



MEETING : EXECUTIVE
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : TUESDAY 8 FEBRUARY 2011
TIME : 7.00 PM

PLEASE NOTE TIME

MEMBERS OF THE EXECUTIVE

- | | |
|------------------------------|--|
| Councillor Tony Jackson | - Leader of the Council |
| Councillor Malcolm Alexander | - Deputy Leader and Executive Member for Community Safety and Protection |
| Councillor Mike Carver | - Executive Member for Planning Policy and Transport |
| Councillor Linda Haysey | - Executive Member for Community Development, Leisure and Culture |
| Councillor Bob Parker | - Executive Member for Housing and Health |
| Councillor Michael Tindale | - Executive Member for Resources and Internal Support |

CONTACT OFFICER: Martin Ibrahim
Tel – 01279 502173

PERSONAL AND PREJUDICIAL INTERESTS

1. A Member with a personal interest in any business of the Council who attends a meeting of the Authority at which the business is considered must, with certain specified exemptions (see section 5 below), disclose to that meeting the existence and nature of that interest prior to the commencement of it being considered or when the interest becomes apparent.
2. Members should decide whether or not they have a personal interest in any matter under discussion at a meeting. If a Member decides they have a personal interest then they must also consider whether that personal interest is also prejudicial.
3. A personal interest is either an interest, as prescribed, that you must register under relevant regulations or it is an interest that is not registrable but where the well-being or financial position of you, members of your family, or people with whom you have a close association, is likely to be affected by the business of the Council more than it would affect the majority of inhabitants of the ward(s) affected by the decision.
4. Members with personal interests, having declared the nature of that personal interest, can remain in the meeting, speak and vote on the matter unless the personal interest is also a prejudicial interest.
5. An exemption to declaring a personal interest applies when the interest arises solely from a Member's membership of or position of general control or management on:
 - any other body to which they have been appointed or nominated by the authority
 - any other body exercising functions of a public nature (e.g another local authority)

In these exceptional cases, provided a Member does not have a prejudicial interest, they only need to declare their interest if they speak. If a Member does not want to speak to the meeting, they may still vote on the matter without making a declaration.

6. A personal interest will also be a prejudicial interest in a matter if all of the following conditions are met:
 - the matter does not fall within one of the exempt categories of decisions
 - the matter affects your financial interests or relates to a licensing or regulatory matter
 - a member of the public, who knows the relevant facts, would reasonably think your personal interest is so significant that it is likely to prejudice your judgement of the public interest.
7. Exempt categories of decisions are:
 - setting council tax
 - any ceremonial honour given to Members
 - an allowance, payment or indemnity for Members
 - statutory sick pay
 - school meals or school transport and travelling expenses: if you are a parent or guardian of a child in full-time education or you are a parent governor, unless it relates particularly to the school your child attends
 - housing; if you hold a tenancy or lease with the Council, as long as the matter does not relate to your particular tenancy or lease.
8. If you have a prejudicial interest in a matter being discussed at a meeting, you must declare that interest and its nature as soon as the interest becomes apparent to you.
9. If you have declared a personal and prejudicial interest, you must leave the room, unless members of the public are allowed to make representations, give evidence or answer questions about the matter, by statutory right or otherwise. If that is the case, you can also attend the meeting for that purpose. However, you must immediately leave the room once you have finished or when the meeting decides that you have finished (if that is earlier). You cannot remain in the public gallery to observe proceedings.

AGENDA

1. Apologies

To receive apologies for absence.

2. Minutes (Pages 7 - 14)

To approve the Minutes of the meeting held on 11 January 2011.

3. Leader's Announcements

4. Declarations of Interest

To receive any Member(s) declaration(s) of interest.

5. Issues Arising from Scrutiny

To follow

6. Capital Programme 2010/11 (Revised) to 2013/14 (Pages 15 - 34)

7. Treasury Management Strategy Statement 2011/12 and Minimum Revenue Policy Statement (Pages 35 - 54)

8. Fees and Charges 2011/12 (Pages 55 - 86)

9. Service Estimates - Revenue Budget Probable 2010/11 - Estimates 2011/12 (Pages 87 - 136)

10. Consolidated Budget Report: Probable Outturn 2010/11: Revenue Budget 2011/12: Medium Term Financial Plan 2011/12 to 2114/15 (Pages 137 - 218)

11. National Express East Anglia: Proposal to deliver increased capacity, Timetable Consultation for West Anglia services for May 2011 and December 2011 timetables (Pages 219 - 228)

12. Sharing Services with Stevenage Council (Pages 229 - 234)
13. Monthly Corporate Healthcheck - December 2010 (Pages 235 - 298)
14. Urgent Business

To consider such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

This page is intentionally left blank

MINUTES OF A MEETING OF THE
EXECUTIVE HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD ON
TUESDAY 11 JANUARY 2011, AT 7.00 PM

PRESENT: Councillor A P Jackson (Chairman/Leader)
Councillors M R Alexander, L O Haysey,
R L Parker and M J Tindale

ALSO PRESENT:

Councillors D Andrews, S A Bull, J Demonti,
A D Dodd, R Gilbert, J O Ranger, V Shaw
and J P Warren

OFFICERS IN ATTENDANCE:

Anne Freimanis	- Chief Executive
Simon Drinkwater	- Director of Neighbourhood Services
Martin Ibrahim	- Senior Democratic Services Officer
Alan Madin	- Director of Internal Services
Lois Prior	- Head of Strategic Direction (shared) and Communications Manager
George A Robertson	- Director of Customer and Community Services

466 APOLOGY

An apology for absence was submitted on behalf of Councillor
M G Carver.

467 LEADER'S ANNOUNCEMENTS

The Leader welcomed the press and public to the meeting. He also introduced Scott Crudgington, Stevenage Council, who was the Deputy Section 151 Officer for East Herts Council.

468 DECLARATIONS OF INTEREST

Councillor L O Haysey declared a personal interest in the matter referred to at Minute 476 – Hertford Museum Request for Capital Allocation, in that she was a member of Hertford Civic Society.

469 EAST HERTS LOCAL INVESTMENT PLAN

The Executive Member for Housing and Health submitted a report seeking adoption of the Local Investment Plan. In 2009/10 the Homes and Community Agency (HCA) had initiated a process of 'Local Investment Planning' with all housing authorities. This covered all aspects of housing and regeneration in a local area in order to produce a clearly prioritised Local Investment Plan (LIP). The purpose of the East Herts LIP was to guide investment in housing in East Herts, particularly HCA funding.

The Executive Member set out the process used for developing the LIP and commented that, in general, the Council and its housing partners expected most affordable housing development to be delivered through the market and/or section 106 arrangements without the need for public subsidy. The LIP would be subject to continual review as projects are completed and new ones came forward.

The Executive Member stated that the LIP had been subject to the HCA's peer review process once at a local level and secondly at a regional Peer Assurance Group. They had considered the document to be well structured and complete, indeed, East Herts was the first LIP to have gone through both processes in Hertfordshire and had

been used as an example of a good practice document. The Executive Member congratulated Officers for their work on the LIP.

Various Members made a number of comments. The Executive Member corrected a couple of the figures and stated that a number of typographical changes would also be made to the final document.

The Executive supported the recommendations as now detailed.

RECOMMENDED – that (A) the Local Investment Plan as now submitted, be adopted; and

(B) the Director of Neighbourhood Services, in consultation with the Executive Member for Housing and Health, be authorised to make minor additions and changes to the Local Investment Plan.

470 **SAYESBURY COTTAGE AND THE HAILEY DAY CENTRE,
SAWBRIDGEWORTH**

The Executive Member for Resources and Internal Support submitted a report proposing the transfer of ownership of Sayesbury Cottage and the Hailey Day Centre, Sawbridgeworth, to Sawbridgeworth Town Council. These properties represented the remaining elements of East Herts Council's property ownership at Sayesbury Manor.

The Executive Member detailed the history of the Council's ownership of the site. He stated that the Town Council wished to purchase Sayesbury Cottage for conversion and extension to establish a new base for the Town Council. They would also take on full responsibility for the Hailey Day Centre, as owners, enhancing and supporting the use as a Day Centre for the elderly while also making some beneficial use of the premises for meetings, etc.

The Town Council would pay the full current market value for Sayesbury Cottage, subject to confirming planning permission for the change of use to offices and an improved access from the rear. The Hailey Day Centre would be transferred for a nominal value as a community asset, which would continue to function and receive investment under local management and ownership. The benefit of this transaction would be to transfer assets into local control, which were important to the local community and would generate a capital receipt, at full market value, for East Herts without the uncertainty of marketing Sayesbury Cottage.

The Executive supported the recommendations as now detailed.

RECOMMENDED – that (A) East Herts Council agrees, in principle, to transfer the ownership of Sayesbury Cottage and the Hailey Day Centre, Bell Street, Sawbridgeworth, to Sawbridgeworth Town Council, on terms to be agreed; and

(B) the Director of Internal Services be authorised to agree appropriate terms which will include the transfer of Sayesbury Cottage at full market value.

471 PROPOSED ACQUISITION OF LEASED CAR PARKS

The Executive Member for Resources and Internal Support submitted a report proposing the acquisition of two surface car parks currently leased from Hertfordshire County Council. He advised that terms had been agreed to purchase the freehold on Apton Road, Bishop's Stortford and Baldock Street, Ware car parks.

The Executive Member outlined the financial benefits as well as the service implications for the proposal. He commented that the financial analyses detailed in the report demonstrated the advantages for the Council in purchasing the car parks. He also stated that the

proposal would secure the future provision of an important service to residents by enabling the Council to plan and influence the future of these sites.

The Executive supported the recommendations as now detailed.

RECOMMENDED – that (A) the acquisition of the sites of the car parks at Apton Road, Bishop's Stortford and Baldock Street, Ware from Hertfordshire County Council, on the terms agreed, be approved; and

(B) the Capital Programme be amended to include costs of £670k with revenue budgets for car park rents and investment income to be amended as set out in the report.

472 MINUTES

RESOLVED – that the Minutes of the meeting held on 1 December 2010, be approved as a correct record and signed by the Leader.

473 ISSUES ARISING FROM SCRUTINY

The Executive received a report detailing those issues referred to it by the Scrutiny Committees. The Leader reflected on the valuable work of the Scrutiny Committees throughout 2010 in helping to inform policy development.

RESOLVED – that the report be received.

474 CAR PARK CHARGES 2011/12

The Executive Member for Planning Policy and Transport submitted a report on options for car park charges in 2011/12. In his absence, the Leader outlined the options as presented in the report and proposed that charges be frozen.

The Leader commented on the current economic situation and

the need for the Council to support town centre businesses. Therefore, he proposed that charges for 2011/12 be frozen and that the VAT increase be absorbed by the Council and not passed on to car park users. He referred to the financial implications of this for the Council, representing a reduction in income of 4.2%.

Various Members expressed their support for this option. In response to questions, the Leader reminded Members of the Transport Strategy that was due to be reported to the Executive in due course.

The Executive agreed that car park charges for 2011/12 be frozen.

RESOLVED – that car park pay and display charges for 2011/12, be frozen.

475 PROPOSED INCORPORATION OF THE HERTFORDSHIRE CCTV PARTNERSHIP

The Executive Member for Community Safety and Protection submitted a report reviewing the governance and structure of the Hertfordshire CCTV Partnership.

The Executive Member detailed the history of the Partnership and its growth since 1996. The Partnership had decided, following a consultation exercise, to expand the network commercially as well as entering new partnerships with other local authorities, which would realise economies of scale and reduce costs to core partners. Various governance models were being explored and a legal consultant had been engaged to provide advice on this.

The Executive approved the proposals as now detailed.

RESOLVED - that the Joint CCTV Committee's intentions to:

- (A) provide a detailed business plan reflecting the likely future growth of the network, the

consequential reduction in service costs and other benefits to Partners;

- (B) investigate the most appropriate model for accommodating this growth, including the possibility of incorporation; and
- (C) seek external legal advice to advise on the governance options, including possible company structures and agreements, and that the partners share the cost of this work (approximately £4,000 each partner);

be approved.

476 HERTFORD MUSEUM - REQUEST FOR CAPITAL ALLOCATION

The Executive Member for Community Development, Leisure and Culture submitted a report on a request from Hertford Museum for an additional £10,000 capital grant towards the cost of a major redevelopment project. The Executive recalled that, this matter had been deferred at its meeting held on 9 November 2010, as further clarification was sought (Minute 365 refers).

The Executive Member detailed the additional information that had been obtained and emphasised that, if the Executive was minded to approve the grant, this would be the final payment.

The Executive Member for Resources and Internal Support expressed his disappointment at the overspend on the project resulting in the need for additional funding. However, he supported the proposal on the basis of protecting the Council's previous investment and as a final payment.

The Executive approved the additional capital allocation as now detailed.

RESOLVED – that a supplementary capital estimate of £10,000 for Hertford Museum, be approved.

477 MONTHLY CORPORATE HEALTHCHECK - OCTOBER 2010

The Leader of the Council submitted an exception report on finance and performance monitoring for October 2010.

In response to a question from Councillor A D Dodd on the cost of the recent by-elections, the Director of Internal Services undertook to provide a written response.

The Executive approved the proposals as now detailed.

RESOLVED - that (A) the budgetary variances set out in paragraph 2.2 of the report be noted;

(B) £100,000 of the Hertford Theatre budget be re-profiled from 2011/12 into 2010/11; and

(C) the addition to the capital programme of a scheme "Bishop's Stortford Riverside and Markets Improvements" at a cost of £256,300, be approved.

478 MONTHLY CORPORATE HEALTHCHECK - NOVEMBER 2010

The Leader of the Council submitted an exception report on finance and performance monitoring for November 2010.

The Executive noted the report.

RESOLVED – that the budgetary variances, as set out in paragraph 2.2 of the report submitted, be noted.

The meeting closed at 8.08 pm

Chairman

Date

EAST HERTS COUNCIL

JOINT SCRUTINY COMMITTEE – 18 JANUARY 2011

EXECUTIVE – 8 FEBRUARY 2011

REPORT BY EXECUTIVE MEMBER FOR RESOURCES AND
INTERNAL SUPPORT

CAPITAL PROGRAMME 2010/11 (REVISED) TO 2013/14

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- The report sets out proposals for the Council's Capital Programme for the period 2010/11 (Revised) to 2013/14.

<u>RECOMMENDATION FOR DECISION BY JOINT SCRUTINY COMMITTEE : that</u>	
(A)	the draft Capital Programme 2010/11 (Revised) to 2013/14 be scrutinised; and
(B)	comments be submitted to the Executive.
<u>RECOMMENDATION FOR DECISION BY EXECUTIVE: that</u>	
(A)	any comments made by the Meeting of Joint Scrutiny Committees on 18 January 2011 be considered; and
(B)	the new Capital Programme for the period 2010/11 (Revised) to 2013/14 be recommended to Council.

1.0 Background

- 1.1 The capital programme approved by the Council in February 2010 has subsequently been updated and amended initially by items of slippage and other re-phrasings following the 2009/10 Capital Out-turn position.

- 1.2 A number of further amendments to the Programme have since been approved through the Council's monthly Healthcheck process.
- 1.3 In line with current annual budgetary processes a complete review of the current programme has been undertaken and a new draft programme is now proposed for the period 2010/11 (Revised) to 2013/14. Lead officers have submitted proposals for new schemes to be included within the Programme. Investment requirements linked to invest to save schemes have also been identified through the MTFP process.

2.0 Report

- 2.1 As a medium term Investment Plan, the Programme will continue to be developed in response to the Council's priorities set out in changing strategies and service plans.
- 2.2 The Draft Programme is attached at Essential Reference Paper 'B'. The Programme is presented this year with various detailed schemes having been combined which will facilitate the overall management of resources. CMT will continue to manage projects at an individual level. Following the approach initiated last year, the aggregate of proposed spend on individual schemes has again been adjusted by a provision for slippage to produce a programme total against which total spending will be performance managed. The adjusted figures have been assumed for estimating the financing implications within the MTFP.
- 2.3 The Executive will note that the revised budget for the current year of £6.87m reflects slippage of £0.20m compared to the "current approved" position of £7.07m (as adjusted) being reported through the Healthcheck report (November position).
- 2.4 Existing rolling programmes of work have been continued up to 2013/14. These programmes will continue to provide funding in areas such as affordable housing, private sector renovation grants, the provision of play equipment, community grants, information technology upgrades as well as various environmental initiatives. The programme for provision of the replacement of litter bins has been extended to 2013/14 and the ongoing budget for the provision of commercial waste bins reflects growth in this area of business. Increased revenue streams are anticipated.

2.5 New Schemes

The Draft Programme at Essential Reference Paper 'B', includes proposals for a number of new schemes. These total just over £1.6m (including a redirection of resources to fund a new telephone system) and are shown in bold typeface and summarised separately for ease of reference. Provisions are included for the enhancement and improvement of the Council's assets in line with the Council's Asset Management Plan.

The proposed new schemes have been scrutinised in detail by the Corporate Management Team to ensure that projects are considered to be in line with the Council's corporate priorities and that the phasing of the projects is appropriate having regard to available resources and project lead in times.

The Executive will be aware that last year the Council's Corporate Business Scrutiny Committee supported a proposal that officers should have regard to a Government guidance document on "optimism bias" when formulating proposals for new schemes. Officers have again been requested to specifically consider this guidance in relation to the timescales anticipated for the delivery of projects. It is anticipated that this will reduce the levels of slippage that have occurred against previous approved programmes.

2.6 Resources / Long Term Strategy

2.7 It is intended that a significant proportion of the proposed Programme will be funded from available Capital Receipts. Specific Government Grants (reflecting a reduced trend in line with the recent CSR) are anticipated in respect of Housing grant schemes as well as funding from a variety of third party "partner" contributions.

2.8 Available capital receipts arising predominantly from the 2002 LSVT of the Council's housing stock together with ongoing receipts generated from the disposal of surplus assets are estimated to total £11.3m over the duration of the Programme. The forecast for receipts arising from "Preserved RTB" applications is based upon 3 disposals per annum based upon current experience.

A net receipt of £2.35m will be received in October 2011 arising from the Bishop's Stortford Property transactions. This receipt was accrued in the 2009/10 accounts and is therefore reflected in the 1 April 2010 balance shown below.

A breakdown of the new receipts anticipated is shown at Essential Reference Paper 'C' (Confidential paper).

2.9 Resources

	£000's	£000's
Usable Receipts 1 April 2010	7,614	
Estimated new receipts to 31 March 2014	<u>3,700</u>	11,314
Other Resources - Govt Grants		589
- Third Party Contributions		717
- Revenue contribution		100
		<hr/>
Total Estimated Resources		12,720
Proposed Capital Programme (Adjusted)		<u>18,607</u>
Potential Prudential / Internal borrowing Requirement		5,887
		<hr/>

Application of the £217k LAA1 Performance Reward Grant (PRG) already received reflects investment proposals that the Council has agreed to support through the LSP. An anticipated additional £50k of grant has been included within the resource assumptions.

Members will note that the Programme will require the Council to undertake borrowing in the medium term (possibly from early in the financial year 2012/13). The Council has received advice that it may apply internal borrowing until such time as its currently negative Capital Financing Requirement is reduced to nil.

The revenue consequences of funding the proposed Programme in respect of the loss of interest (from currently unused capital receipts) which currently supports the Council Tax is (full year effects shown) £98k (2011/12), increasing by £89k to 187k (2012/13) and by £66k to £253k (2013/14). A loss of interest equivalent to around 1.8% (2011/12), 2.3% (2012/13) and 2.7% (2013/14) has been assumed. The effects will be similar if internal borrowing is undertaken.

The proposed New Homes Bonus is being treated as a revenue grant but is potentially available to support capital expenditure should this be a preferred use. No amount of the income or spending against it is made in the budget pending completion of the consultation.

2.10 Prudential Code

The Executive will be aware that a prudential framework for local authority capital investment was introduced through the Local Government Act 2003.

A number of statutory prudential indicators which relate to the Capital Programme are required to be approved annually by the Council. These are included as part of the overall Treasury Management Report which appears separately on the agenda.

It is considered that the proposed Programme is affordable and sustainable in terms of capital resource requirements and revenue impact. Financial implications are reflected within the Council's Medium Term Financial Plan (MTFP).

However, looking further ahead the Council will need to consider the sustainability of the programme – in the 4 year period covered by this programme spending at £18.6m will exceed resources generated of £5.1m i.e. by over £3m per year. In the absence of significant capital receipts expenditures will need to be cut back and the reduction in the programme in years 3 and 4 is a start on this.

3.0 Implications/Consultations

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

Background Papers

Report to Executive 13 July 2010

Reports to CMT on 30 November and 14 December 2010

Project Initiation Documents

Contact Member: Councillor M Tindale – Executive Member for
Resources and Internal Support

Contact Officer: Alan Madin – Director of Internal Services –
Contact Tel Ext No 1401

Report Author: Simon Chancellor – Head of Financial Support
Services

ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):</p>	<p>Promoting prosperity and well-being; providing access and opportunities <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p>Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p>Pride in East Herts <i>Improve standards of the neighbourhood and environmental management in our towns and villages.</i></p> <p>Caring about what's built and where <i>Care for and improve our natural and built environment.</i></p> <p>Shaping now, shaping the future <i>Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures.</i></p> <p>Leading the way, working together <i>Deliver responsible community leadership that engages with our partners and the public.</i></p>
<p>Consultation:</p>	<p>The draft Programme has been prepared in conjunction with Project control officers, Heads of Service and reviewed by the Corporate Management Team</p>
<p>Legal:</p>	<p>None</p>
<p>Financial:</p>	<p>As set out within the report</p>
<p>Human Resource:</p>	<p>Staff resources will need to be available in order to manage the delivery of the Programme</p>

Risk Management:	It is considered that there is some risk in capital resource terms although assumptions around asset disposals are considered to be prudent. Future year's assumptions around levels of Government grant are subject to future announcements. The Council will have the option of undertaking Prudential borrowing when required. From a service perspective there are risks around the delivery of certain schemes within the timescales anticipated as certain issues are not directly within the control of this Council.
------------------	--

CAPITAL PROGRAMME SUMMARY 2011/12

SUMMARY

2010/11 Original Estimate	2010/11 Estimate as @ Nov 10	2010/11 Revised Estimate	2011/12 Original Estimate	2012/13 Original Estimate	2013/14 Original Estimate
£	£	£	£	£	£

EXISTING SCHEMES

1. Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable	3,969,400	4,488,100	3,706,930	2,033,940	1,923,000	1,599,500
2. Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation	1,799,400	1,663,900	1,291,160	1,270,550	362,000	314,000
3. Improve standards of the neighbourhood and environmental management in our towns and villages	998,000	1,144,700	1,371,080	1,018,000	287,200	100,000
4. Care for and improve our natural and built environment	284,400	333,900	307,530	329,700	194,000	194,000
5. Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures	124,300	188,600	188,600	412,500	47,500	47,500

SUB-TOTAL

7,175,500	7,819,200	6,865,300	5,064,690	2,813,700	2,255,000
-----------	-----------	-----------	-----------	-----------	-----------

NEW SCHEMES

1. Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable	0	0	0	165,000	142,500	95,000
2. Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation	0	0	0	115,000	160,000	15,000
3. Improve standards of the neighbourhood and environmental management in our towns and villages	0	0	0	822,000	0	75,000
4. Care for and improve our natural and built environment	0	0	0	19,000	0	0
5. Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures	0	0	0	0	0	0

SUB-TOTAL

0	0	0	1,121,000	302,500	185,000
---	---	---	-----------	---------	---------

TOTAL

7,175,500	7,819,200	6,865,300	6,185,690	3,116,200	2,440,000
-----------	-----------	-----------	-----------	-----------	-----------

RE-PROFILING POTENTIAL SLIPPAGE (71264/7501)

(750,000)	(750,000)	0	(750,000)	750,000	
-----------	-----------	---	-----------	---------	--

GRAND TOTAL

6,425,500	7,069,200	6,865,300	5,435,690	3,866,200	2,440,000
-----------	-----------	-----------	-----------	-----------	-----------

CAPITAL PROGRAMME 2011/12

Exp. Code	Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable	Project Control Officer	2010/11 Original Estimate £	2010/11 Estimate as @ Nov 10 £	2010/11 Revised Estimate £	2011/12 Original Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £
72570	Hillcrest Hostel alterations	S. Whinnett	0	8,500	7,940	0	0	0
Asset Improvement Items-Swimming Pools :-								
Various	Leventhorpe	S. Whinnett	0	35,000	35,000	0	0	0 Note 1
Various	Hartham	S. Whinnett	7,000	17,800	17,800	0	52,000	0
Various	Grange Paddocks	S. Whinnett	25,000	25,000	26,130	40,000	12,000	0
Various	Fanshawe	S. Whinnett	20,000	20,000	20,000	30,000	20,000	0 Note 1
72332	Ward Freman	S. Whinnett	70,000	70,000	1,260	68,740	0	0 Note 1
	Capital Salaries	S. Chancellor	0	0	53,600	53,600	53,600	53,600
	Asset Improvement Items - Hertford Theatre	S. Whinnett	990,700	984,500	1,084,500	56,200	0	0
72571	Leisure Development Projects (Retention only)	W. O'Neill	105,000	62,000	62,000	0	0	0
72545	Presdales - Replace Pavilion	W. O'Neill	458,800	461,700	461,700	0	0	0
72578	Drill Hall	W. O'Neill	200,000	200,000	200,000	0	0	0 Note 2
Various	Private Sector Improvement Grants	S. Winterburn	885,000	927,000	847,000	820,000	820,000	820,000 Note 3&4
Various	Social Housing Schemes	S. Drinkwater	867,500	917,500	205,600	700,000	700,000	509,900
71201	Capital Salaries	S. Chancellor	25,400	25,400	25,400	25,400	25,400	26,000
Various	Capital Grants 2009/10 - 2013/14	J. Petrie	83,000	83,000	83,000	83,000	83,000	83,000
72530	Community Planning Grants	W. O'Neill	20,000	20,000	20,000	20,000	20,000	20,000
72582	LSP Capital Grants	W. O'Neill	0	217,000	217,000	0	0	0
72683	Village Hall Community Challenge	C. Pullen	11,000	21,900	21,900	11,000	11,000	11,000
72512	Partnership Investment Fund	C. Pullen	26,000	64,600	64,600	26,000	26,000	26,000
72504	Provision of Play Equipment	C. Cardoza	50,000	68,700	68,700	50,000	50,000	50,000
72573	Play Projects Ridgeway, Hertford & Grange Paddocks B/S	C. Cardoza	0	52,000	52,300	0	0	0 Note 5
72574	Play Project King George Recreation Ground	C. Cardoza	0	6,500	6,500	0	0	0 Note 6

CAPITAL PROGRAMME 2011/12

Exp. Code	Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable	Project Control Officer	2010/11 Original Estimate £	2010/11 Estimate as @ Nov 10 £	2010/11 Revised Estimate £	2011/12 Original Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £
	Art in Parks Project	C. Cardoza	0	0	0	0	5,000	0 Note 7
72580	Vantorts Sawbridgeworth-Play Area Development Programme	C. Cardoza	50,000	50,000	50,000	0	0	0 Note 8
72584	Sacombe Road, Hertford - Play Area Development Programme	C. Cardoza	0	0	0	10,000	0	0 Note 9
72585	The Bourne, Ware - Play Area Development Programme	C. Cardoza	0	0	0	40,000	0	0
	Pishiobury Park Wetland Habitat Project	C. Cardoza	0	0	0	0	20,000	0 Note 10
72581	Grange Paddocks Playbuilder Project	C. Cardoza	75,000	75,000	0	0	0	0 Note 11
	Hartham Common-Parks Development Plan Project	C. Cardoza	0	0	0	0	25,000	0 Note 12
72583	Improvements to Works at Southern Country Park	C. Cardoza	0	75,000	75,000	0	0	0 Note 13
TOTAL EXISTING SCHEMES			3,969,400	4,488,100	3,706,930	2,033,940	1,923,000	1,599,500

CAPITAL PROGRAMME 2011/12

Exp. Code	Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable	Project Control Officer	2010/11 Original Estimate £	2010/11 Estimate as @ Nov 10 £	2010/11 Revised Estimate £	2011/12 Original Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £
NEW SCHEMES								
	Hertford Theatre	S. Whinnett	0	0	0	155,000	50,000	0
	Swimming Pools	S. Whinnett					85,000	65,000
	Castle Gardens B/S - Resurface Footpaths	S. Whinnett	0	0	0	0	0	30,000
	Castle Gardens Bungalow - Replace Roof Covering	S. Whinnett	0	0	0	0	7,500	0
	Vantorts Open Space - Resurface Footpaths	S. Whinnett	0	0	0	10,000	0	0
	TOTAL NEW SCHEMES		0	0	0	165,000	142,500	95,000
	GRAND TOTAL		3,969,400	4,488,100	3,706,930	2,198,940	2,065,500	1,694,500

New schemes in bold

- Note 1. Expenditure on Joint Use Pools 40% funding sought from HCC/schools as appropriate.
- Note 2. Release of funding is contingent upon agreeing a full repairing lease with the occupier
- Note 3. Disabled Facilities - Government funding of £228,000 in 10/11 and assumed funding of £114,000 in 11/12, £80,000 in 12/13 & £57,000 in 13/14.
- Note 4. Decent Home Grants - Government funding assumed from the single regional housing pot of £49,000 in 10/11, £25,000 in 11/12 & £25,000 in 12/13.
- Note 5. Fully funded from HCC Playbuilder Grant.
- Note 6. Fully funded from Big Lottery Grant.
- Note 7. Provision to attract external funding.
- Note 8. £10,000 to be sought from external contributions - £40,000 from EHC, total £50,000.
- Note 9. Reflects the minimum sum needed to bring the site up to standard. Will be used to bid for external funding to raise standards at the site.
- Note 10. This project will require match funding to maximise the potential of this project and this sum reflects provision for this.
- Note 11. Scheme not to be progressed due to suspension of grant funding.
- Note 12. Development of this site will require significant external investment and this sum represents provision to support bids for external funding.
- Note 13. Externally funded - £46,000 BIFFA, £9,000 Env Agency, £10,000 Countryside Management Services. £10k EHC.

CAPITAL PROGRAMME 2011/12

Exp. Code	Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation	Project Control Officer	2010/11 Original Estimate £	2010/11 Estimate as @ Nov 10 £	2010/11 Revised Estimate £	2011/12 Original Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £
71318	Micro Systems ***	P. Bowler	40,000	49,000	33,000	0	0	0
71342	PC Upgrades ***	P. Bowler	35,000	82,600	82,600	0	0	0
71370	Development Control EDM	P. Bowler	0	4,500	4,500	0	0	0
71371	Upgrade of Back Office Systems ****	P. Bowler	20,000	35,800	19,800	0	0	0
71372	Telephone Expansion System ***	P. Bowler	2,000	3,000	3,000	0	0	0
71374	Network, Servers & Storage Upgrade	P. Bowler	30,000	35,600	35,600	30,000	30,000	30,000
71375	Councillors IT Provision ***	P. Bowler	10,000	10,000	3,600	0	0	0
71376	Home & Mobile Working	P. Bowler	0	61,000	61,000	0	0	0
71377	BACS	P. Bowler	0	3,500	3,500	0	0	0
71378	Business Continuity	P. Bowler	0	0	0	30,000	0	0
71379	Authentication	P. Bowler	0	31,000	0	31,000	0	0
71383	Content Management Solution	P. Bowler	0	10,000	10,000	0	0	0
71388	G.I.S.	P. Bowler	18,700	18,700	18,700	0	0	0
71389	Small Systems ****	P. Bowler	35,000	47,000	20,000	0	0	0
71391	Audio Visual Upgrade ***	P. Bowler	3,000	2,000	2,000	0	0	0
71395	EDM - Corporate	P. Bowler	50,000	62,700	10,000	52,700	0	0
71396	Enhancement of Telephony System	P. Bowler	0	3,400	3,400	0	0	0
71401	Human Resources/Payroll System *	E. Freeman	50,000	0	0	0	0	0
71402	Council Chamber Enhancements	P. Searle	0	3,000	3,000	0	0	0
71403	Committee Management System	J. Hughes	0	11,100	11,560	0	0	0
71404	Corporate Consultation System	P. Bowler	50,000	50,000	25,100	0	0	0
71405	Financial Management System	S. Chancellor	0	0		0	50,000	0
71407	ICT C3W Contingency	P. Searle	27,000	27,000	0	0	0	0
71408	Revenues & Benefits System	P. Bowler	165,000	113,000	122,000	43,000	0	0

CAPITAL PROGRAMME 2011/12

Exp. Code	Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation	Project Control Officer	2010/11 Original Estimate £	2010/11 Estimate as @ Nov 10 £	2010/11 Revised Estimate £	2011/12 Original Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £
71409	Locata	P. Bowler	37,700	37,700	0	37,700	0	0
71410	Firewalls & Intrusion Protection	P. Bowler	50,000	50,000	50,000	0	0	0
71411	Instant Messaging Archiving	P. Bowler	20,000	20,000	0	0	0	0
71412	Renewal of Cabling - Wallfields	D. Frewin	0	0	104,000	0	0	0
	Hardware Funding	D. Frewin	0	0	0	120,650	110,000	110,000
	Applications	P. Bowler	0	0	0	72,000	55,000	55,000
71362	Capital Salaries	S. Chancellor	107,000	107,000	107,000	107,000	107,000	109,000
Various	Asset Improvement Items - Council Offices	S. Whinnett	1,025,000	753,500	540,000	722,500	0	0
71203	Replacement of Chairs & Desks	R. Crow	6,000	5,000	5,000	10,000	10,000	10,000
71251	Automated Telling Machines (ATM's) at Hertford & B/S	N. Sloper	14,000	14,000	0	14,000	0	0
71252	Enhancements to B/S & Hertford receptions	N. Sloper	0	8,800	8,800	0	0	0
71263	Microfiche Printer/Scanner for Hertford Customer Service Centre	N. Sloper	4,000	4,000	4,000	0	0	0
TOTAL EXISTING SCHEMES			1,799,400	1,663,900	1,291,160	1,270,550	362,000	314,000
NEW SCHEMES								
	Merging IT systems - Licensing & Env Health	B. Simmonds	0	0	0	15,000	0	0
	New Telephone System **	P. Bowler	0	0	0	100,000	150,000	0
	Asset Improvement Items - Council Offices	S. Whinnett	0	0	0	0	10,000	15,000
TOTAL NEW SCHEMES			0	0	0	115,000	160,000	15,000
GRAND TOTAL			1,799,400	1,663,900	1,291,160	1,385,550	522,000	329,000

New schemes in bold

Increased hardware by £4,250 in 2011/12 for new Parking Mgt scheme to be met by external funding

* £50,000 funding transferred to Financial Management System

** New Telephone System funded from £250,000 originally in 2012/13 for Financial Management System

*** Original budgets combined to make new scheme 'Hardware Funding'

**** Original budgets combined to make new scheme 'Applications'

CAPITAL PROGRAMME 2011/12

Exp. Code	Improve standards of the neighbourhood and environmental management in our towns and villages	Project Control Officer	2010/11 Original Estimate £	2010/11 Estimate as @ Nov 10 £	2010/11 Revised Estimate £	2011/12 Original Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £
74105	Town Centre Environmental Enhancements	P. Pullin	100,000	157,200	107,200	100,000	100,000	100,000
74106	Heart of B/S - Market Improvement Scheme	W. O'Neill	0	0	100,000	0	0	0 Note 1
74107	Heart of B/S - Riverside Improvement Scheme	W. O'Neill	0	0	156,300	0	0	0 Note 2
Asset Improvement Items - Car Parks:-								
Various	Bircherley Green MSCP	S. Whinnett	780,000	0	0	625,000	0	0
75223	Bircherley Green/Gascoyne Way Concrete Repairs Work	S. Whinnett	0	2,900	2,900	0	0	0
Various	Gascoyne Way MSCP	S. Whinnett	25,000	820,900	820,900	0	0	0
Various	Other Car Parks	S. Whinnett	90,000	147,300	167,300	290,000	100,000	0
75251	Car Park Tariff Increase 2008	N. Sloper	0	1,400	1,330	0	0	0
75254	Replacement Machines Causeway Car Park	N. Sloper	0	0	150	0	0	0
	Grange Paddocks Project - 8 new P & D machines	N. Sloper	0	0	0	0	36,000	0
	Grange Paddocks Project - purchase of tariff boards/signs	N. Sloper	0	0	0	0	3,000	0
	Parking Contingency Sum	N. Sloper	0	0	0	0	48,200	0
75257	Changes to signs re charging Saturday's & Bank Holidays	N. Sloper	3,000	0	0	3,000	0	0
72572	What's On' signage in Bishop's Stortford	N. Sloper	0	15,000	15,000	0	0	0
TOTAL EXISTING SCHEMES			998,000	1,144,700	1,371,080	1,018,000	287,200	100,000

NEW SCHEMES

Car Parks	S. Whinnett	0	0	0	37,500	0	75,000
Hartham Leisure Car Park **	N. Sloper	0	0	0	11,000	0	0
Purchase & Resurfacing of Apton Road Car Park	N. Sloper	0	0	0	650,000	0	0 Note 3
Purchase of Baldock Street Car Park	N. Sloper	0	0	0	120,000	0	0 Note 3
New Stall Covers for Hertford & Ware Markets	T. Andrews	0	0	0	3,500	0	0
TOTAL NEW SCHEMES		0	0	0	822,000	0	75,000
GRAND TOTAL		998,000	1,144,700	1,371,080	1,840,000	287,200	175,000

New schemes in bold

Note 1. Fully funded from Town Centre Enhancement budget (£25k) & PRG £75k).

Note 2. Fully funded from Town Centre Enhancement budget (£25k), S106 (£51,300), British Waterways (£20k) & PRG £60k).

**** SLM have agreed to fund all capital & revenue elements of this project**

Note 3. Reflects recommendations following report to Executive on 11 January 2011. Apton Rd includes additional £100k for potential resurfacing work subject to approval

CAPITAL PROGRAMME 2011/12

Exp. Code	Care for and improve our natural and built environment	Project Control Officer	2010/11 Original Estimate £	2010/11 Estimate as @ Nov 10 £	2010/11 Revised Estimate £	2011/12 Original Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £
74102	Historic Building Grants	K. Steptoe	35,000	51,200	30,000	56,200	35,000	35,000
72604	Energy Grants	S. Winterburn	20,000	20,000	0	20,000	20,000	20,000
	Refuse Collection & Recycling		229,400	222,700	237,530	208,500	139,000	139,000
75161	Energy Efficiency Initiatives	C. Cardoza	0	40,000	40,000	0	0	0
75168	Energy Efficiency & Carbon Reduction Measures	C. Cardoza	0	0	0	45,000	0	0 Note1
TOTAL EXISTING SCHEMES			284,400	333,900	307,530	329,700	194,000	194,000
NEW SCHEMES								
	Procurement of a Land Rover	C. Cardoza	0	0	0	19,000	0	0
TOTAL NEW SCHEMES			0	0	0	19,000	0	0
GRAND TOTAL			284,400	333,900	307,530	348,700	194,000	194,000

New schemes in bold

Note 1. Relates to provision for energy efficiency measures following C3W. This is subject to bids for grant funding.

CAPITAL PROGRAMME 2011/12

Exp. Code	Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures	Project Control Officer	2010/11 Original Estimate £	2010/11 Estimate as @ Nov 10 £	2010/11 Revised Estimate £	2011/12 Original Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £
71262	Elizabeth Road Shops - Renew Water Main	S. Whinnett	15,000	15,000	15,000	0	0	0
75157	New Footbridge over the River Stort	M. Shrosbree	61,800	107,100	107,100	0	0	0
72568	Asset Improvement Items - Infrastructure (North Drive - reconstruct road & drainage)	M. Shrosbree	0	17,500	17,500	0	0	0
75160	River & Watercourse Structures	G. Field	47,500	49,000	49,000	47,500	47,500	47,500
75166	Replace Footbridge Library Car Park, Ware	G. Field	0	0	0	150,000	0	0
75259	Grange Paddocks New Pedestrian Bridge	S. Whinnett	0	0	0	50,000	0	0
	Castle Weir Micro Hydro Scheme	C. Cardoza	0	0	0	165,000	0	0
TOTAL			124,300	188,600	188,600	412,500	47,500	47,500

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

EAST HERTS COUNCIL

JOINT SCRUTINY COMMITTEE - 18 JANUARY 2011

EXECUTIVE - 8 FEBRUARY 2011

REPORT BY EXECUTIVE MEMBER FOR RESOURCES AND INTERNAL SUPPORT

TREASURY MANAGEMENT STRATEGY STATEMENT 2011/12 AND MINIMUM REVENUE PROVISION POLICY STATEMENT

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- The report sets out the 2011/12 Treasury Strategy Statement and Annual Investment Strategy together with the setting of Prudential Indicators.

RECOMMENDATION FOR DECISION BY JOINT SCRUTINY COMMITTEE

(A)	that the Committee considers the 2011/12 Treasury Management Strategy Statement and Annual Investment Strategy and Prudential Indicators and makes comments to the Executive.
------------	--

RECOMMENDATIONS FOR EXECUTIVE:

(A)	that Council be recommended to approve the 2011/12 Treasury Management Strategy Statement and Annual Investment Strategy and Prudential Indicators for East Herts Council; and
(B)	that Council be recommended to approve the Policy on Minimum Revenue Provision (MRP)(paragraph 2.12 refers).

1.0 Background

- 1.1 The Local Government Act 2003 requires the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are

affordable, prudent and sustainable.

1.2 The Act therefore requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (included as paragraph 2.10); this sets out the Council's policies for managing its investments and for giving relative priority to the security and liquidity of those investments as against investment returns.

1.3 At its meeting on 8 December 2010 the Council approved the use of structured deposits which involve maturities beyond those recommended by the Council's treasury advisors. This decision is reflected in this report.

2.0 Report

2.1 The suggested strategy for 2011/12 in respect of the following aspects of the treasury management function is based upon the treasury officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury advisor. The strategy covers:

- treasury limits in force which will limit the treasury risk and activities of the Council;
- Prudential Indicators;
- the current treasury position;
- the borrowing requirement;
- prospects for interest rates;
- the borrowing strategy;
- debt rescheduling;
- the investment strategy; (including fund manager review)
- Minimum Revenue Provision (strategy)
- Responsibility of Treasury activities defined within the organisation

It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, for the Council to produce a balanced budget i.e. a budget without borrowing for revenue purposes. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:-

1. increases in interest charges caused by increased borrowing (or reduced interest earnings where capital receipts are used) to finance additional capital expenditure; and
2. any increases in running costs from new capital projects are limited to a level which is affordable within the projected income of the Council for the foreseeable future.

2.2 Treasury Limits for 2011/12 to 2013/14

- 2.2.1 It is a statutory duty under S.3 of the Local Government Act 2003 and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the “Affordable Borrowing Limit”. In England and Wales the authorised limit represents the legislative limit specified in the Act.
- 2.2.2 The Council must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax levels is ‘acceptable’.
- 2.2.3 Whilst termed an “Affordable Borrowing Limit”, the capital plans to be considered for inclusion incorporate financing by both external borrowing and other forms of liability, such as credit arrangements. The Authorised Limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years.

2.3 Prudential Indicators for 2010/11 - 2012/13

- 2.3.1 The following prudential indicators (in table below) are relevant for the purposes of setting an integrated treasury management strategy.
- 2.3.2 Members are asked to note that the fall in the ratio of financing costs to net revenue spend, reflects the usage of capital receipts and the lower rate of return on investments. This increases in the latter years with rises in interest rates.
- 2.3.3 The Council is also required to indicate if it has adopted the CIPFA Code of Practice on Treasury Management. This was adopted on March 2002 by the full Council.

PRUDENTIAL INDICATOR	2009/10	2010/11	2011/12	2012/13	2013/14
(1) EXTRACT FROM BUDGET	£'000	£'000	£'000	£'000	£'000
	Actual	Probable outturn	Estimate	Estimate	Estimate
Capital Expenditure	7,173	6,865	5,436	3,866	2,440
Ratio of financing costs to net revenue stream	(10.49%)	(0.55%)	(3.31%)	(5.04%)	(6.30%)
Net borrowing requirement brought forward 1 April	(69,336)	(63,023)	(55,023)	(53,423)	(50,223)
carried forward 31 March	(63,023)	(55,023)	(53,423)	(50,223)	(49,873)
in year borrowing requirement – reduction in amounts invested	5,313	7,000	1,600	3,200	1,350

Capital Financing Requirement as at 31 March	(48,109)	(48,000)	(48,000)	(44,000)	(42,500)
Incremental impact of capital investment decisions					
Increase in council tax (band D) per annum	£3.06	£1.65	£2.03	£1.86	£1.46
(2) TREASURY MANAGEMENT	£'000	£'000	£'000	£'000	£'000
Authorised limit for external debt -					
borrowing	17,000	17,000	17,000	17,000	17,000
other long term liabilities	7,500	5,100	300**	300**	300**
TOTAL	24,500	22,100	17,300	17,300	17,300
Operational boundary for external debt -					
borrowing	10,000	10,000	10,000	10,500	10,500
other long term liabilities	7,500	5,100	300	300	3,300
see above					
TOTAL	17,500	15,100	10,300	10,800	10,800
Upper limit for fixed interest rate exposure					
expressed as either :-					
Net principal re fixed rate borrowing	100%	100%	100%	100%	100%
Investments	98%	98%	98%	98%	98%
Upper limit for variable rate exposure					
Net principal re variable rate borrowing	50%	50%	50%	50%	50%
Investments	95%	95%	95%	95%	95%
Upper limit for total principal sums invested for over 364 days					
(per maturity date)	68,000	68,000	62,000	60,000	58,000

** Under IFRS the Council may be required to recognise on its balance sheet lease commitments embedded in the new refuse contract dependent on the financing by the contractor of new vehicles. The figures reported here exclude such recognition and if this is required the adjustment will be included in a health check report.

Maturity structure of new fixed rate borrowing during 2010/11	upper limit	lower limit
under 12 months	0%	0%
12 months and within 24 months	0%	0%
24 months and within 5 years	0%	0%
5 years and within 10 years	0%	0%
10 years and above	0%	0%

2.4 Current Portfolio Position

2.4.1 The Council's treasury portfolio position at 31.10.10 comprised:

	Principal		Ave Rate	
		£m	£m	%
Fixed rate funding	PWLB	1.5		8.875
	Market	<u>6.0</u>		8.785
			7.5	8.803
Variable rate funding	PWLB	Nil		
	Market	<u>Nil</u>		
Other long term liabilities			<u>5.1</u>	
TOTAL DEBT			<u>12.6</u>	<u>8.803</u>
TOTAL INVESTMENTS			73.5	1.1%

2.5 Borrowing Requirement

2.5.1 Nil in 2011/12 as no borrowing is needed to support capital expenditure (use of investments). A borrowing requirement will arise in 2012/13 based on expected capital expenditure net of other sources of funding (capital receipts, grants, revenue contributions) in the period to that year end.

2.6 Prospects for Interest Rates

2.6.1 The Council has appointed Sector Treasury Services as treasury adviser to the Council and part of their service is to assist the Council to formulate a view on interest rates. The following table gives the Sector central view.

2.6.2 **Sector View** Interest rate forecast – November 2010.

	Q/E4 2010	Q/E1 2011	Q/E2 2011	Q/E3 2011	Q/E4 2011	Q/E1 2012	Q/E2 2012	Q/E3 2012	Q/E4 2012	Q/E1 2013
Bank Rate	0.5%	0.5%	0.5%	0.75%	1.0%	1.25%	1.25%	1.5%	2.0%	2.5%
5 yr PWLB Yield	2.2%	2.2%	2.4%	2.6%	2.8%	3%	3%	3%	3%	4.1%
10 yr PWLB Rate	3.3%	3.3%	3.4%	3.7%	3.9%	4%	4%	4%	4%	4.6%
25 yr PWLB Rate	4.2%	4.3%	4.3%	4.4%	4.5%	4.7%	4.7%	4.7%	4.7%	5%

Sector's current interest rate view is that in respect of the Bank Rate:-

- rates are not expected to rise until the fourth quarter 2011.
- to be followed by further rises during the subsequent years.
- there is a downside risk to these forecasts if the recession proves to be weaker and slower than currently expected.

Some commentators are pointing to the consistent high level of inflation which could force a faster rise in rates than anticipated if other factors do not curtail inflation. The view expressed here makes no assumption that such risk will materially impact on rates over this period. Similarly, the risk of spill over from the euro zone to sterling of pressure on the borrowing costs of those countries with high levels of borrowing to GDP is discounted in these assumptions.

2.7 Economic (Forward View)

2.7.1 It is currently difficult to have confidence as to exactly how strong the UK economic recovery is likely to be, and there are a range of views in the market.

Sector has adopted a moderate view. There are huge uncertainties in all forecasts due to the major difficulties of forecasting the following areas.

- the spread of economic recovery in the US and EU;
- the degree to which government austerity programmes will damper economic growth;
- the speed of rebalancing of the UK economy towards

- exporting and substituting imports;
- changes in the consumer savings ratio;
- the potential for more quantitative easing and the time of this in both UK and US;
- the speed of recovery of banks profitability and correction of balance sheet imbalances;
- the potential for a major EU sovereign debt crisis which could have significant impact in financial markets and the global and UK economy.

The overall balance of risks is weighted towards the downside and there is some risk of a double dip recession and deleveraging, creating a downward spiral of falling demand, falling jobs and falling prices, although this currently viewed as being a small risk.

Sector believes that the longer run trend is for gilt yields and PWLB rates to rise due to the high volume of gilt issuance in the UK.

2.8 Borrowing Strategy

2.8.1 It is anticipated that there will be no capital borrowings required during 2011/12. However under the prudential code external borrowings are permissible but with a negative Capital Finance Requirement, this would be difficult to justify. The running down of investments also has the benefits of reducing exposure to interest rate and credit risk. This will be continually monitored in conjunction with the treasury advisers.

2.8.2 External v. Internal Borrowing

Comparison of gross and net debt positions at year end	2009/10	2010/11	2011/12	2012/13	2013/14
	£'000	£'000	£'000	£'000	£'000
	Actual	Probable outturn	Estimate	Estimate	Estimate
Actual external debt (gross)	12,600	12,600	7,700	7,700	7,700
Cash balances	(73,278)	(64,000)	(62,400)	(59,200)	(57,500)
Net debt	(63,240)	(51,400)	(54,700)	(51,500)	(49,800)

The Council currently has a difference between gross debt and net debt (after deducting cash balances). The positive net debt will decrease as the Capital programme is financed from internal borrowing, or if a change of

Policy of external borrowing was introduced. Not borrowing mitigates the potential impact of the credit risk on investments.

2.9 Debt Rescheduling

2.9.1 Due to high rates of interest payable on the outstanding £1.5 million PWLB loans and the expected low level of the corresponding discount rates for maturities, any potential restructuring or premature repayment of the loans would be very expensive as their repayment would attract heavy premiums (in excess of £1M).

2.9.2 If the market conditions do change, any opportunities will be investigated, to pursue any potential advantages to the Council.

2.10 Annual Investment Strategy

2.10.1 **Investment Policy**

2.10.1.1 The Council will have regard to the CLG's Guidance on Local Government Investments ("the Guidance") issued in March 2004 and CIPFA's Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities are:-

- (a) the security of capital and
- (b) the liquidity of its investments.

The Council will also aim to achieve the optimum return on its investments commensurate with levels of security and liquidity acceptable to the Council as set out in the Strategy.

2.10.1.2 The borrowing of monies purely to invest or on-lend and make a return is unlawful and this Council will not engage in such activity.

2.10.1.3 Investment instruments identified for use in the financial year are shown below under the 'Specified' and 'Non-Specified' Investments categories. Counterparty limits will be set through the Council's Treasury Management Practices. These will be amended in accordance with the report approved at Council on the 8 December 2010.(Maximum counterparty limit of £10m)

Specified Investments

An investment is a specified investment if it satisfies the conditions set out below:-

- (a) The investment is denominated in sterling and any payments or repayments in respect of the investment are payable only in sterling.
- (b) The investment is not a long-term investment (maximum of 1 year).
- (c) The investment does not involve the acquisition of share capital or loan capital in any body corporate.
- (d) Either of the following conditions is met:
 - (i) The investment is made with the UK Government or a local authority (as defined in section 23 of the 2003 Act) or a parish council or community council.
 - (ii) The investment is made with a body or in an investment scheme which has been awarded a high credit rating (as specified in the tables below *) by a credit rating agency.
- (e) These offer high security and high liquidity.

	*Minimum 'High' Credit Criteria	Use
Debt Management Agency Deposit Facility	-	In-house
Term deposits - UK government	-	In-house
Term deposits - other LA's	-	In-house
Term deposits - banks and building societies**	*Short-term F1 Long-term A, Individual_, Support 1,2,3	In-house and fund managers
Certificates of deposits issued by banks and building societies covered by UK Government guarantee	*Short-term F1 Long-term A, Individual_, Support 1	Fund managers
Certificates of deposits issued by banks and building societies NOT covered by UK Government guarantee	*Short-term F1, Long-term A, Individual _, Support 1,2,	Fund managers

	*Minimum 'High' Credit Criteria	Use
1. Callable deposits	*Short-term F1, Long-term A, Individual __, Support 1,2,3	Fund managers
2. Range trade	*Short-term F1, Long-term AA, Individual __, Support 1,2,3	Fund managers
3. Snowballs	*Short-term F1, Long-term AA, Individual __, Support 1,2,3_	Fund managers
UK Government Gilts	AAA	Fund managers
Bonds issued by multilateral development banks	AAA	Fund managers
Collective Investment Schemes structured as Open Ended Investment Companies (OEICs):		
1. Money Market Funds	*Short-term F1, Long-term A, Individual __, Support 1,2,3	Fund managers
2. Enhanced cash funds	*Short-term F1, Long-term A, Individual __, Support 1,2,3	Fund managers
3. Short term funds	*Short-term F1, Long-term A, Individual __, Support 1,2,3	Fund managers
4. Bond Funds	*AAA	Fund managers
5. Gilt Funds	*AAA	Fund managers
Bonds issued by a financial institution which is guaranteed by the UK government	*AAA	In-house on a 'buy-and-hold basis. Also for use by fund managers
Sovereign bond issues (ie other than the UK govt)	*AAA	Fund managers
Treasury Bills		Fund Managers

****** If forward deposits are to be made, the forward period plus the detail period should not exceed one year in aggregate.

Non-Specified Investments:

Do not meet the definition for specified investments i.e. maturities more than 1 year and subsequently the risk is considerably greater. The maximum to be held in each category of non-specified investments is as follows:-

	* Minimum Credit Criteria	Use	**Max% of total investments	Max maturity period
--	----------------------------------	------------	------------------------------------	----------------------------

	* Minimum Credit Criteria	Use	**Max% of total investments	Max maturity period
Term deposits - other LAs (with maturities in excess of 1 year)		In-house	60%	5 years
Term deposits - banks and building societies (with maturities in excess of 1 year) with also variable interest rates and maturity dates, Please see additional note below (2)	*Short-term F1, Long-term A, Individual __, Support 1,2	In-house	80%	5 years
Term deposits with unrated counterparties : any maturity	Used to be unrated building societies and wholly owned subsidiaries)	Not permitted		5 years
Commercial paper issuance by UK banks covered by UK Government guarantee	*Short-term F1, Long-term AA, Individual __, Support 1,2,3	Fund managers		5 years
Fixed term deposits with variable rate and variable maturities				
1. Callable deposits	*Short-term F1, Long-term AA, Individual __, Support 1,2,3	Fund managers	80%	5 years
2. Range trade	*Short-term F1, Long-term AA, Individual __, Support 1,2,3	Fund managers	10%	5 years
3. Snowballs	*Short-term F1, Long-term AA, Individual __, Support 1,2,3	Fund managers	10%	2 years
Certificates of deposits issued by banks and building societies with maturities in excess of 1 year	*Short-term F1, Long-term AA, Individual __, Support 1,2,3	Fund Managers	50%	5 years
UK Government Gilts with maturities in excess of 1 year	AAA	Fund Managers	100%	10 years
Bonds issued by multilateral development banks with maturities in excess of 1 year	AAA	Fund managers	40%	10 years
Bonds issued by a financial institution which is guaranteed by the UK government with maturities in excess of 1 year	AAA	Fund managers	40%	10 years
Sovereign bond issues (ie other than the UK govt) with maturities in excess of 1 year	AAA	Fund managers	50%	10 years

	* Minimum Credit Criteria	Use	**Max% of total investments	Max maturity period
Corporate Bonds : the use of these investments would constitute capital expenditure (bonds other than government bonds)	*AAA	Not permitted	10%	5 years
Floating Rate Notes : the use of these investments would constitute capital expenditure unless they are issued by a multi lateral development bank (ie bonds with interest rate that varies in line with the market rate of interest, reset say every 3 months)	*AAA	Fund Managers but not permitted where the investment would constitute capital investment.	10%	5 years
Property fund: the use of these investments would constitute capital expenditure		Not permitted	10%	10 years

(2) Members please note this criteria has been amended to reflect the strategy approved at Council on 8 December 2010

** Note: When setting these limits it includes both in-house and externally managed funds.

The Council's external fund managers will comply with the Annual Investment Strategy.

The agreements between the Council and the fund managers additionally stipulate guidelines and duration and other limits in order to contain and control risk. In brief terms these are the maximum investment that are permissible with any one counterparty limited by value or percentage, with the exception of the UK Government.

For any in-house monies this Council uses the creditworthiness service provided by Sector Treasury Services. This service has been enhanced over the last year and now uses a sophisticated modelling approach with credit ratings from all three ratings – Fitch, Moody's and Standard and Poors forming the core element. However, it does not rely solely on the current ratings of counterparties but also uses the following as overlap:-

- Credit watches and credit outlooks from credit rating agencies
- CD's spread to give early warning of likely changes to credit ratings
- Sovereign ratings to select counterparties from only the most credit worthy countries.

This modelling approach combines credit ratings, credit watches, credit Outlooks and CD spreads in a weighted scoring for which the end product is a series of colour code bands which indicate the relative creditworthiness of counterparties.

Sole reliance will not be placed on the use of this external service. In addition this Council will use market data and information on Government support for banks.

2.10.2 In-House Funds

In-house funds are mainly cash flow derived and therefore investments will be made with reference to short term interest rates (ie rates for investments up to 12 months). Current policy is to place funds only with the external cash fund manager SWIP but other investments may be placed in accordance with the tables set out above. Further to a report approved at Council on 8 December which explained the options to improve overall returns whilst the outlook for rates remain low, £30m will be removed from the fund managers and invested in fixed term structured deposits in tranches of up to £10m.

2.10.3 Interest Rate Outlook: Sector is forecasting that Bank Rate will stay flat until November 2011 with the first rise to 0.75%. This will continue until the rate rises to 2.5% in March 2013. It would therefore be prudent to look at the period of investments and their interest rates against this background information. For 2011/12 the Council has assumed investment return of 2.3% on the investments made in house. For the medium term planning process rates of 2.47% (2012-13) 2.7% (2013-14) and 3.3% (2014-15) have been assumed.

For its cash flow generated balances, the Council will seek to utilise its business reserve accounts in order to benefit from the compounding of interest and investing short-term in money market funds through our Fund Manager.

2.11 Fund Managers Review and Forecasts

East Herts Council employ two fund managers Investec and Scottish Widows (SWIP).

2.11.1 Investec Asset Management

As explained at a meeting with Councillors this fund is restricted in its

options to increase its returns in the current market.

2.11.2 Therefore until rates eventually rise the fund is unlikely to produce greater returns than are currently being made. The fund currently is mainly in CDs with the occasional tactical buying of gilts.

2.11.3 This performance is set out below:

	Merrill Lynch 03 yr gilt* benchmark	East Hertfordshire Investec fund net of fees	Variance
Quarter ended 30/06/2010	1.18%	0.06%	(1.12%)
Quarter ended 30/09/2010	0.59%	0.34%	(0.25%)
Half Year 2010-11	1.77%	0.40%	(1.37%)

For the year 2010/11 it is estimated that a return of 1.0%-1.1% will be made. For 2011/12 a range of returns between 1.1% and 1.25% is estimated.

2.11.4 Scottish Widows Investment Partnership

SWIP produced a good performance in the second quarter but sought to protect its position in the event of volatility by not trading in gilts. However going forward it is hoped it will regain its touch in the gilt market and achieve better returns but this is an uncertain prospect.

	7-day LIBID* benchmark	East Hertfordshire SWIP fund net of fees	Variance
Quarter ended 30/06/2010	0.11%	0.36%	0.25%
Quarter ended 30/09/2010	0.10%	0.19%	0.09%
Half Year 2010-11	0.21%	0.55%	0.34%

For 2010/11 an outturn of 1.1%-1.25% is forecast. For 2011/12 1.2%-1.3% return is estimated.

2.11.5 At 31 October 2010 SWIP's holding on behalf of the Council was £35,017,000 whilst Investec managed £34,522,000. As can be seen with a 0.25% variance on Fund Manager's prediction a variance of around £174,000 either way is effected on the Council's Revenue

Budget.

2.11.6 End of year Investment Report

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

2.11.7 Summary of Strategy

2.11.8 No new borrowings to finance capital expenditure until capital receipts and other funding has been fully applied. This will be continually monitored in conjunction with the Treasury Advisers.

2.11.9 Any debt rescheduling opportunities will be investigated.

2.11.10 Fund Managers to trade gilts and Certificate of Deposit, Treasury Bills, Money Market Funds with objective of maximising yields.

2.11.11 Having regard to potential interest rate movements as set out in 2.10.3 above and the change in policy investments will be made (depending on cash flow). Also removing monies from the fund manager and placing it in structured deposits. The added return in structured deposits is achieved by giving up liquidity - the money is locked away for four years giving more certainty of return with a guaranteed floor of about 2.5%. These deposits will be in tranches of up to £10m and a maximum total investment of £30m placed in these products.

2.11.12 A 1.81% return has been assumed in 2011/12 for budgetary setting. However this is subject to final review prior to the Council setting its budget.

2.12 Minimum Revenue Provision (MRP)

The Council needs to agree options for the MRP (the provision to repay debt) annually. Capital receipts from stock transfer, mean that no new borrowings are anticipated in the medium term. The method which is most appropriate will be considered when any new borrowings are entered into.

2.12.1 For capital expenditure incurred on or after 1 April 2009, which is financed by borrowing or credit arrangements, one of the following options may be used:-

Option 1 – Asset Life Method

Here equal annual instalments of MRP will be made over the estimated life of asset financed by borrowing. Under this method, the concept of an “MRP Holiday” makes it debut. This provides the ability for an authority to defer MRP on a newly constructed building or infrastructure asset until the asset comes into service.

Option 2 – Depreciation Method

Using this approach will require an authority to charge MRP in accordance with the standard rules for depreciation accounting. As with Option 1 the “MRP Holiday” will be available for assets yet to be brought into service.

It is proposed that, if required, option 1 be used.

- 2.12.2 Under new regulations the method by which the Council provides for the repayment of it's borrowings for capital expenditure incurred before 1 April 2008, either of the two methods below can be used:-

Method 1 - Regulatory

Where debt is supported by RSG, authorities will be able to continue using the formulae used in the current regime, since the supported borrowing element of the RSG is also calculated in this way.

Method 2 – Capital Financing Requirement

This method will be based upon 4% of an authority's non-housing CFR at the end of the preceding financial year. Where the CFR is negative or nil, no MRP will be required as is the case at present.

This in the past has resulted in a nil requirement and the indications are that this will remain the same. This option is recommended.

3.0 Policy on the use of external service providers

The Council uses Sector Treasury Services as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure reliance is not placed upon external service providers. It also recognises that there is value in employing external providers of treasury management services in

order to acquire access to specialist skills and resources.

3.1 Role of the Section 151 Officer

The Section 151 officer is responsible for all monies in the hands of the Council. This includes the Treasury Management function.

All borrowings, lending and finance will be in accordance with the CIPFA Code of Practice on Treasury Management.

This is incorporated within the Financial Regulation on Treasury Management.

3.2 Treasury Management scheme of delegation

- (i) The Council's Scrutiny Committee reviews reports, and comments are passed on to the Executive.
- (ii) Executive considers any comments from Scrutiny and recommends approval to full Council.
- (iii) Monthly health check monitoring reports are through CMT, then to Executive and then to full Council.
- (iv) Quarterly reports through Scrutiny to Executive.
- (v) Delegation for officers is detailed within the constitution.

4.0 Implications/Consultations

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

A further report completing the revised Treasury Management Code Of Practice 2009 will be presented during the year.

Background Papers

None

Contact Member: Councillor M Tindale, Executive Member for Resources and Internal Support.

Contact Officer: Alan Madin, Director of Internal Services, Ext 1401
Simon Chancellor, Head of Financial Support Services
Ext 2050

Report Author: Paul Mitchell, Principal Accountant

ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/Objectives:	Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i>
Consultation:	The Strategy Statement has been drawn up with reference to information from our Treasury Advisers.
Legal:	There are no legal implications in the report.
Financial:	As set within the report.
Human Resource:	There are no Human Resources implications in the report.
Risk Management:	A prudent (average) assumption of 1.81% has been used on the sensitive interest receivable rate based on the information and advice available. A variation of 0.25% (either way) would result in a budget variance of some £162,000. If cash flows vary by £1m then the result is a movement of £25,000 per annum.

This page is intentionally left blank

EAST HERTS COUNCIL

JOINT SCRUTINY COMMITTEE – 18 JANUARY 2011

THE EXECUTIVE – 8 FEBRUARY 2011

REPORT BY THE EXECUTIVE MEMBER FOR RESOURCES AND
INTERNAL SUPPORT

FEES AND CHARGES 2011 / 12

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- This report sets out the additional income to the Council that would be generated by proposed increases to discretionary fees and charges in 2011/12.

<u>RECOMMENDATION FOR DECISION BY JOINT SCRUTINY COMMITTEE : that</u>	
(A)	the proposals for increases in fees and charges as set out in Essential Reference Paper ‘ B ‘ be scrutinised;
(B)	a concessionary rate of planning pre-application fees for Charities and Parish and Town Council be considered; and
(C)	comments be submitted to the Executive.
<u>RECOMMENDATION FOR DECISION BY EXECUTIVE</u>	
(A)	comments from Scrutiny be considered;
(B)	a concessionary rate for planning pre-application fees for Charities and Parish and Town Councils be approved / not approved; and
(C)	the increases in fees and charges as set out in Essential Reference Paper ‘ B ‘ be approved.

1.0 Background

1.1 Members will recall that the Council has adopted a fees and charges strategy and a set of key principles on which fees and charges should be set.

1.2 These principles include:

- Any subsidy from council tax payers should be by deliberate choice
- Discretionary fees should generate income to help deliver improvements in priority services
- Discretionary fees and charges should support the MTFP
- A measure of consistency in setting charges for similar services
- Levels should be set to avoid unnecessary subsidies from the council taxpayer to commercial operations
- If the impact is likely to be high then consideration be given to the phasing in of changes

1.3 Officers were requested to bring forward proposals for 2011/12 having regard to the principles of the strategy. A proportionate approach having regard to the level of income generated within each service area has also been advocated.

2.0 Report

2.1 Officers have prepared proposals for increasing fees and charges for 2011/12, the details of which are set out in Essential Reference Paper 'B'. Following the Government's announcement that VAT will increase to 20% from 4 January 2011, charges are shown both excluding VAT and including VAT at 20%. Comments relating to individual service areas are set out below.

2.2 It is proposed to increase commercial waste collection charges to fully recover the increase in costs arising from HCC disposal costs and landfill tax and the higher collection costs associated with these tasks from the new Refuse, Recycling and Street Cleansing Contract.

2.3. For Environmental Health Licences a small increase in line with inflation is proposed but with no increase in Environmental Health Promotions.

- 2.4 It is not proposed to increase rents for Hostels and Bed and Breakfast charges in 2011/12 as there is unlikely to be a Council Tax increase and there are uncertainties around housing benefit.
- 2.5 There are no increases in fees and charges for Hertford Theatre. The business plan was approved by Executive in May 2010 and included a range of new charges for when the venue re-opened and which were to be carried through to 2011/12.
- 2.6 Recent changes in legislation have required the Authority to consider changes in the way it provides the local land charges service. Personal searches can be undertaken without charge and the proposals include a reduction in some fees with the aim of limiting the incentive to avoid the fee by making a personal search. The fee structure identified meets the cost of providing the service based on an anticipated turnover of 2,500 search enquiries. The revised charging structure is comparable with fee structures in neighbouring authorities. The proposal, in line with statutory requirements will deliver estimated income of £217,000. If accepted this would have an impact of limiting the loss of income to £43,000. Fees could be left unchanged if the risk of a greater loss of income from more use of personal searches is accepted. There is a risk of challenge given the lack of alignment with fees charged elsewhere.
- 2.7 It is proposed to increase legal fees above inflation which will generate an additional £ 5,500.
- 2.8 With regards to Markets and Farmers' Markets, it is proposed that only a modest increase in line with inflation is applied for next year.
- 2.9 The Hackney Carriage service is currently subsidised by the Council and it is proposed to increase fees above inflation to reduce this subsidy. It is anticipated that the proposed increases for 2011/12 will generate an additional £13,000 which is included as a saving elsewhere in the budget papers.
- 2.10 The majority of Development Control fees are set by Government and no increase is anticipated at present for next year. However, the Government has indicated a wish to move towards locally set fees and is currently canvassing views on a move to this which could be introduced during 2011/12 financial year. The Pre-Application fee structure has changed with further categories being introduced. It is anticipated that this will generate additional income

of £7k in 2011/12 and this appears as a saving elsewhere in the budget papers.

- 2.11 The regulations governing fees for Building Control changed during the year and required a new set of fees to be introduced in October 2010. The setting of the fees for Building Control are now fully delegated and set in partnership with other Herts authorities. It is anticipated that they will be reviewed again prior to April 2011 but it is unlikely there will be any financial impact. There are minor increases in Miscellaneous Building and Development Control fees but any likely additional income is insignificant.
- 2.12 Where Charities and Parish and Town Councils are contemplating development, pre-application charges can be perceived as onerous in the context of their sometimes relatively small budgets. In terms of overall workload, volumes from these groups are modest. The cost to council tax payers generally of say a 25% reduction to achieve a concessionary rate would be low – less than £5k per year.
- 2.13 Proposals for increases in car parking pay and display charges will be considered by the Executive at its meeting on 11 January 2011. But as detailed in the 2009/10 MTFP and linked PID, Elm Road car park will be re-designated as long stay only with effect from April 4 2011 and new charges will apply. However, proposals for residents parking scheme permits and other miscellaneous permits are considered as part of this report and will generate an additional £2,000.
- 2.14 All town centre CCTV charges will now be based on a cost recovery basis only and made equitable by using a cost per camera charge. Hertford Town Council already pay their own transmission fees and do not require insurance cover. Their 'per camera' charge is adjusted by this amount.
- 2.15 The table below summarises the assumptions for additional income from fees and charges in the MTFP and the Officer proposals. It shows that current proposals will generate an additional £22,550 which will result in an unfavourable impact of £8,000 (taking into account the land charges proposal) on the MTFP. The figures below show the income excluding VAT. Where VAT is payable the increase to the customer will be the sum shown plus the VAT increase.

Service	MTFP £	Officer Proposals £
Hertford Theatre	* 1,400	0
Pest Control	950	1,400
Clinical Waste	1,500	1,500
Domestic Waste	950	1,000
Commercial Waste	9,300	36,000
Env Health Promotions	50	0
Licences Env Health	350	300
Hackney Carriage	3,050	0
Development & Building Control Misc	100	0
Legal Fees	1,200	5,500
Land Charges	6,500	(43,000)
Markets	3,700	3,000
Farmers Markets	150	150
Hostels	1,350	0
Residents Parking	0	2,000
CCTV	0	14,700
Total	30,550	22,550

* prior to approval of business plan

3.0 Implications/Consultations

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

Background Papers

None

Contact Member: Councillor M Tindale, Executive member for

Resources and Internal Support

Contact Officer: Simon Chancellor – Head of Financial Support
Services – Ext 2050

Report Author: Mandy Barton – Accountancy Manager

ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):	<p>Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p>Leading the way, working together <i>Deliver responsible community leadership that engages with our partners and the public.</i></p> <p>Fees and charges set a balance between service user and council tax payers in meeting the cost of relevant services. Where the council competes with other providers full cost recovery enables fair competition.</p>
Consultation:	Directors and Heads of Service
Legal:	The Council has the power to set the charges described in the report
Financial:	Financial implications are contained within the report
Human Resource:	None
Risk Management:	Additional income has been estimated on current levels of service. In some instances there could be commercial risk of decrease in service following any price increases.

This page is intentionally left blank

EAST HERTFORDSHIRE DISTRICT COUNCIL

SCALE OF CHARGES

The fees and charges shown overleaf are for 2011/12

NEIGHBOURHOOD SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
LICENCES						
369.00 + vets fees	n/a + VAT	n/a + VAT	Riding Establishments	per annum	376.00 1,816.00	n/a + VAT
1,781.00 + vets fees	n/a + VAT	n/a + VAT	Zoos - New Licence	per 4 year registration		n/a + VAT
1,378.00 + vets fees	n/a + VAT	n/a + VAT	Zoos - Year 6 renewal licence inspection	per 6 years	1,405.00	n/a + VAT
599.00 + vets fees	n/a + VAT	n/a + VAT	Zoos - Transfer of Licence	per transfer	611.00	n/a + VAT
800.00 + vets fees	n/a + VAT	n/a + VAT	Zoos - Year 3 interim licence inspection inspection		816.00	n/a + VAT
504.00 + vets fees	n/a + VAT	n/a + VAT	Dangerous Wild Animals	per annum	514.00	n/a + VAT
106.00 + vets fees	n/a + VAT	n/a + VAT	Dog breeding establishments	per annum	222.00	n/a + VAT
218.00 + vets fees	n/a + VAT	n/a + VAT	Animal boarding establishments	per annum	222.00	n/a + VAT
102.00 + vets fees	n/a + VAT	n/a + VAT	Home boarding establishments	per annum	104.00	n/a + VAT
177.00 + vets fees	n/a + VAT	n/a + VAT	Pet Shops	per annum	181.00	n/a + VAT
174.00	n/a	n/a	Registration for Skin Piercing (Premises)	per registration	177.00	n/a
110.00	n/a	n/a	Registration for Skin Piercing (Person)	per person or premises change	112.00	n/a
50.00	n/a	n/a	Street trading Occasional Registered Charity (up to one month)	per month	51.00	n/a
100.00	n/a	n/a	Street trading Occasional (up to one month)	per month	102.00	n/a
291.00	n/a	n/a	Street trading Peripatatc (eg ice cream van)	per annum	297.00	n/a
291.00	n/a	n/a	Street trading Static (eg burger van)	per annum	297.00	n/a

NEIGHBOURHOOD SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
LICENCES (contd)						
43.00	n/a	n/a	Issue of certificate following surrender of food	per hour or part + disposal costs	44.00	n/a
43.00	n/a	n/a	Food export health certificate	per hour or part	44.00	n/a
65.00	n/a	n/a	Basic Food Hygiene Course	per course	65.00	n/a
65.00	n/a	n/a	Basic Health & Safety Course	per course	65.00	n/a
33.00	n/a	n/a	Food Hygiene Update Course	per course	33.00	n/a
33.00	n/a	n/a	Health & Safety Update Course	per course	33.00	n/a
540.00	n/a	n/a	Basic Food Hygiene - up to 10 places		540.00	n/a
620.00	n/a	n/a	Basic Food Hygiene - 11 to 14 places		620.00	n/a
11.00	n/a	n/a	Food register	per single entry	11.00	n/a
46.00	n/a	n/a	Food register	per category	47.00	n/a
576.00	n/a	n/a	Food register	per full copy	588.00	n/a
85.00	n/a	n/a	Air quality data enquiries	per hour or part	87.00	n/a
85.00	n/a	n/a	Additional Land charge enquiries	per hour or part	87.00	n/a
106.00	n/a	n/a	Motor Salvage Operators Registration		108.00	n/a
72.00	n/a	n/a	Motor Salvage Operators Renewal		73.00	n/a
11.00	n/a	n/a	Viewing MSO Register		11.00	n/a
18.00	n/a	n/a	Copy of each MSO entry (1-5 copies)		18.00	n/a
75.00	n/a	n/a	Private Water Supplies (inc cost of analysis)		n/a	n/a
300.00	n/a	n/a	Risk Assesment (smaller supplies - Regulation 10)		306.00	n/a
n/a	n/a	n/a	Risk Assesment (larger supplies - Regulation 9)		400.00	n/a
100.00	n/a	n/a	Risk Assesment (Desktop)		102.00	n/a
85.00	99.88	102.00	Sampling Visit	+ analysis costs	83.33	100.00
100.00	117.50	120.00	Investigation	+ analysis costs	83.33	100.00
100.00	n/a	n/a	Granting of Authorisation		100.00	n/a
up to £25	n/a	n/a	Analysis Costs (Regulation 10)		up to £25	n/a
up to £100	n/a	n/a	Analysis Costs (Check Monitoring)		up to £100	n/a
up to £500	n/a	n/a	Analysis Costs (Audit Monitoring)		up to £500	n/a

NEIGHBOURHOOD SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
Air Pollution Control Fees						
Application Fee :						
1,579.00	n/a	n/a	Standard	Statutory Fee	1,579.00	n/a
1,137.00	n/a	n/a	Additional Fee Activities operating without a permit	Statutory Fee	1,137.00	n/a
148.00	n/a	n/a	Reduced Fee Activities	Statutory Fee	148.00	n/a
68.00	n/a	n/a	Reduced Fee Activities operating without a permit	Statutory Fee	68.00	n/a
246.00	n/a	n/a	Petrol Vapour Recovery 1 & 2 combined	Statutory Fee	246.00	n/a
346.00	n/a	n/a	Vehicle Refinishers	Statutory Fee	346.00	n/a
Mobile Screening/Crushing Plant						
1,579.00	n/a	n/a	Application - 1 or 2	Statutory Fee	1,579.00	n/a
943.00	n/a	n/a	Application - 3 to 7	Statutory Fee	943.00	n/a
477.00	n/a	n/a	Application - 8 and over	Statutory Fee	477.00	n/a
Annual Subsistence Charge						
739.00	n/a	n/a	Standard - Low risk	Statutory Fee	739.00	n/a
1,111.00	n/a	n/a	Standard - Medium risk	Statutory Fee	1,111.00	n/a
1,672.00	n/a	n/a	Standard - High risk	Statutory Fee	1,672.00	n/a
36.00	n/a	n/a	Standard - Process paid quarterly additional fee	Statutory Fee	36.00	n/a
76.00	n/a	n/a	Reduced fee activity - Low risk	Statutory Fee	76.00	n/a
151.00	n/a	n/a	Reduced fee activity - Medium risk	Statutory Fee	151.00	n/a
227.00	n/a	n/a	Reduced fee activity - High risk	Statutory Fee	227.00	n/a
108.00	n/a	n/a	Petrol Vapour Recovery 1 & 2 combined - Low	Statutory Fee	108.00	n/a
216.00	n/a	n/a	Petrol Vapour Recovery 1 & 2 combined - Med	Statutory Fee	216.00	n/a
326.00	n/a	n/a	Petrol Vapour Recovery 1 & 2 combined - High	Statutory Fee	326.00	n/a
218.00	n/a	n/a	Vehicle Refinishers - Low risk	Statutory Fee	218.00	n/a
349.00	n/a	n/a	Vehicle Refinishers - Medium risk	Statutory Fee	349.00	n/a
524.00	n/a	n/a	Vehicle Refinishers - High risk	Statutory Fee	524.00	n/a
Mobile Screening and Crushing Plant						
618.00	n/a	n/a	1 or 2 (Low Risk)	Statutory Fee	618.00	n/a
989.00	n/a	n/a	1 or 2 (Medium Risk)	Statutory Fee	989.00	n/a
1,485.00	n/a	n/a	1 or 2 (High Risk)	Statutory Fee	1,485.00	n/a
368.00	n/a	n/a	3 to 7 (Low Risk)	Statutory Fee	368.00	n/a
590.00	n/a	n/a	3 to 7 (Medium Risk)	Statutory Fee	590.00	n/a
884.00	n/a	n/a	3 to 7 (High Risk)	Statutory Fee	884.00	n/a
189.00	n/a	n/a	8 and over (Low Risk)	Statutory Fee	189.00	n/a
302.00	n/a	n/a	8 and over (Medium Risk)	Statutory Fee	302.00	n/a
453.00	n/a	n/a	8 and over (High Risk)	Statutory Fee	453.00	n/a

NEIGHBOURHOOD SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
Transfer & Surrender						
162.00	n/a	n/a	Transfer	Statutory Fee	162.00	n/a
476.00	n/a	n/a	Partial Transfer	Statutory Fee	476.00	n/a
75.00	n/a	n/a	New operator at low risk reduced fee activity	Statutory Fee	75.00	n/a
45.00	n/a	n/a	Reduced Fee activities partial transfer	Statutory Fee	45.00	n/a
LAPPC						
1,579.00	n/a	n/a	Standard Application Fee	Statutory Fee	1,579.00	n/a
1,137.00	n/a	n/a	Additional Fee activities operating without	Statutory Fee	1,137.00	n/a
148.00	n/a	n/a	Reduced Fee activities	Statutory Fee	148.00	n/a
68.00	n/a	n/a	Reduced Fee activities operating without	Statutory Fee	68.00	n/a
246.00	n/a	n/a	Petrol Vapour recovery 1 & 2 combined	Statutory Fee	246.00	n/a
346.00	n/a	n/a	Vehicle Refinishers	Statutory Fee	346.00	n/a
Substantial Changes (Section 10 and 11 of the Act)						
1,005.00	n/a	n/a	Standard (all except those specified below)	Statutory Fee	1,005.00	n/a
98.00	n/a	n/a	Reduced Fee Activities	Statutory Fee	98.00	n/a
HMO Licensing Fees						
640.00	n/a	n/a	Licence for standard 5 bedroom HMO (initiated by applicant without LA intervention)		650.00	n/a
860.00	n/a	n/a	Licence for standard 5 bedroom HMO (initiated by applicant with LA intervention)		880.00	n/a
11.00	n/a	n/a	Additional bedrooms	each	12.00	n/a
21.50	n/a	n/a	Complicated cases		22.00	n/a
43.00	n/a	n/a	Production of drawings		44.00	n/a
21.50	n/a	n/a	Resolve application queries on site		22.00	n/a
11.00	n/a	n/a	Request and checking missing information - per item		12.00	n/a
43.00	n/a	n/a	Additional costs		44.00	n/a
107.00	n/a	n/a	Variation of licence		109.00	n/a
54.00	n/a	n/a	Fee reduction for additional HMO's with same applicant / landlord		55.00	n/a
n/a	n/a	n/a	Renewal of HMO Licence		540.00	n/a

NEIGHBOURHOOD SERVICES

2010/11			DETAILS		UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £				Exc. VAT £	Inc. VAT 20% £
			Miscellaneous Env Health				
33.00	38.78	39.60	Replacement 'Scores on Doors' certificate			34.00	40.80
176.00	206.80	211.20	Additional food hygiene inspection (medium risk premises)			n/a	n/a
263.00	309.03	315.60	Additional food hygiene inspection (high risk premises)			n/a	n/a
43.00	50.53	51.60	Replacement of any environmental health licence or registration documents			44.00	52.80
43.00	50.53	51.60	Statement of fact for civil cases	per hour		44.00	52.80
99.00	116.33	118.80	Standards inspection for immigration			101.00	121.20
43.00	50.53	51.60	Housing Notices	per hour		n/a	n/a
n/a	n/a	n/a		fixed charge		250.00	300.00
33.00	38.78	39.60	Letter confirming food premises registration			34.00	40.80
43.00	50.53	51.60	Attendance at Exhumations	per hour (or part)		44.00	52.80
TAXI LICENSING							
233.00	n/a	n/a	Hackney Carriage Vehicle/Proprietor (renewal)	per licence		259.90	n/a
262.00	n/a	n/a	Hackney Carriage Vehicle/Proprietor (new vehicle)	per licence		292.25	n/a
233.00	n/a	n/a	Private Hire Vehicle / Proprietor Licence (renewal)	per licence		259.90	n/a
262.00	n/a	n/a	Private Hire Vehicle / Proprietor Licence (grant)	per licence		292.25	n/a
90.00	n/a	n/a	Private Hire drivers licence (renewal)	per licence		100.39	n/a
180.00	n/a	n/a	Private Hire drivers licence (grant)			200.78	n/a
186.00	n/a	n/a	Private Hire Business Operator - up to 6 vehicles	per licence		207.47	n/a
25.00	n/a	n/a	- additional vehicles	per vehicle		27.89	n/a
90.00	n/a	n/a	Dual Driver (Hackney/Private Hire) (renewal)	-		100.39	n/a
180.00	n/a	n/a	Dual Driver (Hackney/Private Hire) (Grant)			200.78	n/a
66.00	n/a	n/a	Change of vehicle	-		73.62	n/a
180.00	n/a	n/a	Initial Application for a drivers licence (reimbursed on grant of application)			200.78	n/a
Change of Licence Details							
38.00	n/a	n/a	Change of Vehicle DVLA registration number			42.39	n/a
38.00	n/a	n/a	Change of Vehicle licence designation - Hackney to Private			42.39	n/a
72.00	n/a	n/a	- Private to Hackney			80.31	n/a
38.00	n/a	n/a	Change of vehicle proprietor with unexpired licence			42.39	n/a
38.00	n/a	n/a	Convert drivers licence to dual driver			42.39	n/a

NEIGHBOURHOOD SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
TAXI LICENSING						
Ancillary Charges						
77.00	n/a	n/a	Knowledge Test	per test	85.89	n/a
Ancillary Items						
64.26	75.50	77.11	Roof light (complete)		64.26	77.11
34.89	41.00	41.87	Roof light (cover or base plate separate)		34.89	41.87
14.89	17.50	17.87	Charge for unusable/damaged returned roof light to be discounted from any refund		14.89	17.87
20.43	24.00	24.52	Replacement badge		20.43	24.52
34.89	41.00	41.87	Replacement plate/trailer plate		34.89	41.87
2.13	2.50	2.55	Roof light bulb		2.13	2.55
6.38	7.50	7.64	Magnets (sold as pair)		6.38	7.64
10.21	12.00	12.25	Executive Private Hire Disc		10.21	12.25
Free			Table of fares/windscreen badge		Free	
26.81	31.50	32.17	Distribution of free literature		26.81	32.17
OTHER LICENCES						
4,950.00	n/a	n/a	Sex Establishments	per annum	4,950.00	n/a
4,950.00	n/a	n/a		per renewal	4,950.00	n/a
910.00	n/a	n/a		transfer	910.00	n/a
Hypnotism Act 1952:-						
140.00	n/a	n/a	Occasional licensed premises		140.00	n/a
540.00	n/a	n/a	Occasional unlicensed premises		540.00	n/a

NEIGHBOURHOOD SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
Misc Building Control and Development Control Charges						
			Copies of any documents - A4 size			
0.10	n/a	n/a	- Black & White	per page	0.10	n/a
0.20	n/a	n/a	- Colour	per page	0.20	n/a
			Copies of any documents - A3 size			
0.20	n/a	n/a	- Black & White	per page	0.20	n/a
0.40	n/a	n/a	- Colour	per page	0.40	n/a
			Copies of any documents - A2 size			
1.00	n/a	n/a	- Black & White	per page	1.00	n/a
2.00	n/a	n/a	- Colour	per page	2.00	n/a
			Copies of any documents - A1 size			
1.50	n/a	n/a	- Black & White	per page	1.50	n/a
3.00	n/a	n/a	- Colour	per page	3.00	n/a
			Copies of any documents - A0 size			
2.00	n/a	n/a	- Black & White	per page	2.00	n/a
4.00	n/a	n/a	- Colour	per page	4.00	n/a
15.00	n/a	n/a	Copies of documents provided on an electronic disc	per disc provided	15.00	n/a
23.00	n/a	n/a	Ordnance Survey Extracts	up to 6 copies	25.00	n/a
75.00	n/a	n/a	Historical Research (where records available)	per hour (or part)	75.00	n/a
300.00	n/a	n/a	Legal obligation agreements - clause monitoring fee	per obligation issue	300.00	n/a
75.00	n/a	n/a	Legal obligation agreements - confirmation of compliance by third parties or where the monitoring fee has not been paid	per hour (or part of) after first hour	75.00	n/a
35.00	n/a	n/a	Certificate of no outstanding Building control regulated work or letter of comfort	per certificate / letter	35.00	n/a
35.00	n/a	n/a	Letter confirming exemption from Building Control regulations	per letter	35.00	n/a
50.00	n/a	n/a	Rejuvenation of closed Building Control file (not previously approved)	per file	50.00	n/a
n/a	n/a	n/a	Request for informal confirmation that proposed development comprises 'permitted development'. (Not Lawful Development Certificate)	per request	35.00	n/a
500.00	n/a	n/a	High Hedge consultation and investigation		500.00	n/a
n/a	n/a	n/a	Fee for discharge of or compliance with a condition	per request (any number of conditions) relating to works of extension or alteration to an existing dwelling	25.00	n/a
n/a	n/a	n/a	Fee for discharge of or compliance with a condition	per request (any number of conditions) all other developments	85.00	n/a

NEIGHBOURHOOD SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
			PRE-APPLICATION ADVICE			
			Householder proposals			
n/a	n/a	n/a		Initial fee	25.00	30.00
n/a	n/a	n/a		Secondary fee	12.50	15.00
			Major development proposals			
510.64	600.00	612.77		Initial fee	583.33	700.00
76.60	90.00	91.92		per subsequent hour or part of	n/a	n/a
n/a	n/a	n/a		Secondary fee	291.66	350.00
			Minor development proposals			
255.32	300.00	306.38		Initial fee	333.33	400.00
76.60	90.00	91.92		per subsequent hour or part of	n/a	n/a
n/a	n/a	n/a		Secondary fee	166.66	200.00
			Any development where affordable housing is required by virtue of the Councils planning policies and is to be provided			
n/a	n/a	n/a		Initial fee	83.33	100.00
			Commercial, office, retail or industrial development where the use is already in place and the proposals do not result in the creation of new floorspace			
n/a	n/a	n/a		Initial fee	83.33	100.00
n/a	n/a	n/a		Secondary fee	41.67	50.00
			Advertisement proposals			
n/a	n/a	n/a		Initial fee	41.67	50.00
n/a	n/a	n/a		Secondary fee	20.83	25.00
			Heritage advice			
n/a	n/a	n/a		Initial fee	41.67	50.00
n/a	n/a	n/a		Secondary fee	20.83	25.00

Note: The extent of work undertaken on payment of the initial or subsequent fees is set out in detail in the Councils Pre-application advice Guidance Note. Where any advice sought relates to proposals that fall into more than one of the categories identified above then payment is required in relation to ALL fee categories.

NEIGHBOURHOOD SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
CCTV Cameras						
1,517.00	n/a	n/a	Ware Town Council	per camera	3,024.00	n/a
3,268.00	n/a	n/a	Hertford Town Council	per camera	2,312.00	n/a
1,833.00	n/a	n/a	Bishop's Stortford Town Council	per camera	3,024.00	n/a

NEIGHBOURHOOD SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2010/11	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
HOSTELS						
Hillcrest						
180.00	n/a	n/a	Single Room	per week	180.00	n/a
+ service charges					+ service charges	
210.00	n/a	n/a	Double Room	per week	210.00	n/a
+ service charges					+ service charges	
230.00	n/a	n/a	Family Room	per week	230.00	n/a
+ service charges					+ service charges	
Bed & Breakfast						
88.00	n/a	n/a	Single person	per week	88.00	n/a
13.00	n/a	n/a		per day	13.00	n/a
117.00	n/a	n/a	Single person and one child	per week	117.00	n/a
17.00	n/a	n/a		per day	17.00	n/a
127.00	n/a	n/a	Single person and two children	per week	127.00	n/a
19.00	n/a	n/a		per day	19.00	n/a
117.00	n/a	n/a	Couple	per week	117.00	n/a
17.00	n/a	n/a		per day	17.00	n/a
137.00	n/a	n/a	Couple and one child	per week	137.00	n/a
20.00	n/a	n/a		per day	20.00	n/a
148.00	n/a	n/a	Couple and two children	per week	148.00	n/a
22.00	n/a	n/a		per day	22.00	n/a
12.00	n/a	n/a	Additional children up to 16	per week	12.00	n/a
2.00	n/a	n/a		per day	2.00	n/a

CUSTOMER & COMMUNITY SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
HIRE CHARGES FOR HERTFORD THEATRE						
WEEKDAYS						
240.00	n/a	n/a	Auditorium	am (9am to 1pm)	240.00	n/a
60.00	n/a	n/a		am per hour	60.00	n/a
375.00	n/a	n/a		pm (1pm to 6pm)	375.00	n/a
75.00	n/a	n/a		pm per hour	75.00	n/a
510.00	n/a	n/a		Evening (6pm to midnight)	510.00	n/a
85.00	n/a	n/a		Evening per hour	85.00	n/a
80.00	n/a	n/a	Studio	am (9am to 1pm)	80.00	n/a
20.00	n/a	n/a		am per hour	20.00	n/a
125.00	n/a	n/a		pm (1pm to 6pm)	125.00	n/a
25.00	n/a	n/a		pm per hour	25.00	n/a
210.00	n/a	n/a		Evening (6pm to midnight)	210.00	n/a
35.00	n/a	n/a		Evening per hour	35.00	n/a
80.00	n/a	n/a	River Room	am (9am to 1pm)	80.00	n/a
20.00	n/a	n/a		am per hour	20.00	n/a
125.00	n/a	n/a		pm (1pm to 6pm)	125.00	n/a
25.00	n/a	n/a		pm per hour	25.00	n/a
180.00	n/a	n/a		Evening (6pm to midnight)	180.00	n/a
30.00	n/a	n/a		Evening per hour	30.00	n/a
120.00	n/a	n/a	Foyer	am (9am to 1pm)	120.00	n/a
30.00	n/a	n/a		am per hour	30.00	n/a
250.00	n/a	n/a		pm (1pm to 6pm)	250.00	n/a
50.00	n/a	n/a		pm per hour	50.00	n/a
360.00	n/a	n/a		Evening (6pm to midnight)	360.00	n/a
60.00	n/a	n/a		Evening per hour	60.00	n/a
WEEKENDS						
300.00	n/a	n/a	Auditorium	am (9am to 1pm)	300.00	n/a
75.00	n/a	n/a		am per hour	75.00	n/a
425.00	n/a	n/a		pm (1pm to 6pm)	425.00	n/a
85.00	n/a	n/a		pm per hour	85.00	n/a
720.00	n/a	n/a		Evening (6pm to midnight)	720.00	n/a
120.00	n/a	n/a		Evening per hour	120.00	n/a
128.00	n/a	n/a	Studio	am (9am to 1pm)	128.00	n/a
32.00	n/a	n/a		am per hour	32.00	n/a
175.00	n/a	n/a		pm (1pm to 6pm)	175.00	n/a
35.00	n/a	n/a		pm per hour	35.00	n/a
270.00	n/a	n/a		Evening (6pm to midnight)	270.00	n/a
45.00	n/a	n/a		Evening per hour	45.00	n/a

CUSTOMER & COMMUNITY SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
HIRE CHARGES FOR HERTFORD THEATRE						
WEEKENDS						
160.00	n/a	n/a	River Room	am (9am to 1pm)	160.00	n/a
40.00	n/a	n/a		am per hour	40.00	n/a
225.00	n/a	n/a		pm (1pm to 6pm)	225.00	n/a
45.00	n/a	n/a		pm per hour	45.00	n/a
300.00	n/a	n/a		Evening (6pm to midnight)	300.00	n/a
50.00	n/a	n/a		Evening per hour	50.00	n/a
180.00	n/a	n/a	Foyer	am (9am to 1pm)	180.00	n/a
45.00	n/a	n/a		am per hour	45.00	n/a
300.00	n/a	n/a		pm (1pm to 6pm)	300.00	n/a
60.00	n/a	n/a		pm per hour	60.00	n/a
420.00	n/a	n/a		Evening (6pm to midnight)	420.00	n/a
70.00	n/a	n/a		Evening per hour	70.00	n/a

Please note that hire does not include hire of stage, lighting rig etc. This is by separate negotiation.

EQUIPMENT HIRE PRICES

Pianos						
123.40	145.00	148.08	Concert Grand Piano		123.40	148.08
62.13	73.00	74.56	Piano Tuning		62.13	74.56
36.60	43.00	43.92	Electric Piano		36.60	43.92
Projection						
25.53	30.00	30.64	LCD Projector & Screen		25.53	30.64
Public Address System						
42.55	50.00	51.06	Portable PA Unit		42.55	51.06
17.02	20.00	20.42	Lapel Mic		17.02	20.42
15.32	18.00	18.38	Hand Radio Mic		15.32	18.38
Cinema Prices						
5.00	5.88	6.00	Adults		5.00	6.00
3.33	3.91	4.00	Concessions		3.20	4.00

CUSTOMER & COMMUNITY SERVICES

2010/11			DETAILS	UNIT OF	2011/12	
Exc. VAT £	Exc. VAT 20% £	Inc. VAT £		CHARGE	Exc. VAT £	Inc. VAT 20% £
CAR PARKS						
Off Street Resident Season Ticket						
212.77	208.33	250.00	Port Vale		216.67	260.00
1024.54	1,003.20	1,203.84	Crown Terrace		1,025.00	1,230.00
On Street Resident Season Ticket						
33.00	n/a	n/a	1st Permit		34.00	n/a
66.00	n/a	n/a	2nd Permit		68.00	n/a
16.00	n/a	n/a	Motorcycle permit		17.00	n/a
12.00	n/a	n/a	Contractor permit	per week	18.00	n/a
290.00	n/a	n/a	Business permit	per annum	300.00	n/a
10.00	n/a	n/a	Carers/ Special permits	admin charge (discretionary)	20.00	n/a
0.10	n/a	n/a	Visitors Vouchers	per hour	0.10	n/a
0.05	n/a	n/a		per hour pensioners	0.05	n/a
Charge for Temporary Dispensation from Parking Restrictions						
10.00	n/a	n/a			11.00	n/a
On Street Residents Parking Permits						
50.00	n/a	n/a	Folly Island - 2nd Permit		51.50	n/a
Elm Road Car Park						
				up to 5 hrs	1.67	2.00
				5 hrs +	2.50	3.00
Penalty Charges issued under Regulation 9 of the General Regulations.						
Higher Level Penalty Charge						
35.00	n/a	n/a	Paid within 21 days		35.00	n/a
70.00	n/a	n/a	Paid after 21 days		70.00	n/a
105.00	n/a	n/a	Paid after service of charge certificate		105.00	n/a
Lower Level Penalty Charge						
25.00	n/a	n/a	Paid within 21 days		25.00	n/a
50.00	n/a	n/a	Paid after 21 days		50.00	n/a
75.00	n/a	n/a	Paid after service of charge certificate		75.00	n/a
Penalty Charges issued under Regulation 10 of the General Regulations.						
Higher Level Penalty Charge						
35.00	n/a	n/a	Paid within 21 days		35.00	n/a
70.00	n/a	n/a	Paid after 21 days		70.00	n/a
105.00	n/a	n/a	Paid after service of charge certificate		105.00	n/a
Lower Level Penalty Charge						
25.00	n/a	n/a	Paid within 21 days		25.00	n/a
50.00	n/a	n/a	Paid after 21 days		50.00	n/a
75.00	n/a	n/a	Paid after service of charge certificate		75.00	n/a
Bus Passes						
5.00	n/a	n/a	Replacement Bus Passes		n/a	n/a

CUSTOMER & COMMUNITY SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT	Inc. VAT	Inc. VAT			Exc. VAT	Inc. VAT
£	17.50%	20%			£	20%
					£	£
ANIMAL CONTROL						
25.00	n/a	n/a	Stray dog with ID chip	**	25.00	n/a
25.00	n/a	n/a	Stray dog without ID chip	set by statute	25.00	n/a
21.00	n/a	n/a	Stray dog collected	admin charge	21.00	n/a
15.00	n/a	n/a	Kennel Charges	per night	15.00	n/a
17.02	20.00	20.42	ID chipping dogs (Ind)	per dog	17.50	21.00
8.51	10.00	10.21	ID chipping dogs (Campaign)	per dog	9.17	11.00
30.64	36.00	36.77	Small dead animal removal	per animal	30.83	37.00
			Assistance to third party			
25.53	30.00	30.64	organisations	per hour	25.83	31.00
25.53	30.00	30.64	Provision of dog waste bag	per box 5000	25.83	31.00

** unless first offence and dog is collected the same day

CUSTOMER & COMMUNITY SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
REFUSE COLLECTION						
Commercial Refuse Collection						
65.70	77.20	78.84	Paid Collections	medium	67.47	80.97
103.50	121.61	124.20	"	large	139.31	167.18
(Plus HCC disposal costs)						
Mixed Heriditaments						
charged according to the proportion of trade waste collected						
Domestic Refuse Collection						
22.50	n/a	n/a	Bulky items	up to 3 items	23.10	n/a
6.00	n/a	n/a	Additional items	per item	6.20	n/a
39.00	n/a	n/a	Paid Collections	small	40.10	n/a
57.60	n/a	n/a	"	medium	59.20	n/a
90.75	n/a	n/a	"	large	93.20	n/a
6.00	n/a	n/a	Bulky Collection Cancellation Fee	per collection	6.00	n/a
Commercial Events						
65.50	78.14	78.60	Cleansing / Refuse Collection	per hour	68.30	81.95
Cleansing Private Land						
21.00	24.68	25.20	Cleansing private land (Performance area - regular schedule)	per linear metre per annum	21.50	25.80
65.50	79.96	78.60	Ad - hoc litter picking	per hour	67.30	80.76
Abandoned Vehicles (end of life vehicles) surrendered and removed by LA						
37.87	44.50	45.44	Vehicle	per vehicle	37.92	45.50
57.02	67.00	68.42	Vehicle	per vehicle	57.50	69.00
			Caravan	per caravan		
Clinical Waste						
12.70	14.92	15.24	Charge per site	per visit (max 26)	13.00	15.60
6.80	7.99	8.16	Sharps containers	per container	7.00	8.40
4.10	4.82	4.92	Sacks - trade	per sack	4.20	5.04
0.60	n/a	n/a	Sacks - domestic	per sack	0.60	n/a

CUSTOMER & COMMUNITY SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
COMMERCIAL WASTE						
Commercial Waste Collection Services						
67.23	79.00	80.68	sacks	per 50	70.83	85.00
300.00	352.50	360.00	240 litres	per bin p.a.	330.00	396.00
353.00	414.78	423.60	340 litres	per bin p.a.	374.00	448.80
592.00	695.60	710.40	660 litres	per bin p.a.	631.00	757.20
680.00	799.00	816.00	1,100 litres	per bin p.a.	766.00	919.20
Prescribed Waste Collection Service						
45.80	53.81	54.96	Sacks	per 50	45.80	54.96
246.00	289.05	295.20	240 litres	per bin p.a.	271.00	325.20
273.68	321.57	328.42	340 litres	per bin p.a.	289.00	346.80
455.10	534.74	546.12	660 litres	per bin p.a.	485.00	582.00
488.93	574.49	586.72	1,100 litres	per bin p.a.	525.00	630.00
Prescribed Waste for Educational Establishments						
45.80	53.81	54.96	Sacks	per 50	45.80	54.96
233.70	274.60	280.44	240 litres	per bin p.a.	246.00	295.20
261.38	307.12	313.66	340 litres	per bin p.a.	275.00	330.00
426.40	501.02	511.68	660 litres	per bin p.a.	449.00	538.80
460.23	540.76	552.28	1,100 litres	per bin p.a.	485.00	582.00
Note: The above are 'ceiling' prices and subject to the discretion of the Head of Environmental Services						
Allotments						
3.00	n/a	n/a	Allotments	(per year) per 25.3m ²	3.10	n/a

CUSTOMER & COMMUNITY SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
PEST CONTROL						
Commercial Premises						
55.10	64.74	66.12	Rats & Mice	per hour or part hour	56.20	67.44
			OR			
			Contract service available	per annum		
45.00	52.88	54.00	Wasps	one nest job	46.00	55.20
45.00	52.88	54.00	Ants	one nest job	46.00	55.20
16.00	18.80	19.20	Additional nests	per add. nest	16.00	19.20
55.00	64.63	66.00	Bed Bugs	per hour or part hour	56.00	67.20
55.00	64.63	66.00	Fleas	per hour or part hour	56.00	67.20
55.00	64.63	66.00	Cockroaches	per hour or part hour	56.00	67.20
55.00	64.63	66.00	Squirrels	per hour or part hour	56.00	67.20
55.00	64.63	66.00	Cluster Fly Infestation	per hour or part hour	56.00	67.20
55.00	64.63	66.00	Visit for Advice ONLY	per hour or part hour	56.00	67.20
Domestic Premises *						
17.02	20.00	20.42	Rats	# call out charge	18.33	22.00
42.13	49.50	50.56	Mice	per job	42.92	51.50
40.85	48.00	49.02	Wasps	one nest job	41.67	50.00
42.13	49.50	50.56	Ants	one nest job	42.92	51.50
15.66	18.40	18.79	Additional nests	per add. nest	15.83	19.00
			Cluster Fly Infestation	one job (up to 3 visits)		
53.87	63.30	64.64		from	55.00	66.00
			Bed Bugs	one job (up to 3 visits)		
152.34	179.00	182.81		from	155.00	186.00
55.32	65.00	66.38	Bed Bugs	additional visits	56.67	68.00
61.70	72.50	74.04	Squirrels	per job	62.50	75.00
45.11	53.00	54.13	Fleas	per hour	45.83	55.00
45.11	53.00	54.13	Cockroaches	per hour	45.83	55.00
21.70	25.50	26.04	Visit for Advice ONLY	per half hour	18.33	22.00
55.74	65.50	66.89	Return Visit Charge (rats & mice)	per job	56.67	68.00

* Concession for residents in receipt of income related benefit - £10 per job, waived in cases of hardship at the discretion of the Head of Environmental Services

A call out charge of £22 per job will be levied irrespective of whether rats are found. Customers in receipt of income related benefits will pay £10. This may be waived in cases of hardship at the discretion of the Head of Environmental Services. No charge is recoverable where rats are reported in public places.

CUSTOMER & COMMUNITY SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
Markets - Hertford & Bishop's Stortford						
21.40	n/a	n/a	Standard pitch 10' x 7'	per pitch	21.80	n/a
25.50	n/a	n/a	Casual Trader pitch 10' x 7'	per pitch	26.00	n/a
1.20	n/a	n/a	Additional space	per sq ft	1.20	n/a
Markets - Ware						
13.80	n/a	n/a	Standard pitch 10' x 7'	per pitch	14.00	n/a
			Incentive for above	5 consecutive weeks - 5th week free		
15.30	n/a	n/a	Casual Trader pitch 10' x 7'	per pitch	15.60	n/a
1.20	n/a	n/a	Additional space	per sq ft	1.20	n/a
Market Licence						
102.00	n/a	n/a	Commercial		n/a	n/a
n/a	n/a	n/a	Commercial - up to 10 stalls		30.00	n/a
n/a	n/a	n/a	Commercial - up to 11 - 30 stalls		50.00	n/a
n/a	n/a	n/a	Commercial - up to 31plus stalls		104.00	n/a
10.70	n/a	n/a	Charity		21.00	n/a
Farmers Markets						
105.10	n/a	n/a	Village		107.00	n/a
19.40	n/a	n/a	Hertford (own stall)		19.80	n/a
26.50	n/a	n/a	Hertford (East Herts stall)		27.00	n/a
1,275.00	n/a	n/a	Jackson Square	per quarter	1,300.00	n/a

CUSTOMER & COMMUNITY SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
Freedom of Information Act 2000 / Environmental Information Regulations 2004 / Reuse of Public Sector Information Regulations 2005 / Data Protection Act 1998						
Freedom of Information / Data Protection						
450.21	529.00	540.25	First 2.5 days free		450.21	540.25
25.00	29.38	30.00	After 2.5 days	+ per hour	25.00	30.00
Environmental Information Regulations 2004						
25.00	29.38	30.00	Staff time	per hour	25.00	30.00
Reuse of Public Sector Information Regulations 2005						
25.00	29.38	30.00	Staff time	per hour	25.00	30.00
Information that has a commercial value - a charge will be determined on a case-by-case basis						
Freedom of Information / Environmental Information Regulations / Reuse of Public Sector Information Regulations						
Charges for materials -						
0.10	0.12	0.12	Photocopying (black & white)	A4 sheet	0.10	0.12
0.20	0.24	0.24		A3 sheet	0.20	0.24
1.10	1.30	1.32		A0 sheet	1.10	1.32
0.20	0.24	0.24	Photocopying (colour)	A4 sheet	0.20	0.24
0.50	0.59	0.60		A3 sheet	0.50	0.60
1.70	2.00	2.04		A0 sheet	1.70	2.04
45.11	53.00	54.13	Printing (black & white)	per hour	45.11	54.13
45.11	53.00	54.13	Printing (colour)	per hour	45.11	54.13
24.68	29.00	29.62	CD's	per hour	24.68	29.62
(if information is held electronically)						
actual cost			Converting to electronic or microfiche		actual cost	
actual cost			Postage		actual cost	

INTERNAL SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
Letting of Council Offices						
30.00	n/a	n/a	Council Chamber - Hertford	per hour	30.00	n/a
30.00	35.25	36.00	Waytemore Room - B/Stortford	per hour	30.00	36.00
20.00	n/a	n/a	Other Rooms - Hertford	per hour	20.00	n/a
20.00	23.50	24.00	Other Rooms - Bishop's Stortford	per hour	20.00	24.00
Revenues						
40.00	n/a	n/a	Issue of Summons		40.00	n/a
40.00	n/a	n/a	Charge for Liability Order		40.00	n/a
Miscellaneous Engineering Fees						
free			Street parties (non-commercial)			
25.00	n/a	n/a	Sewer Records/Plans	per item	25.00	n/a
22.00	n/a	n/a	Neighbourhood Watch Sign	per sign	22.00	n/a
8.00	n/a	n/a	Dog Fouling Sign	per sign	8.00	n/a

INTERNAL SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
LAND CHARGES (these are Statutory Charges)						
Local Land Charges						
67.00	n/a	n/a	Registration of a charge in Part II of the register	per charge	67.00	n/a
2.50	n/a	n/a	Filing a definite certificate of the Lands Tribunal under rule 10 (3)	per certificate	2.50	n/a
7.00	n/a	n/a	Filing a judgement or order, or written request for the variation or cancellation of any entry in Part 11 of the register	per item	7.00	n/a
2.50	n/a	n/a	Inspection of documents filed in the register under rule 10, in respect of each parcel of land	per parcel of land	2.50	n/a
22.00	n/a	n/a	Personal search in the whole or any part of the register	per search	n/a	n/a
27.00	n/a	n/a	Personal Search inclusive of printout	for print out	5.00	n/a
1.00	n/a	n/a	Add in addition in respect of each parcel of land above one, where under rule 11 (3) the search extends to more than one parcel, subject to a maximum of £16.00	per additional search	n/a	n/a
			Official search (including issue of official certificate of search) in:			
2.00	n/a	n/a	(a) any one part of the register	per search	2.00	n/a
29.00	n/a	n/a	(b) the whole of the register	per search	21.00	n/a
1.00	n/a	n/a	And in addition, in respect of each parcel of land above one, where under rule 11 (3) more than one parcel is included in the same requisition (for a search in the whole or part of the register), subject to a maximum of £16.00	per additional search	1.00	n/a
1.50	n/a	n/a	Office copy of any entry in the register (not including a copy of any plan or document filed pursuant to the rules)	per copy	1.50	n/a
Various	n/a	n/a	Office copy of any plan or other document filed pursuant to the rules	per copy	Various	n/a

INTERNAL SERVICES

2010/11			DETAILS	UNIT OF CHARGE	2011/12	
Exc. VAT £	Inc. VAT 17.50% £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
			These fees are statutory charges			
			Answering form of enquiry			
			Part I Enquiries -			
			These fees are non statutory charges			
			One parcel of land			
101.00	n/a	n/a	- Residential / Commercial	per enquiry	66.00	n/a
			- Commercial			
20.00	n/a	n/a	each additional parcel	per enquiry	20.00	n/a
n/a	n/a	n/a	NLIS Residential	per enquiry	n/a	n/a
n/a	n/a	n/a	NLIS Commercial	per enquiry	n/a	n/a
			Part II Enquiries			
			Where relating to one parcel of land only or to several parcels and delivered on a single form -			
			Each printed enquiry			
12.00	n/a	n/a	numbered in the form	per enquiry	10.00	n/a
25.00	n/a	n/a	Any and each further enquiry added by solicitors	per enquiry	25.00	n/a
15.40+	n/a	n/a	Abstract of Title		15.40+	n/a
21p	n/a	n/a			21p	n/a
per sheet copied			per sheet copied			
			LEGAL CHARGES			
90.00	105.75	108.00	Notice of Transfer	per hour	100.00	120.00
90.00	105.75	108.00	Deed of Variation	per hour	100.00	120.00
90.00	105.75	108.00	Deed of Covenant Copy	per hour	100.00	120.00
90.00	105.75	108.00	" Engrossment	per hour	100.00	120.00
90.00	105.75	108.00	Postponement of Charge	per hour	100.00	120.00
90.00	105.75	108.00	Litigation, Conveyancing and Planning matters	per hour	100.00	120.00
100.00	n/a	n/a	Sale of Council Minutes	per civic year	100.00	n/a
			Extract of Electoral Register			
20.00 + 1.50	n/a	n/a	Fee for sale of the Register	data	20.00 + 1.50	n/a
per thousand entries or part					per thousand entries or part	
10.00 + 5.00	n/a	n/a		printed	10.00 + 5.00	n/a
per thousand entries or part					per thousand entries or part	
			Fee for sale of the list of Overseas Electors			
20.00 + 1.50	n/a	n/a		data	20.00 + 1.50	n/a
per hundred entries or part					per hundred entries or part	
10.00 + 5.00	n/a	n/a		printed	10.00 + 5.00	n/a
per hundred entries or part					per hundred entries or part	

This page is intentionally left blank

EAST HERTS COUNCIL

JOINT SCRUTINY COMMITTEE – 18 JANUARY 2011

EXECUTIVE – 8 FEBRUARY 2011

REPORT BY EXECUTIVE MEMBER FOR RESOURCES AND INTERNAL SERVICES

SERVICE ESTIMATES – REVENUE BUDGET PROBABLE 2010/11 – ESTIMATES 2011/12

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- The report deals with the revenue estimate process which will conclude at the Council meeting on 2 March 2011 when a formal resolution setting the 2011/12 Council Tax will be approved.

<u>RECOMMENDATION FOR DECISION BY JOINT SCRUTINY COMMITTEE: that</u>

the Committee make such comments and recommendations to the Executive as the Committee determine.
--

<u>RECOMMENDATIONS FOR DECISION BY EXECUTIVE : That:</u>

(A)	any comments made by Joint Scrutiny Committee on the 18 January 2011 be considered; and
(B)	the probable Revenue Estimates for 2010/11 and the draft Revenue Estimates for 2011/12 be recommended to Council.

1.0 Background

- 1.1 The process and timetable for the preparation and presentation of the Council's Revenue Estimates aimed to ensure appropriate consultation with Officers and Members as well as linkages with the Council's service planning process.
- 1.2 The Strategy to be adopted in preparing the 2011/12 Estimates was set by the Executive at its meeting on 7 September 2010. This included the emergency budget decision that identified savings of over £1.1m.
- 1.3 The budget process links service demand with the Council's Priorities and the Community Strategy using an integrated service planning and financial management framework. This year's process included further challenge day sessions in order to consider service enhancements and proposals for efficiency savings in line with targets set. The consolidated report sets out proposals for enhancements and efficiency savings.
- 2.0 Report
- 2.1 The summarised estimates in respect of all General Fund Services are attached at **Essential Reference Paper B1**. The Director of Internal Services and his team have been available to advise Directors on the contents of their budgets.
- 2.2 Price Levels
- 2.3 The Probable Estimates for 2010/11 are based on actual payments to date plus anticipated expenditure to the end of the financial year.
- 2.4 The Estimates for 2011/12 are the projected outturns including anticipated inflation.
- 2.5 The Salary estimates for 2011/12 include the following:
 - A nil pay award.
 - An assumption that vacancies arising from turnover will produce savings equating to 3% of the total pay bill across virtually all cost centres.
 - Increments and 5% supplements as appropriate;
 - The financial effects of any job evaluations.

2.6 Income Estimates do not yet reflect increases in fees and charges in line with the recommendations included elsewhere on the Agenda.

2.7 Recharges of Divisional and Support Costs

2.8 In line with the strategy this year Estimates presented do not show recharges of Divisional and Support costs.

2.9 Comments on the Estimates presented

Budgets excluding capital financing costs

2.10 Overall the Probable Estimates for services, show a circa £1,156k favourable variance from the Original 2010/11 Estimate (excluding capital financing costs). The use of earmarked reserves for the Local Development Framework £100k and the House Condition Survey £10k will not be required. However, £10k will be required from the Legal Reserve.

2.11 The 2011/12 Estimate shows a decrease of £2,746k over the 2010/11 Estimate. The use of earmarked reserves of £182k is included in the 2011/12 Estimate.

2.12 Efficiency Savings from the Emergency Budget in September have been incorporated into these estimates. Members are currently being consulted regarding further efficiency savings.

Capital Financing Costs

2.13 These costs represent the depreciation charge for assets. Where external funding has been received towards capital expenditure, this is credited to the service in a likewise approach. Capital financing costs do not flow through to net expenditure used to determine the council tax. Capital financing costs decrease from £4,779k in 2010/11 to £4,442K in 2011/12. The summarised estimates in respect of all Capital Financing Costs are attached at **Essential Reference Paper 'B2'**.

Service Estimates

2.14 The following comments aim to provide Members with an insight into the significant underlying movements within the service budgets that support the Estimates presented.

- 3.0 Chief Executive Division
- 3.1 Chief Executive and Corporate Support Team
- 3.2 *Probable/Estimate-* Staffing efficiencies of circa £50k have been achieved.
- 3.3 Strategic Direction
- 3.4 *Probable-*A saving of £14k is forecast as a result of the Government's decision not to undertake the Place Survey.
- 4.0 Neighbourhood Services
- 4.1 Planning and Building Control Services
- 4.2 Development Plans Section
- 4.3 *Probable/Estimate-* The Council has seen a loss of Government funding as a result of its spending review from the Planning and Housing Delivery grant of £20k in this service.

Estimate- Staffing efficiency savings of £12k have been achieved.
- 4.4 Building Control Section
- 4.5 *Probable-* There has been no turnover of staff within this section resulting in an increase of £27k in the Probable estimate.
- 4.6 Development Control Section
- 4.7 *Probable* – The Council has seen a loss of Government funding as a result of its spending review from the Planning and Housing Delivery grant of £61k in this service.
- 4.8 Development Plans Service
- 4.9 *Probable/Estimate-* The first examination of the Local Plan is in two years time, but there is still preparation and on going work required before this is produced. The call on the Reserve is reduced by £100k in 2010/11 and £40k in 2011/12. The programme for the Local Development Framework and consultancy involves fluctuating work patterns. These are being managed to produce a more efficient budget profile. Thus, reflecting a saving of £70k in 2010/11 and £50k in 2011/12.

- 4.10 Development Control Service
- 4.11 *Probable/Estimate-* The Council has seen a loss of Government funding as a result of its spending review from the Planning and Housing Delivery grant of £85k in this service.
- 4.12 Health and Housing Service
- 4.13 *Probable/Estimate-* Staffing efficiencies have resulted in a reduction in the 2010/11 Probable and 2011/12 Estimate of over £50k and £35k respectively from the Original 2010/11 Estimate.
- 4.14 Private Sector Housing Grants
- 4.15 *Probable-* A repayment of a previously awarded Council grant from house holders of £24k has resulted in a windfall sum being received.
- 4.16 Other Housing
- 4.17 *Probable/Estimate-* The use of the Housing Survey Reserve of £13k will not be required.
- 4.18 Housing Options
- 4.19 *Estimate-* There is additional grant funding of £20k for the private tenant rent deposit scheme.
- 4.20 Thele Hostel
- 4.21 *Probable-* Executive on the 7 September approved a supplementary estimate of £15k to cover maintenance costs until the property is sold.
- 4.22 Hillcrest Hostel
- 4.23 *Probable-* Greater occupancy levels and the collection of Hostel tenants rents are a circa net £22k higher than estimated for.
- 4.24 Licensing and Community Safety Services
- 4.25 Emergency Planning

Probable- This cost centre shows a reduction in spending requirements of £7k.

5.0 Customer and Community Services

5.1 Public Conveniences

5.2 *Probable*- The budget in 2010/11 was understated by a double counting of planned savings of £29k. In addition public conveniences have remained open in three towns, there being no suitable private sector provider, at a cost of £34k.

5.3 Refuse, Recycling and Street Cleansing contract

5.4 *Estimate*- With effect from the 1 May 2011 the Council has awarded a new contract to cover the above services. The impact of this has resulted in a circa £1.031m overall saving estimate to estimate. These savings are reflected in a number of cost centres including markets and car parks.

5.5 Domestic Refuse Collection

5.6 *Probable*- A saving on the Refuse contract of £105k is forecast because of less than expected ad hoc work. This is coupled with the Council's decision to defer replacement bin charging resulting in a £50k adverse variance.

5.7 Commercial Refuse Collection/Clinical Waste Collection

5.8 *Probable*- The Commercial and Clinical Waste Collection services show a net favourable position of £19k and £12k respectively as a result of additional income being generated which in part is off set by corresponding additional expenditure.

5.9 Recycling

5.10 *Probable*-

- The Recycling Service shows a net £980k favourable position between Estimate and Probable. This is due to the following:-
- A £21k under spend on Alternate Refuse Collection advertising due to the success of ARC and there is less need to undertake publicity to address public concerns.
- A £94k under spend on Recycling Kerbside Green Waste collections as the scheme will not be expanded to include flats until the new contract is let in May 2011.

- A £20k under spend associated with Plastic Recycling Banks.
- A net favourable position of £208k will be achieved on Kerbside Dry Recyclables.
- The latest estimate of the sum to be received from Herts County Council under the Alternate Financial Model is £620k more than the original estimate.
- Other minor net savings contribute £17k to the under spend

5.11 Parks and Open Spaces

Probable- The Grounds Maintenance budget is estimated to over spend by £36k due to higher levels of inflation (RPI) than estimated. This is off set by £20k of additional income such as advertising on roundabouts and within the service level agreement with the Countryside Management Scheme there is a saving of £8k.

5.12 Buntingford Service Centre

- 5.13 *Probable-* The Service Centre Material Handling budget included a provision for material sorting equipment. The provision of equipment was suspended following a Member review pending the letting of the new contract. This has resulted a saving of £36k. There is also a saving on the electricity budget of £7k.

5.14 Community and Cultural Services

5.15 Community Projects Team

- 5.16 *Probable/Estimate-* Staffing efficiencies of circa £31k have been achieved.

5.17 Community Planning

- 5.18 *Estimate-* The 2010/11 estimate included a one off special item of £60k under the Local Strategic Partnership banner. This sum was funded externally by Herts County Council.

5.19 Concessionary Transport

- 5.20 *Probable-* There is an estimated saving of £48k on travel permits.
Estimate- From 2011/12 this service will be operated by Herts County Council. Although there is an apparent saving it is anticipated that there will be a corresponding reduction in the Council's Revenue Support Grant.

5.21 Economic Development Section

5.22 *Probable*- A £20k virement from the Economic Development Service was enacted to support staffing costs.

5.23 Community Projects

5.24 *Estimate*- As a result of the emergency budget the budget has been reduced by £8k.

5.25 Economic Development Service

5.26 *Probable/Estimate*- The Government's spending review has resulted in a loss of £50k Local Authority Business Growth Incentives grant. The Probable has had £20k vired to support salary costs in the Economic Development Section, coupled with a reduction in spending of £20k.

5.27 Leisure Provision

5.28 *Probable* -. *Estimate*-The Council's capital leisure investment will result in a reduced management fee and overall reduction in costs of £277k.

5.29 Hertford Theatre

5.30 *Estimate*- The capital investment and initiatives undertaken will see an increase in income giving an overall net saving of £72k.

5.31 Customer and New Media Services

5.32 Car Parks

5.33 *Probable*- The Probable Estimate reflects an adverse variance from the Original 2010/11 Estimate of £433k. This is explained by the following:-

- The Council has a 24 month rent free period on the lease of the Causeway Car Park. The Council is required to account for this across the 35 year lease resulting in a lease cost of £222k a year. This charge will reverse on termination of the lease.
- Car Park use is below forecast resulting in 5.5% less Pay and Display income to year end of £150k.

- There is a loss of income in Pay and Display of £19k due to the increase in VAT to 20% from 4 January 2011.
- The net impact of not implementing Sunday and Bank Holiday car park Pay and Display charging is circa £35k. This decision also applies to Penalty Charge Notices with an adverse consequence of £10k.
- Due to the timing of the Gascoyne Way refurbishment works, car washing income of £5k has not materialised.
- A rent review on Baldock Street car park will increase the charge by £9k.
- The decision not to provide free car parking at Christmas will generate £17k of additional income.

Estimate- There is an adverse variance from Estimate to Estimate of £467k explained by the following:-

- There is an increase in reimbursement to Sainsbury's of £36k as more customers claim the reimbursement.
- The Council has a 24 month rent free period on the lease of the Causeway Car Park. The Council is required to account for this across the 35 year lease resulting in a lease cost of £222k a year. This charge will reverse on termination of the lease.
- Car Park use is below forecast resulting in 5.5% less Pay and Display income to year end of £150k.
- The net impact of not implementing Sunday and Bank Holiday car park Pay and Display charging is circa £35k. This decision also applies to Penalty Charge Notices with an adverse consequence of £10k.
- Increases in the National Non Domestic Rate of £27k.
- Contractor payments for parking enforcement have increased by £59k as a result an increase in the RPIX.
- The decision not to provide free car parking at Christmas will generate £17k of additional income.
- The purchase of Apton Road and Baldock Street car parks from Herts County Council will result in a rental stream saving of £55k.

6.00 Internal Services

6.01 Programme Director

6.02 *Estimate-* This sum represents the remaining months of a three year contract, which has been funded from reserves.

6.03 People and Organisational Services

6.04 *Probable*- Includes an agreed £10k carry forward request from 2009/10.

Estimate- A reduction of £9k in the Corporate Training budget is as a result of staffing efficiencies being achieved.

6.05 Business Support Services

6.06 Head of Business Support Services

6.07 *Probable*- There is budget reduction of £20k due to long term sickness.

6.08 IT Services

6.09 *Probable* – A review of IT Licences third party contract payments has resulted in a reduction on the Original Estimate of £34k.

Estimate – Staffing efficiencies of £176k expected on completion of C3W.

6.10 Facilities and Property

6.11 *Probable/Estimate*- Engineering and Transport reflects a reduction in income of circa £18k as work from the Environment Agency is not expected, as has occurred in previous years, due to the economic climate.

6.12 *Estimate*- The expected transfer of staff from the Causeway building to Wallfields mid 2011/12 will result in a net saving of circa £115k.

6.13 Business Solutions

6.14 *Probable/Estimate*- Efficiency savings of £56k planned to be made in 2010/11 from increased turnover within the Printing, Desk Top Publishing and Microfilming services have not been achieved and have therefore been rolled forward to be identified in 2011/12.

6.15 Revenues and Benefits Service

Probable/Estimate- As a result in the economic downturn the Housing Benefit service has seen an increase in caseload and a corresponding increase in the sums paid to claimants. The

majority of the costs are reimbursed by Government grant, but not all. The Government spending review has resulted in a £24k loss of admin subsidy in 2010/11 and £33k in 2011/12. The increased caseload has generated a higher level of overpayments, thus generating a higher level of recovery of those overpayments, therefore giving a favourable increase of £350k. Efficiency savings (if taken) of £100k have yet to be incorporated into the 2011/12 Estimate.

Efficiency staffing savings of £90k are anticipated in 2011/12.

6.16 Financial Support Services

6.17 Accountancy and Asset Management

6.18 *Probable/Estimates*- Staffing efficiencies as a consequence of C3W will generate savings of circa £43k estimate to estimate. In Asset Management the savings although anticipated in 2010/11 will not transpire until 2011/12 upon completion of the C3W programme.

6.19 Miscellaneous Properties

6.20 *Probable*- A receipt of £50k has been received for the disruption caused upon the sale of land at Hartham to a supermarket.

6.21 Democratic and Legal Support Services

6.22 Democratic, Land Charges and Legal Services

6.23 *Estimate*- Staffing efficiency savings have been made across the service totalling over £100k.

6.24 Elections

6.25 *Probable*- The resignation of two Councillors has resulted in the need to conduct two by-elections costing circa £16k.

Estimate- Full District Council elections are to be held in May which is estimated to cost £100k of which £75k will be funded from reserves.

6.26 Land Charges Service

6.27 *Probable*- Land Charges income is expected to exceed the original estimate by a net £20k.

6.28 Other Services

6.29 *Probable-*

- *Corporate and Democratic Core*-There is an under spend of £48k on Members Allowances due to one less Executive Member and the review of allowances. This is coupled with a decrease in External Audit costs of £33k due to the costs of the Auditor being less than budgeted for, the demise of the Audit Commission and a refund from the AC relating to the implementation of International Financial Reporting Standards.
- *Other Expenses*- To balance the 2010/11 budget £23k of management actions to mitigate pressures were required to equalise the budget. This has been found via the underspend recognised in the salaries reported through the monthly Healthcheck report.
- Pathfinder costs are less than budgeted for circa £2k.
- Revenue Performance Reward Grant of £51k, subject to the Department for Communities and Local Government accepting the Local Strategic Partnership claim, will be made at the end of the financial year.

Estimate-

- It is not envisaged that a balancing mitigating actions sum will be required for the 2011/12 Budget. This equates to an increase of £23k over the 2010/11 Original Estimate.

7.0 Implications/Consultations

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

Background Papers

None

Contact Member: Councillor M Tindale – Executive Member for Resources and Internal Services

Contact Officer: Alan Madin – Director of Internal Services – Contact Tel Ext No 1401

Report Author: Mick O'Connor– Principal Accountant

ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):	<p>Promoting prosperity and well-being; providing access and opportunities <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p>Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p>Pride in East Herts <i>Improve standards of the neighbourhood and environmental management in our towns and villages.</i></p> <p>Caring about what's built and where <i>Care for and improve our natural and built environment.</i></p> <p>Shaping now, shaping the future <i>Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures.</i></p> <p>Leading the way, working together <i>Deliver responsible community leadership that engages with our partners and the public.</i></p>
Consultation:	Not Applicable
Legal:	None
Financial:	See body of report
Human Resource:	None
Risk Management:	As outlined in the report

This page is intentionally left blank

ALL DIVISIONS**Essential Reference Paper B1**

	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
SUMMARY OF ESTIMATES				
SERVICE				
CHIEF EXECUTIVE	711,204	724,875	643,080	669,840
NEIGHBOURHOOD SERVICES	2,888,594	3,378,340	3,264,790	3,369,690
CUSTOMER & COMMUNITY SERVICES	8,864,591	8,653,730	8,131,500	6,378,720
INTERNAL SERVICES	5,879,439	6,320,916	5,879,820	5,910,820
Capital Salaries	-132,400	-188,500	-186,000	-186,000
NET EXPENDITURE	<u>18,211,428</u>	<u>18,889,361</u>	<u>17,733,190</u>	<u>16,143,070</u>

CHIEF EXECUTIVE

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF CHIEF EXECUTIVE ESTIMATES

CE1	Chief Executive & Corp Support Team	270,572	271,655	217,180	218,460
CE2	Strategic Direction	440,632	453,220	425,900	451,380
NET EXPENDITURE		<u>711,204</u>	<u>724,875</u>	<u>643,080</u>	<u>669,840</u>

NEIGHBOURHOOD SERVICES

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF ESTIMATES

SERVICE

NS1	Director of Neighbourhood Services	119,844	125,370	124,190	125,090
NS2	Planning & Building Control	846,903	1,156,660	1,196,450	1,239,010
NS3	Health & Housing	1,668,800	1,811,200	1,685,250	1,718,710
NS4	Licensing & Community Safety	253,047	285,110	258,900	286,880
NET EXPENDITURE		<u>2,888,594</u>	<u>3,378,340</u>	<u>3,264,790</u>	<u>3,369,690</u>

NEIGHBOURHOOD SERVICES

NS2

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF PLANNING & BUILDING CONTROL ESTIMATES

SERVICE

NSP1	Development Plans	232,775	242,620	270,120	251,000
NSP2	Building Control Section	677,283	665,580	690,670	680,250
NSP3	Development Control Section	1,177,808	1,240,460	1,314,310	1,308,670
NSP4	Conservation Section	72,736	83,000	88,250	88,390
NSP5	Development Plans Service	34,146	231,300	61,600	141,600
NSP6	Building Control Service	-570,964	-604,500	-610,500	-610,500
NSP7	Development Control Service	-777,881	-703,800	-619,000	-622,400
NSP8	Conservation Service	1,000	2,000	1,000	2,000
NET EXPENDITURE		<u>846,903</u>	<u>1,156,660</u>	<u>1,196,450</u>	<u>1,239,010</u>

		2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
SUMMARY OF HEALTH & HOUSING ESTIMATES					
SERVICE					
NSH1	Environmental Health	1,020,300	1,068,630	1,010,020	1,035,840
NSH2	Private Sector Housing Grants	-21,697	0	-23,700	0
NSH2	Houses in Multiple Occupation	-11,110	-630	0	0
NSH2	Landlord Forum	438	500	500	500
NSH3	Env Health Licences	-12,861	-13,200	-11,200	-12,800
NSH3	Sampling	1,758	1,820	900	1,820
NSH4	Food & Health Safety	3,851	3,840	2,980	3,840
NSH5	Environmental Health Promotions	50,420	53,170	53,790	53,590
NSH6	Environmental Pollution	20,191	27,080	26,200	27,400
NSH8	Housing Options Section	339,523	362,490	355,320	370,170
NSH9	Housing Strategy	59,495	69,170	56,750	68,720
NSH10	Private Sector Housing	3	50	50	50
NSH10	Other Housing	54,290	22,000	7,200	8,200
NSH11	Piper Lifelines - Private	2,447	0	0	0
NSH12	Enabling	65,640	68,980	68,980	63,980
NSH13	Housing Options	111,846	139,380	132,080	112,080
NSH14	Thele Hostel	4,576	0	20,060	0
NSH15	Hillcrest Hostel	-20,310	7,920	-14,680	-14,680
NET EXPENDITURE		<u>1,668,800</u>	<u>1,811,200</u>	<u>1,685,250</u>	<u>1,718,710</u>

		2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
SUMMARY OF LICENSING & COMMUNITY SAFETY ESTIMATES					
SERVICE					
NSL1	Community Protection	280,074	309,790	282,010	305,930
NSL2	Hackney Carriages	-104,072	-108,490	-101,570	-104,900
NSL3	Gambling & Other Licensing	-19,740	-16,000	-16,000	-16,000
NSL4	Alcohol & Entertainment Licensing	-109,514	-108,000	-108,000	-108,000
NSL5	Emergency Planning	18,178	32,070	25,680	32,000
NSL6	Community Safety Section	36,852	39,110	40,380	42,230
NSL7	Safer Stronger Communities	-30,199	1,390	0	0
NSL8	Community Safety - BCU	-3,337	0	0	0
NSL9	Community Safety Projects	-1,156	0	0	0
NSL10	Community Safety Service	185,961	135,240	136,400	135,620
NET EXPENDITURE		253,047	285,110	258,900	286,880

CUSTOMER & COMMUNITY SERVICES

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF ESTIMATES

SERVICE

CC1	Director of Customer & Community	104,335	103,740	105,430	106,120
CC2	Environmental Services	6,595,453	7,145,660	6,093,250	5,701,590
CC3	Community & Cultural Services	3,272,977	2,566,600	2,646,180	1,269,410
CC4	Customer Services & New Media	-1,108,174	-1,162,270	-713,360	-698,400
NET EXPENDITURE		<u>8,864,591</u>	<u>8,653,730</u>	<u>8,131,500</u>	<u>6,378,720</u>

CUSTOMER & COMMUNITY SERVICES

CC2

		2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
SUMMARY OF ENVIRONMENTAL SERVICES ESTIMATES					
SERVICE					
CCE1	Environmental Services	1,037,001	1,032,560	1,040,550	1,056,590
CCE2	Allotments	-338	100	60	150
CCE3	Playgrounds	123,671	118,450	121,050	115,900
CCE4	Public Conveniences	127,979	38,710	102,290	91,730
CCE5	Refuse Collection - Domestic	2,612,677	2,538,550	2,482,000	1,208,050
CCE6	Refuse Collection - Commerical	-184,354	-117,600	-136,200	-99,350
CCE7	Clinical Waste	0	-29,820	-41,800	-16,300
CCE8	Street Cleansing & Litter Control	967,350	1,010,550	990,630	1,001,580
CCE9	Recycling	596,990	1,150,760	170,640	804,150
CCE10	Parks & Open Spaces	939,193	968,580	976,920	1,063,760
CCE11	Buntingford Service Centre	174,520	222,020	178,750	264,280
CCE12	Animal Control	37,646	29,430	27,810	31,960
CCE13	Pest Control	51,872	52,260	50,530	54,360
CCE14	Environmental Co-Ordination Section	53,986	54,870	56,930	55,610
CCE15	Herts Environmental Forum	-560	-1,140	-640	-660
CCE16	Environmental Co-Ordination Service	47,840	49,150	49,150	41,550
CCE17	Customer & Community Admin	9,980	28,230	24,580	28,230
NET EXPENDITURE		<u>6,595,453</u>	<u>7,145,660</u>	<u>6,093,250</u>	<u>5,701,590</u>

CUSTOMER & COMMUNITY SERVICES

CC3

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF COMMUNITY & CULTURAL ESTIMATES

SERVICE

CCC1	Head of Community Planning	77,752	78,850	80,650	79,080
CCC2	Community Projects Team	183,362	186,790	170,740	155,720
CCC3	CABs	179,000	129,000	129,000	129,000
CCC4	MOWs	124,944	64,160	131,150	61,050
CCC5	Community Planning	21,898	81,080	81,080	20,600
CCC6	Concessionary Transport	813,012	838,230	789,550	0
CCC7	Transportation	87,800	86,650	86,650	86,650
CCC8	Economic Development Section	108,737	91,040	119,280	91,220
CCC9	Markets	19,591	17,270	23,050	-23,770
CCC10	Community Projects	61,348	64,140	62,320	55,650
CCC11	Big Lottery	0	2,000	0	0
CCC12	Tourism	1,234	3,630	3,440	3,190
CCC13	Economic Development	102,959	83,600	93,850	120,050
CCC16	Leisure Services	45,954	47,040	48,210	46,970
CCC17	Leisure Development	1,374	2,220	2,220	2,220
CCC18	Leisure Provision	1,093,776	361,420	395,460	84,050
CCC19	Hertford Theatre	313,723	392,000	392,050	320,250
CCC20	Revenue Contributions & Grants to Voluntary Bodies	36,513	37,480	37,480	37,480
NET EXPENDITURE		<u>3,272,977</u>	<u>2,566,600</u>	<u>2,646,180</u>	<u>1,269,410</u>

CUSTOMER & COMMUNITY SERVICES

CC4

2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF CUSTOMER SERVICES & NEW MEDIA ESTIMATES

SERVICE

CCS1	Head of Customer Relations	123,035	126,300	132,810	133,260
CCS2	External Customer Services	405,208	425,700	415,510	395,620
CCS3	Web Team	97,200	99,680	101,700	100,950
CCS4	Information Management	25,101	26,200	26,530	25,880
CCS5	Car Parking Section	327,892	332,870	350,290	352,360
CCS6/13	Car Parking Service	-2,086,610	-2,173,020	-1,740,200	-1,706,470
NET EXPENDITURE		-1,108,174	-1,162,270	-713,360	-698,400

INTERNAL SERVICES

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF ESTIMATES

SERVICE

IS1	Director of Internal Services	136,663	147,140	147,460	147,990
IS2	Programme Director	97,504	101,730	102,630	32,290
IS3	People & Organisational Services	361,812	334,360	357,840	337,220
IS4	Internal Audit & Business Improvement	309,942	333,800	332,150	336,980
IS5	Business Support Services	3,042,126	3,102,540	3,142,960	2,865,450
IS6	Revenues & Benefits	216,417	487,950	180,530	475,740
IS7	Financial Support Services	140,409	197,590	135,670	143,260
IS8	Democratic & Legal Support Services	556,742	609,520	585,470	600,250
IS9	Other	1,017,824	1,006,286	895,110	971,640
NET EXPENDITURE		<u>5,879,439</u>	<u>6,320,916</u>	<u>5,879,820</u>	<u>5,910,820</u>

INTERNAL SERVICES

IS4

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF INTERNAL AUDIT & BUSINESS IMPROVEMENT ESTIMATES

ISA1	Internal Audit	135,365	152,370	157,580	155,680
ISA2	Procurement	68,193	74,720	65,840	74,670
ISA3	Risk Assurance	106,384	106,710	108,730	106,630
NET EXPENDITURE		<u>309,942</u>	<u>333,800</u>	<u>332,150</u>	<u>336,980</u>

INTERNAL SERVICES

IS5

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF BUSINESS SUPPORT SERVICES ESTIMATES

ISB1	Head of Business Support Services	76,512	79,250	59,510	79,150
ISB2	IT Services	1,191,167	1,328,060	1,309,220	1,182,010
ISB3	Facilities and Property	1,774,447	1,695,230	1,774,230	1,604,290
NET EXPENDITURE		<u>3,042,126</u>	<u>3,102,540</u>	<u>3,142,960</u>	<u>2,865,450</u>

INTERNAL SERVICES

IS6

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF REVENUES & BENEFITS ESTIMATES

SERVICE

ISR1	Revenues & HB Section	1,294,927	1,360,710	1,383,390	1,271,570
ISR2	Benefits Service	-1,078,510	-872,760	-1,202,860	-795,830
NET EXPENDITURE		<u>216,417</u>	<u>487,950</u>	<u>180,530</u>	<u>475,740</u>

INTERNAL SERVICES

IS7

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF FINANCIAL SUPPORT ESTIMATES

ISF1	Accountancy	518,475	530,660	516,910	489,380
ISF2	Asset Management	167,753	155,320	172,320	153,990
ISF3	Misc Properties	-545,819	-488,390	-553,560	-500,110
NET EXPENDITURE		<u>140,409</u>	<u>197,590</u>	<u>135,670</u>	<u>143,260</u>

		2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
SUMMARY OF DEMOCRATIC & LEGAL SUPPORT SERVICES ESTIMATES					
	SERVICE				
ISD1	Democratic Services	321,125	329,600	332,950	258,000
ISD2	Land Charges & LLPG	148,557	142,330	130,570	129,740
ISD3	Legal Services	325,706	305,900	291,330	283,390
ISD4	Burials	4,018	3,200	1,000	1,000
ISD5	Elections	50,909	55,500	71,500	151,000
ISD6	Land Charges Service	-300,264	-224,530	-241,880	-222,880
ISD7	Street Naming	6,691	-2,480	0	0
	NET EXPENDITURE	<u>556,742</u>	<u>609,520</u>	<u>585,470</u>	<u>600,250</u>

INTERNAL SERVICES

IS9

2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF OTHER ESTIMATES

SERVICE

ISO1	Corporate & Democratic Core	911,638	924,010	844,420	868,780
ISO2	Other Expenses	106,186	82,276	50,690	102,860
	NET EXPENDITURE	<u>1,017,824</u>	<u>1,006,286</u>	<u>895,110</u>	<u>971,640</u>

This page is intentionally left blank

ALL DIVISIONS**Essential Reference Paper B2**

	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
SUMMARY OF ESTIMATES				
SERVICE				
CHIEF EXECUTIVE	17,897	22,680	18,490	22,490
NEIGHBOURHOOD SERVICES	824,624	2,352,590	1,071,800	1,737,310
CUSTOMER & COMMUNITY SERVICES	7,176,158	1,823,180	1,628,910	2,016,310
INTERNAL SERVICES	500,574	580,980	651,170	665,680
NET EXPENDITURE	<u>8,519,253</u>	<u>4,779,430</u>	<u>3,370,370</u>	<u>4,441,790</u>

CHIEF EXECUTIVE

		2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
Service					
SUMMARY OF CHIEF EXECUTIVE ESTIMATES					
CE1	Chief Executive & Corp Support Team	12,758	16,940	12,680	16,530
CE2	Strategic Direction	5,139	5,740	5,810	5,960
NET EXPENDITURE		<u>17,897</u>	<u>22,680</u>	<u>18,490</u>	<u>22,490</u>

NEIGHBOURHOOD SERVICES

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF ESTIMATES

SERVICE

NS1	Director of Neighbourhood Services	44,004	65,030	40,310	50,010
NS2	Planning & Building Control	101,303	110,360	92,060	114,240
NS3	Health & Housing	628,581	2,125,550	879,540	1,511,060
NS4	Licensing & Community Safety	50,736	51,650	59,890	62,000
NET EXPENDITURE		<u>824,624</u>	<u>2,352,590</u>	<u>1,071,800</u>	<u>1,737,310</u>

NEIGHBOURHOOD SERVICES

NS2

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF PLANNING & BUILDING CONTROL ESTIMATES

SERVICE

NSP1	Development Plans	8,196	8,000	9,370	9,400
NSP2	Building Control Section	15,791	25,250	15,100	14,070
NSP3	Development Control Section	37,187	43,950	36,310	33,250
NSP4	Conservation Section	1,100	1,300	1,280	1,320
NSP7	Development Control Service	-4,726	-3,140	0	0
NSP8	Conservation Service	43,755	35,000	30,000	56,200
NET EXPENDITURE		<u>101,303</u>	<u>110,360</u>	<u>92,060</u>	<u>114,240</u>

NEIGHBOURHOOD SERVICES

NS3

		2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
SUMMARY OF HEALTH & HOUSING ESTIMATES					
SERVICE					
NSH1	Environmental Health	25,733	37,130	23,650	24,600
NSH2	Private Sector Housing Grants	465,699	680,400	595,400	726,400
NSH5	Environmental Health Promotions	600	640	640	660
NSH6	Environmental Pollution	2,100	2,300	2,260	0
NSH8	Housing Options Section	8,863	15,230	11,360	22,110
NSH9	Housing Strategy	1,870	2,180	2,150	2,120
NSH10	Other Housing	98,000	1,365,500	205,600	700,000
NSH13	Housing Options	15,916	3,970	14,930	14,930
NSH14	Thele Hostel	4,700	4,700	3,520	0
NSH15	Hillcrest Hostel	5,100	13,500	20,030	20,240
NET EXPENDITURE		628,581	2,125,550	879,540	1,511,060

NEIGHBOURHOOD SERVICES

NS4

2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF LICENSING & COMMUNITY SAFETY ESTIMATES

SERVICE

NSL1	Community Protection	4,500	5,100	5,130	7,370
NSL6	Community Safety Section	1,080	1,190	1,190	1,040
NSL7	Safer Stronger Communities	1,100	1,300	0	0
NSL10	Community Safety Service	44,056	44,060	53,570	53,590
NET EXPENDITURE		<u>50,736</u>	<u>51,650</u>	<u>59,890</u>	<u>62,000</u>

CUSTOMER & COMMUNITY SERVICES

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF ESTIMATES

SERVICE

CC1	Director of Customer & Community	44,000	65,030	40,310	50,010
CC2	Environmental Services	306,319	384,760	362,230	542,090
CC3	Community & Cultural Services	2,885,495	871,930	793,740	955,700
CC4	Customer Services & New Media	3,940,344	501,460	432,630	468,510
NET EXPENDITURE		<u>7,176,158</u>	<u>1,823,180</u>	<u>1,628,910</u>	<u>2,016,310</u>

CUSTOMER & COMMUNITY SERVICES

CC2

2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF ENVIRONMENTAL SERVICES ESTIMATES

SERVICE

CCE1	Environmental Services	28,923	34,700	31,120	30,470
CCE3	Playgrounds	91,100	113,800	104,740	124,850
CCE4	Public Conveniences	28,200	28,600	28,480	28,480
CCE5	Refuse Collection - Domestic	61,700	72,500	76,640	87,460
CCE6	Refuse Collection - Commerical	11,138	14,340	18,000	17,650
CCE9	Recycling	51,336	90,470	170,240	179,830
CCE10	Parks & Open Spaces	-3,699	-5,040	-102,260	40,050
CCE11	Buntingford Service Centre	33,641	31,630	30,900	28,830
CCE12	Animal Control	550	640	640	660
CCE13	Pest Control	550	640	1,280	1,320
CCE14	Environmental Co-Ordination Section	1,120	640	640	660
CCE15	Herts Environmental Forum	560	640	640	660
CCE16	Environmental Co-Ordination Service	1,200	1,200	1,170	1,170
NET EXPENDITURE		<u>306,319</u>	<u>384,760</u>	<u>362,230</u>	<u>542,090</u>

CUSTOMER & COMMUNITY SERVICES

CC3

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF COMMUNITY & CULTURAL ESTIMATES

SERVICE

CCC1	Head of Community Planning	560	640	640	660
CCC2	Community Projects Team	3,400	3,800	2,570	2,630
CCC5	Community Planning	37,043	60,000	60,000	65,000
CCC8	Economic Development Section	2,300	2,500	2,570	2,630
CCC9	Markets	3,450	3,540	3,510	22,330
CCC10	Community Projects	101,000	1,000	1,000	1,000
CCC13	Economic Development	0	1,500	0	1,500
CCC14	Town Centre Enhancements	186,650	136,500	32,230	182,480
CCC15	Rural Development	0	640	0	0
CCC16	Leisure Services	2,300	2,500	640	660
CCC18	Leisure Provision	2,329,663	436,330	419,900	406,840
CCC19	Hertford Theatre	102,240	102,980	101,180	149,970
CCC20	Revenue Contributions & Grants to Voluntary Bodies	116,889	120,000	169,500	120,000
NET EXPENDITURE		<u>2,885,495</u>	<u>871,930</u>	<u>793,740</u>	<u>955,700</u>

CUSTOMER & COMMUNITY SERVICES

CC4

2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF CUSTOMER SERVICES & NEW MEDIA ESTIMATES

SERVICE

CCS1	Head of Customer Relations	1,100	1,300	1,280	1,320
CCS2	External Customer Services	28,960	35,630	37,520	32,120
CCS3	Web Team	1,700	1,900	1,920	1,970
CCS4	Information Management	1,220	1,390	640	660
CCS5	Car Parking	7,553	8,160	7,520	7,230
CCS6/13	Car Parks	3,899,811	453,080	383,750	425,210
NET EXPENDITURE		<u>3,940,344</u>	<u>501,460</u>	<u>432,630</u>	<u>468,510</u>

INTERNAL SERVICES

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF ESTIMATES

SERVICE

IS1	Director of Internal Services	43,724	65,030	40,950	50,670
IS3	People & Organisational Services	4,500	16,850	3,850	3,950
IS4	Internal Audit & Business Improvement	5,938	5,780	7,350	6,890
IS5	Business Support Services	226,903	241,870	343,320	337,250
IS6	Revenues & Benefits	46,434	51,840	81,080	92,230
IS7	Financial Support Services	98,853	88,610	89,270	93,120
IS8	Democratic & Legal Support Services	35,852	41,160	35,350	30,740
IS9	Other	38,370	69,840	50,000	50,830
NET EXPENDITURE		<u>500,574</u>	<u>580,980</u>	<u>651,170</u>	<u>665,680</u>

INTERNAL SERVICES

IS4

		2009/10	2010/11	2010/11	2011/12
		ACTUAL	ESTIMATE	PROBABLE	ESTIMATE
Service		£	£	£	£
SUMMARY OF INTERNAL AUDIT & BUSINESS IMPROVEMENT ESTIMATES					
ISA1	Internal Audit	3,738	3,180	4,140	3,600
ISA2	Procurement	1,100	1,300	1,280	1,320
ISA3	Risk Assurance	1,100	1,300	1,930	1,970
NET EXPENDITURE		<u>5,938</u>	<u>5,780</u>	<u>7,350</u>	<u>6,890</u>

INTERNAL SERVICES

IS4

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF BUSINESS SUPPORT SERVICES ESTIMATES

ISB2	IT Services	9,792	10,970	8,980	9,220
ISB3	Facilities and Property	217,111	230,900	334,340	328,030
NET EXPENDITURE		<u>226,903</u>	<u>241,870</u>	<u>343,320</u>	<u>337,250</u>

INTERNAL SERVICES

IS5

Service	2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF REVENUES & BENEFITS ESTIMATES

SERVICE

ISR1	Revenues & HB Section	46,434	51,840	81,080	92,230
	NET EXPENDITURE	<u>46,434</u>	<u>51,840</u>	<u>81,080</u>	<u>92,230</u>

INTERNAL SERVICES

IS6

		2009/10	2010/11	2010/11	2011/12
		ACTUAL	ESTIMATE	PROBABLE	ESTIMATE
Service		£	£	£	£
SUMMARY OF FINANCIAL SUPPORT ESTIMATES					
ISF1	Accountancy	10,272	11,650	8,370	7,240
ISF2	Asset Management	2,377	2,500	2,650	2,710
ISF3	Misc Properties	86,204	74,460	78,250	83,170
NET EXPENDITURE		<u>98,853</u>	<u>88,610</u>	<u>89,270</u>	<u>93,120</u>

2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF DEMOCRATIC & LEGAL SUPPORT SERVICES ESTIMATES

SERVICE					
ISD1	Democratic Services	10,553	11,360	14,550	13,860
ISD2	Land Charges & LLPG	15,016	18,940	9,740	9,580
ISD3	Legal	4,500	5,100	4,490	4,610
ISD5	Elections	5,783	5,760	6,570	2,690
NET EXPENDITURE		<u>35,852</u>	<u>41,160</u>	<u>35,350</u>	<u>30,740</u>

INTERNAL SERVICES

IS9

2009/10 ACTUAL £	2010/11 ESTIMATE £	2010/11 PROBABLE £	2011/12 ESTIMATE £
------------------------	--------------------------	--------------------------	--------------------------

SUMMARY OF OTHER ESTIMATES

SERVICE

ISO1	Corporate & Democratic Core	38,370	69,840	50,000	50,830
	NET EXPENDITURE	<u>38,370</u>	<u>69,840</u>	<u>50,000</u>	<u>50,830</u>

This page is intentionally left blank

EAST HERTS COUNCIL

JOINT SCRUTINY COMMITTEE - 18 JANUARY 2011

EXECUTIVE - 8 FEBRUARY 2011

REPORT BY THE EXECUTIVE MEMBER FOR RESOURCES AND INTERNAL SUPPORT

CONSOLIDATED BUDGET REPORT:
PROBABLE OUTTURN 2010/11
REVENUE BUDGET 2011/12
MEDIUM TERM FINANCIAL PLAN 2011/12 TO 2014/15

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

This report recommends a revenue budget for 2011/12 in the context of

- the Council's priorities
- the medium term financial plan to 2014/15
- funding the capital programme (subject of a separate report)
- the anticipated revenue budget outturn for 2010/11
- the proposed Treasury Management Strategy for 2011/12 (subject of a separate report)
- the previously agreed council tax base for 2011/12
- no council tax increase for 2011/12
- proposals for reserves and balances

<u>RECOMMENDATION FOR SCUTINY:</u>	
(A)	That Scrutiny advise the Executive of its comments on the proposals set out in the report including any amendments to the budget which the Committee wish to be considered by the Executive
(B)	That Scrutiny in particular consider the savings on which Council at its September 2010 meeting deferred a decision and which are <ul style="list-style-type: none">• Support for the chairman £11K• Museums Service £6k• Sunday and bank holiday car parking £38k;

	and the proposal to freeze car park charges from April 2011.
--	---

<u>RECOMMENDATIONS FOR THE EXECUTIVE</u>	
(A)	That consideration be given to comments and proposals by Scrutiny and, in the light of that consideration recommendations be made to the Council that ,
(B)	1. The probable outturn for 2010/11 be approved
	2. The revenue budget for 2011/12 be approved
	3. The medium term financial plan to 2014/15 be approved
	4. There to be no increase in council tax for 2011/12

1.0 Background

- 1.1 This time last year the Council set its budget to prepare for constraint in public spending but with much uncertainty about the scale of that constraint. Following the election the incoming government signalled its intention to address the public sector deficit sooner than the outgoing government had planned with the announcement in June of spending cuts taking effect in 2010/11. The Council's expected revenue grants were reduced by £241k.
- 1.2 The Council responded to the changed position in September when it reviewed its savings proposals for 2011/12 set out in the MTFP but which remained subject to confirmation. With limited exceptions Council confirmed those savings and authorised officers to implement them at the earliest feasible opportunity.
- 1.3 The outcome of the Comprehensive Spending Review announced in October confirmed the scale and pace of the rebalancing of public spending. Spending restraint rather than increases in taxes underpinned a plan to achieve a sustainable position over four years. The plans included a 28% reduction in grants to local government over four years. The Local Government Association has calculated that job losses will total up to 140,000 nationally. The Secretary of State has said that reserves should be called on to offset the first year impact of this reduction.

- 1.4 On 13th December the government announced the Revenue Support Grant settlement. The settlement saw cuts more front loaded than the MTFP allowed for and the MTFP has been adjusted as a consequence.
- 1.5 The newly created Office of Budget Responsibility has issued two reports. A key feature of those reports which has informed the Council's budget planning is the expectation that interest rates will remain lower for longer to help off set the impact on the economy of less demand from government and from households facing real term reductions in disposable income. Between its June report and it November report the OBR further reduced its interest rate forecasts by around 0.5% and this has been factored into the MTFP.
- 1.6 The plans set out in the CSR and the OBR's forecasts are based on assumptions about the performance of the UK economy over the next four years. The UK is not immune from the international economy and the volatility of financial markets which means that the future course of the UK economy remains uncertain. Financial markets have put pressure on the Euro zone with weaker members seeing their cost of borrowing increase at a time they are imposing austerity measures to rebalance their finances. The UK has offered additional bilateral support to Ireland as a key trading partner. If doubts over sovereign debt create further turbulence in the markets this may cause the government to revisit its spending plans.
- 1.7 In July the Council refreshed the financial strategy setting out the principles and objectives for its financial planning including a policy on reserves and the MTFP is in keeping with that strategy.
- 1.8 The Council has retendered its refuse and street cleansing service and the new contract to commence April 2011 will reduce costs by £1.469m per year. The cost reduction gives scope to review spending and council tax plans.
- 1.9 The MTFP approved last year assumed a 2.5% increase in council tax from April 2011 and this was retained in the updated July Plan. The government has set out its plans to pay a grant equal to the income from a 2.5% increase in council tax to councils agreeing to freeze their tax. As a consequence the budget proposes no increase in Council tax for 2011/12.

2.0 Report

Opening balances 1 April 2010

- 2.1 The budget for 2010/11 was set in February 2010 with an expectation that 31 March 2010 would see a balance on the general reserve of £2,090k. The final accounts recorded a balance of £2,770k i.e. some £680k higher than expected largely as a result of improved waste recycling income.
- 2.2 The unallocated general fund balance was £3,854k inclusive of the £454k building control surplus. Earmarked reserves compared as follows:

Reserve	Expected Balance 31.3.10 £000	Actual Balance 31.3.10 £000
Interest Equalisation	904	1185
Insurance Fund	9	10
Emergency Planning	37	37
VAT partial exemption	145	145
Service Improvement	797	795
LDF/Green belt	363	363
Housing condition survey	23	23
Council election	50	50
LABGI	316	316
Leisure utilities/pensions	60	60
Restructure	33	33
Legal fees	31	31
Performance Reward Grant		217
Pension strain costs		158
Waste recycling		275
Total	2768	3698

Taken together the general and earmarked reserves at out turn put the Council in a significantly better position to meet the CSR challenges.

Projected outturn 2010/11

- 2.3 The latest health check report at the time of drafting this report is the November report. This shows favourable variances of £2,038k offset by adverse variances of £1,956k – a net positive variance of £82k.
- 2.4 Action in response to budget monitoring in the year to date has seen a projected overspending reduce from £881k in June – (when the major impact of reduced investment returns was assessed) to £82k under spending in November.
- 2.5 The later detailed review of the probable outturn undertaken as part of the preparation of the 2011/12 estimates has indicated a further improvement and reports a potential under spending of £266k by the end of the year. The detail in support of the probable outturn is set out elsewhere on the agenda and this shows spending on services of £17.733m against a budget of £18.889m – an under spending of £1156k. This net under spending on services is offset by a shortfall on investment income of £890k to produce the net £266k.
- 2.6 A report to the Audit Committee 24 November reviewed how and when variances had been reported in each of the prior two years. This showed that positive income variances in particular tended to be reported later rather than sooner. In both years there had been significant positive shifts in the net variance reported at final outturn compared with what was reported at probable outturn. This pessimism bias in reporting has been addressed with budget managers and the figures reported here include subsequent adjustment of forecasts. However, for the purposes of planning, a further judgemental “correction” is proposed to the probable outturn figure. The adjustment is a further £200k favourable shift from these figures to outturn. This is substantially less than the shift in each of the last two years reflecting a degree of prudence and the expectation of earlier reporting this year of items contributing to the turn around in each of the last two years. For the purposes of the MTFP a net favourable variance of £466k for 2010/11 is built into the plan.
- 2.7 In assessing year end balances provision is made to earmark up to £400k of this under spend dependent on final outturn for deferred pension contribution costs and transitional staffing costs including costs arising from implementing budget savings.

Priorities (and the New Homes Bonus)

- 2.8 The new government has made clear that all its policy objectives are subordinate to ensuring the sustainability of public finances. The coalition agreement states “The deficit reduction programme takes precedence over any of the other measures in this agreement...” This over riding objective requires all parts of the public sector to view their priorities in the same light.
- 2.9 The Council’s priorities against which spending proposals need to be measured have been simplified by bringing together “Pride in East Herts” and “Caring about what’s built (and) where” with the context revised to “This priority focuses on improving standards of the built neighbourhood and environmental management in our towns and villages.”
- 2.10 This priority is particularly relevant when the Council comes to consider how it will respond to the New Homes Bonus. With the proposed redirection of funding to areas building relatively high numbers of houses and away from those building relatively few houses the scheme will benefit those authorities which respond to the incentive and penalise those which do not by top slicing what would otherwise be available for formula grant.
- 2.11 As yet, the MTFP makes no provision either for income from this source or how that income might be applied. In simple terms for each band D equivalent house added to the council tax base the reward would be 6 years of the council tax generated using a national band D equivalent (about £1440 for 2011/12). A premium is payable for affordable housing at the rate of £350 per unit. In two tier areas the reward is split 80% district 20% county.
- 2.12 The scheme is ranked as “high risk” in the consideration of the robustness of estimates set out below. As yet there is no reasonable basis to predict the potential top slicing of RSG and how any top slicing would impact allocations to individual authorities but it is probable some authorities will lose more in RSG than they gain in New Homes Bonus. Essential Reference Paper B calculates an estimate of potential gross income of £557k in 2011/12 based on the consultation paper. The Council’s share at 80% equates to £446k.

- 2.13 With spending restraint likely to be with all Councils for some time the budget round has necessarily focussed again on where savings can be made that have least impact on priorities. The overall priority has continued to be the prudent management of the Council's finances to avoid unplanned service reductions.

Financial Strategy

- 2.14 Corporate Business Scrutiny Committee on 20 July considered a draft updated financial strategy 2011/12 to 2014/15 which was subsequently endorsed by the Executive. The strategy emphasises the need to specifically address uncertainty in the planning process. A policy with respect to reserves was approved.
- 2.15 To address uncertainty the planning process has developed savings options somewhat ahead of the sums needed to balance the MTFP based on central planning assumptions; planning contingencies have been built in for later years and the flexible use of reserves is proposed to address volatile and not readily controllable budgets. If necessary a September mid year review of future options will be repeated. The investment strategy has been amended to ensure a floor return for a proportion of investments.
- 2.16 The policy with regard to reserves establishes a band within which the general reserve is to be maintained. The proposals in this report ensure the general reserve will remain within these boundaries.

Revenue Support Grant Settlement

- 2.17 The settlement was delayed until the 13 December some two weeks later than is normal and which perhaps reflects the difficulty that DCLG has had in devising a formula which avoids volatility with a switch of many specific grants each with their own basis of allocation into the general purposes formula grant.
- 2.18 Key features of the settlement are set out in the Local Government Association's commentary at Essential Reference Paper C. This was an unusually complex settlement with multiple floors set to cap grant reductions at higher levels for authorities whose income was more dependent on council tax.
- 2.19 The implications for the Council are set out in summary at Essential Reference Paper D. The announcement focussed on changes to "revenue spending power" which effectively is the

reduction in budget needed to achieve a council tax freeze while accommodating a reduction in grant. The inclusion of parish precept income as if spending power of the billing authority tended to understate the impact on billing authorities such as East Herts with significant parish precepts. On the governments measure this was a reduction of 4.8% corrected to exclude parishes the reduction is 5.8%. These budget reductions are a consequence of a reduction of grant of £1.2m equal to 16.6% in 2011/12.

2.20 The Council saw a loss of £490k of grant to contribute towards the floors on grant reductions elsewhere.

2.21 Revenue Support Grant income from the settlement compares to the projections in the July refresh as follows (adjusting for concessionary fares):

Year	Settlement £000	July MTFP £000**	Change £000
2011/12	6046	6916	-870
2012/13	5315	6487	-1172
2013/14	Not announced	6055	n/a
2014/15	Not announced	5622	n/a

** These figures are after reduction for concessionary fares

2.22 The reduction in formula grant in cash terms is 26.7% over the two years announced and the reductions in total grants is 22.7% (see ERP D). In real terms allowing for inflation at 2.5% per year the loss of grant is therefore already in excess of the average of 28% reduction over 4 years announced at the time of the Comprehensive Spending Review. Given that the Council is a contributor to the floors on grant reductions we must now expect the grant loss over 4 years to be above average.

2.23 Revised projections are included for grant in years 3 and 4 based on the figure for year 2. A 3% reduction is made in each year to £5160k in 2013/14 and £5100k in 2014/15. Over the 4 years this equates to a 25% reduction in cash terms or 35% reduction in real terms.

Budget 2011/12 and MTFP

2.24 Since the MTFP was presented to Scrutiny in August the major adjustments to offset the revised grant figures which do not involve any changes of policy (other than treasury management policy) are as follows:

- Refuse and Street cleansing service reflect annual savings of £1.469m on a like for like basis.
- The exclusion of concessionary fares costs £0.857m (transferred to the County) and consequential reduction in grant
- Revision to investment income projections to reflect the OBR's reduced forecast for rates offset by the impact of the enhanced returns from structured deposits.
- Increases in pension fund contributions are less than previously modelled reflecting the better than expected funding position at the March 2010 valuation. The improvement flows from the change from rpi to cpi in indexing pensions and the public sector pay freeze. Pension increases are deferred to 2014 based on the latest information from the actuary.
- Recycling income is now built in for the final two years of the MTFP
- Planning contingencies have been reduced as a consequence of moving to a 2011/12 base year and the refuse contract saving
- Provision is included to meet costs of change as the Council restructures of up to £600k over 2 years rather than meet these costs as unbudgeted calls on reserves. In finalising the estimates a proportion of this sum will be built into detailed estimates to meet known costs.
- Detailed calculation of payroll costs indicates that the cost of increments and local awards is £120k less than allowed for
- Further savings identified from the review of the 2009/10 outturn are now included.
- Council tax is now set not to increase from 1 April 2011 with the offsetting grant recorded as income.
- With the continuation of the homelessness grant for at least two more years the saving from the discontinuation of the rent deposit scheme has been deleted from the savings options. The MTFP assumes grant for all four years to fund this scheme

Essential reference Paper E shows how the funding gap identified in the August report has changed because of each of these adjustments.

2.25 There are further changes which reflect policy changes. These are as follows:

- The decision to include recycling of plastics in the refuse contract at a cost of £260k per year
- Not to implement savings deferred by the Council at its September meeting as follows:
 - Support for the chairman £11K
 - Museums Service £6k
 - Sunday and bank holiday car parking £38k
- To freeze car parking charges for one year from 1 April 2011 and to absorb the VAT increase in these charges from 1 January 2011. In 2010/11 there is a forecast shortfall of car parking income of £160k (other than for deferral of proposals). The budget assumes continuation of that shortfall plus a further reduction below the MTFP update of a similar amount of £150k from the policy changes set out here.
- If possible, to avoid any need to introduce on street car parking at least during the period of this MTFP.
- The MTFP includes the revenue savings which would be made by purchase rather than rental of car park land at Apton Road and Baldock Street. This remains subject to approval of the capital programme.

2.26 The revised financial model for the MTFP is set out at Essential Reference Paper F.

2.27 The budget 2011/12 can be summarised as follows:

	£000	£000
Neighbourhood Services	3369	
Customer & Community Services	6379	
Internal Services	5911	
Chief Executive	670	
- capitalised salaries	-186	16,143

Investment income net of interest payable	-513
Pension costs not chargeable services (note 1)	1,424
Efficiency savings net of growth	-927
Net Expenditure	16,127
Pensions Reserve (note1)	-888
Cost of change provision	400
Contributions to/from reserves	-145
Collection Fund (Surplus)/deficit	31
Formula Grant	-6046
Grant to freeze council tax	-230
Demand on Collection Fund	9249
Band D tax base	58,123
Band D tax	£159.13

Note 1 The service estimate figures exclude capital charges (see separate report) which will be added prior to publication of detailed estimates. Costs to be added relate to pension strain costs and pension contributions to fund the deficit which is not included in current costs.

- 2.28 The MTFP savings identified at Essential Reference Paper F exceed the sum now required to balance the budget which results in a small £4k positive “balancing figure” on the MTFP summary page for 2011/12 but increasing in later years. Subject to any further changes this sum will be taken as an additional contingency provision in later years. The savings options were available for review, questioning and comment by members in preparation for Scrutiny on a member web site.

Consultation

- 2.29 Comments from the member web site are included as part of the consultation out come at Essential Reference Paper G. The consultation exercises recorded a variety of opinions but with acceptance by most respondents of some level of cut to most of the services consulted on. The Business Community (represented by the Federation of Small Businesses) preferred no cuts to Police

Community Service Officers or to support for towns and encouraging business.

- 2.30 The MTFP was discussed with Unison at the Local Joint Panel on 19 January. **Essential Reference Paper H** is the submission from Unison with the comments from the Director of Internal Services shown in ***bold italics***. Unison is calling for savings to be deferred by one year and the reserves used to meet the impact of that deferral. The Panel requested that the Unison submission and the Director's comments be reported to the Executive as given the timing of the Panel's meeting these could not be considered by the Joint Scrutiny meeting. Unison has confirmed their adviser was "a union member of an Eastern Region branch and retired accountant, who was not acting in a professional capacity but was assisting trade union colleagues by providing an opinion based on a good working knowledge of local authority budget setting".

Options

- 2.31 The "balancing figure" noted above can be alternatively applied to a combination of:
- not take up all savings options
 - allowing further growth items
 - transfer to reserves
 - changing council tax assumptions

Application of this sum will be considered in the light of any recommendations from Scrutiny. The Executive may also vary the savings options, use of reserves and council tax assumptions while maintaining a balanced budget.

Council Tax

- 2.32 The government has confirmed grant income to offset the loss of council tax income from not increasing Council tax by 2.5% from 1 April 2011 will continue for at least the duration of the MTFP. Years beyond 2011 are based on a council tax increase of 2.5% each year.
- 2.33 A final determination of any surplus or deficit on the Collection Fund will be made in mid January. It is assumed there will be a nil contribution in the current year and the residual balance on the

Fund at 31 March 2010 that was not taken into account when this year's budget was set will be applied in 2011/12. The implication for the Council is the further net contribution of £31k to the remaining deficit shown in the MTFP.

Reserves

2.34 The proposals in this budget include no fresh proposals to call on reserves.

2.35 Movement on the General Reserve in 2010/11 is based on the judgementally adjusted probable outturn rather than the approved supplementary estimates. In summary this is as follows:

	£000
Balance 1 April 2010	2770
Add	
Planned contribution 2010/11 budget	159
Contribution from under spending – probable outturn	625
Judgemental further under spending	200
Year end Appropriations	-400
Balance 31 March 2011	3354

2.36 In setting the budget for 2010/11 and MTFP it was previously planned to draw on earmarked reserves and these intentions are retained. In addition there is a further call on the Interest Equalisation reserve to meet part of the current years reduced investment income.

2.37 The consequent (additions to) and withdrawal from reserves will result in year end balances as set out in the table below.

Reserve	Bal at 31/3/10 £000	Bal at 31/3/11 £000	Bal at 31/3/12 £000	Bal at 31/3/13 £000	Bal at 31/3/14 £000	Bal at 31/3/15 £000
Interest Equalisation	1185	0	17	44	159	87
Insurance Fund	10	10	10	10	10	10
Emergency Planning	36	36	36	36	36	36
VAT partial exemption	146	146	146	146	146	146
Service Improvement	795	692	645	645	645	645
LDF /Green belt	363	514	604	754	904	1054
Housing condition survey	23	37	51	65	79	93
Council Elections	50	75	0	25	50	75
LABGI	316	86	0	0	0	0
Leisure utilities/pensions	60	120	180	240	300	360
Restructure	33	33	33	33	33	33
Legal fees	31	21	21	21	21	21
Performance Reward Grant	217	0	0	0	0	0
Pension Strain costs	158	79	0	0	0	0
Waste recycling	275	275	275	275	275	275
Earmarking general reserve March 2011		400	400	400	400	400
Total	3698	2524	2418	2694	3058	3235

Robustness of estimates and adequacy of reserves

2.38 Section 25 of The Local Government Finance Act 2003 requires the Section 151 Officer to report on the adequacy of reserves and robustness of the estimates. The balance of this section represents the judgement of the Section 151 Officer.

2.39 The proposals in this report retain adequate but not excessive levels of reserve. This judgement has regard to the Council's policy

with regard to reserves, its record of containing spending within budget, it having identified saving options in excess of the sum needed to balance the MTFP and its prudent approach to risk management. Consideration has been given to potential calls on reserves to meet external “shocks” – from environmental, economic, and operational uninsured losses having regard to the Council’s activities and scale of operations.

2.40 The Council has recently adopted a less risk adverse approach to its treasury activities in order to improve its investment performance and the Council retains very substantial investments in relation to its annual spend. It is prudent to retain above minimum levels of reserves in these circumstances.

2.41 The relative risks to budget assumptions are set out below together with a judgement of relative risk of actual experience differing from current assumptions. The potential direction of variance needs to be considered e.g. the risk to pay and inflation assumptions is on balance that current planning assumption may prove optimistic that a 3rd year of pay freeze can be delivered outturn where as council tax variance is on balance at net cost to the budget.

Area of Risk	Factor	Comment and Mitigation
Volatility of grant income	Medium/High (revised from High)	Although trend formula grant is certain for years 1 and 2 other grant income is subject to annual revisions. The outcome of the Local Government Resource Review is not likely to impact the period covered by the MTFP but years 3 and 4 are not yet announced.
Localisation of council tax benefit and a10% saving to be achieved.	High	Announced to take effect from 2013/14 but with no supporting detail announced.
New Homes Bonus	Medium/high	Income and expenditure are

		omitted from the MTFP pending clarification of this funding stream which is subject to consultation. The potential loss of formula grant by top slicing is a significant risk.
Discretionary Rate Relief	Low	No provision is made in the MTFP to respond to proposed freedoms to extend discretionary NNDR relief.
Income achievement	Medium	Allowance has been made for continuing impact of the recession. It is uncertain that economic recovery will be achieved at the pace expected in the pre budget report
Achieving savings	Medium/High (revised from medium)	Targets become increasingly challenging over the MTFP and public acceptability of some proposals may be difficult to achieve.
Interest rates	High	There are divergent views on the direction of short term rates reflecting different assumptions about the impact of markets concerns about sovereign debt and how the UK economy will respond to public sector spending cuts and increased taxes. The MTFP

		anticipates investment returns consistent with OBR forecasts.
Compliance with grant requirements	Low	Recent audits record a good performance
Vacancy saving	Low	The provision has been reduced to reflect current lower levels of turnover
Pay and inflation	Medium (revised from Low to medium)	A third year of pay restraint will be challenging for national employers if pay in the private sector accelerates as the economy recovers)
Pension costs	Low (revised from medium)	Pension contributions reflect the provisional outcome of the 2010 revaluation and so rates for the next 3 years are unlikely to be further revised. Changes to the scheme including increased employee contributions and potential capping of benefits may improve the funding position at the 2013 valuation.
Council tax increases	Medium (revised from High)	The acceptability of tax increases of 2.5% in years beyond 2011/12 at a time of declining rates of increase in the RPI is more likely to be accepted after a year of freeze. Savings options are available to deliver lower increases and

		a planning contingency can also be drawn on.
Changing Council priorities	Low	The Council has refined its key priorities and fine tuning rather than significant revision is likely. The outcome of the May 2011 election may cause priorities to be revisited
C3W programme	Medium	The scale of change is significant, and the roll out Business Process Improvement will be challenging of an organisation of the scale of the Council. The Council has in place sound programme and risk management processes with commitment from members and senior manages

2.42 The estimates are considered sufficiently robust for the Council to set a budget and council tax for 2011/12.

3.0 Implications/Consultations

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

Background Papers

Comprehensive Spending Review
OBR reports June and November 2010
RSG announcement 13 December 2010.

Contact Member: Michael Tindale – Executive Member for Resources
& Internal Support

Contact Officer: Alan Madin – Director of Internal Services –
Contact Tel Ext No 1401

Report Author: Alan Madin – Director of Internal Services

ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives</p>	<p>The budget and MTFP apply resources to achieve all the Council's priorities</p> <p>Promoting prosperity and well-being; providing access and opportunities <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p>Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p>Pride in East Herts <i>Improve standards of the neighbourhood and environmental management in our towns and villages.</i></p> <p>Caring about what's built and where <i>Care for and improve our natural and built environment.</i></p> <p>Shaping now, shaping the future <i>Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures.</i></p> <p>Leading the way, working together <i>Deliver responsible community leadership that engages with our partners and the public.</i></p>
<p>Consultation:</p>	
<p>Legal:</p>	<p>The Council must set a lawful and balanced budget and subsequently set a council tax for 2010/11 within prescribed time frames.</p> <p>Members should have regard to the advice of the Section 151 but may take decisions at variance with this advice where there are reasonable grounds to do so.</p> <p>It is an offence for any Member with arrears of council tax outstanding for two months or more to attend any meeting of the Council or its committees at which a decision affecting the budget is made unless the Member</p>

	concerned declares at the outset of the meeting that s/he is in arrears and will not be voting on the decision for that reason.
Financial:	As set out in the report.
Human Resource:	Where savings options may cause redundancy the relevant HR policies will apply and those savings remain subject to the outcome of the application of those policies.
Risk Management:	Contingencies are included and the level of reserves forms part of the corporate approach to mitigation of risk.

This page is intentionally left blank

Each year the council makes a return to the DCLG by way of a summary of the property valuations used to bill for council tax. This is by way of a snap shot of the position as at the second Monday in September with known adjustments to an early October date.

The return is on a form CTB (Council Tax Base) the primary purpose of which is to assess the relative resources available to council as an input to RSG allocations. The proposals for the New Homes Bonus will use part of the data returned to calculate the year on year increase in the number of band D properties.

A separate and later return will be used to calculate any increase in the number of affordable homes which will attract an enhancement.

CTB 2009

Band gross	line 1	A	B	C	D	E	F	G	H	total
		802	5713	14340	14351	10055	6869	5040	708	57878
various empty or inelligble properties	line3 line 12 line 14 line 15	1 0 0 42	0 0 0 95	0 0 0 125	0 0 0 94	0 0 0 74	0 0 0 46	0 0 0 35	0 0 0 12	1 0 0 523
Net		759	5618	14215	14257	9981	6823	5005	696	57354
ratio		$\frac{6}{9}$	$\frac{7}{9}$	$\frac{8}{9}$	$\frac{9}{9}$	$\frac{11}{9}$	$\frac{13}{9}$	$\frac{15}{9}$	$\frac{18}{9}$	
Band Equiv		506.00	4369.56	12635.56	14257.00	12199.00	9855.44	8341.67	1392.00	63556.22

CTB 2010

Band gross	line 1	A	B	C	D	E	F	G	H	total
		819	5742	14506	14443	10094	6890	5057	723	58274
various empty or inelligble properties	line3	1	0	0	3	1	0	0	0	5
	line 12	0	0	0	0	0	0	0	0	0
	line 14	0	0	0	0	0	0	0	0	0
	line 15	43	140	135	112	79	39	28	11	587
	Net	775	5602	14371	14328	10014	6851	5029	712	57682
	ratio	$\frac{6}{9}$	$\frac{7}{9}$	$\frac{8}{9}$	$\frac{9}{9}$	$\frac{11}{9}$	$\frac{13}{9}$	$\frac{15}{9}$	$\frac{18}{9}$	
	Band Equiv	516.67	4357.11	12774.22	14328.00	12239.33	9895.89	8381.67	1424.00	63916.89
	Change	10.67	-12.44	138.67	71.00	40.33	40.44	40.00	32.00	360.67
						band D increase			number	361
						national band D rate			£	1439
						Bonus			£	518999
						affordable housing enhancement			£	350
						units			number	110 **
						Bonus				38500
						Total bonus				<u>557499</u>

** this number will be published around October 2011 for 2010/11. The figure of 110 is illustrative only based on typical numbers over the last 10 years

	2011/12	2012/13	2013/14	2014/15
	£	£	£	£
Extrapolation	557000	1114000	1671000	2228000

This page is intentionally left blank

Provisional Local Government Finance Settlement

14 December 2010

Headlines

- A two-year settlement for 2011-12 and 2012-13. A second 2-year settlement is expected to follow, for which Government intend to adopt a new distributional system.
- Central government Formula Grant funding for councils (including Revenue Support Grant and pooled Business Rates, but excluding Police Grant and the Metropolitan Police Special Payment) falls by 12.1% in 2011-12 to £24.9bn.
- The total funding for local government, Aggregate External Finance (AEF), falls by 2.7% in 2011-12 when compared with the adjusted 2010-11 figure. This sum includes a 3% increase in ring-fenced and specific grants (mainly schools grant) and additional funding for PFI.
- A transitional grant of £85m for 2011-12, benefiting 37 authorities whose 'revenue spending power' (broadly grants plus council tax) would have otherwise have fallen by more than 8.9%, has been provided to help minimise reductions for authorities facing exceptional decreases in grant allocation.

- Damping will continue with floors as follows:

Social service authorities	-11.3% to -14.3%
Shire districts	-13.8% to -16.8%
Police authorities	-5.141%
Fire authorities	-9.5%

- The different damping figures for social services authorities and shire districts are based on a new banded system which means the most grant dependent authorities have the least reductions.
- An Early Intervention Grant of £2.214bn, a decrease of over 27% when compared with the grants paid to councils in 2010-11.
- Reform of the housing finance system, with detail contained in the Localism Bill.
- The detail of the settlement includes complex distributional changes in areas such as social care and concessionary fares funding.

Further Information:

For further information please contact Ben Kind, LG Group Public Affairs and Campaigns Manager, on 0207 664 3216 or ben.kind@local.gov.uk

LG Group key messages

- Local government has been handed one of the toughest settlements across the public sector. Although formula grant (excluding police grant) is being cut by 12.1 per cent, cost pressures in areas such as adult social care, children's protection, waste management, and flood defence will continue to mount. As a result, local government faces a total funding shortfall in the order of £6.5bn in the next two years.
- The new £85m transitional fund is welcome and it will help 37 authorities who would have seen sharp falls in their spending power. However, this still leaves substantially front-loaded cuts for councils.
- Now, more than ever, councils need to be freed to set fees and charges at a level that ensures that service users pay the right share of the costs of many services. This would lead to a fairer system than exists now, where taxpayers heavily subsidise many services because the fees set by Whitehall officials bear no relation to the actual costs of providing that service.
- Councils should be able to capitalise redundancy costs fully. The £200m allocation is less than 0.1% of the local authority asset base. Greater flexibility on capitalisation would allow councils to maximise their spending on frontline services. The flexibility would mean authorities can plan efficiency savings, rather than emergency cuts.
- The reform of housing finance to give financial independence for council landlords is a significant victory for LG Group lobbying, but we will press strongly to remove some remaining Whitehall apron strings, including the retention by the Treasury of 75% of receipts from right to buy sales.
- Although councils recognise that spending reductions are needed to tackle the deficit, they nevertheless face significant pressures over which they have limited control, including:
 - Demand for adult social care, which is expected to grow primarily due to demographic pressures of 4 per cent per annum. Increased care pressures will have to be managed alongside the totality of pressures facing local government budgets, given that almost all health funding has been rolled into formula grant.
 - Landfill tax, which will be rising by £8 per tonne each year. Unless the proceeds of the tax are returned to the sector, the ability of councils to invest further in waste management services will be limited.
 - New flood risk management duties, on which the LGA surveyed lead local flood authorities in August 2010. Respondents expect that their costs will be 33 per cent higher in 2011/12 than they were this year.
 - The cost of redundancies, which are expected to be significant as a result of the front loading of the cuts. We expect that up to 140,000 posts could be lost, which will generate considerable redundancy costs. If councils are not able to capitalise full redundancy costs, they will have to find funding from their revenue budgets, further reducing the pot of funding available for frontline services.
- Following requests from the sector for greater flexibilities, the Government has delivered its promise of ending the ring-fencing on a number of revenue grants.

Settlement in detail

Summary of external funding 2011-12

		2010-11	2010-11		
		Settlement original	Adjusted	2011-12	Change
	Total Aggregate External Finance	76,238	75,685	73,610	-2.7%
of which	of which Ring-fenced schools grants including pupil premium	36,154	36,375	38,093	4.7%
	Police Grant (incl. Met. Special Payment)	4,374	4,374	4,546	3.9%
	Total AEF less ring-fenced schools and police grants	35,710	34,936	30,971	-11.3%
	Other specific grants (excluding PFI)	9,974	6,612	6,075	-8.1%
	Net AEF (before post SR transfers)	25,736	28,471	25,014	-12.1%
	Post SR transfers		-147	-118	
	NET AEF	25,736	28,324	24,896	-12.1%
	NNDR Distributable Amount	21,500	21,500	19,000	-11.6%
	Total RSG	4,236	6,824	5,896	-13.6%
	RSG for specified bodies	45	45	33	-27.8%
equals	TOTAL RSG FOR RECEIVING AUTHORITIES	4,191	6,779	5,864	-13.5%
add back	NNDR Distributable Amount	21,500	21,500	19,000	-11.6%
plus	Police Grant (incl. Met. Special Payment)	4,374	4,374	4,546	3.9%
equals	FORMULA GRANT	30,065	32,653	29,410	-9.9%

Formula grant

- As set out in the Spending Review, £3.4bn of specific grants in 2010/11 has gone into formula grant. Details can be found on the CLG website at <http://www.local.communities.gov.uk/finance/1112/grant.htm>
- Within 2011-12 formula grant, around £2bn of the £3.4bn is being distributed using the same distribution formula as used for the specific grant in 2010-11. The following are rolled into formula grant:
 - Local Transport Services (Road Safety and Rural Bus Services)
 - Supporting People
 - Housing Strategy for Older People
 - LSC Staff Transfer
 - HIV/AIDS Support Allocations
 - Preserved Rights
 - Animal Health and Welfare
 - Funding for civil contingency in London.
- Other transfers, such as concessionary fares, services for children in care and social services grants have been incorporated into the main formula grant.

Damping arrangements

There will continue to be four separate groups of authorities: Education / social services authorities; districts, police authorities and fire and rescue authorities. However for education / social services authorities and shire districts there will be banded floors, depending on how dependent the authority is on formula grant. The following table sets out the floors for 2011-12 and 2012-13:

	Education/ Social Services	Shire Districts	Police	Fire
2011-12				
Floor				
Single floor			-5.141%	-9.5%
Band 1 - most dependent	-11.3%	-13.8%		
Band 2	-12.3%	-14.8%		
Band 3	-13.3%	-15.8%		
Band 4 - least dependent	-14.3%	-16.8%		
	Education/ Social Services	Shire Districts	Police	Fire
2012-13				
Floor				
Single floor			-6.703%	-3.4%
Band 1 - most dependent	-7.4%	-10.5%		
Band 2	-8.4%	-11.5%		
Band 3	-9.4%	-12.5%		
Band 4 - least dependent	-10.4%	-13.5%		

Transitional Grant

- In addition to formula grant, the government will pay a transition grant of £85m to those authorities worst hit by the settlement. The transitional grant will be paid to 37 authorities in 2011-12.
- This will mean that no authority has a reduction in 'spending power' (defined as formula grant plus council tax plus some specific grants) of no more than -8.9%.
- The Government says that the average reduction in 'spending power' is 4.4% in 2011-12.

Business rates

- The distributable amount of Business Rates will be £19bn, compared with £21.5bn in 2010-11.
- The national non-domestic rate multiplier will go up by 4.6% to 42.6p in the pound for small businesses and 43.3p in the pound for other businesses.

Council tax

- The settlement confirms that there will be a grant of £650m to fund the implementation of a council tax freeze in 2011-12. There will be funding to support this amount in the four Spending Review years. However there will be no funding to support continuation of this freeze to 2012-13.

Schools and Children's Services Funding (the Department for Education has issued a separate statement)

- The provisional increase for the expanded Dedicated Schools Grant is 3%, but this translates into flat cash per pupil increase, due to pupil number rises. There will be a minimum funding guarantee at school level of -1.5% (this excludes sixth form funding. A separate statement

is expected later this week). In addition there will be a pupil premium of £625m.

- £575.5m of funding to councils, mainly paid through area based grants in 2010-11 is ending.
- The Early Intervention Grant, a non-ring-fenced grant will replace all other non-ring-fenced DfE funding. It will be £2.214bn in 2011-12. DfE say that this is a decrease of 10.9%. However if the ending of the non-ring-fenced grants mentioned above is taken into account the decrease is nearly 28%. Although the Early Intervention Grant is non ring-fenced the statement does mention some streams within it. It will include provision for Sure Start, which was previously ring-fenced, and in 2011-12, will include £64m to prepare for extending free early education to disadvantaged two year olds by 2013. £198m has also been included for short breaks for disabled children.
- Grants for home to school transport and music are ending. The statement says that funding for these will be announced in due course but does not give and further details.
- £2.137 billion of schools capital for 2011-12 has been announced. This includes £800m for additional school places and £1.337 billion for capital maintenance. The Government says that the James Review will inform the allocation of capital from 2012-13.
- £148m in 2011-12 and £265m in 2012-13 is being removed from formula grant to pay for central education functions for academies.

LG Group View

- Although it will be tougher for schools than in recent years, schools are receiving a significantly better settlement than is being provided to local government for children's services.
- The schools capital allocation is significantly lower than the £15 billion over the course of the Spending Review period that the LG Group estimated was required to meet urgent needs for school places and immediate maintenance.
- The LG Group does not consider that there should have been a transfer of money for central education functions as there will not be a saving in central education costs from academies, and there could be losses of economies of scale.

Housing finance reform

- The government will give councils who are landlords financial independence from April 2012.
- There will be a one-off debt settlement in which the majority of councils will take on higher levels of debt; a minority will start with lower debt than currently.
- Across council landlords as a group, the net buyout cost will be £6.5bn.

LG Group View

- The deal is tough but reasonable, including, for example, an allowance for the cost of disabled adaptations.
- However, some very undesirable Whitehall control remains, including the retention of 75% of Right To Buy receipts by the Treasury, a power to re-open the deal down the line (contrary to the clean break

philosophy) and direct controls over councils' borrowing (when there is no evidence that it could not be managed responsibly under the prudential code.

- The LG Group will be lobbying on the Localism Bill to get these controls removed.

Adult Personal Social Services

- The transfer of learning disability funding from health to social care is being achieved through the introduction of a specific grant called the Learning Disability and Health Reform grant. It will amount to £1.325 billion in 2011/12, rising slightly to £1.357 billion in 2012/13.
- All other funding related to adult social care has been rolled into formula grant, including Preserved Rights, Supporting People and the extra funding for personal social services announced in the Spending Review.

LG Group View

- The amount that is being transferred to local authorities to support adults with learning disabilities is in the range that we were expecting, which is welcome since this is one of the fastest-growing pressures on local authority budgets.
- There is an additional £1bn for adult social care that will be included within Formula Grant. Without significant real terms increases in funding it is likely that there will be considerable pressure on councils' ability to maintain care services on the current eligibility criteria in the coming years.
- In the long term, the work of the Commission on Funding of Care and Support will be vital to putting in place a sustainable and affordable approach to managing adult social care needs as the current system is reaching breaking point.

Policing and community safety

- The grant to police authorities has been announced for 2011/12, with indicative budgets for 2012/13 and 2014/15. Allocations have been damped in 2011/12 and 2012/13 to the level of the average reduction.
- Every police authority will see a cash reduction in core government funding of 5.1% in 2011/12 and 6.7% in 2012/13. A number of previously ring-fenced funds have been added in to core grant (e.g. Basic Command Unit funds, Crime Fighting Fund). Where specific grants are added in, the total cash reduction in core government to the funding to the police is 4% in 2011/12 and 5% in 2012/13.
- The Neighbourhood Policing Fund is retained for the first two years of the settlement period: £340m in 2011/12 and £338 in 2012/13. This funding will pass to Policing and Crime Commissioners from 2013/14. In London, the Metropolitan Police Authority will have autonomy over the funding from 2011/12, in recognition of the role the Mayor of London his Deputy already plays.
- Continuing work on value for money, procurement, collaboration between forces and the removal of bureaucracy and consideration of Tom Winsor's independent review of police remuneration and conditions will help forces to make savings.

LG Group View

- Although these reductions will be challenging for the police, the fact that the Home Office allocations are not significantly frontloaded (as the funding for councils is) will help facilitate reductions.
- We welcome moves to simpler funding and the removal of ring-fenced funding streams, which have been rolled up in the core police grant. As an equal partner at the Community Safety Partnership table, councils and councillors have an important role when deciding priorities and allocating funding locally.
- The written statement makes no mention of community budgets in terms of continuing work. This is a missed opportunity and we urge BCU commanders to start discussions locally to see which funding can be pooled to drive improvements at the neighbourhood level.
- The presence of neighbourhood teams is important and continuing funding will ensure that the vital work of PCSOs can continue in our neighbourhoods. However, the allocation of this funding to Policing and Crime Commissioners from 2013/14 needs to come with clarity about the scrutiny powers of the Police and Crime Panels to ensure robust checks and balances are in place.
- The LG Group is glad that the government has delivered on the back loading of the reductions for fire and rescue authorities since this is important in long-term planning. However, reductions of nearly 6 per cent for some (e.g. West Midlands or Cleveland) in year one will still be challenging. Chairs and Fire Chiefs will do everything in their power to avoid hitting the frontline but tough choices will have to be made.

Concessionary fares

- Revenue funding from Department for transport for local transport, including concessionary fares will reduce by 28% over the spending review period. All funding for concessionary fares will be in formula grant.
- Capital funding allocations for highways maintenance will reduce by 19% over the spending review period (and will be £164m less in 2014/15 than in 2010/11).
- Capital allocations for small transport schemes through the Integrated Transport Block will be cut from £450m in 2010/11 to £300m in 2011/12, and £320m in each of 2012/13 and 2013/14 with £450m allocated for 2014/15.
- Councils will be required to submit bids to access funding from the £560m Sustainable Transport Fund for transport projects that support economic growth and reduce carbon emissions.
- As previously announced the concessionary fares function will be transferred from districts to counties in two tier areas. There will be a new sub-block within the Environmental, Protective and Cultural Services Block of the Relative Needs Formula.
- The amount of special grant being put into Formula will be reduced by £20m from 2012/13.

LG Group View

- The annex details which of the options in the formula grant consultation have been chosen. This is likely to produce significant winners and

losers.

- These reductions target local roads. Councils are already facing a backlog of unfunded road maintenance worth £9.5bn. These reductions in funding will lead to an increase in the backlog and a bigger requirement to invest in the long term.
- The Finance Settlement makes it even more essential that councils are given maximum flexibility over how funding is spent locally. For that reason, we are disappointed that councils will be required to bid for the new Sustainable Transport Fund.
- Problems with funding for concessionary fares are likely to continue as a result of the lack of transparency about whether funding matches the costs of the statutory duty.
- The LG Group will continue to argue that no council should be left out of pocket as a result of the transfer of funding from districts to counties. It is not clear how the savings will be delivered when the costs of the scheme are expected to raise due increase in bus operating costs. The LG Group's proposals for a single subsidy pot for bus subsidies would provide a simpler and cheaper way to administer the scheme.
- The LG Group will be working with affected authorities to assess the full impact of the changes to the concessionary fares scheme.

Flood defence

- There will be a new grant paid of £20.9m in 2011-12 and £36.1m in 2012-13 to reflect new responsibilities. There will be a transfer from formula grant of £21.5m in 2011-12 and £42m in 2012-13 to reflect savings on private sewers.

LG Group View

- The LG Group disputes that these savings are real and we are in discussions with Defra.

Annex 1

Formula changes

The following formula changes, consulted on in July 2010, have been implemented. The brackets refer to the exemplifications in the consultation.

- Revised low income adjustment for **social services for older people** (OPSS1)
- Updating data to reflect **police** workload (POL1), changing the treatment of bars within an element of the police relative needs formula (POL2) and rolling some grants into the main Police Grant (POL4)
- Updating the **fire** regression base (FIR1) and the fire risk index (FIR4)
- Removing day visitors in **Highway Maintenance** (HM1) but not in the **EPCS** (Environmental, Protective and Cultural Services) formula.
- A new formula for **flood defence** based on geographical information, but no changes to the coastal defence formula.
- No new supported **capital expenditure** – but in other respects the methodology remains the same
- New weights updating the labour shares within the **area cost adjustment** (ACA1)
- An increase of 10% in the **weight given to relative needs**; the weights will be relative needs 83%; relative resources -26.6%, central allocation 43.6%
- On **concessionary fares**; removing from the district block using a revised weighting within the EPCS and adjusting the baseline grant position based on net 2010-11 revenue expenditure (CONCF3). Concessionary Travel, including the amount paid as a Special Grant in 2010-11 will be added into the county level EPCS formula using a formula based on predicting past expenditure (CONCF8) using indicators to reflect density, deprivation and non car-ownership.
- On **data changes**; they are implementing the data changes affecting incapacity benefit and severe disablement (DATA1), children receiving tax credit (DATA2), using May data for student exemptions in council tax base projections (DATA3) and updating definitions of low achieving ethnic groups (DATA4).

Annex 2 - Formula grant changes by class and region

Local Authority type	2010-11	2011-12	2012-13
	(%)	(%)	(%)
England	2.6%	-9.9%	-7.3%
London area	2.0%	-9.1%	-7.0%
Metropolitan areas	2.6%	-9.8%	-7.2%
Shire areas	3.0%	-10.4%	-7.5%
Isles of Scilly	2.8%	0.0%	0.0%
Inner London boroughs incl. City	1.6%	-11.2%	-7.4%
Outer London boroughs	2.1%	-11.3%	-7.9%
London boroughs	1.8%	-11.3%	-7.6%
GLA - all functions	2.3%	-4.9%	-5.9%
Metropolitan districts	2.5%	-11.3%	-7.6%
Metropolitan fire authorities	1.3%	-9.4%	-3.0%
Metropolitan police authorities	3.1%	-5.1%	-6.7%
Shire unitaries with fire	3.9%	-11.9%	-7.3%
Shire unitaries without fire	3.0%	-11.3%	-7.6%
Shire counties with fire	3.6%	-12.5%	-8.0%
Shire counties without fire	4.2%	-12.7%	-7.8%
Shire districts	1.4%	-15.0%	-10.8%
Combined fire authorities	2.0%	-4.7%	0.4%
Shire police authorities	2.8%	-5.1%	-6.7%
GO REGIONAL SUMMARY			
South West GOR	3.3%	-10.3%	-7.1%
South East GOR	2.2%	-10.8%	-8.1%
London GOR	2.0%	-9.1%	-7.0%
Eastern GOR	2.9%	-10.6%	-7.6%
East Midlands GOR	3.6%	-10.3%	-7.4%
West Midlands GOR	3.0%	-9.5%	-7.0%
Yorkshire and Humber GOR	2.9%	-10.1%	-7.2%
North East GOR	2.3%	-9.8%	-7.1%
North West GOR	2.7%	-10.0%	-7.3%
FLOOR DAMPING GROUPS			
Education Authorities	2.8%	-11.6%	-7.7%
Police Authorities	2.8%	-5.1%	-6.7%
Fire Authorities	1.4%	-5.8%	-0.7%
Shire Districts	1.4%	-15.0%	-10.8%

Summary of the Grant Settlement for East Herts

		Year 1 - 2011/12					
		2010/11	2011/12	Change	Change		
		£m	£m	£m	%		
Council tax	A	12.710	12.710				
of which parish precepts		3.514	3.514				
	B	9.196	9.196	0	0		
Benefit admin grant		0.772	0.725	-0.047	-6.1		
Home less grant		0.031	0.050	0.019	61.0		
council tax freeze grant		0	0.230				
specific grants		0.803	1.005	0.202	25.2		
Formula grant		7.253	6.046	-1.207	-16.6		
total grants	C	8.056	7.050	-1.005	-12.5		
spending power ex parishes	B+C	17.252	16.246	-1.005	-5.8		
parish precepts		3.514	3.514				
	A+C	20.766	19.761	-1.005	-4.8		

		Year 2 - 2012/13					
		2011/12	2012/13	Change	Change		
		£m	£m	£m	%		
		12.710	12.710				
		3.514	3.514				
		9.196	9.196	0	0		
		0.725	0.678 **	-0.047	-6.5		
		0.050	0.031	-0.019	-37.9		
		0.230	0.230				
		1.005	0.939	-0.066	-6.6		
		5.995	5.315	-0.679	-11.3		
		7.000	6.255	-0.745	-10.6		
		16.196	15.451	-0.745	-4.6		
		3.514	3.514				
		19.710	18.965	-0.745	-3.8		

		The two year impact					
		2010/11	2013/14	Change	Change		
		£m	£m	£m	%		
		12.710	12.710				
		3.514	3.514				
		9.196	9.196	0	0		
		0.772	0.678	-0.094	-12.16		
		0.031	0.031	0.000	0.0		
		0.000	0.230				
		0.803	0.939	0.136	17.0		
		7.253	5.315	-1.937	-26.7		
		8.056	6.255	-1.801	-22.4		
		17.252	15.451	-1.801	-10.4		
		3.514	3.514				
		20.766	18.965	-1.801	-8.67		

Essential Reference Paper D

2013/14	2014/15	Reduction from 2010/11
£m	£m	%
0.6500	0.6500	15.8
0.0310	0.0310	0.00
0.2300	0.2300	
0.9110	0.9110	
5.1600	5.1000	29.7
6.0710	6.0110	25.4

** Benefit admin grant 2012/13 not announced - figure here for illustration only

This page is intentionally left blank

Changes to the MTFP balancing figure

ESSENTIAL REFERENCE PAPER E

2011/12 2012/13 2013/14 2014/15

Savings required July report

-1224 -1619 -2035 -2218

Reduction in formula grant

-870 -1172 -895 -522

Changes from review of 2009/10 out turn

Revenues and benefits	-24	-24	-24	-24
Public consultation	1	-10	6	15
Customer services	2	2	2	2
Advertising income	-6	-6	-6	-6
Community Toilets scheme	-40	-40	-40	-40
Jackson square rent	0	0	-8	-16
smart cards	10	20	20	20
PA hours	6	6	6	6

-51 -52 -44 -43

Reduction in waste and street cleaning costs

1565 1565 1565 1565

plastics recycling

-238 -260 -260 -260

amend use of reserves

-216

Cost of change provision

-400 -200

Revenues joint team

37 37 37 37

Regrading

3 5 5 5

CE salary savings

36 36 36 36

Markets

-6 -6 -6 -28

Web hosting

-2 -2 -2 -2

salary estimates

120 122 140 161

savings options

1128 1515 1542 1855

interest revision

5 -66 -300 -531

council tax base

6 6 6 6

balance council tax increase to 2.5%

-6 -13 -25

Benefits ICT licences	-40	-40	-40	-40
Pensions provision : defer increases	182	273	364	271
Recycling income: extend to MTFP period			350	500
Planning contingency	74	25	112	27
other detailed budget changes	-105	78	-92	-92
Balancing figure December	<u>4</u>	<u>239</u>	<u>470</u>	<u>702</u>

GENERAL FUND - MEDIUM TERM FINANCIAL PLAN						
SUMMARY Model for Scrutiny - Executive						
	2009/10 Actual	2010/11	2011/12	2012/13	2013/14	2014/15
	£'000	£'000	£'000	£'000	£'000	£'000
Net Cost of Services	18,444	18,889	16,143	16,702	17,581	18,535
Interest Payments	675	662	662	662	662	662
Interest & Investment Income	-2,481	-1,650	-1,175	-1,422	-1,620	-1,947
Pensions Interest/Return on Assets	1,562	505	1,424	1,424	1,424	1,424
Fees & Charges			-22	-131	-243	-357
Growth Items			75	100	169	222
Special Items			123	25		
Efficiency Savings			-1,167	-2,139	-2,660	-2,915
Contribution of vacancies						
Balancing Figure			4	239	470	702
One off Savings				-15	-6	-15
Known Changes			34	-154	-463	-514
Planning Contingency				169	245	330
RCCO/Internal Interest	29	26	26	26	26	26
Net Expenditure	18,229	18,432	16,127	15,486	15,585	16,153
Contribution to / from Earmarked Reserves	614	33	-124	249	249	249
Contribution to/ from Interest Equalisation reserve	-1,019	-778	17	27	115	-72
Cost of change Contingency			400	200		
Use of General Reserve	233	-41	-38		145	
Movement on Pension Reserve	-835	-34	-888	-888	-888	-888
Net Expenditure after reserves	17,222	17,612	15,494	15,074	15,206	15,442
Formula Grant/NNDR	-8,141	-8,182	-6,046	-5,315	-5,160	-5,100
Council Tax Freeze Grant			-230	-230	-230	-230
Local Area Agreement Grant	-217	-250				
Area Based Grant	-23					
Transfer (from)/to Collection Fund	131	16	31			
Demand on Collection Fund	8,972	9,196	9,249	9,529	9,816	10,112
Council Taxbase	57,734	57,791	58,123	58,414	58,706	58,999
Council Tax at Band D	155.41	159.13	159.13	163.11	167.19	171.37

Percentage Increase

2.40%

0.00%

2.50%

2.50%

2.50%

OTHER KNOWN REDUCTIONS AND INCREASES

	2011/12	2012/13	2013/14	2014/15
	£'000	£'000	£'000	£'000
Causeway deal		-74	-74	-74
increase in pension costs				92
Jackson Square Contract - Rent	75	83	91	99
Income Shortfall 2009/10 reducing effect	-50	-100	-150	-150
Changes to Terms and Conditions			-267	-440
New Refuse, Recycling & Street Cleansing Contract		-100	-100	-100
Joint Mgt team for Revenues and Benefits with Stevenage	-37	-37	-37	-37
Post regraded in Revenues & Benefits		-2	-2	-2
Markets - marketing & maintenance	6	6	6	28
Annual Licence fee - Benefits System	40	40	40	40
Additional plastic recycling - full year effect		22	22	22
Homelessness grant continuation (reduction in income from 11/12)		19	19	19
Hertford Theatre Hydro Income		-11	-11	-11
Total	34	(154)	(463)	(514)

Pay and Price Assumptions for Medium Term Financial Plan

Data Table	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Overall salary increase (Inclusive of everything)*	4.75%	4.75%	0.65%	1.70%	1.45%	2.80%	3.15%
Members Allowances		0.00%	0.00%	2.68%	2.61%	1.80%	2.40%
Inflation	2.50%	2.50%	2.00%	2.10%	2.30%	2.60%	2.70%
NNDR	2.50%	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%
Fuel	2.50%	5.00%	5.00%	2.50%	2.50%	2.50%	2.50%
Contract Index - All Contracts	3.50%	2.50%	2.00%	2.70%	2.70%	2.70%	2.70%
Contract Index - Street Cleansing	3.50%	2.50%	2.00%	2.70%	2.70%	2.70%	2.70%
Contract Index - Refuse Only	3.50%	2.50%	2.50%	3.20%	3.20%	3.20%	3.20%
Contract Index - Parking	3.00%	2.00%	1.50%	2.20%	2.20%	2.20%	2.20%
Contract Index - Leisure	2.50%	2.00%	1.50%	2.20%	2.20%	2.20%	2.20%
Contract Index - Community Meals	3.50%	3.00%	3.00%	3.70%	3.70%	3.70%	3.70%
Formula Grant/NNDR Redistribution	1.00%	0.50%	0.50%	-5.00%	-5.00%	-5.00%	-5.00%
Tax Base Increase	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Income							
Increase for Fees & Charges	3.50%	3.50%	3.50%	2.50%	2.50%	2.50%	2.50%
Increase for car parks	5.00%	5.00%	5.00%	2.50%	2.50%	2.50%	2.50%
Interest on investment	5.30%	2.75%	2.46%	1.81%	2.30%	2.70%	3.30%
1. Street cleansing / Grounds Maintenance - April RPI applied in April							
2. Refuse & Recycling - April AEI (public sector) applied in August							
3. Parking - April RPIx applied in January							
4. Community Meals - April RPI applied in April (contract ends July '09)							
5. Leisure - January RPIx applied in January							
*Salary Increase							
Pay award original budget **	2.50	2.25	0.00	0.20	0.20	1.80	2.4
Pay allowance - increments and local award	2.25	2.25	0.65	1.50	1.25	1.00	0.75
	4.75	4.50	0.65	1.70	1.45	2.80	3.15
** Pay award actuals and now reflected in future plans	2.75	1.00					

Savings**2011/12****2012/13****2013/14****2014/15****£****£****£****£****Recommendations to Council****CUSTOMER & COMMUNITY****Community & Cultural**

Reduce funding for museum services HCC and partnership funding

Customer & New Media

Cancel free parking days at Christmas

Ware Amwell End - Revision of rent payable by Hertford regional College for student car park spaces

-1,000

Grange Paddocks Project

Elm Road income

-7,500

Postponing of Sunday Charging - income until 2011/12

INTERNAL SERVICES**Democratic & Legal Services**

Reduce support for Chairman

Total recommendations to Council**-8,500****0****0****0****Other savings****CUSTOMER & COMMUNITY****Community & Cultural**

C&C - MOW

-45,761

-15,269

Leisure Savings

-86,000

39,000

118,000

Review minor grants

-12,500

Castle Hall - new business plan (subject to approval)

-83,085

-57,671

-45,000

Environment

Do not replace Area Environment Inspector & delete lease van after 12 month contract expires

-30,000

Delete Business Support Assistant Part Time Post FTE Grade 3 - 18.5 hours)

-12,175

Delete Business Support Assistant Part Time Post FTE Grade 3 - 22.5 hours)

-12,922

Reduce Recycling advertising and promotion budget

-31,300

Customer & New Media

Ware Amwell End - Revision of rent payable by Hertford regional College for student car park spaces

-1,000

-1,000

Introduce On Street Charging

Grange Paddocks Project

Elm Road income

-10,000

-10,000

Rye St/Grange Paddocks income

-50,000

-50,000

Link Road resulting from redesignation as short stay

-50,000

Northgate End resulting from redesignation as short stay

-56,000

Grange Paddocks Project - Resident permit income		-2,500	-2,500	
NEIGHBOURHOOD SERVICES				
Planning & Building Control				
Cessation or very minimal provision of remaining discretionary elements of service		-71,305	-71,305	
CHIEF EXECUTIVE				
Strategic Direction & Corporate Support Team				
Restructuring within Strategic Direction		-16,041	-16,041	
INTERNAL SERVICES				
Democratic & Legal Services				
Land Charges - staffing reductions		-4,000	-23,000	
People & Organisational Services				
Reduction in corporate training budget pro rata to staff reduction			-6,000	
Financial Support Services				
Phased reduction in hours of estates staffing		-16,000	-15,000	-15,000
Business Support Services				
Staffing efficiencies on completion of C3W programme		-56,090		
Revenues & Benefits				
Invest to save option		-64,000	-64,000	
Total other savings	0	-604,679	-398,786	58,000
Review of 09/10 outturn				
Community Safety - reduction in supplies & services	-5,000			
Total review of 09/10 outturn	-5,000	0	0	0
2011/12 budget round additional savings				
CHIEF EXECUTIVE				
Strategic Direction & Corporate Support Team				
Public Consultation Budget reduction to base	-14,000			
Deletion of Graduate Trainee post	-15,000			
Reduction of Supplies & Services	-1,000			
Reduce performance and communications activity	-85,000			

INTERNAL SERVICES

Reduce and consolidate management resources	-75,000			
---	---------	--	--	--

Human Resources

Reduce HR support	-20,000	-60,000		
-------------------	---------	---------	--	--

Business Support Services

Internal Audit efficiencies from partnership working	-15,000	-30,000		
Restructuring within facilities services	-70,000	-50,000		
Reduce ICT contract payment	-30,000			
Restate property budgets		-13,000		

Revenues & Benefits

Further shared service savings	-36,000			
Discretionary Rate Relief		-30,000		
Reductions in supplies & services - printing	-11,000			
Increase in recoverable overpayments of Housing Benefits	-100,000			

Financial Support Services

Review of Financial Support Services				-40,000
--------------------------------------	--	--	--	---------

Democratic & Legal Support Services

Efficiency measures for electoral canvass				-13,000
Restructuring of Democratic & Legal Services		-4,000	-23,000	

NEIGHBOURHOOD SERVICES**Planning & Building Control**

Building control fees		-50,000	-50,000	-50,000
Development Control BPI led savings				-22,000
DC miscellaneous costs		-10,000	-10,000	
Planning administration				-68,000
LDF funding		-10,000	-100,000	
Planning policy resources			-12,000	

Health & Housing

Restructuring the services delivered by Licensing, Community Safety and Environmental Health leading to a reduction in resources	-100,000			-106,000
Cease funding Hsg Improvement Agency core & associated services				
- cease Hsg Advice		-5,000		
- cease Handyperson service		-16,000		
- cease funding HIA core and associated services		-33,000		
Reduce hours of Hsg Dev Officer and increase fees	-13,000			
Scale back rent support scheme				
Reduction in housing resources	-54,000			

Community Safety

Set taxi licence fees to recover full costs	-13,000	-13,000	-14,000	-14,000
---	---------	---------	---------	---------

Taxi marshals - withdrawal of funding	-5,000			
Cease contribution to PCSO's	-46,000			
CUSTOMER & COMMUNITY				
Environment				
Reduce ancillary admin spend for Environmental Services	-3,000			
Reduce ancillary admin spend for Community & Cultural	-4,000			
Additional Income from sale of recycleables	-200,000			
Reduce total staff support across Environmental Services	-20,000			
Review / reduce level of environmental coordination and advice	-25,000	-25,000		
increase charges for bulky waste collection service	-10,000			
Join the Consortium contract for the provision of textile banks	-30,000			
Community & Cultural				
Reduce and consolidate senior management resource	-60,000			
Rationalise and consolidate the range of community and culture activities and projects undertaken	-41,000	-41,000		
Review the Hertford Theatre management structure	-7,000	-15,000		
Reduce total spend on Community & Culture, grants, subscriptions & discretionary commissioning by approx 5%	-20,000			
Customer Services & New Media				
Reduce / consolidate ongoing web support	-15,000			
Corporate costs				
Reduce corporate management	-15,000	-50,000		
Deletion of existing savings options in the MTFP replaced by items above				
Planning Service		87,000	87,000	
Strategic Direction				
	-1,153,000	-368,000	-122,000	-313,000
Total Savings	-1,166,500	-972,679	-520,786	-255,000
Cumulative Total Savings	-1,166,500	-2,139,179	-2,659,965	-2,914,965

One Off Savings	2011/12 £	2012/13 £	2013/14 £	2014/15 £
INTERNAL SERVICES				
Financial Support Services				
Rural Development Project Income Stream		-5,000		
Total	0	-5,000	0	0
Review of 09/10 outturn				
CHIEF EXECUTIVE				
Strategic Direction				
Public Consultation & Research		-9,700	-5,700	-14,700
Total	0	-9,700	-5,700	-14,700
Total one off savings	0	-14,700	-5,700	-14,700

Special Items		2011/12	2012/13	2013/14	
		£	£	£	
CUSTOMER & COMMUNITY					
Community & Cultural					
LSP		60,000			
Customer & New Media					
Consultancy re parking retender		12,000			
Grange Paddocks Project -		6,300	0	0	
Grange Paddocks Project - Resident permit		20,000	0	0	
Total		98,300	0	0	0
Review of 09/10 outturn					
Bldg Control - Supplements		9,000	9,000	0	0
Dev Plans - Supplements		6,500	6,500	0	0
Dev Control - Supplements		9,000	9,000	0	0
Total		24,500	24,500	0	0
Total SIs		122,800	24,500	0	0

Growth	2011/12	2012/13	2013/14	2014/15
	£	£	£	£
CUSTOMER & COMMUNITY				
Customer & New Media				
On Street Charging - Maintenance and Monitoring of Pay and Display Machines				
Sunday & Bank Holiday charging				
Grange Paddocks Project - Rebate to Leisure Centre Users			40,000	
Grange Paddocks Project - Maintenance of pay and display machines			3,600	
Hartham Lane car park extension - Maintenance and monitoring of pay and display machines	250			
Environment				
Refuse Service - Property Growth				53,000
 Growth from capital programme	 25,000	 25,000	 25,000	
 Total	 25,250	 25,000	 68,600	 53,000
Review of 09/10 outturn				
Dev Control - Appeals & Consultancy	50,000	0	0	0
 Total	 50,000	 0	 0	 0
 Total Growth	 75,250	 25,000	 68,600	 53,000
 Cumulative Total Growth	 75,250	 100,250	 168,850	 221,850

This page is intentionally left blank

East Herts Council Budget Consultation 2010

East Herts Council is committed to effective consultation when setting each year's budget. The consultation activity with regard to setting the 2011/12 budget is detailed below. The objectives of the exercise were to:

- Get a steer from the public on what we should, and shouldn't be, spending money on as a council
- Gain an understanding of which service areas should be prioritised over others
- Consider areas where higher savings could be made
- Convey how difficult it is to make the budget balance.

Project outline and implementation

East Herts Council engaged with the public, businesses and Councillors around the budget through a series of consultation exercises;

- An online budget simulator (Delib) was placed on our website and promoted through various channels e.g. website, press releases, as well as a direct mailout to 1500 members of our Citizens Panel. It was available to all members of the public. A short video setting the scene was also available. At the time of writing the report the simulator is still open to the public.
- The Delib simulator was sent out to business contacts.
- Four focus groups were held with groups that have access issues and may therefore be affected if certain proposals were agreed, (The first focus group was conducted with representatives of the disabled community in East Herts (Hertford Action on Disability), and the second was held with the elderly at a Circle Anglia Sheltered Housing Scheme. The third focus group was held with the East Herts Ethnic Minority Forum. The final focus group was held at a sheltered housing scheme in Watton at Stone. We were unable due to timings to hold a meeting with Bishop's Stortford Action on Disability.
- A separate exercise was held with all Councillors. This was an online consultation which made available online all the budget options. Councillors were able to comment on each option in a web forum.

The consultation activity was carried out between November and December 2010. All groups (excluding the Councillors forum) were asked to discuss the following:

- Police Community Support Officers
- Community Grants and Funding
- Public Consultation/ Public meetings and Council meetings
- Public toilets
- Homeless help
- Support for museums, the arts and other cultural activities in East Herts.

Online Budget Simulator

The online budget simulator was open from 22 November and closed on 17 December.

We were limited as to the level of promotion we could undertake due to the pre election period from 7 October 2010 to 23 December 2010 which restricted local government publicity.

Articles did appear in the local press over the period 11 November 2010 to 16 December 2010. Coverage included articles in the Hertfordshire Mercury, the Hertfordshire Observer and the Bishop's Stortford Scene.

In total 173 responses were received. We had a good range of responses covering all major areas and age groups. The highest response rate was from Hertford at 27% (46). There were 38 (22%) responses from Bishop's Stortford. Our other towns made up 16% of the responses, Ware had 14, Buntingford 11 and Sawbridgeworth 4. 11% of respondents were from our rural areas and 23% did not state a location. A breakdown of responses by area can be seen below:

Area	Total responses
Bishop's Stortford	21.6% (38)
Hertford	26.2% (46)
Sawbridgeworth	2.3% (4)
Ware	8% (14)
Buntingford	6.3% (11)
Rural areas	10.8% (19)
Blanks	22.8% (40)

The majority, at 81% (140), of respondents classified themselves as White British. 4% (8) classified themselves as White Other. 0.6% (1) classified themselves as White Irish. 13.2% (23) did not state their ethnic category. This suggests the response rate from ethnic groups other than 'White British' is higher than the current known breakdown of the district.

The majority of respondents were male, 55% (95). 56 females responded, 32%. 2 (1.1%) respondents did not wish to say their gender and 20 (12%) left the section blank.

At 25% (44) the majority of respondents were aged between the 55- 64 age group. The lowest number of respondents were from the 18-24 age group.

Age	Total responses
18-24	1.14% (2)
25 – 34	8% (14)
35 -44	10.3% (18)

45 – 54	19.4% (34)
55-64	25.1% (44)
65+	22.2% (39)
Rather not say	1.14% (2)
Blanks	11.4% (20)

Police Community Support Officers

Three out of four respondents favoured making cuts to this spending area.

78% (135) agreed that spending could be reduced compared to 22% (38) who wished to maintain spending in this area. However the level of reduction varied – the highest preference at 28% (49) was to see spending in this area reduced by 100%.

This was followed by 9.8% (17) supporting a 10% reduction, 9.24% (16) supporting a 50% reduction, 8.7% (15) supporting a 20% reduction, 5.8% (10) supporting a 30% reduction, 4.04% (7) supporting a 60% and a 70% reduction, 3.5% (6) supporting an 80% reduction, 2.9% (5) supporting a 40% reduction and 1.7% (3) supporting a 90% reduction.

There was no significant area difference between those who wished to maintain the spending and those who agreed to a 100% reduction.

There was no significant gender difference between those who wished to maintain the spending and those who agreed to a 100% reduction. However the number of males that agreed to the 100% reduction was nearly double the number that wished to retain the spending.

Those aged 55+ were twice as likely to support a 100% reduction in this area than support a 100% retention.

Community Grants and Funding – Sports

Nine out of 10 respondents favoured making cuts to this spending area.

92% (160) agreed that spending could be reduced compared with 7.5% (13) who wished to maintain spending in this area. However the level of reduction varied – the highest preference at 22.5% (39) was to see spending in this area reduced by 100%.

This was followed by 16% (28) supporting a 50% reduction, 12.7% (22) supporting a 10% reduction, 10.4% (18) supporting a 20% reduction. 6.4% (11) supporting a 70% and 80% reduction, 5.8% (10) supporting a 60%

reduction, 4.6% (8) supporting a 40% and a 90% reduction, and 2.9% (5) supporting a 30% reduction.

There were no significant gender differences with the majority of both males and females opting to reduce the spending in this area by 50 or more percent.

Respondents in the West of the district were more likely to support a 100% reduction in this area.

Those aged 55 and above were ten times more likely to reduce the funding by 100% rather than retain it by 100%.

Community Grants and Funding – Supporting our towns and encouraging businesses.

Eight out of 10 respondents favoured making cuts to this spending area. There was no clear majority indicating a particular preference.

The percentage of people that wanted to retain 100% of spending at 16.2% (28) was the same as those that wished to cut it by 100%. 13% (23) of respondents wished to reduce spending by 50%.

This was followed by 11% (19) supporting a 60% reduction, 8.7% (15) supporting a 20% reduction, 7.5% (13) supporting a 70% reduction, 6.9% (12) supporting a 30% reduction, 6.3% (11) supporting a 40% and an 80% reduction, 5.8% (10) supporting a 10% reduction and 1.7% (3) supporting a 90% reduction.

There were no significant gender, age or area based differences.

Community Grants and Funding – Funding for the Arts

Nine out of 10 respondents favoured making cuts in this area.

92.5% (160) agreed that spending could be reduced compared with 7.5% (13) who wished to maintain spending in this area. . However the level of reduction varied – the highest preference at 28.9% (50) was to see spending in this area reduced by 100%.

This was followed by 12.7% (22) supporting an 80% reduction, 9.8% (17) supporting a 50% reduction, 8.7% (15) supporting an 10% reduction, 6.9% (12) supporting a 70% reduction, 5.2% (9) supporting a 20% 30% 60% and 90% reduction and 4.6% (8) supporting a 40% reduction.

There was no significant gender difference; however the number of males that wished to reduce the spending by 100% (29) is significantly higher than those who wished to retain 100% of spending (2).

There were no significant age or area based differences.

Community Grants and Funding – Community Revenue Grants

Nine out of 10 respondents favoured making cuts in this area.

90.2% (156) who agreed that spending could be reduced compared with 9.8% (17) who wished to maintain spending in this area.. However the level of reduction varied – the highest preference at 26% (45) was to see spending in this area reduced by 100%.

This was followed by 12.7% (22) supporting a 50% reduction, 10.4% (18) supporting a 10% reduction, 8.0% (14) supporting an 30% reduction, 6.3 (11) supporting a 40% and an 80% reduction, 5.8% (10) supporting a 60% reduction, 5.2% (9) supporting a 20% and a 70% reduction and 4% (7) supporting a 90% reduction.

There were no significant gender, age or area based differences.

Community Grants and Funding – Museums

Nine out of 10 respondents favoured making cuts in this area.

90.2% (156) agreed that spending could be reduced compared with 9.8% (17) who wished to maintain spending in this area. However the level of reduction varied – the highest preference at 24.2% (42) was to see spending in this area reduced by 100%.

This was followed by 10.4% (18) supporting a 10%, 50% and 60% reduction, 7.5% (13) supporting an 80% reduction, 6.9% (12) supporting a 20% reduction, 6.3% (11) supporting a 30% reduction, 5.8 (10) supporting a 90% and a 70% reduction and 2.3% (4) supporting a 40% reduction.

There were no significant age or area based differences. The number of males that would support a 100% reduction is more than treble the number that wished to maintain 100% of spending in this area.

Community Grants and Funding – Festive Parties

Nine out of 10 respondents favoured making cuts in this area.

89% (154) agreed that spending could be reduced compared with 11% (19) who wished to maintain spending in this area.. However the level of reduction varied – the highest preference at 43% (74) was to see spending in this area reduced by 100%.

This was followed by 10.4% (18) supporting an 80% reduction, 8% (14) supporting a 90% reduction, 6.9% (12) supporting a 10% reduction, 4.6% (8) supporting a 50% reduction, 4% (7) supporting a 60% reduction, 3.5% (6) supporting a 20% and a 70% reduction, 2.9% (5) supporting a 30% reduction and 2.3% (4) supporting a 40% reduction.

There were no significant gender or area based differences. Those ages 55+ were significantly more likely to support a 100% reduction in this area rather than to retain 100% of spending.

Community Grants and Funding – Engagement with children and young people

Eight out of 10 respondents favoured making cuts in this area.

83.8% (145) agreed that spending could be reduced compared with 16.2% (28) who wished to maintain spending in this area.. However the level of reduction varied – the highest preference at 22% (38) was to see spending in this area reduced by 100%.

This was followed by 11% (19) supporting a 10% reduction, 10.4% (18) supporting a 50% reduction, 8.7% (15) supporting a 60% reduction, 7.5% (13) supporting a 30% and a 70% reduction, 4.6% (8) supporting a 20% 40% and an 80% reduction and 2.9% (5) supporting a 90% reduction.

There were no significant area, gender or age based differences.

Public Consultation

Nine out of 10 respondents favoured making cuts to this spending area.

91.3% (158) agreed that spending could be reduced compared with 8.7% (15) who wished to maintain spending in this area.. However the level of reduction varied – the highest preference at 22.5% (39) was to see spending in this area reduced by 100%.

This was followed by 14% (24) supporting a 50% reduction, 11% (19) supporting a 70% reduction, 9.2% (16) supporting an 80% reduction, 8.1% (14) supporting a 60% reduction, 7.5% (13) supporting a 90% reduction, 5.2 (9) supported a 20% reduction and 4.6% (8) supported a 10%, 30% and 40% reduction.

There was no significant gender difference between those who wished to maintain the spending and those who agreed to a 100% reduction. However the number of males that agreed to the 100% reduction at 22 was significantly higher than the number that wished to retain the spending at 2.

Those based in the east of the district were more likely to support a 100% reduction in this area than those in the west.

Council meetings

Nine out of 10 respondents favoured making cuts to this spending area.

91.3% (158) agreed that spending could be reduced, compared with 8.7% (15) who wished to maintain spending in this area.. However the level of

reduction varied – the highest preference at 28.3% (49) was to see spending in this area reduced by 100%.

This was followed by 11% (19) supporting a 60% reduction, 10.4% (18) supporting an 80% reduction, 8.7% (15) supporting a 70% reduction, 6.9% (12) supporting a 40% reduction, 6.4% (11) supporting a 30% and a 50% reduction, 5.2% (9) supporting a 90% reduction, 4.6% (8) supporting a 10% reduction and 3.5% (6) supporting a 20% reduction.

There was no significant gender difference between those who wished to maintain the spending and those who agreed to a 100% reduction. However the number of males that agreed to the 100% reduction at 22 was significantly higher than the number that wished to retain the spending at 2.

There were no significant age or area based differences.

Public meetings

Nine out of 10 respondents favoured making cuts in this area.

93.1% (161) agreed that spending could be reduced compared with 6.9% (12) who wished to maintain spending in this area.. However the level of reduction varied – the highest preference at 32.4% (56) was to see spending in this area reduced by 100%.

This was followed by 11% (19) supporting an 80% reduction, 8.7% (15) supporting a 70% reduction, 8.1% (14) supporting a 50% reduction, 6.9 (12) supporting a 60% reduction, 5.8 (10) supporting a 90% reduction, 5.2% (9) supporting a 10% 30% and 40% reduction and 4.6% (8) supporting a 20% reduction.

There was no significant gender difference between those who wished to maintain the spending and those who agreed to a 100% reduction. However the number of males that agreed to the 100% reduction at 32 was significantly higher than the number that wished to retain the spending at 3.

There were no significant age or area based differences.

Public toilets

Eight out of 10 respondents favoured making cuts in this area.

81% (140) agreed that spending could be reduced compared with 19% (33) who wished to maintain spending in this area.. However the level of reduction varied – the highest preference at 20% (35) was to see spending in this area reduced by 100%.

This was followed by 9.7% (17) supporting a 10% reduction, 8.6% (15) supporting a 70% reduction, 8% (14) supporting a 50% and 60% reduction, 7.4% (13) supporting a 20% reduction, 6.3% (11) supporting an 80%

reduction, 5.7% (10) supporting a 40% reduction, 3.4% (6) supporting a 90% reduction and 2.9% (5) supporting a 30% reduction.

Those based in the West of the district were more likely to support a 100% reduction than those in the East. There were no gender differences. Those aged 65+ were significantly more likely to support retaining 100% of spending in this area.

Homeless help

Seven out of 10 respondents favoured making cuts in this area.

77.2% (133) agreed that spending could be reduced compared with 22.8% (40) who wished to maintain spending in this area.. The highest preference was to retain 100% of spending in this area. However the level of reduction varied.

Out of the 77.2% that favoured making cuts, the highest preference 15.4 (27) was for a 50% reduction. This was followed by 14.8% (26) supporting a 100% reduction, 10.3% (18) supporting a 10% reduction, 7.4% (13) supporting a 60% reduction, 6.3% (11) supporting a 70% reduction, 5.1 (9) supporting a 30% and 40% reduction, 4% (7) supporting an 80% and 90% reduction and 3.4 (6) supporting a 20% reduction.

There were no significant age, area or gender based differences.

Support for museums, the arts and other cultural activities in East Herts

Nine out of 10 respondents favoured making cuts in this area.

93.7% (162) who agreed that spending could be reduced compared with 6.3% (11) who wished to maintain spending in this area.. However the level of reduction varied – the highest preference at 25.1% (44) was to see spending in this area reduced by 100%.

This was followed by 13.1% (23) supporting an 80% reduction, 11.4 (20) supporting a 60% reduction, 9.7% (17) supporting a 10% reduction, 8% (14) supporting a 50% reduction, 6.8% (12) supporting a 90% reduction, 6.3% (11) supporting a 70% reduction, 5.1 (9) supporting a 20% reduction, 4% (7) supporting a 30% reduction and 2.9 (5) supporting a 40% reduction.

There was no significant gender difference between those who wished to maintain the spending and those who agreed to a 100% reduction. However the number of males that agreed to the 100% reduction at 22 was significantly higher than the number that wished to retain the spending at 3.

There were no significant area based differences however respondents based in the East were significantly more likely to support a 100% reduction than to retain the spending at 100%.

There were no significant age based differences.

The proposals, ranked by highest preference for identifying savings is:

1. Support for museums, the arts and other cultural activities
2. Public meetings
3. Funding for the Arts/ funding for sports activities
4. Public consultation/ Council meetings
5. Funding for museums/ community revenue grants
6. Funding for Christmas parties
7. Engagement with children and young people
8. Public toilets
9. Police Community Support Officers
10. Homeless help
11. Support for our towns and encouraging businesses.

Other areas that were mentioned:

Areas suggested by respondents where savings could potentially be made include:

- Councillors allowances
- Reduce senior management numbers/ salaries

Business Consultation

The link to the online budget simulator was sent out to East Herts Council business contacts (approx 7 different organisations which represent a large number of people) with an introductory email which asked them to identify on the simulator if they were responding on behalf of a business.

The Federation of Small Businesses provided a response:

- Police Community Support Officers – Retain 100% of spending.
- Support for our towns and encouraging businesses – Retain 100% of spending.
- Homeless help – Reduce spending by 50%
- Engagement with children and young people – Reduce spending by 70%.
- Funding for museums – Reduce spending by 80%
- Public consultation – Reduce spending by 90%.
- Council meetings – Reduce spending by 90%.
- Public toilets – Reduce spending by 90%
- Support for museums, the arts and other cultural activities – Reduce spending by 100%.
- Public meetings – Reduce spending by 100%
- Funding for the Arts – Reduce spending by 100%.

- Funding for sports activities – Reduce spending by 100%.
- Community revenue grants – Reduce spending by 100%.
- Funding for festive party grants – Reduce spending by 100%

Focus Groups

East Herts Minority Ethnic Forum

Two officers attended the East Herts Ethnic Minority Forum to discuss the options. However the group is a new group and the turnout was low. This coupled with the short amount of time available on the agenda meant that officers could only present the options to the group and promote the use of the online budget simulator.

The chair of the meeting agreed to send out an email to the local contacts, approximately 150, explaining the online exercise and its importance to help promote the use of the tool.

Despite the response rate from ethnic minority groups being high compared to the district position, the response rate was still too small to analyse separately, therefore it is also important to refer to the overall findings.

Circle Anglia Sheltered Housing Scheme – Much Hadham

Four officers attended a meeting specifically set up to discuss the budget proposals at a sheltered housing scheme. The officers talked through the options and then noted the comments received for each proposal. In total there were approximately 25 participants.

Police Community Support Officers

- The group commented that they had not seen the current PCSOs and therefore questioned the value of retaining one.
- They felt that it was important to have in place sufficient community safety initiatives and therefore suggested that the funding could be ring fenced to this.

Community Grants and Funding

- The group felt it was important to retain spending on sports and the arts.
- They agreed that as the funding for the Christmas parties was only £1 per head that this would not achieve a lot and therefore this is an area where saving could be made.

Public Consultation/ Public meetings and Council meetings

- The group agreed that there were other ways the Council could communicate with residents without the need for public meetings.
- They recognised the value in consulting with the public however the group was open to cheaper alternatives.

Public toilets

- The group had mixed opinions on the need to retain public toilets. There was an agreement that the spending equated to a lot of money however they felt that it was still important to have some sort of toilet provision. They were keen that the Council continues to look for cheaper alternatives.

Homeless help

- Whilst the group saw this as an important pot of money they agreed that there should be an agree repayment time and a minimal interest rate applied.

Support for museums, the arts and other cultural activities in East Herts

- The group agreed that East Herts should look to step back from projects which were well established and where volunteer could run them instead.

Other areas that were mentioned:

- The group raised concerns over cuts to the Supporting People monies that provide assistance to individuals at their scheme. These were passed to the appropriate service.

Circle Anglia Sheltered Housing Scheme – Watton at Stone

Three officers attended a meeting specifically set up to discuss the budget proposals at a sheltered housing scheme. The officers talked through the options and then noted the comments received for each proposal. In total there were approximately 10 participants.

Police Community Support Officers

- The group agreed that Hertfordshire should make more use of specials
- The group felt that retaining one officer (or 2 part time equivalents) would mean that they were too thinly spread to make any impact.
- They did not believe that retaining the PCSOs would be value for money

Community Grants and Funding

- The group would support temporary cuts for the arts and museums.
- They agreed that it is more important to support businesses in Hertford
- Arts events could make more use of school halls to keep costs down
- They felt there was a need to support sports activities, especially with current obesity issues
- The recurring theme throughout the focus group was to keep grants for the “living” – ie people that are helped as individuals directly by support.

Public Consultation/ Public meetings and Council meetings

- The group stated that the council should look to do as much consultation in house as possible rather than paying for consultants to do it.
- The group felt that evening council meetings aren’t accessible due to lack of public transport. For example buses in Watton stop at 7pm. Day time meetings would be easier for people to get to.

- The group agreed that public meetings are not a very cost effective method for getting the council message across.

Public toilets

- The group agreed that the Council should keep the toilets open until there is a partnership agreement.
- They also felt that there was a need to have disabled toilets too.

Homeless help

- The group were keen to retain spending in this area as it directly helps people. They would prefer to see spending here than in the arts.

Support for museums, the arts and other cultural activities in East Herts

- The group felt that there was a lot of spending in this area and that where possible the Council should look for more external funding.

Other areas that were mentioned:

- Support for the elderly who do not live in supported residential housing.

Hertford Action on Disability

Two officers met with representatives of the Hertford Action on Disability Group. The budget options were presented and then using the online consultation tool the participants fed back their opinions.

Police Community Support Officers

- The group wished to retain spending in this area.

Community Grants and Funding

- The group wished to retain spending in this area.

Public Consultation/ Public meetings and Council meetings

- The group agreed on a 100% reduction in public meetings and council meetings and a 50% reduction in public consultation spending.

Public toilets

- The group were most passionate about this area and wished to retain spending.

Homeless help

- The group wished to retain spending in this area.

Support for museums, the arts and other cultural activities in East Herts

- The group agreed a 100% reduction in spending in this area.

Other areas that were mentioned:

- The group raised concerns over highways maintenance which were passed to Hertfordshire County Council. They also had concerns that spending should be maintained for public parks and open spaces.

Councillors Forum

The forum was available to Members between 01 November and 26 November 2010. It contained all the 2011 budget proposals which were grouped under 14 service categories. The forum was promoted through the Members Information Bulletin and via email. Support was on hand should it

have been requested to help Members engage with the new scrutiny process. The Liberal Democrat Group replied collectively therefore the comments below may represent the views of an individual Councillor or a group.

Listed below are the responses provided for each budget option.

Revenues and Benefits

Further shared service savings

- Four questions were raised asking for more information on the implications for staffing and an explanation on how savings will be achieved. A response was issued by the Head of Service.

Discretionary rate relief

- One comment did not support the proposal.

Reduction in supplies and services – printing

- One question was raised asking for a breakdown of the £13,000 and the Head of Service responded.

Increase in recoverable over payment of housing benefits

- One comment indicated that the proposal was too speculative to be realistic. It also queried how the £100,000 was arrived at for 2012. A response was issued by the Head of Service.

Strategic Direction

Reduction in Public Consultation budget base

- Two comments supported the proposal that the expenditure on public consultation could be reduced without impacting negatively on the intelligence gained.

Deletion of Graduate Trainee Post

- One comment supported the proposal.

Reduction in Supplies and Services codes within the Chief Executive and Corporate Support Team

- One comment supported the proposal.

Reduction in Performance and Communications activities - service savings

- One comment 'regrettably' agreed with the proposal.

Customer Services and New Media

Reduce/consolidate ongoing web support

- One comment supported the proposal.

Community and Cultural Services

Reduce ancillary admin spend for Community and Culture

- There was one request for clarity. A response was issued by the Head of Service.

Reduction of total spend on community and culture, grants, subscriptions and discretionary commissioning by approx 5%

- Two comments expressed reluctance to cut more and instead wished to protect spending on the arts.

Reduce and consolidate senior management resource

- One comment agreed with the proposal.

Review the Hertford Theatre management structure with effect from June 2011

- One comment agreed with the proposal.

Rationalise and consolidate the range of community and culture activities and projects undertaken

- One comment stated "given that 39k has been already allocated and in view of "Big Government" proposals which will impact on the voluntary sector, to reduce further would be inappropriate at this time".

Environmental Services

Additional income from the sale of recyclables and from recycling credits

- One comment agreed with the proposal.

Review/reduce level of environmental co-ordination and advice

- One comment agreed with the proposal subject to it not affecting the service.

Reduce ancillary admin spend for environmental services

- One comment indicated that they found it difficult to comment as the savings to be made were not quantified. A response was issued by the Head of Service.

Increase Charges for Bulky Waste Collection Service Proposal

- A request for comparison cost figures was answered by the Head of Service.

Reduce total staff support across Environmental Services

- One comment agreed with the proposal.

Join consortium contract for the provision of textile banks Proposal

- One comment agreed with the proposal.
- One comment strongly disagreed with the proposal. A response was issued by the Head of Service.

Housing Options and Housing Strategy & Development

Reduction in Housing Resources Proposal

- One comment did not support the proposal as they could foresee this being an area which would require additional resources.

Reduction of Hours of Housing Development Officer and increase fees Proposal

- One comment supported the proposal.

Cease funding Home Improvement Agency core and associated services Proposal

- One comment stated it was the wrong time to tackle this.

Scale Back Rent Deposit Scheme Proposal

- One comment stated they cannot support this proposal due to the “likely impact of central government changes”.

Planning and Building Control

Building Control Fees Proposal

- One comment stated they felt it was difficult to comment as they did not have details of current fees and the percentage rise over inflation figures.

Development Control BPI Led Savings Proposal

- One comment stated that it was too early to comment on 2015 given no change in the period 2011 – 14 was proposed.

Development Control Misc Costs Proposal

- One comment stated that given such costs are market dependent and likely to increase above inflation, they could not see how these figures were achievable in 2013 and 2014.
- One generic comment stated “Not sure where to put this but...the vital importance to the character of our District is the conservation and care of the historic built environment and any reduction in resource in this area must be resisted”.

LDF Funding Proposal

- One comment supported the proposal.

Planning Administration Proposal

- One comment stated that it was too early to forecast, given the affects suggested on the service in 2011 to 2014.

Planning Policy Resources Proposal

- One comment stated that they cannot disagree with the proposal.

Community Safety, Environmental Health, Licensing and Emergency Planning

PCSOs - Cease Council Contribution Proposal

- There was one comment which was responded to by the Head of Service.

Restructure the services delivered by Licensing and Community Safety & Environmental Health leading to a reduction in resource Proposal

- No comments received.

Set taxi licence fees to recover full costs Proposal

- No comments received.

Taxi Marshals - withdrawal of funding for service Proposal

- One comment received indicating concern with the proposal.

People and Organisational Services

Reduce HR support

- Two comments supported this proposal.

Business Support Services

Internal Audit efficiencies from partnership working – Proposal

- One comment supported the proposal.

Reduce ICT contract payments

- One comment supported the proposal.

Democratic and Legal Support Services

Efficiency measures for electoral canvass

- There was one comment stating that 2015 is too early given no change in earlier years.

Land Charges - Revised Working Arrangements – Proposal

- There was one comment stating that due to the uncertainty of legislative proposals it was too early to forecast savings or otherwise in future years.

Financial Support Services

Review of Financial Support Services

- There was one comment stating that it was too early to forecast given no change proposed in previous years. The Head of Service provided extra information.

Executive

Reduce Corporate Management

- One comment supported the proposal.

Internal Services

Reduce and consolidate management resources

- One comment supported the proposal.

Conclusion

As stated as part of the review of the 2009 budget consultation exercise it was important that we held events in the west of the district which this year we achieved by consulting with Hertford based groups as well as those in Bishops Stortford.

The Councillors forum received a number of comments but usage was less than hoped for. Technically the forum worked well and all Heads of Services went in regularly to check whether any queries had been raised with regards to specific queries. There was ample promotion of the forum so if it is to be used again Councillors may need more training to ensure they feel comfortable using an online system.

The East Herts Ethnic Minority Forum had been established, however it is felt that more work needs to be done to develop this into an effective consultation group.

The online budget simulator was a successful introduction to our budget consultation process. Although we would have liked to have had more responses we still managed to increase our engagement by 150%. Concerns over certain age groups being left out by conducting an online exercise were unfounded as the breakdown of respondents shows that the majority were in the two older age groups.

The spring edition of Link will report on how the consultation findings helped to set the budget.

This page is intentionally left blank

UNISON RESPONSE TO BUDGET PROPOSALS
MTFP 2011/12 to 2114/15

16 January 2011

UNISON representatives met with the Director of Internal Services and the Head of Human Resources on 11 January 2011 to discuss staffing implications of the budget proposals, due to be presented to the Joint Scrutiny Committee on 18 January 2011. The Council is proposing for the year 2011/12 to find 'efficiency savings' of £1,167,000, increasing to £2,915,000 for the year 2014/15; cumulative total reduction of £2,914,965. Well over half of these will involve staff reductions, which will inevitably mean compulsory redundancies and an undermining of current levels of service delivery. These cuts will come on top of the reduction in terms and conditions imposed on employees with effect from January 2011 and the ending of the car lease scheme.

UNISON has accessed specialist advice, to analyse the budget report and those of previous years and to give an opinion on the management of the Council's finances and the latest proposals for the medium term financial plan.

The source of the opinion is requested from Unison so that members can judge what weight to give to it.

Confusion and Inaccuracies

The scrutiny papers are complex and confusing, with the overuse of jargon, vague descriptions and differing estimates between different papers, all of which make it difficult for even a trained accountant to follow but virtually impossible for a lay person to understand. Council members and the public will have an extremely difficult task in deciphering and understanding the cornucopia of information presented to them and making an informed decision or view on how best to spend taxpayers' money. Budgets are complex with much information and data but at the same time they have much impact on both employees and citizens. It is essential that they are presented in a way that non-accountants can understand and UNISON believes the Council could do better.

Setting the budget is complex with a lot of data to be absorbed. However, members have had opportunity to challenge and ask questions on the members' forum and via scrutiny plus at the meeting of the Executive. .

The papers are vulnerable to the accusation of skill in the art of smoke and mirrors

This accusation is rejected by the Director of Internal Services .

Examples of this are:

- In the consultation document for members on the intranet, figures for reducing HR support were £20,000 for 2012/13 increasing to £80,000 in 2013/14. However in appendix F in the scrutiny papers - page 187, they are £20,000 increasing to £60,000. ***Appendix F refers to a £20k reduction in 2011/12 increasing by £60k to £80k in 2013/14***
- On page 10 of the Service Estimates Report, the estimate for the reduction in the Corporate Training budget is £9,000 but in the Budget Report on page 186 it is

£6,000. ***The service estimate shows a reduction in 2011/12 based on actual spending in 2009/10 and current year; the MTFP shows the further reduction in 2013/14 of £6k***

- The consultation document does not make it clear that the figures listed are additional savings over and above what was already agreed in September 2010. E.g. Revenues and Benefits £36,000 plus £64,000. (£36,000 was the figure consulted on) ***Para 1.2 refers to approval of September savings which have been built into the base budget.***
- On page 13 of the Consolidated Budget Report, the balances for the earmarked reserves are outlined and on page 181 the changes to the interest equalisation reserve are stated. The difference between 159 and 72 on page 13 is -87 not -72 as on page 181. One of the figures may need adjusting. Agreed; the balance will be corrected to £87k; on page 157 the figure reported is the reduction rather than the end balance

Although the above may appear to be minor points, they do not inspire confidence in the Council. An error recently came to light in respect of figures in the MTFP for 2010/11, relating to estimates for leisure services, where there had been double counting. Even one error in calculations begs the question, what further errors are there that have not yet come to light. The Council should expect tighter quality control on its key documents in future.

The errors identified relate to late amendments to supplementary and are generally typographical rather than of calculation.

Known Changes

"1.8 The Council has retendered its refuse and street cleansing service and the new contract to commence April 2011 will reduce costs by £1.469m per year. The cost reduction gives scope to review spending and council tax plans."

Welcome though this reduction is, has the Council been overpaying for its waste contract for years? The March 2009 Annual Audit Letter specifically drew attention to the Council's waste costs, stating:

"The cost of waste collection is among the five most expensive councils at £32.86 per resident, increasing at a greater rate than other districts, despite efforts to reduce costs."

However, the Council rejected a request for a review of costs. (Minute 47 Environment Scrutiny Committee 16 June 2009)

Why would the Council not benchmark when retendering as one councillor requested?

A competitive tender produces best available market prices and with provision for alternative collection systems the process was thorough – it is not clear how benchmarking could have added to the process. All benchmarking exercise are at best a broad indicator as circumstances are rarely exactly alike in two Councils. Applying the resources required for a benchmarking exercise to the tender process was regarded as offering better value

Is the new cost truly competitive, just the norm - or perhaps even still high? Benchmarking would help the Council judge just how effective its tendering process was in getting the

best price and service combination. For example, what will the cost of waste collection be per resident in 2012/13 compared to other councils?

The tender process was truly competitive. What else is it suggested the Council could have done to increase competition?

Reserves

"2.1 The budget for 2010/11 was set in February 2010 with an expectation that 31 March 2010 would see a balance on the general reserve of £2,090k. The final accounts recorded a balance of £2,770k i.e. some £680k higher than expected largely as a result of improved waste recycling income."

"2.2 The unallocated general fund balance was £3,854k inclusive of the £454k building control surplus."

The table in 2.2 shows that earmarked reserves rose from £2,768k to £3,698k

The Council had total reserves as on 31/3/10 of £2,770k + £3,854k + £3,698k over £10 M. This is in the top quartile for district councils Even the Coalition expect local authorities to use reserves in the short terms when it is safe to do so. The grant cuts have been front loaded so it makes sense to look at modestly supporting the spending base for the next two years

The level of reserves is good news in the context of the volatility of financing – grants and investment income. Is it Unison's view that reserves should not be held at top quartile performance?

By 31/3/11 a further £584k will be added to the General reserve (See 2.34) although £1,174k of the earmarked reserves will be spent

In recent years, more and more funds have been diverted from the General Reserve into Earmarked reserves.

Earmarked reserves were reviewed by the Audit Committee and full Council at March 2010 and no changes were proposed.

Earmarked reserves can be spent by the Executive without seeking authority from Council and UNISON believe it is in the interests of its members that there is transparency in spending decisions.

This is an agreed policy of the Council and there is no lack of transparency as spending of earmarked reserves is reported in the health check process

Projected outturn 2010/11

"2.3 The latest health check report at the time of drafting this report is the November report. This shows favourable variances of £2,088k £2038 offset by adverse variances of £2,066k £1956– a net positive variance of £82k."

The November health check went through a number of iterations. The final net variance was picked up in this report but the last changes to the positive and adverse variance totals were not picked up.

Surely this should be £22K?

The Director of Internal Services has provided corrected figures but this emphasises the point made above on quality control. see above

Hardly a Council in control of its finances; wild swings both positive and negative and if the £82K figure is in error it would be another concern about the accuracy of reporting and accounting.

"2.4 Action in response to budget monitoring in the year to date has seen a projected overspending reduce from £881k in June"

Exactly how has this been done? Is it because recycling savings were not in the base budget? Precisely what was the "action in response to budget monitoring"?

All budget holders have been under strict instructions to keep spending to a minimum and avoid anything which could be deferred or cut out. Recruitment is subject to CMT approval.

"2.5 The later detailed review of the probable outturn undertaken as part of the preparation of the 2011/12 estimates has indicated a further improvement and reports a potential under spending of £266k by the end of the year. The detail in support of the probable outturn is set out elsewhere on the agenda and this shows spending on services of £17.733m against a budget of £18.889m – an under spending of £1156k."

Why are there two different "latest estimates" (probable and health check) of outturn circulating at the same time? This simply adds to the confusion and the sense of smoke and mirrors. Whilst it is understood this is seen as 'normal' in producing financial information, it is a source of confusion for lay people which may also include Members of the Council.

As usual there are two concurrent processes (health check and estimate preparation) concluding at slightly different dates and producing slightly different results.

Is it possible that the £1.2M of savings from 2009/10 that were not built into the 2010/11 budget have simply been recognised again? I.e. the base 2010/11 budget was grossly overstated.

As the projected outturn indicates there are positive variances reported in 2010/11 now built into the future MTFP.

"2.6 However, for the purposes of planning, a further judgemental "correction" is proposed to the probable outturn figure. The adjustment is a further £200k favourable shift from these figures to outturn...."

But the probable outturn is still probably not right, so let's pick another number. Under spends have been consistently under-estimated.

The use of a judgemental factor has been welcomed by members in looking at spending projections for the capital programme as a pragmatic way of making a better aggregate forecast than simply totalling individual budget forecasts. Extending this to the revenue budget learns from this experience.

What confidence can taxpayers have in any of the figures? Members may recall the dramatic swing (£2M+) between the predicted year end overspend and the actual under spend at the outcome last year. The compulsory redundancies and service reduction were in no small part predicated on the false predicted deficit for 2009/2010.

The two redundancies were as much about efficiency saving as driven by budget necessity.

“2.7 In assessing year end balances provision is made to earmark up to £400k of this under spend dependent on final outturn for deferred pension contribution costs and transitional staffing costs including costs arising from implementing budget savings.”

Even though the Council has been working on C3W for many years here is another restructuring and more cost. Why does the Council need another contingency when there is a service improvement reserve that was set aside three years ago for exactly this purpose? This reserve still has a balance of £645k. The Council has £10M more in reserves. This is more feather bedding of the budget.

No, the Council needs to provide for non recoverable costs of disturbance for staff relocating and decisions before the year end on staffing changes and as is normal there will be request to consider carry forward of funds where there are ongoing commitments . The service improvement reserve is recyclable up front funding of savings initiatives.

Taxpayers seem to be permanently paying for pension top-ups and early retirement for senior management. The only option for more junior staff appears to be compulsory redundancy and in one case although there was no pension top up the strain costs were very close to £100,000.

No, the Council's policy is not to top up any pensions.

Pension strain costs from earlier retirement are in some cases an alternative to redundancy – is Unison calling for redundancy to be a preferred option to early retirement when staffing reductions are needed?

Reduction in grant

“2.19..a reduction of grant of £1.2m equal to 16.6% in 2011/12.”

The Council has already shown in 2.5 that it predicts spending on services of £17.733m against a budget of £18.889m – an under spending of £1156k. This under spend should be easy to absorb into cost centre budgets with no front line service cuts or further staffing reductions. The grant reduction could be taken without missing a beat.

But what about investment income being £850k below budget and despite a pay freeze the Council has the same inflationary pressures to absorb as businesses are facing and is not increasing its “price” through council tax.

The Council under spent by a sum equivalent to the grant reduction in 2009/10 and is expected to do so again in 2010/11.

East Herts residents have been overtaxed in recent years and the budget has been bloated with over-estimates to justify cuts elsewhere. The real spending base has been well below that used for precepting and in spite of questionable spending decisions like

that to employ a fourth director the Council is far from being strapped for cash. East Herts should be a low Council Tax district as it is very careful in the services it provides and the staff numbers it employs.

The attached comparison of district council taxes for 2010/11 ranks East Herts in the second lowest quartile ; this does not suggest East Herts residents are over taxed.

The emergency budget already identified a further £1.1M of savings for 2011/12.

On top of that, the waste contract saving is £1,469k and HCC are now responsible for concessionary fares of £857k.

The base budget before any other changes for inflation etc should be approx £17,733k - £1,100k - £1,469k - £857k = £14,307k

The net cost of service for 2011/12 is grossly overstated in the MTFP at £16,143k.

This analysis is overly simplistic. It ignores for example that waste recycling income from the County will fall substantially because of the revision to the formula allocating funding to Districts – a loss of the windfall of the last two years. Some of the £1.1m is based on under spending now factored into the current year's outturn. The waste contract saving of £1.469m is an original budget to original budget saving and there are savings in the current year on waste

Savings

Members should not forget the £1.1M of savings in the emergency budget. While the current paper contains mainly savings from back office functions (except cuts to PCSOs!) the front line cuts were already agreed last September and appear to be conveniently forgotten.

These earlier savings are not forgotten but those savings reflect decisions already made. The report focuses on decisions yet to be made.

E.g.

Discontinue leaf clearance programme from public highways

Stop highways weed control

Discontinue Can Banks Service

Discontinue Glass Banks Service

Discontinue Plastic Banks Service

Reduce funding to Herts Biological Records Centre

Cancel free parking days at Christmas

Surely even the Council cannot present these as 'efficiency' savings

Impact on Service Delivery

Despite an attempt to persuade the public that front line services will be unaffected by these cost savings, even cuts in support services will have an impact on service delivery. Commonly known as "back office functions", these are seen frequently as easy targets in the struggle to drive down costs, since they attract little opposition from council members and do not appear to affect high profile front line services, which impact on the public, particularly vulnerable groups in the community.

However, support services, by their very nature are essential to ensure that direct service provision runs smoothly and are crucial to the efficient and cost effective running of every single service area within the Council. If support services collapse or are even just depleted due to insufficient resources, this will impact on every council service. This is even more critical now than at any other time since the Council is currently undergoing the C3W programme, the success of which relies so heavily on IT, facilities and property management (further delays here would prove expensive). Council members need to be aware a deterioration of service is inevitable with the scale of the cuts being proposed. Until proper shared services with proven benefits are in place it would be unwise to presume cost savings in either back office or even frontline services.

The aim has not been to avoid any impact at all on service delivery but to mitigate this at a time of reduced resources. The focus is on back office services where the Council is looking to share services with other authorities. There is a general scaling back of management posts from CMT downwards again to mitigate the impact on front line services. The sharing of services will ensure better resilience as savings are made.

Redundancies

UNISON would like to remind members of a resolution passed at a Local Joint Panel meeting of 28 January 2009, which stated:

(C) The Council reiterates its commitment to retain staff talent and relevant skills within East Herts Council and take what steps it can to avoid compulsory redundancies.

Far from taking steps to avoid redundancies, the Council is now covertly embarking on a programme of redundancies, with many likely to be compulsory, although the reports to members have conveniently omitted both this fact like last year and any caution on the effect on savings of severance costs. It would appear they have earmarked £400,000 for next financial year and another £200,000 for 2012/13 for this very purpose. although this is not made clear in the report. This will almost certainly be insufficient, given that just two compulsory redundancies alone, last April and July cost the Council at least £173,000 including pension strain costs. This does not make financial sense, since it will reduce the savings in the short term by at least 50%. As so often seen in the past, senior management restructures, in particular, cost money and can damage the Council's reputation.

If staff reductions are necessary and this is questionable, then why not achieve this through natural wastage, voluntary reductions in hours early retirements or voluntary redundancies? This is recommended by the CIPD and a central requirement of the Council's own HR policy.

There is no programme of redundancies. It remains a preference to achieve organisational change other than by redundancy by for example reduced hours, job sharing, retirements . As noted above even Unison question the cost of early retirement so there will need to be a financial consideration as to preferred options. Until the organisational change procedures have been worked through the reference to "many likely to be compulsory" redundancies has no basis.

Low Staff Morale

Morale at East Herts is at rock bottom at present and staff have lost all confidence in senior management. It is no surprise that management have no plans to conduct a staff survey when the last one was two years ago. Unison believes that most Councillors are concerned about the low level of morale of the staff many of whom are their constituents. There is little to look forward to other than a prolonged pay freeze if they are lucky enough to keep a job and having to deal with new managers and face dissatisfied customers, as staff struggle to run services with inadequate resources. A depleted workforce with some hived off to neighbouring councils in newly formed partnerships, regardless of whether or not the service will be improved or even maintained. The Council by acting too hastily could face a severe recruitment problem in the near future, as disillusioned staff look for alternative jobs. As soon as the job market improves, experienced and knowledgeable staff will abandon ship. The recent resignation of the Head of HR can be interpreted as the first signs of staff voting no with their feet.

The issue of morale at a time of challenge is recognised. However, there is nothing in this commentary which represents a coherent alternative response to the financial realities faced by the Council. In the current round of staff briefings a dialogue with staff has been opened on how we as an organisation maintain good working behaviours towards customers and each other while addressing the very real need to reduce costs. The resignation of the Head of People and Head of Organisational Services is not a reflection on morale but confirmation that good people will be successful in the jobs market even in difficult times.

Strategic Direction

Members need also to be aware of the impact these cuts are having on teams as well as individuals. Strategic Direction were given a cumulative savings target to achieve of £128,000, an impossible target given the small size of their team and budget. This figure was in addition to the savings that have to be achieved by yet another senior management review, which would involve the two most senior staff in the service area and a potential merger with Community and Cultural Services.

As recently as 2006 when new staff were being recruited to post, Strategic Direction was described as the 'hub' of the Council. The staff are now being treated like discarded spare tyres as in the latest restructure their 'new' posts have been significantly downgraded, their hours reduced and there are potentially four redundancies looming. The two most senior managers, responsible for these proposals have excluded themselves from this exercise, so far.

If this is an early example of what other service areas have to look forward to as a result of these savings targets, this is of great concern.

There is a consultation process about these specific changes. The reference to senior managers not being part of the overall process of change is inaccurate. The Chief Executive will bring forward a package of proposals at the senior level to meet the budget imperative.

Change Management/Efficiency Savings

UNISON recognises the need to look for efficiency savings on an on-going basis and is not averse to change, provided it is managed well. This means putting forward a comprehensive business case, outlining the reasons and benefits of the proposed changes and engaging and motivating the staff. UNISON also supports partnership working but only where there are service benefits as well as cost savings.

Unison will be fully engaged as the partnership proposals are brought forward and the Council welcomes the positive input suggested here.

Member Allowances

While staff, if lucky enough to have a job at all, are suffering a prolonged pay freeze while their 5% is whittled down to 2%, it is proposed that council members will enjoy a 'pay' increase next year. This, on the basis that they are 'earning' less than £21,000 per year!

Members should be aware of the impact this news will have on staff, who will view this hypocrisy and double standards, as offensive and provocative. East Herts voters will not be impressed either. Members who are not employed are not subject to the public sector pay freeze but it is in the gift of members to forego any opportunity for increases in allowances and climb aboard the same boat occupied by Mr Osborne M.P. If they did this they could save the cost of the IRP.

The Council has committed to an annual review of allowances by the IRP which was in part a response to issues raised by the public on the 2008/09 accounts. The MTFP cannot second guess recommendations from the IRP or subsequent decisions of Council on members' allowances. Purely for the purposes of a planning assumption the same provision as for staff pay has been made for member allowances.

Conclusions

There is no need to impose the scale of cuts being proposed in this budget. The base budget is grossly exaggerated and the reduction in Government grant is easily absorbed by the predicted under spends and the saving from the retendering of the refuse contract. Why is the Council proposing cutting front line services and inflicting more pain on staff, when it is not necessary? Why is the Council restructuring again at more cost to the taxpayer and yet appears to be excluding the high cost of top management

Flagship Conservative Councils have been able to cut the council tax over the last few years. Why has East Herts raised council tax year on year and then under spent?

The Council is cutting services and making staff unemployed because they do not want to use money from their residents, who have been over taxed in past years. The next two years are rainy days and residents and staff need protecting.

The Secretary of State has said that reserves should be called on to offset the first year of these reductions. In the unlikely event of this being necessary, the Council, who has an enviable glut of reserves, is in a better position than most to do this with negligible impact.

UNISON would like to recommend delaying the implementation of the euphemistically called efficiency savings for at least one financial year, by which time the Council will have completed the business case for the proposed changes and will have the projected outturn for 2011/12.

Council may call on its reserves but the grant settlement is known for 2012/13 and as we have seen in this settlement East Herts has seen grant redirected to other areas. It would not be a prudent assumption that resources will rebound in the period of the MTFP to obviate the need for long term spending reductions.

Jane Sharp – Service and Conditions Officer
East Herts Branch of UNISON

Band D council tax for local authorities

Ranking	Code	Authority	2010-11
1	E2631	Breckland	68
2	E3135	West Oxfordshire	82
3	E2732	Hambleton	89
4	E3435	South Staffordshire	95
5	E1636	Tewkesbury	99
6	E1731	Basingstoke & Deane	104
7	E1234	North Dorset	105
8	E1838	Wychavon	110
9	E2434	Hinckley & Bosworth	112
10	E2532	East Lindsey	112
11	E1931	Broxbourne	113
12	E2632	Broadland	114
13	E0536	South Cambridgeshire	115
14	E3134	Vale of White Horse	117
15	E2833	East Northamptonshire	119
16	E1131	East Devon	122
17	E3131	Cherwell	124
18	E3133	South Oxfordshire	124
19	E2634	King's Lynn & West Norfolk	124
20	E0551	Huntingdonshire	124
21	E1237	West Dorset	125
22	E1132	Exeter	125
23	E2432	Charnwood	125
24	E1742	Test Valley	129
25	E3734	Stratford-on-Avon	129
26	E2837	Wellingborough	130
27	E3332	Sedgemoor	131
28	E1732	East Hampshire	131
29	E3038	Rushcliffe	132
30	E1851	Malvern Hills	132
31	E2637	South Norfolk	132
32	E3335	West Somerset	133
33	E3833	Chichester	133
34	E0435	Wycombe	133
35	E1136	South Hams	135
36	E2536	South Kesteven	135
37	E1733	Eastleigh	135
38	E0532	East Cambridgeshire	135
39	E3333	Taunton Deane	136
40	E3636	Runnymede	137
41	E2832	Daventry	137
42	E3532	Forest Heath	137
43	E2431	Blaby	138
44	E2635	North Norfolk	139
45	E3531	Babergh	139
46	E2534	North Kesteven	140
47	E1033	Chesterfield	140
48	E3835	Horsham	140
49	E1734	Fareham	140
50	E2231	Ashford	141

51	E2340	Ribble Valley	141
52	E3433	Lichfield	142
53	E1139	Torridge	143
54	E0434	South Bucks	143
55	E3633	Guildford	144
56	E0931	Allerdale	144
57	E0431	Aylesbury Vale	144
58	E1632	Cotswold	144
59	E1743	Winchester	144
60	E2244	Tunbridge Wells	145
61	E3034	Gedling	145
62	E2633	Great Yarmouth	146
63	E3735	Warwick	147
64	E1544	Uttlesford	147
65	E3537	Waveney	148
66	E3331	Mendip	149
67	E1537	Epping Forest	149
68	E3536	Suffolk Coastal	149
69	E3439	Tamworth	150
70	E3836	Mid Sussex	150
71	E1542	Tendring	150
72	E1137	Teignbridge	150
73	E1039	South Derbyshire	150
74	E3436	Stafford	151
75	E3334	South Somerset	151
76	E3437	Staffordshire Moorlands	151
77	E3534	Mid Suffolk	151
78	E3634	Mole Valley	152
79	E1736	Hart	152
80	E1031	Amber Valley	152
81	E2731	Craven	152
82	E3032	Bassetlaw	153
83	E1938	Three Rivers	156
84	E1738	New Forest	156
85	E1934	Hertsmere	157
86	E1032	Bolsover	158
87	E2757	Selby	159
88	E2234	Dover	159
89	E1933	East Hertfordshire	159
90	E0432	Chiltern	160
91	E2241	Swale	160
92	E3832	Arun	161
93	E3640	Waverley	162
94	E1837	Worcester	162
95	E1633	Forest of Dean	162
96	E1236	Purbeck	163
97	E3033	Broxtowe	163
98	E1532	Braintree	163
99	E2233	Dartford	163
100	E3632	Epsom & Ewell	163
101	E1535	Chelmsford	163
102	E2535	South Holland	164
103	E1134	North Devon	165
104	E3036	Newark & Sherwood	165
105	E2236	Gravesham	166
106	E1036	Erewash	166

107	E0531	Cambridge	167
108	E3031	Ashfield	167
109	E3637	Spelthorne	167
110	E2531	Boston	168
111	E1539	Maldon	170
112	E2433	Harborough	170
113	E3733	Rugby	170
114	E1936	St Albans	170
115	E1932	Dacorum	170
116	E2836	South Northamptonshire	170
117	E1038	North East Derbyshire	171
118	E2243	Tonbridge & Malling	172
119	E1437	Wealden	174
120	E1533	Brentwood	174
121	E1037	High Peak	174
122	E0935	Eden	175
123	E1232	Christchurch	175
124	E1536	Colchester	175
125	E3535	St Edmundsbury	175
126	E2831	Corby	176
127	E0936	South Lakeland	176
128	E3434	Newcastle-under-Lyme	177
129	E2436	Melton	179
130	E2232	Canterbury	179
131	E2755	Ryedale	179
132	E2334	Chorley	180
133	E2344	Wyre	180
134	E0934	Copeland	180
135	E2437	North West Leicestershire	180
136	E1634	Gloucester	181
137	E2239	Sevenoaks	182
138	E1133	Mid Devon	182
139	E1436	Rother	183
140	E2343	West Lancashire	184
141	E1740	Rushmoor	184
142	E3035	Mansfield	185
143	E2335	Fylde	186
144	E1635	Stroud	187
145	E1631	Cheltenham	187
146	E3432	East Staffordshire	188
147	E3834	Crawley	188
148	E1937	Stevenage	189
149	E2537	West Lindsey	189
150	E2734	Richmondshire	189
151	E1035	Derbyshire Dales	190
152	E3638	Surrey Heath	190
153	E1233	East Dorset	191
154	E1140	West Devon	192
155	E2337	Lancaster	192
156	E1435	Lewes	192
157	E1737	Havant	193
158	E1831	Bromsgrove	193
159	E0933	Carlisle	193
160	E3639	Tandridge	194
161	E3635	Reigate & Banstead	194
162	E1935	North Hertfordshire	197

163	E1940	Welwyn Hatfield	197
164	E3431	Cannock Chase	197
165	E1839	Wyre Forest	198
166	E3631	Elmbridge	199
167	E1540	Rochford	201
168	E0932	Barrow-in-Furness	202
169	E2438	Oadby & Wigston	203
170	E1735	Gosport	203
171	E2342	South Ribble	203
172	E3732	Nuneaton & Bedworth	204
173	E3641	Woking	205
174	E2834	Kettering	205
175	E1835	Redditch	209
176	E3731	North Warwickshire	209
177	E2835	Northampton	210
178	E2242	Thanet	210
179	E2736	Scarborough	211
180	E3837	Worthing	216
181	E2753	Harrogate	220
182	E2237	Maidstone	222
183	E1432	Eastbourne	224
184	E2636	Norwich	226
185	E1534	Castle Point	230
186	E2336	Hyndburn	231
187	E1433	Hastings	236
188	E2533	Lincoln	236
189	E2338	Pendle	240
190	E0533	Fenland	242
191	E2240	Shepway	246
192	E1939	Watford	250
193	E1538	Harlow	252
194	E2341	Rossendale	253
195	E1531	Basildon	253
196	E2333	Burnley	257
197	E2339	Preston	260
198	E3132	Oxford	263
199	E1238	Weymouth & Portland	268
200	E3831	Adur	274
201	E3533	Ipswich	313

EAST HERTS COUNCIL

EXECUTIVE – 8 FEBRUARY 2011

REPORT BY EXECUTIVE MEMBER FOR PLANNING POLICY AND TRANSPORT

NATIONAL EXPRESS EAST ANGLIA: PROPOSAL TO DELIVER INCREASED CAPACITY, TIMETABLE CONSULTATION FOR WEST ANGLIA SERVICES FOR MAY 2011 AND DECEMBER 2011 TIMETABLES

WARD(S) AFFECTED: All

Purpose/Summary of Report

- To agree this Council's response to National Express East Anglia's proposal to deliver increased capacity timetable consultation for West Anglia services for May 2011 and December 2011 timetables.

RECOMMENDATION FOR DECISION:

(A)	<p>That National Express East Anglia be advised that, in relation to 'the proposal to deliver increased capacity timetable consultation for West Anglia services for May 2011 and December 2011 timetables', East Herts Council, in respect of:</p> <p>i) Proposal 1: Generally supports the plan to introduce a faster, hourly off peak service between Cambridge and London, using the new class 379 trains, which calls only at Whittlesford, Audley End, Bishop's Stortford and Tottenham Hale, but would prefer the service to call at Broxbourne (to enable enhanced connections from the Hertford East branch line) rather than Bishop's Stortford, which is already currently served by Stansted Express fast services.</p> <p>ii) Proposal 2: While supporting the increase in local services for stations in East Hertfordshire that a twice an hour service from Stratford would bring,</p>
-----	---

	<p>would prefer that at least one of the two timetabled trains should continue to Stansted Airport, in order to ensure that the only direct link to Stansted from other Hertfordshire stations is maintained.</p> <p>iii) Proposal 3: Objects to the planned reduction in Stansted Express journey times by looping the Hertford East service at Broxbourne to allow a Stansted Express service to pass it, as adding around 3 to 4 minutes to the journey time of the Hertford East service will be of no benefit to East Herts residents; and, by making an already long journey even less attractive to users, may reduce patronage and encourage journeys to be made by less sustainable modes.</p> <p>iv) Proposal 4: Expresses no preference on the option of whether to run, in the morning peak, 3 x 12 car services with new trains from Cambridge to London or, alternatively use the same new trains to run 2 x 12 car services from Cambridge and 1 x 12 car service from Stansted Airport.</p> <p>v) Proposal 5: Supports, in principle, the introduction of a new service either from Cambridge or Ely to Stansted Airport on the opposite half hour to the Cross Country service, as provision from either location may help engender modal shift.</p>
--	--

1.0 Background

- 1.1 The abolition of the Strategic Rail Authority (SRA), by the terms of the Railways Act 2005, imposed a new duty on the Secretary of State which led to the redefining of the role of the Office of Rail Regulation (ORR). A consequence of the legislation was that the Secretary of State was bound to set out a High Level Output Specification (HLOS) by July 2007; the timetable for the delivery of the HLOS proposals having been set by the ORR. The Government complied with that timetable by publishing a White Paper; Delivering a Sustainable Railway, in July 2007 in which it set out its plans for the rail network for the following 30 years.
- 1.2 Three key issues that DfT agreed with ORR and Network Rail must be covered by the HLOS relate to reliability, safety and capacity. In line with the principles of the HLOS, National Express East Anglia (NXEA) signed an agreement with the Department for Transport (DfT) in April 2009 to introduce an extra

188 carriages onto the National Express East Anglia network and, regarding the capacity issue of the HLOS, carried out a consultation in 2009 concerning the company's intentions in that respect. That consultation sought views on NXEA's proposals for the deployment of the new rolling stock to be implemented over Control Period 4, running from 2009 to 2014. East Herts Council made its response to that consultation under Executive Non Key Decision 09/23, at **Essential Reference Paper 'B'**, which can be found at: <http://www.eastherts.gov.uk/index.jsp?articleid=9252>

- 1.3 After consideration of the feedback received to the 2009 consultation, NXEA has now developed more detailed proposals for the deployment of the additional rolling stock and associated service improvements on the West Anglia line. Additional consultation is therefore now being undertaken over these further changes, which NXEA consider would enhance its services and would wish to deliver starting from the May 2011 timetable, with the remainder fully implemented in the December 2011 timetable. However, the changes proposed would necessitate alterations to some services to enable them to be implemented, and it is on these issues that views are being sought. The consultation closes on Friday 11th February 2011.

2.0 Report

- 2.1 The NXEA revised consultation is a short document of only 2½ pages in length, but which includes five key proposals on alterations to services that had previously been consulted on. The document can be found within this report at **Essential Reference Paper 'C'**. The reason for the consultation is that the introduction of these alterations could have consequences on either existing services or those proposed under the original 2009 consultation.
- 2.2 While, for the most part, it is considered that the proposals are aimed at improving service delivery, there are some areas of concern for services that impact on the district of East Herts. The proposals should therefore be considered on an individual basis.
- 2.3 Proposal 1: *'To introduce a faster, hourly off peak service between Cambridge and London, using the new class 379 trains, which calls only at Whittlesford, Audley End, Bishop's Stortford and Tottenham Hale'*. This proposal would offer a new fast off-peak service, which would be of benefit. However, as there are already fast services serving Bishop's Stortford (via the Stansted

Express), it is suggested that a further alteration to this proposal, that would replace this stop with the service calling at Broxbourne instead, would actually be more beneficial to the residents of East Herts, as it would enable enhanced connections from the Hertford East branch line.

- 2.4 Proposal 2: *‘To switch the hourly Stratford to Stansted Airport service to a twice an hour Bishops Stortford to Stratford service with connections to Stansted Airport (except for special services during the Olympics and Paralympics period)’*. While an increase in local services that a twice an hour service from Stratford would bring for some stations in East Hertfordshire is clearly to be supported, there is concern that this would result in the discontinuance of the only direct link to Stansted Airport from other Hertfordshire stations. In order to preserve this existing level of provision, preference should be expressed for ensuring that at least one of the two timetabled trains is continued beyond Bishop’s Stortford to Stansted Airport.
- 2.5 Proposal 3: *‘To reduce Stansted Express journey times by looping the Hertford East service at Broxbourne to allow a Stansted Express service to pass it (this will add around 3 to 4 minutes into the journey time of the Hertford East service)’*. While this proposal would allow a speedier Stansted Express service, it would have a most detrimental effect on services in East Herts via the Hertford East branch line. Services on this line have already seen reductions over recent years and this new proposal would serve to add an additional 3 to 4 minutes to the journey time of an already lengthy ride. This would make an already long journey even less attractive to users and may potentially reduce patronage and encourage journeys to be made by less sustainable modes. As this proposed service would be of little or no benefit to East Herts residents, this element of the consultation should be objected to.
- 2.6 Proposal 4: *‘To run, in the morning peak, 3 x 12 car services with new trains from Cambridge to London or, alternatively use the same new trains to run 2 x 12 car services from Cambridge and 1 x 12 car service from Stansted Airport’*. As this proposal would have little effect on East Herts residents and the Stansted Express is itself due to benefit from new rolling stock as part of the original proposals, it is recommended that no preference be expressed as to either of the options.

2.7 Proposal 5: *'To introduce a new service from Cambridge or Ely to Stansted Airport on the opposite half hour to the Cross Country service'*. As this would be an additional service over that proposed in the original consultation with no impact on existing services, it is recommended that this proposal should be supported.

3.0 Implications/Consultations

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

Background Papers

Executive Non Key Decision 09/23: Proposal to deliver increased capacity for West Anglia and Stansted Express services - Timetable Consultation by National Express East Anglia, Decision Date: 28 August 2009 (<http://www.eastherts.gov.uk/index.jsp?articleid=9252>).

The Future of Rail – White Paper, July 2004, DfT

Delivering a Sustainable Railway – White Paper, July 2007, DfT

Contact Member: Councillor M G Carver, Executive Member for Planning Policy and Transport

Contact Officer: Kevin Steptoe, Head of Planning and Building Control – Ext 1407

Report Author: Kay Mead, Senior Planning Officer

ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/Objectives (delete as appropriate):	<p>Promoting prosperity and well-being; providing access and opportunities <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p>Pride in East Herts <i>Improving standards of the built neighbourhood and environmental management in our towns and villages.</i></p> <p>Shaping now, shaping the future <i>Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures.</i></p> <p>Leading the way, working together <i>Deliver responsible community leadership that engages with our partners and the public.</i></p>
Consultation:	Given the cross-cutting nature of this document, internal consultation has taken place with the Executive Member for Planning Policy and Transport and the Council's Planning Policy; Community Planning and Partnerships; and Economic Development Teams.
Legal:	Not applicable
Financial:	None at this consultation stage
Human Resource:	Officer time in responding to consultation
Risk Management:	Failure to respond to the consultation could result in the implementation of timetables that do not take into account the views of East Herts Council and its recommendations for improvement, in particular to ensure that localised services are maintained.

ESSENTIAL REFERENCE PAPER 'C'

National Express East Anglia

Proposal to deliver increased capacity

Timetable Consultation for West Anglia services for May 2011 and December 2011 timetables

In July 2007 the then Government published a White Paper, Delivering a Sustainable Railway, in which it set out its plans for the rail network over the next 30 years. National Express (NX), as a leading transport provider in the UK, welcomed the White Paper. We are committed to playing our part in the delivery of the plans set out in that paper and the subsequent proposals set out for the rail industry. A key component of these plans is the High Level Output Specification (HLOS) which laid out plans for future capacity and service levels.

In April 2009 National Express East Anglia (NXEA) became the first train operating company (TOC) to reach an agreement with the Department for Transport on the introduction of the additional capacity linked to the HLOS plans. The agreement will enable the delivery of major improvements for passengers with the provision of 188 extra carriages (a 17% increase in the size of our train fleet). The improvements on the Mainline, Metro and Rural routes began in the December 2009 timetable change and will be mostly completed in the December 2010 timetable change.

For the West Anglia and Stansted Express routes we undertook initial consultation on proposals for the May 2011 and December 2011 timetable changes in Summer 2009. We have listened to the feedback we have received and have now developed more detailed proposals for deployment of the extra trains and associated service improvements. This consultation paper continues the formal consultation process on a revised "Service Level Commitment". It summarises the major improvements for the West Anglia and Stansted Express services which will be delivered following the arrival of 30 new 4 car electric multiple units in 2011 and **seeks your views** on some further enhancements we aim to deliver, but which will require alterations to some services to enable them to be implemented. Some of these improvements will commence from the May 2011 timetable, with the remainder fully implemented in the December 2011 timetable.

In most cases the changes are achieved simply by adding extra carriages to existing scheduled services. These are summarised below under the "Headline West Anglia and Stansted Express improvements section".

However, there are opportunities to try and deploy some new trains on a selected number of Cambridge – London services, rather than solely on the Stansted Express services (in response to feedback from the consultation process in summer 2009). In addition, we have some new ideas for service improvements including more direct services to Stratford, faster services to Stansted Airport and Cambridge and a new hourly service from Ely or Cambridge to Stansted Airport in addition to the existing Cross Country service. It is these new ideas and the use of new trains on Cambridge – London services which we are looking for your feedback.

These proposals are set out under the heading "Issues on which your views would be welcomed".

Headline West Anglia and Stansted Express improvements

With the introduction of new rolling stock we will:-

- provide additional train service capacity into London Liverpool Street on a weekday morning capable of accommodating an additional 16000 (11000 seats and 5000 standing) passengers from the West Anglia and Great Eastern routes in the three hour peak and an additional 5,000 passengers in the high peak by December 31 2011;
- introduce 120 new electric vehicles to be deployed primarily on the Stansted Express route, but also on some Cambridge – London services;
- cascade the majority of the displaced Class 317 vehicles, currently deployed on Stansted Express services, onto other West Anglia services;
- extend a number of peak London Liverpool Street to Cambridge services to 12 carriages (from 8 now)
- extend a number of other peak West Anglia services to 8 carriages (from 4 now) on the lines to Enfield, Chingford, Hertford and Bishop's Stortford

We have worked in an open and collaborative way with the DfT for many months during the formulation of our proposals. We have researched the need for additional capacity and researched customers and stakeholders needs and aspirations. We have also worked closely with Network Rail (NR) to ensure our proposals are deliverable and consistent with NR's Strategic Business Plan. These ideas have already received widespread support.

Issue on which your views would be welcomed

We have developed some new ideas to deliver even more improvements for passengers following the introduction of the new trains. We would, therefore, appreciate your comments on the following proposals:

1. To introduce a faster, hourly off peak service between Cambridge and London, using the new class 379 trains, which calls only at Whittlesford, Audley End, Bishop's Stortford and Tottenham Hale.
2. To switch the hourly Stratford to Stansted Airport service to a twice an hour Bishops Stortford to Stratford service with connections to Stansted Airport (except for special services during the Olympics and Paralympics period)
3. To reduce Stansted Express journey times by looping the Hertford East service at Broxbourne to allow a Stansted Express service to pass it (this will add around 3 to 4 minutes into the journey time of the Hertford East service)
4. To run, in the morning peak, 3 x 12 car services with new trains from Cambridge to London or, alternatively use the same new trains to run 2 x 12 car services from Cambridge and 1 x 12 car service from Stansted Airport
5. To introduce a new service from Cambridge or Ely to Stansted Airport on the opposite half hour to the Cross Country service.

We believe that our proposals maximise the benefits of the additional rolling stock, as well as generating the greatest economic, environmental and social inclusion benefits by making rail more convenient and competitive on more routes by enhancing capacity or, in some cases, frequency.

We welcome your thoughts and feedback on these proposals as we plan for the introduction of the extra capacity on our services. We will take into account the views and points raised in finalising the options.

The overwhelming priorities are initiatives which deliver more capacity and are practical, achievable and would benefit the majority of rail travellers. In that context it should also be emphasised that the requirement of the Department for Transport from this process is additional capacity, so our plans must be compliant with that obligation. However, the new ideas we have suggested should be consistent with those requirements. We look forward to your comments.

Comments on NXEA West Anglia and Stansted Express plans

Please send your comments to

West Anglia & Stansted Express Timetable consultation
c/o Jonathan Denby
Head of Corporate Affairs
National Express East Anglia & c2c
Oliver's Yard
55 City Road
London
EC1Y 1HQ

Or email them to me at jonathan.denby@nationalexpress.com

The consultation period lasts for 12 weeks, so please submit your comments by **Friday 11 February 2011** or earlier if possible.

This page is intentionally left blank

EAST HERTS COUNCIL

THE EXECUTIVE – 8 FEBRUARY 2011

REPORT BY THE LEADER OF THE COUNCIL

SHARING SERVICES WITH STEVENAGE BOROUGH COUNCIL

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To ask members to approve the development of a strategic business case for sharing Support Services and to support in principle closer collaboration at Corporate and Senior Management level with Stevenage Borough Council.

RECOMMENDATIONS FOR DECISION BY THE EXECUTIVE: that	
(A)	in principle, the exploration of closer corporate management arrangements with Stevenage Borough Council be supported;
(B)	the development and assessment of a strategic business case for sharing support services with Stevenage Borough Council be approved;
(C)	subject to agreement with Stevenage Borough Council, to agree that further discussion should take place with North Herts District Council following NHDC's expression of interest in the shared service arrangements outlined here; and
(D)	the application to Improvement East for £25,000 to fund this work, be supported.

1.0 Background

- 1.1 The current economic climate is encouraging councils to seek new ways of delivering services. Sharing back-office/support services is seen as a way of improving resilience and reducing

costs. Any savings can then be used to protect front-line services. East Herts has a good record of working in partnership with other authorities and is working with Stevenage Borough Council, North Herts District Council, Welwyn and Hatfield Borough Council and Broxbourne Borough Council currently.

2.0 Report

2.1 Building on the joint working on Revenues and Benefits services, East Herts Council and Stevenage Borough Council anticipate that there may be significant benefit in sharing other services and have identified a number of areas of common interest.

2.2 East Herts Council is also looking at its succession planning arrangements prior to the anticipated retirement of the Director of Internal Services.

2.3 It is expected that sharing will provide effective services for both authorities, at a lower cost and with a higher level of resilience than either authority would be able to achieve independently. East Herts and Stevenage have successfully integrated management of their Revenues and Benefits Service and will use this experience to develop their approach to sharing other services.

2.4 The initial focus for shared services will be back office 'support services'. However front-line services may be included where there is a subsequent opportunity. The authorities have common interest in sharing the following support services:

- Facilities Management
- Human Resources
- ICT
- Strategic Financial Advice

2.5 A phased approach will be taken to transforming these services. Firstly a clear shared vision and engagement within both authorities will underpin the planned transformation. It is anticipated that an interim management arrangement may be proposed at this stage to oversee further work. Secondly the Strategic Business Case will be developed including potential savings, baseline costs, key principles and HR assumptions related to delivering these services in partnership. The strategic

vision for each service will be set out together with potential partnership models, risk management and legal issues.

2.6 The objectives for Phase 1 - Shared Vision are to:

- Agree the key principles for partnership.
- Gain formal commitment from both Council's Executives to 'the intent to partner', the creation of the shared vision and the development of the strategic business case, including commitment of resources.
- Jointly develop a shared vision for the partnership, clearly describing the future state and what delivering shared service may look and feel like.
- Gain Member, senior officer and key service specialists engagement and buy-in to the shared vision.
- Setup a joint programme team to develop the strategic business case and future phases of work.

2.7 The objectives for Phase 2 - Strategic Business Case are to:

- Assess partnership models and identify the preferred option.
- Develop a strategic vision for each service, describing at a high level the services which will be delivered and how this will meet the requirements of both authorities.
- Baseline the costs of the services
- Estimate financial savings and align with both Council's Medium Term Financial Strategy's.
- Estimate the non-financial benefits
- Assess the HR and legal considerations
- Identify what elements of the services are out of scope for the shared service (and will remain within each authority)
- Assess the options and prioritise for the development of detailed business cases and implementation, and identify the preferred approach
- Gain formal approval from both Councils to the strategic business case and commitment to the development of detailed business cases and implementation of shared services. This will be concluded by July 2011.

The Section 151 Officer at North Herts District Council has indicated to colleagues here and at Stevenage that North Herts would like to be involved in the exploration of shared service options for the services being considered. The benefits and risks of widening these discussions will be considered whilst our two Councils develop the business case for our shared services.

- 2.8 If appropriate, based on the level of financial and non financial benefits, further phases of work will be initiated to deliver live partnerships before March 2012. The resource requirement for the future phases will be assessed separately and do not form part of this funding bid.
- 2.9 Savings targets have already been set within the MTFP and it is anticipated that some of the work will be to enable the delivery of already identified savings but with a better degree of resilience. The key areas of cashable savings are reduced staff costs, through shared management and staff and ICT revenue costs. The shared service may also enable reduced capital expenditure, for example future investment costs may be reduced.
- 2.10 The potential non-financial benefits of sharing support services include:
- Increased resilience within the support services - measured through performance and satisfaction with service (e.g. time to fix ICT incidents or respond to service requests) and better arrangement between the partners in the event of a business continuity issue.
 - Increased (internal) customer satisfaction - measured through quarterly customer satisfaction surveys, taking the pre partnership satisfaction as a benchmark
 - Enable future partnership opportunities - common systems and ICT systems and applications have been identified as a key enabler for sharing frontline services between the two authorities. Measured through the degree of convergence in these policies / services
 - Disaster recovery – better arrangement between the partners in the event of a business continuity issue
- 2.11 A joint team from each service will be established to deliver the Strategic Business Case, bringing together staff from both authorities reporting to the Director of Internal Services (EHC) and Director of Resources (SBC) under the guidance of a part-time

Project Manager. The Project Manager role may be funded in-house or with RIEP funding and back-fill any HR or Finance specialists to enable them to be released to the project. It is anticipated that this will cost each authority up to £25,000 and a bid has been made to Improvement East to provide this funding.

3.0 Options

- 3.1 In considering a shared service for Revenues and Benefits services, alternative options were explored including a move to outsourcing. On balance, the shared service option was preferred but with an expectation that an outsourcing or similar arrangement would not be ruled out as a second stage of delivering efficiency gains based on a more attractive proposition for the market than either Council acting alone could achieve. A similar approach is proposed for this wider range of services.

4.0 Implications/Consultations

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

Background Papers

Partnership Protocol – Corporate Business Scrutiny August 2009

Contact Member: Cllr Tony Jackson – Leader of the Council

Contact Officer: Anne Freimanis – Chief Executive Ext No 1403

Report Author: Philip Hamberger - Programme Director of Change
Ext No 2005

ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/ Objectives	Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i>
Consultation:	Contained within the report.
Legal:	Contained within the report.
Financial:	Contained within the report.
Human Resource:	Contained within the report.
Risk Management:	Contained within the report.

EAST HERTS COUNCIL

EXECUTIVE – 8 FEBRUARY 2011

MONTHLY CORPORATE HEALTHCHECK – DECEMBER 2010

REPORT BY THE LEADER OF THE COUNCIL

WARD (S) AFFECTED: All

Purpose/Summary of Report:




- To set out an exception report on the finance and performance monitoring for East Herts Council for December/Quarter 3, 2010.



<u>RECOMMENDATIONS FOR EXECUTIVE: that</u>	
(A)	the budgetary variances set out in paragraph 2.2 of the report be noted;
(B)	in respect of NI 181, the unavailability of December 2010 performance data due to data not been released by DWP, be noted (paragraph 2.17);
(C)	a request for a supplementary estimate of £19,600 to modify car park Pay and Display machines to accept new 5p and 10p coins that come into circulation in April (paragraph 2.19) be approved;
(D)	£36k of the works at the Southern Country Park scheme capital budget be re-profiled from 2010/11 into 2011/12 (paragraph 2.34);
(E)	£95,800 of the plastic bottle and can sorting/bailing equipment capital budget be re-profiled from 2010/11 into 2011/12 (paragraph 2.35); and
(F)	a supplementary estimate of £80k in 2010/11 in respect of Decent Homes Grants be approved, to be funded by bringing forward this sum from the 2011/12 programme in order to offset some of the slippage on the programme (paragraph 2.36).

1.0 Background

- 1.1 This is the monthly finance and performance monitoring report for the Council.
- 1.2 Each month the report will contain a breakdown of the following information by each corporate priority where remedial action is needed:
- Salary, Capital and Revenue variance.
 - Performance information (based on the performance indicator suite that is reported on a monthly basis) and also the Directorate's position in respect to payment of invoices and sickness absence.
- 1.3 **Essential Reference Paper 'B'** shows the full set of performance indicators that are reported on a monthly and quarterly basis.
Essential Reference Paper 'C' shows detailed information on salaries.
Essential Reference Paper 'D' shows detailed information capital.
Essential Reference Paper 'E1 and E2' shows explanations of variances on the Revenue Budget reported in previous months.
Essential Reference Paper 'F' shows a summary of Executive actions made within the financial year.

The codes used in relation to performance indicator monitoring are as follows:

Status	
	This PI is 6% or more off target.
	This PI is 1-5% off target.
	This PI is on target.

Short Term Trends	
	The value of this PI has changed in the short term.
	The value of this PI has not changed in the short term.

2.0 Report – Directorate Position

REVENUE FINANCIAL SUMMARY

- 2.1 The financial aspects of this report are based on budgetary information from April 2010 to December 2010.
- 2.2 The table below summarises the known position as at the end of December.

	Position as at 31.12.10				Projected Position year end	
	Favour- able £000	Adverse £000	Favour- able Variance since last month £000	Adverse Variance since last month £000	Favour- able £000	Adverse £000
(1) Promoting prosperity & well being; providing access & opportunities						
Concessionary Fares	0	0	0	0	12	0
Meals on Wheels	0	99	0	99	0	67
LAA grant	0	0	0	0	0	33
Hertford Theatre	0	53	0	64	0	49
H Benefits Overpayments	324	0	121	0	350	0
H Benefits Admin Subsidy	0	18	0	2	0	24
Partnership Contribution	0	0	0	0	25	0
Area Based Grant	27	0	3	0	36	0
Thele House Maintenance	0	20	0	2	0	20
Critical Ordinary Watercourse	0	43	0	29	0	16
Hostel Rent	32	0	5	0	25	0
Leisure-Utilities	0	0	0	0	0	21
Leisure-contributions	0	0	0	0	0	7
LAA grant	0	0	0	0	51	0
Private Sector Housing	26	0	26	0	26	0

	Position as at 31.12.10				Projected Position year end	
	Favour- able £000	Adverse £000	Favour- able Variance since last month £000	Adverse Variance since last month £000	Favour- able £000	Adverse £000
(2) Fit for purpose						
Turnover/Managing vacancies	127	0	20	0	78	0
Investment Income	0	660	0	85	0	890
Place Survey	0	0	0	0	14	0
Print/Document handling	0	0	0	0	0	56
Office Moves 'Premises'	0	0	0	0	0	15
Costs	0	0	0	0	50	0
Hartham Land sale	42	0	0	20	34	0
IT Licences						

	Position as at 31.12.10				Projected Position year end	
	Favour- able £000	Adverse £000	Favour- able Variance since last month £000	Adverse Variance since last month £000	Favour- able £000	Adverse £000
(3) Pride in East Herts						
Car Parks Pay and Display (Sunday/Bank Holiday	0	28	0	6	0	38
Car Parks Pay and Display	0	97	9	0	0	156
Penalty Charge Notices	0	16	0	11	0	10
Car Parks – Advertising	0	3	0	0	0	4
Car Washing-Gascoyne Way	0	8	0	1	0	7
Causeway Car Park Rent	0	0	0	0	0	222
B/S car park season tickets	15	0	0	0	12	0
Car Parks P&D VAT	0	0	0	0	0	19
Un/Locking Bircherley Green	7	0	1	0	5	0
CCTV Running costs	0	0	0	0	0	6
Pay & Display machines	0	0	0	0	0	20

	Position as at 31.12.10				Projected Position year end	
	Favour- able £000	Adverse £000	Favour- able Variance since last month £000	Adverse Variance since last month £000	Favour- able £000	Adverse £000
(4)Caring about what's built and where						
Public Conveniences	0	55	0	2	0	68
Recycling Service	0	0	0	0	640	0
Wheeled Bin Delivery Charge	0	37	0	4	0	50
Recycling Publicity	29	0	1	0	21	0
Green Waste collection	74	0	8	0	94	0
Kerbside dry recycling collection	0	35	0	3	0	0
Plastic banks	16	0	2	0	20	0
Kerbside dry recycling income	0	62	0	78	258	0
Recycling contributions	0	0	0	0	26	0
Depot Material Handling	27	0	3	0	36	0
Refuse Collection Contract	41	0	0	12	55	0
Commercial Waste	57	0	0	3	25	0
Cleansing Contract	0	66	0	53	18	0
Grounds Maint. Contract	76	0	0	39	0	35
Waste contract – specialist support	13	0	13	0	5	0

	Position as at 31.12.10				Projected Position year end	
	Favour- able £000	Adverse £000	Favour- able Variance since last month £000	Adverse Variance since last month £000	Favour- able £000	Adverse £000
(5) Shaping now, shaping the future						
Housing and Planning Delivery Grant	0	0	0	0	0	134
LABGI	0	0	0	0	0	30
Land Charges Income	38	0	6	0	38	0
Development Plans Studies	0	0	0	0	20	0
LDF upkeep/review	44	0	7	0	50	0
Pre- Application advice	14	0	14	0	10	0
HCC DC advice	7	0	7	0	10	0
(6) Leading the way, working Together						
Members Allowances	35	0	4	0	48	0
By-Elections	0	3	0	3	0	20
Audit Fees	20	0	15	0	38	0

	Position as at 31.12.10				Projected Position year end	
	Favour- able £000	Adverse £000	Favour- able Variance since last month £000	Adverse Variance since last month £000	Favour- able £000	Adverse £000
TOTAL:	1,091	1,303	260	516	2,130	2,017
Net Projected Variance					113	
Supported by supplementary estimates <ul style="list-style-type: none"> • Investment Income • Housing and Planning Delivery grant • LABGI • Thele House Maintenance 						407 134 50 15
Total Supplementary Estimates						606

- 2.3 Subject to all other budgets being equal, this would result in an under spend of £113k.
- 2.4 Salary budgets have been constantly monitored and **Essential Reference Paper 'C'** shows a projected under spend of £78k on payroll budgets.

FINANCIAL ANALYSIS AND PERFORMANCE ANALYSIS

Promoting Prosperity and well-being, providing access and opportunities

Financial analysis

- 2.5 There is an anticipated income under-performance on the first year of the pantomime business plan at Hertford Theatre of £35k. Officers are identifying areas of over-performance to mitigate this loss by year end. For example, hire income is showing a projected over-performance against budget.

Performance analysis

- 2.6 **NI 15 – Serious violent crime rate.** Performance in December 2010 showed that East Herts was ranked 4th for serious violence excluding GBH (Sep - Nov 2010) when compared to other similar CDRPs. East Herts was also 4th out of 10 when compared to the rest of the county.
- 2.7 **NI 16 - Serious acquisitive crime rate.** Performance in December 2010 showed that East Herts was below the force average for serious acquisitive crime (Sep - Nov 2010). When comparing East Herts with other similar areas, the district was 12th (out of 15) with 2.335 crimes per 1000 residents (Sep - Nov 2010).
- 2.8 **NI 20 – Assault with injury crime rate.** Performance in December 2010 showed that East Herts was below the force average for assault with less serious injury (Sep - Dec 2010). When compared to other similar areas, East Herts was below the average with 0.759 crimes per 1000 residents (Sep - Dec 2010).
- 2.9 **EHPI 213 - Preventing Homelessness - number of households where homelessness prevented.** Performance data for this indicator was not available by the deadline of this report, however the Quarter 3 data will be available for the Executive Corporate Healthcheck report.

2.10 **EHPI 130 - Number of council endorsed community safety projects that receive positive publicity.** The partnership communications group provided seasonal top tips to the local papers during the month of December 2010.

2.11 The following indicators were 'Green', meaning that the target was either met or exceeded for December/Quarter 3, 2010:

- NI 156 - Number of households living in temporary accommodation
- EHPI - 129 - Response time to anti social behaviour complaints made to East Herts Council.

Please refer to **Essential Reference Paper 'B'** for full details.

Fit for purpose

Financial analysis

2.12 There are no new financial issues this month regarding this priority.

Performance analysis

2.13 **EHPI 6.8 - Turnaround of pre NTO PCN challenges and EHPI 7.0 - % pre NTO PCN challenges responded to within 10 days.**

Performance was 'Red' for December 2010 for these indicators.

Although the performance targets were not met, there has been a significant improvement from the previous month from 24 days to 16 days (for EHPI 6.8) and 11% to 36% (for EHPI 7.0).

2.14 **EHPI 12c - Total number of sickness absence days per FTE staff in post.** Performance was 'Red' for December 2010. Total absences did not meet the council standard for absences this month due to an increase in both short-term and long-term absences. Total absence for the year so far is 4.89 days against the target of 6.38 days.

2.15 **NI 181 - Time taken to process Housing Benefit/Council Tax Benefit new claims and change events.** Performance data for December 2010 has yet to be released by the Department for Work and Pensions (DWP) as more time is required to collate data over the holiday period. The data update is due to be released from DWP in late January 2011.

2.16 The following indicator was 'Green', meaning that the target was either being met or exceeded for December 2010. It is;

- EHPI 8 – % of invoices paid on time.

- 2.17 **EHPI 5.3 - % of customers using the Council's complaint system that are fairly or very satisfied with the way in which their complaint was handled.** During the third quarter three survey forms were sent out and only one returned. It is very difficult to come to any conclusions with so little evidence.

Please refer to **Essential Reference Paper 'B'** for full details.

Pride in East Herts

Financial analysis

- 2.18 £20k is needed to modify the pay and display car park machines to accept new 5p and 10p coins which come into circulation in April 2011.

Performance analysis

- 2.19 **NI 191 - Residual household waste per household (performance data reported one month in arrears – data is cumulative).** Performance in December 2010 showed that waste levels continue to be better (lower) than the Hertfordshire Waste Partnership target due not only to increased recycling and composting but also to an overall reduction in the level of waste.
- 2.20 **NI 192 - Percentage of household waste sent for reuse, recycling and composting (performance data reported one month in arrears).** In December 2010 Performance continued to be above expectations, although this may reduce through the winter when less composting is collected. However it is still anticipated that the Hertfordshire Waste Partnership target of 48% will be exceeded at year end.

Caring about what's built and where

Financial analysis

- 2.21 The one off Specialist Support Budget to assist with the Refuse, Recycling and Street Cleansing contract will be underspent by £5k.

Performance analysis

2.22 EHPI 2.10(3) - Building sites: 3 months re-inspections.

Performance was 'Red' in December 2010. The drop in this indicator is largely due to the prioritisation of a plan checking backlog and a reduction in inspection numbers as a result of poor weather conditions preventing many types of construction work from being carried out.

2.23 EHPI 2.1c - Enforcement actions: planning c) prosecutions.

Performance was 'Red' in December 2010. There were two court actions. One related to an ongoing offence, the second was a new case, relating to a non-compliance issue linked to the previous action.

2.24 The following indicators were 'Green', meaning that targets were either being met or exceeded for December 2010. They are:

- EHPI 204 – Planning appeals allowed.
- EHPI 2.1b - Enforcement actions: planning b) formal actions.
- EHPI 2.2(45) – Number of collections missed per 100,000 collections of household waste.

Please refer to **Essential Reference Paper 'B'** for full details.

Shaping now, shaping the future

Financial analysis

2.25 There has been a greater demand for pre-application planning advice than envisaged amounting to £10k.

2.26 Herts County Council will not charge for Development Control advice – producing a saving for £10k. This is a one off saving as it is expected that a charge will be made for this service in future years.

Performance analysis

2.27 NI 157a – Processing of planning applications: Major applications. Performance was 'Red' in December 2010. Two development proposals where no progress had been made with regard to legal agreements were determined this month.

2.28 The following indicators were 'Green', meaning that targets were either being met or exceeded for December 2010. They were:

- NI 157b - Processing of planning applications: 'Minor' applications.

- NI 157c - Processing of planning applications: Other applications.

Leading the way, working together

Financial analysis

2.29 There are no new financial issues this month regarding this priority.

Performance analysis

2.30 The following indicators were 'Green', meaning that targets were either met or exceeded for quarter 3. They are:

- EHPI 2 - Net cost/subsidy per visit
- EHPI 3a - Usage: number of swims (under 16)
- EHPI 3b - Usage: number of swims (16 – under 60 year olds)
- EHPI 3c - Usage: number of swims (60 year old +)
- EHPI 4a - Usage: Gym (16 – under 60 year olds)
- EHPI 4b - Usage: Gym (60 + year olds).

CAPITAL FINANCIAL SUMMARY

2.31 The table below sets out expenditure to 31 December 2010 against the Capital Programme. Members are invited to consider the overall position.

SUMMARY	2010/11 Original Estimate	2010/11 Revised Estimate	2010/11 Actual/ commit to date	2010/11 Projected spend	Variance Col 4 - Col 2
	£	£		£	£
Promoting Prosperity	3,969,400	3,716,930	2,273,316	3,798,580	81,650
Fit for Purpose	1,799,400	1,291,160	454,346	1,293,000	1,840
Pride in East Herts	998,000	1,371,080	937,464	1,371,080	0
Caring about what's built	284,400	307,530	148,896	211,600	(95,930)
Shaping now	124,300	188,600	26,900	188,600	0
Leading the Way	0	0	0	0	0
Re-profiling potential					
Slippage	(750,000)	0	0	0	0
TOTAL	<u>6,425,500</u>	<u>6,875,300</u>	<u>3,840,922</u>	<u>6,862,860</u>	<u>(12,440)</u>

2.32 **Essential Reference Paper 'D'** contains details of the 2010/11 Capital Programme. Comments are provided by Project Control Officers in respect of individual schemes.

- 2.33 Members are being asked to support a request to re-profile £36k of the improvements to works at the Southern Country Park as the scheme is currently at procurement stage with works expected to start in February. £39k is expected to be spent in 2010/11 with the remainder in 2011/12.
- 2.34 Members are being asked to support a request to re-profile £95,800 of the Plastic bottle and can sorting/bailing equipment budget from 2010/11 into 2011/12. A decision whether to proceed with this scheme will be taken following discussions with the new waste contractor and the re-processor, as a consequence of the decision by the Council on the 8 December 2010 to commence collecting mixed plastics.
- 2.35 The Micro Systems budget will overspend by £18,400. However, savings of £3,400 and £15,000 in the Authentication and the Firewalls and Intrusion budgets have been identified. Therefore appropriate approval to vire these sums is sought, with the need to report to Executive should it be granted.
- 2.36 Commitment is high and likely to remain so next year within the Disabled Facilities Grants budget. Together with likely spend from approved schemes and referral the full budget spend is imminent. The remaining budget of £58k in Discretionary DFG will be needed to help meet demand. The uncommitted balance of £70k from Decent Homes Grant will also be required to assist with this excess. Approval is sought to re-profile up to £80k of spending on Decent Homes Grant budgeted for 2011/12 to offset some of the slippage on schemes reported at paragraphs 2.34 and 2.35 above. This represents a supplementary provision in 2010/11 and would take the total such provision above the £200k which the Executive may approve in any year without reference to Council. If supported the approval of Council will be required.

3.0 Implications/Consultation

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

Background Papers:

April 2010 Corporate Healthcheck, Essential Reference Paper C –
For complete list of CMT performance indicators that are being
monitored for 2010/11

Contact Officer:

In terms of performance issues

Ceri Pettit, Head of Strategic Direction (Shared) and Performance
Manager – ext 2240

Lorna Georgiou, Performance and improvement Coordinator – ext
2244

Karl Chui, Performance Officer – ext 2243

In terms of financial issues

Mick O'Connor, Principal Accountant – ext 2054

ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/ Objectives:	<p>Promoting prosperity and well-being; providing access and opportunities <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p>Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p>Pride in East Herts <i>Improve standards of the neighbourhood and environmental management in our towns and villages.</i></p> <p>Caring about what's built and where <i>Care for and improve our natural and built environment.</i></p> <p>Shaping now, shaping the future <i>Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures.</i></p> <p>Leading the way, working together <i>Deliver responsible community leadership that engages with our partners and the public.</i></p>
Consultation:	Performance monitoring discussions have taken place between, Chief Executive, Directors and Heads of Service.
Legal:	There are no legal implications.
Financial:	There are no financial implications.
Human Resource:	There are no Human Resource implications.
Risk Management:	There are no Risk implications.

This page is intentionally left blank






December/Quarter 3 Executive Corporate Healthcheck 2010/11

Traffic Light Red
Description Caring about what's built (and) where

Planning and Building Control

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHPI2.10 (3)	Building sites: 3 months re-inspections		60%	90%		The drop in this indicator is largely due to the prioritisation of a plan checking backlog and a reduction in inspection numbers as a result of poor weather conditions preventing many types of construction work from being carried out.	<p>December 2010 result</p> <p>0% 60% 84.6% 89.1% 100%</p>	None




Planning and Building control




PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP12.1c	Enforcement actions: planning c) prosecutions		2	1		There were two court actions. One related to an ongoing offence, the second was a new case, relating to a non-compliance issue linked to the previous action.	<p>December 2010 result</p> 	None




Traffic Light Red

Description Fit for purpose, services fit for you

Parking Services

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP17.0	Percentage of pre NTO challenges responded to within 10 working days.		36.00%	75.00%		A marked improvement from 11% to 36% within 10 working days	<p>December 2010 result</p> 	None




Parking Services								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHPI6.8	Turnaround of Pre NTO PCN challenges (10 working days)		16 days	14 days		A continued trend of improvement with a reduction from 24 to 16 days	<p>December 2010 result</p> 	None

People Services & Organisational Development								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHPI12c	Total number of sickness absence days per FTE staff in post		0.78 days	0.70 days		Total absence for the year so far = 4.89 days (target = 6.38)	<p>December 2010 result</p> 	None

Traffic Light Red

Description Shaping now, shaping the future




Planning and Building Control


PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
NI 157a (BV109a)	Processing of planning applications: Major applications		33.00%	69.00%		Two development proposals where no progress had been made with regard to legal agreements were determined this month.	<p>December 2010 result</p> 	None


Traffic Light Green

Description Caring about what's built (and) where




Environment Services

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHPI2.2 (45)	Waste: missed collections per 100,000 collections of household waste		38.38	50		Performance continues to be maintained at a level that is better (lower) than target.	<p>December 2010 result</p> 	None




Planning and Building Control								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP1204	Planning appeals allowed	✓	33.0%	34.0%	↑	2 out of 6 appeals allowed	<p>December 2010 result</p> 	None

Planning and Building control								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP12.1b	Enforcement actions: planning b) formal actions	✓	3	3	▬	Performance on target.	<p>December 2010 result</p> 	None

Traffic Light Green**Description** Fit for purpose, services fit for you**Financial Support Services**


PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP18	% of invoices paid on time		98.24%	98.50%		Performance has much improved this month and is only just short of the target. Full details of performance by service is available in the attached document.	<p>December 2010 result</p> 	None


Traffic Light Green**Description** Leading the way, working together**Community and Cultural Services**

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP13a	Usage: number of swims (under 16)		7,815	6,683		Performance continues to show favourable position against target	<p>Q3 2010/11 result</p> 	None

Community and Cultural Services								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP12	Net cost/subsidy per visit	✓	£1.47	£7.52	↓	3 monthly management fee (including RPI) divided by total visits for the three month period, Oct - Dec 2010, equals cost per user subsidy; $£133,917.42/91,359 = £1.47$	<p>Q3 2010/11 result</p> <p>£0.00 £1.47 £10.36</p>	None

Community and Cultural Services								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP14a	Usage: Gym (16 – under 60 year olds)	✓	36,793	13,722	↓	Performance continues to show favourable position against target.	<p>Q3 2010/11 result</p> <p>0 36,793 70,000</p>	None




Community and Cultural Services								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP14b	Usage: Gym (60 + year olds)	✓	3,202	1,369	↑	Performance continues to show favourable position against target.	<p>Q3 2010/11 result</p>  <p>1,355.31 1,286.86 0 3,202 5,000</p>	None

Community and Cultural Services								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP13b	Usage: number of swims (16 – under 60 year olds)	✓	19,353	13,007	↓	Performance continues to show favourable position against target.	<p>Q3 2010/11 result</p>  <p>12,876.93 12,226.58 0 19,353 50,000</p>	None

Community and Cultural Services								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHPI3c	Usage: number of swims (60 year old +)	✓	5,134	4,666	↓	Despite the removal of the government free swim scheme for the 60+. Performance continues to exceed target.	<p>Q3 2010/11 result</p> <p>4,619.34 4,386.04 0 5,134 20,000</p>	None




Traffic Light Green
Description Promoting prosperity & well being providing access & opportunities




Health and Housing								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
NI 156	Number of households living in temporary accommodation	✓	21	33	↑	Number of households in temporary accommodation well within target	<p>Q3 2010/11 result</p> <p>35 33 0 21 100</p>	None

Licensing and Community Safety								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP1129	Response time to ASB complaints made to EHC.		100.00 %	100.00 %		There were 9 complaints made directly to EHC ASB Officer for the month of December 2010. All of the complainants were responded to within the minimum standards of 2 working days, either by phone or email.	<p>December 2010 result</p> 	None



Traffic Light Green



Description Shaping now, shaping the future

Planning and Building Control								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
NI 157b (BV109b)	Processing of planning applications: Minor applications		86.00%	80.00%		31 out of 36 determined on time	<p>December 2010 result</p> 	None

Planning and Building Control								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
NI 157c (BV109c)	Processing of planning applications: Other applications		97.00%	92.00%		117 out of 120 determined on time	<p>December 2010 result</p> 	None



Traffic Light Data Only
Description Fit for purpose, services fit for you

Customer Services								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP15.3	% of customers using the Council's complaint system that are fairly or very satisfied with the way in which their complaint was handled.		N/A			Three survey forms were sent out and only one returned. It is very difficult to come to any conclusions with so little evidence.	Q3 2010/11 result	None



Revenues and Benefits Services								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
NI 181	Time taken to process Housing Benefit/Council Tax Benefit new claims and change events			10.0 days		Performance data for December 2010 has yet to be released by the Department for Work and Pensions (DWP) as more time is required to collate data over the holiday period. The data update is due to be released from DWP in late January 2011.	N/A	None

Traffic Light Data Only
Description Promoting prosperity & well being providing access & opportunities



Licensing and Community Safety								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
NI 15	Number of most Serious violent crime rate per 1,000 population		4			East Herts was ranked 4th for serious violence excluding GBH (Sep - Nov 2010) when compared to other similar CDRPs. East Herts was also 4th out of 10 when compared to the rest of the county.	December 2010 result 4	None

Licensing and Community Safety								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
NI 16	Number of Serious acquisitive crime rate per 1,000 population		64			East Herts was below the force average for serious acquisitive crime (Sep - Nov 2010). When comparing East Herts with other similar areas, the district was 12th (out of 15) with 2.335 crimes per 1000 residents (Sep - Nov 2010).	December 2010 result 64	None



Licensing and Community Safety



PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
NI 20	Number of Assault with injury crime rate offences per 1,000 population		36			East Herts was below the force average for assault with less serious injury (Sep - Dec 2010). When compared to other similar areas, East Herts was below the average with 0.759 crimes per 1000 residents (Sep - Dec 2010).	December 2010 result 36	None

Licensing and Community Safety



PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHP1130	Number of council endorsed community safety projects that receive positive publicity.		1 days			Partnership communications group provided seasonal top tips to the local papers during the month of December.	December 2010 result 1 days	None












Traffic Light Unknown
Description Pride in East Herts**Environment Services**

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
NI 191	Residual household waste per household		313			Waste levels continue to be better (lower) than target due not only to increased recycling and composting but also to an overall reduction in the level of waste.	N/A	None

Environment Services								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
NI 192	Percentage of household waste sent for reuse, recycling and composting		51.21%			Performance continued to be above expectations, although this may reduce through the winter when less composting is collected. however it is still anticipated that the target of 48% will be exceeded at year end.	N/A	None

Traffic Light Unknown
Description Promoting prosperity & well being providing access & opportunities

Health and housing								
PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 11 January 2011.
EHPI213	Preventing Homelessness - number of households where homelessness prevented		N/A	37.5		Performance data will not be available by the time of this report going to print. Quarter 3 data will be available for the Executive corporate healthcheck report.	N/A	None

PI Status		Long Term Trends		Short Term Trends	
	Alert		Improving		Improving
	Warning		No Change		No Change
	OK		Getting Worse		Getting Worse
	Unknown				
	Data Only				

SALARIES/AGENCY/APPOINTMENT OF STAFF/RELOCATION
Essential Reference Paper 'C'

	Estimate	Profile to 31.12.10	Actual to 31.12.10	Variance to Profile	Projected outturn	Projected Outturn Variance to Estimate
	£	£	£	£	£	£
Executive / Corp Support	607,355	455,516	414,055	-41,461	553,800	-53,555
Internal Services	4,800,170	3,600,129	3,608,092	7,963	4,849,850	49,680
Neighbourhood Services	3,824,620	2,868,466	2,806,909	-61,557	3,730,180	-94,440
Customer & Community	2,739,730	2,054,799	2,040,112	-14,687	2,729,000	-10,730
Summary	11,971,875	8,978,910	8,869,168	-109,742	11,862,830	-109,045
Strain Costs (funded)	158,000	0	0	0	158,000	0
Employer's Pension Cost (not charged to services)	470,530	352,898	335,807	-17,091	447,100	-23,430
TOTAL	12,600,405	9,331,808	9,204,975	-126,833	12,467,930	-132,475
Mitigating Actions	-54,724					-54,724
Projected net underspend after allowing for mitigating actions that had to be found						-77,751

This page is intentionally left blank

CAPITAL EXPENDITURE MONITORING 2010/11

SUMMARY	Exp. To 31/12/10								
	2010/11 Original Estimate	Slippage from 2009/10	2010/11 Any other amendments	2010/11 Approved Estimate as @ Dec '10	2010/11 Actual to date	2010/11 Commitment Amount	2010/11 Total to Date	2010/11 Projected Spend	2010/11 Variance between Proj Spend and Approved Estimate
	£	£	£	£	£	£	£	£	£
1. Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable	3,969,400	242,900	(495,370)	3,716,930	2,272,316	1,000	2,273,316	3,798,580	81,650
2. Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation	1,799,400	450,500	(958,740)	1,291,160	386,059	68,287	454,346	1,293,000	1,840
3. Improve standards of the neighbourhood and environmental management in our towns and villages	998,000	146,700	226,380	1,371,080	891,023	46,441	937,464	1,371,080	0
4. Care for and improve our natural and built environment	284,400	49,500	(26,370)	307,530	125,382	23,514	148,896	211,600	(95,930)
5. Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures	124,300	64,300	0	188,600	10,830	16,070	26,900	188,600	0
TOTAL	7,175,500	953,900	(1,254,100)	6,875,300	3,685,610	155,312	3,840,922	6,862,860	(12,440)
RE-PROFILING POTENTIAL SLIPPAGE (71264/7501)	(750,000)		750,000	0				0	0
	6,425,500	953,900	(504,100)	6,875,300	3,685,610	155,312	3,840,922	6,862,860	(12,440)

CAPITAL MONITORING 2010/11

Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable

Exp. To 31/12/10

Exp Code	2010/11 Approved Schemes	Project Control Officer	2010/11 Original Estimate	Slippage from 2009/10	2010/11 Any other amendments	2010/11 Approved Estimate as @ Dec '10	2010/11 Actual to date	2010/11 Commitment Amount	2010/11 Total to Date	2010/11 Projected Spend	2010/11 Variance between Proj Spend and Approved Estimate	COMMENTS
			£	£	£	£	£	£	£	£	£	
72570	Hillcrest Hostel Alterations	S. Whinnett	0	8,500	(560)	7,940	7,939		7,939	7,940	0	Completed.
72329	Hartham Swimming Pool	S. Whinnett	7,000	0		7,000	6,998		6,998	7,000	0	Completed.
72328	- External Decorations	S. Whinnett	0	10,800		10,800			0	10,800	0	Defects still being resolved.
	- Re-coating of pools & replacement boom											
72331	Fanshawe Swimming Pool	S. Whinnett	20,000	0		20,000	15,065		15,065	20,000	0	75% completed.
	- Replace Changing Room Air Handling Plant											
72330	Grange Paddocks Swimming Pool	S. Whinnett	25,000	0		25,000	19,383	1,250	20,633	25,000	0	90% completed.
72188	- Resurfacing of Approach Road	S. Whinnett	0	0	1,130	1,130	1,127		1,127	1,130	0	Retention from 08/09.
	- Car Park Improvements											
72332	Ward Freman Swimming Pool	S. Whinnett	70,000	0	(68,740)	1,260	1,260		1,260	1,260	0	Tenders received. Need to re-programme for Easter holidays, therefore, request that the balance on this scheme is transferred to 2011/12. Agreed at 9.11.10 Exec.
	- Renew Roof Covering to Pool Hall											
72197	Leventhorpe Swimming Pool	S. Whinnett	0	15,000		15,000			0	15,000	0	Discussions being held between SLM and school.
72303	- Replace/Upgrade Dosing Equipment	S. Whinnett	0	20,000		20,000			0	20,000	0	Discussions being held between SLM and school.
	- Renew Pool Filters											
72558	Hertford Theatre Renew/Refurbish Goods Lifts	S. Whinnett	62,700	0	(62,700)	0			0	0	0	Included in tender for main works, budgets merged with main refurbishment scheme.
72564	Hertford Theatre Foyer Improvements	S. Whinnett	17,000	0	(17,000)	0			0	0	0	Included in tender for main works, budgets merged with main refurbishment scheme.
72576	Hertford Theatre Exhibitions Screens	W. O'Neill	6,000	0		6,000	3,389		3,389	6,000	0	
72579	Leisure Development Projects - Hertford Theatre	W. O'Neill	905,000	0	173,500	1,078,500	962,116	(250)	961,866	1,078,500	0	Budgets for the lift & foyer improvements have been merged with this scheme. Total capital programme approved over 3 years is £1,134,700 as per report to Exec 11.5.10. £100k b/w/d from 2011/12 for film equipment.
72571	Leisure Development Projects (Retention Only)	W. O'Neill	105,000	(43,000)		62,000	(71,814)		(71,814)	162,000	100,000	Final account & retention still outstanding. Overspend due to £31,415 spent on archaeological dig & new sub-station, £50,539. £15,000 to be received from SLM re gym equipment (income not shown on this code).
72578	Drill Hall (see Note 1)	W. O'Neill	200,000	0		200,000			0	200,000	0	Independent survey now received & being analysed. Delegated decision to release funding on target for spend.
72545	Presdales - Replace Pavilion	W. O'Neill	458,800	2,900		461,700	241,430		241,430	461,700	0	On site, completion due January.
72582	LSP Capital Grants	W. O'Neill	0	0	217,000	217,000	113,423		113,423	217,000	0	Fully funded from LAA Performance Reward Grant.
72569	Partnership Funding - Hertford Museum	A. Holley	0	0	10,000	10,000			0	10,000	0	Approved at 11.1.11 Exec.
72530	Community Planning Grants	C. Pullen	20,000	0		20,000	(1,988)		(1,988)	20,000	0	Waiting for 2009/10 claims from Widford Playing Fields. Allocation of 2010/11 Community Planning Grants has been delayed due to Council reviewing it's grant schemes. These schemes are now open for application. Deadline 31st Dec 2010 & 31st March 2011.
72512	Partnership Investment Fund	C. Pullen	26,000	38,600		64,600	21,000		21,000	64,600	0	Allocation of 2010/11 PIF has been delayed due to Council reviewing it's grant schemes. These schemes are now open for application. Deadline is 28th January 2011.
72683	Village Hall Community Challenge	C. Pullen	11,000	10,900		21,900	10,500		10,500	21,900	0	Waiting for claim from Cottered. Will be submitted by year end.
72439	Capital Grants 2009/10	J. Petrie	40,000			40,000	25,778		25,778	40,000	0	16 grants were awarded in 2 funding rounds. Some claims not yet being received, some are less than estimated or organisation not able to continue with project due to funding shortfall. Deadline for submitting claims is 4th January 2011. Admin officer to chase up outstanding claims.
72440	Capital Grants 2010/11	J. Petrie	43,000			43,000			0	43,000	0	Allocation of 2010/11 Community Capital Grants has been delayed due to the Council reviewing it's grant schemes. This is now open for applications and deadline is 10 December 2010.
72504	Provision of Play Equipment (see Note 3)	C. Cardoza	50,000	28,700	(10,000)	68,700	54,131		54,131	68,700	0	Will fully spend. (Note: £10K transferred to Southern Country Park project).
72580	Vantorts Sawbridgeworth - Play Area Development Programme (see Note 2)	C. Cardoza	50,000			50,000			0	50,000	0	Initial consultation with residents, park users & Town Council completed. Further consultation currently being undertaken. Project may be delayed depending upon the equipment selected and agreement with Sawbridgeworth Town Council on funding contribution.
72581	Grange Paddocks - Playbuilder Project (see Note 4)	C. Cardoza	75,000		(75,000)	0			0	0	0	Playbuilder Grant has been suspended by the Government, therefore, scheme will not go ahead as planned as the majority of funding would have come from this grant.
72573	Play Projects Ridgeway, Hertford & Grange Paddocks B/S (see Note 5)	C. Cardoza		52,000	300	52,300	52,310		52,310	52,300	0	Project complete.

CAPITAL MONITORING 2010/11

Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable

Exp. To 31/12/10

Exp Code	2010/11 Approved Schemes	Project Control Officer	2010/11 Original Estimate	Slippage from 2009/10	2010/11 Any other amendments	2010/11 Approved Estimate as @ Dec '10	2010/11 Actual to date	2010/11 Commitment Amount	2010/11 Total to Date	2010/11 Projected Spend	2010/11 Variance between Proj Spend and Approved Estimate	COMMENTS
			£	£	£	£	£	£	£	£	£	
72574	Play Project King George Recreation Ground	C. Cardoza	0	6,500		6,500			0	8,950	2,450	Retention sum will be £8,950. Awaiting contractor to complete snagging works.
72583	Improvements to Works at Southern Country Park (See Note 6)	C. Cardoza	0	0	75,000	75,000	10,060		10,060	39,000	(36,000)	Currently at procurement stage. Works expected to commence in February. £39k will be spent in 2010/11 with the remainder in 2011/12.
72602	Private Sector Improvement Grants - Disabled Facilities	S. Winterburn	530,000	27,000		557,000	504,210		504,210	700,000	143,000	Spend is over expected profile. Commitment is high, and likely to remain so next year. Together with likely spend from approved schemes & referrals full budget spend is imminent, and remaining £57,814 in Discretionary DFG budget will need to be used to help meet demand for mandatory DFG. Uncommitted balance (£55k) of the DHG budget will also be required to meet this excess demand for DFG payments. The £80k previously predicted underspend on DHG is now also needed if possible for the extra DFGs. If this is not possible, then permission is also sought to bring £80-100k of funds forward from 2011/12 capital budget if needed. Total DFG spend is potentially £800K.
72605	- Discretionary DFG	S. Winterburn	60,000	0		60,000	2,186		2,186	2,200	(57,800)	Remaining budget is needed to meet high demand for mandatory DFG.
72606	- Decent Home Grants	S. Winterburn	295,000	15,000	(80,000)	230,000	88,213		88,213	160,000	(70,000)	Commitment (£64k) and spend (now £96K) are currently low, but progress on site indicates £160K will be needed for DHG. Therefore estimated likely underspend of £215K budget is now reduced further (from earlier prediction of £80K) to around £55K. As the DFG budget is likely to be fully spent in Jan 11, the £55K uncommitted balance will be needed for mandatory DFG, and permission for this is urgently sought. No new applications for DHG are being accepted, due to DFG priority and resulting lack of resources. DHG Policy being reviewed in light of House Condition Survey. The £15k slippage which was set aside for a scheme to assist a vulnerable occupier will not be needed due to legal issues and non-cooperation.
72685	Future Social Housing Schemes		600,000	50,000	(650,000)	0			0	0	0	Currently there are several schemes in the pipeline which have a promise of allocation from the Homes & Communities Agency. However, in the recent Govt budget this grant is looking increasingly vulnerable. Therefore, it may be the case that the Housing Associations will have to turn to the Council for funding. It is also anticipated that the Government will reduce the national allocation to affordable housing in the comprehensive spending review. If this happens, the Council's Future Social Housing Grant budget will be in high demand. Slip budget into 2011/12 & future years.
72696	TXU Site, Mead Lane, Hertford		267,500	0	(61,900)	205,600	205,600		205,600	205,600	0	Housing Association have made savings on the scheme. However, this money has been transferred to the main SHG budget. Agreed at 7.9.10 Executive.
71201	Capital Salaries	S. Chancellor	25,400	0		25,400			0	25,400	0	
71362	Capital Salaries - Property	S. Chancellor	0	0	53,600	53,600			0	53,600	0	
TOTAL			3,969,400	242,900	(495,370)	3,716,930	2,272,316	1,000	2,273,316	3,798,580	81,650	

* Expenditure on Joint Use Pools 40% funding sought from HCC/schools as appropriate.

Disabled Facilities Grants - Government funding assumed of £228,000 in 2010/11.

Decent Home Grants - Government funding assumed from the single regional housing pot of £49,000 in 2010/11.

Note 1 Release of funding is contingent upon agreeing a full repairing lease with the occupier

Note 2 £10,000 to be sought from external contributions - £40,000 from EHC, total £50,000.

Note 3 Reflects requirement for additional £50,000 in 2010/11 as budget for this year was b/fwd into 2009/10 to support successful bids for external funding.

Note 4 Grange Paddocks Playbuilder £53,000 grant funded - EHC contribution will be £22,000, total £75,000. Grant now suspended.

Note 5 Ridgeway & Grange Paddocks funded from HCC Playbuilder Grant (code 878117).

Note 6 Externally funded - £46,000 BIFFA, £9,000 Env Agency, £10,000 Countryside Management Services. £10k EHC.

CAPITAL MONITORING 2010/11

Deliver customer focused services by maintaining and developing
a well managed and publicly accountable organisation

ALL IT BUDGETS PROJECTED TO BE FULLY SPENT,
HOWEVER, ALL SCHEMES DEPEND ON THE C3W
PROGRAMME

Exp. To 31/12/10

Exp Code	2010/11 Approved Schemes	Project Control Officer	2010/11 Original Estimate	Slippage from 2009/10	2010/11 Any other amendments	2010/11 Approved Estimate as @ Dec '10	2010/11 Actual to date	2010/11 Commitment Amount	2010/11 Total to Date	2010/11 Projected Spend	2010/11 Variance between Proj Spend and Approved Estimate £	COMMENTS
			£	£	£	£	£	£	£	£	£	
71318	Micro Systems	P. Bowler	40,000	9,000	(16,000)	33,000	29,159	2,961	32,120	51,400	18,400	£16k of this budget has been transferred to new scheme - 'Renewal of Cabling'. Underspend on 2 schemes below to be transferred to this budget.
71342	PC Upgrades	P. Bowler	35,000	47,600		82,600	40,661	15,460	56,121	82,600	0	Most of budget committed to Wallfields upgrades and C3W.
71370	Development Control EDM	P. Bowler	0	4,500		4,500	(4,400)		(4,400)	4,500	0	Final invoice still in dispute.
71371	Upgrade of Back Office Systems	P. Bowler	20,000	15,800	(16,000)	19,800	8,791		8,791	19,800	0	Head of Planning seeking a single supplier for planning & building control software. £16k of this budget has been transferred to new scheme - 'Renewal of Cabling'.
71372	Telephone Expansion System	P. Bowler	2,000	0	1,000	3,000	1,110	745	1,855	3,000	0	£3,000 to be spent on new telephone system at Hertford Theatre.
71374	Network, Servers & Storage Upgrade	P. Bowler	30,000	5,600		35,600	34,712	5	34,717	35,600	0	Full budget committed due to C3W.
71375	Councillors IT Provision	P. Bowler	10,000	0	(6,400)	3,600		1,600	1,600	3,600	0	Ongoing. £6,400 has been transferred into 2011/12.
71376	Home & Mobile Working	P. Bowler	0	61,000		61,000	47,118		47,118	61,000	0	Full budget committed due to C3W.
71377	BACS	P. Bowler	0	3,500		3,500	1,000		1,000	3,500	0	BACS refunds for C/Tax & NNDR project now commenced. Awaiting response from Nat West Bank.
71379	Authentication	P. Bowler	0	31,000	(31,000)	0			0	0	0	Awaiting Capita bid proposal. Possibility that Capita will use own authentication, budget has been transferred into 2011/12.
71383	Content Management Solution	P. Bowler	0	10,000		10,000	6,559		6,559	6,600	(3,400)	Completed. Recommendation that underspend of £3,400 be transferred to 71318, Micro Systems.
71388	G.I.S.	P. Bowler	18,700	0		18,700	13,230		13,230	18,700	0	Remainder of budget to be used for VMWare for establishing internet GIS.
71389	Small Systems	P. Bowler	35,000	12,000	(27,000)	20,000	15,277	6,400	21,677	21,700	1,700	£17k to be transferred into 2011/12. £10k of this budget has been transferred to new scheme 'Renewal of Cabling'. Overspend due to unplanned logistics upgrade.
71391	Audio Visual Upgrade	P. Bowler	3,000	0	(1,000)	2,000			0	2,000	0	Request that £1,000 be vired into 71372 for telephone system at Hertford Theatre. (Agreed at 16.8.10 ICT Strategy Group).
71395	EDM - Corporate	P. Bowler	50,000	12,700	(52,700)	10,000	6,385		6,385	10,000	0	Works dependant on set up of scanning room in Wallfields & further roll-out of licensing & software costs. £52,700 has been transferred to 2011/12.
71396	Enhancement of Telephony System	P. Bowler	0	3,400		3,400			0	3,400	0	
71404	Corporate Consultation System	P. Bowler	50,000	0	(24,900)	25,100	25,066		25,066	25,100	0	System purchased - underspent.
71401	Human Resources/Payroll System	E. Freeman	50,000	0	(50,000)	0			0	0	0	Under pathfinder a number of proposals have been presented to Leaders and CE's by Herts HR Group on a HR shared services model. HR/Payroll system is included in that scope. Therefore, the project has been deferred until 2011/12. Request that budget slips. Agreed at 12.10.10 Exec.
71402	Council Chamber Enhancements	P. Searle	0	3,000		3,000	1,189	625	1,814	3,000	0	Remainder of budget to be used for Room 27 Wallfields.
71403	Committee Management System	J. Hughes	0	11,100	460	11,560	11,600		11,600	11,600	40	Completed.
71407	ICT C3W Contingency	P. Searle	27,000	0	(27,000)	0			0	0	0	This budget has been transferred to new scheme 'Renewal of Cabling'.
71408	Revenues & Benefits System	P. Bowler	165,000	0	(43,000)	122,000	121,860		121,860	122,000	0	Further modules to be installed. £52k on 'risk & reward', this amount may take up to 2/3 years to be paid. Agreed at 7.9.10 Exec that £52k be re-profiled to 2011/12. £30k invoice paid November. Recommendation to Exec that £9k is b/fwd from 2011/12.

CAPITAL MONITORING 2010/11

Deliver customer focused services by maintaining and developing
a well managed and publicly accountable organisation

ALL IT BUDGETS PROJECTED TO BE FULLY SPENT,
HOWEVER, ALL SCHEMES DEPEND ON THE C3W
PROGRAMME

Exp. To 31/12/10

Exp Code	2010/11 Approved Schemes	Project Control Officer	2010/11 Original Estimate	Slippage from 2009/10	2010/11 Any other amendments	2010/11 Approved Estimate as @ Dec '10	2010/11 Actual to date	2010/11 Commitment Amount	2010/11 Total to Date	2010/11 Projected Spend	2010/11 Variance between Proj Spend and Approved Estimate £	COMMENTS
71409	Locata	P. Bowler	£ 37,700	£ 0	£ (37,700)	£ 0	£	£	£ 0	£ 0	£ 0	Due to officer injury, this project has been transferred into 2011/12.
71410	Firewalls & Intrusion Protection	P. Bowler	50,000	0		50,000		34,891	34,891	35,000	(15,000)	Completed. Recommendation that underspend of £15,000 be transferred to 71318, Micro Systems.
71411	Instant Messaging Archiving	P. Bowler	20,000	0	(20,000)	0			0	0	0	Current e-mail system can archive OCS, therefore, this budget has been transferred to new scheme 'Renewal of Cabling'.
71412	Renewal of Cabling - Wallfields	P. Bowler	0	0	104,000	104,000			0	104,000	0	£89k transferred from above schemes, further £15k agreed at Exec 1.12.10.
71362	Capital Salaries	S.Chancellor	107,000	0		107,000			0	107,000	0	
71203	Replacement of Chairs & Desks	R. Crow	6,000	(1,000)		5,000	3,119	468	3,587	5,000	0	
71261	Wallfields - Barriers for Visitor Parking	S. Whinnett	20,000	0		20,000			0	20,000	0	Design stage.
71234	Wallfields - Ground Floor Refurbishment	S. Whinnett/M. Shrosbree	1,005,000	217,500	(722,500)	500,000	14,455	1,832	16,287	500,000	0	Work due to commence January. Request to re-profile 60% in 10/11, 40% in 11/12. Agreed at 12.10.10 Exec. Request that a further £233,500 be re-profiled to 2011/12.
71265	Wallfields - Disabled Persons Lift Replacement	S. Whinnett	0	0	20,000	20,000				20,000	0	
71252	Enhancements to B/S & Hertford Receptions	N. Sloper	0	3,800	5,000	8,800	5,588	3,300	8,888	8,900	100	Completed.
71251	Automated Payment Machines at Hertford & B/S	N. Sloper	14,000		(14,000)	0			0	0	0	Chip and Pin element of the project has now slipped to 2011/12 due to the completion of the Hertford Customer Service Centre now falling in quarter 4 of 2010/11. Request that approval be given to carry forward to next year due to these property project delays. Agreed at 9.11.10 Exec.
71263	Microfiche Printer/Scanner for Hertford Customer Service Centre	N. Sloper	4,000			4,000	3,580		3,580	4,000	0	Equipment delivered and operational.
TOTAL			1,799,400	450,500	(958,740)	1,291,160	386,059	68,287	454,346	1,293,000	1,840	

CAPITAL MONITORING 2010/11

Improve standards of the neighbourhood and environmental management in our towns and villages

Exp. To 31/12/10

Op. Code	2010/11 Approved Schemes	Project Control Officer	2010/11 Original Estimate	Slippage from 2009/10	2010/11 Any other amendments	2010/11 Approved Estimate as @ Dec '10	2010/11 Actual to date	2010/11 Commitment Amount	2010/11 Total to Date	2010/11 Projected Spend	2010/11 Variance between Proj Spend and Approved Estimate	COMMENTS
			£	£	£	£	£	£	£	£	£	
75243	Gascoyne Way MSCP - Upgrade Lift Cars	S. Whinnett	25,000	0	(25,000)	0			0	0	0	Works commenced late May. This budget has been merged with the main refurbishment scheme. Agreed at 27.7 CMT.
75223	Bircherley Green/Gascoyne Way Concrete Repairs Work	S. Whinnett	0	2,900		2,900	2,427		2,427	2,900	0	To be used for contingency - BIRCHERLEY GREEN ONLY.
75256	Rye Street Car Park North Refurbishment	S. Whinnett	80,000	0		80,000	49,037	5,880	54,917	80,000	0	90% completed.
75258	Grange Paddocks Overspill Refurbishment	S. Whinnett	0	0	20,000	20,000		13,860	13,860	20,000	0	£20k b/fwd from 2011/12 (budget £210,000) as fees & planning charges will be incurred this year
75255	Crown Terrace Car Park - Boundary Wall (Phase 2)	S. Whinnett	10,000	0		10,000	9,000		9,000	10,000	0	90% completed.
75250	Modifications to Jackson Square Car Park	S. Whinnett	0	38,100		38,100	29,679	5,145	34,824	38,100	0	Main works now completed, other internal works still being carried out.
75241	Gascoyne Way MSCP - Major Refurb. & Repairs	S. Whinnett	780,000	5,900	35,000	820,900	738,959	1,275	740,234	820,900	0	95% completed.
75246	Imp. For Safer Parking - Amwell End Car Park	S. Whinnett	0	16,200	(7,000)	9,200			0	9,200	0	Completed, final account stage. Retention & fees still to be paid. Scheme will underspend.
75237	Buntingford Car Park - Imp. To Surface Water Drainage	S. Whinnett	0	10,000		10,000			0	10,000	0	First stage of work complete.
75257	Changes to Signs re. Weekend Charging	N. Sloper	3,000		(3,000)	0			0	0	0	Following decision by members to defer the introduction of Sunday & Bank Holiday charging, request that this is deferred to 2011/12. Agreed at 12.10.10 Exec.
75254	Replacement Machines Causeway Car Park	N. Sloper	0		150	150	151		151	150	0	
75251	Car Park Tariff Increase 2008	N. Sloper	0	1,400	(70)	1,330	1,330		1,330	1,330	0	Completed.
74105	Town Centre Environmental Enhancements	P. Pullin	100,000	57,200	(50,000)	107,200	10,753	20,281	31,034	107,200	0	First phase of Hertford Theatre exterior works to complete in November. £50k to be transferred to 2 new schemes (74106 & 74107).
74106	Heart of B/S - Market Improvement Scheme	W. O'Neill	0	0	100,000	100,000	49,687		49,687	100,000	0	Fully funded from Town Centre Enhancement budget & PRG.
74107	Heart of B/S - Riverside Improvement Scheme	W. O'Neill	0	0	156,300	156,300			0	156,300	0	Fully funded from Town Centre Enhancement budget, S106, British Waterways & PRG.
72572	What's on Signage Bishop's Stortford	W. O'Neill	0	15,000		15,000			0	15,000	0	Final design taking place for electronic display equipment in Jackson Square. Waiting on prices.
TOTAL			998,000	146,700	226,380	1,371,080	891,023	46,441	937,464	1,371,080	0	

CAPITAL MONITORING 2010/11

Care for and improve our natural and built environment

Exp. To 31/12/10												
Exp Code	2010/11 Approved Schemes	Project Control Officer	2010/11 Original Estimate	Slippage from 2009/10	2010/11 Any other amendments	2010/11 Approved Estimate as @ Dec '10	2010/11 Actual to date	2010/11 Commitment Amount	2010/11 Total to Date	2010/11 Projected Spend	2010/11 Variance between Proj Spend and Approved Estimate	COMMENTS
			£	£	£	£	£	£	£	£	£	
74102	Historic Building Grants	K. Steptoe	35,000	16,200	(21,200)	30,000	25,431		25,431	30,000	0	Anticipated that on current projections and commitments the year end spend will remain around £30k.
72604	Energy Grants	S. Winterburn	20,000	0	(20,000)	0			0	0	0	This budget is not likely to be needed in 2010/11 as the Herts Essex Energy Partnership (HEEP) scheme will fund energy measures during this period.
75165	Wheeled Bin & Recycling Box Replacement Programme	C. Cardoza	90,000	(6,700)	15,000	98,300	79,286	17,973	97,259	98,300	0	Demand has increased following Members decision to suspend charging for bins. On target to achieve revised projected spend.
75144	Communal Bin Development	C. Cardoza	5,000			5,000	4,475		4,475	5,000	0	Roll out of this scheme has now commenced.
75145	Standardise Litter Bins	C. Cardoza	5,100		(170)	4,930	4,803		4,803	4,800	(130)	Demand for new/replacement bins currently higher than available budget and have therefore suspended provision.
75152	Commercial Waste	C. Cardoza	33,500			33,500	11,387	5,541	16,928	33,500	0	On target.
75164	Plastic bottle & cans sorting/bailing equipment	C. Cardoza	95,800			95,800			0	0	(95,800)	A decision whether to proceed with this scheme will be taken following discussions with the new waste contractor & the re-processor, following the decision by the Council on 8 December to commence collecting mixed plastics. This budget will not be spent in 2010/11.
75161	Energy Efficiency Initiatives	C. Cardoza	0	40,000		40,000			0	40,000	0	Implementation being managed by the Facilities Management Service. Integrated with C3W works at Wallfields.
TOTAL			284,400	49,500	(26,370)	307,530	125,382	23,514	148,896	211,600	(95,930)	

CAPITAL MONITORING 2010/11

Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures

		Exp. To 31/12/10										COMMENTS
Exp Code	2010/11 Approved Schemes	Project Control Officer	2010/11 Original Estimate	Slippage from 2009/10	2010/11 Any other amendments	2010/11 Approved Estimate as @ Dec '10	2010/11 Actual to date	2010/11 Commitment Amount	2010/11 Total to Date	2010/11 Projected Spend	2010/11 Variance between Proj Spend and Approved Estimate	
			£	£	£	£	£	£	£	£	£	
71262	Elizabeth Road Shops - Renew Water Main	S. Whinnett	15,000	0		15,000			0	15,000	0	Design stage.
75160	River & Watercourse Structures	G. Field	47,500	1,500		49,000	10,830	16,070	26,900	49,000	0	Discussions are ongoing with the Environment Agency, Town Council & other EH officers regarding the design & feasibility of the bridge replacement schemes in Castle Grounds Hertford & Pishiobury Park, Sawbridgeworth. Designs drawings and proposals have now been submitted to the EA for land drainage consent for these schemes. EA approval has now been granted for works at Pishiobury Park and orders have been placed with the Contractors and work has been programmed to commence 7th February.
75157	Footbridge Over River Stort	M. Shrosbree	61,800	45,300		107,100			0	107,100	0	
72568	Asset Improvement Items - Infrastructure (North Drive reconstruct road & drainage)	M. Shrosbree	0	17,500		17,500			0	17,500	0	
TOTAL			124,300	64,300	0	188,600	10,830	16,070	26,900	188,600	0	

ESSENTIAL REFERENCE PAPER 'E1'

SUMMARY OF PREVIOUSLY REPORTED VARIANCES ON THE REVENUE BUDGET

Projected Outturn 31 March 2011 £'000		
1.1	April	550 Favourable
	May	221 Adverse
	June	881 Adverse
	July	672 Adverse
	August	656 Adverse
	September	563 Adverse
	October	237 Adverse
	November	82 Favourable
	December	113 Favourable

ITEM (in order of Corporate Priority)		MONTH(S) REPORTED
1.2	Promoting prosperity and well being CONCESSIONARY FARES Following the change in allocation agreed at Herts Chief Finance Officer's group regarding the 2009/10 Concessionary Fares budget there is an anticipated £47k saving against the 2010/11 budget.	April
1.3	MEALS ON WHEELS A review of the contract arrangements for Meals on wheels has identified that the profile for delivering the £150k saving over the period of the Medium Term Financial Plan (MTFP) will vary from the current forecast. This will lead to additional costs in 2010/11 offset by equivalent savings in 2011/12 to 2012/14. This variation in timing can be managed by the temporary use of reserves.	May
1.4	PERFORMANCE REWARD GRANT On the 24 May the Government announced plans to	May

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
reduce public spending by £6.2bn in 2010/11. No further Local Area Agreement Performance Reward grant will be paid creating a shortfall of £33k in 2010/11 and £250k in 2011/12 for both revenue and capital.	
1.5 HERTFORD THEATRE Additional funding arising from the Executive's decision in approving the Business case for The Hertford Theatre will have an impact of £35k in the year.	June
1.6 HOUSING BENEFIT OVERPAYMENTS Recovery of housing benefit overpayments is above target and a net favourable variance of £50k is forecast.	July
1.7 HOUSING BENEFIT SUBSIDY The Housing Benefit Administration subsidy will be £24k less than that estimated.	July
1.8 REVENUES AND BENEFITS PARTNERSHIP The Revenues and Benefits Partnership arrangement with Stevenage Borough will reduce management costs by £25k from cost sharing.	July
1.9 AREA BASED GRANT Area Based Grant of £30k for 2010/11 has been confirmed by the Government. No budget had been set given the uncertainty over its distribution.	July
1.10 HOUSING BENEFIT OVERPAYMENTS An additional £50k of Housing Benefit overpayments is anticipated to be recovered.	September
1.11 HOUSING BENEFIT OVERPAYMENTS An additional £50K of Housing Benefit overpayments is anticipated to be recovered.	October

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
<p>1.12 SMALL RATE RELIEF GRANT</p> <p>A windfall sum of £9k has been announced by the Communities and Local Government Department relating to a temporary increase in small rate relief grant determination. The purpose of the grant is to provide support to receiving authorities towards expenditure lawfully incurred or to be incurred by them with implementing the scheme.</p>	October
<p>1.13 CRITICAL ORDINARY WATERCOURSES</p> <p>The Critical Ordinary Watercourses contract with the Environment Agency (EA) has been extended for one year from October 2010, but with the option for the EA to terminate it in 2011. In previous years the EA has asked the Council to undertake extra work to the contract and the 2010/11 estimate was formulated on this basis. This extra work has not been forthcoming in the current economic climate resulting in a reduction in net income of £16k.</p>	October
<p>1.14 HOSTEL RENTS</p> <p>With a far greater occupancy factor than envisaged and the collection of hostel tenants rents higher than budgeted for, there is anticipated £25k of additional rental income. However, with the higher usage the deterioration on some fittings and equipment is being accelerated. A request will be made to carry forward £20k to 2012 to renew fittings and equipment.</p>	October
<p>1.15 HOUSING BENEFITS</p> <p>An additional £200k of Housing Benefit overpayments is anticipated to be recovered.</p>	November
<p>1.16 SMALL RATE RELIEF GRANT</p> <p>The Business Rate Relief grant of £9k that was reported in October will be matched by expenditure for developing the software by the supplier.</p>	November

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
1.17 JOINT USE POOLS There is a predicted overspend of £21k against the utilities budget in respect of joint use pools.	November
1.18 JOINT USE POOLS The contributions from other bodies are expected to be £7k lower as costs relating to the joint use pools are lower.	November
1.19 PERFORMANCE REWARD GRANT An additional £51k of Revenue Performance Reward grant is to be received at the end of the financial year, subject to the Communities and Local Government department accepting the Local Strategic Partnership claim.	November
1.20 PRIVATE SECTOR HOUSING GRANT A repayment of a previously awarded Private Sector Housing grant from householders of £24k has resulted in a windfall sum being received.	November
1.21 Fit for purpose TURNOVER Salary budgets are constantly monitored and <u>Essential Reference Paper 'C'</u> shows a projected over spend of £31k.	April
1.22 MANAGING VACANCIES The Executive on 9 February 2010 made adjustments to the Performance Reward Grant and Planning Contingency budgets which left a balancing figure of £23k to be identified as 'Management of Vacancies' which officers were confident of achieving.	April
1.23 INVESTMENT INCOME Following a meeting with the Council's Treasury advisors to review new investment products proposed	May

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
<p>by the Council's fund managers to enhance returns, these will not be pursued on the grounds of risk that some of the instruments embedded within the products may not be available to local authorities. Projected returns will be reviewed in the light of the new Office of Budget Responsibility assumptions on short term interest rates used to inform the 22 June budget.</p>	
<p>1.24 TURNOVER Salary budgets are constantly monitored and <u>Essential Reference Paper 'C'</u> shows a projected over spend of £24k compared to £31k in April</p>	May
<p>1.25 TURNOVER Salary budgets are constantly monitored and <u>Essential Reference Paper 'C'</u> shows a projected under spend of £31k compared to an over spend of £24k in May.</p>	June
<p>1.26 INVESTMENT INCOME Investment Income – Annualised returns by the Fund Managers over the first quarter are: Scottish Widows Investment Partnership 0.8% and Investec 0.48% per annum. This equates to around £112k (for the first quarter) against the annual budget of £1.65m. Current projections indicate an overall return of between £700k and £840k indicating a budget shortfall of £0.81m to £0.95m. The balance on the Interest Equalisation Reserve was £1.185m as at the 31 March 2010 of which £778K is already planned to be utilised in the MTFP. In accordance with Financial Regulations 4.6.2 (a) the Executive is being asked to approve a supplementary estimate of the balance of £407k to offset the shortfall in income.</p>	June
<p>1.27 TURNOVER There has been a change in presentation from the previous months reports whereby the Salary/Turnover</p>	July

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
<p>and Managing Vacancies budgets have been amalgamated. In essence reflecting that turnover is predicting to be met and all but £6k of the Managing Vacancies budget at this stage has yet to be met, <u>Essential Reference Paper 'C'</u> shows a projected over spend of £6k compared to an adjusted under spend of £8k in June (after amalgamating the above two headings).</p>	
<p>1.28 PLACE SURVEY A saving of £14k is forecast as a result of the government's decision not to undertake the Place Survey.</p>	July
<p>1.29 TURNOVER Executive on the 7 September determined that the loss of funding from the Housing and Planning Delivery grant of £166k would be offset by taking from the general reserve the additional sum received in respect of this grant in 2009/10 of £134k. The Executive further requested CMT to meet the residual short fall of £32k by increasing the target for Management Action Savings by £32k to £55k. <u>Essential Reference Paper 'C'</u> shows a projected underspend of 348K on payroll budgets leaving £7k still to be found to meet the target of £55k.</p>	August
<p>1.30 THELE HOUSE Executive on the 7 September approved a supplementary estimate of £15k to cover maintenance costs at Thele House until the property is sold.</p>	August
<p>1.31 TURNOVER Salary budgets have been constantly monitored and <u>Essential Reference Paper 'C'</u> shows a projected underspend of £23k on payroll budgets. This underspend is after meeting the £55k Mitigating actions that were required.</p>	September

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
1.32 INVESTMENT INCOME Investment income shows a further £40k adverse movement from the August Healthcheck. This is based on the latest figures received from the Fund Managers returns. However, a meeting with the Fund Managers at the end of October will clarify the latest position and formulate the returns going forward.	September
1.33 TURNOVER Salary budgets have been constantly monitored and <u>Essential Reference Paper 'C'</u> shows a projected underspend of £65k on payroll budgets.	October
1.34 CHURN COSTS 'Churn' costs associated with the office moves such as the disposal of redundant files, physical storage and moving staff temporarily during the refurbishment works is estimated to cost £15k in 2010/11.	October
1.35 HARTHAM LAND SALE The sale of land associated with the supermarket development at Hartham will generate a windfall sum of £50k due to the disruption.	October
1.36 IT LICENCES A review of IT Licences has resulted in the budget being reduced by £34k	November
Pride in East Herts	
1.37 CAR PARKS (PAY AND DISPLAY) (Sunday/ Bank hols.) The net impact of not implementing Sunday and Bank Holiday Car Park Pay and Display charging is estimated to be £38k.	April
1.38 CAR PARKS PAY AND DISPLAY Car Park occupancy levels are down resulting in 4.5% less income and a predicted year end level adverse variance of £125k.	May

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
<p>1.39 PENALTY CHARGE NOTICES</p> <p>Following Member' decision to defer Sunday and Bank Holiday charging anticipated receipts and costs will no longer feature in 2010/11. This change also reduces the forecast for income for Penalty Charge Notices.</p>	May
<p>1.40 CAR WASHING – GASCOYNE WAY</p> <p>Given capital constraints on the Gascoyne Way car park refurbishment, the planned installation of drainage to enable car washing may no longer be cost effective. This is currently under review, but as a result the business case for generating income from car washing in the car park may no longer be favourable.</p>	May
<p>1.41 CAUSEWAY CAR PARK RENT</p> <p>The Council has a 24 month rent free period on the lease of the Causeway Car Park. The Council is required to account for this across the 35 year lease, resulting in a lease cost against each year.</p>	May
<p>1.42 GASCOYNE WAY CAR PARK</p> <p>Due to the timing of the Gascoyne Way refurbishment works, car washing is planned to commence in October resulting in only six months income from the scheme thus an adverse variance of £5k.</p>	June
<p>1.43 CAUSEWAY CAR PARK RENT</p> <p>The apportionment of rental cost now payable by the Council for the Causeway Car park in 2010 has now been calculated by accountancy to be £222k and not £203k as previously reported.</p>	June
<p>1.44 PAY AND DISPLAY CAR PARKING</p> <p>Car Park use is below forecast resulting in 5.5% less Pay and Display income and a predicted adverse variance to year end of £150k.</p>	July

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
1.45 B/S CAR PARK SEASON TICKET INCOME The Bishop's Stortford season ticket income is above forecast, continuing the trend from previous years resulting in a favourable increase over the budget of £12k.	July
1.46 CAR PARKS PAY AND DISPLAY There is a loss of income anticipated within the car parks pay and display budget of £19k due to the increase in VAT to 20% from 4 January 2011.	September
1.47 BIRCHERLEY GREEN There is an estimated saving of £5k due to not locking/unlocking Bircherley Green whilst Gascoyne Way car park is closed for refurbishment.	September
1.48 CCTV Additional legal costs of £6k have been incurred on the CCTV budget to assess whether because	October
Caring about what's built and where	
1.49 RECYCLING SERVICE There is expected to be a significant increase in the sum the Herts Waste Partnership (HWP) contributes to East Herts Council's waste and recycling costs. This is subject to agreement by the HWP Board and assumes the continuing commitment by Hertfordshire County Council. In order to incentivise the increase of recycling by districts and boroughs, the HWP agreed a model for redistributing the potential savings to the disposal authority arising from improvement to recycling and reduction of waste sent to landfill. The model developed used 2006/07 performance as a base and was based around some prudent predictions around improvement. The success of ARC exceeded predictions plus the recession appears to have had the effect of reducing	April

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
---------------------------------------	----------------------

total waste tonnages also. Figures are potentially highly variable but based on the financial model agreed for 2010/11 our prudent estimate of income from this source in 2010/11 is of the order of £650K or an additional £570k.

The partnership agreed that the model required updating and have introduced a cap to the subsidy per household for 2011/12 and 2012/13. Based on this Alternative Financial Model we will assume for budget purposes a payment to East Herts of circa £350k for each of those two years.

1.50	PUBLIC CONVEIENCES	June
The budget for public conveniences in 2010/11 was understated in error as it included a double counting of planned savings of £28,860 which were built into the base budget and scored as planned savings. In addition public conveniences have remained open in three towns there being no suitable private sector provider at a cost of £34,000.		
1.51	DOMESTIC REFUSE BIN CHARGING	June
The Council's decision to defer replacement refuse bin charging will result in a £50k adverse variance.		
1.52	RECYCLING PUBLICITY	June
The Recycling Publicity budget is currently under spending due to the success of ARC and there is less need to undertake publicity to address public concerns. As a consequence this budget will then show a £22k favourable position.		
Consideration is being given as to whether some or all of the MTFP saving can be brought forward from 2012/13 to 2011/12.		

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
<p>1.53 RECYCLING GREEN WASTE</p> <p>The Recycling Green Waste budget could under spend by £80k as the scheme is not being expanded to include flats until the new contract is let in 2011 resulting in an in year saving and possible base budget saving.</p>	June
<p>1.54 KERBSIDE DRY RECYCLING EXPENDITURE</p> <p>The Kerbside dry Recycling collections budget is currently stable following the implementation of ARC. It is currently showing an underspend of £10K which would indicate an underspend of up to £40k for the full year.</p>	June
<p>1.55 PLASTIC RECYCLING BANKS</p> <p>There is a current underspend associated with Plastic Recycling Banks which could be a £5k favourable effect by year end.</p>	June
<p>1.56 KERBSIDE DRY RECYCLING INCOME</p> <p>Income from Kerbside dry Recycling collections is currently £20k up on profile, but this based on two months figures only. Significant additional income over budget is likely but needs to be reviewed on a monthly basis.</p>	June
<p>1.57 RECYCLING CONTRIBUTIONS</p> <p>The latest estimate of the sum due from HCC for the Alternate Financial Model in 2009/10 £383k. That is £3k more than budgeted for.</p>	June
<p>1.58 DEPOT MATERIAL HANDLING</p> <p>The Depot Material Handling budget included costs for material sorting equipment. Provision of equipment has</p>	June

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
<p>been suspended following a Member review until the outcome of the Refuse contract re-tender is clear. Outturn will be £35k less than budget.</p>	
<p>1.59 RECYCLING More recycling is producing additional income from material sales and credits, If current trends continue it may achieve £80k additional income.</p>	July
<p>1.60 REFUSE AND RECYCLING CONTRACT A saving of £37k is expected from a lower than budgeted increase from indexation of the price of Refuse and Recycling contract.</p>	July
<p>1.61 REFUSE COLLECTION CONTRACT A savings on the Refuse Collection contract of between £50k- £80k is forecast because of less than expected ad-hoc work.</p>	July
<p>1.62 KERBSIDE DRY RECYCLABLES A review of income generated from Kerbside Dry Recyclables would indicate that additional sums of £200k are estimated to be achieved.</p>	September
<p>1.63 RECYCLING SERVICE The latest estimate of the sum to be received from Herts County Council under the Alternate Financial Model in 2010/11 is £620k. (Previously reported as £550k)</p>	October
<p>1.64 KERBSIDE DRY RECYCLING COLLECTIONS The Kerbside Dry Recycling Collections budget is currently showing to overspend by £90k due to a coding error. The error will be corrected at the Probable stage.</p>	October
<p>1.65 Commercial Waste Collection</p>	

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
A net favourable position of £17K is anticipated on the Commercial Waste Collection Service as a result of additional income being generated which in part is off set by additional income.	
1.66 STREET CLEANSING The Street Cleansing contract is currently forecasting a possible under spend of £18k.	October
1.67 GROUNDS MAINTENANCE The Grounds Maintenance budget is projected to overspend by £35k due to higher levels of inflation (RPI) than estimated.	October
Shaping now, shaping the future	
1.68 HOUSING AND PLANNING DELIVERY GRANT The rules allocating the Housing and Planning Delivery Grant changed at the end of the last financial year, allowing all of the grant to be allocated to revenue, rather than split between capital and revenue. Provided the Government does not change these rules a cautious £50k could be available to Revenue.	April
1.69 HOUSING AND PLANNING DELIVERY GRANT On the 24 May the Government announced plans to reduce public spending by £6.2bn in 2010/11. For East Herts Council part of the impact is the loss of £166k Housing and Planning Delivery Grant	May
1.70 LOCAL AUTHORITY BUSINESS GROWTH INITIATIVE The above cuts will also impact adversely on Local Authority Business Growth Initiative to the value of £50k. This anticipated receipt was to be placed in reserves to meet potential expenditure beyond 2010/11.	May
1.71 PLANNING APPEALS COSTS Potential additional costs have arisen since April as a	May

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
result from an award of costs against the Council and the engagement of a consultant to undertake a viability assessment exercise to the value of £10k.	
<p>1.72 ENFORCEMENT ACTION</p> <p>There are potential costs of £50k for direct enforcement action at Campfield Road, Hertford. These costs are currently based on outline quotes and may be subject to some considerable variation. This cost can be registered as a charge on the property and recovered in due course through its sale.</p>	May
<p>1.73 PLANNING APPEALS</p> <p>Potential additional costs have arisen since April as a result from an award of costs against the Council and the engagement of a consultant to undertake a viability assessment exercise. The maximum assessed at this stage is £18k.</p>	June
<p>1.74 DEVELOPMENT CONTROL INCOME</p> <p>Income from Development Control applications is ahead of the July target by £60k; in part due to resubmission of school site proposals. It is too early to predict the outcome for the year.</p>	July
<p>1.75 DEVELOPMENT CONTROL INCOME</p> <p>Income from Development Control applications is ahead of the August target by £63k. It is too early to predict the outcome for the year.</p>	August
<p>1.76 DEVELOPMENT CONTROL INCOME</p> <p>Income from Development Control applications is ahead of the September target by £41k. This is down on the August figure and is still too early to predict the outcome for the year.</p>	September
<p>1.77 LAND CHARGES INCOME</p> <p>Income from Land Charges is £17k ahead of profile as</p>	September

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
at September.	
1.78 DEVELOPMENT CONTROL Income from Development Control applications is ahead of the October target by £44k. Year end income is estimated to be as per the original estimate £600k.	October
1.79 LAND CHARGES INCOME Income from Land Charges is estimated to be £20k more than the original estimate.	October
1.80 DEVELOPMENT PLANS STUDIES The Development Plans Studies budget is expecting to under spend by £20k due to fewer studies and joint funding.	October
1.81 LOCAL DEVELOPMENT FRAMEWORK The Local Development Framework (LDF) upkeep and review is predicting to under spend by £50k as consultancy work will be required in 2011/12 in conjunction with the LDF plan.	October
1.82 LOCAL AUTHORITY BUSINESS GROWTH INITIATIVE The loss of Local Authority Business Growth Initiatives grant has in part been managed by reducing spend within the LABGI Initiatives budget so that the adverse variance is now £30k.	November
Leading the Way, Working Together	
1.83 There is nothing to report on this priority	April
1.84 MEMBER'S ALLOWANCES Council on the 24 February 2010 resolved to reduce the Basic Allowance for Members in 2010/11, thus making a saving of £35k.	June
1.85 MEMBER'S ALLOWANCES Due to changes in the membership of the Executive there will be a further £9k saving.	July

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
<p>1.86 LOSS OF GRANTS</p> <p>The Council has seen a loss of grants arising from government's decisions on current spending. The Executive is requested to:</p> <ul style="list-style-type: none"> a) recommend to Council a call on the general reserve of £134k to mitigate the loss of planning delivery grant. The sum of £134k was added to the general reserve in 2009/10 following the government's decision to allow the whole of 2009/10's planning delivery grant to be used for revenue purposes. b) Request CMT to meet the balance of £32k of the planning delivery grant loss by increasing the target for management action savings. c) Approve, in accordance with Financial Regulation 4.6.2 a) a call on the earmarked LABGI reserve of £50k. This will offset the loss of LABGI funding in 2010/11 and reduce the uncommitted balance on the reserve to £14k. 	July
<p>1.87 MEMBER'S ALLOWANCES</p> <p>The resignation of two Councillors will generate an additional small saving of circa £2k on Members allowances. However, the cost of two anticipated by-elections will be circa £16k.</p>	September
<p>1.88 EXTERNAL AUDIT</p> <p>External Audit fees are expected to be less as a result of the demise of the Audit Commission.</p>	October

Health check reconciliation (all figures £000's)

ESSENTIAL REFERENCE PAPER 'E2'

	Year to date			Year end projection		
	Favourable	Adverse	Net	Favourable	Adverse	Net
At 30 November 2010	941	-897	44	2,038	-1,956	82

Changes in respect of previously reported items

In month favourable variances (y t d)

Green Waste collection	8	0	8	0	0	0
Depot Material Handling	3	0	3	0	0	0
Members Allowances	4	0	4	0	0	0
HB Overpayments	121	0	121	0	0	0
Area Based Grant	3	0	3	0	0	0
Turnover/Managing Vacancies	20	0	20	29	0	29
Plastic Banks	2	0	2	0	0	0
Recycling Contributions	0	0	0	23	0	23
Recycling Service	0	0	0	20	0	20
B/S Car Park season tickets	0	0	0	0	0	0
Concessionary Fares	0	0	0	-37	0	-37
Land Charges Income	6	0	6	18	0	18
Unlocking/locking Gascoyne Way	1	0	1	0	0	0
CCTV running costs	0	0	0	0	0	0
LDF upkeep	7	0	7	0	0	0
Hostel rent	0	0	0	0	0	0
Recycling Publicity	1	0	1	-1	0	-1
Audit fees	15	0	15	5	0	5
Private Sector Housing	26	0	26	2	0	2
Recycling Consultants	13	0	13	5	0	5

In month adverse variances (y t d)

Car parks P& D Sundays BH	0	-6	-6	0	0	0
Public conveniences	0	-2	-2	0	0	0

Car parks P& D	0	9	9	0	0	0
Car Washing Gascoyne Way	0	-1	-1	0	-2	-2
Investment Income	0	-85	-85	0	0	0
Wheeled bins	0	-4	-4	0	0	0
HB Subsidy	0	-2	-2	0	0	0
Thele House Maintenance	0	-2	-2	0	0	0
Hertford Theatre	-11	-53	-64	0	-35	-35
Critical Ordinary Watercourses	0	-29	-29	0	0	0
Refuse Collection Contract	-12	0	-12	0	0	0
Car Park Advertising	0	0	0	0	0	0
New Business Rate Relief	0	0	0	0	0	0
Commercial Waste	-3	0	-3	8	0	8
Cleansing Contract	0	-53	-53	0	0	0
Grounds Maintenance contract	-39	0	-39	0	0	0
Kerbside Dry Recycling Collection	0	-3	-3	0	0	0
Kerbside Dry Recycling Income	-16	-62	-78	0	0	0
Meals on Wheels	0	-99	-99	0	0	0
IT Licences	-20	0	-20	0	0	0
Penalty Charge Notices	0	-11	-11	0	0	0
By-Elections	0	-3	-3	0	-4	-4

Newly reported items/items no longer reported

Previously unreported variances at 31 December

Pre-Application advice	14	0	14	10	0	10
HCC DC advice	7	0	7	10	0	10
Pay and Display equipment	0	0	0	0	-20	-20

Previously reported items no longer having out turn variance

In month favourable variances (y t d)

In month adverse variances (y t d)

At 31 December 2010	1,091	-1,303	-212	2,130	-2,017	113
----------------------------	--------------	---------------	-------------	--------------	---------------	------------

Month on month change	150	-406	-256	92	-61	31
-----------------------	-----	------	------	----	-----	----

less previously unreported variances at 31 December	110	110				
---	------------	------------	--	--	--	--

Variances since last month	260	-516	-256			
-----------------------------------	------------	-------------	-------------	--	--	--

This page is intentionally left blank

Executive Actions for 2010/11

Priority	Finance/ Performance	Performance Indicator	Recommendation	Executive Decision	Meeting	Status	Outcomes
Note: There are currently no Executive decisions to be noted for August. The table content will be populated with performance and financial decisions made by Executive over 2009/10.							
All	Finance	N/A	Agrees that £10k of the Hartham CCTV budget be transferred to the Leisure Development Project	Executive decided £10k of the Hartham CCTV budget be transferred to the Leisure Development project.	12-Jan-10	Resolved	To support all of the Council's corporate objectives.
All	Finance	N/A	Agree that the supplementary capital estimate of £35k be approved.	Executive decided that the supplementary capital estimate of £35k in respect of bin replacement, be approved.	09-Feb-10	Resolved	To support all of the Council's corporate objectives.
All	Performance	N/A	Agree that the Corporate Risk Register for Quarter 3 be approved	Executive decided that the Corporate Risk Register for Quarter 3 be approved.	09-Feb-10	Resolved	To ensure that risk is effectively monitored.
All	Performance	NI 15, NI 16 and NI 20	Agree that only annual targets for NI 15, NI 16 and NI 20 are set and that the reporting of monthly performance will continue only so that performance trends can be analysed.	Executive decided that only annual targets for NI 15, NI 16 and NI 20 are set and that the reporting of monthly performance will continue only so that performance trends can be analysed.	13-Jul-10	Resolved	Through close monitoring of performance the service has identified changes to improve performance monitoring.
All	Performance	N/A	Agree that local indicators are established in partnership with the Police to reflect the local priorities of the Community Safety Partnership.	Executive agreed that local indicators are established in partnership with the police to reflect the local priorities of the Community Safety Partnership.	13-Jul-10	Ongoing Members will be advised when new local crime indicators will be made available.	Through close monitoring of performance the service has identified changes to improve performance monitoring.
All	Finance	N/A	Agree to seek a supplementary capital estimate of £5k.	Executive agreed a supplementary capital estimate of £5k for Bishop's Stortford and Hertford Receptions replacement of IT equipment	13-Jul-10	Resolved	To support all of the Council's corporate objectives.
All	Finance	N/A	Executive are recommended to Council the carry forward of £40,300 for 2009/10 underspending to the current year	Executive approved that in respect of a staffing matter and IT Licences, the carry forward of £40,300 for 2009/10 underspending to the current year.	07-Sep-10	Resolved	To support all of the Council's corporate objectives.
All	Finance	N/A	Recommend to Council a call on the general reserve of £134k to mitigate the loss of planning delivery grant .	Executive supported a call on the general reserve of £134k to mitigate the loss of planning delivery grant be approved.	07-Sep-10	Resolved	To support all of the Council's corporate objectives.

Priority	Finance/ Performance	Performance Indicator	Recommendation	Executive Decision	Meeting	Status	Outcomes
	Finance	N/A	Executive are recommended to support the capital bid for a supplementary estimate of £65k relating to works at the Southern Country Park.	Executive supported a supplementary estimate of £15k be approved in the capital programme in respect of wheeled bins, to be funded by bringing forward this sum from the provision made for 2011/12	12-Oct-10	Resolved	To support all of the Council's corporate objectives.
	Finance	N/A	Executive are to agree a supplementary estimate of £15k be approved in the capital programme in respect of wheeled bins, to be funded by bringing forward this sum from the provision made for 2011/12	Executive supported the capital bid for a supplementary estimate of £65k relating to works at the Southern Country Park.	09-Nov-10	Resolved	To support all of the Council's corporate objectives.
	Finance	N/A	Executive are to support £68,740 of the Renew Roof Covering to Ward Freeman Pool capital budget be re-profiled into 2011/12	Executive supported £14,000 of the Automated Payment Machines capital budget be re-profiled into 2011/12	09-Nov-10	Resolved	To support all of the Council's corporate objectives.
	Finance	N/A	Executive are to support £14,000 of the Automated Payment Machines capital budget be re-profiled into 2011/12	Executive supported £68,740 of the Renew Roof Covering to Ward Freeman Pool capital budget be re-profiled into 2011/13	09-Nov-10	Resolved	To support all of the Council's corporate objectives.
	Performance	N/A	Executive are to note the deletion of the National Indicator set and a review of the current basket of performance indicators being planned.	Executive noted the deletion of the National Indicator set and a review of the current basket of performance indicators being planned	09-Nov-10	Resolved	Through close monitoring of performance the service has identified changes to improve performance monitoring.
	Finance	N/A	Executive are to support £100,000 of the Hertford Theatre budget is re-profiled from 2011/12 into 2010/11.	Executive supported £100,000 of the Hertford Theatre budget be re-profiled from 2011/12 into 2010/11.	11-Jan-11	Resolved	To support all of the Council's corporate objectives.
	Finance	N/A	Executive approves the addition to the capital programme of a scheme "Bishop's Stortford Riverside and Markets Improvements" at a cost of £246,300.	Executive approved the addition to the capital programme of a scheme "Bishop's Stortford Riverside and Markets Improvements" at a cost of £256,300.	11-Jan-11	Resolved	To support all of the Council's corporate objectives.