

Guildhall Gainsborough  
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**AGENDA**

This meeting will be recorded and the video archive published on our website

**Corporate Policy and Resources Committee**  
**Thursday, 10th November, 2016 at 6.30 pm**  
**Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA**

**Members:** Councillor Jeff Summers (Chairman)  
Councillor Mrs Anne Welburn (Vice-Chairman)  
Councillor Owen Bierley  
Councillor Matthew Boles  
Councillor David Cotton  
Councillor Michael Devine  
Councillor Adam Duguid  
Councillor Steve England  
Councillor Ian Fleetwood  
Councillor John McNeill  
Councillor Tom Regis  
Councillor Reg Shore

1. **Apologies for Absence**
2. **Public Participation Period**  
Up to 15 minutes are allowed for public participation.  
Participants are restricted to 3 minutes each.
3. **Minutes of Previous Meeting/s**
  - a) For Approval  
Corporate Policy and Resources Committee meeting 27  
October 2016
4. **Declarations of Interest**  
Members may make declarations of Interest at this point or  
may make them at any point in the meeting.

Agendas, Reports and Minutes will be provided upon request in the following formats:

Large Clear Print: Braille: Audio: Native Language

5. **Matters Arising Schedule** (PAGES 1 - 2)  
Setting out current position of previously agreed actions as at  
2 November 2016
6. **Public Reports for Approval:**
- a) Progress and Delivery Report - Period 2 (PAGES 3 - 46)
  - b) Budget Monitoring Q2 and Mid Year Treasury Management (PAGES 47 - 86)
  - c) Committee Work Plan (PAGES 87 - 88)
7. **Exclusion of Public and Press**  
To resolve that under Section 100 (A)(4) of the Local  
Government Act 1972, the public and press be excluded from  
the meeting for the following item of business on the grounds  
that it involves the likely disclosure of exempt information as  
defined in paragraph 3 of Part 1 of Schedule 12A of the Act.
- a) Development Loan

M Gill  
Chief Executive  
The Guildhall  
Gainsborough

Wednesday, 2 November 2016

## Corporate Policy & Resources Committee Matters Arising Schedule

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**Purpose:**

To consider progress on the matters arising from previous Corporate Policy & Resources Committee meetings.

**Recommendation:** That members note progress on the matters arising and request corrective action if necessary.

**Matters arising Schedule**

	Action Required	Comments	Due Date	Assigned To
<b>Black</b>	<b>Progress and Delivery - Projects</b>	Minutes Extract 12/05/16 It was acknowledged that not all projects reached stage 2 or 3, and it would also be useful to see information on those projects taken off the list either due to completion or non-pursuance.  The Director of Resources agreed to provide Members with a half yearly update on projects which reached stage 3.	10/11/16	Ian Knowles

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**Corporate Policy and  
Resources Committee**

**Date: 10 November 2016**

**Subject: Progress and Delivery (Period Two)**

Report by:	Chief Operating Officer
Contact Officer:	Mark Sturgess Chief Operating Officer 01472 676687 Mark.sturgess@west-lindsey.gov.uk
Purpose/Summary:	To present to members the second quarter performance information through the progress and delivery report.

**RECOMMENDATION(S):**

- 1. The Committee are asked to review the performance information contained in the Progress and Delivery Report and to review the performance outlined and highlight where specific action should be taken.**

**IMPLICATIONS**

**Legal: None**

**Financial: None**

**Staffing: None**

**Equality and Diversity including Human Rights: None**

**Risk Assessment: None**

**Climate Related Risks and Opportunities: None**

**Title and Location of any Background Papers used in the preparation of this report:**  
Report to Corporate Policy and Resources Committee, 21 June 2016, Revised Format for Progress and Delivery Reporting 2016/17 (CPR.60 16/17)

**Call in and Urgency:**

**Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?**

**Yes**  **No**

**Key Decision:**

**Yes**  **No**

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## Introduction

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Councillors have received progress and delivery reports since 2012. They have sought to give councillors information on how the council is performing through its services, project delivery and finances. This has given councillors the opportunities to question officers on performance and ensure that any rectification measures proposed to remedy poor performance are sufficient to tackle the issues identified.

This report includes information about the performance of the services the council is delivering in order to meet the objectives it has set itself in the corporate plan.

It also includes performance information in relation to current projects which are in the delivery stage.




This report does not include the monitoring information about progress and delivery of the Corporate Plan specifically nor the Commercial Plan. The Commercial Plan measures will be reported to the Committee in December 2016.

For clarity this report will provide information on those services that are either performing below their target level or have exceeded the performance expected of them. This will be done within certain tolerance levels therefore services which are just below their target performance will not be reported at this stage, but will be monitored through the council's services leadership team. Generally explanations and rectifications are given where an aspect of a service is performing below the required standard.

In addition the report will contain information on services which were included in the last period's exceptions report, but have subsequently improved to the extent that they are not included in this report. This is to demonstrate to members that remedial measures which have been put in place are working.

### How to use this report

#### RAG Performance Indicators

	Performance against this indicator is better than the set target
	Performance is in line with its target
	Performance is lower than predicted

#### Direction of Travel

↑	Performance is improving
→	Performance is remaining static
↓	Performance is declining



## Executive Summary

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This report reflects the performance of the council in the first six months of the 2016/17 municipal year (April – September).

Rather than splitting the executive summary into the same divisions as the report, as was done in June, the summary is structured to highlight those areas that are performing above expectations, those areas where there is a risk to either performance or delivery and those areas where further work is required for next year's report.

### **Performing Well**

#### Building Control

The Council has made significant investment in the Building Control service to equip the team to compete effectively in the market. The benefits of this are starting to be realised with a small increase in fees when compared to 2015/16, however the construction sector continues to be volatile and there is still work to be done to ensure this trend continues long term. Work has now started on delivering additional services highlighted in the Business Plan. Air testing has just been launched with Fire Risk Assessments following shortly. It is likely that warranty work in conjunction with Local Authority Building Control (the national accreditation body for the service) will start this year.

#### Development Management

During quarter two Development Management has sustained and continued to build upon the significant improvements in performance achieved during the latter part of 2015 and early 2016. Fee income from planning applications has exceeded budget targets each month and for the year to date is notably higher than the same period in 2015/16. This work has established the building blocks for the service to ensure that it now starts to improve areas such as customer care, although the volume of complaints the service receives is starting to reduce.

#### Projects and Growth

The Team is focussed on the Gainsborough Growth Programme, the Food Enterprise Zone at Hemswell Cliff and wider economic development initiatives such as the Lindsey Action Zone and the potential for industrial units at key sites such as Saxilby.

In Gainsborough, the 'Development Prospectus' was launched over the summer and progress has been made on procurement of a Strategic Development Partner; funding bids have been made to both Heritage Lottery Fund and Historic England to assist in the restoration of town centre properties; the Gainsborough Place Board has been launched and a range of key stakeholders are signed up as 'Ambassadors' for the town; Council support has been secured for the redevelopment of the Sun

Hotel and for a joint venture company to regenerate Market Street; feasibility work has progressed for a marina in the town and a further funding bid has been made to assist with infrastructure costs which will help to unlock key housing sites. The Gainsborough Growth Fund also continues to assist new and growing firms in the town. Works to upgrade the footways along Beaumont Street and Trinity Street have been undertaken, working with Lincolnshire County Council.

In the wider District, the Lindsey Action Zone continues to assist West Lindsey businesses, most recently through the award of a grant for the expansion of Hall Farm Park. The upgrading of the road access to Newtoft Business Park has also been delivered as a joint initiative between the Council and the local business community. An evaluation of the Townscape Heritage Initiative in Caistor is underway, which will inform future action in the town and the Council is considering the potential to take a lease on new workspace units in Saxilby.

Other measures such as the investigation of discretionary rate relief for businesses and the implementation of the selective licensing scheme in the south west ward of Gainsborough are all helping to deliver corporate plan objectives.

## CCTV

The complete upgrade the CCTV system is nearing completion. The latest high definition CCTV cameras are operating in Gainsborough and Market Rasen. The system upgrade has resulted in savings on our line rental costs and has prepared us for future expansion and the commercial marketing of the service. Already during September 2016 our CCTV Control Centre assisted with over 60 incidents.

With the greatly improved CCTV quality we have supported a wide range of police and criminal investigations. Examples have included public order, assaults, criminal damage and burglaries in both Gainsborough and Market Rasen.

## Risks

### Local Land Charges

The service has a good reputation for quality and accuracy and because of this maintains a core customer base. A new automated system for Local Land Charges has been procured and is being implemented, with an anticipated completion date of April 2017 and this will significantly improve search processing times. Until the new system is fully functioning the service faces a challenge to consistently turn around searches within the 10 day target using the current manual system. Additional resources have been allocated to the service in order to keep turnaround times for searches within the 10 day target in the interim.

### Enforcement

The increase in demand on enforcement services is increasing across all areas and continues to remain at a high level in planning enforcement. Work is being

undertaken to identify why this increase is continuing at a sustained level and ensure that cases are dealt with in accordance with the adopted policy.

## Markets

Markets continue to underperform and whilst a final decision is awaited on proposals to improve their performance, measures are being taken to reduce operation costs which do not prejudice any of the options under consideration by members.

## Home Choices

Demand on the home choices service for people in housing need and those at risk of homelessness is increasing. We have seen a marked increase in new approaches to the service, homelessness presentations and temporary accommodation usage.

Temporary accommodation: the Cross Street provision has been full to capacity leading to a need to utilise B&B accommodation, particularly during September 2016. During September 2016, £1517 was spent on additional B&B accommodation. The team is working hard to ensure homelessness applications are processed as quickly as possible and the need for B&B alleviated; demonstrated in the average length of stay measure however, the increased demand and complexity of cases the team is dealing with must be recognised. This has had a direct impact on capacity to proactively prevent homelessness – performance in this area was lower in September 2016 and the service will be actively working to improve this against a backdrop of increased demand.

The service will complete some specific performance monitoring activity on housing register allocations during November 2016 and a review of the measure regarding 'successful nominations' is proposed for 2016/17.

## Further Work

Complaints can be a good source of intelligence on how a particular service is performing and how it can be improved to better meet the needs and expectations of customers.

At the present time the total volume of complaints are recorded within each service and these are aggregated and reported to members as part of the corporate health measures set out in the progress and delivery report.

It is fully accepted that this is a crude way of handling complaint information and a more sophisticated approach is needed which is able to identify trends in complaints, highlight particular areas or services which are subject to high levels of complaints and key themes in complaints the council receives. More importantly from an organisation point of view techniques need to be developed which will enable services to act on information from an analysis of complaints which can make a tangible difference to the service customers receive. This is more than just improving the response to individual complaints it is about learning from all complaints and

changing systems and process so that the scope for that type of complaint recur is eliminated.

For the 2016/17 municipal year the way we report complaint information will be reviewed in order to give members information on complaints which gives them a better insight into what customers complain about and how action is taken to ensure we deal with the causes of complaints.

## Section 1: Corporate Health Measures

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Customer</b>										
Employee satisfaction	Under review								The measures and frequency of reporting of this measure is currently under review and will be reported in full before the end of the municipal year.	The staff engagement group are working on a number of initiatives to improve staff engagement and satisfaction, the group will agree the next steps for collecting staff satisfaction data.
Complaints	Monthly	54	28	●	N/A	32	●	●	Of the 54 complaints received in this period we received 1 informal complaint, 34 stage 2 complaints and 8 stage 3 complaints. Of these 12 were in relation to Waste Services, 10 in relation to Development Management, 7 in relation to Planning Enforcement, 6 in relation to Housing, 5 in relation to Home Choices, 4 in relation to Council Tax, 3 in relation to Housing Benefits, 2 in	Complaints provide a good source of data within which patterns can be identified and improvements made to processes and how customers are dealt with. In some services decisions the council takes will always disappoint a customer. It is incumbent on the council to ensure that all customers are dealt fairly, reasonably and with curtesy as well as

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
									relation to property and 1 in relation to each of the following Anti-Social Behaviour, Licensing, Customer Services, Governance and Trinity Arts. Analysis shows that 28 complaints were about the process, 11 about behaviour of staff, 9 about the decision we made, 2 in relation to missed bins, 2 in relation to bin placement and 2 in relation to general waste issues around Gainsborough. In addition it is also clear where the council has embarked on new initiatives these have been a source of complaints – Selective Licensing (5) and car parking charges in Market Rasen (2).	ensuring that the decisions it takes are sound. Individual services are constantly reviewing how they operate as a result of complaints to ensure that they meet these standards of customer and accuracy in decision making. This process will continue to make inroads into the amount of complaints the council receives.
Compliments	Monthly	44	86	●	N/A	21	●	●	In period 2 received a total of 44 compliments. Analysis shows the following: 16 compliments were received for Development	As with complaints, compliments can help a service to improve by showing the areas of its work it gets right

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
									Management, 11 for Customer Services, 7 for Waste Services, 2 each for Building Control and Home Choices, 1 each for Trinity Arts, Localism, Street Naming and Numbering, Public Protection, Housing Benefits and Planning Enforcement. Of these 31 were compliments about staff, 9 in relation to how quickly we responded or dealt with a situations, 2 in relation to doing good work, 1 in relation to how good our self-service options are and 1 in relation to the professionalism of planning committee and the planning officer.	and is valued by customers.  Data on the number and type of compliments received is used to help learning of drive improvement across all services.
<b>Perspective: Financial</b>										
Position against budget	Quarterly	£14.669m	£15.244m	★	↑	£15.067	£15.244m	★	Projecting £0.575m surplus Increased Planning Fee Income £0.220m, Staffing savings £0.179m, Pension Deficit overpaid previous year £0.171m	At the present time the budget position is looking healthy due to an increase in fees and through controlling our costs. There is a need to ensure that this position is

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
										regularly monitored to ensure we maintain a balanced budget at the end of the municipal year.
<b>Perspective: Quality</b>										
Service and system availability	Monthly	100%	98%	★	↑	100%	★	★	Proactive monitoring and event logging ensures excellent service	Continue to monitor and respond accordingly.
Staff absenteeism	Monthly	0.87	0.7	●	↓	0.55	★	●	There are a high number of long term absences that are significantly affecting performance data	We will continue to explore all options with regards to managing absence, especially around tackling long term sickness.
Percentage of service requests received through digital channels	Monthly	26%	35%	●	↓	29%	●	●		
Percentage of calls answered	Monthly	72%	90%	●	→	72%	●	●	Proper analysis of the reasons behind this performance is being undertaken.  It might be that when staff who either work part time, take annual leave or are off sick that their do not forward their calls to another colleague's	We are working with our provider to implement some initiatives and this will take place at the end of October. In addition we are to run reports on individual extension to identify is a particular situation with an extension numbers.



Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
									extension number resulting in missed calls.  The analysis should identify the cause and a solution found.	This will be investigated during November 2016.
Health and Safety incidents	Quarterly	23	N/A	N/A	N/A	16	N/A	N/A	Staff are encouraged to report all incidents. Annually the incidents are broken down into service areas and trends identified.	

Table 1: Corporate Health measures

## Section 2: Project and Programme Delivery

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All projects and programmes are currently on track for delivery against their project plan.

Project Name	Description	RAG	Reason
<b>Commercial Board</b>			
<b>Growth Board</b>			
<b>Transformation Board</b>			

Table 2: Project and Programme Delivery

## Section 3: Corporate Plan Measures

Corporate Plan Theme: Open for Business

The Corporate Plan measures will be reported in full at a later meeting of the Corporate Policy and Resources Committee.

Performance Measure	Current Period				Previous Period		YTD perf.	What is affecting performance
	Actual	Target	Perf	DoT	Actual	Perf.		
<b>Priority: To attract inward investment</b>								
Hectares of land secured for development	Performance expected Q4 2016/17							
Number of new business in the District								
Percentage increase in NNDR base								
Percentage of land developed out								
Percentage increase in the District's GVA								
<b>Priority: To retain, support and facilitate the growth of business in the District</b>								
Percentage increase in employment across the District	Performance expected Q4 2016/17							
Number of businesses actively supported								
Number of job vacancies across the District								
Total investment levered via above schemes								
<b>Priority: Housing led economic growth</b>								
Number of new dwellings built within the District.	Performance expected Q4 2016/17							
Percentage increase in Council Tax base								
Residents' survey								
Percentage reduction in empty properties								
<b>Priority: Understand and address the skills gap in the District</b>								
Number of new apprenticeships secured	Performance expected Q4 2016/17							
Percentage decrease in youth (18-24) unemployment								
Increased education attainment (NVQ Level Three or above)								
Numbers of young people supported with mentoring								
<b>Priority: Promote and expand the agri-food sector</b>								
Number of additional jobs secured in the sector	Performance expected Q4 2016/17							

Performance Measure	Current Period				Previous Period		YTD perf.	What is affecting performance
	Actual	Target	Perf	DoT	Actual	Perf.		
Number of new agri-food business established								
<b>Priority:</b> Understand and promote the value of the visitor economy								
Percentage increase in tourist spend per head								Performance expected Q4 2016/17
Residents satisfaction surveys								
Increase in visitor numbers								
Increase in employment in the sector								

Table 3: Open for Business Measures

Corporate Plan Theme: People First

Performance Measure	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
	Actual	Target	Perf	DoT	Actual	Perf.			
<b>Priority:</b> Ease and convenience of access to a range of public services offered by the Council and partner organisations									
Customer satisfaction with Council and services provided	Performance expected Q4 2016/17								
<b>Priority:</b> Enhance and maintain a safe, natural and built environment									
Residents satisfaction surveys	Performance expected Q4 2016/17								
Percentage reductions in no. of ASB/Community Safety incidents reported.									
<b>Priority:</b> Meet local housing needs and aspirations									
Percentage increase in population of District	Performance expected Q4 2016/17								
General Housing condition survey									
<b>Priority:</b> Increase opportunities for arts, culture, night-time economy, sport and leisure for residents									
Health Survey	Performance expected Q4 2016/17								
Residents satisfaction surveys									
Percentage increase in users of Leisure Centre									
Percentage increase in users of TAC									
Percentage increase in the number of licensed/eating establishments									

Table 4: People First Measures

Corporate Plan Theme: Asset Management

Performance Measure	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
	Actual	Target	Perf	DoT	Actual	Perf.			
<b>Priority:</b> To develop and maximise the return on and value of our asset base									
Percentage increase in income derived from assets	Performance expected Q4 2016/17								
Percentage increase in yields (return on capital employed)	Performance expected Q4 2016/17								
Percentage reduction in maintenance (planned/unplanned) spend	Performance expected Q4 2016/17								
<b>Priority:</b> Maximise the benefits of our assets for our communities									
Tenants' satisfaction levels	Performance expected Q4 2016/17								
<b>Priority:</b> Utilise our asset base to facilitate inward investment									
Occupancy rate of Council properties	Performance expected Q4 2016/17								
Percentage reduction in voids	Performance expected Q4 2016/17								

Table 5: Asset Management Measures

Corporate Plan Theme: Central Lincolnshire Local Plan

Performance Measure	Current Period				Previous Period		YTD perf.	What is affecting performance
	Actual	Target	Perf	DoT	Actual	Perf.		
<b>Priority:</b> Local Plan is adopted								
Local Plan is in place by 31st December 2016	Performance expected Q4 2016/17							
<b>Priority:</b> Establish the appropriate number of Neighbourhood Plans required across the District and ensure they are supported and developed								
Number of Neighbourhood Plans approved	Performance expected Q4 2016/17							
Number of requests for Neighbourhood Plans								
<b>Priority:</b> The key growth and regeneration priorities for Gainsborough to deliver Local Plan priorities are identified in the Gainsborough Chapter of the document								
Number of proposed schemes relevant for Gainsborough alone	Performance expected Q4 2016/17							
Percentage of schemes developed out								
<b>Priority:</b> Infrastructure that meets the housing and growth priorities for West Lindsey								
Value of external funding secured for infrastructure development	Performance expected Q4 2016/17							

Table 6: Central Lincolnshire Local Plan measures

Corporate Plan Theme: Partnerships/Devolution

Performance Measure	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
	Actual	Target	Perf	DoT	Actual	Perf.			
<b>Priority:</b> To work in partnership to explore opportunities for joined-up service delivery									
Number of key partnerships entered into	Performance expected Q4 2016/17								
<b>Priority:</b> To work with national and regional organisations to deliver services locally									
Number of shared service delivery initiatives implemented	Performance expected Q4 2016/17								
<b>Priority:</b> To build successful commercial partnerships and Joint Ventures									
Income generated from commercial activity	Performance expected Q4 2016/17								
Number of commercial partnerships formed									
<b>Priority:</b> To work with partners to deliver local services at as local a level as possible									
Annual number of volunteering hours undertaken across the District	Performance expected Q4 2016/17								
Resident satisfaction surveys									
Monetary value of volunteering hours									
Number of community based service delivery mechanism in place									

Table 7: Partnerships/Devolution Measures



Corporate Plan Theme: Excellent Value for Money Services

Performance Measure	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
	Actual	Target	Perf	DoT	Actual	Perf.			
<b>Priority:</b> Explore alternative delivery models which ensure the effective use of resources									
Customer satisfaction surveys	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Data to be collated by ICS and presented to GCLT on 10 October 2016 for action as appropriate	
Percentage of services that are maintaining or exceeding expected levels of performance									
<b>Priority:</b> 6.2 Deliver a customer first culture across the Council									
Customer satisfaction surveys	Performance expected Q4 2016/17								
<b>Priority:</b> Develop a workforce of high skilled, motivated staff to deliver in an entrepreneurial manner									
Number and type of CPD and training events held	Performance expected Q4 2016/17								
Percentage reduction in sickness/ absence levels									
Staff satisfaction survey	Performance expected Q4 2016/17								
Tracking of spend against training budget									
<b>Priority:</b> To be a high performing Council at a cost affordable to the residents of the District									
Residents survey re VfM and Council Tax levels	Performance expected Q4 2016/17								

Table 8: Excellent Value for Money Services measures

## Section 4: Commercial Plan Measures

To be reported to December 2016 meeting of the Corporate Policy and Resources Committee

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Theme: Generating greater income from the council's services</b>										
Total amount of income generated										
Income as a proportion of total expenditure										
Total net revenue income (i.e. surplus)										
<b>Theme: Securing greater external funding</b>										
Total external funding secured for the Council										
Total external funding secured for communities/district										
<b>Theme: Increasing capital and revenue returns to the council through delivering housing and economic growth</b>										
Change in capital value of assets										
Rate of return on rental income										
Change in Council Tax base										
Change in net business rates payable										
<b>Theme: Enhancing the council's commercial culture and capability</b>										

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
Proportion of staff that understand corporate objectives										
Proportion of members that understand corporate objectives										

Table 9: Commercial Plan Measures

## Section 5: Service Exceptions Report

### Benefits

The average time to calculate new claims and changes to existing claims is significantly better than 2015/16, this is attributed to receiving fewer new claims this year and a slight drop of 100 in the number of live claims we currently have. The cost per claim has also reduced when compared to 2015/16 which is due to scrutiny of the Housing Benefits team budget and changes in the way the team are working. The team are now awaiting final details of the new Benefit Cap which will be implemented from November 2016 affecting a further 120+ families within the Local Authority area.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Quality</b>										
Processing times	Monthly	4.8	6	★	↓	4.6	★	★	Processing times for new claims and changes to existing claims is above target as the number of new claims received in Q2 has decreased slightly when compared to 2016/17.	No improvement required
Volume of claims older than 30 days	Monthly	23	30	★	↑	28	🟡	★	The volume of claims taking over 30 days to process during Quarter 2 has reduced due to there being fewer new claims received than in 2016/17 and the Benefits Assessment team concentrating on 'managing' claims through the process as quickly as the claimants can comply.	No improvement required

Table 10: Benefits measures

## Council Tax




Council Tax and Business Rate collection rates continue to remain on target for year end and since the majority of appeals have now been settled for business rates the rateable value has begun to steadily increase. The number of customers opting to pay by 12 instalments continues to increase each month in respect of both council tax and business rates and this may be aiding customers to pay their instalments.

## Building Control

The Council has made significant investment in the Building Control service to equip the team to compete effectively in the market. For the past 3 years Building Control have been focusing on improving and developing its services, through building relationships, improving reputation and raising the profile of the team with potential customers. The benefits of this are starting to be realised with a small increase in fees when compared to 2015/16, however the construction sector continues to be volatile and there is still work to be done to ensure this trend continues long term. Work has now started on delivering some of the additional services highlighted in the Business Plan. Air testing has just been launched with Fire Risk Assessments following shortly. Other members of the team are booked on training courses over the next 6 months, including warranty work in conjunction with Local Authority Building Control (the national accreditation body for the service), providing a very exciting opportunity for the authority.

## Local Land Charges

The service has a good reputation for quality and accuracy and because of this maintains a core customer base. A new automated system for Local Land Charges has been procured and is being implemented, with an anticipated completion date of April 2017 and this will significantly improve search processing times. Until the new system is fully functioning the service faces a challenge to consistently turn around searches within the 10 day target using the current manual system. Additional resources have been allocated to the service in order to keep turnaround times for searches within the 10 day target in the interim.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Quality</b>										
Time taken to process a search	Monthly	15	10			13		14	The current manual system for processing searches leaves the service vulnerable to staff absences as it is difficult to bring staff into the service with the	An automated system for processes searches has been procured and is being implemented. The anticipated "go-live" date is April 2017.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
									<p>required skills and experience at short notice.</p> <p>In this period the service has lost experienced staff and replacements have taken to time to find and train.</p>	<p>In the meantime staff have been recruited on a temporary basis to keep the turn-around times for searches within the 10 day target.</p> <p>Once the new system is implemented search times will significantly improve and resilience will be increased.</p>

Table 11: Local Land Charges measure exceptions

### Development Management

During quarter two Development Management have sustained and continued to build upon the significant improvements in performance achieved during the latter part of 2015 and early 2016. Fee income from planning applications has exceeded budget targets each month and for the year to date is notably higher than the same period in 2015/16. The number of invalid applications remains high but is being directly addressed as part of the service changes taking place as the new ICT system is introduced. In October Challenge and Improvement Committee considered a report on performance in development management and commended the service for the progress made and considerable achievements in improving the service for customers.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Quality</b>										
Rate of invalids	Monthly	71%	50%	●	↓	64%	●	●	<p>Poor quality submissions from agents resulting in applications being returned to them.</p> <p>Poor quality submissions mean that key information is missing which is vital if those affected by the application are to understand how they will be affected should the proposal be approved.</p>	<p>Working with agents to assist them to understand the importance of supplying all the information and in the correct form to support their planning application.</p> <p>We will publish a “local list” setting out this councils detailed requirements for publication on the web-site so agents are clear about what is required.</p>
Major applications determined within national targets	Quarterly	83%	65%	★	↓	65%	★	★	Remains well above target despite the closure of several older applications	Ensure that older, out of time planning applications are cleared from the system
Minor applications determined within national targets	Monthly	91%	75%	★	↑	82%	★	★	The performance in this category is showing high levels of sustained improvements.	<p>Make performance visible through the implementation of a new ICT system – due April 2017.</p> <p>Maintain high quality leadership in the service</p>

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
Other applications determined within national targets	Monthly	97%	85%	★	↑	96%	★	★	The performance in this category is showing high levels of sustained improvements.	Make performance visible through the implementation of a new ICT system – due April 2017.  Maintain high quality leadership in the service.

Table 12: Development Management measure exceptions

### Enforcement

The increase in demand on enforcement services is consistent across all areas and continues to remain at a high level in planning enforcement. Work is being undertaken to identify why this increase is continuing at a sustained level. An officer returning from maternity leave will provide additional resources within this area, which should reduce the caseload before the end of the year. The number of priority cases across housing and planning continues to lead to formal action, prosecutions and the serving of notices.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Process</b>										
Open planning enforcement cases	Monthly	133	100	●	N/A	130	●	●	A large ongoing and increasing caseload	Continue to monitor and review cases and look to identify the need for additional resources where necessary.
<b>Perspective: Quality</b>										
Time taken to resolve a planning	Monthly	184	100	●	↑	214	●	●	Long standing cases closed. High caseload. Maternity leave	Maternity leave return in October.



Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
enforcement request										

Table 13: Enforcement measure exceptions

## Environmental Protection

The Environmental Protection team continue to deal with complaints in the set timescales. As County Council are now the statutory consultee for planning applications that might cause flooding issues this has enabled work areas to be altered in order to increase officer hours for food inspections.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Quality</b>										
Nuisance complaints completed within timescales	Monthly	100%	95%	★	→	100%	★	★	Due to the work of officers and good data input complaints are dealt with within timescales.	Need to examine the quality of the solution arrived at and learn from its effectiveness

Table 14: Environmental Protection measure exceptions

## Food Safety

Performance is still on target for this service, however there has been a fall in number of targeted inspections in period 2. This has been due to a small number of inspections resulting in voluntary closures of the business and the time take to work with the business in order to ensure public safety is maintained.

## Licensing

The licensing service continues to operate consistently, particularly with regards to the number of applications received compared with the same period last year. 96% of applications were processed within the agreed timescales, with only 1% of applications being put before Members of the relevant Sub-Committee for a decision. The current period has overachieved income by approximately £12.5k, however this is not expected to continue due to an expected fall-off in taxi driver applications, brought about by changes to legislation, which will be reflected throughout the year. Both Animal Welfare & Gambling income have performed well.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Financial</b>										
Income received	Monthly	£58,148	£45,564	★	N/A	£18,465	●	★		

Table 15: Licensing measure exceptions

## Street Cleansing

Street Cleansing is performing well, the only area for concern is income which is down on previous years especially for mechanical road-sweeping. Customers point toward a lack of new development and an exceptionally dry summer for the downturn in demand.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Financial</b>										
Income generation	Monthly	£3,775	£16,000	●	↓	£3,849	●	●	Downturn in mechanical road sweeping demand	Continue to promote service

Table 16: Street Cleansing measure exceptions

## Waste Collection

All waste collection measures are on target apart from missed bins, this is due to high rates of sickness this year and resultant use of inexperienced agency staff. The recycling rate appears to be on target, there will be a downturn when the garden waste service closes in winter. Income generating services within waste are performing well, especially second garden waste bins and the commercial waste service.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Financial</b>										
Trade waste income	Monthly	£51,466	£45,044	★	↑	£21,613	●	●	On target	Continue with sales and marketing strategy
<b>Perspective: Quality</b>										
Missed collections	Monthly	558	520	●	N/A	296	★	●	High sickness levels, turnover of new staff	Work with crews to resolve

Table 17: Waste Collection measure exceptions

## Trinity Arts Centre

Performance has improved this quarter since the roof works have been concluded which is demonstrated by the surplus generated from the artistic programme being on track. Good audience numbers are being recorded again now the roof works have been concluded and further enhancements will ensure this trend continues.

It remains difficult to accurately reflect performance of the Centre against progress and delivery targets as fluctuations in monthly expenditure do throw the figures out. For example in September TAC received an electricity bill, had the season brochures printed and paid out for maintenance work that a grant will cover once repaid. This shows the costs of the Centre to be high in the month but over the year this will even out.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Financial</b>										
Cost of Trinity Arts Centre per user	Monthly	£8.87	£5.50		↓	89p			Good performance on artistic programme. This result is skewed as quarterly electricity bill hit in August	Monthly monitoring proves difficult due to no ability to spread the cost of bills. This causes month to month fluctuations
Received surplus	Monthly	£12,941	£12,000		↑	£7,221			Good attendance at events and shows booked on profitable terms	Continue to offer attractive programme
<b>Perspective: Process</b>										
Audience figures	Monthly	4,624	2,800		↑	2,326			Good attendance at performances and events	Continue to ensure popular programme is maintained
<b>Perspective: Quality</b>										
Event occupancy	Monthly	42%	55%		↓	45%			A couple of events had low usage (live streaming of Glyndebourne Opera) and these events will be removed from the programme	Ensure program continues to be attractive to customers

Table 18: Trinity Arts Centre measure exceptions

### Democratic Services

There is a robust personal assistant service in place and positive feedback from Chief Executive and Directors. Standards complaints continue to be received from Parish Councils regarding governance issues. The Freedom of Information process has been redesigned to embed efficiencies and automating of the process where possible. There are two large projects being run within the team on top of the day to day work, embedding and maximising the potential of the new automated committee system (Modern.gov) and exploring the Governance arrangements of the council.

### Financial Services

The service has achieved an unqualified audit opinion on the 2015/16 Statement of Accounts and Value for Money assessment. With the statutory deadline for the 2017/18 Statements being brought forward to 31.5.2018, the team had challenging deadlines this year to produce the statements by the earlier date. This has identified where further efficiencies in procedures need to be made.

The implementation of a Bank Reconciliation system is now finalised, and this will achieve daily bank reconciliations and efficiencies within this important process. The Treasury staff continue to exceed investment interest benchmark targets albeit rates are at an all-time low. In conjunction with budget managers, a base budget review has been undertaken which has identified £147k of ongoing savings.

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Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Financial</b>										
Unqualified audit	Annual	Unqualified	Unqualified	🟡	N/A	N/A	N/A	N/A		
<b>Perspective: Quality</b>										
Return on investment	Quarterly	1.15%	0.34%	🟢	N/A	1.30%	🟢	🟢	Investment Markets Post Brexit, china and USA issues	No control over markets - longer investments
Savings generated	Quarterly	£800	£9,500	🔴	N/A	£5,000	🔴	🔴		

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
through Procurement exercises										

Table 19: Financial Services measure exceptions

## Projects and Growth

The Team is focussed on the Gainsborough Growth Programme, the Food Enterprise Zone at Hemswell Cliff and wider economic development initiatives such as the Lindsey Action Zone and the potential for industrial units at key sites such as Saxilby.

With regards to Gainsborough, the 'Development Prospectus' has been launched and progress has been made on the procurement for the Strategic Development Partner (a separate committee paper provides further details on this); funding bids have been made to both Heritage Lottery Fund and Historic England to assist in the restoration of town centre properties; the Gainsborough Place Board has been launched and a range of key stakeholders are signed up as 'Ambassadors' for the town; Council support has been secured for the redevelopment of the Sun Hotel and for a Joint Venture company to regenerate Market Street; Feasibility work has progressed for the marina site and a further funding bid has been made to assist with infrastructure costs which will help to unlock key housing sites. The Gainsborough Growth Fund also continues to assist new and expanding firms in the town and works to upgrade the footways along Beaumont Street and Trinity Street have been undertaken, working with Lincolnshire County Council.

In terms of the wider District, the Lindsey Action Zone continues to assist West Lindsey businesses, most recently through the award of a grant for the expansion of Hall Farm Park. The upgrading of the road access to Newtoft Business Park has also been delivered as a joint initiative between the Council and the local business community. An evaluation of the Townscape Heritage Initiative in Caistor is underway, which will inform future action in the town and the Council is considering the potential to take a lease on new workspace units in Saxilby.

Finally, an Environmental Impact Assessment is underway as part of the Food Enterprise Zone, in order to secure the Local Development Order for the site. The project has also been shortlisted for major capital funding through the Greater Lincolnshire Local Enterprise Partnership to support infrastructure delivery costs.

## Enterprise and Community Services

Following a re-structure the service has now been renamed 'Enterprise and Community Services'. The service plan for the service is currently being written which will involve the identification of a relevant measure set.

## CCTV

The complete upgrade of our CCTV system is nearing completion. We now have the latest high definition CCTV cameras operating in Gainsborough and Market Rasen. The system upgrade has already resulted in savings on our line rental costs and has prepared us for future expansion and commercial development. A new incident recording system has been developed. We are in the process of backdating this to 1st April 2016. When completed this will produce a full financial year of statistics and create a baseline to use in 2017/2018. Already during September 2016 our CCTV Control Centre assisted with over 60 incidents. A breakdown of incidents will be available in future progress and delivery reports.

With the greatly improved CCTV quality we have supported a wide range of police and criminal investigations. Examples have included public order, assaults, criminal damage and burglaries in both Gainsborough and Market Rasen.

## Funding

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Financial</b>										
External funds levered by WLDC grant funding	Quarterly	£802,590.80							This figure is the total external funds levered by WLDC grant funds since they launched in Sep 2015.	
Total value of community grants awarded	Quarterly	£208,687.87							This figure is the total external funds levered by WLDC grant funds since they launched in Sep 2015.	
<b>Perspective: Process</b>										
Number of community grants awarded	Quarterly	67							This figure is the total external funds levered by WLDC grant funds since they launched in Sep 2015.	

Table 20: Localism and Community Safety measure exceptions

## Markets

Markets continues to underperform, we await a final decision on options from Members.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Process</b>										
Average number of stalls on a Tuesday	Monthly	51	60		↓	58			Market review and options appraisal currently underway	

Table 21: Markets measure exceptions

## Assets and Facilities Management

A temporary technical resource has been brought in to assist the service in delivery its objectives with a temporary admin support resource currently being sought. This comes on the back of a vastly improved Audit where in June this year the service was given an assurance opinion of substantial with a travel direction of improving.

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Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Financial</b>										
Two year backlog maintenance reduction	Quarterly	2%	10%		→	2%		2%	Staff shortages are limiting ability to tender and deliver works programme.	Restructure of the service began in April and should be in place (fully staffed) by December.
Planned and responsive maintenance	Quarterly	80%/16%	70%/30%			0%/100%			Increase in payments for capital works.	Property and Assets Teams
Rental income-Assets	Monthly	£244,217	£133,731		↑	£62,742	£76,358		Income comparable with previous years. There	Property and Assets Teams

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
									remains a delay in getting service charge setting resolved	

Table 22: Assets measure exceptions

## Housing

Housing services continue to perform well and deliver for residents across the District. The demand for Disabled Facilities Grants is consistent and the service continues to perform strongly when compared to the rest of the County. The average spend increase relates to the high level of complex cases that we are currently dealing with. The total number of long term empty homes continues to decrease and is a reflection of the positive work undertaken by officers. In relation to this a number of compulsory purchase orders are being explored for the very poorest condition long term empty properties.

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Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Financial</b>										
Average spend per disabled facilities grants	Monthly	£4,702	£3,000	●	N/A	£4,394	●	●	Increase in complex and larger cases.	Ongoing case reviews
Total spend on completed disabled facilities grants	Monthly	£629,170	£112,332	●	N/A	£107,185	●	●	No performance issues	Within tolerance
<b>Perspective: Quality</b>										
Average days from DFG approval to completion	Monthly	46	60	★	↓	43	★	★	No performance issues	



Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
Total number of long term empty homes in the District	Quarterly	542	539	★	↓	540	★	★	No performance issues	

Table 23: Housing measure exceptions

### Home Choices

Demand on the home choices service for people in housing need and those at risk of homelessness is increasing. We have seen a marked increase in new approaches to the service, homelessness presentations and temporary accommodation usage.

Temporary accommodation: the Cross Street provision has been full to capacity leading to a need to utilise B&B accommodation, particularly during September 2016. During September 2016, £1517 was spent on additional B&B accommodation. The team is working hard to ensure homelessness applications are processed as quickly as possible and the need for B&B alleviated; demonstrated in the average length of stay measure however, the increased demand and complexity of cases the team is dealing with must be recognised. This has had a direct impact on capacity to proactively prevent homelessness – performance in this area was lower in September 2016 and the service will be actively working to improve this against a backdrop of increased demand.

The service will complete some specific performance monitoring activity on housing register allocations during November 2016 and a review of the measure regarding ‘successful nominations’ is proposed for 2016/17.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Process</b>										
Number of verified rough sleepers	Quarterly	2	0	●	↓	1	●	●	Performance within tolerance	Performance within tolerance.
Number of nights verified rough sleepers	Monthly	39	0	●	↓	1	●	●	August 2016 was an exceptional month with evictions taking place at temporary accommodation	Liaison is taking place with partner organisations with resources or

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
									providers leading to an increase in rough sleepers. It is getting more difficult to access accommodation in some cases. This is all part of the increase in complexity and demand the service is experiencing as a whole.	responsibility to house rough sleepers. Work is also underway with landlords and other providers of accommodation in order to try and prevent people becoming homeless at short notice.
Bed and breakfast nights	Monthly	27	0		↓	9			Waiting for move on accommodation, complex individuals struggling to move on and persons who need specific property type. 1 client was a weekend out of hours call. Again this is part of the increase in demand and complexity of cases the service is dealing with.	Working with partners to ensure that we receive more notice of potential evictions so that solutions other than B&B can be found.  Ensure that home owners becoming homeless due to repossession understand the options available to them once they lose their home.
<b>Perspective: Quality</b>										
Average length of stay in temporary accommodation	Monthly	19	28		↑	29			One household found not homeless with no l/c so given 28 days' notice and another refused a property by ACIS due to support needs	

Table 24: Home Choices measure exceptions

## Healthy District

The leisure contract continues to perform well. Customer satisfaction is consistently high across the whole of the contract. The majority of the information comes from monthly surveying of customers together with intelligence from customer comments and complaints. During the quarter no poor scores have been recorded in connection with customer service.

The cost per user has continued to be ahead of target. This is mainly due to the high levels of usage at West Lindsey Leisure Centre and the reduction in management fee negotiated in October 2013 providing value for money. A range of marketing activity mixed with a good range of activity being offered attracts a steady stream of new customers.

Usage at West Lindsey Leisure Centre in particular remains high. Issues over the correct recording of users for multiple user activities (i.e. badminton and squash) have been rectified. Usage at the satellite school sites continues to be of concern but these sites are not being included in plans for new contracting arrangements from 2018.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Customer</b>										
Customer satisfaction of Leisure facilities & activities	Monthly	96%	80%	★	↓	98%	★	★	Customer satisfaction remains high across the whole contract with no poor scores being recorded	Monitor satisfaction levels and ensure issues and complaints are dealt with efficiently
<b>Perspective: Financial</b>										
Cost of Leisure Management fee per service user	Monthly	79p	£1.20	★	→	78P	★	★	Good usage levels at West Lindsey Leisure Centre continues to provide value for money, covering poor performing satellite sites	Continue to monitor usage levels. New contract arrangements will address issues with satellite sites
<b>Perspective: Process</b>										
New participants at West Lindsey Leisure facilities	Monthly	969	800	★	↑	484	★	★	Good range of activities and marketing	Ensure current level of service continues
West Lindsey leisure facilities usage	Monthly	108,523	102,000	★	N/A	N/A	N/A	★	Usage of West Lindsey Leisure Centre remains high due to pricing structure and activities being offered	Ensure current level of service is continued

Table 25: Healthy District measure exceptions

ICT

Success this quarter is that the team have all passed our ITIL foundation – one of the audit actions needed. Kept the CRFs and helpdesks calls responsive and exceeded the target.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Process</b>										
Incident & Problem Management	Monthly	101%	90%	★	↑	88%	★	★	Automation of the ICT helpdesk ensure rapid notification of issues and directed to the appropriate officer	Continue to develop and enhance helpdesk functionality
Change Management	Monthly	103%	50%	★	↑	92%	★	★	Automation of the ICT helpdesk ensure rapid notification of requests for change and directed to the appropriate officer	Continue to develop and enhance helpdesk functionality
<b>Perspective: Quality</b>										
Service and System availability: Secure Network	Monthly	100%	98%	★	→	100%	★	★	Proactive monitoring and event logging ensures excellent service	Continue to monitor and respond accordingly

Table 26: ICT measure exceptions

Systems Development

Commercial venture in building Rutland website, started the Arcus project (new ICT for land based services), successfully carried out major upgrades to Northgate without any downtime for officers.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Process</b>										
Number of online customers signing up to the self service accounts	Monthly	1,002	528	★	N/A	1,512	★	★	This is new customers signing up each month. The proactive campaigning is creating these contacts.	Keep promoting the digital opportunities for online submissions
Number of electronic forms developed and integrated into the website	Monthly	234	128	★	N/A	128	★	★	This is a running total of the number of live forms now on the website	Keep promoting the digital opportunities for online submissions
Housing re-naming requests delat with within timescales	Monthly	100%	90%	★	↑	90%	Amb	★	Procedure improved by automating process and utilising online information	Continue as set procedure, but only able to progress at the speed of the customer
<b>Perspective: Quality</b>										
Website availability	Monthly	100%	98%	★	→	100%	★	★	Proactive monitoring of server and network traffic enables quick response times	Continue with proactive monitoring. This has now been moved to a cloud hosted solution and therefore available 24/7 with full monitoring capabilities and alerts.

Table 27: Systems Development measure exceptions

## Contracts Management

The overview and on-going management of contracts is currently performing well. Pro-active work is undertaken to highlight contracts that are due to expire and pro-active work ensures that the appropriate review mechanisms is in place. We will continue to keep up this good work to ensure that consistency is applied to Contracts Management.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Process</b>										
Percentage of contracts that have expired and continued with no extension arrangement in place	Six monthly	0%	20%	★	N/A	N/A	N/A	★	The majority of contracts that have expired are specific 'one-off' projects therefore they will not need to be procured	On-going monitoring of contracts
Percentage of contract extensions used as a default	Six monthly	0%	20%	★	N/A	N/A	N/A	★	Performance is on track	On-going monitoring of contract expiry dates
Number of exception reports raised	Quarterly	0	5	★	↑	5	A	★	Performance is on track	On-going monitoring of contract expiry dates

Table 28: Contracts Management measure exceptions

## Corporate Governance

A recent Internal Audit has identified the value of Approved Codes of Practice and made recommendations that these are reviewed and subsequently updated and promoted; this work is scheduled in for Period Three of 2016/17. The volume of outstanding risks and audit actions that have expired are high due to the six month point.

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
<b>Perspective: Quality</b>										
Expired Codes of Practices	Six monthly	10	0	●	N/A	N/A	N/A	●	Internal Audit have just completed a review on the internal policies process which included ACoPs. This audit stated that ACoPs are	Audit identified that a process is developed to ensure that ACoPs are review in time

Performance Measure	Reporting Frequency	Current Period				Previous Period		YTD perf.	What is affecting performance	What do we need to do to improve and by when?
		Actual	Target	Perf	DoT	Actual	Perf.			
									still useful to support internal processes	
Outstanding Audit Actions	Six monthly	4	0	●	N/A	N/A	N/A	●	Although performance is worse than the target the volume of outstanding audit actions has decreased due to pro-active work by the team.	Scope the opportunity to deliver a Business Partner approach for the Corporate Governance service to increase awareness.
Risks exceeding review date	Six monthly	10	0	●	N/A	N/A	N/A	●	Although performance is worse than the target the volume of outstanding risks has decreased due to pro-active work by the team.	Scope the opportunity to deliver a Business Partner approach for the Corporate Governance service to increase awareness.
Citizen Panel survey response rate	Six monthly	72%	50%	★	N/A	N/A	N/A	★	Excellent response to recent Citizens Panel	Review of current working practises to ensure the Citizen Panel remains relevant and up-to-date

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**Corporate Policy and  
Resources Committee**

**10<sup>th</sup> November 2016**

**Subject: Budget and Treasury Management Monitoring – Period 2 2016/17  
including Mid-Year Review and  
Treasury Management Mid-Year Report.**

Report by:	Financial Services Manager (Deputy S151) Tracey Bircumshaw
Contact Officer:	Tracey Bircumshaw Financial Services Manager (Deputy S151) 01427 676560 tracey.bircumshaw@west-lindsey.gov.uk
Purpose / Summary:	This report sets out the revenue, capital and treasury management activity from 1 April 2016 to 30 September 2016.

**RECOMMENDATION(S):**

- a) That Members accept the forecast out-turn position as at 30 September 2016. (1.1)
- b) That Members accept the draft MTFP position for 2017/18 to 2021/22.
- c) Members accept the use of Earmarked Reserves approved by the Director of Resources using Delegated powers (2.1)
- d) Members grant approval to incur Capital expenditure. (7.2)
- e) Members approve the amendments to the Capital and Revenue budget, including creating budgets for projects funded by grants and not included in the original Capital Programme.
- f) Members approve the Capital budget carry forwards of £5,640k (12.3)
- g) Members accept the Commercial Income position.
- h) That Members accept the Treasury Management Report and Treasury position to 30 September 2016.

## IMPLICATIONS

**Legal:** None arising as a result of this report.

### Financial FIN/87/17

The current forecast surplus totals £575k as at 30 September 2016, work will continue throughout the year to monitor the situation and to identify ongoing impacts on the Medium Term Financial Plan as part of the Budget Process. However it is anticipated that, subject to unknowns at this time, this will be the out-turn position at 31 March 2016.

The capital forecast out-turn position for 2016/17 is estimated to be £10,928k with an out-turn variance against the capital programme revised budget of £5,982k, £5,640k has been requested as capital budget carry forwards and £342k saving.

The Treasury Management activities during the reporting period are disclosed in the body of this report.

There have been no breaches of Treasury or Prudential Indicators to report and we again out-perform our benchmark in relation to investment yields.

**Staffing:** None arising as a result of this report.

**Equality and Diversity including Human Rights:** None arising as a result of this report.

**Risk Assessment:** This is a monitoring report only.

**Climate Related Risks and Opportunities:** This is a monitoring report only.

**Title and Location of any Background Papers used in the preparation of this report:**

### Call in and Urgency:

**Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?**

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

**Yes**

**No**

### Key Decision:

A matter which affects two or more wards, or has significant financial implications

**Yes**

**No**

## Executive Summary

### 1. REVENUE BUDGET MONITORING – Forecast out turn for 2016/17

1.1 The forecast Revenue Budget out-turn for the 2016/17 financial year is a surplus position of £575k as at Period 2 (30 September 2016). Previous forecast as at Period 1 (31 May 2016) was surplus of £177k.

1.2 The significant variances are;

EXPENDITURE	£000	Direction of Travel
<b>BUDGET UNDERSPENDS</b>		
Salary savings.	-£179	↑
Reduction in Pension Deficit payable to Pension fund due to overpayment during 2015/16.	-£171	↔
Local Tax Collection - summons and committal forecast costs based on activity to date.	-£20	NEW
Housing Strategy - no further payments to other agencies due.	-£15	NEW
Corporate Governance - software support & maintenance saving.	-£18	NEW
Base budget review after actual outturn savings.	-£53	NEW
<b>PRESSURES</b>		
HMRC underpayment relating to 2013/2014	£34	NEW
Marshall's Yard Offices - unbudgeted repairs.	£13	NEW
Various forecast outturn variances <£10k	-£10	↓
	-£419	

INCOME	£000	Direction of Travel
<b>BUDGETED INCOME EXCEEDED</b>		
Planning Application fees projected to exceed budget for year - to offset increased staffing costs to meet demand.	-£220	<b>NEW</b>
Homelessness - safeguarding officer LCC (16/17 only)	-£14	<b>NEW</b>
Housing Benefits - pressure attributable to rent allowance recovery offset by DHP Discretionary Payments Grant.	-£21	<b>NEW</b>
Trade Waste income increased demand for service.	-£27	<b>NEW</b>
Investment Interest receivable.	-£40	<b>NEW</b>
<b>BUDGETED INCOME NOT ACHIEVED</b>		
Licence income reduced due to anticipated reduction in applications (Hackney Carriage licences £8k).	£10	↔
Local Land Charges - Law Society change - no longer charge for CON290	£10	<b>NEW</b>
Street Cleansing for private clients - slow down in demand for service.	£15	<b>NEW</b>
Corporate Fraud - no definite external work confirmed at this point.	£29	<b>NEW</b>
Projected rental income from purchase of investment properties not yet realised.	£50	<b>NEW</b>
Car Park income pressure due to loss of income from Market Rasen, offset by increased income in Gainsborough.	£40	<b>NEW</b>
Market stallage income not expected to meet budgeted target based on current take up- review of market service in progress.	£12	↑
	-£156	

TOTAL VARIANCE	Page 50 -£575
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- 1.3 Included within the forecast surplus is £170.8k which relates to overpaid employer contributions during 2015/16 which have been treated as an early payment of the Pension Deficit due in 2016/17, as agreed with the Lincolnshire Pension Fund. This committee agreed to this one-off surplus being returned to the General Fund balance at its meeting on 28 July 2016.
- 1.4 Also included within the forecast surplus are Base Budget Review savings of £52.7k.

Following the closure of accounts 2015/16 a review of 2016/17 controllable Base Budgets compared to previous 3 years spend is carried out by Budget Managers with their Finance Business Partners to identify budget savings or opportunities to increase income targets. Whilst in year savings total 52.7k, the ongoing impact is £147.5k across all services and will be built into the Medium Term Financial Plan 2017-18, thus reducing the Council's saving target.

The savings identified in year 2016/17 of £52.7k will be removed from service budgets.

## **2. Use and Contribution to Reserves 2016/2017**

- 2.1 The Director of Resources has used delegated powers to approve the use of earmarked reserves under £50k, new delegated decisions totalled £135.7k;
- £28.7k from Community Grant Scheme reserve. Payment to Community Lincs (2<sup>nd</sup> year of 3 year agreement). Release of Community Grant Scheme over 3 years approved by CP&R 19/02/15 (FIN/134/15).
  - £50k from Local Development Order (LDO) earmarked reserve for commissioning technical studies (flood, contamination, master-planning).
  - £2k from Parish Lighting earmarked reserve. To support the ongoing SLA agreement with LCC for maintenance costs.
  - £40.8k from Community Grant Scheme earmarked reserve. Cost of equipment and installation of community defibrillators. £8.2k to be recovered as contributions from site locations over the next 12 months which will be returned to the earmarked reserve (net cost of scheme £32.6k). Scheme approved by Prosperous Communities 13.09.16 (FIN/69/17)
  - £14.2k from Councillor Initiative Fund reserve. To match spend to date - £108k approved over 3 years from 16/17 to 18/19. Approved by CP&R 12.05.16 FIN/12/17

## **3. Grants**

As at 1<sup>st</sup> April 2016 we had an amount of £420k relating to grants received which had yet to be expended. Budget provision will be created throughout the financial year as required to deliver projects in accordance with grant terms.

- 3.1 Successful Grant Bids

Aviation Heritage Lincolnshire – Bastian in the Skies project has been awarded £423,500 by the Heritage Lottery Fund. WLDC will act as the accountable body for this grant.

#### **4. Other Items for information**

##### **4.1 Planning Appeals**

In period 2 2016/17 there were 20 appeals determined, as follows;

June 2016 – 13 appeals, 7 dismissed and 6 allowed

July 2016 – 3 appeals, 3 dismissed

August 2016 – 3 appeals, 3 dismissed

September 2016 – 1 appeal, 1 dismissed

None of these appeals resulted in an award of costs against the Council.

#### **5. Fees and Charges**

Members were presented with the 2016/17 Fees and Charges report on 17 December 2015. It was agreed that in future, budget monitoring would incorporate monitoring income reporting on volume and price variances.

The data for Period 2 is included in this report at Appendix B.

#### **6. Mid Year Medium Term Financial Plan Update**

Whilst the budget process is ongoing, and we await final outcomes of the finance settlement and actuarial pension review it is envisaged that we have identified adequate savings or increased income to balance the 2017/18 budget without the use of General Fund Balances.

With regard to the Medium Term Financial Plan, we are still considering options to meet the circa £1m funding gap currently anticipated by 2021/22.

The Business Plans and investment options to generate these funds is ongoing.

Further detail is included within the report at

#### **7. CAPITAL BUDGET MONITORING - Forecast out turn for 2016/17**

7.1 The capital programme spend for the year is £10,928k, which is a variance against revised budget of (£5,982k).

Of this £5,640k is requested to be carried forward and represents slippage and multi-year spend on approved schemes. The details of the capital carry forward requests are detailed at (13.3).

##### **7.2 Capital Programme 2016/17 - Update**

A request for budget approval of £400k to facilitate a loan advance is reported elsewhere on this agenda.

### **7.3 Approval to incur Capital Expenditure**

There have been no requests for approval to incur Capital Expenditure.

### **8. TREASURY MANAGEMENT UPDATE – Forecast Out Turn for 2016/17**

There have been no breaches of Prudential Indicators.

Interest received has been in excess of the 7 day libid benchmark (0.28%) with an average yield of 1.22%

### **9. INTRODUCTION**

- 9.1 This is the second in a series of reports for the financial year 2016/17 that gives Members information on differences between the approved budgets and forecast outturn income and expenditure for the year ended 31 March 2017. The financial information has been presented in an income and expenditure layout.
- 9.2 The capital programme is presented within the body of the report.
- 9.3 Compared to the approved budget for 2016/17 the Council's forecast outturn revenue position as at 31<sup>st</sup> March 2017 is a surplus of £575k.

## 10. REVENUE FORECAST OUT-TURN (April 2016 to March 2017)

10.1 The forecast revenue out-turn as at 31 March 2017 income and expenditure variances are shown in the table below.

Revenue Budget Monitoring September 2016	2016/17 Original Budget £	2016/17 Revised Budget £	2016/17 Budget Profile to 30 September £	2016/17 Actual to 30 September £	2016/17 Variance to Budget £	2016/17 Forecast Outturn £	2016/17 Outturn Variance £
<b>Income</b>							
Government Grants	0	0	0	0	0	0	0
Service Specific Government Grants	(23,429,100)	(23,503,283)	(11,658,130)	(11,967,991)	(309,861)	(23,215,568)	287,715
Other Grants and Contributions	(622,200)	(3,000)	0	(4,928)	(4,928)	(4,900)	(1,900)
Customer and Client Receipts	(2,985,400)	(4,093,020)	(1,746,590)	(2,089,509)	(342,919)	(3,949,919)	143,101
<b>Total Income</b>	<b>(27,036,700)</b>	<b>(27,599,303)</b>	<b>(13,404,720)</b>	<b>(14,062,428)</b>	<b>(657,708)</b>	<b>(27,170,387)</b>	<b>428,916</b>
<b>Expenditure</b>							
Employees	9,666,100	9,755,650	4,956,875	4,986,069	29,194	9,606,595	(149,055)
Premises	1,010,100	1,021,800	524,044	543,589	19,545	774,119	(247,681)
Transport	919,100	929,000	423,682	397,322	(26,360)	890,231	(38,769)
Supplies and Services	1,857,900	2,840,930	1,108,466	1,698,147	589,681	2,700,776	(140,154)
Third Party Payments	1,595,000	2,075,600	933,884	1,553,817	619,933	2,048,724	(26,876)
Transfer Payments	23,213,400	23,371,900	11,770,501	11,553,424	(217,077)	22,981,177	(390,723)
<b>Total Expenditure</b>	<b>38,261,600</b>	<b>39,994,880</b>	<b>19,717,452</b>	<b>20,732,369</b>	<b>1,014,917</b>	<b>39,001,622</b>	<b>(993,258)</b>
<b>Business Units Controllable Total</b>	<b>11,224,900</b>	<b>12,395,577</b>	<b>6,312,732</b>	<b>6,669,941</b>	<b>357,209</b>	<b>11,831,235</b>	<b>(564,342)</b>
<b>Corporate Accounting</b>							
Interest and Investment Income	(214,500)	(214,500)	(62,763)	(62,763)	0	(254,500)	(40,000)
Interest Payable	192,500	192,500	19,055	19,055	0	139,700	(52,800)
Parish Council Tax Requirement	1,610,050	1,610,050	1,610,050	1,610,050	0	1,610,050	0
Drainage Board Precept	338,300	338,300	169,150	169,451	301	338,900	600
<b>Statutory Accounting</b>							
Capital Expenditure Charged to General Fund	2,888,700	2,888,700	0	0	0	2,888,700	0
Support Services	5,689,600	5,279,300	33,150	0	(33,150)	5,279,300	0
Recharges	(5,689,600)	(5,279,300)	(33,150)	0	33,150	(5,279,300)	0
<b>Movement in Reserves</b>							
Transfer To / From General Fund	(109,615)	(110,292)	0	242,000	242,000	(314,692)	(204,400)
Transfer To / From Specific Reserves	(706,100)	(1,879,900)	0	0	0	(1,594,200)	285,700
<b>Net Revenue Expenditure</b>	<b>15,224,235</b>	<b>15,220,435</b>	<b>8,048,224</b>	<b>8,647,734</b>	<b>599,510</b>	<b>14,645,193</b>	<b>(575,242)</b>
<b>Funded By</b>							
Revenue Support Grant	(1,387,300)	(1,387,300)	(124,861)	(124,861)	0	(1,387,300)	0
Capital Grants and Contributions	0	3,800	0	46,376	46,376	3,800	0
Other Government Grants	(565,900)	(565,900)	(283,064)	(352,945)	(69,881)	(565,900)	0
Retained NNDR	(3,309,700)	(3,309,700)	271,983	271,983	0	(3,309,700)	0
New Homes Bonus	(2,480,600)	(2,480,600)	(1,246,637)	(1,246,637)	0	(2,480,600)	0
Council Tax	(5,668,602)	(5,668,602)	0	0	0	(5,668,602)	0
Parish Council Tax requirement	(1,610,050)	(1,610,050)	0	0	0	(1,610,050)	0
Council Tax Freeze Grant	0	0	0	0	0	0	0
Share of Council Tax Surplus	(202,083)	(202,083)	0	0	0	(202,083)	0
<b>Total Funded By</b>	<b>(15,224,235)</b>	<b>(15,220,435)</b>	<b>(1,382,579)</b>	<b>(1,406,084)</b>	<b>(23,505)</b>	<b>(15,220,435)</b>	<b>0</b>
<b>(Surplus) / Deficit for the Year</b>	<b>0</b>	<b>0</b>	<b>6,665,645</b>	<b>7,241,650</b>	<b>576,005</b>	<b>(575,242)</b>	<b>(575,242)</b>



10.2 The forecast revenue out-turn as at 31 March 2017 variances by Strategic Clusters of Services are shown in the table below. Further analysis by Business Unit is included in this report at Appendix A.

CLUSTER	2016/17 up to 30th September 2016 Revised Budget £	2016/17 up to 30th September 2016 Forecast Outturn £	2016/17 up to 30th September 2016 Forecast Outturn Variance £
Chief Executive / Directors	562,400	550,500	(11,900)
Commercial	2,446,500	2,467,000	20,500
Customer First	1,524,100	1,469,643	(54,457)
Democratic and Member Support	3,228,500	3,153,355	(75,145)
Economic Development and Neighbourhoods	1,804,377	1,445,659	(358,718)
Housing and Regeneration	1,482,400	1,521,478	39,078
Organisational Transformation	1,347,300	1,223,600	(123,700)
Controllable Total	12,395,577	11,831,235	(564,342)
Corporate Accounting Total	1,926,350	1,834,150	(92,200)
Statutory Accounting Total	2,888,700	2,888,700	0
Movement in Reserves Total	(1,990,192)	(1,908,892)	81,300
Net Revenue Expenditure	15,220,435	14,645,193	(575,242)
Funding Total	(15,220,435)	(15,220,435)	0
(SURPLUS)/DEFICIT FOR THE YEAR	0	(575,242)	(575,242)

10.3 The major variances of note are detailed below.

- a) Purchase of Investment Properties – completion of purchase of investment properties is not anticipated before January 2017, compared to budgeted forecast of July 2016. This results in a net pressure of £50k during 2016/17.
- b) Commercial projects – budgeted income and expenditure built into the MTFP are not anticipated to be utilised during 2016/17. The forecast shortfall was to be met from reserves, therefore this has resulted in an increase in forecast reserves balance of £100.7k, with no impact on the overall budget position of the Council.
- c) Included within the forecast surplus are Base Budget Review savings of £52.7k, across several budget lines.

## **INCOME**

### **Service Specific Government Grants - £288k deficit**

Pressure attributable to rent allowance recovery has been offset by DHP Discretionary Payments grant. Net surplus of (£21k) across Housing Benefits is forecast.

### **Customer and Client Receipts – £143k deficit**

Taxi Licence Income – a reduction in the number of applications, partly due to recent policy changes, and the impact of a change in Government policy to issue licences for 3 years rather than annually has resulted in a forecast reduction in income of £8k. The profiled budget implications of the policy changes will be built into the MTFP for future years.

Market Stallage Fees – cancelled markets and lower stall numbers has resulted in a forecast reduction in income of £12k. A review of the market service is in progress.

Car Park Income – deficit of (£65K) of which £15k due to the delay in charging at Market Rasen, £50k relates to a number of factors, Beaumont Street remaining open, delay in implementing new charges and free after 3 impacty, this is offset also by increased income from sale of season tickets (£25k). It must be noted that the budget was modelled on assumptions as no data was available.

Planning Application fees – projected to exceed budget for year by (£220k) due to a rise in the number of major applications.

Homelessness – income of (£14k) received in 2016/17 only for safeguarding officer.

Corporate Fraud – pressure of £29k against commercial income budgets. External work has not been agreed although there is potential to work with neighbouring Local Authorities.

Street Cleansing – there is a forecast pressure of £15k due to a slowdown in demand for the service.

Local Land Charges – due to a Law Society change there is no longer a charge for CON290 work, resulting in a £10k pressure.

Trade Waste – increased income of (£27k) is forecast for the year, due to increased demand for the service.

Investment Properties – deficit of £139.2k – see note above for net impact on budget position.

Commercial projects – deficit of £175.8k – see note above for net impact on budget position.

## **EXPENDITURE**

### **Employees – (£149k) surplus**

Salary costs are (£179k) less than revised budget. This variance is due to a reduction in costs arising from vacancies pending the outcome of proposed restructures and future recruitment to vacant posts.

£34k has been paid to HMRC in year relating to an underpayment in 2013/14.

### **Premises – (£248k) surplus**

Commercial Projects – surplus of (£276.5k) borrowing costs – see note above for net impact on budget position.

Marshall's Yard Offices – deficit of £11k due to unbudgeted repairs and maintenance costs.

### **Transport – (£39k) surplus**

The Base Budget Review has identified (£27k) savings against transport budgets – primarily fuel (£24.5k) due to fluctuating prices in year and impact of purchase of fuel efficient refuse collection vehicles.

### **Supplies and Services – (£140k) surplus**

Corporate Governance – savings of (£18k) have been identified for software support and maintenance as there are no major updates anticipated for the remainder of the financial year.

Community Transport scheme – (£100k) pa for 2 years was approved by Members from Earmarked Reserves to develop a Community Transport scheme. There is no spend expected during this financial year. The budget will be returned to the Earmarked Reserve and drawn down at a future date when required.

Council Tax collection – saving (£13k) reduction in summons and committal costs based on activity to date.

### **Third Party Payments – (£27k) surplus**

Housing Strategy – no further payments to other agencies are due this financial year, resulting in a saving of (£15k). Project delivery budget of (£18k) has been identified through Base Budget Review as no longer needed and is an ongoing saving.

### **Transfer Payments – (£391k) surplus**

Pressure attributable to rent allowance recovery has been offset by DHP Discretionary Payments grant. Net surplus of (£21k) across Housing Benefits is forecast.

### **Interest and Investment Income – (£40k) surplus**

Investment interest receivable for the year is forecast to be (£40k) above budget, reflective of higher than anticipated cash, due to capital programme slippage.

### **Interest Payable – (£53k) surplus**

Investment Properties – surplus of (£53k) – see note above for net impact on budget position.

### **Transfer to/from General Reserves – (£204k) surplus**

Overpaid Employer Contributions – (£170.8k) which relates to overpaid employer contributions during 2015/16 have been treated as an early payment of the Pension Deficit due in 2016/17, as agreed with the Lincolnshire Pension Fund.

This was reported to Members within the Budget and Treasury Management Monitoring – Quarter 1 2016/17 report on 28 July 2016, where it was agreed that this one-off surplus in 2016/17 be returned to General Fund balances.

Investment Properties – surplus of (£34k) – see note above for net impact on budget position.

### **Transfer to/from Specific Reserves – 286k deficit**

Commercial Projects slippage – increase in reserve of £100.7k – see note above for net impact on budget position.

£185k forecast movement in earmarked reserves (including £100k return to Community Transport reserve).

## **11. Aged Debt Summary**

### **Aged Debt Summary Period 1 Monitoring Report**

At the end of September 2016 there was a total of £340k outstanding debt in the system over 90 days. The majority of this debt was over 150 days old and mainly comprised of:

Trade Waste of £19k

Waste £15k

Public Protection of £35k - irrecoverable approval to write off to be approved

Housing Benefits £60k – pre

Housing of £64k

Property and Assets of £77k of which £31k is in dispute

<b>Month</b>	<b>90 – 119 days</b>	<b>120 – 149 days</b>	<b>150+ days</b>	<b>Total</b>
<b>April</b>	4,746	5,319	211,130	221,196
<b>May</b>	5,566	5,354	216,147	227,067
<b>June</b>	63,058	5,127	207,263	275,448
<b>July</b>	11,711	58,543	202,426	272,680
<b>August</b>	21,777	10,225	254,105	286,108
<b>September</b>	56,795	19,005	264,068	339,869

## **12. CHANGES TO THE ORGANISATION STRUCTURE**

Changes to the establishment are made under Corporate Delegation by the Chief Executive and S151 Officer.

### **12.1 Localism**

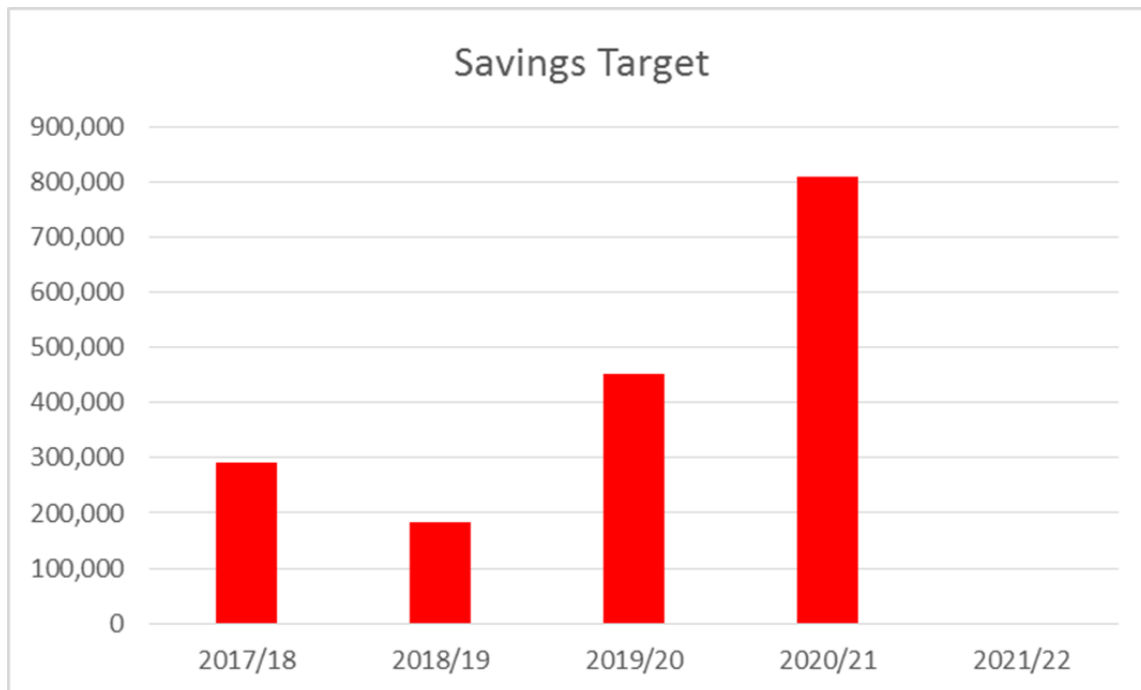
We have reviewed the approach to “localism” following a report to the Prosperous Communities Committee in October 2015. This led to a restructuring of the team in 2016 giving a greater focus on communities helping themselves and dealing with community safety and anti-social behaviour issues. As well as ensuring we use resources efficiently to tackle these issues it has helped to save around £181k.

### **12.2 Operational Services**

A temporary structure has been in place within the Operational Services Management Team since the last service manager left the organisation in 2013. A restructure proposal has been approved by GCLT and will now be rolled out, with full implementation expected by early November. The previous Team Managers role has been merged with the vacant Strategic Lead Commercial position to create a Head of Operations and Trading Services. The post holder will dedicate 80% of his time to commercial trading services and 20% dealing with strategic waste issues. Therefore roles and responsibilities of the rest of the team have been reviewed with two posts given additional responsibility for leading the services, there is also more resilience being provided for the front line management of the operational teams-this is in line with the demands of increasing Health and Safety legislation. A new administrative post is also being created to assist with the additional burden created mainly by services having a more commercial focus. The new structure gives individuals the opportunity to develop and will provide resilience for the foreseeable future. It results in an annual sustainable saving of over £23k.

## **13. Medium Term Financial Plan update**

The Medium Term Financial Plan identified a savings target of £1.065m by 2020/21. A number of new budgets and savings have been approved by this Committee, by the Chief Executive as Head of Paid Service and changes in government policies relating to increased budget requirements for the Apprenticeship Levy and Living Wage impacts. Resulting in a current savings target of £0.811m for 2020/21 with an anticipated further £0.250 needing to be realised for 2021/22



Further savings have been identified to balance the 2017/18 budget, relating to contract renewals, proposed structure changes and increased planning fee income expectations. However, these are yet to be clarified and will be detailed in future Budget setting reports, due to be presented to this Committee in February.

The Business Planning process for 2017/18 is currently underway, these Cluster Business Plans detail options for future investment needed to deliver corporate plan objectives, new efficiencies and/or additional income to meet saving targets.

We await details of the Actuarial Pension Review, the Financial Settlement, New Homes Bonus (which is currently under review) to inform Council Tax setting and to enable us to finalise the Medium Term Financial Plan, due to be presented to Council on 6 March 2017.

#### 14. Capital Programme Forecast Out turn

14.1 The Capital Programme 2016/17 was approved at Council on 3 March 2016 and totalled £15,109k, and carry forwards of £1,785k approved at its meeting in 12 May 2016 giving a revised budget of £16,894k.

14.2 The forecast capital programme spend for the year is £10,943k and therefore this committee are asked to approve this as a revised Capital Budget 2016/17. Significant schemes are planned over the medium term and continue to be developed, and will therefore be reprofiled over the Medium Term. A variance of £5,989k is therefore expected, with £342k being surpluses against budgeted costs and carry forward requests of £5,640k.

14.3 The carry forwards of £5,640k represents slippage and multi-year spend on the following schemes. Further narrative is included in the capital monitoring table below.

<b>Capital Scheme</b>	<b>£</b>	<b>Corporate Priority</b>
Market Place	100,000	Asset Management
WLDC Business Loans via Crowd funding	500,000	Open for Business
Replace IDOX scanner	10,000	Excellent VFM Services
CRM System	40,000	Excellent VFM Services
Gainsborough Growth	2,575,000	Central Lincolnshire Local Plan
Hemswell Masterplan - Public Realm Improvements	130,000	Asset Management
Commercial Investment Other	2,065,000	Asset Management
Replacement Planning/Building Control/Land Charges System	20,000	Excellent VFM Services
Capital Enhancements to Council Owned Assets	200,000	Asset Management

<b>Total</b>	<b>5,640,000</b>
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#### 14.4 Property Acquisitions to Period 2

There have been no property acquisitions during period 2.

#### 14.5 Capital Receipts to Period 2

There has been a £39k capital receipt during period 2. It is expected that the Council will receive £20k for the sale of a plot of land in the near future.

#### 14.6 New Capital Schemes

A request for £400k budget provision for the purpose of a loan advance is included elsewhere on this agenda.

#### 14.7 The forecast capital out-turn as at 31st March 2017 and capital programme variances are shown in the table below.

**Capital Investment Programme 2016/17**

<b>Corporate Priority / Scheme</b>	<b>Actuals to 30/09/201</b>	<b>Original Budget</b>	<b>Revised Budget 2016/17</b>	<b>Forecast Outturn</b>	<b>Underspend</b>	<b>Carry Forward Requests</b>	<b>Comments</b>
		£	£	£	£	£	
<b>Open for Business</b>							
WLDC Business Loans via crowd funding	0	500,000	500,000	0	0	(500,000)	Business case currently being developed
Company Purchase	60,000	0	75,000	75,000		0	
Broadband	0	0	555,000	444,000	(111,000)	0	Currently in negotiations with LCC regarding final contract price
<b>People First</b>							
Disabled Facilities Grants	213,865	472,500	618,900	618,900	0	0	Demand suggests budget will be fully expended
<b>Prosperous &amp; Enterprising</b>							
Independent Living	34,268	0	34,300	34,268	(32)	0	Demand suggests budget will be fully expended
Strategic Housing - Empty homes	34,238	0	74,100	74,100	0	0	Budget is for works to purchased houses, work ongoing
<b>Asset Management</b>							
Capital Enhancements to Council Owned Assets	76,593	655,000	774,300	574,300	0	(200,000)	Continued required capital investment in council assets
Carbon Management Plan	0	0	20,000	20,000	0	0	
Market Place	0	150,000	150,000	50,000	0	(100,000)	Scheme under development
Hemswell Masterplan	0	150,000	150,000	20,000	0	(130,000)	Scheme under development
Commercial Investment - Property Portfolio	0	5,000,000	5,000,000	5,000,000	0	0	Potential properties currently being evaluated
Commercial Investment - Other	0	2,165,000	2,165,000	100,000	0	(2,065,000)	Business case approved, scheme under development but unlikely to commence this financial year
<b>Central Lincolnshire Local Plan</b>							
Gainsborough Growth	0	3,225,000	3,225,000	650,000	0	(2,575,000)	Significant regeneration programme, schemes under development
Acquisitions	13,620	1,200,000	1,200,000	995,000	(205,000)	0	Approval given for property acquisition
Gainsborough Growth Fund	139,385	125,000	392,000	392,000	0	0	Demand suggests budget will be fully expended
Food Enterprise Zone infrastructure	0	250,000	250,000	250,000	0	0	
Marina	0	0	0	0	0	0	
<b>Excellent, VFM Services</b>							
Replacement Refuse Freighters	902,926	930,000	1,069,100	1,057,900	(11,200)	0	Vehicles will be replaced throughout the year as lease expires
Desktop Refresh/SAN and SQL replacement	0	10,000	10,000	10,000	0	0	Hardware replacement/upgrades required for 2016/17 will be expended during the year
Update Job Evaluation System	0	10,000	10,000	10,000	0	0	Systems being identified for evaluation
Replace IDOX Scanner	0	10,000	10,000	0	0	(10,000)	Unlikely to proceed until 2017/18
Meeting Room management software	0	15,000	15,000	0	(15,000)	0	Not to be progressed
CRM System	0	50,000	50,000	10,000	0	(40,000)	Systems being identified for evaluation
Refurbishment Interior Trinity Arts Centre	7,111	40,000	40,000	40,000	0	0	Scheme underway, Curtains and Screen procured
Website Replacement	1,921	0	38,300	38,300	0	0	Ongoing costs of website development
Replacement Building Control/Land Charges/Planning System	35,112	0	200,000	180,000	0	(20,000)	Carry forward request to allow for post project milestone payment
CCTV System upgrade	132,617	0	180,000	180,000	0	0	Phase 1 complete. Scheme on track to be completed this financial year
Replacement Financial Ledger suite	10,395	0	10,400	10,400	0	0	Scheme completed
Civic Services Investment	29,200	51,000	93,500	93,500	0	0	Considerations ongoing
<b>Total Capital Programme Gross Expenditure</b>	<b>1,691,251</b>	<b>15,008,500</b>	<b>16,909,900</b>	<b>10,927,668</b>	<b>(342,232)</b>	<b>(5,640,000)</b>	



## 15. Treasury Management Mid-year report including Quarter 2 April – September 2016 monitoring

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.”

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2011) was adopted by this Council on 3 March 2011.

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 Governance and Audit 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 2016/17 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 2016/17;
- A review of the Council's borrowing strategy for 2016/17;
- A review of any debt rescheduling undertaken during 2016/17;
- A review of compliance with Treasury and Prudential Limits for 2016/17.

### **15.1 Key Changes to the Treasury and Capital Strategies**

The Committee are requested to recommend the following changes to the Governance and Audit Committee for scrutiny prior to recommendation to Council.

#### **The Borrowing Strategy**

With regard to the borrowing strategy – where capital investment is required that does not achieve a commercial return to finance borrowing costs, the borrowing will be undertaken if costs of borrowing are both affordable and sustainable over the life of the asset.

### **15.2 Economics update**

UK GDP growth rates in 2013 of 2.2% and 2.9% in 2014 were strong but 2015 was disappointing at 1.8%, though it still remained one of the leading rates among the G7 countries. Growth improved in quarter 4 of 2015 from +0.4% to 0.7% but fell back to +0.4% (2.0% y/y) in quarter 1 of 2016 before bouncing back again to +0.7% (2.1% y/y) in quarter 2. During most of 2015, the economy had faced headwinds for exporters from the appreciation during the year of sterling against the Euro, and weak growth in the EU, China and emerging markets, plus the dampening effect of the Government's continuing austerity programme. The referendum vote for Brexit in June this year delivered an immediate shock fall in confidence indicators and business surveys, pointing to an impending sharp slowdown in the economy. However, subsequent surveys have shown a sharp recovery in confidence and business surveys, though it is generally expected that although the economy will now avoid flat lining, growth will be weak through the second half of 2016 and in 2017.

The Bank of England meeting on August 4th addressed this expected slowdown in growth by a package of measures including a cut in Bank Rate from 0.50% to 0.25%. The Inflation Report included an unchanged forecast for growth for 2016 of 2.0% but cut the forecast for 2017 from 2.3% to just 0.8%. The Governor of the Bank of England, Mark Carney, had warned that a vote for Brexit would be likely to cause a slowing in growth, particularly from a reduction in business investment, due to the uncertainty of whether the UK would have continuing full access, (i.e. without tariffs), to the EU single market.

He also warned that the Government will need to help growth by increasing investment expenditure and possibly by using fiscal policy tools (taxation). The new Chancellor Phillip Hammond announced after the referendum result, that the target of achieving a budget surplus in 2020 will be eased in the Autumn Statement on November 23.

The Inflation Report also included a sharp rise in the forecast for inflation to around 2.4% in 2018 and 2019. CPI has started rising during 2016 as the falls in the price of oil and food twelve months ago fall out of the calculation during the year and, in addition, the post referendum 10% fall in the value of sterling on a trade weighted basis is likely to result in a 3% increase in CPI over a time period of 3-4 years. However, the MPC is expected to look thorough a one off upward blip from this devaluation of sterling in order to support economic growth, especially if pay increases continue to remain subdued and therefore pose little danger of stoking core inflationary price pressures within the UK economy.

The American economy show forward indicators are pointing towards a pickup in growth in the rest of 2016. The Brexit vote, has caused a delay in the timing of an increase in interest rates which is now strongly expected in December this year.

In the Eurozone, the ECB commenced in March 2015 its massive €1.1 trillion programme of quantitative easing to buy high credit quality government and other debt of selected EZ countries at a rate of €60bn per month; this was intended to run initially to September 2016 but was extended to March 2017 at its December 2015 meeting. At its December and March meetings it progressively cut its deposit facility rate to reach -0.4% and its main refinancing rate from 0.05% to zero. At its March meeting, it also increased its monthly asset purchases to €80bn. These measures have struggled to make a significant impact in boosting economic growth and in helping inflation to rise from around zero towards the target of 2%. GDP growth rose by 0.6% in quarter 1 2016 (1.7% y/y) but slowed to +0.3% (+1.6% y/y) in quarter 2. This has added to comments from many forecasters that central banks around the world are running out of ammunition to stimulate economic growth and to boost inflation. They stress that national governments will need to do more by way of structural reforms, fiscal measures and direct investment expenditure to support demand in the their economies and economic growth.

Japan is still showings slow growth and making little progress on fundamental reform of the economy while Chinese economic growth has been weakening and medium term risks have been increasing.

### **15.3 Interest Rate Forecasts**

The Council's treasury advisor, Capita Asset Services, has provided the following forecast:

Capita Asset Services undertook a quarterly review of its interest rate forecasts after the MPC meeting of 4th August cut Bank Rate to 0.25% and gave forward guidance that it expected to cut Bank Rate again to near zero before the year end. The above forecast therefore includes a further cut to 0.10% in November this year and a first increase in May 2018, to 0.25%, but no further increase to 0.50% until a year later. Mark Carney,

has repeatedly stated that increases in Bank Rate will be slow and gradual after they do start. The MPC is concerned about the impact of increases on many heavily indebted consumers, especially when the growth in average disposable income is still weak and could well turn negative when inflation rises during the next two years to exceed average pay increases.

The overall longer trend is for gilt yields and PWLB rates to rise, albeit gently. An eventual world economic recovery may also see investors switching from the safe haven of bonds to equities. However, we have been experiencing exceptional levels of volatility in financial markets which have caused significant swings in PWLB rates. Our PWLB rate forecasts are based on the Certainty Rate (minus 20 bps) which has been accessible to most authorities since 1<sup>st</sup> November 2012.

The overall balance of risks to economic recovery in the UK remains to the downside. Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- Monetary policy action reaching its limit of effectiveness and failing to stimulate significant sustainable growth, combat the threat of deflation and reduce high levels of debt in some major developed economies, combined with a lack of adequate action from national governments to promote growth through structural reforms, fiscal policy and investment expenditure.
- Weak capitalisation of some European banks.
- A resurgence of the Eurozone sovereign debt crisis.
- Geopolitical risks in Europe, the Middle East and Asia, increasing safe haven flows.
- Emerging country economies, currencies and corporates destabilised by falling commodity prices and / or Fed. rate increases, causing a further flight to safe havens (bonds).
- UK economic growth and increases in inflation are weaker than we currently anticipate.
- Weak growth or recession in the UK's main trading partners - the EU and US.

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

- The pace and timing of increases in the Fed. funds rate causing a fundamental reassessment by investors of the relative risks of holding bonds as opposed to equities and leading to a major flight from bonds to equities.
- UK inflation returning to significantly higher levels than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
<b>BANK RATE</b>	0.10	0.10	0.10	0.10	0.10	0.10	0.25	0.25	0.25	0.25	0.50
<b>3 month LIBID</b>	0.20	0.20	0.20	0.20	0.20	0.30	0.30	0.30	0.40	0.50	0.60
<b>6 month LIBID</b>	0.30	0.30	0.30	0.40	0.40	0.50	0.50	0.50	0.60	0.60	0.70
<b>12 month LIBID</b>	0.50	0.50	0.60	0.60	0.70	0.70	0.70	0.80	0.80	0.80	0.90
<b>5 yr PWLB</b>	1.00	1.00	1.10	1.10	1.10	1.10	1.20	1.20	1.20	1.20	1.30
<b>10 yr PWLB</b>	1.50	1.50	1.60	1.60	1.60	1.60	1.70	1.70	1.70	1.70	1.80
<b>25 yr PWLB</b>	2.30	2.30	2.40	2.40	2.40	2.40	2.50	2.50	2.50	2.50	2.60
<b>50 yr PWLB</b>	2.10	2.10	2.20	2.20	2.20	2.20	2.30	2.30	2.30	2.30	2.40

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
Bank rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.25%	0.25%	0.25%	0.25%	0.50%
5yr PWLB rate	1.00%	1.00%	1.10%	1.10%	1.10%	1.10%	1.20%	1.20%	1.20%	1.20%	1.30%
10yr PWLB rate	1.50%	1.50%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.70%	1.80%
25yr PWLB rate	2.30%	2.30%	2.40%	2.40%	2.40%	2.40%	2.50%	2.50%	2.50%	2.50%	2.60%
50yr PWLB rate	2.10%	2.10%	2.20%	2.20%	2.20%	2.20%	2.30%	2.30%	2.30%	2.30%	2.40%

## 15.4 Treasury Management Strategy Statement and Annual Investment Strategy update

The Treasury Management Strategy Statement (TMSS) for 2016/17, which includes the Annual Investment Strategy, was approved by the Council on 3 March 2016.

The underlying TMSS approved previously requires revision in the light of economic and operational movements during the year. The proposed changes and supporting detail for the changes are set out below:

- Increase in maximum investment with Local Authority Property Fund to £3m – With slippage in the capital programme and minimal long term investment options it is proposed that this limit is increased. This does not come without risks – the value of the investment can go down and may result in an impairment of the investment at some future time

These changes be recommended to the Governance and Audit to scrutinise prior to approval by full Council.

## 15.5 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.

### Prudential Indicator for Capital Expenditure, Changes to the Financing of the Capital Programme

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

table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue changes for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

<b>Capital Expenditure</b>	<b>2016/17 Original Estimate £'000</b>	<b>2016/17 Revised Estimate £'000</b>
<b>Total Unsupported spend</b>	15,109	10,928
Financed by:		
Capital receipts	806	1,104
Capital grants	898	1,045
Revenue	3,115	2,784
S106	0	0
Leases	0	0
<b>Total financing</b>	4,819	4,933
<b>Borrowing need</b>	10,290	5,995

## **15.6 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 2016/17 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.

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.

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

There have been no changes to the Treasury or Prudential Indicators.

The Director of Resources reports that no difficulties are envisaged for the current or future years in complying with prudential indicators.

The reduction in Indicators at Q2 reflect the impact of the revised Capital Programme.

The Treasury and Prudential monitoring information is reported below;

	<b>Original £'000</b>	<b>P1 £'000</b>	<b>Q2 £'000</b>
<b>Treasury Indicators</b>			
Authorised limit for external debt	22,931	22,931	22,931
Operational boundary for external debt	10,411	10,411	10,411
External Debt	10,290	10,290	0
Long term Leases	342	342	342
Investments	-16,882	-22,584	-23,155
<b>Net Borrowing</b>	<b>-6,250</b>	<b>-22,242</b>	<b>-22,813</b>
<b>Prudential Indicators</b>			
Capital Expenditure	15,109	16,970	10,928
Capital Financing Requirement (CFR)*	11,476	11,476	7,181
Annual change in CFR*	10,069	10,069	5,774
In year borrowing requirement	10,290	10,290	5,995
Under/(over)borrowing	3,960	3,960	2,056
Ratio of financing costs to net revenue stream*	0.49%	0.51%	0.0%
<b>Incremental impact of capital investment decisions:</b>			
Increase/Reduction (-) in Council Tax (band change per annum)	£0.99	£1.02	-£0.16

## 15.8 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. 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 together with other risks which could impact on the

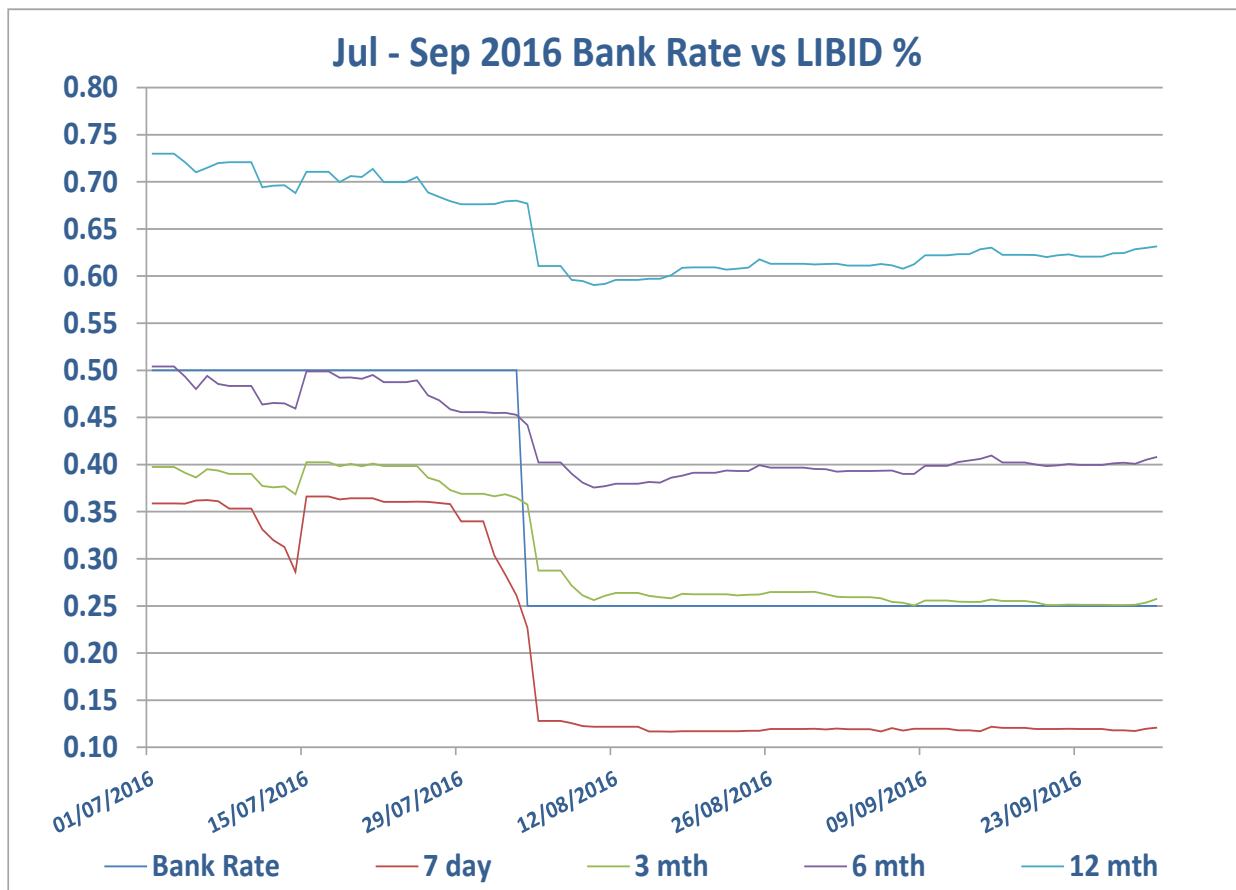
creditworthiness of banks, prompts a low risk strategy. Given this risk environment, investment returns are likely to remain low.

The average level of funds available for investment purposes during the quarter was £23.1m (£22.5m P1). These funds were available on a temporary basis, the level of funds available was dependent on the timing of precept payments, receipt of grants and progress on the Capital Programme. The Council holds £21m core cash balances for investment purposes (i.e. funds available for more than one year). The annualised investment rate for the first six months of the year is 1.22% against a benchmark 7 day libid of 0.28%.

Investment performance for period ended 30 September 2016

Benchmark	Benchmark Q1	Actual Q1	Interest Earned P1 £	Benchmark Q2	Actual Q2	Interest Earned Q2 £
<b>Overnight</b>	0.36%	0.47%	5,973	0.28%	0.31%	5,933
<b>7 day</b>	0.36%	0.75%	5,728	0.28%	0.65%	4,892
<b>1 month</b>	0.38%	-	-	0.30%	-	-
<b>3 month</b>	0.46%	0.55%	3,793	0.38%	0.44%	358
<b>6 month</b>	0.60%	0.75%	11,765	0.52%	0.83%	11,037
<b>9 month</b>	-	0.84%	4,188	-	0.84%	4,234
<b>12 month</b>	0.87%	1.12%	10,347	0.76%	1.09%	15,596
<b>Other</b>	-	5.85%	29,141	-	5.56%	28,024
<b>Total</b>			<b>70,935</b>			<b>70,074</b>
<b>Grand Total</b>			<b>-</b>			<b>141,009</b>





As illustrated, the Council continues to outperform the benchmark. The Council's budgeted investment return for 2016/17 is £0.196m, and performance for the year to date is in line with the budget.

The Council held £22.5m (£19.1m P1) of investments as at 30 September 2016 and the investment portfolio yield for the first 6 months of the year for investments is 1.20% (1.27% P1), the yield reflects the investment in the Local Authority Property Fund.

### Investment in Local Authority Property Fund

The Council has £2m invested in the CCLA Property Fund. Interest is receivable on a quarterly basis. Interest received can be seen in the table above in the section marked 'other'.

### Investment Counterparty criteria

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

The Chief Financial Officer confirms that the approved limits within the Annual Investment Strategy were not breached during the financial year 2016/17.

Treasury Officers continue to mitigate investment risk in accordance with Treasury Management Practices.

## 15.9 Borrowing

The Council's capital financing requirement (CFR) for 2016/17 is £7.181m. 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 not borrowed in this period and therefore has not borrowed in advance of need.

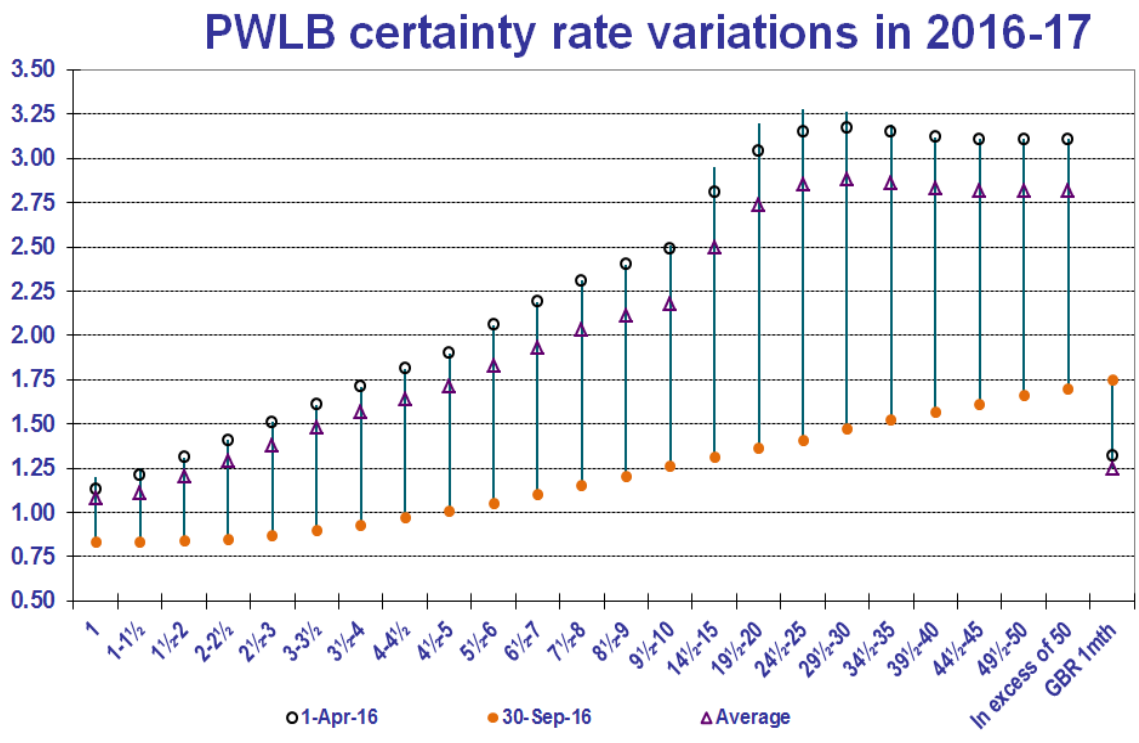
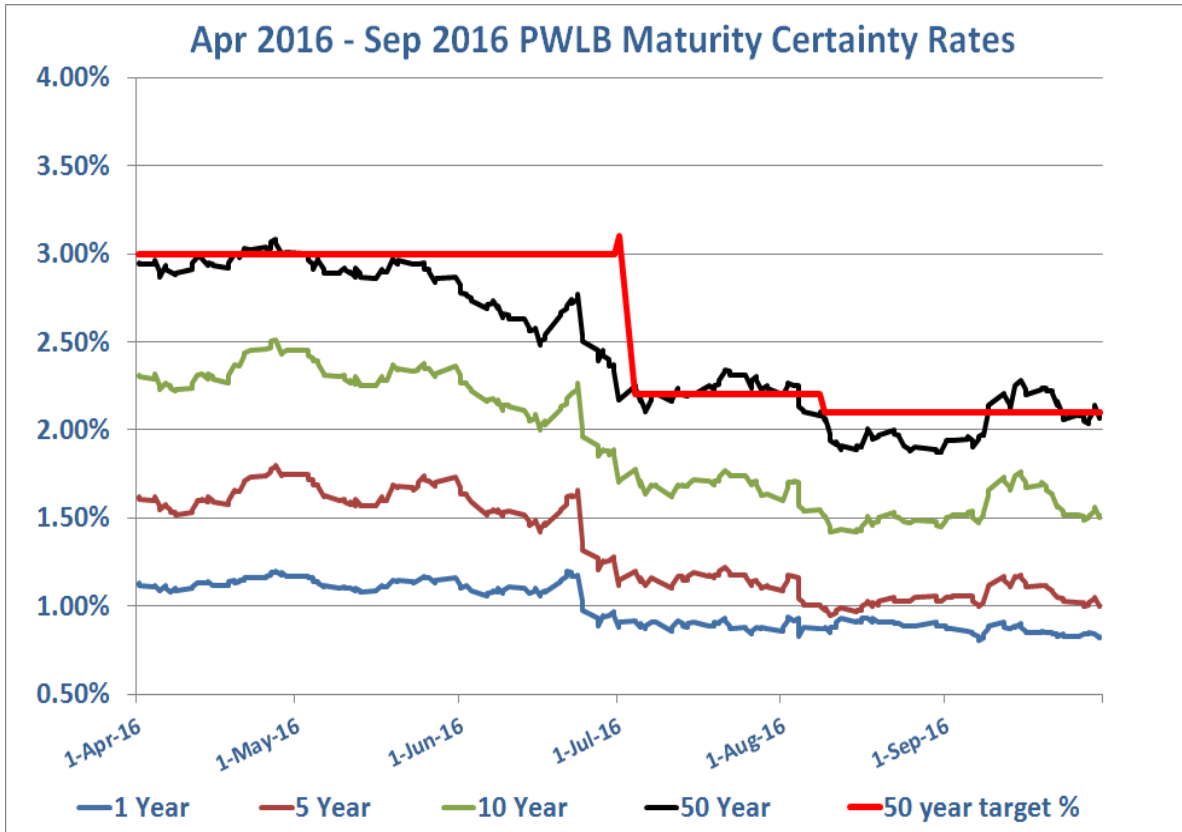
As shown in the graph below, the general trend to date has been a sharp fall in interest rates in the current financial year.

During the six month to 30 September, no borrowing – either long or short term was undertaken. However, credit arrangements such as finance leases are classified as borrowing under the capital control arrangements for local authorities. The Council procures replacement vehicles and certain other assets (telephone system, fuel tanks) through finance lease arrangements which count as credit arrangements. The liability to pay the finance leases are disclosed as other long term liabilities in the Council's accounts. The operational limit that has been approved for 2016/17 is £10.411m.

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 2016 to 30 September 2016

	1 Year	5 Year	10 Year	25 Year	50 Year
1/4/16	1.13%	1.62%	2.31%	3.14%	2.95%
30/9/16	0.83%	1.01%	1.52%	2.27%	2.10%
Low	0.81%	0.95%	1.42%	2.08%	1.87%
Date	07/09/2016	10/08/2016	10/08/2016	12/08/2016	30/08/2016
High	1.20%	1.80%	2.51%	3.28%	3.08%
Date	27/04/2016	27/04/2016	27/04/2016	27/04/2016	27/04/2016
Average	0.99%	1.33%	1.92%	2.69%	2.46%



# West Lindsey District Council

## Monthly Investment Analysis Review

September 2016



### Monthly Economic Summary

#### General Economy

This month there was still a focus on the UK's decision to leave the European Union. The hard data released however, was more positive than many expected. Nevertheless, the path to Brexit is a long one and while the initial impact may be less than feared, it does not mean that issues will not materialise over the medium term. Furthermore, the active stance taken by the Monetary Policy Committee last month, including cutting interest rates to 0.25%, will also have likely supported the recent rebound in activity.

A boost to exports and more than a 10% fall in the value of the pound helped the PMI manufacturing activity survey recover from initial Brexit impacts and rise to a 10 month high. In August activity in the sector jumped to 53.3, from 48.2 in July. Export orders flowed at their fastest rate for two years whilst factories increased output by the highest amount since January. Construction activity also recovered in August, with the PMI headline reading rising to 49.2 from 45.9 in July, suggesting the economy is stabilising post the referendum vote. However, activity in the sector still remains slightly below 50, the level that divides "expansion" from "contraction". Economists now fear the construction industry will face further issues in the face of strong inflation pressures with raw material prices rising by their fastest pace in five years. Completing the set, service sector activity had the biggest one month gain in the PMI survey's history as it soared to 52.9 in August from 47.4 in July. This boosted the composite PMI activity reading to a five month high of 53.2. If the uplift in sentiment transfers to "hard" economic output data then it would suggest that an imminent recession will be avoided and puts the possibility of a second rate cut before the end of the year more in the balance.

The Bank of England met in September and voted unanimously to keep interest rates at a record low of 0.25% whilst also leaving the bond buying schemes unchanged. Furthermore, they improved their Q3 growth forecast, predicting that growth will be closer to 0.3% as opposed the 0.1% they originally forecast. Nevertheless, the Bank said they are still likely to cut interest rates again this year with a further cut of 0.1basis points expected when they next meet in November.

British inflation held firm remaining at an annual rate of 0.6% in August, slightly below the 0.7% forecast. Clothing and hotels had lower prices, counteracting the price rise in fuel prices, food and airfares. In terms of growth, the service sector exceeded initial estimates in Q2 and this resulted in final UK Q2 GDP growth being revised to 0.7% from 0.6%.

In the three months to August employment rose by 174,000 showing there has not yet been any post Brexit shedding. Unemployment is still expected to rise, however, as companies wait for greater clarity on the UK's exit deal from the European Union. Growth in workers' wages slowed in August, signalling a tough period ahead as British households are likely to face higher inflation as a result of the weaker pound.

UK Public Sector Net Borrowing for August registered a deficit of £10.55bn, but lower than the £11.47bn figure recorded for the same period last year. However, it failed to meet the forecast of just £10bn. The Office for National Statistics stated there was little impact from the Brexit vote as Income and Corporation Tax receipts rose strongly.

Retail sales calmed in August, falling -0.2% after strong growth in July of 1.9%. Despite the slight fall there is still a pattern of strong growth in the sector on an annual basis as sales volumes are up 6.2% compared with last year and higher than the forecast of 5.4%. John Lewis has mentioned they have noticed little impact of the Brexit vote, but they suggested that the full impact has not yet become clear.

Adding to the positive tone to data releases was figures for UK's trade balance in July. The deficit in the UK's goods balance improved to -£11.764bn in July from a revised -£12.920bn in June. Conversely, the services balance fell slightly to £7.262bn in July from £7.347bn in June.

Q2 GDP growth was also published for the Eurozone this month. GDP was up 0.3% in the euro area and by 0.4% in the EU28, with annual growth rates of 1.6% and 1.8% respectively. Exports were a leading factor in this growth, increasing by 1.1% in both areas. At the individual level, Germany grew at 1.7% and France at 1.4% but Romania (5.9%) and Slovakia (3.7%) published the highest growth rates. With regards employment across the region, the unemployment rate remained at its lowest level since July 2011 at 10.1%, down from 10.7% in August a year ago. The EU 28 also remained stable at 8.6%, down from 9.3% in August 2015. The lowest unemployment rates were recorded in the Czech Republic (3.9%) and Germany (4.2%), whilst Spain remained as one of the highest, at 19.5%.

Across the Atlantic, non-farm payrolls improved by 151,000 in August, with the unemployment rate holding steady at 4.9%. This was less than the expected rise of 180,000 and a slowdown from the previous two months which had a combined rise of 546,000. Average hourly earnings only increased by a 0.1% and Americans worked fewer hours last month with average weekly hours dipping to 34.3. These figures have reignited the debate as to whether another interest rate hike before the end of the year will benefit the US economy. The final Q2 estimate for US GDP was upwardly revised this month, increasing from initial estimates of 1.1% to a 1.4% annualised growth rate. This rise was due to business' pumping more money into research and development and exports growing strongly.

### Housing

Halifax house prices fell a further 0.2% in August, after falling 1.1% in July. The second consecutive month of falling house prices has caused the annual growth rate to decline to 6.9%, its lowest level in more than a year. This slowdown is supported by the British Bankers Association survey. According to the survey the number of mortgages approved fell to 36,997 in August, its lowest point since January 2015 and 21% lower than this time last year. Nationwide House prices reflect this slowdown has continued into September. While prices rose by 0.3% on the month, this was below that seen in August (0.6%) and pulled the annual rate down to 5.3% from 5.6% previously.

### Forecast

Neither Capita Asset Services (CAS) nor Capital Economics altered their forecasts this month. It is mutually anticipated that another rate cut will occur in the last quarter of this year with CAS forecasting a potential hike occurring in the second quarter of 2018.

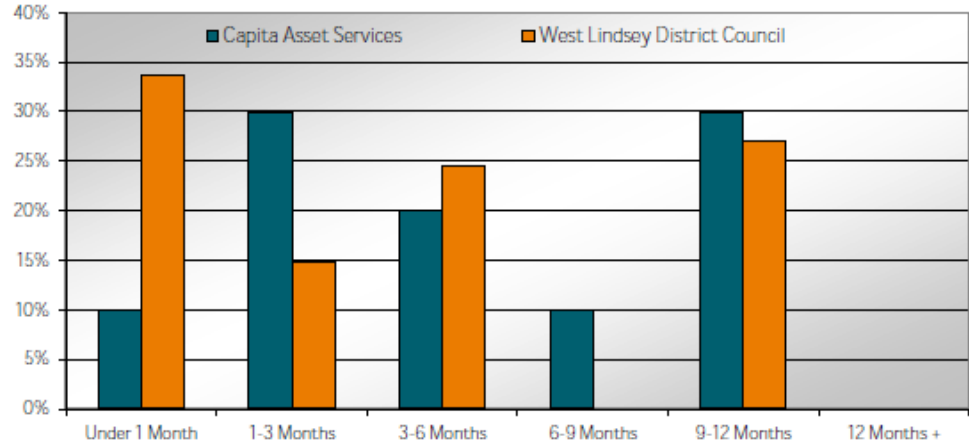
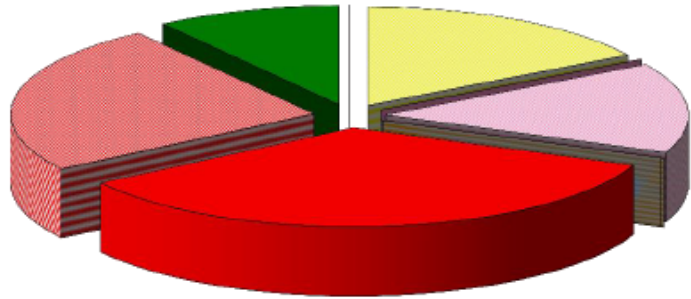
Bank Rate	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17
Capita Asset Services	0.10%	0.10%	0.10%	0.10%	0.10%
Capital Economics	0.10%	0.10%	0.10%	0.10%	0.10%

## West Lindsey District Council

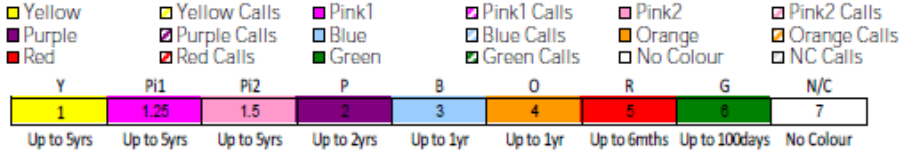
### Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
MMF LGIM	3,350,000	0.35%		MMF	AAA	0.000%
ECF Insight Liquidity Plus	3,000,000	0.75%		ECF	AAA	0.000%
Lloyds Bank Plc	500,000	0.80%	15/07/2016	17/10/2016	A	0.003%
Nationwide Building Society	2,000,000	0.84%	19/02/2016	21/11/2016	A	0.010%
Goldman Sachs International Bank	1,000,000	0.44%	01/09/2016	01/12/2016	A	0.011%
Santander UK Plc	2,000,000	0.80%		Call120	A	0.022%
Lloyds Bank Plc	1,000,000	1.05%	10/02/2016	08/02/2017	A	0.024%
Goldman Sachs International Bank	1,000,000	0.63%	01/09/2016	01/03/2017	A	0.028%
Santander UK Plc	1,000,000	0.90%		Call180	A	0.033%
Lloyds Bank Plc	1,000,000	1.25%	15/07/2016	14/07/2017	A	0.053%
Lloyds Bank Plc	1,000,000	1.05%	03/08/2016	02/08/2017	A	0.056%
Lloyds Bank Plc	1,000,000	1.00%	18/08/2016	18/08/2017	A	0.059%
Lloyds Bank Plc	500,000	1.00%	12/09/2016	11/09/2017	A	0.064%
Santander UK Plc	2,000,000	1.05%		Call365	A	0.067%
CCLA - LAPF	2,000,000					
<b>Total Investments</b>	<b>£22,350,000</b>	<b>0.72%</b>				<b>0.022%</b>

Portfolio Composition by Capita Asset Services' Suggested Lending Criteria



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Portfolios weighted average risk number = 3.92

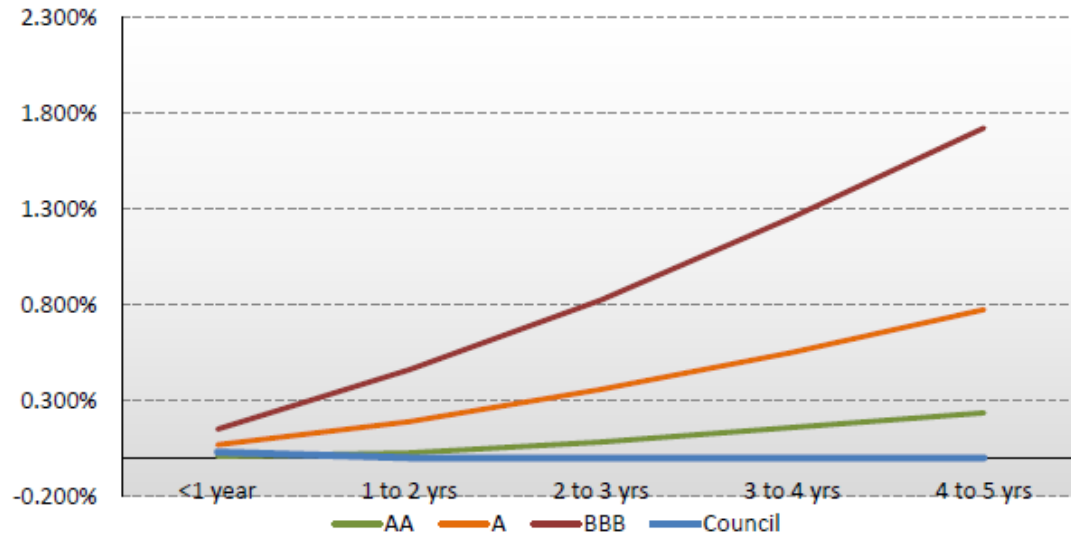
WARoR = Weighted Average Rate of Return  
 WAM = Weighted Average Time to Maturity

	% of Portfolio	Amount	% of Colour in Calls	Amount of Colour in Calls	% of Call in Portfolio	WARoR	WAM	WAM at Execution	Excluding Calls/MMFs/ECFs	
									WAM	WAM at Execution
Yellow	16.46%	£3,350,000	100.00%	£3,350,000	16.46%	0.35%	0	0	0	0
Pink1	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Pink2	14.74%	£3,000,000	100.00%	£3,000,000	14.74%	0.75%	0	0	0	0
Purple	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Blue	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Orange	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Red	58.97%	£12,000,000	41.67%	£5,000,000	24.57%	0.96%	207	282	190	320
Green	9.83%	£2,000,000	0.00%	£0	0.00%	0.53%	107	136	107	136
No Colour	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
<b>Total</b>	<b>100.00%</b>	<b>£20,350,000</b>	<b>55.77%</b>	<b>£11,350,000</b>	<b>55.77%</b>	<b>0.79%</b>	<b>132</b>	<b>180</b>	<b>172</b>	<b>279</b>



Investment Risk and Rating Exposure

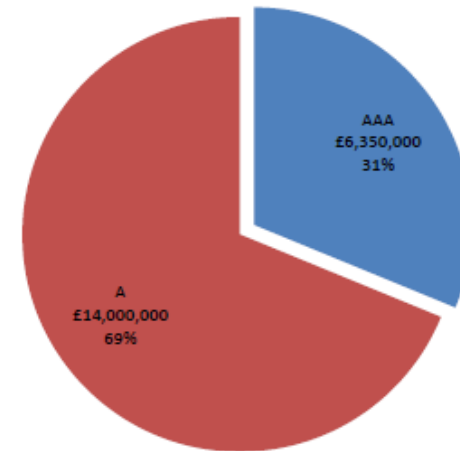
Investment Risk Vs. Rating Categories



Historic Risk of Default

Rating/Years	<1 year	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs
AA	0.007%	0.024%	0.081%	0.158%	0.234%
A	0.067%	0.189%	0.356%	0.551%	0.775%
BBB	0.150%	0.460%	0.824%	1.257%	1.726%
Council	0.029%	0.000%	0.000%	0.000%	0.000%

Rating Exposure



Historic Risk of Default

This is a proxy for the average % risk for each investment based on over 30 years of data provided by Fitch, Moody's and S&P. It simply provides a calculation of the possibility of average default against the historical default rates, adjusted for the time period within each year according to the maturity of the investment.

Chart Relative Risk

This is the authority's risk weightings compared to the average % risk of default for "AA", "A" and "BBB" rated investments.

Rating Exposures

This pie chart provides a clear view of your investment exposures to particular ratings.

## West Lindsey District Council

### Monthly Credit Rating Changes FITCH

Date	Update Number	Institution	Country	Rating Action
07/09/2016	1472	Newcastle Building Society	U.K.	Affirmed and withdrew the ratings of Newcastle Building Society. Long Term Rating affirmed at 'BB+', 'Stable Outlook', Rating Withdrawn. Short Term Rating affirmed at 'B', Rating Withdrawn.

### Monthly Credit Rating Changes MOODY'S

Date	Update Number	Institution	Country	Rating Action
16/09/2016	1473	Norddeutsche Landesbank Girozentrale	Germany	Long Term Rating downgraded to 'A3' from 'A2', removed from 'Negative Watch' and placed on 'Negative Outlook'. Short Term Rating downgraded to 'P-2' from 'P-1', removed from 'Negative Watch'.

### Monthly Credit Rating Changes S&P

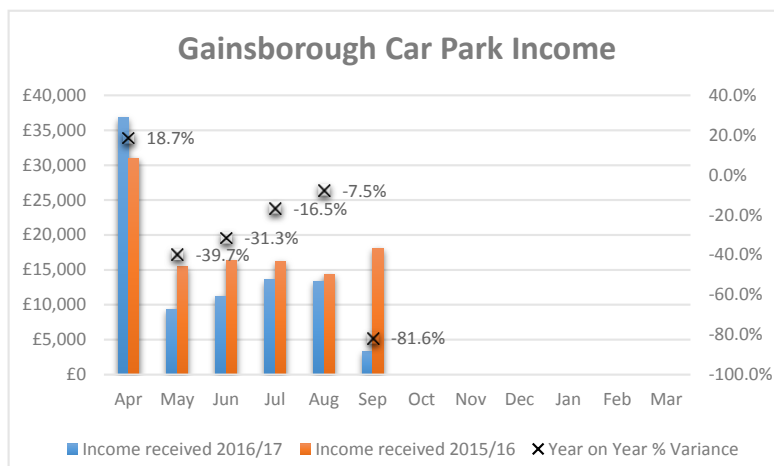
Date	Update Number	Institution	Country	Rating Action
19/09/216	1474	Finland Sovereign Rating	Finland	Affirmed at 'AA+', Outlook changed to 'Stable' from 'Negative'.

REVENUE FORECAST OUTTURN AS AT 31<sup>ST</sup> MARCH 2017

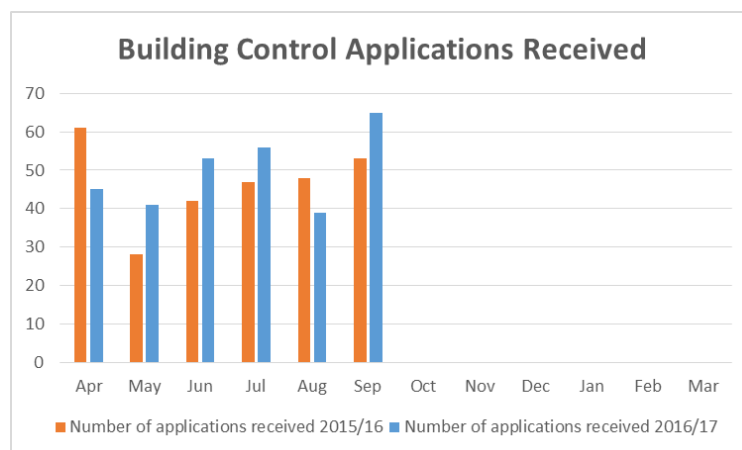
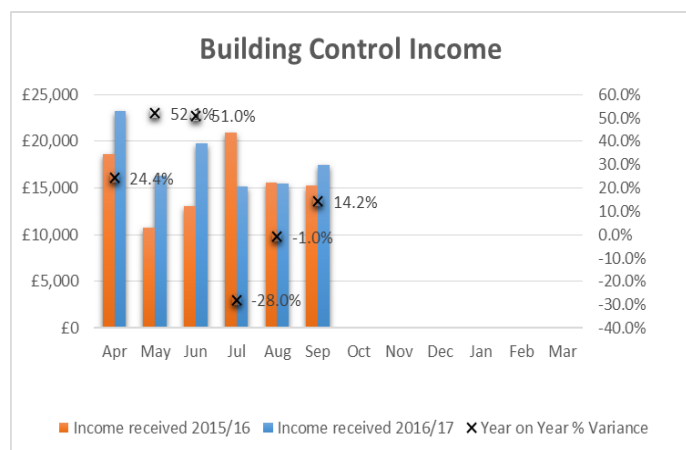
## REPORT BY CLUSTER AND BUSINESS UNIT

Cluster	Business Unit	2016/17 up to	2016/17 up to	2016/17 up to
		30th September 2016	30th September 2016	30th September 2016
		Revised Budget £	Forecast Outturn £	Forecast Outturn Variance £
Chief Executive / Directors	Chief Executive	153,500	151,000	(2,500)
	Chief Operating Officer	109,300	111,700	2,400
	Commercial Director	188,000	174,800	(13,200)
	Director of Resources	111,600	113,000	1,400
<b>Chief Executive / Directors Total</b>		<b>562,400</b>	<b>550,500</b>	<b>(11,900)</b>
Commercial	Public Conveniences	72,500	72,500	0
	Street Cleansing	509,200	524,200	15,000
	Town Centre Markets	72,000	84,000	12,000
	Trade Waste	6,100	(20,900)	(27,000)
	Waste Management	1,786,700	1,807,200	20,500
<b>Commercial Development Total</b>		<b>2,446,500</b>	<b>2,467,000</b>	<b>20,500</b>
Customer First	Building Control	104,200	107,800	3,600
	Customer Services	582,100	572,802	(9,298)
	Debtors	22,800	15,580	(7,220)
	Food Safety	134,500	136,022	1,522
	Fraud	14,250	43,250	29,000
	Health and Safety	71,100	71,100	0
	Housing Benefits Admin	245,750	182,450	(63,300)
	Housing Benefits Payments	(195,300)	(216,456)	(21,156)
	Housing Benefits Projects	75,800	80,301	4,501
	Land Charges	21,500	34,100	12,600
	Licences - Community	(24,500)	(6,700)	17,800
	Local Tax Collection	250,900	236,840	(14,060)
	Parish Lighting	54,700	56,700	2,000
	Pest and Dog Control	26,700	23,700	(3,000)
	Pollution Control	110,800	114,366	3,566
	Support Services - Admin	28,800	17,788	(11,012)
<b>Customer First Total</b>		<b>1,524,100</b>	<b>1,469,643</b>	<b>(54,457)</b>
Democratic and Member Support	Communications	121,600	87,700	(33,900)
	Corporate Management - Apprentices	44,600	39,500	(5,100)
	Corporate Management - Finance	1,045,700	1,049,400	3,700
	Democratic Representation	529,300	526,700	(2,600)
	Financial Services	566,100	587,988	21,888
	Human Resources	287,400	281,700	(5,700)
	Legal Services	130,700	130,700	0
	Precepts	177,000	177,000	0
	Register of Electors	138,300	134,967	(3,333)
	Support Services - Corporate	187,800	137,700	(50,100)
<b>Democratic &amp; Business Support Total</b>		<b>3,228,500</b>	<b>3,153,355</b>	<b>(75,145)</b>
Economic Development and Neighbourhoods	Community Action & Community Safety	329,400	314,400	(15,000)
	Development Management	(180,300)	(391,818)	(211,518)
	Economic Development	757,377	717,277	(40,100)
	Environmental Initiatives	56,000	56,000	0
	General Grants etc	573,700	473,700	(100,000)
	Planning Policy - Forward Planning	71,700	79,600	7,900
	Neighbourhood Planning & Local Plans	196,500	196,500	0
<b>Economic Development Total</b>		<b>1,804,377</b>	<b>1,445,659</b>	<b>(358,718)</b>
Housing and Regeneration	Admin Buildings	243,700	255,400	11,700
	Car Parks	(140,400)	(108,080)	32,320
	Commercial Properties	(372,700)	(337,200)	35,500
	Culture, Heritage & Leisure	605,900	621,000	15,100
	Emergency Planning	19,000	19,000	0
	Environmental Initiatives	44,000	44,000	0
	Homelessness/ Housing Advice	359,700	310,279	(49,421)
	Housing Strategy	185,600	125,094	(60,506)
	Other Council Properties	(13,200)	(10,000)	3,200
	Private Sector Housing Renewal	151,400	180,229	28,829
	Property Services	228,600	249,800	21,200
	Tourism	45,700	45,700	0
	Community Safety	125,100	126,256	1,156
<b>Housing Strategy Total</b>		<b>1,482,400</b>	<b>1,521,478</b>	<b>39,078</b>
Organisational Transformation	Business Improvement & Commercial Development	481,900	398,900	(83,000)
	Cemeteries and Churchyards	66,900	60,700	(6,200)
	ICT Services	223,300	224,100	800
	Parks & Open Spaces	56,000	57,000	1,000
	Systems Development	519,200	482,900	(36,300)
<b>Organisation for Transformation Total</b>		<b>1,347,300</b>	<b>1,223,600</b>	<b>(123,700)</b>
<b>BUSINESS UNIT CONTROLLABLE GRAND TOTAL</b>		<b>12,395,577</b>	<b>11,831,235</b>	<b>(564,342)</b>
	Corporate Accounting Total	1,926,350	1,834,150	(92,200)
	Statutory Accounting Total	2,888,700	2,888,700	0
	Movement in Reserves Total	(1,990,192)	(1,908,892)	81,300
	Net Revenue Expenditure	2,824,858	2,813,958	(10,900)
	Funding Total	(15,220,435)	(15,220,435)	0
	(SURPLUS)/DEFICIT FOR THE YEAR	0	(575,242)	(575,242)

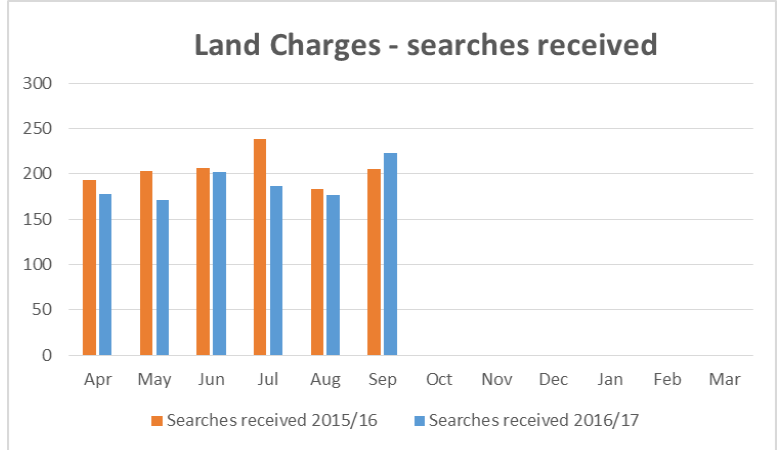
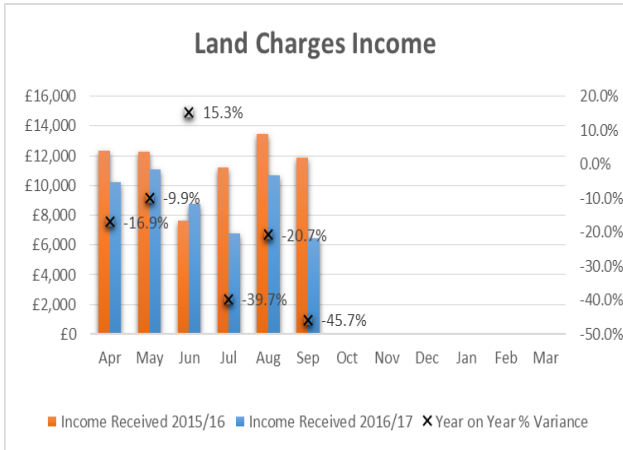
**FEES AND CHARGES ANALYSIS – BY INCOME & VOLUME PER MONTH**



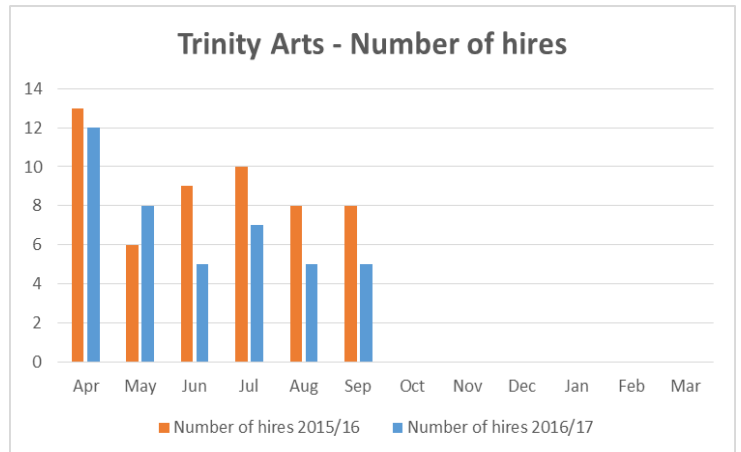
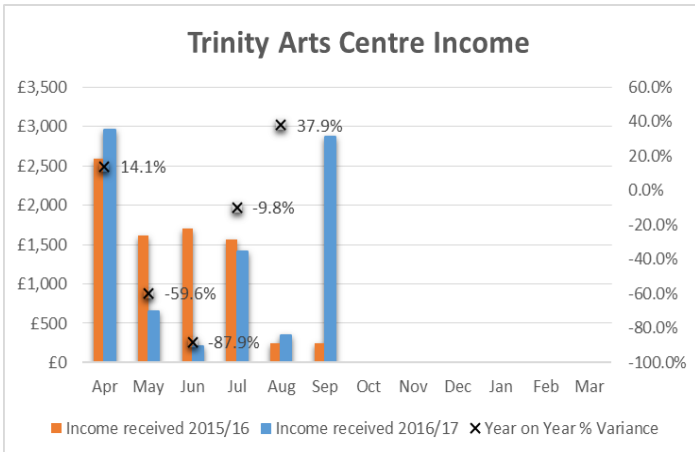
The figures at the start of each year are typically affected by when we receive the first payments for permits, particularly those paid for on a quarterly basis. This drives much of the variance. Overall we would expect the income to be less than 2015/16 as up to July we still had the multi storey car park. Whilst income has reduced across the two years it is actually exceeding the budget indicating that we retained more of the customers than we expected. Further reductions are reflected due to our charging policy change in August this year.



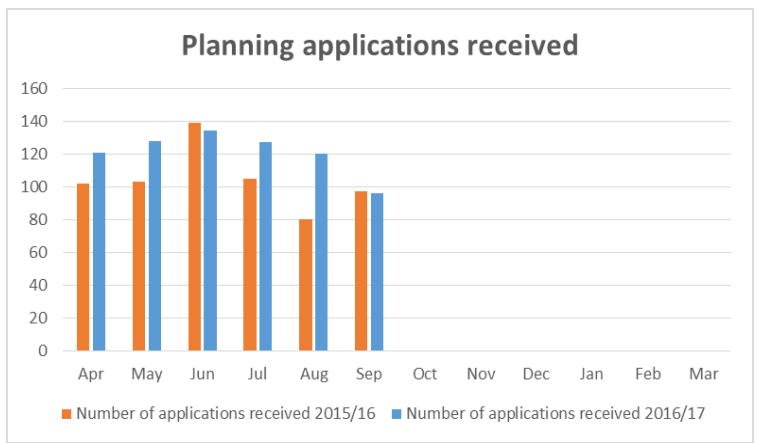
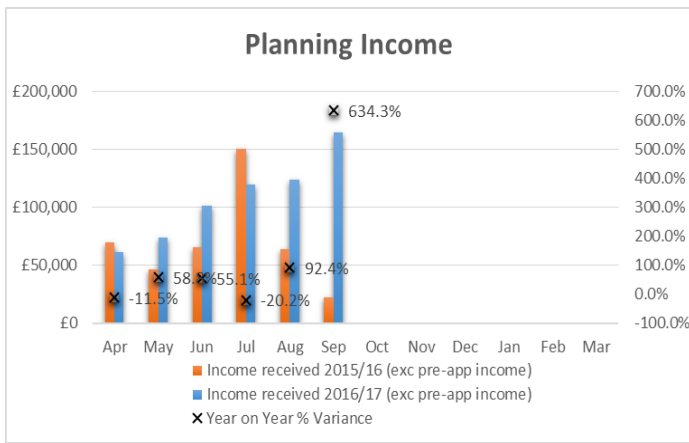
The Council have made significant investment in the Building Control service to equip the team so it may compete effectively in the wider market. For the past 3yrs Building Control have been focusing on improving and developing its services, through building relationships, improving reputation and raising the profile of the team. The benefits of this are starting to be realised with a small increase in fees when compared to last year, however the construction industry continues to be fickle and volatile and there is still much work and investment to be made in ensuring this trend continues long term. Work has now started on delivering some of the additional services highlighted in the new Business Plan for Building Control. Air testing has just been launched with Fire Risk Assessments and Warranty work, in conjunction with LABC, providing a very exciting opportunity for the Authority, following shortly. Other members of the team are booked on training courses over the next 3 months to further enhance the service building control can offer to the community.



The land charges service is currently going through a major change in the way it delivers the service to customers by implementing an automated system. Transitional arrangements have been made for this process to take place, however whilst the new system is being purchased, the data transferred and the process tested, the time taken to complete searches will take longer due to staff having to focus on both the implementation of the new process whilst simultaneously processing searches on the current system.



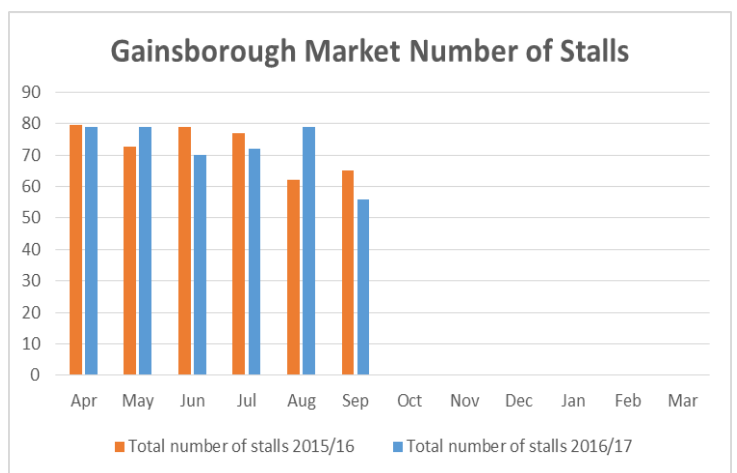
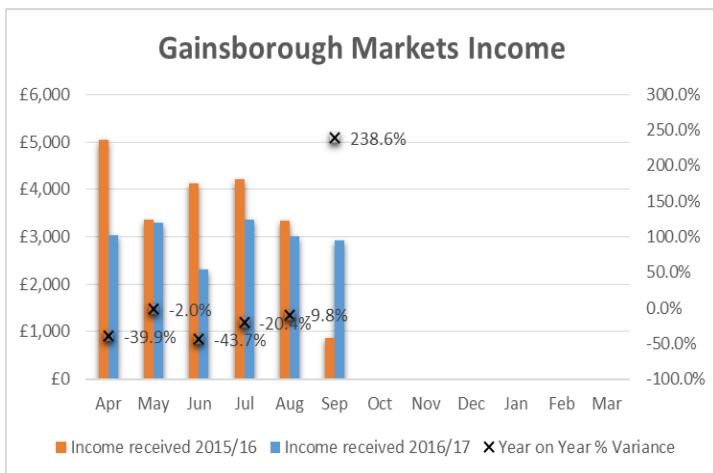
This is not a true reflection of the performance of Trinity Arts Centre as the fees and charges element relates to a small percentage of the overall business. Performances are booked on the most advantageous terms possible, sometimes this is on a hire basis and sometimes on a split of income. The programme is put together on the best offer at the time and the important information to collect and monitor is the surplus generated by the performances ensuring a positive effect on the bottom line rather than a loss.



The number of planning applications received continues to grow and is now at one of the highest levels we've ever seen – and it's not just the number of applications but the type that have changed too.

Reflecting the high level of growth underway throughout the district, this year has seen a surge in larger and much more complex planning applications that require a great deal more time and attention to consider, as well as a multi-discipline approach that has led to more officers becoming involved in these bigger planning and growth projects. As a result this has been a very busy period for the team and there are no signs of this letting up in the next couple of years with the adoption of the new local plan still well on-track for public examination by the end of this year.

All this has resulted in a significantly higher than budgeted income with fees for both pre-application advice and planning applications exceeding targets by more than 25% in the year to date – this has enabled us to maintain our current resources and at the same time really drive up the quality of services, as shown by the excellent performance and very positive customer feedback during the past few months.



Market income down compared with last year in line with trends of recent years. A business case for an in-house improvement plan was approved by Prosperous Communities Committee in September, however this decision has been challenged and further work is required, therefore planned changes are unlikely to be implemented before Xmas.



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## Corporate Policy & Resources Committee Work Plan

### Purpose:

This report provides a summary of reports that are due on the Forward Plan over the next 12 months for the Corporate Policy & Resources Committee.

### Recommendation:

1. That members note the schedule of reports.

Date	Title	Lead Officer	Purpose of the report
15/12/2016	ICT Strategy	Ian Knowles	To present the ICT Strategy for approval
	Fees and Charges 2017-18	Tracey Bircumshaw	To present the proposed fees and charges for 2017-18
	Local Council Tax Support Scheme	Alison McCulloch	To agree the Local Council Tax Support Scheme for WLDC for 2017-18
	NNDR Write Offs	Alison McCulloch	Exempt report to present irrecoverable NNDR accounts and Benefits overpayments for write off
	Review the Bullying & Harassment policy	Emma Redwood	to review the Bullying & Harassment policy
	Housing Allocations Policy & Partnership ToR	Michelle Howard	1. To seek approval of the revised housing register/ choice based letting allocations policy. Referred to as CBL policy. This is a joint policy for WLDC, CoLC, NKDC and Acis Group.  2. To seek approval of the revised terms of reference and governance arrangements for the CBL strategic partnership.
	Commercial Delivery Plan - 6 month progress update	Penny Sharp	To review progress against the annual commercial delivery plan.
	Closer to the Customer	Michelle Carrington	To inform Councillors of the vision and the benefits of the Closer to the Customer programme.
12/01/2017	Collection Fund Surplus and Council Tax Base	Tracey Bircumshaw	To present the declaration of estimated surplus on the Council's Collection Fund relating to Council Tax at the end of March 2017 and to set out the Council Tax Base calculation for 2017-18
	Review the Flexible Working Policy	Emma Redwood	to review the flexible working policy
09/02/2017	MTFP	Tracey Bircumshaw	To present the Medium Term Financial Plan
	Corporate Plan	Manjeet Gill	To present the refreshed Corporate Plan
	Progress and Delivery Q3	Ian Knowles	To present Progress and Delivery (Projects and Services) monitoring information to the end of Period 3
	Revenue Base Budgets 2017-18	Tracey Bircumshaw	To present the proposed revenue base budgets for 2017-18
	Budget and Treasury Management Q3	Tracey Bircumshaw	To present the Budget and Treasury Management monitoring report for period 3
	WL Trading Co.	Ian Knowles	The Director of Resources as the shareholder representative (of the WL Trading Co.) would present a summary of the accounts to the CP&R Committee as part of the Annual Business Plan.

	<b>Partnership Scheme in a Conservation Area</b>	Joanna Walker	To obtain approval for funding.
	<b>Development Partner (Gainsborough)</b>	Eve Fawcett-Moralee	Committee approval for list of potential bidders
	<b>Annual Review of Commercial Plan</b>	Penny Sharp	To approve the annual review of the Commercial Plan
	<b>Surestaff Business Plan</b>	Manjeet Gill	To approve the Business Plan of Surestaff Lincs Ltd and WLDC Staffing Services Ltd as Shareholder
<b>13/04/2017</b>	<b>Budget and Treasury Management Monitoring Q4</b>	Tracey Bircumshaw	To present budget monitoring and Treasury Management information as at the end of period 4 and the outturn position
	<b>Progress and Delivery Q4</b>	Ian Knowles	To present Progress and Delivery (Projects and Services) monitoring information to the end of Period 4
	<b>Introduce a Fixed Term Contract Procedure</b>	Emma Redwood	To introduce a fixed term contract procedure for the council
<b>15/06/2017</b>	<b>Commercial Property Portfolio</b>	Penny Sharp	To seek approval for the acquisition of a commercial property portfolio in line with the capital programme and Medium Term Financial Plan.
	<b>Market Rasen Car Parking</b>	Sarah Troman	To provide an update on the impact of introducing car parking charges in Market Rasen
<b>27/07/2017</b>	<b>Policy Review - Travel Policy</b>	Emma Redwood	To review, update and agree the Travel Policy
	<b>annual fraud report</b>	Angela Matthews	to present the annual report focussing on the commercial side of the service, income generated etc
<b>11/01/2018</b>	<b>Leisure Contract Procurement</b>	Karen Whitfield	To update Members on the conclusion of the leisure contract procurement exercise and to approve the preferred contractor