



Service Board Meeting Monday 25 October 2021 – Corporate Services Quarter Two

1. Performance against Corporate Plan

	Service Priority	Link to corporate plan	Expected Outcomes	Update on 25 October 2021
1	Delivery of the council's response to Covid-19 pandemic	<p>Ensure that the Council meets its statutory obligations under the Civil Contingencies Act.</p> <p>Support for our town and village centres</p> <p>Support the local economy</p> <p>Support our residents</p>	<p>Policy and payment of Business Rates Grants</p> <p>Corporate Impact Assessment</p> <p>Action plans arising from these</p> <p>Administration of Test and Trace Isolation payments</p> <p>Submission of grant funding applications</p> <p>Hardship payments to council taxpayers</p> <p>Effective communications to assist in duty to warn and inform.</p> <p>Deliver Revitalise Hart.</p>	<p>The Council has paid out c.£26m of Business Rates Grants across nine schemes since the onset of Covid. In 2021-22 the Council has paid out extended restrictions grant and main restart grants. All schemes must have payments completed by the 31st July. Any discretionary funding can then be used towards Business Recovery to be spent by 31st March 2022.</p> <p>The Council has been administering test and trace payments since December 2020. Hardship payments are administered by Community Services. Revitalise Hart for Corporate Services was around remote working capabilities which have been largely delivered. We continue to have additional temporary resource in communications until November 2021 funded by the Covid Outbreak Management Fund which enables us to provide our duties around warn and inform. Reconciliations of all payments made are now taking place for central Government.</p>

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2	New Ways of Working – Policy Support	Updating HR policies to reflect new ways of working	Remote working policy Travel and Expenses Policy Car Allowance policy Flexible working policy	The Joint Chief Executive has led an agile working policy which picks up the remote working policy and flexible working policy. The Car Allowance policy and travel and expenses policy has been put forward as part of Level 2 savings to Cabinet.
3	Produce updated Medium Term Financial Strategy for Cabinet, predicated on the priorities within the Corporate Plan and reflecting current understanding of local government finance	Ensuring our Medium- Term Financial Strategy is focused on strategic priorities. Stable Financial Sustainability.	The Council's financial resources and commitments are aligned with its strategic priorities	The updated Medium Term Financial Strategy will be presented as follows: O&S August Cabinet September - DONE O&S October Cabinet November O&S December Cabinet January The strategy will also be updated to contain a 10-year outlook in addition to the current 3-5-year outlook. A Cabinet working group is in place to review strategic priorities. It has been agreed an all-member briefing will take place post -settlement being received. There are difficult decisions to be made.
4	Implementation and regular review of the Commercialisation Strategy	Maximising income opportunities, and identifying new opportunities for income generation	Investment in commercial property (£10m indicative budget in capital programme) Develop further stream of commercial property options.	The Commercial Strategy was updated, reviewed, and approved in July 2021. An additional purchase of investment property circa £12m was undertaken in June 2021. We continue to work with agents to find additional opportunities.

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5	Continue to work with local commercial agents in renting out spare office space	Maximising Council income through effective asset management and collection activities	Refurbish and let out third floor	A survey by Hurst Warne has been commissioned and due to the amount of investment required in the building and the saturation of office space in Fleet itself it is not cost effective to rent out that space. Instead, all tenants and officers have been moved out of the 3 rd floor so that no further costs are incurred. It is now very likely that the Citizens Advice Bureau will move to Civic and enable NHS to take on Yateley property. Leases are also to be reviewed and renegotiated with all existing tenants where required. Age Concern are moving into FDCC.
6	Manage changes within the 5 Councils Partnership arrangement	Continuing to work closely with partners to deliver joint services	Services within the contract are aligned to the requirements of the Council and delivered in the most effective way feasible	In April 2021, Exchequer Services moved from Capita to be internally delivered by the Council. The remaining services delivered by Capita for Corporate Services are revenues and benefits, financial system support and IT. Service quality has improved by both Insourced and outsourced services, but the IT situation remains expensive.
7	Implement the provision of Committee Services software	To realise our ambitions to deliver more for less	The Council makes full use of technology to improve the way it delivers Committee Services	Modern.Gov has been implemented for Member use. In addition, all historic reports and declarations of interest are accessible through Modern.Gov. Audit Committee in July 2021 was the first Committee to use Modern.Gov from end to end for the report writing as well as publication as a test Committee. There are improvements to be made to the report writing template before this is rolled out across other Committees.
8	Review and replacement of the telephony system	To realise our ambitions to deliver more for less	The Council controls its overhead costs for direct dial telephony whilst expanding the flexibility for staff via a non-desk-based solution	The authority is using the Mitel VOIP system. Firewall issues are largely resolved. Softphones are being implemented November 2021.

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9	Delivery of Edenbrook apartments project	Maximising income opportunities, and identifying new opportunities for income generation	The Council delivers the project on time and within budget to maximise the investment potential	Edenbrook apartments successfully delivered.
10	Implementation of Housing Company	Maximising income opportunities, and identifying new opportunities for income generation	Business Plan approved, Company set up, run first full financial year	Housing Business Plan approved, and Company set up. All apartments except are let.
11	Review of expansion opportunities for Edenbrook Leisure Centre including the potential for Adventure Golf	Maximising income opportunities, and identifying new opportunities for income generation	The Council ensures the facilities offered to the public remain relevant and aligned with demands, whilst also delivering additional revenue in return	Cabinet paper October 2021. Contract has been renegotiated and extended.
12	Achievement of accreditation of both Bronze Armed Forces Covenant and the Armed Forces Employer Recognition Scheme	Continuing to work closely with partners to deliver joint services	Become member of the AFERS and gain bronze stage in the Armed Forces Covenant	The Council is meeting the standard for the Bronze Armed Forces Covenant and needs to submit evidence in January 2022. Human Resources are working on the Armed Forces Employer Recognition Scheme for implementation on the same date.
13	Upgrade the network and improve Wi-Fi access across the Council	An efficient and effective Council	Provide end user with more capacity and quicker speeds	Infrastructure installed and working.

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14	Create data map for Hart, consider data maturity and define data strategy	An efficient and effective Council	To transform decision making and how we deliver services	This has a completion date of 31 December but has not yet been started, being carried out alongside implementation of new website.
15	Draft and consult on Communication and engagement strategy incorporating Hart News	An efficient and effective Council	To provide principles and direction around corporate communication, social media, and change programme	On track to be delivered December 2021
16	Website accessibility review and accreditation	An efficient and effective Council	Resolve technical and content issues	Delivered June 2021
17	Deliver Elections	An efficient and effective Council	Smooth, efficient, safe, and legal election	2021 Elections delivered, Lessons Learnt process currently being undertaken.
18	Create change programme including culture and behaviours	An efficient and effective Council	Staff survey. Create action plan	December 2021 – Not yet started
19	Garden Community	Healthy Communities and People	Progress the exploration of the opportunity	Final reports being pulled together for evidence base.
20	Update current website	An efficient and effective Council	To provide quality information and services to residents	New website out to procurement. A new intranet was launched in October 2021. The new website needs to be live by November 2022 as the platform from this date will no longer be supported.

2. Service risk register

A detailed service risk assessment has been completed and is reviewed at a minimum quarterly. This helps inform the Hart District Council Corporate Risk Register which is reported to Overview & Scrutiny Committee on a quarterly basis. Mitigated risks that have a score of 9 or above are included below.

Description	Impact	Source of Risk	Prior Assessment			Existing Controls	Effectiveness of Controls	Current Assessment			Further Mitigations
			Likelihood	Consequence	Risk Rating			Likelihood	Consequence	Residual Risk	
Changes to Local Government Funding. Awaiting results from Local Government Funding Review.	Reduction in overall income.	Local Government Funding Review has been delayed but is still almost certain to happen in the medium term. Further concern as to whether new homes bonus will be received. The deficit appears structural.	4 - Likely	4 - Critical	16	Medium Term Financial Strategy is in place. Commercialisation programme has continued to invest. Commercialisation strategy has been reviewed.	Satisfactory	4 - Likely	3 - Major	12	Review diversified, increased sources of income and cost reduction. MTFS updated and reported to Members. Lobby via LGA for clarity of funding review outcome and improvements via LGF outcomes. Lobby MCLG on funding review.

Loss of key income stream and subsequent budget implications. (For example, Leisure Concession and loss of recycling income)	Reduction in overall income.	Poor financial performance of key partners, resulting in either a reduction or loss of concession payment. A change of policy from Hampshire County Council on recycling credits. Future risk to green waste income.	5 - Almost Certain	3 - Major	15	Ongoing monitoring of financial performance of key contractors. Maintain good working relationships with partners. Early consideration of financial impact of the loss of recycling income. Revised budgets to consider Leisure Concession reduction.	Satisfactory	4 - Likely	3 - Major	12	Consideration of new income streams raised risk of income streams with members. Negotiations with Leisure provider.
Loss of New Homes Bonus from 22-23 onwards and subsequent budget implications as the council places reliance on the New Homes Bonus for its revenue budget. Changes to the calculation of New Homes Bonus.	Reduction in overall income.	The government has stated that there will be changes to the calculation of the New Homes Bonus.	4 - Likely	4 - Critical	16	Plan for reduced income, including service cost reductions. Use of commercial opportunities to reduce future budget gaps.	Satisfactory	4 - Likely	4 - Critical	16	Lobbying for improved arrangements Cost reduction options Working with LGA and MHCLG. Series of workshops has taken place and options for savings and income generation to be presented to members is being worked up by officers.

<p>Financial Financial impact to the council due to COVID-19 could result in significant shortfalls in income and the ability of the council to effectively fund current services. In addition, reduced income to residents and businesses will affect Collection Fund recovery and surplus. Finally, an uncertain economy may result in volatility around our commercial income and treasury management income streams.</p>	<p>Reduced recovery of income, reduced levels of income, volatility of financial markets and delays in delivery of Commercial Strategy.</p>	<p>COVID-19</p>	<p>5 - Almost Certain</p>	<p>3 - Major</p>	<p>15</p>	<p>Revised Budget agreed Cashflow being monitored regular reporting of financial position to management and members</p>	<p>Satisfactory</p>	<p>5 - Almost Certain</p>	<p>3 - Major</p>	<p>15</p>	<p>Stress testing of MTFS and revised MTFS presented to Members. Revised budget built on lower income levels and cloth cut accordingly. Commercial Strategy being re-worked currently along with Treasury Management Strategy to maximise investment income.</p>
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3. Performance indicators and targets 2020/21

Corporate Services is currently in transition across several the support services including HR, IT, Finance, Revenues and Benefits. Many of the performance indicators will change as a result and those where data is available, are reported through the 5 Councils governance structure. Those shown below reflect the key indicators currently available.

KPI	Description	Annual Target	Q1 Performance	Q2 Performance
IA01	Percentage of Audit Plan completed during the year	100%	33%	50%
IA04	% Of High-Risk Audit Recommendations Implemented by Department	100%	50%	TBC
CS01	Quality of Customer Service Call Handling - % score from monitoring sample	90%	96.3%	99%
F1	Implementation of savings schemes targets to meet MTFS requirements	90%	-	Level 1 30%
CS02a	% Of telephone calls answered by Contact Centre in 30 seconds	70%	73.6%	92%
RB05	Percentage of Non-domestic Rates Collected	98%	20.01%	44.18%
RB06	% Of Council Tax collected	98%	27.82%*	56.87%
IT05	% Uptime of key systems	99%	-	**
IT06	% Uptime of Hart DC website	98%	100%	100%

*Q1 figure now included, Q1 below previous years Q2 0.83% up on previous years

** all key systems remained up apart from 4 hours in September where Integra could not be accessed out of office
Business rates down 7.3% on prior year

4. Quarter One 2020/21 Key Challenges and Achievements

- Audit of Financial Statements largely complete except for conclusion on objection and revaluation of Fleet Leisure Centre
- Budget build papers received from Budget Holders for 2022/23
- Review of Council Tax Localisation policy procured
- Leisure contract negotiation complete
- Level 1 and Level 2 Business Cases – Level 1 approved for budget build, Level 2 – needs Cabinet approval for implementation
- Internal Audit Plan – lots of progress
- Significant procurement support for Fleet Pond
- Waste contract handover
- Capita contract feels much more stable – large change in personnel
- New website out to procurement
- Full quarterly accruals budget reporting
- Decisions being made on Mendip contract

5. Looking forward to Quarter Three: Key Deliverables

- Audit opinion on Financial Statements – Audit Committee 6th December 2021
- Review of Council Tax Localisation policy – evidence gathering started. Consultation Q1 2022-23.
- October 27 – Local Government Settlement – MTFS update
- Briefing session – Level Three savings
- Fees and Charges and Capital Budgets received
- Corporate Services Restructure next steps – now that principle is going to Cabinet for approval
- Update of Financial Regulations and other key policies
- Level 2 savings implementation