our previous newsflash on 18 September which explained how the strong causal link in western economies between falling unemployment and rising inflation, appears to be broken. This has led some commentators to raise the question as to whether we are now moving into a new paradigm of low unemployment at the same time as low inflation, where central bank policy targets of focusing primarily on inflation are beginning to be called into fundamental question. The example of Japan, which has struggled for some two decades to get inflation up to 2% despite massive repeated rounds of QE, is just one example. What will actually happen to wage inflation, therefore, remains a key issue. If wage inflation continues to remain very subdued over the next two to three years, this will act as a significant headwind to the MPC justifying further increases in Bank Rate due to inflationary threats building up. However, it has in the past 'looked through' e.g. one off increases in inflation which it saw as a temporary occurrence; the MPC could, therefore, be flexible in implementing its mandate of focusing primarily on inflation. Alternatively, they could justify increases in Bank Rate as being primarily due to the need to simply remove monetary policy stimulus as this has caused massive distortions in the economy with asset prices e.g. share prices and house prices have been the main beneficiaries while savers have been the major losers through low interest rates.

Our own forecasts are cautious and in line with this subdued path for increases in Bank Rate; we do not currently see inflation posing a significant threat over the next three years. We have 0.25% increases in November 2018 to 0.75%, 1.0% in November 2019 and 1.25% in August 2020. This is much in line with market expectations. Our central assumption is that the UK will make progress with concluding a satisfactory outcome over the Brexit negotiations with the EU by March 2019, although the UK finance sector is likely to be an area of particular concern and difficulty.

LINK ASSET SERVICES' FORWARD VIEW

Economic forecasting remains difficult with so many external influences weighing on the UK. Our Bank Rate forecasts, (and also MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Forecasts for average earnings beyond the three year time horizon will be heavily dependent on economic and political developments. Volatility in bond yields is likely to endure as investor fears and confidence ebb and flow between favouring relatively more "risky" assets i.e. equities, or the "safe haven" of government bonds.

The overall longer run trend is for gilt yields and PWLB rates to rise, albeit gently. A world economic recovery will likely see investors switching from the safe haven of bonds to equities.

We have pointed out consistently that the Fed. Rate is likely to go up more quickly and more strongly than Bank Rate in the UK. While there is normally a high degree of correlation between the two yields, we would expect to see a growing decoupling of yields between the two i.e. we would expect US yields to go up faster than UK yields. We will need to monitor this area closely and any resulting effect on PWLB rates.

- The overall balance of risks to economic recovery in the UK is probably to the downside, particularly with the current level of uncertainty over the final terms of Brexit.

- The balance of risks to increases in Bank Rate and shorter term PWLB rates are probably to the upside and are dependent on how strong GDP growth turns out, how quickly inflation pressures rise and how quickly the Brexit negotiations move forward positively.
- Our forecasts are predicated on an assumption that there is no break-up of the Eurozone or EU, (apart from the departure of the UK), within our forecasting time period, despite the major challenges that are looming up, and that there are no major ructions in international relations, especially between the US and China / North Korea, which have a major impact on international trade and world GDP growth.

We would, as always, remind clients of the view that we have expressed in our previous interest rate revision newflashes of just how unpredictable PWLB rates and bond yields are at present. Our revised forecasts are based on the Certainty Rate (minus 20 bps) which has been accessible to most authorities since 1st November 2012.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- Bank of England monetary policy takes action too quickly over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- Geopolitical risks, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.
- A resurgence of the Eurozone sovereign debt crisis, possibly Italy, due to its high level of government debt, low rate of economic growth and vulnerable banking system.
- Weak capitalisation of some European banks.
- The result of the October 2017 Austrian general election is likely to result in a strongly anti-immigrant coalition government. In addition, the new Czech prime minister is expected to be Andrej Babis who is strongly against EU migrant quotas and refugee policies. Both developments could provide major impetus to other, particularly former Communist bloc countries, to coalesce to create a major block to progress on EU integration and centralisation of EU policy. This, in turn, could spill over into impacting the Euro, EU financial policy and financial markets.
- Rising protectionism under President Trump
- A sharp Chinese downturn and its impact on emerging market countries

The potential for upside risks to current forecasts for UK gilt yields and PWLB rates, especially for longer term PWLB rates include: -

- The Bank of England is too slow in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- UK inflation returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.
- The Fed causing a sudden shock in financial markets through misjudging the pace and strength of increases in its Fed. Funds Rate and in the pace and strength of reversal of QE, which then leads to a fundamental reassessment by investors of the relative risks of holding bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in bond yields in the US, which could then spill over into impacting bond yields around the world.

	NOW	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
BANK RATE	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.25	1.25	1.25
3 month LIBID	0.40	0.40	0.40	0.40	0.40	0.60	0.60	0.60	0.70	0.90	0.90	1.00	1.20	1.20	1.20
6 month LIBID	0.45	0.50	0.50	0.50	0.60	0.80	0.80	0.80	0.90	1.00	1.00	1.10	1.30	1.30	1.40
12 month LIBID	0.65	0.70	0.80	0.80	0.90	1.00	1.00	1.10	1.10	1.30	1.30	1.40	1.50	1.50	1.60
5 yr PWLB	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.10	2.10	2.20	2.30	2.30
10 yr PWLB	2.10	2.10	2.20	2.30	2.40	2.40	2.50	2.60	2.60	2.70	2.70	2.80	2.90	2.90	3.00
25 yr PWLB	2.70	2.80	2.90	3.00	3.00	3.10	3.10	3.20	3.20	3.30	3.40	3.50	3.50	3.60	3.60
50 yr PWLB	2.40	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.00	3.10	3.20	3.30	3.30	3.40	3.40

BANK RATE	now	previously
Q4 2017	0.50%	0.25%
Q1 2018	0.50%	0.25%
Q1 2019	0.75%	0.25%
Q1 2020	1.00%	0.75%
Q1 2021	1.25%	N/A

Our target borrowing rates and the current PWLB (certainty) borrowing rates are set out below.

PWLB debt	Current borrowing rate as at 7.11.17	Target borrowing rate now (Q4 2017)	Target borrowing rate previous (Q4 2017)
5 year	1.51%	1.50%	1.50%
10 year	2.07%	2.10%	2.20%
25 year	2.70%	2.80%	2.90%
50 year	2.39%	2.50%	2.70%

Borrowing advice: although yields have risen from their low points, yields are still around historic lows and borrowing should be considered if appropriate to your strategy. We still see value in the 40yr to 50yr range at present but that view would be negated if Bank Rate does not climb to at least 2.5% over the coming years. Accordingly, clients will need to review and assess their risk appetite in terms of any underlying borrowing requirement they may have, and also project forward their position in respect of cash backed resources.

Any new borrowing should also take into account the continuing cost of carry, the difference between investment earnings and borrowing rates, especially as our forecasts indicate that Bank Rate may rise to only 1.25% by March 2021.

Our suggested budgeted investment earnings rates for investments up to about three months' duration in each financial year for the next seven years are as follows: -

Average earnings in each year	Now	Previously
2017/18	0.40%	0.25%
2018/19	0.60%	0.25%
2019/20	0.90%	0.50%
2020/21	1.25%	0.75%
2021/22	1.50%	1.00%
2022/23	1.75%	1.50%
2023/24	2.00%	1.75%
Later years	2.75%	2.75%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts. The general expectation for an eventual trend of gently rising gilt yields and PWLB rates is expected to remain unchanged. Negative, (or positive), developments could significantly impact safe-haven flows of investor money into UK, US and German bonds and produce shorter term movements away from our central forecasts.

Our interest rate forecast for Bank Rate is in steps of 25 bps whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps.

Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

We will be updating our TMSS template reports to include these updated interest rate forecasts and commentary.

Interest Rate Strategy Group
0207 204 7624

www.linkassetsservices.com

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EAST HERTS COUNCIL

PERFORMANCE, AUDIT AND GOVERNANCE COMMITTEE – 21
NOVEMBER 2017

REPORT BY THE HEAD OF STRATEGIC FINANCE AND PROPERTY

UPDATE ON IMPLEMENTATION OF ANNUAL GOVERNANCE
STATEMENT 2017/18 ACTION PLAN

WARD(S) AFFECTED: ALL

Purpose/Summary of Report:

- The 2017/18 Annual Governance Statement contains two measures to enhance East Herts Council's internal control framework during 2017/18. The Audit Committee is requested to consider the content of **Essential Reference Paper 'B'** that provides details of proposed actions that need to take place prior to confirmation being given that adequate and effective controls are fully in place.

RECOMMENDATION FOR PERFORMANCE, AUDIT AND GOVERNANCE COMMITTEE:

That:

(A)	the Committee reviews the progress made against implementing the action plan contained in the 2016/17 Annual Governance Statement and advises of any recommendations;
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1 Background

1.1 The Annual Governance Statement Action Plan has identified key responsible officers and timescales and is monitored through reports to this Committee. Actions needed to address issues have been identified and are monitored on a R(ed), A(mber) and G(reen) basis.

Report

1.2 For the purposes of the Annual Governance Statement, internal control is being interpreted in its broadest sense covering both financial and management controls that ensure that the implementation of East Herts Council's vision and priorities is being managed effectively.

1.3 Position statements are reflected in **Essential Reference Paper 'B'** following consultation with key responsible officers. The position statement contains a traffic light system whereby:

- "Green" indicates that the planned action has been achieved,
- "Amber" indicates that satisfactory progress is being made towards achieving the planned action, and
- "Red" is where a planned action has not been achieved or that progress is unsatisfactory.

1.4 The Annual Governance Statement Action Plan was approved by the Performance, Audit and Governance Committee on 4th July 2017.

1.5 This is the first position statement report since approval of the Annual Governance Statement. Current positions have been reflected and a RAG status is shown against each action.

Implications/Consultations

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

Background Papers

Annual Governance Statement 2017/18 – PAG Committee 4 July 2017.

Contact Member: Councillor Linda Haysey,
Leader of the Council.
Extn: 1650

[*linda.haysey@eastherts.gov.uk*](mailto:linda.haysey@eastherts.gov.uk)

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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate)</i> :	Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy Effective use of the scrutiny process contributes to the Council's ability to meet one or more of its corporate objectives.
Consultation:	Extensive consultation took place on the action plan in order to agree the actions.
Legal:	No specific implications arise from this report.
Financial:	There are no direct financial implications arising from the report.
Human Resource:	No specific implications arise from this report
Risk Management:	This report documents significant matters related to the ongoing governance of the council.
Health and wellbeing – issues and impacts:	No specific implications arise from this report.

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ANNUAL GOVERNANCE STATEMENT

ACTION PLAN 2017/18

Significant governance issues

Required enhancements to internal control arrangements:

Issue	Resp. Off.	Initial Target Date	Actions needed to achieve milestone	Current Position	RAG Status
Digital Record Retention	Leadership Team	31 st March 2018	<ul style="list-style-type: none"> • Senior Management should identify an appropriate file management system. • Digital records should be reviewed on a routine basis and where there is not a demonstrable need for their retention, they should be disposed of. • IT should maintain a record of IT systems that do not conform to the Council's requirement for digital records retention along with compensating controls. 	<ul style="list-style-type: none"> • The GDPR plan which is currently being prepared within the Legal and Democratic Services Team will provide the guidance and monitoring requirements of all Digital record retention. 	AMBER

Issue	Resp. Off.	Initial Target Date	Actions needed to achieve milestone	Current Position	RAG Status
Security Standards for IT Systems	Leadership Team	31 st March 2018	<ul style="list-style-type: none"> • Management should establish a standard for securing the IT systems that are used to collect, process and store digital records. • Management should maintain a record of the IT systems that do not comply with the standard and take appropriate action to mitigate the risk of a security breach. 	<ul style="list-style-type: none"> • The IT Improvement Plan is currently in progress and will establish new security standards and seek to further mitigate the risk of security breach. 	AMBER

EAST HERTS COUNCIL

PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY COMMITTEE - 21 NOVEMBER 2017

REPORT BY THE EXECUTIVE MEMBER FOR FINANCE AND SUPPORT SERVICES

RISK MANAGEMENT MONITORING REPORT (JULY TO SEPTEMBER 2017)

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- This report relates to action taken to mitigate and control strategic risks in the period July to September 2017.

<u>RECOMMENDATION(S) FOR PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY COMMITTEE:</u>

That:

(A)	Consideration be given to controls that have been implemented and those planned; and
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(B)	The Executive be advised of any further actions that could be taken to mitigate risk.
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1.0 Background

1.1 The Strategic Risk Register was last considered by the Performance, Audit and Governance Scrutiny Committee on 26 September 2017. (Period April to June 2017). The content of the register has been updated with controls implemented between July and September 2017 recorded. Please see **Essential Reference Paper 'B'**.

2.0 Report

2.1 Controls implemented during the period July to September 2017 have been recorded. Scores have also been reviewed but remain

unchanged. Please refer to Essential Reference Paper B for more information.

2.2 No new strategic risks have been identified and none deleted.

2.3 The Executive will be advised of any comments received.

2.4 All strategic risks can be viewed at www.covalentcpm.com/eastherts (The system has been rebranded and is now called Pentana Performance although the weblink remains in the original name of Covalent).

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

2017/18 Quarter one risk management monitoring report to Performance, Audit and Governance Scrutiny Committee 26 September 2017

Contact Member: Cllr Geoffrey Williamson
Executive Member for Finance and Support Services
geoffrey.williamson@eastherts.gov.uk

Contact Officer: Isabel Brittain
Head of Strategic Finance and Property
isabel.brittain@eastherts.gov.uk

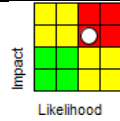
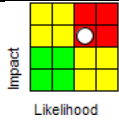
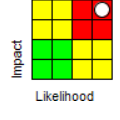
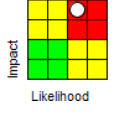
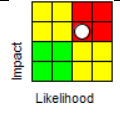
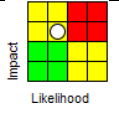
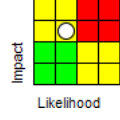
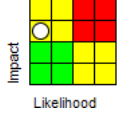
Report Author: Graham Mully
Risk Assurance Officer
Ext 2166
graham.mully@eastherts.gov.uk

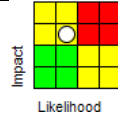
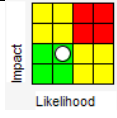
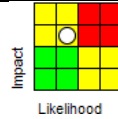
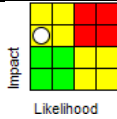
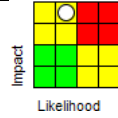
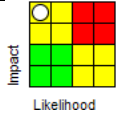
ESSENTIAL REFERENCE PAPER 'A'

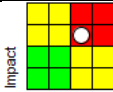
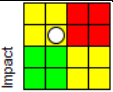
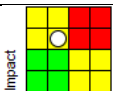
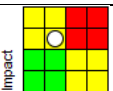
IMPLICATIONS/CONSULTATIONS

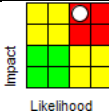
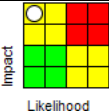
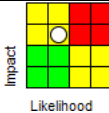
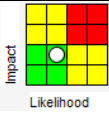
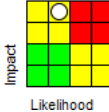
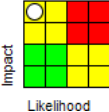
Contribution to the Council's Corporate Priorities/ Objectives:	Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy
Consultation:	There are no specific consultation implications arising directly from this report.
Legal:	There are no specific legal implications arising directly from this report.
Financial:	There are no specific financial implications arising directly from this report.
Human Resource:	There are no specific human resource implications arising directly from this report.
Risk Management:	There are no additional risk management implications to those already contained in this report. However, it should be noted that if East Herts did not have a risk management monitoring process, the Authority would be seen to be not managing risks appropriately, which would have a significant negative impact on recommendations made by the External Auditors through the Annual Audit Letter.
Health and wellbeing – issues and impacts:	There are no specific health and wellbeing implications arising directly from this report.

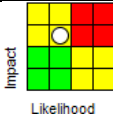
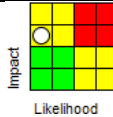
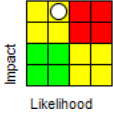
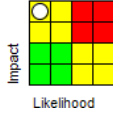
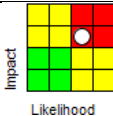
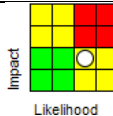
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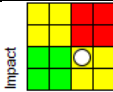
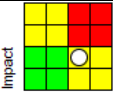
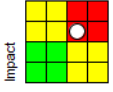
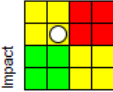
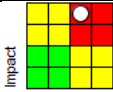
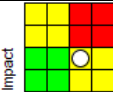
Code 17 SR	Title	Description	Inherent risk matrix	Inherent impact	Inherent likelihood	Controls introduced in 2017/18 quarter two, plus those planned in future	Residual risk matrix	Residual impact	Residual likelihood	Managed by
1a	Risk of significant deviation from plan in terms of funding. This is predominately a risk of a significant reduction but a significant increase could also cause risks to materialise.	There is uncertainty around future funding, both from Government and other areas such as income from commodities markets for recycled materials. The 100% Business Rate Retention scheme has uncertainty around it although there are limited opportunities to be part of a pilot programme. The potential impact of leaving the EU and on trade relations will cause ambiguity with regard to the future financial position.		3	3	July to September 2017: The Healthcheck reporting process remains in place. Funding situation is being carefully monitored. Any variances are managed with the use of mitigating actions and alternative funding solutions.		3	3	Isabel Brittain
1b	Business rate income significantly reduced from planned anticipated level (and current levels).	Appetite and ability as a Council to influence economic development. Neighbouring authorities reducing rates. Revaluation and appeals. (Maximum liability circa £10m if all appeals were granted). Inability to influence economic regeneration. Economic vitality.		4	4	July to September 2017: East Herts has been part of an application for a 100% Business Rates Retention Pooling Pilot. If we are accepted for 2018/19 this will help to stabilise the position in the short term.		4	3	Isabel Brittain
2	Risk of not having capacity / capability and flexibility to continue to deliver service levels over time.	There are challenges to ensure the Council is fit for the future, in terms of workforce skills, capacity and flexibility.		3	3	July to September 2017: Turnover is above target and Heads of Service continue to recruit to vacancies in their new structures. Turnover and recruitment is being monitored closely by the HR service. Significant increase in workload for Health and Housing team arising from the Homelessness Act that comes in to force in April 2018.		3	2	Emma Freeman
3	Risk that supplier / contractor or key third sector partner fails or fails to deliver.	A number of key 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	July to September 2017: No concerns reported with any major contracts or shared service. Waste tender evaluation report to be presented to Executive on 16 October 2017.		3	1	All Heads of Service

	<p>Risk that investment and effort in alternative service delivery models does not deliver benefits and returns.</p>	<p>Moving more towards other delivery models in future with public sector partners. This is part of the wider context of the changing role of Local Government moving forward. 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.</p>		<p>3</p>	<p>2</p>	<p>July to September 2017: Work to model financial benefits of a wholly owned Property Investment Company have been scrutinised by Savills and PWC. This has led to amendments to the business plan. The revised version of the Business Plan is to be put to full Council for approval on 18 October 2017.</p>		<p>2</p>	<p>2</p>	<p>All relevant Heads of Service</p>
<p>5a</p>	<p>Information management: Misuse or loss of key information leading to breach. The potential disclosure of personal data inappropriately.</p>	<p>The Council handles a large amount of information and data which if not managed properly could be compromised. This could be perhaps through carelessness or hacking and security of the information could be compromised. Failure to comply with information governance principles. Action may be taken by the ICO. Individuals may suffer if their personal data, particularly sensitive personal data is disclosed.</p>		<p>3</p>	<p>2</p>	<p>July to September 2017: No reportable data breaches. Staff training programme continues.</p> <p>Forthcoming legislation under the General Data Protection Act regulations will be considered in preparation and Corporate groups set up.</p>		<p>3</p>	<p>1</p>	<p>Alison Stuart</p>
<p>5b</p>	<p>Information management: Cyber risk. Inconsistent application of information management standards and security controls could increase the likelihood of data or data systems being compromised.</p>	<p>Viral attack affecting hardware or software information systems. Theft, loss or improper disclosure / use of confidential information. Service disruption or loss. Reputational damage. Regulatory fines or compensation claims.</p>		<p>4</p>	<p>2</p>	<p>July to September 2017: Cyber security plan produced to highlight most significant security risks and proposals for mitigating actions. Shared service security group to devise and monitor policies and action plans, and review information security and any data breaches. (See 5a). E-mail bulletins issued to staff regarding security threats.</p>		<p>4</p>	<p>1</p>	<p>Clare Watson</p>

6	Impact of Housing and Planning Act.	<p>The key potential impacts are:</p> <ul style="list-style-type: none"> • Introduction of Starter Homes as a form of affordable housing, with nationally prescribed percentages to be delivered through the planning process, is likely to reduce the supply of new affordable rented homes thus reducing housing options for those on no / low incomes. This could place increased pressure on existing housing stock and potentially increase homeless approaches to the Council, leading to higher workloads • The opening up of the planning application assessment process to third parties could see workloads/income drop for the Council and its influence in decision making reduced. Potential for significant impact on staff resources, income and the ability to support direct and back office services. • Provisions for the Government to determine district plans where local authorities have not done so within certain time limits could erode the Council's reputation and ability to shape local development. • Further provisions for flexibilities with regard to fee levels and self setting of fees if the Council continues to operate established performance levels. 	 Likelihood	3	3	<p>July to September 2017: Officers will continue to monitor any proposals that are introduced through secondary legislation following the main Act, and provide advice with regard to actions and policy approaches to be taken as a result.</p> <p>With regard to possible government intervention in the preparation of the District Plan, this is now considered a low risk given the stage reached.</p> <p>Planning competition and potential fee setting flexibilities and self-setting remain a possibility, although no recent government advice has been given with regard to their introduction or timing.</p>	 Likelihood	3	2	Jonathan Geall and Kevin Steptoe
7	Production of a District Plan meeting community and regulatory needs.	<p>Risk of not being able to agree plan in timeframe meaning: Increased costs, Lack of effective development management, Cannot bid for funding for infrastructure, lost opportunity, open to challenge in meantime, legal / reputational / political issues. Impact on New Homes Bonus.</p>	 Likelihood	3	2	<p>July to September 2017: Preparation stage has moved ahead with the submission of the Plan to the inspectorate and early engagement, through initial questions from the Examiner. Timescale is now largely beyond the Council's control, but appropriate resources continue to be directed toward the work to ensure that timescale demands are met.</p>	 Likelihood	3	2	Kevin Steptoe

Page 148	Significant development proposals at strategic sites (Welwyn Garden City, Bishop's Stortford) - need to ensure good quality developments securing all necessary infrastructure.	Ambitions not achieved. Ability of building industry to deliver, including contribution for infrastructure. Poor environment. Loss of development opportunity. Reputational risk.		4	3	<p>July to September 2017: The Council has formally endorsed the master planning approach to development proposals through District Plan Panel (21 September) and forthcoming Executive decision.</p> <p>Engagement has commenced with a number of land and site promoters on this basis.</p>		4	1	Kevin Steptoe
9	Failure to deliver Digital East Herts and improved customer access and engagement.	<p>Risk that services are not provided across multiple channels to improve the customer experience and realise efficiency gains.</p> <p>Step change to digital basis for service delivery will not be made within the window of invest opportunity in the next two years.</p>		3	2	<p>July to September 2017: Individual projects being monitored via Digital East Herts steering group and exception reporting in place on a monthly basis to Leadership Team to identify any resourcing issues or issues arising that could impact on overall programme delivery. Projects currently on track and some new online services already introduced showing increased customer uptake rates.</p>		2	2	Adele Taylor
10	Compliance with the Childrens Act 2004.	Whilst the Council's self-assessment obtained ratings of at least 'adequate' there is a commitment to improve and thereby ensure the safety of children.		4	2	<p>July to September 2017: The council has worked with the Police to plan to promote awareness of Child Sexual Exploitation (CSE) issues among those operating in the Night Time Economy. An Awareness Raising Session was held on 20 July. Self-assessment of CSE activities completed in July as part of the county-wide audit. Relevant staff to be trained on the Modus software in as part of the Housing Service's participation in the Hertfordshire MARAC (the Multi Agency Risk Assessment Conference) which is concerned with tackling domestic abuse (itself sometimes linked to CSE).</p>		4	1	Jonathan Geall

11	Safeguarding adults.	Maintain and develop interagency relationships, Council policy and training.		3	2	July to September 2017: SIAS audit report re: safeguarding arrangements issued in May 2017. 'Substantial assurance that there are effective controls in operation'. The council's Safeguarding Policy was updated (to be formally signed off by HR Committee in July). This includes a new, simplified approach for staff to report concerns. Safeguarding awareness raised provided to Leadership Team on 12 June 2017 and was covered through Staff Briefing in July 2017. Increase in homelessness prevention work arising from the Homelessness Reduction Act.		3	1	Jonathan Geall
12	Encouragement of economic vitality cross the District.	Risks that opportunities to maximise inward investment, employment and economic growth are not maximised in the district. Also ensure regular dialogue with business and organisations representative of business. Interventions to be proposed where appropriate e.g. business improvement district opportunities.		4	2	July to September 2017: Launchpad pilot up and running. Working with Charrington's House agents (LSH) to support a business pathway approach (ensuring business start ups in the Launchpad can access other office facilities). New economic development officer due to start November/ December (jointly with North Herts Council) to support inward investment and economic development agenda.		4	1	Ben Wood
13	Unable to resource or prioritise emergency planning response and other mitigation measures.	Frequency of events likely to increase. Emergency planning response could be compromised. Impact on east/west travel in District and on infrastructure, especially transportation. Lack of resource for mitigation activity e.g. land drainage function. Impact on Council properties, particularly sites on flood plains.		3	3	July to September 2017: Rotacloud now in use. Review of Emergency Plan being carried out; revised version due to member approval in early 2018. Discussion about this at Performance, Audit and Governance Committee on 26 September 2017. Members' views will be incorporated into the review. Desk top exercise being held on 11 October 2017. Outcome will inform the Emergency Plan update.		2	3	Jonathan Geall

Page 150	Devolution - fail to engage, and influence partners to engage, leading to missed opportunities.	Hertfordshire not seen as a 'player' nationally and regionally. Unable to be proactive and engage early on in this agenda. Missed opportunities to maximise benefit.	 Impact Likelihood	2	3	July to September 2017: Five point action plan (Areas include: World class skills, Strategic Planning and Transport, Fully collaborative Health & Social Care, Safe and Cohesive Communities, and Maximising public sector assets) in place. Work progressing in most areas, overseen by a small steering group of leaders, and managed through the Chief Executive's Coordinating Group for Hertfordshire.	 Impact Likelihood	2	3	Liz Watts
15	Referendum vote to leave EU.	Further budget reductions likely. Potential impact on the economy, particularly employment and the housing market. Loss of EU funding for local schemes. Legislative changes.	 Impact Likelihood	3	3	July to September 2017: No further update pending Brexit negotiations. There are still unspent EU structural funds and we are looking at accessing these.	 Impact Likelihood	3	2	Ben Wood
16	Development of Old River Lane, Bishop's Stortford.	The acquisition of the Old River Lane site presents opportunities to revitalise and shape the town centre, but there are risks around undertaking large-scale development, including land use choices, viability, impact on other areas and functions of the town centre, etc.	 Impact Likelihood	4	3	July to September 2017: On 11 July Old River Lane Board chose preferred option for site, following high level viability assessment by property consultant. Detailed work now ongoing in order to prepare for formal land use decision by full council in January. Discussions ongoing with partners such as Hertfordshire County Council, Rhodes and Bishop's Stortford Town Council, to define which partners wish to be involved in which parts of the development, in particular addressing funding and governance issues.	 Impact Likelihood	2	3	Liz Watts

EAST HERTS COUNCIL

PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY COMMITTEE: 21 NOVEMBER 2017

REPORT BY CHAIRMAN OF PERFORMANCE, AUDIT AND GOVERNANCE

SCRUTINY WORK PROGRAMME

WARD(S) AFFECTED: None

Purpose/Summary of Report

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

<u>RECOMMENDATION FOR PERFORMANCE, AUDIT AND GOVERNANCE :</u>
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That:

(A)	that the work programme shown in this report be agreed
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1.0 Background

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

1.2 Scrutiny committees have the power of influence and are entitled to review and scrutinise the decisions and functions of the Council and the Executive. The Committee serves as a 'critical friend' and can make recommendations to the Executive.

2.0 Report

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

- 2.2 Members are asked whether there are any additional topics they wish to put forward for inclusion on any future agenda. Suggestions can be made at the meeting and by completing the form attached as **Essential Reference Paper “C”** and submitting to the Scrutiny Officer. The Committee contributed suggestions and selected new topics for consideration at the work programme planning workshop held on 15th June 2017. Once a topic has been proposed and selected by the Committee, the Scrutiny Officer will liaise with the lead officer (in consultation with the Scrutiny Chairman) to establish the best way to address the subject and scope the scrutiny.
- 2.3 Members are also asked whether they wish to extend an invitation to one or more of the Executive members to attend a particular meeting or for a specific agenda item. It was agreed that the Executive Member for Finance and Support Services be invited to give a presentation on the portfolio and answer questions and it is suggested that this take place on 16th January 2018.
- 2.4 Members are asked whether there is any training relevant to scrutiny or to the function/remit of PAG as a committee which they would like to request. This could be completed as a separate session open to all scrutiny members or as an item on a future PAG agenda (as appropriate).
- 3.0 Implications/Consultations
- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper ‘A’**.

Background Papers: none

Contact Member: PAG Scrutiny Committee Chairman: Cllr Mark Pope
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Contact Officer: Alison Stuart, Head of Legal and Democratic Services
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Report Author: Fiona Corcoran, Scrutiny Officer
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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

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

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Performance, Audit & Governance Scrutiny (PAG) Committee Work Programme 2017/18

[NB. This is a working document and will be updated as and when appropriate]

Meeting Date	Topic	Lead Officer	Notes
16 January 2018 Deadline 3rd Jan 2018	Update from Portfolio Holder for Finance & Support Services	Cllr Geoff Williamson + Isabel Britain, Head of Strategic Finance	<i>Agreed at programme planning meeting on 15/6/17 Q & A session Suggest move to Jan from Sept (to link in with budget report and as all OS members also to be invited to attend.)</i>
	Budget report & Medium Term Financial Plan	Isabel Britain, Head of Strategic Finance	
	External Audit Grants Certification 2016/17	Isabel Britain, Head of Strategic Finance	
	Treasury Management Strategy 2017-18	Isabel Britain, Head of Strategic Finance and External Auditor from Ernst & Young	
	Shared Internal Audit Service (SIAS) Update on Audit Plan	Margaret Mulkerrin SAIC, HCC	
	Work Programme	Fiona Corcoran, Scrutiny Officer	

Meeting Date	Topic	Lead Officer	Notes
13 March 2017 Deadline 28th February 2018	Financial Health Check Report(Oct – Dec 2017), incl section on performance	Isabel Britain, Head of Strategic Finance	
	Review of the introduction of ‘pay-on-exit’ parking software	Andrew Pulham, Parking Manager	
	External Auditor 2017-18 Audit Plan	Auditor, Ernst & Young	
	Shared Anti-Fraud Service with draft plan for 2018/19 for approval	Nick Jennings HCC	<i>Training session moved to November 2017</i>
	Shared Internal Audit Plan (SIAS) 2018/19	Alan Cooper, Client Audit Manager, SAIS, HCC	
	SIAS Audit Plan Update	Alan Cooper, Client Audit Manager, SAIS, HCC	
	Risk Management Monitoring Report (Oct to Dec 2017)	Isabel Britain, Head of Strategic Finance/Graham Mully, Risk Assurance Officer	
	Annual Review of Risk Management Strategy	Isabel Britain, Head of Strategic Finance/Graham Mully, Risk Assurance Officer OR Rob Winterton, new Finance Manager	Annual Update
	Evaluation of Scrutiny arrangements 17/18 and Work Programme	Fiona Corcoran, Scrutiny Officer	

Other items/notes:

- Quarter 4 17/18 Healthcheck to go to first (May) PAG in 2018/19 Calendar

Finance will continue to provide quarterly finance health checks for 2017-18. Alison will liaise to ensure they are in alignment with the meetings timetable. The dates for the quarterly finance healthchecks to go to PAG are as following:

Quarter 1 (April – June 2017) PAG – 26/09/2017

Quarter 2 (July – September 2017) PAG – 21/11/2017

Quarter3 (October – December 2017) PAG – 13/03/2017

Outturn (full year 2017/18) PAG – will go to PAG in July 2018

- Complaints lodged with the monitoring officer - This will be as and when there are updates to report. (Alison Stuart, Head of Democratic and Legal Support Services)
- Constitution Review – Officer work ongoing and the Member Constitution Review group will reconvene in due course. (Alison Stuart, Head of Democratic and Legal Support Services)
- SAFS: Training for members at Nov meeting:
1. Report on Anti-Fraud Activity at EHC 2016/2017 2. Report on SAFS Progress against EHC Anti-Fraud Action Plan 2017/2018.
And then 13.3.2018 with: 1. Report on SAFS Progress against EHC Anti-Fraud Action Plan 2017/2018. 2. Proposed Anti-Fraud Action Plan for 2018/2019.
- IT Resilience: Topic for scrutiny suggested at work planning workshop. Proposal form to be completed by Members.

PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY – Deadlines for Papers

DATE OF MEETING	AGENDA DISPATCH	REPORT DEADLINE
16 January 2018	8 January 2018	3 January 2018
13 March 2018	5 March 2018	28 February 2018

ESSENTIAL REFERENCE PAPER C

Scrutiny Proposal form

Name of proposer:

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

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

--

Please continue on a separate sheet if necessary

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

--

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

Suggested witnesses, documentation and consultation required

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

Improve the health and wellbeing of our communities

Enhance the quality of people's lives

Enable a flourishing local economy

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

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

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

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

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

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

Yes

No

Date of request:

Signed:

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