

ANNUAL GOVERNANCE STATEMENT – SIX MONTHS PROGRESS UPDATE

Action	Six Month Progress Update
<p>To implement the General Fund Asset Management Strategy and create a Corporate Landlord function, the following activity is planned:</p> <ul style="list-style-type: none"> • Upload of asset management data onto property data management software to enhance the management of the Council's assets • Continue the review of the council's commercial portfolio • Recruitment of staff within the Estates Service • Governance structure to be put in place to deliver the Corporate Landlord function • Procurement and implementation of a new Facilities Management System to integrate operational compliance work within a single system • Procurement of compliance services, covering Fire, Gas/Water and Electrical contracts 	<p>Work has commenced to procure a new Asset Management System which will be used to manage the Council's commercial assets. The Data Manager is continuing to populate the current Asset Management system with accurate property and leasing data for the Council's commercial estate.</p> <p>There continues to be a number of vacant posts in the Estates service which are proving difficult to recruit to. It has however been possible to recruit to the role of Commercial Asset Manager.</p> <p>A new computer-aided Facilities Management System to manage compliance and maintenance of the Council's corporate buildings has been procured and is currently being populated and will be going live soon.</p> <p>Procurement of compliance services is underway and the procurement of the electrical contract is now nearly complete.</p>
<p>Making Your Money Count: To ensure that the Council has sufficient resources to fund its medium and long term service plans and corporate priorities the following activity is planned:</p> <ul style="list-style-type: none"> • Complete the refresh of the Housing Revenue Account Business Plan • Carry out a review of the Council's reserves • Development of a Capital Funding Plan to identify and progress funding sources to ensure suitable capital funding is in place to deliver the Council's priorities • Report to Executive outlining further Making Your Money Count savings options to increase the Council's financial resilience 	<p>The Housing Revenue Account business plan is in the process of being reviewed and will be considered by Executive in December 2022.</p> <p>The Medium Term Financial Strategy which included potential ongoing Covid impacts, cost of living crisis impacts and inflationary impacts was considered by Executive in September 2022. The report set out a Making your Money Count Target of savings of £3.03 Million for the period 2023/24-2025/25. Officer and Member meetings are being held to consider savings options. The outcome of these meetings will be reported to Executive in November 2022.</p> <p>The Capital Strategy will be reported to Executive in December 2022.</p>

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<p>Commercialisation: To ensure that the Council's ambitious Co-operative Commercial and Insourcing Strategy can be achieved, a programme of work is required:</p> <ul style="list-style-type: none"> • Continue the improvement programme in relation to garages, e.g. application of charges for garage freeholders, changes to termination periods, move to any day tenancies and transition to Choice Based Lettings. • Review of charging arrangements across the Council • Investigate further opportunities for grant funding • Creation of a Disability Resource Centre and hosting parcel lockers on Council land. • Review of the Council's skips offer • Continue the review of concessions and fees and charges for 2023/24. • Insourcing of day to day repairs and weed spraying • Consider measures to drive down debt across the organisation • Further develop the commercial culture in the Council through a combination of communications and learning and development opportunities. 	<p>The Garage Lettings project is progressing and estimated to go live by spring. Garages Business Case for investment to deal with the backlog of voids was approved at September Executive.</p> <p>Work is ongoing in relation to the review of fees and charges across various service areas and new income streams are being put forward.</p> <p>Preliminary conversations have taken place around access to grant funding portals and the best way to share opportunities.</p> <p>Opportunities to create a Disability Resource Centre were considered, and included meeting with the Bedford Disability Resource Centre and Herts Ability in Welwyn. However, due to the resources required to take a project of this scale forwards, this work has been paused until there is sufficient capacity to progress it.</p> <p>Officers have engaged with parcel locker companies and are currently working with InPost as a preferred supplier. Locations around the town have been reviewed and surveyed for suitability.</p> <p>A comprehensive review of the fixed, variable and disposal costs involved in operating the skips service has been undertaken, alongside in-depth market and competitor analysis. This was shared with Executive Members at the meeting of the Commercial and Investment Working Group in June 2022. In order to create a more attractive product, grow market share and steer the service towards full cost recovery, a revised offer for skip hire has been developed, which will be aligned with the business development activity of the Commercial Officer for Trade Waste. This offer will be presented at the November meeting of the Executive.</p> <p>A wholesale review of fees and charges has been undertaken for 2023/24, starting with a workshop with service managers to discuss inflationary pressures and key considerations when setting charges. This has resulted in the development of a full set of proposals for the General Fund (to be presented at the meeting of the November Executive) and several new income streams in areas such as cemeteries, planning and environmental services. Options for changing concessionary rates on garages and markets for 2023/24 have also been developed for Members'</p>

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	<p>consideration.</p> <p>A review of the insourcing of day to day repairs has commenced, with a view to identifying any synergies in the work being undertaken and to consider the potential for joined up options moving forwards. A working group has been established and a review of current expenditure is being undertaken. Progress in this area has been slower than anticipated due to challenges around recruitment in Estates and Repairs and Voids.</p> <p>A full business case considering the potential to insource weed spraying when the contract ends in February 2023 was discussed at the December 2021 meeting of the Commercial and Investment Working Group. The business case explored the feasibility in relation to cost, FTE impact and commercial expansion. It concluded that the service had the potential to be delivered in house but staffing capacity would have to be maximised to be efficient and would be reviewed again in late 2022. The business case has subsequently been reviewed and has concluded that due to likely changes in chemical requirements (which may impact significantly on cost and staffing), the current contract will be extended for one year and reviewed again in 2023.</p> <p>Some preliminary work has been undertaken to understand the amount of aged debt per service, the internal department that collects the debt, the percentage of customers on direct debit, the method of enforcement and the system for recording the debt. Historic debt is being reviewed by Finance and all this work will be fed into the wider work stream in the transformation programme around income and debt, which will also consider processes around debt management.</p>
<p>COVID-19: In response to the COVID-19 crisis and to ensure the Council can continue to deliver services, continue to meet its FTFC ambitions and enable recovery from the effect of the virus in the town, the following action is planned:</p> <ul style="list-style-type: none"> • Continue to review the General Fund 	<p>The Medium Term Financial Strategy which included the potential ongoing Covid impacts, cost of living crisis impacts and inflationary impacts was considered by Executive in September 2022. The report set out a Making your Money Count Target of savings of £3.03Million for the period 2023/24-2025/26. Officer and Member meetings are being held to consider savings options. The outcome of these meetings will be reported to Executive in November 2022.</p>

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<p>and HRA Medium Term Financial strategies in light of the financial pressures arising from the COVID-19 response</p>	
<p>Council Housebuilding and Acquisitions Programme: To ensure the Council can deliver new council owned homes as programmed the following action is planned:</p> <ul style="list-style-type: none"> • Carry out viability assessments prior to lending being approved for the Wholly Owned Company to demonstrate they meet key targets as outlined in the Business Plan • Explore grant funding opportunities with Housing Associations in the local area to secure nomination rights to properties • Ongoing governance and review by the Housing Development and Regeneration Working Group • Key Performance Indicators to be determined and monitored for the Wholly Owned Company regarding key financial performance indicators 	<p>Viability assessments prior to lending have been carried out. Two potential schemes have been identified. Both schemes have now been approved and are now fully funded.</p> <p>A Rough Sleeper Accommodation programme bid to Homes England and DLUHC to purchase properties to accommodate rough sleepers was unsuccessful. The team is working with Homes England regarding other grant funding opportunities.</p> <p>Ongoing governance and review is carried out by the Housing Development and Regeneration Working Group. This group meets once a month. In addition, regular updates are submitted to the FTFC Board.</p> <p>A set of key performance indicators are now being used and need to be met to unlock funding.</p>
<p>Socio-Economic Impacts: As a result of the combined socio-economic impacts of welfare reform, the Covid-19 pandemic, and an economic downturn the following action is planned:</p> <ul style="list-style-type: none"> • Continue to be involved with Community Wealth Building and Social Value initiatives • Contribute to the Planning and Procurement working groups which will be looking at community wealth building and social value in relation to all district and borough councils throughout Hertfordshire. • Complete the review of the Arrears Action Plan 	<p>The Community Renewal Fund bid 'Community Wealth Building Together' was approved for delivery by DLUHC and the Hertfordshire LEP on 3rd November 2021. The dissemination of the funding as part of the delegated grant scheme is underway, with a majority of funding being provided to all district and borough councils for them to distribute in their local area. Funding has also been provided to several business support organisations who will work county wide, adding capacity around business planning, resilience and sustainability amongst other things.</p> <p>Target numbers have already been achieved and are already capturing additionality. Projects have been delivering from April 2022 and will continue throughout the summer with projects closing in September. Evaluation activities in collaboration with the University of Hertfordshire are underway, with interviews with key stakeholders taking place.</p> <p>The arrears action plan has been reviewed and is in place until end March 2024. We are in year 3 of the plan and on schedule to achieve most of the actions. There have been delays with some of the IT development work, which is</p>

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	required to support the Income Team to maximise income collection due to other priorities within the Corporate IT service
<p>Provision of leisure services:</p> <ul style="list-style-type: none"> Carry out the agreed work programme to enable the Council to determine the strategic delivery of its leisure and cultural offer post March 2023 when the current leisure contract ends Carry out the procurement process for a new leisure and cultural services contract 	Four final tenders have been received for the leisure contract and these are currently being evaluated. The contract will be awarded late December/early January.
<p>Health and Safety: Continue to enhance and embed health and safety compliance and performance by:</p> <ul style="list-style-type: none"> Continue the rolling programme of internal and external audits for medium and high risk services Complete the implementation of health and safety enhancements for the Council's identified health and safety risks 	<p>All high health and safety risks are reviewed by the Strategic Health and Safety Group and reported to Corporate Risk Group and the Senior Leadership Team quarterly. The monitor is also reviewed by the Chief Executive at monthly HR meetings. As a result of improvement actions being carried out the following previously high risks have now been de-escalated:</p> <ul style="list-style-type: none"> Fire safety in flat blocks Covid-19 <p>The rolling programme of internal and external audits for medium and high risk services is in progress.</p>
<p>IT Resilience and Cyber Security: The Shared IT Service to continue to implement the IT Strategy and Action Plan to enhance IT infrastructure, cyber security, IT resilience by:</p> <ul style="list-style-type: none"> Complete the replacement of all the Council's firewalls Migrate services over to the new IT network Complete the upgrade from Windows 7 to Windows 10 Complete the roll out of VDI Roll out of Microsoft Office 365 Review and update the ICT Disaster Recovery Plan. Carry out a Cyber Security awareness 	<p>Old firewalls have been deleted and this together with the new ACI has increased IT security. The main firewalls do need to be replaced and investigations are being carried out with regards to types of and support available for the next firewalls. Procurement will be over the next year or so. Our present firewalls are sufficient and therefore replacement is not seen as urgent at the current time.</p> <p>Work is ongoing in relation to the roll out of VDI and to migrate services over to Windows 10 and Microsoft 365.</p> <p>Work has begun on the creation of a draft ICT Disaster Recovery Plan.</p> <p>Cyber Security awareness e-learning has been rolled out to both staff and Members.</p> <p>Work continues to implement the recommendations made</p>

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<p>campaign and completion of e-learning by all staff and Members</p> <ul style="list-style-type: none"> • Implement the recommendations made by the SOCITM quality assurance review of the ICT strategic programme and operation. <ul style="list-style-type: none"> • Implement the recommendations contained in the Cyber Treatment Plan 	<p>by the SOCITM quality assurance review and also the recommendations included in the Cyber Treatment Plan.</p>
<p>Repairs and Maintenance: To reduce the backlog in repairs due to the impact of the Covid-19 pandemic and the damage caused by the recent storms the following actions is planned:</p> <ul style="list-style-type: none"> • Commencement of new materials supplier contract • Recruit to key vacant posts • Housing Asset Management Strategy to be reviewed to reflect responsive repairs 	<p>A new materials supplier has been appointed.</p> <p>The Housing Asset Management Strategy has been reviewed. The outcome of this review is currently being analysed and the Strategy will be updated accordingly.</p> <p>The Repairs Service review is now complete and has been implemented. The current recruitment market is making the vacant posts which have been created from the service review hard to fill.</p>
<p>The following activity is planned to enhance compliance with Payment Cards Industry Data Security Standards:</p> <ul style="list-style-type: none"> • Key stakeholders across the Council to be identified and a Working Group set up to carry out the review. • Payment methods to be reviewed and a replacement payment system to be considered. 	<p>A Working Group was set up and carried out a review. Payment methods have been reviewed which has resulted in the Customer Service Centre no longer taking card payments over the phone (except in exceptional circumstances whereby the customer cannot use the automated line). A replacement system to be considered once the contract for the current system expires.</p>