

**To: Deputy Leader and Members of the Resources Board**

**Councillors D Wright, Chambers, Davey, Davis,  
N Dirveiks, Henney, Lea, Moss, Simpson, Waters**

**For the information of other Members of the Council**

**For general enquiries please contact Emma Humphreys/Amanda Tonks on 01827 719221 or via email – emmahumphreys@northwarks.gov.uk or amandatonks@northwarks.gov.uk.**

**For enquiries about specific reports please contact the Officer named in the reports.**

**This document can be made available in large print and electronic accessible formats if requested.**

## **RESOURCES BOARD AGENDA**

**14 NOVEMBER 2016**

The Resources Board will meet in the Committee Room at The Council House, South Street, Atherstone, Warwickshire on Monday, 14 November 2016 at 6.30pm.

### **AGENDA**

- 1 Evacuation Procedure.**
- 2 Apologies for Absence / Members away on official Council business.**
- 3 Disclosable Pecuniary and Non-Pecuniary Interests.**

4 **Minutes of the Resources Board held on 6 September 2016** – copy herewith, to be approved as a correct record and signed by the Chairman.

5 **Public Participation**

Up to twenty minutes will be set aside for members of the public to ask questions or to put their views to elected Members. Participants are restricted to five minutes each. If you wish to speak at the meeting please contact Amanda Tonks/Emma Humphreys on 01827 719221 or email [democraticservices@northwarks.gov.uk](mailto:democraticservices@northwarks.gov.uk).

**PART A – ITEMS FOR DISCUSSION AND DECISION  
(WHITE PAPERS)**

6 **Treasury Management Update 2016/17** – Report of the Deputy Chief Executive

**Summary**

This report shows the Treasury Management activity for the period up to the end of September 2016.

The Contact Officer for this report is Stephen Robbins (719337).

7 **Capital Programme 2016/17 Period 6 Update** – Report of the Assistant Director (Finance and Human Resources)

**Summary**

The report updates Members on the progress of the 2016/17 Capital Programme in terms of expenditure up to the end of September 2016.

The Contact Officer for this report is Stephen Robbins (719337).

8 **General Fund Budgetary Control Report 2016/17 Period Ended 30 September 2016** – Report of the Assistant Director (Finance and Human Resources)

**Summary**

The report covers revenue expenditure and income for the period from 1 April 2016 to 30 September 2016. The 2016/17 budget and the actual position for the period, compared with the estimate at that date, are given, together with an estimate of the out-turn position for services reporting to this Board.

The Contact Officer for this report is Nigel Lane (719371).

- 9 **Housing Revenue Account Budgetary Control Report 2016/17 Period Ended 30 September 2016** – Report of the Assistant Director (Finance and Human Resources)

**Summary**

The report covers total Housing Revenue Account revenue expenditure and income for the period from 1 April to 30 September 2016.

The Contact Officer for this report is Nigel Lane (719371).

- 10 **Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April - September 2016** - Report of the Chief Executive and the Deputy Chief Executive

**Summary**

This report informs Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April to September 2016.

The Contact Officer for this report is Robert Beggs (719238).

- 11 **Internal Audit – Performance for Second Quarter 2016-17** – Report of the Deputy Chief Executive

**Summary**

The report allows the Board to monitor the progress of the Council's Internal Audit function against the agreed plan of work for the year.

The Contact Officer for this report is Barbara Haswell (719416).

**PART C – EXEMPT INFORMATION  
(GOLD PAPERS)**

- 12 **Exclusion of the Public and Press**

**Recommendation:**

**That under Section 110A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.**

13 **Request to Purchase Land** – Report of the Assistant Director (Housing)

The Contact Officer for this report is Angela Coates (719369)

14 **Request to have a Licence over Land**– Report of the Assistant Director (Housing) and Assistant Director (Streetscape)

The Contact Officer for this report is Angela Coates (719369).

15 **Request to Rent Land** – Report of the Assistant Director (Streetscape)

The Contact Officer for this report is Richard Dobbs (719440).

16 **Request to Purchase Council Owned Garages** - Report of the Assistant Director (Housing)

The Contact Officer for this report is Angela Coates (719369).

17 **Development at Ridge Lane** – Report of the Assistant Director (Housing)

The Contact Officer for this report is Angela Coates (719369).

JERRY HUTCHINSON  
Chief Executive

## NORTH WARWICKSHIRE BOROUGH COUNCIL

### MINUTES OF THE RESOURCES BOARD

6 September 2016

Present: Councillor D Wright in the Chair

Councillors Chambers, Davey, Davis, N Dirveiks, Henney, Lea, Simpson and Waters.

Councillors Humphreys, Phillips and Smith were also in attendance.

#### 15 **Disclosable Pecuniary and Non-Pecuniary Interests**

Cllr Humphreys declared a non-pecuniary interest in Minute No 30 (Land Sales), left the meeting and took no part in the discussion.

#### 16 **Minutes of the Resources Board held on 18 April and 23 May 2016**

The minutes of the meetings of the Board held on 18 April and 23 May 2016, copies having previously been circulated, were approved as a correct record and signed by the Chairman.

#### 17 **Presentation from Sue Garner, Assistant Director (Finance and Human Resources) on the work of her Division.**

The Assistant Director (Finance and Human Resource) provided a presentation on the work of her Division.

#### 18 **Treasury Management Update 2016/17**

The Deputy Chief Executive reported on the Treasury Management activity for the period up to the end of July 2016

#### **Resolved:**

**That the Treasury Management activity for the period up to the end of July 2016 be noted.**

#### 19 **Capital Programme 2016/17 Period 4 Update**

The Assistant Director (Finance and Human Resources) updated Members on the progress of the 2016/17 Capital Programme in terms of expenditure up to the end of July 2016.

**Resolved:**

**That the progress made against the 2016/17 Capital Programme be noted.**

**20 General Fund Budgetary Control Report 2016/17 – Period Ended 31 July 2016**

The Assistant Director (Finance and Human Resources) reported on the revenue expenditure and income for the period from 1 April 2016 to 31 July 2016. The 2016/17 budget and the actual position for the period, compared with the estimate at that date, were given, together with an estimate of the out-turn position for services reporting to the Board.

**Resolved:**

**That the report be noted.**

**21 Housing Revenue Account Budgetary Control Report 2016/17 – Period Ended 31 July 2016**

The Assistant Director (Finance and Human Resources) reported on the total Housing Revenue Account revenue expenditure and income for the period from 1 April to 31 July 2016.

**Resolved:**

**That the report be noted.**

**22 Internal Audit – Performance for First Quarter 2016-17**

The Deputy Chief Executive reported on the progress of the Council's Internal Audit function against the agreed plan of work for the year.

**Resolved:**

**That the progress of the Council's Internal Audit function against the agreed plan of work for the year be noted.**

**23 Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April – June 2016**

The Chief Executive and Deputy Chief Executive informed Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April to June 2016.

**Resolved:**

**That the report be noted.**

**24 Online Services Update and Plans for Promoting and Increasing Use**

The Assistant Director (Corporate Services) and Assistant Chief Executive (Community Services) updated Members on the use of the Council's Website and those services delivered online, via the Internet and provided information on how the Council planned to promote, increase and improve the use of the internet for those services that could be most effectively provided online.

**Resolved:**

**That the report be noted.**

**25 Internal Audit – Performance for 2015-16**

The Deputy Chief Executive reported on the progress of the Council's Audit function against the agreed plan of work for 2015-16.

**Resolved:**

**That the progress of the Council's Audit function against the agreed plan of work for 2015-16 be noted.**

**26 Recovery of Council Tax and Non-Domestic Rates – Court Authorisation**

The Assistant Chief Executive (Community Services) sought authorisation for Karen Rosten, Susan Trahern, Randip Mudhar, Tina Robinson and Jade Fuller to prosecute or defend on the Council's behalf or appear in proceedings before a Magistrate Court in relating to the recovery of Council Tax and non-Domestic Rates in accordance with Section 223 of the Local Government Act 1972.

**Recommended:**

**That Karen Rosten, Susan Trahern, Randip Mudhar, Tina Robinson and Jade Fuller be authorised to appear on the Council's behalf in relation to the recovery of Council Tax and Non Domestic Rates.**

**27 Risk Management Annual Report 2015/16**

The Assistant Director (Finance and Human Resources) informed Members of risk management actions undertaken during 2015/16 and the risk identified for 2016/17

**Resolved:**

**That the progress be noted.**

28 **Exclusion of the Public and Press**

**Resolved:**

**That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.**

29 **Irrecoverable Local Taxation Debts**

The Assistant Chief Executive (Community Services) detailed the amounts recommended for write off in accordance with the write off policy agreed by the Board on 23 May 2016.

- a That the write off of balances over £5,000 totalling £179,607.63 in respect of unpaid Non Domestic Rates as outlined in Appendix A of the report of the Chief Executive (Community Services) be agreed; and**
- b That Appendix B to the report of the Chief Executive (Community Services) which summarises the total amount of write offs in the year to date and over the last 5 years, which includes those written off under delegated powers, be noted.**

30 **Land Sales**

The Assistant Director (Streetscape) asked Members to consider two separate requests to purchase different parcels of Council owned land and sought agreement for a course of action in respect of each site.

**Recommended:**

- a That the parcel of land identified in Appendix A to the report of the Assistant Director (Streetscape) be declared as surplus to requirements;**
- b That the offer for the parcel of land identified in Appendix A, subject to the conditions of sale set out in the report of the Assistant Director (Streetscape) be accepted; and**
- c That the offer for the parcel of land identified in Appendix B to the report of the Assistant Director (Streetscape) be refused.**

D Wright  
CHAIRMAN



## **Agenda Item No 6**

### **Resources Board**

**14 November 2016**

**Report of the  
Deputy Chief Executive**

**Treasury Management Update  
2016/17**

## **1 Summary**

- 1.1 This report shows the Treasury Management activity for the period up to the end of September 2016.

### **Recommendation to the Board**

**That the Treasury Management Report for the period up to the end of September 2016 be noted.**

## **2 Introduction**

- 2.1 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 maximising investment return.
- 2.2 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.
- 2.3 The Council uses the Code of Practice for Treasury Management issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) to ensure best practice is followed. The Code suggests that Members should be informed of Treasury Management activities at least twice a year, but preferably quarterly. This report follows the guidance of the Code.

## **3 Economic Forecast**

- 3.1 The 2016/17 financial year to date has been a period of great volatility, following the referendum result which saw the vote to leave the European Union. The full economic impact of this decision is yet to be felt but the economy and the markets are now starting to respond to the uncertainty which has abounded since the result was declared. However it is generally expected that although the economy will now avoid flat lining, growth will be weak through the remainder of 2016 and in 2017, due to the uncertainty of whether the UK would have continuing full access, (i.e. without tariffs), to the EU single market.
- 3.2 On Thursday 4 August, the Bank of England decided unanimously to cut interest rates for the first time since 2009 to 0.25% from the historical low of 0.5%. Whilst initial forecasts were that interest rates would be cut further, there are now differing opinions on the timing of any future rate changes. Economic forecasting remains difficult with many external influences weighing on the UK, such as the new Government and its forthcoming Autumn Statement along side the US Presidential Elections. Further uncertainty on the terms of Britain's exit from the EU will add to the volatility in the markets.
- 3.3 The Governor of the Bank of England, Mark Carney, had also warned that the Bank on its own may be unable to resolve the current economic position and suggested that the Government will need to help growth by increasing investment expenditure and possibly by using fiscal policy tools, such as taxation.
- 3.4 The Council's Treasury Advisor, Capita, has undertaken a review of its interest rate forecast and these are summarised below:

	<b>Bank Rate Forecast</b>	<b>10 Year PWLB</b>	<b>25 Year PWLB</b>	<b>50 Year PWLB</b>
Q4 Oct 16 to Dec 16	0.10%	1.50%	2.30%	2.10%
Q1 Jan 17 to Mar 17	0.10%	1.50%	2.30%	2.10%
Q2 Apr 17 to June 17	0.10%	1.60%	2.40%	2.20%
Q3 Jul 17 to Sept 17	0.10%	1.60%	2.40%	2.20%
Q4 Oct 17 to Dec 17	0.10%	1.60%	2.40%	2.20%
Q1 Jan 18 to Mar 18	0.10%	1.60%	2.40%	2.20%
Q2 Apr 18 to June 18	0.25%	1.70%	2.50%	2.30%
Q3 Jul 18 to Sept 18	0.25%	1.70%	2.50%	2.30%

## 4 Treasury Management Strategy Statement

### 4.1 Review of Annual Investment Strategy

- 4.1.1 The Treasury Management Strategy Statement (TMSS) for 2016/17 was approved by Resources Board on 25 January 2016. The Council's Annual Investment Strategy, which is incorporated in the TMSS, outlines the Council's investment priorities as follows:

- Security of Capital
- Liquidity
- Yield

- 4.1.2 The Council will aim to achieve the optimum return on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered appropriate generally to keep investments short term, and only invest with highly rated financial institutions, including sovereign credit rating and Credit Default Swap (CDS) overlay information provided by Capita.
- 4.1.3 Investment rates fluctuated between April and July 2016 as the markets sought to find a new equilibrium following the historic decision to 'Brexit' the European Union. Rates available dipped somewhat as uncertainty over the timing of a future interest rate cut, alongside dampened economic growth, saw banks and other financial institutions tighten their belts.
- 4.1.4 Following the Bank of England's decision to cut interest rates at the start of August, interest rates available to all institutions have reduced dramatically. Whilst in the first 6 months this did not affect the fixed interest investments held by this Authority, it has had an immediate impact on our liquid investments. However, the bulk of the fixed interest investments are now due to mature in Q3 2016/17 and due to the lower interest environment, we will now struggle to find comparative interest rates while staying true to the Council's investment priorities. This will have a direct impact on the investment income the Council receives.
- 4.1.5 The average level of funds available for investment purposes during the April to September period was £19.730 million. These funds were available on a temporary basis and the level of funds available for investment purposes was mainly dependent on the timing of precept payments, the receipt and payments of grants and the timing of both capital and revenue expenditure. Officers can confirm that the approved limits within the Annual Investment Strategy have not been breached.
- 4.1.6 Interest gained on investments up to the end of September 2016 totalled £76,601, compared to the profiled budgetary position of £90,000. The average interest rate on investments for this period was 0.79% compared to the benchmark of the 7 day LIBOR rate of 0.25% (See Appendix A). Going forward we would expect our average interest rate on investments to reduce below the current level as our current investment portfolio matures.

## 4.2 **Borrowing**

- 4.2.1 The Council's Capital Financing Requirement (CFR) for 2016/17 was estimated at £68.8 million. 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.

4.2.2 The table below shows the Council’s external borrowings and the utilisation of cash flow funds in lieu of borrowing. This is a prudent and cost effective approach in the current economic climate.

	2016/17 Original Estimate £m	2016/17 Estimated Out-turn £m
External borrowing – Housing	53,159	53,052
Internal borrowing – General Fund	15,657	15,462
<b>CFR (year end position)</b>	<b>68,816</b>	<b>68,514</b>

4.2.3 The Council has not needed to borrow any funds on a short term basis during the year to date.

### 4.3 Prudential Indicators

4.3.1 It is a statutory duty for the Council to determine and keep under review its “Affordable Borrowing Limits”. The Council’s authorised Borrowing Limit and Operational Boundary Limits for 2016/17 were set at £84.954 million and £68.816 million respectively. Activity has remained within these limits for the months from April to September.

## 5 Report Implications

### 5.1 Finance and Value for Money Implications

5.1.1 Up to 30 September 2016, interest earned on investments was £76,601. The Council has not needed to borrow during the first six months of the year, to fund any temporary shortfalls in the day to day cash flow.

5.1.2 Temporary internal borrowing has been possible due to the revenue and capital reserves currently being held. Once these are used, the Council will need to replace internal borrowing with external borrowing. The use of temporary internal borrowing for capital expenditure has reduced the cost of capital in the General Fund in the short term.

### 5.2 Environment and Sustainability Implications

5.2.1 By having effective and prudent treasury management, this contributes towards sustainability and providing services that improve the quality of life for the communities of North Warwickshire.

### 5.3 Risk Management Implications

- 5.3.1 Credit ratings are used in assessing the institutions on the authorised lending list and the maximum investment level permitted.
- 5.3.2 Specialist advice was taken from our Treasury Management consultants to ensure that our debt profile for HRA self financing has an appropriate balance between long and short term borrowing.
- 5.3.3 Continuous monitoring of the Council's treasury position will allow external borrowing to be taken out to cover the loss of internal borrowing, at the appropriate time.

The Contact Officer for this report is Stephen Robbins (719337).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

INVESTMENT OUTSTANDING

CURRENT LOANS & INVESTMENTS

30-Sep-16

Name of Borrowing Authority Investment General Account	Investment or Loan No.	Amount	% Invested	Type of Investment	Current Interest Rate	Date of Investment	Maturity Date
Lloyds	10524151LS	1,000,000.00	5.00%	Fixed	1.05	22-Jan-16	23-Jan-17
Lloyds	10965471LS	1,000,000.00	5.00%	Fixed	1.00	09-Sep-16	08-Sep-17
Lloyds	10815743	1,000,000.00	5.00%	Fixed	1.05	13-Oct-15	13-Oct-16
Lloyds		1,000,000.00	5.00%	Fixed	0.80	15-Apr-16	14-Oct-16
Lloyds	10384213LS	1,000,000.00	5.00%	Fixed	1.05	16-Nov-15	16-Nov-16
Nordea AB	Cert of Deposit	1,000,000.00	5.00%	Fixed	0.62	03-May-16	01-Nov-16
Santander		1,000,000.00	5.00%	Fixed	0.70	16-May-16	16-Nov-16
Toronto Dominion Bank	Cert of Deposit	1,500,000.00	7.51%	Fixed	0.97	15-Dec-15	13-Dec-16
Toronto Dominion Bank	Cert of Deposit	1,000,000.00	5.00%	Fixed	0.52	09-Sep-16	09-Jun-17
Santander	180 Day Call	1,000,000.00	5.00%	Call	0.90	02-Nov-15	16-Jan-17
Santander	365 Day Call	1,000,000.00	5.00%	Call	1.05	14-Jan-16	16-Jan-17
Federated Cash Plus	0000228	1,000,000.00	5.00%	eMMF	0.5000	25-Aug-16	
RLAM Cash Plus	0000057323	2,000,000.00	10.01%	eMMF	0.8800	22-Jan-14	
Federated MMF	0000228	485,300.00	2.43%	MMF	0.3685		
Ignis MMF (Bank of New York Mellon) - class 2	0000554-001	5,000,000.00	25.02%	MMF	0.3700		
<b>TOTAL CURRENT GENERAL INVESTMENTS</b>		<b>19,985,300.00</b>			<b>0.79</b>		

**Agenda Item No 7**

**Resources Board**

**14 November 2016**

**Report of the Assistant Director  
(Finance and Human Resources)**

**Capital Programme 2016/17  
Period 6 Update**

**1 Summary**

- 1.1 The report updates Members on the progress of the 2016/17 Capital Programme in terms of expenditure up to the end of September 2016.

**Recommendation to the Board**

**That progress made against the 2016/17 Capital Programme is noted.**

**2 Introduction**

- 2.1 The Executive Board approved the Council's Capital Programme of £6,944,170 for 2016/17 in February 2016.

- 2.2 At the Executive Board on 14 June, it was agreed to carry forward £4,259,580 of unspent 2015/16 budget. Additionally, the 2016/17 budget for the replacement of General Fund vehicles was reduced by £65,480, to reflect the early replacement of the Compact Sweeper in 2015/16. This gives a total approved capital programme for 2016/17 of £11,138,270 (Appendix A).

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**3 Budget Profiling**

- 3.1 A schedule of works is arranged by each budget holder and each of the schemes are timetabled for completion throughout the year. This schedule is monitored on a monthly basis and discussed with Budget Holders.

**4 Housing Schemes**

- 4.1 The original budget for 2016/17 is £5,895,460 and there is an agreed carry forward of £3,506,396 which provides a total Housing Capital budget of £9,401,856 (Appendix A).

- 4.2 There has been a total of £3,729,156 spent or committed on the housing capital programme during the first six periods of 2016/17; this is compared to a profiled budget of £4,719,320.

- 4.3 The invoices relating to the New Build programme are being received and paid as work progresses. This programme will deliver new properties at Lister Road, Atherstone, Spon Lane, Grendon, St Helena, Polesworth and Church Walk, Mancetter.
- 4.4 Contracts for the schemes to cover Kitchen Replacements and Electrics are due to go out to tender in November. Work has started on the Roof Replacement programme with further contracts for the Roofing programme to be tendered in December. Design specifications for essential works at Alder and Heather Court Flats have now been finalised. The schemes to cover External Wall Insulation, Heating and Multi Trade Contracts are ongoing and progressing.

## 5 **General Fund Schemes**

- 5.1 The original budget for 2016/17 was £1,048,710 and there is an agreed carry forward of £753,184, alongside the aforementioned budget reduction of £65,480, providing a total General Fund Capital budget of £1,736,414 (Appendix A).
- 5.2 There has been a total of £812,028 spent and committed against the general fund capital projects for 2016/17, compared to a profiled budget of £1,085,274.
- 5.3 The invoices for cladding works at Innage Park have been paid and work has been completed.
- 5.4 Some additional expenditure on work at Abbey Green Park, Polesworth and Mobile CCTV at Long Street Recreation Ground, Dordon will be funded through the use of earmarked reserves.
- 5.5 The overspends on IT schemes relating to the Academy Server Replacement and Leisure Booking System Replacement will be offset by an in year, one-off, underspend on the Infrastructure Improvements scheme, the funding for which will be directed towards the aforementioned schemes.
- 5.6 There is currently an underspend against the Disability Discrimination Act (DDA) scheme because work is carried out in order to be able to respond to the changing needs of users of our facilities and our employees as and when identified disabilities highlight shortcomings in our facilities which would need to be addressed. Work is also in progress to revise the Council's Asset Management Plan in order to identify areas of greatest need and those schemes which will deliver the best improvements to Council property.
- 5.7 Expenditure on Private Sector Disabled Facilities Grants is progressing as the needs of residents are identified and the necessary work to adapt their property is completed. Expenditure is slightly below the profiled budget as the types of cases we are seeing are generally less costly activities, such as level access showers and lifts, with fewer expensive conversions and extensions.



- 5.8 Over the past two years Government funding for energy efficiency measures has been plentiful (in partnership with Nuneaton & Bedworth Borough Council) and the proactive work to deal with empty homes has diminished so there has not been a great demand for grant funding for private sector housing measures. As a result there has been an underspend against the Decent Homes Standard Assistance budget. However, It is hoped that the HEART shared service, which will come into operation in November 2016, will help identify homes requiring further works to bring them up to the Decent Homes Standard, which will provide the Authority with greater opportunity to utilise this budget and the underspend which has accumulated over recent years.

## **6 Report Implications**

### **6.1 Finance and Value for Money Implications**

- 6.1.1 Capital schemes will contribute to services provided by the Council, from maintaining decent Council homes, assisting in carrying out adaptations to resident's houses to helping to fund efficient heating systems to promote carbon reduction and encouraging fitness and wellbeing.

### **6.2 Environment and Sustainability Implications**

- 6.2.1 Expenditure incurred as part of the Council's Capital Programme enables the Council to continue to improve and deliver a range of services to the people of North Warwickshire. The implementation of the capital programme will lead to improvements in the quality of life for the communities of North Warwickshire.

### **6.3 Risk Management Implications**

- 6.3.1 Failure to make reasonable adjustments to ensure our buildings and facilities are accessible could expose the Council to potential litigation and risks damage to its reputation.

### **6.4 Equality Implications**

- 6.4.1 The Council is required to ensure it meets the requirements of the Equality Act 2010. The Act brings together all previous equality legislation and includes a public sector duty (the equality duty) replacing separate duties relating to race, disability and gender equality. The capital programme includes some provision for improving accessibility as previously required under the Disability Discrimination Act. The DDA defines discrimination in a number of ways and outlines four specific types of discrimination: direct discrimination, failure to make reasonable adjustments, disability-related discrimination and victimisation.
- 6.4.2 Failure to make reasonable adjustments could result in limiting access to services provided from our buildings and facilities by disabled people and the potential for legal challenges being taken against the Council.

The Contact Officer for this report is Stephen Robbins (719337).

**Capital Budgetary Control Summary 2016/17 - as at P6**
**APPENDIX A**

Cost Centre Description	Original Budget 2016/17	Budget Brought Forward from 2015/16	Virements & Supplementary Budgets	(A)	(B)	(C)	(D)
				Total 2016/17 Approved Budget	Profiled Budget	Total Yr To Date	Total v Profiled Bud
Hsg Disabled Facility Adaptation CH	175,000	-		175,000	87,500	59,238	(28,262)
Hsg Kitchens	450,000	-		450,000	225,000	-	(225,000)
Hsg Insulation	500,000	627,212		1,127,212	380,161	380,161	(0)
Hsg Roofing	750,000	925,488		1,675,488	837,745	165,270	(672,475)
Hsg Heating	300,000	770,000		1,070,000	373,994	373,994	(0)
Hsg Electrics	150,000	-		150,000	75,000	-	(75,000)
New Build Housing Project	2,801,030	942,541		3,743,571	2,340,040	2,350,614	10,574
Multi Trade Contract	300,000	179,266		479,266	290,085	290,085	(0)
Replace HDW Vehicles	51,120	61,889		113,009	50,640	50,640	0
Alder & Heather Court Flats - Essential Works	300,000	-		300,000	-	-	0
Hsg Capital Salaries	118,310	-		118,310	59,155	59,155	0
<b>Total HRA</b>	<b>5,895,460</b>	<b>3,506,396</b>	<b>-</b>	<b>9,401,856</b>	<b>4,719,320</b>	<b>3,729,156</b>	<b>(990,164)</b>
DDA	-	318,507		318,507	159,255	11,431	(147,824)
Refurbishment of Council Owned Buildings	-	86,442		86,442	-	-	0
Enhancement to Parks and Playing Fields	29,670	-		29,670	29,670	30,000	330
General Leisure Equipment	20,000	-		20,000	20,000	22,827	2,827
Polesworth Abbey Green Park	-	-		-	-	7,552	7,552
Dordon Long Street Recreation Ground	-	7,290		7,290	7,290	7,291	1
Bretts Hall Recreation Ground	30,000	-		30,000	-	-	0
Innage Park Cladding	265,000	5,000		270,000	270,000	234,509	(35,491)
Hurley Kings FC - Daw Mill Recreation Ground	-	10,285		10,285	7,885	7,885	0
Computer Software	30,000	-		30,000	23,319	23,319	0
Infrastructure Improvements	20,000	-		20,000	10,000	6,230	(3,770)
Academy Server Replacement	-	15,000		15,000	15,000	17,950	2,950
IT Replace Leisure booking system	-	-		-	-	1,100	1,100
IT Backup Disaster & Recovery	25,000	-		25,000	25,000	25,826	826
Customer Relationship Manager	11,870	-		11,870	11,870	11,890	20
Life Lines	23,000	-		23,000	11,500	3,775	(7,725)
Mobile CCTV	-	-		-	-	5,311	5,311
Transport	215,100	-	65,480	149,620	149,620	150,331	711
Disabled Facilities Grants (expenditure)	300,000	164,425		464,425	232,215	225,000	(7,215)
Decent Homes Standard Assistance	57,500	146,235		203,735	101,865	9,016	(92,849)
Capital Salaries	21,570	-		21,570	10,785	10,785	0
<b>Total General Fund</b>	<b>1,048,710</b>	<b>753,184</b>	<b>- 65,480</b>	<b>1,736,414</b>	<b>1,085,274</b>	<b>812,028</b>	<b>(273,246)</b>
<b>Total Expenditure</b>	<b>6,944,170</b>	<b>4,259,580</b>	<b>- 65,480</b>	<b>11,138,270</b>	<b>5,804,594</b>	<b>4,541,184</b>	<b>(1,263,410)</b>

## **Agenda Item 8**

### **Resources Board**

**14 November 2016**

#### **Report of the Assistant Director (Finance and Human Resources)**

#### **General Fund Budgetary Control Report 2016/17 Period Ended 30 September 2016**

## **1 Summary**

- 1.1 The report covers revenue expenditure and income for the period from 1 April 2016 to 30 September 2016. The 2016/17 budget and the actual position for the period, compared with the estimate at that date, are given, together with an estimate of the out-turn position for services reporting to this Board.

### **Recommendation to Resources Board**

**That the report be noted and that the Board requests any further information it feels would assist it in monitoring the budgets under the Board's control.**

## **2 Introduction**

- 2.1 Resources Board is responsible for monitoring the Council's overall financial position on the General Fund, and this report gives details of the position at 30 September.
- 2.2 The Board is also directly responsible for a number of internal and front line services. Accounting rules require front line services to show the total cost of providing the service, which includes support costs such as finance and IT services, as well as costs and income directly incurred.
- 2.3 Internal service costs are therefore recharged to all the services they support, both those that remain within Resources Board and those which are the responsibility of other Boards. This report provides some detail on both the front line services relating to this Board and the internal service costs that are recharged, at 30 September 2016.
- 2.4 Where possible, the year-to-date budget figures have been calculated with some allowance for seasonal variations, in order to give a better comparison with actual figures.

## **3 Services Remaining Within Resources Board**

- 3.1 The total expenditure for those services that remain within Resources as at 30 September 2016 is £1,986,878, compared with a profiled budgetary position of £1,994,094; an under spend of £7,216 for the period. Appendix A to this report

provides details of the profiled and actual position for each service reporting to this Board, together with the variance for the period.

### **3.2 Democratic Process**

3.2.1 There are under spends to date on members basic and special responsibility allowance, training and mayoral transport.

### **3.3 Council Tax Collection**

3.3.1 There is currently an under spend on Council Tax Collection as a result of legal fee income being above the profiled level.

### **3.4 Finance Unused Land and Assets**

3.4.1 The over spend relates to the Business Rates, utility costs and professional fees incurred to date on the sale of the old Coleshill Leisure Centre. In addition there are Business Rates, utility costs and asbestos removal relating to the guide hut in Atherstone.

### **3.5 Innage Park Industrial Estate**

3.5.1 The under spend is due a lower level of vacancies than budgeted for. As a consequence of more units occupied the NDR costs on the vacant units are lower than profile.

### **3.6 Public Conveniences**

3.6.1 The cost of reinstatement of the land after the removal of the 3 automatic public conveniences is higher than budgeted for.

### **3.7 Rent Allowances**

3.7.1 The current over spend relates to lower than expected recovery of Housing Benefit overpayments and rent allowances being higher than expected.

### **3.8 Rent Rebates**

3.8.1 The current under spend relates to higher than expected recovery of Housing Rent Rebates overpayments.

## **4 Services Recharged to Other Directorates and Services**

4.1 Net expenditure for those services that are recharged to other Directorates and Services, as at 30 September 2016, is £56,461, compared with a profiled budgetary position of £170,723; an under spend of £114,262 for the period. Appendix B to the report gives the profiled and actual positions for the period for each service, together with the variance.

...

## 4.2 Directorate Budgets

4.2.1 The Council's budget requirement for 2016/17 assumed that there would be a salary vacancy saving in the year of £150,000 and this was included as a central amount. The central vacancy factor has been added into the budget columns shown in Appendix B, to enable easier comparison with the actual position. Current vacancy levels within the Directorates mean that we have exceeded the profile target, taking into account the use of temporary and agency staff to cover key duties and any recruitment costs resulting from these vacancies, and excluding vacancies that relate to the Housing Revenue Account.

4.2.2 The areas with vacancies are Heritage and Conservation, Partnership and Development, Planning, Central Services, Community Support, Financial Services and Leisure Facilities. Most of these remain unfilled. The table below relates to the General Fund only.

	£
Current agency staff variance	109,880
Current salaries underspend	(279,590)
<b>Sub total</b>	<b>(169,710)</b>
Less Central Vacancy factor	75,000
<b>TOTAL</b>	<b>(94,710)</b>

4.2.3 In addition to the salary savings identified above there are underspends on officer travel expenses, additional grant income towards the costs of implementing universal credit and additional legal fee income relating to section 106 agreements and the recovery of court costs.

## 5 Performance Indicators

5.1 In addition to the financial information provided to this Board, when the budgets were set in February, performance indicators were included as a means of putting the financial position into context. These are shown at Appendix C.

5.2 The majority of the Performance Indicators are comparable with the profiled position.

5.3 The main reason for the variance in the performance figures for rent allowances is due to an increase in rent allowances and lower recovery of housing benefit overpayments and a lower number of claimants, therefore resulting in a higher administration cost per claimant.

5.4 The main reason for the variance in the performance figures for rent rebates is due to higher recovery of housing rent rebates overpayments, although there are a lower number of claimants the result is a lower administration cost per claimant.

## 6 Overall General Fund Position

- ... 6.1 Appendix D provides an analysis of Board expenditure and the overall position for the General Fund for this report.
- 6.2 The actual level of Board expenditure for the period to 30 September 2016 is £5,030,478 compared with a profiled budgetary position of £5,169,319, an under spend of £138,840. The variations on Resources Board account for some of this underspend, and are detailed in sections 4 and 5. In addition income on Planning Control is ahead of target by £25,770 as a result of an increase in the number of planning applications being submitted and the receipt of a larger application. In addition, higher Refuse and Recycling haulage/disposal costs and additional employee costs as a result of increased demand on green waste have occurred although demand is expected to fall from October 2016 as a result of seasonal changes. This has been partially offset by employee and vehicle running cost reduction within Amenity Cleaning and Grounds Maintenance.
- 6.3 As well as expenditure directly attributable to services, and included in the Board totals, there are a number of other amounts that need to be taken into account that provide the total net expenditure for the General Fund. This includes investment income, external interest payments and adjustments to reverse capital charges included within Board expenditure, from out of Council expenditure.
- 6.4 Taking these amounts into account, net expenditure for the Council to the end of September totals £4,273,373, compared with a profiled position of £4,403,821. This decreases the general under-spend for the period to £130,448.

## 7 Risks to Services

- 7.1 In setting the budget in January 2016, a number of key risks to the overall budgetary position of the Council were highlighted and these are shown below:-
- A higher level of maintenance on property assets and car parks, over and above that budgeted for. Some of this is driven by changes in legislation;
  - An increase in the level of Local Authority error made in processing benefit payments could lead to a loss of subsidy;
  - A significant increase in workload due to an increase in benefit claimants and non-payment of Council Tax and/or Business Rates;
  - The effect of planned Government changes in how benefits services are delivered and the structure of benefit payments;
  - A fall in the level of recovery of Housing Benefit overpayments (greater than that expected) would impact on the level of expenditure borne by the Council;
  - Further reductions in benefit administration grant levels;
  - Above inflation increases to contracts
  - Loss of County Council funding towards Customer Contact staffing
  - Further increases in the pension scheme deficit;

- Effect of an ageing population on demand for Community Support services;
- Additional increases in pension contribution rates above those already included;
- Higher than anticipated rises in utility costs (electricity, gas and water);
- Changes in legislation that effect service delivery and/or software requirements;
- Increased insurance costs, especially those relating to vehicles;
- Termination of employment costs;

## 8 Estimated Out-turn for the General Fund

8.1 The anticipated out-turn for the General Fund is detailed in the table below: -

<b>Board</b>		<b>£</b>
	<b>Approved budget 2016/2017</b>	<b>8,240,480</b>
C & E	Additional refuse and recycling employee costs, haulage disposal costs offset by lower maintenance costs	83,000
C & E	Lower repairs and maintenance of Amenity Cleaning vehicles	(9,800)
C & E	Lower Amenity Cleaning employee costs	(9,000)
C & E	Lower Grounds Maintenance employee costs	(11,000)
C & E	Additional savings on fuel	(16,000)
C & E	Arley Sports Centre reduction in hours	(18,000)
C&E	Charging for replacement bins	(12,800)
Resources	1% reduction in pay award	(87,000)
Resources	One off increase in Borough Care Income	(85,000)
Resources	Additional Benefit costs	30,000
	Additional staffing vacancies	(85,000)
	Reduced borrowing costs offset by a loss of investment income	(114,000)
	Additional Insurance costs	29,400
	<b>Expected Out-turn 2016/2017</b>	<b>7,935,280</b>

## 9 Report Implications

### 9.1 Finance and Value for Money Implications

9.1.1 The Council's budgeted contribution from General Fund balances for the 2016/2017 financial year is £763,220. This is expected to decrease by £305,200, as shown above in section 9. Income and Expenditure will continue to be closely managed and any issues that arise will be reported to this Board at future meetings.

## 9.2 Environment and Sustainability Implications

9.2.1 The Council has to ensure that it adopts and implements robust and comprehensive budgetary monitoring and control, to ensure not only the availability of services within the current financial year, but in future years.

The Contact Officer for this report is Nigel Lane (719371).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

<b>Background Paper No</b>	<b>Author</b>	<b>Nature of Background Paper</b>	<b>Date</b>



**SERVICE REMAINING WITHIN RESOURCES BOARD**  
**Budgetary Control Report 2016/17 as at 30 September 2016**

Description	Approved Budget 2016/2017	Profiled Budget to September 2016	Actual to end September 2016	Variance to Date	Comments
Cost of Democratic Process	569,430	289,926	275,113	(14,813)	See para 3.2
Election Expenses	22,980	14,100	14,053	(47)	
Registration of Electors	53,520	34,300	33,035	(1,265)	
Business Rates	52,700	86,240	85,270	(970)	
Council Tax Collection	267,590	152,052	120,758	(31,293)	See para 3.3
Miscellaneous Finance	470	235	-	(235)	
Compensation and Pension Increases	439,040	207,690	204,851	(2,839)	
Assisted Car Purchases	(450)	(225)	20	245	
Electricity at Work	23,200	9,300	8,930	(370)	
Finance Unused Land and Assets	2,910	1,455	27,736	26,281	See para 3.4
Corporate and Democratic Core	578,330	268,847	270,796	1,949	
Unallocated Central Support Services	54,840	14,800	14,795	(5)	
Coleshill Shops and Flats	(63,870)	(26,585)	(23,918)	2,667	
The Pavilions, Holly Lane	(75,860)	(41,995)	(41,990)	6	
Carlyon Road Industrial Estate	(92,930)	(40,685)	(40,959)	(274)	
Innage Park Industrial Estate	8,580	29,622	24,894	(4,727)	See para 3.5
Polesworth Workspace Units	(1,380)	(682)	492	1,174	
Maya Bar and Restaurant	(11,180)	(5,365)	(4,985)	380	
Homeless Persons	99,000	43,916	44,836	920	
Public Conveniences	89,560	270,075	274,068	3,992	See para 3.6
Customer Contact	82,750	32,495	32,912	417	
Rent Allowances	77,200	13,528	33,626	20,098	See para 3.7
Housing Rent Rebates	33,190	(4,852)	(12,665)	(7,813)	See para 3.8
Concessionary Fares	8,270	4,135	6,538	2,403	
Council Tax Support	247,910	121,542	118,985	(2,557)	
Car Parks	96,730	46,927	49,056	2,129	
Broadband Delivery UK	50,240	120	120	-	
Animal Control	77,910	41,430	42,493	1,063	
Abandoned Vehicles	8,860	5,255	5,267	12	
Private Sector Housing Assistance	168,660	24,580	22,315	(2,265)	
CCTV	131,240	67,480	68,077	597	
Borough Care	552,370	277,870	275,797	(2,074)	
North Warwickshire LEADER	21,680	56,562	56,562	-	
<b>TOTALS</b>	<b>3,573,490</b>	<b>1,994,094</b>	<b>1,986,878</b>	<b>(7,216)</b>	

**RECHARGED SERVICES**  
**Budgetary Control Report 2016/17 as at 30 September 2016**

Description	Approved Budget 2016/2017	Profiled Budget to September 2016	Actual to end September 2016	Variance to Date	Comments
Building Maintenance Fund	-	5,000	5,000	(0)	
Council Offices	30	33,812	32,079	(1,732)	
Central Telephones	-	5,376	2,714	(2,662)	
Recruitment	-	(423)	-	423	
Printing and Stationery	20	(3,001)	(2,557)	445	
Training	-	755	282	(473)	
Depot and Stores	30	10,287	7,853	(2,434)	
Postal Services	-	(1,905)	-	1,905	
Chief Executive Directorate	1,140	1,005	(2,780)	(3,784)	
Assistant Chief Executive	6,870	9,345	(32,945)	(42,291)	
Directorate of Community Services	9,380	43,787	31,108	(12,678)	
Deputy Chief Executive	12,940	49,524	(70,803)	(120,327)	
Corporate Services	7,300	64,646	59,800	(4,847)	
Transport	180	27,517	26,709	(808)	
<b>TOTALS</b>	<b>37,890</b>	<b>245,723</b>	<b>56,461</b>	<b>(189,262)</b>	
Central Vacancy Factor	(150,000)	(75,000)	-	75,000	
Insurance Premium Tax	7,340	-	-	-	
<b>TOTALS</b>	<b>(104,770)</b>	<b>170,723</b>	<b>56,461</b>	<b>(114,262)</b>	

## Performance Indicators (PIs) for budgets reporting to the Resources Board

	Budgeted performance	Profiled Budgeted performance	Actual performance to Date
<b>Registration of Electors</b>			
Cost per elector for the Electoral Register	£1.08	-£0.18	-£0.23
<b>Business Rates</b>			
% of NDR Collection Rate	99.30%	49.65%	58.91%
Cost per NDR Property	£23.36	£38.23	£37.90
<b>Council Tax Collection</b>			
% of Council Tax Collection Tax	98.00%	58.80%	58.75%
Cost per Household	£9.66	£5.49	£4.36
<b>Coleshill Shops and Flats</b>			
Occupancy Rate	100.00%	100.00%	85.71%
Annual Income per Shop	(£10,164)	(£4,389)	(£3,961)
<b>The Pavilions</b>			
Occupancy Rate	100.00%	100.00%	100.00%
Annual Income per Unit	(£10,661)	(£5,946)	(£5,946)
<b>Carlyon Road Industrial Estate</b>			
Occupancy Rate	81.00%	81.00%	81.25%
Annual Income per Unit	(£7,071)	(£3,535)	(£3,556)
<b>Innage Park Industrial Estate</b>			
Occupancy Rate	69.00%	69.00%	74.36%
Annual Income per Unit	(£4,408)	(£2,304)	(£2,440)
<b>Polesworth Workspaces</b>			
Occupancy Rate	75.00%	75.00%	75.00%
Annual Income per Unit	(£1,116)	(£558)	(£558)
<b>Rent Allowances</b>			
Number of Claimants	1,710	1,710	1,698
Rent Allowances per Claimant	£4,900	£2,341	£2,377
Cost of Administration per Claimant	£45.15	£7.91	£23.75
<b>Rent Rebates</b>			
Number of Claimants	1,585	1,585	1,541
Rent Rebates per Claimant	£3,881	£2,132	£2,182
Cost of Administration per Claimant	£20.94	-£3.06	-£8.22

**CONSOLIDATED GENERAL FUND POSITION**  
**Budgetary Control Report 2016/17 as at 30 September 2016**

<b>Board</b>	<b>Approved Budget 2016/2017</b>	<b>Expected position at September 2016</b>	<b>Actual position at September 2016</b>	<b>Variance</b>
Executive	580,330	335,248	336,328	1,080
Planning and Development	321,930	98,263	69,246	(29,016)
Licensing Committee	(4,320)	(13,319)	(9,037)	4,282
Community and Environment	5,334,760	2,584,310	2,590,603	6,293
Resources (including staff vacancies)	3,472,680	2,164,817	2,043,339	(121,478)
<b>Net Board Expenditure</b>	<b>9,705,380</b>	<b>5,169,319</b>	<b>5,030,478</b>	<b>(138,840)</b>
Payments to Parish Councils	70,620	70,620	70,620	-
Other Contingencies	176,710	20,000	20,000	-
<b>Net Board Expenditure</b>	<b>9,952,710</b>	<b>5,259,939</b>	<b>5,121,098</b>	<b>(138,840)</b>
Investment Income	(180,000)	(90,000)	(76,608)	13,392
Revenue Contribution to Capital Spending	119,000	59,500	59,500	-
Use of Balances	(763,220)	(381,610)	(381,610)	-
Financing Adjustment	(888,010)	(444,007)	(449,007)	(5,000)
<b>Net Expenditure</b>	<b>8,240,480</b>	<b>4,403,821</b>	<b>4,273,373</b>	<b>(130,448)</b>

Use of Balances - Original Budget	619,570
Planning and Development - Appeals	80,000
Community & Environment - Leisure Review	15,250
Resources - Parking Review Survey	23,400
Resources - WM Combined Auth Subs	25,000
Use of Balances - Approved Budget	763,220

## Agenda Item No 9

### Resources Board

14 November 2016

**Report of the Assistant Director  
(Finance and Human Resources)**

**Housing Revenue Account  
Budgetary Control Report 2016/2017  
Period Ended 30 September 2016**

## 1 Summary

- 1.1 The report covers total Housing Revenue Account revenue expenditure and income for the period from 1 April to 30 September 2016.

### **Recommendation to the Board**

**To consider if any further information is required.**

## 2 Introduction

- 2.1 Under the Service Reporting Code of Practice (SeRCOP), services should be charged with the total cost of providing the service, which not only includes costs and income directly incurred, but also support costs relating to such areas as finance, office accommodation, telephone costs and IT services and Member costs.

## 3 Overall Position

- 3.1 The Housing Revenue Account (HRA) includes all costs and income relating to the letting and management of the Council's housing stock, and this has to be kept separate from General Fund expenditure. The actual position for the HRA for the period ended 30 September 2016 is a surplus of £598,533, compared with a forecast surplus position for the period of £599,693. Where possible, the forecast position has been profiled to reflect seasonal variations in expenditure and income, in order to give a better comparison with actual figures. The actual position is an unfavourable variance of £1,160 against the forecast position. Appendix A to this report provides details of the profiled and actual position for expenditure and income incurred by the HRA.

...

- 3.2 The contribution to the Repairs Fund is transferred from the Revenue Account on a monthly basis as profiled. The actual spend on repairs is shown within the Repairs Fund. Similarly budget provision within the Revenue Account for capital expenditure is transferred to capital reserves, which are then utilised to fund HRA capital expenditure included in the capital programme.

- 3.3 Supervision and Management General – There is an under spend on Council tax paid on Void properties at this point, although this is expected to relate to

timing differences. In addition there is a general underspend on supplies and services budgets and additional income from court fees.

- 3.4 Rent collection income is lower because there has been a higher level of voids due to some taking longer to let, because they are flats which are part of a sheltered scheme and are not popular with applicants, as well as some properties needing extensive works and which are therefore empty for a longer time. This has been partially offset by lower than expected sales of 12 dwellings to date, against a budgeted position of 15 dwellings.
- 3.5 Shop rents are lower due to higher levels of vacancies at various sites.

#### **4 Housing Repairs Fund**

- 4.1 The Housing Repairs Fund covers expenditure on all repairs and maintenance, both day to day and programmed, whether carried out by Housing Direct Works or external contractors. This includes any surplus or deficit on the operation of Housing Direct Works.
- 4.2 The balance on the Fund at the start of the year amounted to £511,093. The balance can be used to cover timing issues between years. In 2016/17 the contribution to the fund is £3,066,490. Any over-spend in the repairs fund would impact on the use of Housing Revenue Account balances if it exceeded the balance on the fund and the contribution in the year. The current overspend mainly relates to vacancies and the high sickness levels in Housing Direct Works which has increased the need to use subcontractors to complete outstanding works.

... 4.3 The position on the fund at the end of September is shown in Appendix B.

#### **5 Housing Direct Works**

- 5.1 There is an under spend on employee costs reflecting to the current level of vacancies and sickness, which have been covered by the use of sub contractors shown with in the supplies and services line below. There is an increase to date in supplies and services due to the use of sub contractors to cover for sickness identified above, higher use and cost of electrical and gas materials and additional scaffolding costs. There is an underspend on vehicle fuel due to the price per litre being lower than expected and lower vehicle maintenance due to the replacement of part of the vehicle fleet. A lower level of work has been undertaken for the General Fund Building Maintenance works and capital. Appendix C to this report provides the profiled and actual expenditure of Housing Direct Works in more detail.

...

#### **6 Risks to the Budget**

6.1 The key risks to the budgetary position of the Housing Revenue Account in 2016/17 include:

- The potential ongoing impact of sustaining rent income levels with the changes being implemented as welfare reforms; the implementation of the Pay to Stay regulations which will increase rent liabilities for some tenants;
- The requirement on the Council to meet statutory housing needs and support tenants to sustain their tenancies and the abolition of lifetime homes from April 2017;
- A change in interest rates, if funds need to be borrowed;
- A reduction in the rent levels assumed in the Business Plan, as this could impact significantly on the expected surpluses. More attractive Right to Buy conditions could encourage higher sales in addition there is a requirement to sell higher value voids to meet the annual Government levy set out in the Housing and Planning Act;
- The requirements of an ageing stock and the need to meet the Decent Homes Standard are likely to continue to increase the demand for capital works. Work to keep the Council's asset in good condition will be prioritised and accommodated within existing budgets;
- Reductions in the performance of Housing Direct Works will put pressure on the Council to use external contractors, which will impact on the level of expenditure;
- Asbestos removal is an ongoing cost pressure over the next few years until the full picture of the level of asbestos contained in council houses and the cost of removal is assessed.

## 7 **Estimated Out-turn**

7.1 The estimated out-turn for the Housing Revenue Account remains the same as that included in the original budget.

7.2 The estimated out-turn for the Repairs Fund remains the same as that included in the original budget. Measures are in place to prevent the current overspend continuing into the second half of the year, however if high levels of sickness continue there will be a need to provide cover. If it does continue, the fund has sufficient capacity to cover the additional costs.

## 8 **Report Implications**

### 8.1 **Finance and Value for Money Implications**

8.1.1 The Council is currently forecasting a contribution to the Housing Revenue Fund balance for the 2016/17 financial year of £374,760. Income and expenditure will continue to be closely managed and any issues that arise will be reported to this committee for comment.

## 8.2 **Environment and Sustainability Implications**

8.2.1 The Council has to ensure that it adopts and implements robust and comprehensive budgetary monitoring and control, to ensure not only the availability of services within the current financial year, but in future years.

The Contact Officer for this report is Nigel Lane (719371).



**HOUSING REVENUE ACCOUNT**

	<b>Original Budget 2016/2017</b>	<b>Expected Spend to September 2016/2017</b>	<b>Actual Spend to September 2016/2017</b>	<b>Variance</b>	<b>Comments</b>
<b>EXPENDITURE</b>					
Repairs and Maintenance	3,066,490	1,551,213	1,551,213	-	Comment 3.2
Supervision and Management - General	1,392,140	726,321	714,765	(11,556)	Comment 3.3
Supervision and Management - Special Services	560,890	307,513	304,210	(3,303)	
Provision for Bad Debts	174,140	87,070	87,070	-	
Interest on Loans	1,610,930	805,465	805,465	-	
Revenue Set Aside (debt Repayment)	1,450,000	725,000	725,000	-	
Capital Expenditure - New Build	1,136,750	568,375	568,375	-	Comment 3.2
Capital Expenditure	2,367,410	1,183,705	1,183,705	-	Comment 3.2
<b>Total Expenditure</b>	<b>11,758,750</b>	<b>5,954,662</b>	<b>5,939,803</b>	<b>(14,859)</b>	
<b>INCOME</b>					
Gross Rent Income from Dwellings	(11,609,430)	(6,288,441)	(6,274,068)	14,373	Comment 3.4
Gross Rent Income from Non-Dwellings	(356,260)	(193,091)	(187,678)	5,413	Comment 3.5
Charges for Services and Facilities	(88,300)	(33,063)	(36,830)	(3,767)	
<b>Total Income</b>	<b>(12,053,990)</b>	<b>(6,514,595)</b>	<b>(6,498,576)</b>	<b>16,019</b>	
<b>NET COST OF SERVICES</b>	<b>(295,240)</b>	<b>(559,933)</b>	<b>(558,773)</b>	<b>1,160</b>	
Investment Income- Other	(79,520)	(39,760)	(39,760)	-	
<b>TOTAL (SURPLUS)/DEFICIT FOR THE YEAR</b>	<b>(374,760)</b>	<b>(599,693)</b>	<b>(598,533)</b>	<b>1,160</b>	

## Appendix B

### HOUSING REPAIRS FUND (to end of September 2016)

	£
<b>Balance available at 1 April 2016</b>	<b>511,093</b>
Contribution 2016/17 (to September 2016)	1,551,213
Expected Use of Fund (to September 2016)	(1,689,303)
<b>Surplus on the Fund at 30 September 2016</b>	<b>373,003</b>

APPENDIX C

**HOUSING DIRECT WORKS**

**Budgetary Control Report as at 30 September 2016**

	<b>Original Budget 2016/2017</b>	<b>Expected Spend 2016/2017</b>	<b>Actual Spend 2016/2017</b>	<b>Variance</b>
<b>EXPENDITURE</b>				
Employee Costs	952,550	481,340	385,011	(96,329)
Supplies and Services	480,120	240,285	400,046	159,761
Transport	121,410	61,095	46,426	(14,669)
Income	(55,630)	(27,815)	(12,100)	15,715
<b>Gross controllable Expenditure</b>	<b>1,498,450</b>	<b>754,905</b>	<b>819,383</b>	<b>64,478</b>
Central Support	279,360	139,680	139,680	-
<b>Housing Direct Works Expenditure</b>	<b>1,777,810</b>	<b>894,585</b>	<b>959,063</b>	<b>64,478</b>

## **Agenda Item No 10**

### **Resources Board**

**14 November 2016**

#### **Report of the Chief Executive and the Deputy Chief Executive**

#### **Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April - September 2016**

### **1 Summary**

- 1.1 This report informs Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April to September 2016.

#### **Recommendation to the Board**

**That Members consider the performance achieved and highlight any areas for further investigation.**

### **2 Consultation**

- 2.1 Consultation has taken place with the relevant Members and any comments received will be reported at the meeting.

### **3 Background**

- 3.1 This report shows the second quarter position with the achievement of the Corporate Plan and Performance Indicator targets for 2016/17. This is the second report showing the progress achieved so far during 2016/17.

### **4 Progress achieved during 2016/17**

- 4.1 Attached at Appendices A and B are reports outlining the progress achieved for all the Corporate Plan targets and the performance with our local performance indicators during April to September 2016/17 for the Resources Board.

- 4.2 Members will recall the use of a traffic light indicator for the monitoring of the performance achieved.

Red – target not achieved (shown as a red triangle)

Amber – target currently behind schedule and requires remedial action to be achieved (shown as an amber circle)

Green – target currently on schedule to be achieved (shown as a green star)

## 5 Performance Indicators

- 5.1 The current performance indicators have been reviewed by each division and Management Team for monitoring for the 2016/17 year.

## 6 Overall Performance

- 6.1 The Corporate Plan performance report shows that 91% of the Corporate Plan targets and 60% of the performance indicator targets are currently on schedule to be achieved. The report shows that individual targets that have been classified as red, amber or green. Individual comments from the relevant division have been included where appropriate. The table below shows the following status in terms of the traffic light indicator status:

### Corporate Plan

Status	Number	Percentage
Green	10	91%
Amber	1	9%
Red	0	0%
Total	11	100%

### Performance Indicators

Status	Number	Percentage
Green	9	60%
Amber	5	33%
Red	1	7%
Total	15	100%

## 7 Summary

- 7.1 Members may wish to identify any areas that require further consideration where targets are not currently being achieved.

## 8 Report Implications

### 8.1 Safer Communities Implications

- 8.1.1 There are community safety performance indicators which are reported to Executive Board.

### 8.2 Legal and Human Rights Implications

8.2.1 The national indicators were specified by the Secretary of State for Communities and Local Government. They have now been ended and replaced by a single list of data returns to Central Government from April 2011.

### 8.3 Environment and Sustainability Implications

8.3.1 Improvements in the performance and quality of services will contribute to improving the quality of life within the community. There are a number of actions and indicators which contribute towards the priorities of the sustainable community strategy including customer access strategy, outreach services, financial inclusion, health and well being services and decent and affordable housing.

### 8.4 Risk Management Implications

8.4.1 Effective performance monitoring will enable the Council to minimise associated risks with the failure to achieve targets and deliver services at the required performance level.

### 8.5 Equality Implications

8.5.1 There are a number of equality related actions and indicators highlighted in the report including improving broadband access, the borough care review and procurement strategy and practices.

### 8.6 Links to Council's Priorities

8.6.1 There are a number of targets and performance indicators contributing towards the priorities of responsible financial and resource management, supporting employment and business, creating safer communities and promoting sustainable and vibrant communities.















The Contact Officer for this report is Robert Beggs (719238).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
National Indicators for Local Authorities and Local Authority Partnerships	Department for Communities and Local Government	Statutory Guidance	February 2008

## Resources Board 2016/17









	Action	Priority	Reporting Officer	Update	Quarter 2 Update	Status	Direction
NWCP 040	To continue to contribute to the effective provision of services through implementing the actions and projects which help deliver the ICT Strategy and to report on progress to the Resources Board by March 2017	Responsible Financial & Resource Management	Linda Bird	Project to update and improve the Council's data backup solution is nearing completion. Other ICT Strategy related work is progressing as planned.	Projects are progressing as planned. A progress report will be produced for Resources Board.	 Green	
NWCP 050	To continue to seek opportunities to rationalise the Council's property portfolio including:- a) Working with partners in the public and voluntary sectors to share facilities	Responsible Financial & Resource Management	Richard Dobbs	Work in this area continues including discussions with Warwickshire Police around shared office accommodation	There have been further discussions with the Police about their accommodation requirements and a decision on their part is expected within the next few months	 Green	
	b) Continue to work through a programme of capital and maintenance improvements to key Council buildings, community buildings, shops and industrial units, including seeking ways to reduce, where possible, our carbon footprint.	Responsible Financial & Resource Management	Richard Dobbs	Still looking at options for improvements to the depot and other council buildings over the coming months	A revised depot options report and associated specification is nearing completion	 Green	
	c) To complete the review of leisure facilities and to report to relevant Boards by March 2017	Responsible Financial & Resource Management	Simon Powell	The strategic review of leisure, health and well-being services in North Warwickshire is likely to commence in August 2016. The commission will take external consultants 12 months to complete. The commission will include the production of a Leisure Facilities Strategy.	The strategic review of leisure, health and well-being services in North Warwickshire commenced in August 2016. The commission will take external consultants 12 months to complete. The commission will include the production of a Leisure Facilities Strategy.	 Green	
NWCP 082	To work to improve broadband access for the people and businesses of North Warwickshire through the work of the Council and specifically the Coventry, Solihull and Warwickshire BDUK Project and report on progress by December 2016	Supporting Employment & Business	Linda Bird	Update on CSW Broadband Project approved by Resources Board 23 May 2016. Email's sent to relevant Members informing them of developments in the ward.	The CSW Partner Group met on the 13/10/16. Data on take up by Ward for Contract 1 is being made available and will be sent to Members. Contract 2.1 is progressing to plan. The Bids for LEP & ERDF funding are progressing and decisions are expected at the end of Nov.	 Green	
NWCP 084	To implement the work directed by the Borough Task and Finish Group and deliver any actions agreed by the Resources Board as part of the review. (Recommendations to be agreed no later than April 2016)	Creating Safer Communities	Angela Coates	The recommendations made by to the Resources Board are being implemented.	There were two main directions from the Board to implement charging and to review the shape of the service & how it is delivered. The first is being implemented and the Task and Finish Group are directing the second.	 Green	
NWCP 037	To work in partnership with other organisations to provide a shared service to deliver adaptations in the private sector. This will include revising the Business Plan and reporting proposals to the Resources Board by July 2017	Promoting Sustainable & Vibrant Communities	Angela Coates	The shared service partnership agreement will be finalised to allow for the arrangements to be in place by 1st October 2016.	Warwickshire County Council requested changes to the proposed partnership agreement on 1st October. This has caused a delay. The agreement should be signed on 1st November 2016	 Green	
NWCP 062(1)	To review and develop a revised Asset Management Plan for the Council's stock (To be done between November 2015 & March 2016) and to report on the delivery of the action plan by March 2017	Responsible Financial & Resource Management	Angela Coates	This piece of work will be delayed until the Government decides what the arrangements are for the levy to be paid for the sale of higher cost voids in accordance with the Housing & Planning Act. The change in Ministers has caused a delay in Civil Servants finalising the regulations.	We are expecting to have clarity on the HRA finances following the Autumn budget statement. The Asset Management Plan will be developed as soon as there is a clear understanding with regard to the HRA	 Green	

	Action	Priority	Reporting Officer	Update	Quarter 2 Update	Status	Direction
NWCP 098	To act to ensure that the Council's revenue from housing rent income is collected by reviewing and acting on the action plan to mitigate the impact of welfare reforms and other legislative changes affecting the Housing Revenue Account and to report quarterly on progress	Responsible Financial & Resource Management	Angela Coates/Bob Trahern	Rent collection rates continue to be good. A review of procedures to ensure welfare reform changes are captured is nearly finalised.	As previously advised. It is pleasing to note that the Council has been nominated as a finalist in the Public Sector Collections Team of the Year, the winner to be announced in November 2016 by a high profile National institute. This acknowledges both its success and approach in recovering monies due to the Council at these challenging times.	★ Green	➡
NWCP 112	To review the Council's Corporate Debt Framework by November 2016, to ensure that debts due to the Council are recovered in accordance with the framework	Responsible Financial & Resource Management	Bob Trahern	This was reviewed and adopted by the Resources Board in May 2016	This was reviewed and adopted by the Resources Board in May 2016. An exercise to analyse all arrears using the new framework is currently underway	★ Green	➡
NWCP 113	To deliver the actions set out in the Housing Strategy to address housing need in the Borough. To report to the Resources Board annually	Promoting Sustainable & Vibrant Communities	Angela Coates	Delivery of the strategy has been delayed to incorporate matters from the Housing and Planning Act.	Delivery of the strategy has been delayed to incorporate matters from the Housing and Planning Act. The Autumn statement should provide a direction with regard to the Government's intentions about spend on	● Amber	➡



NWPI Resources 16/17

Ref	Description	Section	Priority	Year End Target 2016/17	Outturn 2015/16	April - Sept Performance	Traffic Light	Direction of Travel	Comments
NWLPI 052	The % of invoices for commercial goods and services which were paid by the authority within 30 days of such invoiced being received by the Authority (former BV8)	Financial Accountancy	Public Services & Council Tax	98	96.11%	95.98%	Amber		Performance improved in September.
NWLPI 57	Percentage of calls answered through the Central Control system within 60 seconds. (TSA national standard 96.5%):	Community Support	Housing	99	99.00%	99.00%	Green		
NWLPI 135	Percentage of response repairs completed right first time	Housing Maintenance	Housing	92.00%	88.70%	91.30%	Amber		
NWLPI 068	Gas certificates completed	Housing Maintenance	Housing	100.00%	99.83%	99.83%	Amber		2 Properties were outstanding at the end of the quarter. Both are now complete.
@NW:NI156	Number of households living in temporary accommodation (snapshot at end of each quarter)	Housing Management	Housing	6	6	6	Green		This is a small reduction compared to the end of quarter 2. All efforts are made to rehouse homeless applicants without the use of temporary accommodation. However in some emergencies it cannot be avoided.
NWLPI 136	Number of tenants with more than 7 weeks rent arrears - as an average over the year	Housing Management	Housing	2.75%	2.21%	4.07%	Amber		The overall collection rate remains good and slightly better than at this point last year. Early intervention is a critical part of the rent collection procedure however Universal Credit arrangements can cause delays in payments.
NWLPI 070	Average time taken to re-let local authority housing (former BV212)	Housing Management	Housing	25 days	33.60 days	57.29 days	Red		In September there was an improvement in end to end times (9 days) for properties let and in turn around times for repairs (13 days). We have acted to redesignate some of our sheltered scheme flats. Clearing properties following evictions has added to the delays recently.
NWLPI 039	The percentage availability of corporate systems available to users Monday to Friday 8.00 am to 5.30 pm :	Computer Services	Public Services & Council Tax	99.7	99.9%	100.0%	Green		
NWLPI 040	The percentage of initial response to helpdesk calls within four hours of a call being placed :	Computer Services	Public Services & Council Tax	95	97%	96%	Green		
NWLPI 041	Percentage of Service Desk Calls resolved in target (total of IS3 to IS6)	Computer Services	Public Services & Council Tax	95	97%	96%	Green		
NWLPI 096	The Percentage of Calls answered in 20 seconds in the contact centre	Revenues & Benefits	Public Services & Council Tax	75	73%	76%	Green		

Ref	Description	Section	Priority	Year End Target 2016/17	Outturn 2015/16	April - Sept Performance	Traffic Light	Direction of Travel	Comments
@NW:NI181	The average time taken in calendar days to process all new claims and change events in Housing Benefit and Council Tax Benefit	Revenues & Benefits	Public Services & Council Tax	7.5	6.78	11.39	 Amber		<p>The indicator is showing as amber because compared to the same point in time in 15/16 whilst we are slightly down on the level of performance by approximately one day. However, we do expect this to be recovered in the last two quarters moving the indicator to green. This is because the majority of rent changes and income are uprated in February of each year, the impact of which will see a large reduction in the average processing days to on or below the target level which is set having regard to the national average performance level.</p>
NWLPI 106	The percentage of non-domestic rates due for the financial year which were received by the authority (former BV10)	Revenues & Benefits	Public Services & Council Tax	98.6	99.63	58.91	 Green		<p>Above target pro-rata and on 2015/16 levels when we recorded very high performance compared to our deprivation indices</p>
NWLPI 107	Proportion of Council Tax collected (former BV9)	Revenues & Benefits	Public Services & Council Tax	97.8	98.39	58.75	 Green		<p>Above target pro-rata and on 2015/16 levels when we finished in the top 10 performing councils in the country</p>
NWLPI 161	Percentage of abandoned calls in the Contact Centre	Contact Centre	Public Services & Council Tax	5	5	4	 Green		

## Agenda Item No 11

### Resources Board

14 November 2016

#### Report of the Deputy Chief Executive

#### Internal Audit – Performance for Second Quarter 2016-17

### 1 Summary

- 1.1 The report allows the Board to monitor the progress of the Council's Internal Audit function against the agreed plan of work for the year.

#### Recommendation to the Board

That the report be noted.

### 2 Introduction

- 2.1 The PSIAS -Public Sector Internal Auditing Standards on Internal Audit in Local Government defines standards of best practice for internal audit. The Standard requires that Members both approve the Internal Audit Section's strategic work plan and receive periodic reports on performance against plan. This report summarises performance for July 2016 to September 2016.

### 3 Summary of Work Completed

- ... 3.1 Appendix A to the report summarises progress on the approved audit plan for the period, identifying audits completed and indicating the extent of progress on those audits still outstanding. The number of major audits scheduled has reduced due to the complexity of the reviews currently being undertaken. This revised approach has been agreed with the Deputy Chief Executive as improving the efficiency and effectiveness of the internal audit function benefitting to the maximum, service provision. Appendix B provides definition for the levels of assurance applied.
- ... 3.2 Internal Audit continue sample testing on key financial systems and plan to carry out intensive reviews of three major financial systems during the year, namely; creditors, council tax and housing rents.
- 3.3 Audits have been finalised on service areas in DBS checks; Emergency Planning; Fly Tipping; Community and Corporate Plans; Performance Management and; Democratic Services.

- **DBS**

### Scope

The audit was to establish the process for deciding that a post requires a DBS (Disclosure & Barring Service) check; ensure that the process of application is efficient and effective; ensure that renewals are not overlooked; and, identify costs.

### Work Done

A list of posts requiring DBS checks was obtained and reviewed to meet legal requirements. Discussions with officers to establish procedures in place. Testing of cases for correct authorisation and processing. Budget costs and coding confirmed. Ensured risk assessment performed.

A substantial level of assurance was given as the information was complete and the processes provided suitable levels of internal control.

- **Emergency Planning**

### Scope

The audit was to ensure the Council's readiness in respect of an emergency situation arising and to meet CCA (Civil Contingencies Act) requirements i.e. have emergency plans, arrangements for business continuity and co-operation with other responders.

### Work Done

Discussed and evidenced (with officers) staffing, budget, plans, partnership arrangements, testing and training/awareness to staff of issues of resilience. Reviewed risk assessments and ensured that controls are operated to mitigate risks.

A substantial level of assurance was given as the Council complies with CCA requirements, has appropriate plans in place, works with other agencies and can continue to provide essential services in a crisis.

- **Fly Tipping**

### Scope

To identify the extent of the problem within NWBC area, establish and assess the processes in place to manage the problem and make any suggestions for improvement.

### Work Done

Compared web site information/data to other similar councils; researched relevant legislation and ensured compliance with this; reviewed statistics to establish the performance of this council; discussed with officers resources available/required; reviewed levels of publicity and success and; reviewed risk assessments.

A substantial level of assurance was given though levels of fly tipping are on the increase. A recent report has suggested an increase in available resource to assist in limiting the problem. Multi agency working is evident.

- **Community and Corporate Plans**

Scope

Identify steps taken to ensure appropriate policies and strategies exist and result from proper consultation and planning across the Borough and County areas.

Confirm relevant publications have been made available to the community, employees, partners etc. Identify management and monitoring in place to ensure that progress is made.

Work Done

Discussed with officers and confirmed that publications exist and are made public. Reviewed NWSC (North Warwickshire Sustainable Community) Strategy 2009-2026 and associated plans and ensured that quarterly progress reports exist for key priorities. Identify what monitoring and management exists to ensure progress is made and that plans are kept relevant and up to date.

A substantial level of assurance was given as relevant plans and policies are in place; they are clearly publicised; there are regular reviews meetings held; structures are in place to deliver the NWSC Strategy and the Corporate Plan, update them annually and monitor regularly.

- **Performance Management**

Scope

To identify what performance indicators are completed; how relevant they are; if they are completed, managed and reported on regularly; and, by sample testing ensure accuracy, relevance and adherence to adopted processes and timetables.

Work Done

Obtained a list of year end indicators and instructions provided to officers completing data.; reviewed Board reports to ensure reporting of all indicators; sample selected and supporting evidence obtained and checked to ensure data was reliable, accurate and up to date.

An adequate level of assurance was given as the quality of information remains variable. Half of the indicators were not submitted on approved documentation and just under half have evidence of checking or authorisation.

- **Democratic Services**

Scope

To identify the activities and responsibilities of the Democratic Services sections and review processes in place, assessing these for internal control levels, effectiveness and adequacy. Check compliance with legislation; meeting of statutory timescales and identify any potential for improvement/development in service delivery.

Work Done

Ensured that website guidance was up to date and that the Council complies with government/statutory framework. Confirmed a risk assessment was done. Reviewed budget hotspots and confirmed that a forward work plan for the team exists. Confirmed that electoral services data is kept securely and sharing is controlled.

A substantial level of assurance was given as an annual canvass is carried out; Electoral Commission guidance is followed; effective links exist with other departments; Members support is provided; risk assessments are up to date; data is held securely and; web site information is up to date and comprehensive.

- 3.4 The Internal Audit Section has undertaken an increased amount of work recorded under contingency audits namely in vehicle management and HDW. These are reviews carried out either resulting from departmental requests, external audit suggestions, counter fraud activity or monitoring of reporting information from the National Fraud Initiative.
- 3.5 The performance standards set by the Audit Commission require that Internal Audit complete at least 90% of planned work in the year unless there are good reasons otherwise. In calculating that statistic, planned work deferred at client request is ignored if such deferrals have appropriate justification. All client requests for deferrals have been based on sound, service based justifications.

#### 4 Report Implications

##### 4.1 Risk Management Implications

- 4.1.1 Failure to provide an effective Internal Audit Service may adversely affect the level of internal control operating within the Council and will attract criticism from external assessors.

##### 4.2 Links to Council's Priorities

- 4.2.1 The audit programme agreed and delivered is aligned to both the priorities of the Council and the requirements of external assessors.

The Contact Officer for this report is Barbara Haswell (719416).

#### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

## Planned Audits Completed Second quarter 2016-17

<b>Audit</b>	<b>Quarter Due</b>	<b>Status</b>	<b>Assurance Level</b>	<b>Tot No. of Recs</b>	<b>Priority1</b>	<b>Priority2</b>	<b>Not Agreed</b>
Emergency Planning & Business Continuity	1	Final	Substantial	6	1	5	0
Fly Tipping	1	Final	Substantial	4		4	0
DBS checks	2	Final	Substantial	1		1	0
Community and Corporate Plans	2	Final	Substantial	1		1	0
Performance Management	2	Final	Adequate	4	0	4	0
Democratic Services	2	Final	Substantial	6	2	4	0

## Progress Against Audit Plan

<b>Audit</b>	<b>Status</b>	<b>Due</b>	<b>Audit</b>	<b>Status</b>	<b>Due</b>
Community & Corporate Plan	Final	Qtr 2	Democratic Services	Final	Qtr 2
Performance Information & Management	Final	Qtr 2	DBS checks	Final	Qtr 2
Corporate Governance	Draft	Qtr 2	Creditors	Ongoing	Qtr 3
Emergency Planning	Final	Qtr 1	Fly tipping	Final	Qtr 1
Leisure Centres	Final	Qtr 1	Responsive repairs	Final	Qtr 1

<b>Performance of Audit 2016-17 for Quarterly Indicators</b>			
<b>No.</b>	<b>Indicator</b>	<b>Suggested Frequency</b>	<b>Performance for 2016-17</b>
1	Performance reports to Resources Board	Quarterly	September & November 2016
3	Number of audits where time taken to complete the work is more than 10% longer than planned.	Quarterly	0
4	Number of audits completed by set deadline	Quarterly	8
5	Final report issued within 4 weeks of completion of fieldwork	Quarterly	8
9	Questionnaire:Feedback obtained from report recipients is good (average 4 out of 5)	Quarterly	Good in those obtained
10	% of sickness levels within Audit is below 5%	Quarterly	3.10%



**Appendix B**  
**Internal Audit Levels of Assurance in Audit Reports.**

**Opinion**

**Level of Assurance**

Substantial Assurance	Overall, an effective control environment appears to be in operation from the review carried out. There may be a few weaknesses identified and there is scope for further improvement.
Adequate Assurance	Overall, satisfactory controls appear to be operating from the review carried out but there are a number of weaknesses identified and a number of improvements to be made.
Unsatisfactory Assurance	Overall, there appears to be a fundamental failure in control from the review carried out and a number of key areas require substantial improvement to protect the system from error and abuse.

**Audit Recommendations Categories**

Priority 1                      Significant risk – action required within 3 months

Priority 2                      Moderate risk – action required within 6 months

**Agenda Item No 12**

**Resources Board**

**14 November 2016**

**Report of the  
Chief Executive**

**Exclusion of the Public and Press**

**Recommendation to the Board**

**That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.**

**Agenda Item No 13**

**Request to Purchase Land** – Report of the Assistant Director (Housing)

Paragraph 1 – by reason of the report containing information relating to an individual.

**Agenda Item No 14**

**Request to have a Licence over Land** – Report of the Assistant Director (Housing) and Assistant Director (Streetscape)

Paragraph 1 – by reason of the report containing information relating to an individual.

**Agenda Item No 15**

**Request to Rent Land** – Report of the Assistant Director (Streetscape)

Paragraph 3 - by reason of the report relating to the financial or business affairs of any particular person (including the authority holding that information).

## **Agenda Item No 16**

**Request to Purchase Council Owned Garages** – Report of the Assistant Director (Housing)

Paragraph 1 – by reason of the report containing information relating to an individual.

## **Agenda Item No 17**

**Development at Ridge Lane** – Report of the Assistant Director (Housing)

Paragraph 3 - by reason of the report relating to the financial or business affairs of any particular person (including the authority holding that information).

The Contact Officer for this report is David Harris (719222).