



**MEETING** : JOINT MEETING OF SCRUTINY COMMITTEES  
**VENUE** : COUNCIL CHAMBER, WALLFIELDS, HERTFORD  
**DATE** : TUESDAY 17 JANUARY 2012  
**TIME** : 7.00 PM

**MEMBERS OF CORPORATE BUSINESS SCRUTINY COMMITTEE:**

Councillors D Andrews (Chairman), E Bedford, G Jones, W Mortimer, T Page, P Phillips, M Pope, J Ranger, J Wing, G Williamson.

**Substitutes:**

Conservatives: Councillors S Bull, K Crofton, J Mayes.

Liberal Democrat: Councillor M Wood.

**MEMBERSHIP OF COMMUNITY SCRUTINY COMMITTEE:**

Councillors G McAndrew (Chairman), E Buckmaster, S Bull, T Herbert, D Hone, J Mayes, D Moore, P Ruffles, N Symonds, C Woodward.

**Substitutes:**

Conservatives: Councillors N Poulton.

Independent: Councillor M Newman.

**MEMBERSHIP OF ENVIRONMENT SCRUTINY COMMITTEE:**

Councillors Mrs D Hollebon (Chairman), D. Abbott, W Ashley, S Basra, R Beeching, P Gray, N Poulton, C Rowley, M Wood, J Wyllie.

**Substitutes:**

Conservatives: Councillors E Bedford, A Dearman.

Liberal Democrat: Councillor J Wing.

*(Note: Substitution arrangements must be notified by the absent Member to Democratic Services 24 hours before the meeting)*

**CONTACT OFFICER: PETER MANNINGS**  
**01279 502174**

## 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. Appointment of Chairman

2. Apologies

To receive apologies for absence.

3. Chairman's Announcements

4. Declarations of Interest

To receive any Members' declarations of interest and party whip arrangements.

5. Minutes (Pages 7 - 12)

To approve the Minutes of the meeting held on 15 February 2011.

6. Residents' Survey Results

Please note that Members will be provided with a summary and presentation in the meeting in respect of the Residents' Survey Results.

7. Capital Programme 2011/12 (Revised) To 2014/15 (Pages 13 - 32)

8. Fees and Charges 2012/13 (Pages 33 - 62)

9. Service Estimates - Probable Outturn 2011/12: Revenue Budget 2012/13  
(Pages 63 - 112)

10. Consolidated Budget Report and 2012/13 - 2015/16 Medium Term  
Financial Strategy (Pages 113 - 154)

11. 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  
JOINT MEETING OF SCRUTINY  
COMMITTEES HELD IN THE COUNCIL  
CHAMBER, WALLFIELDS, HERTFORD ON  
TUESDAY 15 FEBRUARY 2011, AT 7.00  
PM

---

PRESENT: Councillor D Andrews (Chairman).  
Councillors W Ashley, P R Ballam,  
R Beeching, R N Copping, A D Dodd,  
R Gilbert, P Grethe, J Hedley,  
Mrs D L E Hollebon, G E Lawrence, J Mayes,  
G McAndrew, M Newman, N C Poulton,  
V Shaw, R I Taylor and C Woodward.

ALSO PRESENT:

Councillors S A Bull, P A Ruffles,  
S Rutland-Barsby and N Wilson.

OFFICERS IN ATTENDANCE:

Linda Bevan	- Committee Secretary
Karl Chui	- Performance Office (Strategic Direction)
Philip Hamberger	- Programme Director of Change
Marian Langley	- Scrutiny Officer
Alan Madin	- Director of Internal Services
Ceri Pettit	- Head of Strategic Direction (shared) and Performance Manager
George A Robertson	- Director of Customer and Community Services

559 APPOINTMENT OF CHAIRMAN

It was proposed by Councillor C Woodward and seconded by Councillor D L E Hollebbon that Councillor D Andrews be appointed Chairman for the meeting.

RESOLVED – that Councillor D Andrews be appointed Chairman for the meeting.

560 APOLOGIES

Apologies for absence were submitted on behalf of Councillors K Darby, Mrs M H Goldspink, D Hone, J J Taylor, D A A Peek, J O Ranger, M Wood and B Wrangles. It was noted that Councillor R I Taylor was in attendance as a substitute for Councillor M Wood.

561 MINUTES

RESOLVED – that the Minutes of the meeting held on 18 January 2011 be confirmed as a correct record and signed by the Chairman.

562 2011/12 SERVICE PLANS

The Leader of the Council submitted a report on Service Plans for 2011/12. The Committee was invited to make recommendations on them to the Executive.

The Service Plans were produced every year by Heads of Service and set out the key actions that needed to be undertaken to deliver the corporate priorities and key objectives of the Council in line with the budget.

Members raised queries on a number of issues which were addressed by the Officers present. These included savings on IT and Facilities (additional savings could be obtained through shared services); minimising use of paper by Members (this would be considered by the ICT/C3W Member Group); the slow operation of Members' computers (investment was being made in



servers to improve this); and, increasing the amount recycled (it was hoped including mixed plastics from May 2011 would encourage more recycling generally).

Officers undertook to give written replies on how many people had replied to the residents' survey in terms of the percentage that consider the Council provides VFM (to Councillor J Mayes), whether the affordable homes target for the District is realistic (to Councillor R Beeching) and details of what was entailed in 11 - LCS02 (Reduce costs or improve VFM (Value for Money) by identifying and implementing an improved structure for Environmental Health and Licensing and Community Safety Services to meet the challenges of the MTFP (Medium Term Financial Plan) and its relationship to the review of Community Safety (to Councillor M Newman).

The Joint Committees decided to recommend approval to the Executive of the Service Plan activity for 2010/11.

RESOLVED – that the Executive be informed that the Joint Scrutiny Committees consider the Service Plan activity for 2011/12 now submitted should be approved.

## 563 2010/11 ESTIMATES AND FUTURE TARGETS

The Leader submitted a report on performance indicators that the Council was required to monitor and publish annually in the Annual Report. The report advised Members of estimated performance for 2010/11 and the targets for the next three years.

The Government had announced a number of changes to reduce bureaucracy and central government burdens and to save money. In the light of this, East Herts Council would retain a performance framework reflective of local priorities and concerns.

Officers had undertaken a review of the basket of indicators and had proposed a refined list, reducing the

set from 143 to 86. As Services have re-evaluated their day-to-day functions/operations to focus resources and service delivery on core priority areas and be customer focused, the performance indicators have been chosen to reflect this.

Members considered the report and raised a number of concerns.

Councillor N C Poulton asked that the PIs proposed by the Task and Finish Group for Planning Enforcement and currently under a 1 year 'trial' be included once they were finalised and Officers undertook to do this.

Councillors J Hedley and R Gilbert asked about targets for employing people with disabilities. Officers assured them this was carefully monitored.

Councillor N C Poulton also queried the lack of difference between "target" and "stretch target" figures in the report. It was explained that the heading "stretch targets", i.e. more aspirational targets, had been included when the economic situation had been more favourable than currently.

Members expressed disappointment that information from the Place Survey would no longer be available to give information on residents' views and perceptions, e.g. on care for the elderly and participation in sport. However, they acknowledged the need to focus on areas the District could affect directly. It was pointed out that the Council's Residents' Survey was carried out every two years and any question thought important enough could be considered for inclusion within that exercise. However, without the national Place Survey, these figures would stand in isolation as there would be no comparison with other authorities.

The Joint Committees decided to make the comments detailed below to the Executive.

RESOLVED - that the Executive be informed that the Joint Scrutiny Committees have the following comments on the 2010/11 Estimates and future targets:

(A) the estimates for 2010/11 be noted;

(B) the refined list of performance indicators that are either being retained or deleted (paragraph 1.7 of the report now submitted) should be approved by the Executive;

(C) no further resources should be invested to improve the potential 2010/11 outturn position in order to meet current targets, as detailed at paragraphs 3.3, 3.4 and 4.2 of the report now submitted;

(D) the targets set out in paragraph 5.1 – 5.3 of the report submitted to either improve, reduce or retain performance should be approved by the Executive;

(E) the adoption of the new local measures set out in paragraph 6.1 of the report submitted (including those arising from the Task and Finish Group on Planning Enforcement) should be supported by the Executive;

(F) the data quality spot checks that are currently being undertaken, as detailed at paragraph 7.3 of the report be noted;

(G) the fact that unit cost indicators are not included in the list of PI estimates and targets, as detailed at paragraph 8.1 of the report, be noted; and

(H) the changes to the 2009/10 performance outturns for the leisure performance indicators, as detailed at paragraph 9.1 - 9.3 of the report, be

noted.

The meeting closed at 8.10 pm

Chairman .....
Date .....

## EAST HERTS COUNCIL

### JOINT SCRUTINY COMMITTEE – 17 JANUARY 2012

#### REPORT BY EXECUTIVE MEMBER FOR FINANCE

#### 7. CAPITAL PROGRAMME 2011/12 (REVISED) TO 2014/15

WARD(S) AFFECTED: ALL

---

#### **Purpose/Summary of Report:**

- The report sets out proposals for the Council's capital Programme for the period 2011/12 (Revised) to 2014/15.

<b><u>RECOMMENDATIONS FOR MEETING OF JOINT SCRUTINY:</u></b> that	
(A)	<b>The draft Capital Programme 2011/12 (Revised) to 2014/15 (as amended by the proposals set out in paragraph 2.4) be scrutinised; and</b>
(B)	<b>The Executive be advised of any recommendations.</b>
<b><u>RECOMMENDATIONS FOR EXECUTIVE:</u></b> that	
(A)	<b>Any comments made by the Meeting of Joint Scrutiny Committee on 17 January 2012 be considered; and</b>
(B)	<b>The new Capital Programme for the period 2011/12 (Revised) to 2014/15 (as amended by the proposals set out in paragraph 2.4) be recommended to Council.</b>

#### 1.0 Background:

- 1.1 The capital programme approved by the Council in February 2011 has subsequently been updated and amended initially by items of slippage and other re-phrasings following the 2010/11 Capital Out-turn position.
- 1.2 A number of further amendments to the Programme have since been approved through the Council's monthly Health check 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 2011/12 (Revised) to 2014/15. Lead officers have submitted proposals for new schemes to be included within the Programme. The Council's latest approved Financial Strategy Statement places a £1m ceiling (for planning purposes) on the 2014/15 programme for projects to be funded from the Council's available capital resources. Further projects can be included where external contributions are anticipated. Investment requirements linked to invest to save schemes have also been encouraged and 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 with various detailed schemes having been combined which will continue to facilitate the overall management of resources. CMT will continue to manage projects at an individual level. Following the approach adopted in the last two years, 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 £7.045m reflects an increase of £327k compared to the "current approved" position of £6.718m (as adjusted) being reported through the Health check report (November position). Improved performance in the delivery of the programme has resulted in the projected spend exceeding the adjusted planning spend total.

2.4 With the exception of support for affordable housing existing rolling programmes of work have been presented as continuing up to 2014/15. These programmes provide funding in areas such as private sector renovation grants, the provision of play equipment, various community grant funding streams, information technology upgrades as well as various environmental initiatives.

For 2014/15 officers have proposed that the budget for affordable housing be deleted. Alternative mechanisms to support social housing, including the use of section 106 monies, will need to offset this budget cut.

Members will see that it will be necessary to reduce the call on capital resources by a further £645k in order to limit the programme to the £1m ceiling (to be met from the Council's own resources) referred to in paragraph 1.3 above. This assumes that external funding, through Government grant of £100k will be available in 2014/15.

Recent Member consultations have been carried out in respect of the following proposals to substantially achieve this position:

	£'s	£'s
A 25% reduction in budgets for private sector housing grants		205,000
Deletion of community grant schemes;		
Capital grants	83,000	
Community planning grants	20,000	
Village hall community challenge	11,000	
Partnership Investment Fund	<u>26,000</u>	140,000
Town centre enhancements		<u>100,000</u>
Proposed reduction to 14/15 programme		445,000
Capitalised salaries to be funded from revenue rather than capital resources		188,600
<b>Total reduction in use of capital resources</b>		<b>633,600</b>

- 2.5 The Draft Programme at **Essential Reference Paper 'B'** includes proposals for a number of new schemes. These total just over £1.48m and are shown in bold typeface and summarised separately for ease of reference. A budget of £1m is included in respect of a local mortgage guarantee scheme. This funding will be returned as a capital receipt at the end of the guarantee period. The remaining new items relate to IT projects, work in support of the Council's Asset Management Plan and an invest to save scheme for the provision of gym equipment under the Council's leisure contract.

The proposed new schemes have been scrutinised in detail by the Corporate Management Team to ensure that projects are aligned

to 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 in 2009 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.

This approach aims to achieve an Improvement in performance in delivering the planned programme and the current year's projected outturn appears to demonstrate a positive impact.

Members should note that, due to accounting requirements for asset valuations, the capital expenditure incurred will not necessarily result in an equivalent increase to the value of the Council's assets (as will be reflected in the year end accounts). An example of this will be the expenditure incurred on the Wallfields office contract. A full business case for this project was agreed by Council.

Expenditure will often extend the operational life of assets or facilitate or enhance an assets use in meeting the operational service needs.

## 2.6 Resources / Long Term Strategy:

2.7 It is intended that some 43% of the proposed Programme will be funded from available Capital Receipts. Specific Government Grants (reflecting a reduced trend in line with last year's CSR) are anticipated in respect of Housing grant schemes as well as funding from a number of third party "partner" contributions.

2.8 Available capital receipts arising from the 2002 LSVT of the Council's housing stock are currently assumed to continue although any impact arising from the government's future housing strategy will need to be monitored. Together with receipts arising from the disposal of surplus assets an estimated £3.0m is anticipated over the duration of the programme.

2.9 A net receipt of £2.35m was received in October 2011 relating to the Bishop's Stortford property transactions. This receipt was



accrued in the 2009/10 accounts and is therefore reflected in the 1 April 2011 balance shown below.

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

2.11 Resources:

	£000's	£000's
Usable receipts 1 April 2011	3,721	
Estimated new receipts to 31 march 2015	<u>2,995</u>	6,716
Government grants	603	
Third party contributions	320	
Revenue contribution (including £189k for capitalised salaries in 2014/15)	<u>289</u>	<u>1,212</u>
<b>Total Estimated Resources</b>		<b>7,928</b>
Capital Programme presented	15,960	
Less proposed reduction	<u>445</u>	<u>15,515</u>
Estimated internal borrowing (disinvestment)		7,587

2.12 Members will note that the Programme will require the Council to Undertake "internal" borrowing in order to fund the programme. This will likely be needed from towards the end of the current financial year. 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.

2.13 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).

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 05 July 2011.

Reports to CMT on 29 November and 13 December 2011.

Project Initiation Documents.

Contact Member: Councillor Michael Tindale – Executive Member for Finance.

Contact Officer: Alan Madin – Director of Internal Services, Extn: 1401.

Report Author: Simon Chancellor – Head of Financial Support Services, Extn: 2050.

## ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i></p>	<p><b>Promoting prosperity and well-being; providing access and opportunities</b> <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p><b>Fit for purpose, services fit for you</b> <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p><b>Pride in East Herts</b> <i>Improving standards of the built neighbourhood and environmental management in our towns and villages.</i></p> <p><b>Shaping now, shaping the future</b> <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><b>Leading the way, working together</b> <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>
<p>Risk Management:</p>	<p>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.</p>

This page is intentionally left blank

## CAPITAL PROGRAMME 2012/13

### SUMMARY

	2011/12 Original Estimate	2011/12 Estimate as @ Nov 11	2011/12 Revised Estimate	2012/13 Original Estimate	2013/14 Original Estimate	2014/15 Original Estimate
	£	£	£	£	£	£
<b><u>EXISTING SCHEMES</u></b>						
1. Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable	2,144,940	2,916,060	2,907,960	2,135,500	1,694,500	1,089,600
2. Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation	1,385,550	2,125,170	2,084,610	363,800	329,000	314,000
3. Improve standards of the neighbourhood and environmental management in our towns and villages	2,326,200	1,921,740	1,711,640	534,250	369,000	294,000
4. 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	380,500	347,600	340,500	212,500	47,500	47,500
<b>SUB-TOTAL</b>	<b>6,237,190</b>	<b>7,310,570</b>	<b>7,044,710</b>	<b>3,246,050</b>	<b>2,440,000</b>	<b>1,745,100</b>
<b>RE-PROFILING POTENTIAL SLIPPAGE (71264/7501)</b>	<b>(750,000)</b>	<b>(750,000)</b>		<b>(250,000)</b>	<b>250,000</b>	<b>0</b>
<b>SUB-TOTAL</b>	<b>5,487,190</b>	<b>6,560,570</b>	<b>7,044,710</b>	<b>2,996,050</b>	<b>2,690,000</b>	<b>1,745,100</b>
<b><u>NEW SCHEMES</u></b>						
1. Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable	0	0	0	1,154,000	0	0
2. Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation	0	0	0	220,000	110,000	0
3. Improve standards of the neighbourhood and environmental management in our towns and villages	0	0	0	0	0	0
4. 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
<b>SUB-TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,374,000</b>	<b>110,000</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>5,487,190</b>	<b>6,560,570</b>	<b>7,044,710</b>	<b>4,370,050</b>	<b>2,800,000</b>	<b>1,745,100</b>

## CAPITAL PROGRAMME 2012/13

Exp. Code	Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable	Project Control Officer	2011/12 Original Estimate £	2011/12 Estimate as @ Nov 11 £	2011/12 Revised Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £	2014/15 Original Estimate £
<b>Asset Improvement Items-Swimming Pools :-</b>								
Various	Leventhorpe	S. Whinnett		35,000	35,000	0	25,000	0 Note 1
Various	Hartham	S. Whinnett	0	10,800	10,800	52,000	0	0
Various	Grange Paddocks	S. Whinnett	40,000	45,600	47,000	87,000	20,000	0
Various	Fanshawe Pool	S. Whinnett	30,000	133,900	133,900	20,000	20,000	Note 1
Various	Ward Freman Pool	S. Whinnett	68,740	49,740	49,740	10,000	0	0 Note 1
Various	Asset Improvement Items - Hertford Theatre	S. Whinnett	211,200	182,470	182,470	80,000	0	0
72571	Leisure Development Projects	W. O'Neill	0	77,500	77,500	0	0	0
72578	Drill Hall	W. O'Neill	0	200,000	200,000	0	0	0 Note 2
Various	Capital Grants 2009/10 to 2014/15	C. Pullen	83,000	128,950	128,950	83,000	83,000	83,000
72683	Village Hall Community Challenge	C. Pullen	11,000	22,400	22,400	11,000	11,000	11,000
72512	Partnership Investment Fund	C. Pullen	26,000	69,600	69,600	26,000	26,000	26,000
72530	Community Planning Grants	W. O'Neill	20,000	39,700	39,700	20,000	20,000	20,000
72582	LSP Capital Grants	W. O'Neill	0	76,800	76,800	0	0	0
72545	Presdales - Replace Pavilion	W. O'Neill	0	59,100	59,100	0	0	0
Various	Private Sector Improvement Grants	S. Winterburn	740,000	829,500	829,500	820,000	820,000	820,000
72685	Future Social Housing Schemes	S. Drinkwater	700,000	700,000	700,000	700,000	509,900	0
71201	Capital Salaries	S. Chancellor	25,400	25,400	25,400	25,400	26,000	26,000

## CAPITAL PROGRAMME 2012/13

Exp. Code	Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable	Project Control Officer	2011/12 Original Estimate £	2011/12 Estimate as @ Nov 11 £	2011/12 Revised Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £	2014/15 Original Estimate £
72504	Provision of Play Equipment	C. Cardoza	50,000	50,000	50,000	50,000	50,000	50,000
	Art in Parks Project	C. Cardoza	0		0	5,000	0	0 Note 3
72580	Vantorts Sawbridgeworth-Play Area Development Programme	C. Cardoza	0	80,000	80,000	0	0	0 Note 4
72584	Sacombe Road, Hertford - Play Area Development Programme	C. Cardoza	10,000	10,000	10,000	0	0	0 Note 5
72585	The Bourne, Ware - Play Area Development Programme	C. Cardoza	40,000	0	0	40,000	0	0
	Pishiobury Park Wetland Habitat Project	C. Cardoza	0		0	20,000	0	0 Note 6
	Hartham Common-Parks Development Plan Project	C. Cardoza	0		0	25,000	0	0 Note 7
72583	Improvements to Works at Southern Country Park	C. Cardoza	36,000	36,000	26,500	0	0	0 Note 8
71266	Capital Salaries	S. Chancellor	53,600	53,600	53,600	53,600	53,600	53,600
	Castle Gardens B/S - Resurface Footpaths	S. Whinnett	0	0	0	0	30,000	0
	Castle Gardens Bungalow - Replace Roof Covering	S. Whinnett	0	0	0	7,500	0	0
<b>TOTAL EXISTING SCHEMES</b>			<b>2,144,940</b>	<b>2,916,060</b>	<b>2,907,960</b>	<b>2,135,500</b>	<b>1,694,500</b>	<b>1,089,600</b>

## CAPITAL PROGRAMME 2012/13

Exp. Code	Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable	Project Control Officer	2011/12 Original Estimate £	2011/12 Estimate as @ Nov 11 £	2011/12 Revised Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £	2014/15 Original Estimate £
<b>NEW SCHEMES</b>								
	<b>Local Authority Mortgage Scheme</b>	<b>S. Drinkwater</b>	0	0	0	1,000,000	0	0 <small>Note 9</small>
	<u>Hertford Theatre</u> Ventilation Improvements to Café Kitchen	S. Whinnett	0	0	0	10,000	0	0
	<u>Pools</u> Replacement Gym Equipment Leventhorpe Pool	M. Kingsland	0	0	0	29,000	0	0
	<u>Hillcrest Hostel</u> Fire Alarm	S. Whinnett	0	0	0	15,000	0	0
	Fire Escape Upgrade	S. Whinnett	0	0	0	15,000	0	0
	<u>Diamond Jubilee Projects</u> Cricketfield Lane-Resurface Footpath & Retainment Works	S. Whinnett	0	0	0	75,000	0	0
	Scotts Grotto Renovation	J. Earley	0	0	0	10,000	0	0
	<b>TOTAL NEW SCHEMES</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>1,154,000</b>	<b>0</b>	<b>0</b>
	<b>GRAND TOTAL</b>		<b>2,144,940</b>	<b>2,916,060</b>	<b>2,907,960</b>	<b>3,289,500</b>	<b>1,694,500</b>	<b>1,089,600</b>

**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. Provision to attract external funding.
- Note 4. £40,000 funded from Sawbridgeworth T.C. & £40,000 EHDC
- Note 5. 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 6. This project will require match funding to maximise the potential of this project and this sum reflects provision for this.
- Note 7. Development of this site will require significant external investment and this sum represents provision to support bids for external funding.
- Note 8. Externally funded.
- Note 9. This funding will be returned as a capital receipt at the end of the guarantee period.



## CAPITAL PROGRAMME 2012/13

Exp. Code	Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation	Project Control Officer	2011/12 Original Estimate £	2011/12 Estimate as @ Nov 11 £	2011/12 Revised Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £	2014/15 Original Estimate £
71370	Development Control EDM	P. Bowler	0	4,500	4,500	0	0	0
71374	Network, Servers & Storage Upgrade	D. Frewin	30,000	29,600	31,800	30,000	30,000	30,000
71376	Home & Mobile Working	D. Frewin	0	750	750	0	0	0
71377	BACS	P. Bowler	0	2,500	2,500	0	0	0
71378	Business Continuity	D. Frewin	30,000	57,500	57,500	0	0	0
71379	Authentication	P. Bowler	31,000	0	0	31,000	0	0
71388	G.I.S.	P. Bowler	0	5,470	5,470	0	0	0
71389	Small Systems	P. Bowler	0	0	(2,400)	0	0	0
71395	EDM - Corporate	P. Bowler	52,700	10,070	10,070	18,000	0	0
71396	Enhancement of Telephony System	P. Bowler	0	0	3,400	0	0	0
71405	Financial Management System	S. Chancellor	0	30,000	30,000	0	0	0
71408	Revenues & Benefits System	S. Tarran	43,000	43,000	43,000	0	0	0
71409	Locata	P. Bowler	37,700	37,700	37,700	0	0	0
71412	Renewal of Cabling - Wallfields	D. Frewin	0	75,480	75,480	0	0	0
71414	Hardware Funding	D. Frewin	120,650	148,400	133,400	90,000	110,000	110,000
71415	Applications	P. Bowler	72,000	32,700	47,700	55,000	55,000	55,000
71416	Merging IT systems - Licensing & Env Health	B. Simmonds	15,000	15,000	15,000	0	0	0
71413	New Telephone System	P. Bowler	100,000	288,700	263,940	0	0	0

## CAPITAL PROGRAMME 2012/13

Exp. Code	Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation	Project Control Officer	2011/12 Original Estimate £	2011/12 Estimate as @ Nov 11 £	2011/12 Revised Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £	2014/15 Original Estimate £
	Voice Recognition Equipment	N. Sloper	0	38,900	38,900	0	0	0
71362	Capital Salaries	S.Chancellor	107,000	107,000	107,000	107,000	109,000	109,000
Various	Asset Improvement Items - Council Offices	S. Whinnett	722,500	1,187,700	1,168,700	10,000	15,000	0
71203	Replacement of Chairs & Desks	R. Crow	10,000	10,200	10,200	10,000	10,000	10,000
71251	Automated Telling Machines at Hertford & B/S	N. Sloper	14,000	0	0	12,800	0	0
<b>TOTAL EXISTING SCHEMES</b>			<b>1,385,550</b>	<b>2,125,170</b>	<b>2,084,610</b>	<b>363,800</b>	<b>329,000</b>	<b>314,000</b>
<b>NEW SCHEMES</b>								
<b>IT</b>								
	<b>Mayrise Upgrade</b>	<b>J. Petrie</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,000</b>	<b>0</b>	<b>0</b>
	<b>IT support regarding above scheme</b>	<b>J. Petrie</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>0</b>
	<b>Integrated DC &amp; BC Systems</b>	<b>K. Steptoe</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60,000</b>	<b>0</b>	<b>0</b>
	<b>IT support regarding above scheme</b>	<b>K. Steptoe</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>0</b>
	<b>Shared Services Infrastructure Integration (subject to approval of the detailed business case)</b>	<b>A. Madin</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>	<b>0</b>
	<b>Replacement Condensers to Server Room</b>	<b>S. Whinnett</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>0</b>
	<b>Asset Improvement Items - Council Offices</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>20,000</b>	<b>60,000</b>	<b>0</b>
<b>TOTAL NEW SCHEMES</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>220,000</b>	<b>110,000</b>	<b>0</b>
<b>GRAND TOTAL</b>			<b>1,385,550</b>	<b>2,125,170</b>	<b>2,084,610</b>	<b>583,800</b>	<b>439,000</b>	<b>314,000</b>

New schemes in bold

## CAPITAL PROGRAMME 2012/13

Exp. Code	Improve standards of the neighbourhood and environmental management in our towns and villages	Project Control Officer	2011/12 Original Estimate £	2011/12 Estimate as @ Nov 11 £	2011/12 Revised Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £	2014/15 Original Estimate £
Various	Refuse Collection & Recycling	C. Cardoza	286,000	297,960	147,160	139,000	139,000	139,000
72593	Procurement of a Land Rover	C. Cardoza	19,000	19,000	18,900	0	0	0
75168	Energy Efficiency & Carbon Reduction Measures	C. Cardoza	45,000	45,000	45,000	0	0	0 Note 1
75161	Energy Efficiency Initiatives	M. Shrosbree	0	40,000	40,000	0	0	0
<b>Asset Improvement Items - Car Parks:-</b>								
Various	Bircherley Green MSCP	S. Whinnett	625,000	562,900	562,900	0	0	0
75241	Gascoyne Way MSCP - Major Refurb. & Repairs	S. Whinnett	0	89,500	89,500	0	0	0
Various	Other Car Parks	S. Whinnett	377,500	468,400	466,580	153,050	75,000	0
Various	Other Car Parks	N. Sloper	784,000	13,800	0	87,200	0	0
72590	Vantorts Open Space - Resurface Footpaths	S. Whinnett	10,000	10,000	10,000	0	0	0
72572	What's On' signage in Bishop's Stortford	W. O'Neill	0	15,000	6,000	0	0	0
74102	Historic Building Grants	K. Steptoe	56,200	51,800	51,800	35,000	35,000	35,000
72604	Energy Grants	S. Winterburn	20,000	20,000	20,000	20,000	20,000	20,000
74106	Heart of B/S - Market Improvement Scheme	W. O'Neill	0	50,300	50,300	0	0	0 Note 2

**CAPITAL PROGRAMME 2012/13**

Exp. Code	Improve standards of the neighbourhood and environmental management in our towns and villages	Project Control Officer	2011/12 Original Estimate £	2011/12 Estimate as @ Nov 11 £	2011/12 Revised Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £	2014/15 Original Estimate £
74107	Heart of B/S - Riverside Improvement Scheme	W. O'Neill	0	68,380	33,800	0	0	0 <small>Note 3</small>
74105	Town Centre Environmental Enhancements	P. Pullin	100,000	166,200	166,200	100,000	100,000	100,000
72592	New Stall Covers for Hertford & Ware Markets	T. Andrews	3,500	3,500	3,500	0	0	0
<b>TOTAL</b>			<b>2,326,200</b>	<b>1,921,740</b>	<b>1,711,640</b>	<b>534,250</b>	<b>369,000</b>	<b>294,000</b>

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

Note 2. Fully funded from Town Centre Enhancement budget & PRG.

Note 3. Fully funded from Town Centre Enhancement budget, S106 & PRG.

## CAPITAL PROGRAMME 2012/13

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	2011/12 Original Estimate £	2011/12 Estimate as @ Nov 11 £	2011/12 Revised Estimate £	2012/13 Original Estimate £	2013/14 Original Estimate £	2014/15 Original Estimate £
71262	Elizabeth Road Shops - Renew Water Main	S. Whinnett	0	15,000	15,000	0	0	0
75160	River & Watercourse Structures	G. Field	65,500	58,000	58,000	47,500	47,500	47,500
75166	Replace Footbridge Library Car Park, Ware	G. Field	150,000	150,000	150,000	0	0	0
75157	New Footbridge over the River Stort	M. Shrosbree	0	107,100	100,000	0	0	0
72568	Asset Improvement Items - Infrastructure (North Drive - reconstruct road & drainage)	M. Shrosbree	0	17,500	17,500	0	0	0
72591	Castle Weir Micro Hydro Scheme	C. Cardoza	165,000	0	0	165,000	0	0
<b>TOTAL</b>			<b>380,500</b>	<b>347,600</b>	<b>340,500</b>	<b>212,500</b>	<b>47,500</b>	<b>47,500</b>

This page is intentionally left blank

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 – 17 JANUARY 2012

#### REPORT BY THE EXECUTIVE MEMBER FOR RESOURCES AND INTERNAL SUPPORT

#### 8. FEES AND CHARGES 2012/13

WARD(S) AFFECTED: ALL

#### **Purpose/Summary of Report:**

- The purpose of this report is to detail the additional income to the Council that could be generated by increasing discretionary fees and charges in 2012/13 for a variety of services.

<b><u>RECOMMENDATIONS FOR JOINT SCRUTINY COMMITTEE:</u></b> that	
(A)	The proposals for increases in fees and charges, as detailed in Essential Reference Paper 'B' be scrutinised; and
(B)	The Executive be advised of any recommendations.
<b><u>RECOMMENDATIONS FOR DECISION BY EXECUTIVE:</u></b> that	
(A)	Any comments made by Joint Scrutiny Committee on the 17 January 2012 be considered; and
(B)	The increases in fees and charges as set out in Essential Reference Paper 'B' be recommended to Council.

#### 1.0 Background

1.1 Members will recall that the Council has now adopted a fees and charges strategy and a set of key principles on which fees and charges should be set, rather than just a percentage increase.

1.2 These include:

- Any subsidy from Council Tax payers should be 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 2012/13 having regard to the principles of the strategy but 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 2012/13, the details of which are set out in **Essential Reference Paper 'B'**. Comments relating to individual service areas are set out below.
- 2.2 Proposals for increases in car parking pay and display charges will be considered by the Executive at its meeting on 10 January 2012. However, proposals for residents parking scheme permits and other miscellaneous permits are considered as part of this report and will generate an additional £2,100.
- 2.3 Whilst it is not proposed to increase hostel rents for 2012/13, it is proposed to increase charges for Bed & Breakfast accommodation by 5%. This is in anticipation of suppliers increasing their charges by RPI levels.
- 2.4 Few changes are recommended for Planning and Building Control fees for the 2012/13 year. There were significant increases to the Pre-Application fees last year and further increases now are not considered to be justified. A new charge is to be introduced for the retrieval of microfilm records which may be stored externally. Misc charges otherwise are proposed to remain unchanged to reflect the Information Commissioner requirements that costs should reflect those involved only in the provision of the information requested.
- 2.5 The self-setting of Development Control fees remains under consideration by the Government. No decision has been made whether these will proceed. However, if they do, this may result in

increased income for the Council as it is anticipated that it will be required that the costs of the service are met by fee income.

- 2.6 The report proposes to increase Legal fees in line with inflation for 2012/13 generating an additional £1,400.
- 2.7 There are no proposals to increase Land Charges fees in 2012/13 in line with statutory requirements.
- 2.8 With regard to Markets and Farmers Markets it is proposed to increase in line with inflation, the Licences fees and Farmers Markets fees, leaving market pitch fees at the current rate.
- 2.9 It is proposed that only a modest increase generally in line with inflation be applied to room hire rates at Hertford Theatre which will generate an additional £2,300.
- 2.10 Increases in non – statutory Environmental Health Licences are proposed that will generate an additional £1,500 in 2012/13.
- 2.11 An increase to the Hackney Carriage fees simply in line with inflation for 2012/13, is proposed, resulting in £3,200 additional income to the Council.
- 2.12 It is proposed to make a small increase to pest control charges however it is not anticipated that this will result in additional income to the Council. This is due to the proportional increase in the number of residents on Benefits, which has reduced service income overall.
- 2.13 There were significant increases to Bulky Waste charges last year. The economic climate means that any further increase in charges are likely to result in a more than proportional loss in business income
- 2.14 Clinical Waste charges have been restructured to reflect a change in legislation which reduces the cost of disposal for some customers and increases it for others depending upon their type of clinical waste. Additional income of £1,600 to the Council is expected.
- 2.15 For the Commercial Waste Service there is a forecast reduction of £71,200 in income against last years' base budget. Officer proposals would result in £42,400 additional income to recover rising landfill costs which would partly offset this position. The

current economic climate has resulted in a fall in commercial waste business. In addition, Government changes to Waste Regulations from 1<sup>st</sup> April 2012 mean that waste from schools will now be considered 'commercial waste', attracting a disposal charge which must be recovered. This is reflected in the higher charges for these customers.

2.16 The table below summarises the assumptions for additional income from fees and charges in the MTFP and the Officer proposals based on 2012/13 expected income levels. It shows that current proposals will generate an additional £55,300 which will result in a favourable effect of £20,000 per annum on the current MTFP assumptions. However, this will be partly offset by the £9,550 reduction in the underlying income streams due to volume changes arising from economic activity. The figures below show the income excluding VAT.

<b>Service</b>	<b>2011/12 Estimate £</b>	<b>2012/13 Estimate (excluding Officer Proposals) £</b>	<b>MTFP £</b>	<b>Officer Proposals £</b>
Hertford Theatre	61,050	90,000	1,500	2,300
Pest Control	39,050	38,650	1,000	0
Clinical Waste	60,400	64,000	1,500	1,600
Domestic Waste	49,000	38,000	1,200	0
Commercial Waste	475,200	404,000	11,900	42,400
Env Health Promotions	2,800	2,800	100	0
Licences Env Health	13,900	13,900	350	1,500
Hackney Carriage	136,000	128,000	3,400	3,200
Development and Building Control Misc	4,650	4,650	100	0
Legal Fees	55,000	56,000	1,400	1,400
Land Charges	217,000	219,000	5,400	0
Markets	140,800	140,800	3,500	300
Farmers Markets	7,150	7,150	150	150
Hostels	80,000	120,000	2,000	0
Bed and Breakfast	1,000	6,500	0	350
Residents Parking	73,250	73,250	1,800	2,100
<b>Total</b>	<b>1,416,250</b>	<b>1,406,700</b>	<b>35,300</b>	<b>55,300</b>

### 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 Michael Tindale, Executive member for Resources and Internal Support.

Contact Officer: Simon Chancellor – Head of Financial Support Services, Extn: 2050.

Report Author: Mandy Barton – Accountancy Manager, Extn: 2053.

## ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):</p>	<p><b>Promoting prosperity and well-being; providing access and opportunities</b>  <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p><b>Fit for purpose, services fit for you</b>  <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p><b>Pride in East Herts</b>  <i>Improve standards of the neighbourhood and environmental management in our towns and villages.</i></p> <p><b>Caring about what's built and where</b>  <i>Care for and improve our natural and built environment.</i></p> <p><b>Shaping now, shaping the future</b>  <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><b>Leading the way, working together</b>  <i>Deliver responsible community leadership that engages with our partners and the public.</i></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.

**EAST HERTFORDSHIRE DISTRICT COUNCIL**

**SCALE OF CHARGES**

**The fees and charges shown overleaf are for 2012/13**

## NEIGHBOURHOOD SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>LICENCES</b>					
376.00 + vet fees	n/a + VAT	Riding Establishments	per annum	386.00 + vet fees	n/a + VAT
1,816.00 + vet fees	n/a + VAT	Zoos - New Licence	per 4 year registration	1,862.00 + vet fees	n/a + VAT
1,405.00 + vet fees	n/a + VAT	Zoos - Year 6 renewal licence inspection	per 6 years	1,440.00 + vet fees	n/a + VAT
611.00 + vet fees	n/a + VAT	Zoos - Transfer of Licence	per transfer	627.00 + vet fees	n/a + VAT
816.00 + vet fees	n/a + VAT	Zoos - Year 3 interim licence inspection inspection		837.00 + vet fees	n/a + VAT
514.00 + vet fees	n/a + VAT	Dangerous Wild Animals	per annum	527.00 + vet fees	n/a + VAT
222.00 + vet fees	n/a + VAT	Dog breeding establishments	per annum	228.00 + vet fees	n/a + VAT
222.00 + vet fees	n/a + VAT	Animal boarding establishments	per annum	228.00 + vet fees	n/a + VAT
104.00 + vet fees	n/a + VAT	Home boarding establishments	per annum	107.00 + vet fees	n/a + VAT
181.00 + vet fees	n/a + VAT	Pet Shops	per annum	186.00 + vet fees	n/a + VAT
177.00	n/a	Registration for Skin Piercing (Premises)	per registration	182.00	n/a
112.00	n/a	Registration for Skin Piercing (Person)	per person or premises change	115.00	n/a
51.00	n/a	Street trading Occasional Registered Charity (up to one month)	per month	53.00	n/a
102.00	n/a	Street trading Occasional (up to one month)	per month	105.00	n/a
297.00	n/a	Street trading Peripatatic (eg ice cream van)	per annum	310.00	n/a
297.00	n/a	Street trading Static (eg burger van)	per annum	305.00	n/a
n/a	n/a	Additional Licence fee for second reminder letter	per letter	20.00	n/a
n/a	n/a	Additional Licence fee for chasing applications after the expiry of current licence	per licence	45.00	n/a



## NEIGHBOURHOOD SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>LICENCES (contd)</b>					
44.00 + disposal costs	n/a + VAT	Issue of certificate following surrender of food	per hour or part	45.00 + disposal costs	n/a + VAT
44.00	n/a	Food export health certificate	per hour or part	45.00	n/a
65.00	n/a	Basic Food Hygiene Course	per course	65.00	n/a
65.00	n/a	Basic Health & Safety Course	per course	65.00	n/a
33.00	n/a	Food Hygiene Update Course	per course	33.00	n/a
33.00	n/a	Health & Safety Update Course	per course	33.00	n/a
540.00	n/a	Basic Food Hygiene - up to 10 places		540.00	n/a
620.00	n/a	Basic Food Hygiene - 11 to 14 places		620.00	n/a
11.00	n/a	Food register	per single entry	11.00	n/a
47.00	n/a	Food register	per category	48.00	n/a
588.00	n/a	Food register	per full copy	603.00	n/a
87.00	n/a	Air quality data enquiries	per hour or part	89.18	n/a
87.00	n/a	Additional Land charge enquiries	per hour or part	89.18	n/a
108.00	n/a	Motor Salvage Operators Registration		110.70	n/a
73.00	n/a	Motor Salvage Operators Renewal		74.83	n/a
11.00	n/a	Viewing MSO Register		11.28	n/a
18.00	n/a	Copy of each MSO entry (1-5 copies)		18.45	n/a
306.00	n/a	Risk Assesment (smaller supplies - Regulation 10)		314.00	n/a
400.00	n/a	Risk Assesment (larger supplies - Regulation 9)		410.00	n/a
102.00	n/a	Risk Assesment (Desktop)		105.00	n/a
83.33	100.00	Sampling Visit	+ analysis costs	83.33	100.00
83.33	100.00	Investigation	+ analysis costs	83.33	100.00
100.00	n/a	Granting of Authorisation		100.00	n/a
up to £25	n/a	Analysis Costs (Regulation 10)		up to £25	n/a
up to £100	n/a	Analysis Costs (Check Monitoring)		up to £100	n/a
up to £500	n/a	Analysis Costs (Audit Monitoring)		up to £500	n/a

## NEIGHBOURHOOD SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>LAPPC: Application Fee :</b>					
1,579.00	n/a	Standard	Statutory Fee	1,579.00	n/a
1,137.00	n/a	Additional Fee Activities operating without a permit	Statutory Fee	1,137.00	n/a
148.00	n/a	Reduced Fee Activities	Statutory Fee	148.00	n/a
68.00	n/a	Reduced Fee Activities operating without a permit	Statutory Fee	68.00	n/a
246.00	n/a	Petrol Vapour Recovery 1 & 2 combined	Statutory Fee	246.00	n/a
346.00	n/a	Vehicle Refinishers	Statutory Fee	346.00	n/a
<b>Mobile Screening/Crushing Plant</b>					
1,579.00	n/a	Application - 1 or 2	Statutory Fee	1,579.00	n/a
943.00	n/a	Application - 3 to 7	Statutory Fee	943.00	n/a
477.00	n/a	Application - 8 and over	Statutory Fee	477.00	n/a
<b>Annual Subsistence Charge</b>					
739.00	n/a	Standard - Low risk	Statutory Fee	739.00	n/a
1,111.00	n/a	Standard - Medium risk	Statutory Fee	1,111.00	n/a
1,672.00	n/a	Standard - High risk	Statutory Fee	1,672.00	n/a
36.00	n/a	Standard - Process paid quarterly additional fee	Statutory Fee	36.00	n/a
296.00	n/a	Mothballed Instalation (60% fee)	Statutory Fee	296.00	n/a
76.00	n/a	Reduced fee activity - Low risk	Statutory Fee	76.00	n/a
151.00	n/a	Reduced fee activity - Medium risk	Statutory Fee	151.00	n/a
227.00	n/a	Reduced fee activity - High risk	Statutory Fee	227.00	n/a
108.00	n/a	Petrol Vapour Recovery 1 & 2 combined - Low	Statutory Fee	108.00	n/a
216.00	n/a	Petrol Vapour Recovery 1 & 2 combined - Med	Statutory Fee	216.00	n/a
326.00	n/a	Petrol Vapour Recovery 1 & 2 combined - High	Statutory Fee	326.00	n/a
218.00	n/a	Vehicle Refinishers - Low risk	Statutory Fee	218.00	n/a
349.00	n/a	Vehicle Refinishers - Medium risk	Statutory Fee	349.00	n/a
524.00	n/a	Vehicle Refinishers - High risk	Statutory Fee	524.00	n/a

## NEIGHBOURHOOD SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>Mobile Screening and Crushing Plant</b>					
618.00	n/a	1 or 2 (Low Risk)	Statutory Fee	618.00	n/a
989.00	n/a	1 or 2 (Medium Risk)	Statutory Fee	989.00	n/a
1,485.00	n/a	1 or 2 (High Risk)	Statutory Fee	1,485.00	n/a
368.00	n/a	3 to 7 (Low Risk)	Statutory Fee	368.00	n/a
590.00	n/a	3 to 7 (Medium Risk)	Statutory Fee	590.00	n/a
884.00	n/a	3 to 7 (High Risk)	Statutory Fee	884.00	n/a
189.00	n/a	8 and over (Low Risk)	Statutory Fee	189.00	n/a
302.00	n/a	8 and over (Medium Risk)	Statutory Fee	302.00	n/a
453.00	n/a	8 and over (High Risk)	Statutory Fee	453.00	n/a
<b>Transfer &amp; Surrender</b>					
162.00	n/a	Transfer	Statutory Fee	162.00	n/a
476.00	n/a	Partial Transfer	Statutory Fee	476.00	n/a
75.00	n/a	New operator at low risk reduced fee	Statutory Fee	75.00	n/a
45.00	n/a	Reduced Fee activities partial transfer	Statutory Fee	45.00	n/a
<b>Substantial Changes (Section 10 and 11 of the Act)</b>					
1,005.00	n/a	Standard (all except those specified below)	Statutory Fee	1,005.00	n/a
98.00	n/a	Reduced Fee Activities	Statutory Fee	98.00	n/a
<b>HMO Licensing Fees</b>					
650.00	n/a	Licence for standard 5 bedroom HMO (initiated by applicant without LA intervention)		666.00	n/a
880.00	n/a	Licence for standard 5 bedroom HMO (initiated by applicant with LA intervention)		902.00	n/a
12.00	n/a	Additional bedrooms	each	12.00	n/a
22.00	n/a	Complicated cases		n/a	n/a
44.00	n/a	Production of drawings		45.00	n/a
22.00	n/a	Resolve application queries on site		23.00	n/a
12.00	n/a	Request and checking missing information	per item	12.00	n/a
44.00	n/a	Additional costs	per hour	45.00	n/a
109.00	n/a	Variation of licence		112.00	n/a
55.00	n/a	Fee reduction for additional HMO's with same applicant / landlord		55.00	n/a
540.00	n/a	Renewal of HMO Licence		554.00	n/a

## NEIGHBOURHOOD SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>Miscellaneous Env Health</b>					
34.00	40.80	Replacement 'Scores on Doors' certificate		35.00	42.00
44.00	52.80	Replacement of any environmental health licence or registration documents		45.00	54.00
44.00	52.80	Statement of fact for civil cases	per hour	45.00	54.00
101.00	121.20	Standards inspection for immigration		104.00	124.80
n/a	n/a	Housing Notices	per hour		
250.00	300.00		fixed charge	256.00	307.20
34.00	40.80	Letter confirming food premises registration		35.00	42.00
44.00	52.80	Attendance at Exhumations	per hour (or part)	45.00	54.00
<b>TAXI LICENSING</b>					
259.90	n/a	Hackney Carriage Vehicle/Proprietor (renewal)	per licence	267.00	n/a
292.25	n/a	Hackney Carriage Vehicle/Proprietor (new vehicle)	per licence	300.00	n/a
259.90	n/a	Private Hire Vehicle / Proprietor Licence (renewal)	per licence	267.00	n/a
292.25	n/a	Private Hire Vehicle / Proprietor Licence (grant)	per licence	300.00	n/a
100.39	n/a	Private Hire drivers licence (renewal)	per licence	103.00	n/a
200.78	n/a	Private Hire drivers licence (grant)		206.00	n/a
Private Hire Business Operator					
207.47	n/a	- up to 6 vehicles	per licence	213.00	n/a
27.89	n/a	- additional vehicles	per vehicle	29.00	n/a
100.39	n/a	Dual Driver (Hackney/Private Hire) (renewal)	-	103.00	n/a
200.78	n/a	Dual Driver (Hackney/Private Hire) (Grant)		206.00	n/a
73.62	n/a	Change of vehicle	-	76.00	n/a
200.78	n/a	Initial Application for a drivers licence (reimbursed on grant of application)		206.00	n/a
<b>Change of Licence Details</b>					
42.39	n/a	Change of Vehicle DVLA registration number		44.00	n/a
42.39	n/a	Change of Vehicle licence designation - Hackney to Private		44.00	n/a
80.31	n/a	- Private to Hackney		83.00	n/a
42.39	n/a	Change of vehicle proprietor with unexpired licence		44.00	n/a
42.39	n/a	Convert drivers licence to dual driver		44.00	n/a

## NEIGHBOURHOOD SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>TAXI LICENSING</b>					
<b>Ancillary Charges</b>					
85.89	n/a	Knowledge Test	per test	89.00	n/a
<b>Ancillary Items</b>					
64.26	77.11	Roof light (complete)		66.67	80.00
34.89	41.87	Roof light (cover or base plate separate)		35.83	43.00
14.89	17.87	Charge for unusable/damaged returned roof light to be discounted from any refund		15.83	19.00
20.43	24.52	Replacement badge		21.67	26.00
34.89	41.87	Replacement plate/trailer plate		35.83	43.00
2.13	2.55	Roof light bulb		2.50	3.00
6.38	7.64	Magnets (sold as pair)		6.67	8.00
10.21	12.25	Executive Private Hire Disc		10.83	13.00
Free		Table of fares/windscreen badge		Free	
26.81	32.17	Distribution of free literature		27.50	33.00
<b>OTHER LICENCES</b>					
4,950.00	n/a	Sex Establishments	per annum	4,950.00	n/a
4,950.00	n/a		per renewal	4,950.00	n/a
910.00	n/a		transfer	910.00	n/a
Hypnotism Act 1952:-					
140.00	n/a	Occasional licensed premises		140.00	n/a
540.00	n/a	Occasional unlicensed premises		540.00	n/a
<b>Miscellaneous Engineering Fees</b>					
free		Street parties (non-commercial)		free	
25.00	n/a	Sewer Records/Plans	per item	25.00	n/a

## NEIGHBOURHOOD SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>Misc Building Control and Development Control Charges</b>					
		Copies of any documents - A4 size			
0.10	n/a	- Black & White	per page	0.10	n/a
0.20	n/a	- Colour	per page	0.20	n/a
		Copies of any documents - A3 size			
0.20	n/a	- Black & White	per page	0.20	n/a
0.40	n/a	- Colour	per page	0.40	n/a
		Copies of any documents - A2 size			
1.00	n/a	- Black & White	per page	1.00	n/a
2.00	n/a	- Colour	per page	2.00	n/a
		Copies of any documents - A1 size			
1.50	n/a	- Black & White	per page	1.50	n/a
3.00	n/a	- Colour	per page	3.00	n/a
		Copies of any documents - A0 size			
2.00	n/a	- Black & White	per page	2.00	n/a
4.00	n/a	- Colour	per page	4.00	n/a
15.00	n/a	Copies of documents provided on an electronic disc	per disc provided	15.00	n/a
25.00	n/a	Ordnance Survey Extracts	up to 6 copies	25.00	n/a
75.00	n/a	Historical Research (where records available)	per hour (or part)	75.00	n/a
300.00	n/a	Legal obligation agreements - clause monitoring fee	per obligation issue	300.00	n/a
75.00	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	Certificate of no outstanding Building control regulated work or letter of comfort	per certificate / letter	35.00	n/a
35.00	n/a	Letter confirming exemption from Building Control regulations	per letter	35.00	n/a
50.00	n/a	Rejuvenation of closed Building Control file (not previously approved)	per file	50.00	n/a
500.00	n/a	High Hedge consultation and investigation		500.00	n/a
25.00	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
85.00	n/a	Fee for discharge of or compliance with a condition	per request (any number of conditions) all other developments	85.00	n/a
n/a	n/a	Retrieval of externally stored microfilmed records	per microfilmed record	4.50	n/a

## NEIGHBOURHOOD SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>PRE-APPLICATION ADVICE</b>					
<b>Householder proposals</b>					
25.00	30.00		Initial fee	25.00	30.00
12.50	15.00		Secondary fee	12.50	15.00
35.00	n/a	Request for informal confirmation that proposed development comprises 'permitted development'. (Not Lawful Development Certificate)	per request	30.00	n/a
<b>Major development proposals</b>					
583.33	700.00		Initial fee	583.33	700.00
n/a	n/a		per subsequent hour or part of	n/a	n/a
291.66	350.00		Secondary fee	291.66	350.00
<b>Minor development proposals</b>					
333.33	400.00		Initial fee	333.33	400.00
n/a	n/a		per subsequent hour or part of	n/a	n/a
166.66	200.00		Secondary fee	166.66	200.00
<b>Any development where affordable housing is required by virtue of the Councils planning policies and is to be provided</b>					
83.33	100.00		Initial fee	83.33	100.00
<b>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</b>					
83.33	100.00		Initial fee	83.33	100.00
41.67	50.00		Secondary fee	41.67	50.00
<b>Advertisement proposals</b>					
41.67	50.00		Initial fee	41.67	50.00
20.83	25.00		Secondary fee	20.83	25.00
<b>Heritage advice</b>					
41.67	50.00		Initial fee	41.67	50.00
20.83	25.00		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

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>HOSTELS</b>					
<b>Hillcrest</b>					
180.00	n/a	Single Room	per week	180.00	n/a
+ service charges				+ service charges	
210.00	n/a	Double Room	per week	210.00	n/a
+ service charges				+ service charges	
230.00	n/a	Family Room	per week	230.00	n/a
+ service charges				+ service charges	
<b>Bed &amp; Breakfast</b>					
88.00	n/a	Single person	per week	92.40	n/a
13.00	n/a		per day	13.65	n/a
117.00	n/a	Single person and one child	per week	122.85	n/a
17.00	n/a		per day	17.85	n/a
127.00	n/a	Single person and two children	per week	133.35	n/a
19.00	n/a		per day	19.95	n/a
117.00	n/a	Couple	per week	122.85	n/a
17.00	n/a		per day	17.85	n/a
137.00	n/a	Couple and one child	per week	143.85	n/a
20.00	n/a		per day	21.00	n/a
148.00	n/a	Couple and two children	per week	155.40	n/a
22.00	n/a		per day	23.10	n/a
12.00	n/a	Additional children up to 16	per week	12.60	n/a
2.00	n/a		per day	2.10	n/a



## CUSTOMER & COMMUNITY SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>HIRE CHARGES FOR HERTFORD THEATRE</b>					
<b>WEEKDAYS</b>					
		<b>Auditorium</b>	am (9am to 1pm)	248.00	n/a
240.00	n/a		am per hour	62.00	n/a
60.00	n/a		pm (1pm to 6pm)	375.00	n/a
375.00	n/a		pm per hour	77.00	n/a
75.00	n/a		Evening (6pm to midnight)	522.00	n/a
510.00	n/a		Evening per hour	87.00	n/a
85.00	n/a		9am-6pm (discounted rate)	533.00	n/a
515.00	n/a		1pm-midnight (discounted rate)	757.00	n/a
735.00	n/a		9am-midnight (discounted rate)	955.00	n/a
925.00	n/a				
		<b>Studio</b>	am (9am to 1pm)	84.00	n/a
80.00	n/a		am per hour	21.00	n/a
20.00	n/a		pm (1pm to 6pm)	130.00	n/a
125.00	n/a		pm per hour	26.00	n/a
25.00	n/a		Evening (6pm to midnight)	216.00	n/a
210.00	n/a		Evening per hour	36.00	n/a
35.00	n/a		9am-6pm (discounted rate)	184.00	n/a
175.00	n/a		1pm-midnight (discounted rate)	296.00	n/a
285.00	n/a		9am-midnight (discounted rate)	360.00	n/a
345.00	n/a				
		<b>River Room</b>	am (9am to 1pm)	84.00	n/a
80.00	n/a		am per hour	21.00	n/a
20.00	n/a		pm (1pm to 6pm)	130.00	n/a
125.00	n/a		pm per hour	26.00	n/a
25.00	n/a		Evening (6pm to midnight)	216.00	n/a
180.00	n/a		Evening per hour	36.00	n/a
30.00	n/a		9am-6pm (discounted rate)	184.00	n/a
175.00	n/a		1pm-midnight (discounted rate)	296.00	n/a
255.00	n/a		9am-midnight (discounted rate)	360.00	n/a
?	n/a				
		<b>Foyer</b>	am (9am to 1pm)	124.00	n/a
120.00	n/a		am per hour	31.00	n/a
30.00	n/a		pm (1pm to 6pm)	255.00	n/a
250.00	n/a		pm per hour	51.00	n/a
50.00	n/a		Evening (6pm to midnight)	372.00	n/a
360.00	n/a		Evening per hour	62.00	n/a
60.00	n/a				

## CUSTOMER & COMMUNITY SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>HIRE CHARGES FOR HERTFORD THEATRE</b>					
<b>WEEKENDS</b>					
		<b>Auditorium</b>	am (9am to 1pm)	308.00	n/a
300.00	n/a		am per hour	77.00	n/a
75.00	n/a		pm (1pm to 6pm)	435.00	n/a
425.00	n/a		pm per hour	87.00	n/a
85.00	n/a		Evening (6pm to midnight)	738.00	n/a
720.00	n/a		Evening per hour	123.00	n/a
120.00	n/a		9am-6pm (discounted rate)	643.00	n/a
625.00	n/a		1pm-midnight (discounted rate)	1,023.00	n/a
995.00	n/a		9am-midnight (discounted rate)	1,281.00	n/a
1,245.00	n/a				
		<b>Studio</b>	am (9am to 1pm)	132.00	n/a
128.00	n/a		am per hour	33.00	n/a
32.00	n/a		pm (1pm to 6pm)	180.00	n/a
175.00	n/a		pm per hour	36.00	n/a
35.00	n/a		Evening (6pm to midnight)	276.00	n/a
270.00	n/a		Evening per hour	46.00	n/a
45.00	n/a		9am-6pm (discounted rate)	282.00	n/a
273.00	n/a		1pm-midnight (discounted rate)	406.00	n/a
395.00	n/a		9am-midnight (discounted rate)	518.00	n/a
503.00	n/a				
		<b>River Room</b>	am (9am to 1pm)	132.00	n/a
128.00	n/a		am per hour	33.00	n/a
32.00	n/a		pm (1pm to 6pm)	180.00	n/a
175.00	n/a		pm per hour	36.00	n/a
35.00	n/a		Evening (6pm to midnight)	276.00	n/a
270.00	n/a		Evening per hour	46.00	n/a
45.00	n/a		9am-6pm (discounted rate)	282.00	n/a
273.00	n/a		1pm-midnight (discounted rate)	406.00	n/a
395.00	n/a		9am-midnight (discounted rate)	518.00	n/a
503.00	n/a				
		<b>Foyer</b>	am (9am to 1pm)	188.00	n/a
180.00	n/a		am per hour	47.00	n/a
45.00	n/a		pm (1pm to 6pm)	310.00	n/a
300.00	n/a		pm per hour	62.00	n/a
60.00	n/a		Evening (6pm to midnight)	432.00	n/a
420.00	n/a		Evening per hour	72.00	n/a
70.00	n/a				
<b>WEEKLY</b>					
		<b>Auditorium</b>	Mon - Sunday (amateur)	5,125.00	n/a
5,000.00	n/a		Mon - Sunday (professional)	6,400.00	n/a
6,250.00	n/a	<b>Studio</b>	Mon - Sunday	2,050.00	n/a
2,000.00	n/a	<b>River Room</b>	Mon - Sunday	2,050.00	n/a
2,000.00	n/a				

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

## CUSTOMER & COMMUNITY SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>HIRE CHARGES FOR HERTFORD THEATRE</b>					
<b>EQUIPMENT HIRE PRICES</b>					
<b>Pianos</b>					
123.86	148.63	Concert Grand Piano	per 3 hours	125.00	150.00
62.36	74.83	Piano Tuning		62.50	75.00
36.73	44.08	Electric Piano		37.50	45.00
<b>Projection</b>					
29.04	34.85	LCD Projector & Screen		29.17	35.00
<b>Public Address System</b>					
42.55	51.06	Portable PA Unit		42.55	51.06
29.17	35.00	Lapel Mic		30.00	36.00
29.17	35.00	Hand Radio Mic		30.00	36.00
<b>Cinema Prices</b>					
5.42	6.50	Adults		5.42	6.50
3.75	4.50	Concessions		3.75	4.50

## CUSTOMER & COMMUNITY SERVICES

2011/12		DETAILS	UNIT OF	2012/13	
Exc. VAT £	Inc. VAT 20% £		CHARGE	Exc. VAT £	Inc. VAT 20% £
<b>CAR PARKS</b>					
<b>Off Street Resident Season Ticket</b>					
216.67	260.00	Port Vale		222.08	266.50
1,025.00	1,230.00	Crown Terrace		1,045.58	1,258.30
<b>On Street Resident Season Ticket</b>					
34.00	n/a	1st Permit		35.00	n/a
68.00	n/a	2nd Permit		70.00	n/a
17.00	n/a	Motorcycle permit		18.00	n/a
18.00	n/a	Contractor permit	per week	20.00	n/a
300.00	n/a	Business permit	per annum	307.50	n/a
20.00	n/a	Carers/ Special permits	admin charge (discretionary)	35.00	n/a
0.10	n/a	Vistors Vouchers	per hour	0.10	n/a
0.05	n/a		per hour pensioners	0.05	n/a
11.00	n/a	Charge for Temporary Dispensation from Parking Restrictions		12.00	n/a
<b>On Street Residents Parking Permits</b>					
51.50	n/a	Folly Island - 2nd Permit		53.00	n/a
1.67	2.00	<b>Elm Road Car Park</b>	up to 5 hrs	1.67	2.00
2.50	3.00		5 hrs +	2.50	3.00
<b>Penalty Charges issued under Regulation 9 of the General Regulations.</b>					
<b>Higher Level Penalty Charge</b>					
35.00	n/a	Paid within 21 days		35.00	n/a
70.00	n/a	Paid after 21 days		70.00	n/a
105.00	n/a	Paid after service of charge certificate		105.00	n/a
<b>Lower Level Penalty Charge</b>					
25.00	n/a	Paid within 21 days		25.00	n/a
50.00	n/a	Paid after 21 days		50.00	n/a
75.00	n/a	Paid after service of charge certificate		75.00	n/a
<b>Penalty Charges issued under Regulation 10 of the General Regulations.</b>					
<b>Higher Level Penalty Charge</b>					
35.00	n/a	Paid within 21 days		35.00	n/a
70.00	n/a	Paid after 21 days		70.00	n/a
105.00	n/a	Paid after service of charge certificate		105.00	n/a
<b>Lower Level Penalty Charge</b>					
25.00	n/a	Paid within 21 days		25.00	n/a
50.00	n/a	Paid after 21 days		50.00	n/a
75.00	n/a	Paid after service of charge certificate		75.00	n/a

## CUSTOMER & COMMUNITY SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT 20% £	Inc. VAT £			Exc. VAT 20% £	Inc. VAT £
<b>PARKING</b>					
<b>Wallfields Visitor</b>					
Short stay					
n/a	n/a		0 - 2 hrs	0.00	0.00
n/a	n/a		2 - 3 hrs	0.67	0.80
n/a	n/a		3 - 4 hrs	1.25	1.50
n/a	n/a		4 - 5 hrs	1.83	2.20
<b>Grange Paddocks</b>					
Short Stay					
n/a	n/a		0 - 2.5 hrs	0.00	0.00
Long Stay					
n/a	n/a		5 hrs	1.67	2.00
n/a	n/a		All day	2.50	3.00
<b>Bishop's Stortford market traders' tariff</b>					
2.92	3.50	Link Road	Thurs & Sat	3.20	4.00
2.92	3.50	Northgate End	Thurs & Sat	3.20	4.00
2.92	3.50	Apton Road	Thurs & Sat	3.20	4.00
<b>Old London Road - Hertford</b>					
12.50	15.00	Coach / Lorry tarriff	per visit	16.00	20.00

## CUSTOMER & COMMUNITY SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>ANIMAL CONTROL</b>					
25.00	n/a	Stray dog with ID chip	**	25.00	n/a
25.00	n/a	Stray dog without ID chip	set by statute	25.00	n/a
21.00	n/a	Stray dog collected	admin charge	21.00	n/a
15.00	n/a	Kennel Charges	per night	15.00	n/a
17.50	21.00	ID chipping dogs (Ind)	per dog	17.50	21.00
9.17	11.00	ID chipping dogs (Campaign)	per dog	9.17	11.00
30.83	37.00	Small dead animal removal	per animal	31.66	38.00
25.83	31.00	Assistance to third party organisations	per hour	26.66	32.00
** unless first offence and dog is collected the same day					
<b>Dog Fouling</b>					
8.00	n/a	Dog Fouling Sign	per sign	15.00	n/a
<b>Allotments</b>					
3.10	n/a	Allotments (per year)	per 25.3m <sup>2</sup>	3.20	n/a

## CUSTOMER & COMMUNITY SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>REFUSE COLLECTION</b>					
<b>Commercial Refuse Collection</b>					
67.47	80.97	Paid Collections	medium	69.20	83.04
139.31	167.18	" (Plus HCC disposal costs)	large	142.80	171.36
<b>Mixed Heriditaments</b>					
charged according to the proportion of trade waste collected					
<b>Domestic Refuse Collection</b>					
22.50	n/a	Bulky Waste Collection	1 Item	22.50	n/a
32.50	n/a	"	2 Items	32.50	n/a
42.50	n/a	"	3 Items	42.50	n/a
52.50	n/a	"	4 Items	52.50	n/a
62.50	n/a	Bulky Waste Collection - Load	small	62.50	n/a
90.00	n/a	"	medium	90.00	n/a
135.00	n/a	"	large	135.00	n/a
10.00	n/a	Bulky Collection Cancellation Fee	per collection	10.00	n/a
<b>Commercial Events</b>					
68.30	81.95	Cleansing / Refuse Collection	per hour	70.00	84.00
<b>Cleansing Private Land</b>					
21.50	25.80	Cleansing private land (Performance area - regular schedule)	per linear metre per annum	22.00	26.40
67.30	80.76	Ad - hoc litter picking	per hour	69.00	82.80
<b>Abandoned Vehicles (end of life vehicles) surrendered and removed by LA</b>					
37.92	45.50	Vehicle	per vehicle	39.17	47.00
57.50	69.00	Caravan	per caravan	59.17	71.00
<b>Clinical Waste</b>					
13.00	15.60	Charge per site	per visit (max 26)	13.33	15.99
7.00	8.40	Sharps containers	per container	7.18	8.62
4.20	5.04	Sacks - trade (infectious waste)	per sack	4.30	5.16
0.60	n/a	Sacks - domestic (infectious waste)	per sack	0.60	n/a
4.20	5.04	Sacks - trade (Offensive waste)	per sack	2.60	3.12
0.60	n/a	Sacks - domestic (Offensive waste)	per sack	0.60	n/a
n/a	n/a	Extra Sacks delivery charge	per occasion	25.00	n/a

## CUSTOMER & COMMUNITY SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>REFUSE COLLECTION</b>					
<b>Graffiti Removal</b>					
n/a	n/a	Cleaning graffiti on private land*	per sqm	50.00	n/a
n/a	n/a	Cleaning graffiti - small items (single tag)	per item	30.00	n/a
<p>*chemical cleaning only. Subject to damage waiver from land owner and site survey. Graffiti removal from private land is at the discretion of the Head of Environmental Services and will not be undertaken where there is a risk of damaging surfaces, traffic management requirements or significant health and safety implications. Individual charges may be waived at the discretion of the Head of Environmental Services as part of campaigns or in the interests of preventing or discouraging significant levels of crime and disorder.</p>					
<b>COMMERCIAL WASTE</b>					
<b>Commercial Waste Collection Services</b>					
70.83	n/a	sacks	per 50	75.00	n/a
330.00	n/a	240 litres	per bin p.a.	344.00	n/a
374.00	n/a	340 litres	per bin p.a.	392.00	n/a
631.00	n/a	660 litres	per bin p.a.	663.00	n/a
766.00	n/a	1,100 litres	per bin p.a.	812.00	n/a
<b>Prescribed Waste Collection Service</b>					
45.80	n/a	Sacks	per 50	47.00	n/a
271.00	n/a	240 litres	per bin p.a.	278.00	n/a
289.00	n/a	340 litres	per bin p.a.	296.00	n/a
485.00	n/a	660 litres	per bin p.a.	497.00	n/a
525.00	n/a	1,100 litres	per bin p.a.	538.00	n/a
<b>Prescribed Waste for Educational Establishments</b>					
45.80	n/a	Sacks	per 50	75.00	n/a
246.00	n/a	240 litres	per bin p.a.	314.00	n/a
275.00	n/a	340 litres	per bin p.a.	357.00	n/a
449.00	n/a	660 litres	per bin p.a.	602.00	n/a
485.00	n/a	1,100 litres	per bin p.a.	734.00	n/a
n/a	n/a	Bin removal & re-delivery charge following non-payment	per occasion	25.00	n/a
n/a	n/a	Extra sacks delivery charge	per occasion	25.00	n/a

- 1) Note: The above are 'ceiling' prices and subject to the discretion of the Head of Environmental Services
- 2) For these commercial waste collection services the minimum contract period is 3 months. A minimum of 3 months notice must be given by the customer to cancel the contract. In the event of the customer cancelling the contract or the Council terminating the contract for non-payment, no refund will be given for the service not supplied during the notice period



## CUSTOMER & COMMUNITY SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>PEST CONTROL</b>					
<b>Commercial Premises</b>					
56.20	67.44	Rats & Mice	per hour or part hour	57.60	69.12
		<b>OR</b>			
		Contract service available	per annum		
46.00	55.20	Wasps	one nest job	47.00	56.40
46.00	55.20	Ants	one nest job	47.00	56.40
16.00	19.20	Additional nests	per add. nest	16.40	16.98
56.00	67.20	Bed Bugs	per hour or part hour	57.20	68.64
56.00	67.20	Fleas	per hour or part hour	57.20	68.64
56.00	67.20	Cockroaches	per hour or part hour	57.20	68.64
56.00	67.20	Squirrels	per hour or part hour	57.20	68.64
56.00	67.20	Cluster Fly Infestation	per hour or part hour	57.20	68.64
56.00	67.20	Visit for Advice ONLY	per hour or part hour	57.20	68.64
<b>Domestic Premises *</b>					
18.33	22.00	Rats	# call out charge	18.33	22.00
42.92	51.50	Mice	per job	43.75	52.50
41.67	50.00	Wasps	one nest job	41.67	50.00
42.92	51.50	Ants	one nest job	43.75	52.50
15.83	19.00	Additional nests	per add. nest	16.67	20.00
		Cluster Fly Infestation	one job (up to 3 visits)		
55.00	66.00		from	56.25	67.50
		Bed Bugs	one job (up to 3 visits)		
155.00	186.00		from	158.33	190.00
56.67	68.00	Bed Bugs	additional visits	58.33	70.00
62.50	75.00	Squirrels	per job	64.17	77.00
45.83	55.00	Fleas	per hour	46.67	56.00
45.83	55.00	Cockroaches	per hour	46.67	56.00
18.33	22.00	Visit for Advice ONLY	per half hour	18.33	22.00
56.67	68.00	Return Visit Charge (rats & mice)	per job	58.33	70.00

\* 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. A 'job' can include up to 3 visits included in the call out price. 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.

Payment is to be made by card at the time of booking. Cash/cheque payments are only to be offered if resident is unable to pay by card. Payment at the time of treatment is to be discouraged. This is due to the high cost of handling cash and cheque payments.

## CUSTOMER & COMMUNITY SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>Markets - Hertford &amp; Bishop's Stortford</b>					
21.80	n/a	Standard pitch 10' x 7' Incentive for above (Bishop's Stortford only)	per pitch 5 consecutive weeks - 5th week free	21.80	n/a
26.00	n/a	Casual Trader pitch 10' x 7'	per pitch	26.00	n/a
1.20	n/a	Additional space	per sq ft	1.20	n/a
<b>Markets - Ware</b>					
14.00	n/a	Standard pitch 10' x 7' Incentive for above	per pitch 5 consecutive weeks - 5th week free	14.00	n/a
15.60	n/a	Casual Trader pitch 10' x 7'	per pitch	15.60	n/a
1.20	n/a	Additional space	per sq ft	1.20	n/a
		Charity Stall - Any Market		10.90	n/a
<b>Market Licence</b>					
30.00	n/a	Commercial - up to 10 stalls		30.75	n/a
50.00	n/a	Commercial - up to 11 - 30 stalls		51.25	n/a
104.00	n/a	Commercial - up to 31plus stalls		106.60	n/a
21.00	n/a	Charity		21.55	n/a
<b>Farmers Markets</b>					
107.00	n/a	Village		109.70	n/a
19.80	n/a	Hertford (own stall)		22.35	n/a
27.00	n/a	Hertford (East Herts stall)		27.00	n/a
1,300.00	n/a	<b>Jackson Square</b>	per quarter	1,332.50	n/a

## CUSTOMER & COMMUNITY SERVICES

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>Freedom of Information Act 2000 / Environmental Information Regulations 2004 / Reuse of Public Sector Information Regulations 2005 / Data Protection Act 1998</b>					
<b>Freedom of Information / Data Protection</b>					
		First 2.5 days free			
450.21	540.25	After 2.5 days		450.21	540.25
25.00	30.00		+ per hour	25.00	30.00
<b>Environmental Information Regulations 2004</b>					
25.00	30.00	Staff time	per hour	25.00	30.00
<b>Reuse of Public Sector Information Regulations 2005</b>					
25.00	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					
<b>Freedom of Information / Environmental Information Regulations / Reuse of Public Sector Information Regulations</b>					
Charges for materials -					
0.10	0.12	Photocopying (black & white)	A4 sheet	0.10	0.12
0.20	0.24		A3 sheet	0.20	0.24
1.10	1.32		A0 sheet	1.10	1.32
0.20	0.24	Photocopying (colour)	A4 sheet	0.20	0.24
0.50	0.60		A3 sheet	0.50	0.60
1.70	2.04		A0 sheet	1.70	2.04
45.11	54.13	Printing (black & white)	per hour	45.11	54.13
45.11	54.13	Printing (colour)	per hour	45.11	54.13
24.68	29.62	CD's (if information is held electronically)	per hour	24.68	29.62
actual cost		Converting to electronic or microfiche		actual cost	
actual cost		Postage		actual cost	
<b>REVENUES</b>					
n/a	n/a	Council Tax penalty for failure to promptly notify or provide information	1st offence	70.00	n/a
n/a	n/a		subsequent offences	280.00	n/a
40.00	n/a	Issue of Summons		40.00	n/a
40.00	n/a	Charge for Liability Order		40.00	n/a
<b>Letting of Council Offices</b>					
30.00	n/a	Council Chamber - Hertford	per hour	30.00	n/a
20.00	n/a	Other Rooms - Hertford	per hour	20.00	n/a

## CHIEF EXECUTIVE

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>LAND CHARGES ( these are Statutory Charges)</b>					
<b>Local Land Charges</b>					
67.00	n/a	Registration of a charge in Part II of the register	per charge	67.00	n/a
2.50	n/a	Filing a definite certificate of the Lands Tribunal under rule 10 (3)	per certificate	2.50	n/a
7.00	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	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
n/a	n/a	Personal search in the whole or any part of the register	per search	n/a	n/a
5.00	n/a	Personal Search inclusive of printout	for print out	5.00	n/a
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	(a) any one part of the register	per search	n/a	n/a
21.00	n/a	(b) the whole of the register	per search	21.00	n/a
1.00	n/a	And in addition, in respect of each parcel of land above one, where under rule II (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	5.00	n/a
1.50	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	n/a	n/a
Various	n/a	Office copy of any plan or other document filed pursuant to the rules	per copy	Various	n/a

## CHIEF EXECUTIVE

2011/12		DETAILS	UNIT OF CHARGE	2012/13	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
		These fees are statutory charges			
		<b>Answering form of enquiry</b>			
		<b>Part I Enquiries -</b>			
		These fees are non statutory charges			
		One parcel of land			
66.00	n/a	- Residential / Commercial	per enquiry	66.00	n/a
		- Commercial			
20.00	n/a	each additional parcel	per enquiry	20.00	n/a
n/a	n/a	NLIS Residential	per enquiry	n/a	n/a
n/a	n/a	NLIS Commercial	per enquiry	n/a	n/a
		<b>Part II Enquiries</b>			
		Where relating to one parcel of land only or to several parcels and delivered on a single form -			
		Each printed enquiry			
10.00	n/a	numbered in the form	per enquiry	12.00	n/a
25.00	n/a	Any and each further enquiry added by solicitors	per enquiry	25.00	n/a
15.40+	n/a	Abstract of Title		15.40+	n/a
21p	n/a			21p	n/a
per sheet copied				per sheet copied	
		<b>LEGAL CHARGES</b>			
100.00	120.00	Notice of Transfer	per hour	102.50	123.00
100.00	120.00	Deed of Variation	per hour	102.50	123.00
100.00	120.00	Deed of Covenant Copy	per hour	102.50	123.00
100.00	120.00	" Engrossment	per hour	102.50	123.00
100.00	120.00	Postponement of Charge	per hour	102.50	123.00
		Litigation, Conveyancing and Planning matters			
100.00	120.00		per hour	102.50	123.00
100.00	n/a	Sale of Council Minutes	per civic year	102.50	n/a
		Extract of Electoral Register			
20.00 + 1.50	n/a	Fee for sale of the Register	data	20.50 + 1.50	n/a
per thousand entries or part				per thousand entries or part	
10.00 + 5.00	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		data	20.50 + 1.50	n/a
per hundred entries or part				per hundred entries or part	
10.00 + 5.00	n/a		printed	10.00 + 5.00	n/a
entries or part				entries or part	

This page is intentionally left blank

## EAST HERTS COUNCIL

### JOINT SCRUTINY COMMITTEE – 17 JANUARY 2012

#### REPORT BY EXECUTIVE MEMBER FOR FINANCE

#### 9. SERVICE ESTIMATES – REVENUE BUDGET PROBABLE 2011/12 – ESTIMATE 2012/13

WARD(S) AFFECTED: ALL

#### **Purpose/Summary of Report:**

- The report deals with the revenue estimate process which will conclude at the Council meeting on 7 March 2012 when a formal resolution setting the 2012/13 Council Tax will be approved.

<b><u>RECOMMENDATION FOR JOINT SCRUTINY COMMITTEE:</u></b> that
---

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

<b><u>RECOMMENDATIONS FOR DECISION BY EXECUTIVE:</u></b> that
---

(A)	Any comments made by Joint Scrutiny Committee on the 17 January 2012 be considered; and
-----	---

(B)	The Probable Revenue Estimates for 2011/12 and the draft Revenue Estimates for 2012/13 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 2012/13 Estimates was set by the Executive at its meeting on 6 September 2011.

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 2011/12 are based on actual payments to date plus anticipated expenditure to the end of the financial year.

2.4 The Estimates for 2012/13 are the projected outturns including anticipated inflation.

2.5 The Salary estimates for 2012/13 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/redundancies/restructuring.

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 £374k favourable variance from the Original 2011/12 Estimate.
- 2.11 The 2012/13 Estimate shows a decrease of £1,732k over the 2011/12 Estimate.
- 2.12 Capital Financing Costs:
- 2.13 To facilitate year on year comparisons the estimates presented do not include Capital Charges. 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 increase from £4,442 in 2011/12 to £4,488 in 2012/13. 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.
- 2.15 As a result of the Senior Management Restructuring Review, changes have occurred to and within cost centres so that they now appear under different Directorships.

Salary Estimates:

- 2.15 Probable/Estimate:
- 2.16 The probable estimate shows an adverse position of £440k. Whereas further initiatives on restructuring and reduced officer hours shows a £226k favourable position for the estimate.

3.0 Chief Executive Division:

3.1 Meals on Wheels:

- 3.2 *Estimate* – The current contract will cease on 31.7.12 and Herts County Council will takeover full responsibility. Thus there is an estimate to estimate saving of £46k.

3.3 Community Planning:

3.4 *Estimate* – There is no request for a budget to spend on the Local Strategic Partnership in 2012/13 as external funding has ceased thus making a saving of £60k.

3.5 Concessionary Fares:

3.6 *Probable* – The costs associated with Concessionary Fares for 2010/11 are lower by £19k than anticipated when the accounts were closed resulting in a favourable position in 2011/12.

3.7 District Election Costs:

3.8 *Estimate* – The cost of the District Elections in 2011/12 was circa £100k. For 2012/13 a provision of £10k is made in the event of a By-Election.

4.0 Neighbourhood Services:

4.1 Legal Fees:

4.2 *Probable* – The Council has received in excess of £100k as a result of illegal asset recovery action regarding airport car parking.

4.3 Building Control Service:

4.4 *Estimate* – Building Control income is expected to be £40k greater in 2012/13 than 2011/12 due to an increase in fees.

4.5 Development Plans Service:

4.6 *Probable* – There will be an underspend on the Local Development Framework of £88k as the next stage in the LDF preparation process will be in 2012/13.

4.7 Development Control Service:

4.8 *Probable* – Income is down by £30k, although the volume of work is being maintained, but only as small scale activity. Additional costs associated with Bishop's Stortford Schools Planning Appeal coupled with further planning issues will add a further £76k to the expected expenditure.

- 4.9 Emergency Planning:
- 4.10 *Probable* – Costs associated with dealing with travellers such as Bailiffs and Hertfordshire Constabulary fees are expected to overspend the Emergency Planning budget by £19k.
- 4.11 Engineering and Transport Functions:
- 4.12 *Probable/Estimate* – Funding of £50k for the footbridge over the River Stort will be actioned through reserves.
- 4.13 Private Sector Housing:
- 4.14 *Probable* – A repayment of £20k has been received as a consequence of repayments of Renovation Grants previously awarded.
- 4.15 Enabling:
- 4.16 *Estimate* – Savings of £27k have been identified in this service.
- 4.17 Hillcrest:
- 4.18 *Probable/Estimate* – The occupancy rates at Hillcrest Hostel is now consistently higher generating over £40k of additional income.
- 5.0 Customer and Community Services:
- 5.1 Refuse Collection – Domestic:
- 5.2 *Probable*- Savings from the new contract will generate a saving of £92k. A further saving of £135k, as a result of shared services, is still to be built into a number of relevant budget headings including Domestic Refuse Collection.
- 5.3 Street Cleansing:
- 5.4 *Probable* – Savings on the contract coupled with contributions from other authorities show a £128k saving.
- 5.5 Refuse Collection – Commercial:
- 5.6 *Estimate* – The Government is to implement new waste regulations from 1<sup>st</sup> April 2012. One result will be that waste from

schools will now attract a disposal charge (including landfill tax) from the County Council. This, together with rising landfill tax and a decline in business as a result of the economic climate, is giving rise to an overall adverse £83k position.

5.7 Recycling:

5.8 *Probable/Estimate* – Despite large variations on individual budget lines the recycling service shows an adverse £23k and £29k position to the probable and estimate from the original estimate.

5.9 Parks and Open Spaces:

5.10 *Probable/Estimate* – There are increases of £23k and £43k respectively in this service arising principally from the difference between the Council's estimate for Retail Price Index and actual RPI.

5.11 Buntingford Depot:

5.12 *Probable/Estimate* – The Recycling Materials Handling Project to introduce sorting/bailing equipment has been delayed due to the new contract and this coupled with the volatility of material prices reflect savings of £44k and £25k respectively.

5.13 Car Park Service:

5.14 *Probable/Estimates* – Variances in income and expenditure budget lines show an adverse position of £29k and £37k respectively on a base budget of £1.615m. Further Car Park savings of £317k have yet to be built in. £230k relates to re-letting of the Car Park Enforcement contract. A further £50k relates to a reduction in the cost of pay and display machine maintenance.

5.15 Leisure Provision:

5.16 *Estimate* – Savings on the contract amount to circa £71k.

5.17 Economic Development:

5.18 *Probable/Estimate* – The call on the Local Authority Business Growth Grant will be reduced by £95k and £88k respectively.

5.19 Hertford Theatre:

5.20 *Estimate* – The implementation of the business plan shows a favourable £73k variance from estimate to estimate.

6.0 Internal Services:

6.1 IT Licences:

6.2 *Probable/Estimate* – A review of IT Licences has resulted in a reduction on the original budget of £107k. Savings from the Licence review will generate £74k in 2012/13. The one off £80k in 2011/12 to support the implementation of a new Financial Ledger system will not be repeated in 2012/13.

6.3 Administrative Buildings:

6.4 *Probable* – Costs associated with the office moves such as the disposal of redundant files, physical storage and moving staff temporarily during the refurbishment works amounts to circa £53k.  
*Estimate* – The full impact of decanting to Wallfields shows a favourable position of £178k.

6.5 Corporate and Democratic Core:

6.6 *Probable* – A review of the budget for Members allowances has identified an underspend of £45k. External Audit fees are £25k less due to no longer having to pay the standard fee from Grant Thornton is less than budgeted for. Other savings amount to £14k.

*Estimate* – Similar proportionate savings of £61 are reflected in the 2012/13 estimate.

6.7 New Homes Bonus Grant:

6.8 *Probable* – A sum of £415k has been awarded to East Herts Council from which 50% has been allocated to support Parishes and for this Council's priority spend leaving £207 as favourable variance. These sums will repeat into the 2012/13 Estimate.  
*Estimate* – An additional £425k is expected of which 50% will support the above projects and the remainder the Council Tax. The overall impact is a £113k favourable position against previous MTFP assumptions.

6.9 Cost of Change Contingency:

6.10 *Estimate* – There is a reduction of £200k in the Cost of Change Provision.

6.11 Shared Services:

6.12 *Probable* – A sum of £26k has been set aside representing one third of the cost of developing the detailed business case for Shared services.

6.13 Capital Salaries:

6.14 *Estimate* – A further £40k of IT salaries is to be capitalised against specific projects.

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 Finance

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

Report Author: Mick O'Connor– Principal Accountant

## ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):</p>	<p><b>Promoting prosperity and well-being; providing access and opportunities</b>  <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p><b>Fit for purpose, services fit for you</b>  <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p><b>Pride in East Herts</b>  <i>Improve standards of the built neighbourhood and environmental management in our towns and villages.</i></p> <p><b>Shaping now, shaping the future</b>  <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><b>Leading the way, working together</b>  <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**

	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
<b>SUMMARY OF ESTIMATES</b>				
SERVICE				
CHIEF EXECUTIVE	2,343,097	1,389,610	1,631,070	1,191,990
NEIGHBOURHOOD SERVICES	3,326,131	3,569,435	3,397,300	3,462,530
CUSTOMER & COMMUNITY SERVICES	7,003,308	5,899,980	5,797,620	5,706,820
INTERNAL SERVICES	5,025,494	5,096,890	4,755,650	3,902,520
CAPITAL SALARIES	-186,000	-186,000	-186,000	-226,000
NET EXPENDITURE	<u>17,512,030</u>	<u>15,769,915</u>	<u>15,395,640</u>	<u>14,037,860</u>

## CHIEF EXECUTIVE

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

### SUMMARY OF CHIEF EXECUTIVE ESTIMATES

CE1	Chief Executive & Corp Support Team	220,941	217,960	221,940	218,860
CE2	Community Engagement	1,489,000	507,410	551,710	654,970
CE3	Governance Support	201,453	327,360	448,510	318,160
CE4	Strategic Direction	431,703	336,880	408,910	0
	NET EXPENDITURE	<u>2,343,097</u>	<u>1,389,610</u>	<u>1,631,070</u>	<u>1,191,990</u>

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF COMMUNITY ENGAGEMENT ESTIMATES**

## SERVICE

CEE1	Community Engagement Manager	0	0	0	78,480
CEE2	Communications	0	0	0	149,140
CEE3	Desk Top Publishing	55,894	17,910	46,330	26,140
CEE4	Engagement & Partnership Team	176,037	114,720	158,070	142,450
CEE5	MOWs	131,154	61,050	61,030	15,270
CEE5	CABs	129,000	129,000	129,000	129,000
CEE6	Community Planning	50,901	80,600	77,300	17,800
CEE7	Concessionary Transport	824,194	0	-19,360	0
CEE7	Transportation	86,390	86,650	77,300	86,650
CEE8	Revenue Contributions & Grants to Voluntary Bodies	35,430	17,480	22,040	10,040
NET EXPENDITURE		<u>1,489,000</u>	<u>507,410</u>	<u>551,710</u>	<u>654,970</u>

	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
--	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF GOVERNANCE SUPPORT ESTIMATES**

SERVICE					
CEG1	Democratic Services	303,666	225,500	349,510	308,990
CEG2	Land Charges & LLPG	133,595	129,740	125,680	128,940
CEG3	Burials	389	1,000	4,100	1,000
CEG4	Elections	67,203	151,000	152,500	62,500
CEG5	Land Charges Service	-307,792	-179,880	-183,270	-183,270
CEG5	Street Naming	4,392	0	-10	0
NET EXPENDITURE		<u>201,453</u>	<u>327,360</u>	<u>448,510</u>	<u>318,160</u>

## NEIGHBOURHOOD SERVICES

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

### SUMMARY OF ESTIMATES

#### SERVICE

NS1	Director of Neighbourhood Services	124,744	125,090	123,500	124,390
NS2	Legal Services	267,265	277,890	161,660	276,420
NS3	Planning & Building Control	1,118,876	1,270,510	1,242,940	1,152,280
NS4	Community Safety & Health	1,324,282	1,354,425	1,361,160	1,424,890
NS5	Housing Services	490,964	541,520	508,040	484,550
	<b>NET EXPENDITURE</b>	<b>3,326,131</b>	<b>3,569,435</b>	<b>3,397,300</b>	<b>3,462,530</b>

**NEIGHBOURHOOD SERVICES**

NS3

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF PLANNING & BUILDING CONTROL ESTIMATES**

## SERVICE

NSP1	Development Plans	274,844	257,500	239,450	249,400
NSP2	Building Control Section	711,645	689,250	703,340	681,770
NSP3	Development Control Section	1,309,106	1,317,670	1,273,500	1,306,500
NSP4	Conservation Section	86,007	95,390	100,970	96,910
NSP5	Development Plans Service	34,124	141,600	53,580	131,600
NSP6	Building Control Service	-642,256	-635,500	-638,900	-673,900
NSP7	Development Control Service	-655,594	-597,400	-491,000	-642,000
NSP8	Conservation Service	1,000	2,000	2,000	2,000
NET EXPENDITURE		<u>1,118,876</u>	<u>1,270,510</u>	<u>1,242,940</u>	<u>1,152,280</u>

	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £	
<b>SUMMARY OF COMMUNITY SAFETY &amp; HEALTH ESTIMATES</b>					
SERVICE					
NSL1	Community Protection	278,834	300,930	291,750	295,270
NSL2	Hackney Carriages	-107,690	-118,800	-109,900	-119,000
NSL3	Gambling & Other Licensing	-14,181	-16,000	-16,000	-16,000
NSL4	Alcohol & Entertainment Licensing	-115,933	-108,000	-108,000	-108,000
NSL5	Emergency Planning	23,202	32,000	51,450	31,450
NSL6	Community Safety Section	40,986	42,230	44,000	40,820
NSL9	Community Safety Projects	-126	0	0	0
NSL10	Community Safety Service	123,345	134,645	139,880	162,030
NSL11	Engineering & Drainage	0	0	49,410	133,090
NSL12	Engineering & Transport	22,268	77,530	26,580	24,040
NSH1	Environmental Health	1,041,093	1,035,840	949,580	922,970
NSH2	Private Sector Housing Grants	-30,883	0	-19,500	0
NSH2	Houses in Multiple Occupation	0	0	0	0
NSH2	Landlord Forum	253	500	500	500
NSH3	Env Health Licences	-13,134	-13,100	-13,100	-13,100
NSH3	Sampling	-515	1,820	1,820	1,820
NSH4	Food & Health Safety	1,436	3,840	3,530	3,640
NSH5	Environmental Health Promotions	53,231	53,590	53,280	52,990
NSH6	Environmental Pollution	22,096	27,400	15,880	12,370
NSH7	Env Health Work	0	-100,000	0	0
	<b>NET EXPENDITURE</b>	<b>1,324,282</b>	<b>1,354,425</b>	<b>1,361,160</b>	<b>1,424,890</b>

# NEIGHBOURHOOD SERVICES

NS5

		2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
<b>SUMMARY OF HOUSING ESTIMATES</b>					
SERVICE					
NSH1	Housing Options Section	353,025	316,170	326,060	324,770
NSH2	Housing Strategy	51,189	55,720	60,820	69,640
NSH3	Private Sector Housing	0	50	50	50
NSH3	Other Private Sector Housing	0	0	0	0
NSH3	Other Housing	-2,879	8,200	2,430	2,450
NSH4	Enabling	68,620	63,980	72,620	37,300
NSH5	Housing Options	49,675	112,080	106,590	106,590
NSH6	Hillcrest Hostel	-48,014	-14,680	-60,530	-56,250
NSH7	Thele Hostel	19,348	0	0	0
	<b>NET EXPENDITURE</b>	<u>490,964</u>	<u>541,520</u>	<u>508,040</u>	<u>484,550</u>



## CUSTOMER & COMMUNITY SERVICES

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

### SUMMARY OF ESTIMATES

#### SERVICE

CC1	Director of Customer & Community	109,073	106,120	106,290	106,020
CC2	Environmental Services	6,694,052	5,526,200	5,322,440	5,565,090
CC3	Customer Services & Parking	-702,116	-610,350	-577,730	-617,330
CC4	Revenue & Benefits Services	266,706	291,740	364,060	300,630
CC5	Economic Development	185,912	253,940	165,600	111,830
CC6	Hertford Theatre	366,140	313,250	336,360	240,580
CC7	Community & Cultural	83,541	19,080	80,600	0
NET EXPENDITURE		<u>7,003,308</u>	<u>5,899,980</u>	<u>5,797,620</u>	<u>5,706,820</u>

**CUSTOMER & COMMUNITY SERVICES**

CC2

	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
--	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF ENVIRONMENTAL SERVICES ESTIMATES**

SERVICE

CCE1	Environmental Services	1,068,701	1,033,590	1,019,930	1,017,180
CCE2	Allotments	48	150	100	100
CCE3	Playgrounds	120,626	115,900	120,700	121,050
CCE4	Public Conveniences	110,010	91,730	99,250	101,100
CCE5	Refuse Collection - Domestic	2,613,048	1,197,050	1,105,500	1,192,350
CCE6	Refuse Collection - Commerical	-141,194	-135,350	-138,750	-52,250
CCE7	Clinical Waste	-45,037	-17,800	-29,600	-18,700
CCE8	Street Cleansing & Litter Control	978,419	1,015,580	887,900	999,050
CCE9	Recycling	149,257	574,150	596,850	603,050
CCE10	Parks & Open Spaces	986,348	1,073,030	1,097,500	1,115,590
CCE11	Buntingford Service Centre	171,513	264,280	220,140	237,940
CCE12	Animal Control	28,319	31,960	28,550	30,770
CCE13	Pest Control	53,161	52,960	50,640	53,040
CCE14	Environmental Co-Ordination Section	58,719	30,610	56,900	30,390
CCE15	Herts Environmental Forum	-640	-660	-650	400
CCE16	Environmental Co-Ordination Service	27,020	41,550	40,300	39,550
CCE17	Leisure Services	50,040	46,970	49,450	48,200
CCE18	Leisure Development	2,168	2,220	2,220	2,220
CCE19	Leisure Provision	445,054	84,050	94,540	19,980
CCE20	Customer & Community Admin	18,472	24,230	20,970	24,080
	<b>NET EXPENDITURE</b>	<b>6,694,052</b>	<b>5,526,200</b>	<b>5,322,440</b>	<b>5,565,090</b>

**CUSTOMER & COMMUNITY SERVICES**

CC4

	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
--	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF CUSTOMER SERVICES & NEW MEDIA ESTIMATES**

## SERVICE

CCS1	Head of Customer Relations	136,967	133,260	144,520	132,800
CCS2	External Customer Services	417,471	395,620	385,670	361,750
CCS3	Web Team	105,605	85,950	101,970	87,640
CCS4	Information Management	27,115	25,880	29,100	29,190
CCS5	Car Parking	363,791	364,360	347,230	349,240
CCS6/13	Car Parks	-1,753,065	-1,615,420	-1,586,220	-1,577,950
	<b>NET EXPENDITURE</b>	<b>-702,116</b>	<b>-610,350</b>	<b>-577,730</b>	<b>-617,330</b>

**CUSTOMER & COMMUNITY SERVICES**

CC4

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF REVENUES & BENEFITS ESTIMATES**

## SERVICE

CCR1	Revenues & HB Section	1,366,171	1,187,570	750,160	-152,580
CCR2	Revenues & HB Section - Transitional	0	0	0	0
CCR3	Revenues & HB - Shared Service	0	0	512,730	1,341,040
CCR4	Benefits Service	-1,099,465	-895,830	-898,830	-887,830
CCR4	Revenues Service	0	0	0	0
	<b>NET EXPENDITURE</b>	<u>266,706</u>	<u>291,740</u>	<u>364,060</u>	<u>300,630</u>

## CUSTOMER & COMMUNITY SERVICES

CC3

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

### SUMMARY OF ECONOMIC DEVELOPMENT ESTIMATES

#### SERVICE

CCD1	Economic Development Section	123,112	91,220	93,160	68,660
CCD2	Markets	25,812	-20,920	-32,950	-44,330
CCD3	Community Projects	54,607	60,400	56,300	52,000
CCD4	Big Lottery	836	0	0	0
CCD5	Tourism	2,893	3,190	2,620	3,090
CCD6	Economic Development	-21,348	120,050	46,470	32,410
CCD7	Town Centre Enhancements	0	0	0	0
CCD8	Rural Development	0	0	0	0
	<b>NET EXPENDITURE</b>	<u>185,912</u>	<u>253,940</u>	<u>165,600</u>	<u>111,830</u>

**CUSTOMER & COMMUNITY SERVICES**

CC3

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF HERTFORD THEATRE ESTIMATES**

## SERVICE

CCT1	Hertford Theatre	366,140	313,250	344,030	316,560
CCT2	Hertford Theatre Café	0	0	-7,670	-75,980
	<b>NET EXPENDITURE</b>	<u>366,140</u>	<u>313,250</u>	<u>336,360</u>	<u>240,580</u>

## INTERNAL SERVICES

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

### SUMMARY OF ESTIMATES

#### SERVICE

IS1	Director of Internal Services	146,828	132,990	146,900	81,770
IS2	Programme Director	106,547	32,290	100	0
IS3	People, ICT & Property Services	3,044,701	2,748,610	2,833,030	2,265,880
IS4	Financial Services & Performance	591,787	564,050	570,160	655,620
IS5	Corporate Risk	282,828	247,310	317,980	288,070
IS6	Other	852,803	1,371,640	887,480	611,180
	<b>NET EXPENDITURE</b>	<b>5,025,494</b>	<b>5,096,890</b>	<b>4,755,650</b>	<b>3,902,520</b>

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF PEOPLE, ICT AND PROPERTY SERVICES ESTIMATES**

ISP1	People & Organisational Services	341,146	317,220	309,930	323,020
ISP2	Head of Business Support Services	70,623	41,650	132,220	0
ISP3	IT Services	1,310,480	1,297,010	1,295,230	1,161,710
ISP4	Facilities and Property	1,322,452	1,092,730	1,095,650	781,150
	<b>NET EXPENDITURE</b>	<b>3,044,701</b>	<b>2,748,610</b>	<b>2,833,030</b>	<b>2,265,880</b>



**INTERNAL SERVICES**

IS4

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF FINANCIAL SERVICES & PERFORMANCE ESTIMATES**

ISF1	Accountancy	534,742	489,380	498,340	484,790
ISF2	Performance	0	0	0	111,120
ISF3	Procurement	57,045	74,670	71,820	59,710
NET EXPENDITURE		<u>591,787</u>	<u>564,050</u>	<u>570,160</u>	<u>655,620</u>

**INTERNAL SERVICES**

IS4

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF CORPORATE RISK**

ISR1	Corporate Risk & Insurance	110,395	106,630	162,410	172,470
ISR2	Internal Audit Services	172,433	140,680	155,570	115,600
	<b>NET EXPENDITURE</b>	<u>282,828</u>	<u>247,310</u>	<u>317,980</u>	<u>288,070</u>

**INTERNAL SERVICES**

IS9

2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF OTHER ESTIMATES**

## SERVICE

ISO1	Corporate & Democratic Core	820,084	868,780	786,220	809,760
ISO2	Other Expenses	32,719	502,860	101,260	-198,580
	<b>NET EXPENDITURE</b>	<u>852,803</u>	<u>1,371,640</u>	<u>887,480</u>	<u>611,180</u>

This page is intentionally left blank

**ALL DIVISIONS****Essential Reference Paper B2**

	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
<b>SUMMARY OF ESTIMATES</b>				
SERVICE				
CHIEF EXECUTIVE	130,213	238,220	391,540	186,630
NEIGHBOURHOOD SERVICES	1,304,841	1,957,980	1,845,450	1,964,420
CUSTOMER & COMMUNITY SERVICES	5,403,629	1,920,910	1,935,070	1,891,820
INTERNAL SERVICES	315,988	324,680	369,190	445,280
CAPITAL CHARGES	<u>7,154,671</u>	<u>4,441,790</u>	<u>4,541,250</u>	<u>4,488,150</u>

## CHIEF EXECUTIVE

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

### SUMMARY OF CHIEF EXECUTIVE ESTIMATES

CE1	Chief Executive & Corp Support Team	13,217	16,530	14,460	19,710
CE2	Community Engagement	83,359	189,600	349,540	147,020
CE3	Governance Support	27,716	26,130	22,860	19,900
CE4	Strategic Direction	5,921	5,960	4,680	0
	<b>CAPITAL CHARGES</b>	<u>130,213</u>	<u>238,220</u>	<u>391,540</u>	<u>186,630</u>

**CHIEF EXECUTIVE**

CE2

	2010/11 ACTUAL	2011/12 ESTIMATE	2011/12 PROBABLE	2012/13 ESTIMATE
Service	£	£	£	£

**SUMMARY OF COMMUNITY ENGAGEMENT ESTIMATES**

## SERVICE

CEE1	Community Engagement Manager	0	0	0	780
CEE2	Communications	0	0	0	2,340
CEE3	Desk Top Publishing	1,930	1,970	1,300	780
CEE4	Engagement & Partnership Team	2,570	2,630	2,590	3,120
CEE6	Community Planning	288	65,000	124,700	20,000
CEE8	Revenue Contributions & Grants to Voluntary Bodies	78,571	120,000	220,950	120,000
CAPITAL CHARGES		<u>83,359</u>	<u>189,600</u>	<u>349,540</u>	<u>147,020</u>

	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
--	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF GOVERNANCE SUPPORT ESTIMATES**

SERVICE					
CEG1	Democratic Services	12,606	13,860	11,830	9,570
CEG2	Land Charges & LLPG	8,447	9,580	8,240	7,740
CEG4	Elections	6,663	2,690	2,790	2,590
CAPITAL CHARGES		<u>27,716</u>	<u>26,130</u>	<u>22,860</u>	<u>19,900</u>



## NEIGHBOURHOOD SERVICES

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

### SUMMARY OF ESTIMATES

#### SERVICE

NS1	Director of Neighbourhood Services	42,042	50,010	44,000	51,130
NS2	Legal Services	4,920	4,610	4,320	5,890
NS3	Planning & Building Control	95,107	114,240	107,060	108,030
NS4	Community Safety & Health	902,329	1,029,720	932,280	1,039,870
NS5	Housing Services	260,443	759,400	757,790	759,500
CAPITAL CHARGES		<u>1,304,841</u>	<u>1,957,980</u>	<u>1,845,450</u>	<u>1,964,420</u>

**NEIGHBOURHOOD SERVICES**

NS3

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF PLANNING & BUILDING CONTROL ESTIMATES**

## SERVICE

NSP1	Development Plans	8,493	9,400	9,340	8,390
NSP2	Building Control Section	14,174	14,070	13,630	22,480
NSP3	Development Control Section	35,683	33,250	30,350	40,600
NSP4	Conservation Section	1,280	1,320	1,940	1,560
NSP8	Conservation Service	35,477	56,200	51,800	35,000
CAPITAL CHARGES		<u>95,107</u>	<u>114,240</u>	<u>107,060</u>	<u>108,030</u>

## NEIGHBOURHOOD SERVICES

NS4

		2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
<b>SUMMARY OF COMMUNITY SAFETY &amp; HEALTH ESTIMATES</b>					
SERVICE					
NSL1	Community Protection	5,130	7,370	6,680	7,740
NSL6	Community Safety Section	1,186	1,040	1,030	780
NSL10	Community Safety Service	53,570	53,590	53,210	53,710
NSL11	Engineering & Drainage	0	0	0	2,340
NSL12	Engineering & Transport	248,840	216,060	200,440	234,360
NSH1	Environmental Health	23,951	24,600	23,370	24,760
NSH2	Private Sector Housing Grants	566,747	726,400	646,900	715,400
NSH5	Environmental Health Promotions	640	660	650	780
NSH6	Environmental Pollution	2,265	0	0	0
CAPITAL CHARGES		902,329	1,029,720	932,280	1,039,870

## NEIGHBOURHOOD SERVICES

NS5

	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £	
<b>SUMMARY OF HOUSING ESTIMATES</b>					
SERVICE					
NSH1	Housing Options Section	14,213	22,110	20,520	22,770
NSH2	Housing Strategy	2,155	2,120	2,100	1,560
NSH3	Other Housing	205,600	700,000	700,000	700,000
NSH5	Housing Options	14,925	14,930	14,930	14,930
NSH6	Hillcrest Hostel	20,030	20,240	20,240	20,240
NSH7	Thele Hostel	3,520	0	0	0
	<b>CAPITAL CHARGES</b>	<u>260,443</u>	<u>759,400</u>	<u>757,790</u>	<u>759,500</u>

## CUSTOMER & COMMUNITY SERVICES

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
<b>SUMMARY OF ESTIMATES</b>				
SERVICE				
CC1 Director of Customer & Community	42,038	50,010	44,000	51,130
CC2 Environmental Services	930,968	949,590	975,430	955,380
CC3 Customer Services & Parking	1,226,692	468,510	463,270	508,980
CC4 Revenue & Benefits Services	73,246	92,230	89,640	113,470
CC5 Economic Development	286,886	209,940	314,850	208,120
CC6 Hertford Theatre	2,843,159	149,970	47,230	54,740
CC7 Community & Cultural	640	660	650	0
<b>CAPITAL CHARGES</b>	<u>5,403,629</u>	<u>1,920,910</u>	<u>1,935,070</u>	<u>1,891,820</u>

## CUSTOMER & COMMUNITY SERVICES

CC2

	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £	
<b>SUMMARY OF ENVIRONMENTAL SERVICES ESTIMATES</b>					
SERVICE					
CCE1	Environmental Services	29,978	30,470	27,060	43,450
CCE3	Playgrounds	104,740	124,850	121,450	133,210
CCE4	Public Conveniences	28,480	28,480	28,480	28,480
CCE5	Refuse Collection - Domestic	76,640	87,460	88,100	97,960
CCE6	Refuse Collection - Commerical	18,000	17,650	16,280	19,630
CCE9	Recycling	170,240	179,830	178,760	98,920
CCE10	Parks & Open Spaces	25,050	40,050	40,050	40,050
CCE11	Buntingford Service Centre	30,925	28,830	29,470	20,150
CCE12	Animal Control	640	660	650	780
CCE13	Pest Control	1,280	1,320	1,300	1,560
CCE14	Environmental Co-Ordination Section	640	660	650	780
CCE15	Herts Environmental Forum	640	660	650	780
CCE16	Environmental Co-Ordination Service	1,170	1,170	1,170	1,020
CCE17	Leisure Services	640	660	650	780
CCE19	Leisure Provision	441,905	406,840	440,710	467,830
CAPITAL CHARGES		<u>930,968</u>	<u>949,590</u>	<u>975,430</u>	<u>955,380</u>

**CUSTOMER & COMMUNITY SERVICES**

CC4

	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
--	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF CUSTOMER SERVICES & NEW MEDIA ESTIMATES**

## SERVICE

CCS1	Head of Customer Relations	1,280	1,320	1,300	1,560
CCS2	External Customer Services	37,641	32,120	31,530	30,020
CCS3	Web Team	1,920	1,970	1,940	2,340
CCS4	Information Management	640	660	650	780
CCS5	Car Parking	7,593	7,230	6,560	8,380
CCS6/13	Car Parks	1,177,618	425,210	421,290	465,900
	CAPITAL CHARGES	<u>1,226,692</u>	<u>468,510</u>	<u>463,270</u>	<u>508,980</u>

**CUSTOMER & COMMUNITY SERVICES**

CC4

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF REVENUES & BENEFITS ESTIMATES**

## SERVICE

CCR1	Revenues & HB Section	73,246	92,230	89,640	113,470
	CAPITAL CHARGES	<u>73,246</u>	<u>92,230</u>	<u>89,640</u>	<u>113,470</u>



**CUSTOMER & COMMUNITY SERVICES**

CC3

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF ECONOMIC DEVELOPMENT ESTIMATES**

## SERVICE

CCD1	Economic Development Section	2,570	2,630	2,590	2,340
CCD2	Markets	3,510	22,330	14,540	20,390
CCD3	Community Projects	141,223	1,000	77,800	1,070
CCD6	Economic Development	0	1,500	0	600
CCD7	Town Centre Enhancements	139,583	182,480	219,920	183,720
CAPITAL CHARGES		<u>286,886</u>	<u>209,940</u>	<u>314,850</u>	<u>208,120</u>

**CUSTOMER & COMMUNITY SERVICES**

CC3

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF HERTFORD THEATRE ESTIMATES**

## SERVICE

CCT1	Hertford Theatre	2,843,159	149,970	47,230	54,740
	CAPITAL CHARGES	<u>2,843,159</u>	<u>149,970</u>	<u>47,230</u>	<u>54,740</u>

## INTERNAL SERVICES

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

### SUMMARY OF ESTIMATES

#### SERVICE

IS1	Director of Internal Services	42,681	50,670	44,000	51,150
IS3	People, ICT & Property Services	206,353	209,050	261,690	320,200
IS4	Financial Services & Performance	9,705	8,560	8,470	12,680
IS5	Corporate Risk	6,326	5,570	3,810	3,410
IS6	Other	50,923	50,830	51,220	57,840
CAPITAL CHARGES		<u>315,988</u>	<u>324,680</u>	<u>369,190</u>	<u>445,280</u>

**INTERNAL SERVICES**

IS3

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF PEOPLE, ICT AND PROPERTY SERVICES ESTIMATES**

ISP1	People & Organisational Services	3,850	3,950	3,890	21,540
ISP3	IT Services	8,980	9,220	9,710	10,920
ISP4	Facilities and Property	193,523	195,880	248,090	287,740
CAPITAL CHARGES		<u>206,353</u>	<u>209,050</u>	<u>261,690</u>	<u>320,200</u>

**INTERNAL SERVICES**

IS4

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF FINANCIAL SERVICES & PERFORMANCE ESTIMATES**

ISF1	Accountancy	8,425	7,240	7,820	9,410
ISF2	Performance	0	0	0	2,490
ISF3	Procurement	1,280	1,320	650	780
CAPITAL CHARGES		<u>9,705</u>	<u>8,560</u>	<u>8,470</u>	<u>12,680</u>

**INTERNAL SERVICES**

IS4

Service	2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
---------	------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF CORPORATE RISK**

ISR1	Corporate Risk & Insurance	2,080	1,970	3,810	3,410
ISR2	Internal Audit Services	4,246	3,600	0	0
<b>CAPITAL CHARGES</b>		<u>6,326</u>	<u>5,570</u>	<u>3,810</u>	<u>3,410</u>

**INTERNAL SERVICES**

IS9

2010/11 ACTUAL £	2011/12 ESTIMATE £	2011/12 PROBABLE £	2012/13 ESTIMATE £
------------------------	--------------------------	--------------------------	--------------------------

**SUMMARY OF OTHER ESTIMATES**

## SERVICE

ISO1	Corporate & Democratic Core	50,923	50,830	51,220	57,840
	CAPITAL CHARGES	<u>50,923</u>	<u>50,830</u>	<u>51,220</u>	<u>57,840</u>

This page is intentionally left blank



EAST HERTS COUNCIL

JOINT SCRUTINY COMMITTEE – 17 JANUARY 2012

REPORT BY THE EXECUTIVE MEMBER FOR FINANCE

10. CONSOLIDATED BUDGET REPORT: PROBABLE OUTTURN 2011/12, REVENUE BUDGET 2012/13, MEDIUM TERM FINANCIAL PLAN 2012/13 TO 2015/16

---

WARD(S) AFFECTED:      ALL

---

**Purpose/Summary of Report:**

This report recommends a revenue budget for 2012/13 in the context of:

- the Council's priorities
- the medium term financial plan to 2015/16
- funding the capital programme and participation in the Local Authority Mortgage Scheme (subject of separate reports)
- the anticipated revenue budget outturn for 2011/12
- the proposed Treasury Management Strategy for 2012/13 (subject of a separate report to the Audit Committee then the Executive)
- the previously agreed council tax base for 2012/13
- no council tax increase for 2012/13
- proposals for reserves and balances.

<b><u>RECOMMENDATION FOR JOINT SCRUTINY COMMITTEE:</u></b> that	
(A)	The Executive be advised of Scrutiny's comments on the proposals detailed in the report including any amendments to the budget which the Committee wish to be considered by the Executive.

<b><u>RECOMMENDATIONS FOR DECISION BY THE EXECUTIVE:</u></b> that	
(A)	Consideration be given to comments and proposals by Scrutiny and, in the light of that consideration recommendations be made to Council that:
	1. The probable outturn for 2011/12 be approved and it be agreed that any variation at out turn showing an improved

	position against the £13k under spending reported below be put to the interest equalisation reserve.
	2. The revenue budget for 2012/13 be approved and the planning contingency be taken to the investment income reserve (para 2.22 refers);
	3. The medium term financial plan to 2015/16 be approved; and
	4. There be no increase in council tax for 2012/13 and in the absence of government making currently unplanned reductions in local authority funding there be no increase in 2013/14.

## 1.0 Background

- 1.1 The Council has set its budget and Medium Term Financial Plan in recent years against a backdrop of constraint in public spending. That constraint is set to continue. The prospects for the UK economy and reduction of the public sector borrowing requirement are uncertain particularly because of unresolved issues of sovereign and bank solvency in the euro zone. The budget for 2012/13 is set in the knowledge of significant changes to local government funding from 2013/14. Responsibility for council tax benefit is being devolved plus the cessation of national pooling and redistribution of business rates (but the setting of the business rate remaining with government). The consequences for individual authorities are not quantifiable.
- 1.2 The Council's Financial Strategy was updated in September and emphasised its prudent approach to long term commitments and the intention "to maximise the Council's financial resilience". The Strategy included a statement on the policy on general and earmarked reserves emphasising the need to maintain a good level of reserves. The report accepted by Council in September acknowledged that the scale of its capital programme had to be reduced to maintain sustainability and affordability. The proposals set out here are consistent with that Strategy.
- 1.3 On 8<sup>th</sup> December the government announced the Local Government Finance Settlement for 2012/13. The grant was unchanged from the plans announced a year earlier.
- 1.4 The Office of Budget Responsibility has issued two reports during 2011. A key feature of those reports repeated the pattern of a year earlier - the expectation that interest rates will now remain lower for longer and which also features in the Bank of England's quarterly Inflation Reports to November .

- 1.5 The Council has retendered its parking contract and the new contract to commence January 2012 will reduce costs by £230k per year. The strategic business case for further shared services was accepted by Council and it is anticipated that the detailed business case will confirm saving across back office services in later years of the MTFP but starting in 2013/14.
- 1.6 The MTFP updated for planning purposes in September assumed a council tax freeze from April 2012. The government subsequently announced it would pay a one off grant in 2012/13 equal to the income from a 2.5% increase in council tax to councils agreeing to freeze their tax.

## 2.0 Report

### Opening balances 1 April 2011

- 2.1 The budget for 2011/12 was set in February 2011 with an expectation that 31 March 2011 would see a balance on the general reserve of £3,354k. The final accounts recorded a balance of £3,762k i.e. some £408k higher than expected.
- 2.2 The unallocated general fund balance was £3,854k inclusive of the £446k building control surplus. Earmarked reserves compared as follows:

Reserve	Expected Balance 31.3.11 £000	Actual Balance 31.3.11 £000
Interest Equalisation	0	0
Insurance Fund	10	10
Emergency Planning	36	36
VAT partial exemption	146	146
Service Improvement	692	667
LDF/Green belt	514	514
Housing condition survey	37	37
Council election	75	75
LABGI	86	134
Leisure utilities/pensions	120	120
Restructure	33	33
Legal fees	21	12
Performance Reward Grant	0	67
Pension strain costs	79	100
Waste recycling	275	275

Footbridge reserve		50
Cost of change	400	400
Total	2524	2676

Taken together the additional general and earmarked reserves at out turn provide the Council with a further degree of resilience to meet short term pressures. The statement on reserves in September noted that the sum of the general reserve and general fund balance was now near the ceiling at which a review would be triggered and further comment is made below.

#### Projected outturn 2011/12

- 2.3 The latest health check report at the time of drafting this report is the November report. This shows favourable variances of £1,330k offset by adverse variances of £1,242k – a net adverse variance of £88k. The health check report includes both service and non service estimates.
- 2.4 The later detailed review of the probable outturn undertaken as part of the preparation of the 2012/13 estimates has indicated a slightly improved position of a net positive variance of £13k. The positive variation on service estimates (reported separately on this agenda) of £374k being off almost fully off set primarily by adverse variances on non service budgets (in particular £325k on investment income).
- 2.5 A report to the Audit Committee in November 2010 reviewed how and when variances had been reported in each of the prior two years. That report identified a bias in reporting favourable variances some what later than the reporting of adverse variances – a judgemental allowance to compensate for this bias was proposed. The level of both favourable and adverse variances reported in the current year to November 2011 are both much reduced from the figures to the same stage last year. A judgemental allowance for further improvement of perhaps £200k by year end would be reasonable but is not reflected in any of the figures for reserves in the tables.
- 2.6 The resulting general and earmarked reserves expected to be in hand at the start of 2012/13 are set out below.

## Priorities:

2.7 The Council's priorities against which spending proposals need to be measured have been simplified to the broad strands of People Place and Prosperity.

2.8 In summary the key objectives of (and set out in full in) the Corporate Strategic Plan 2012/13 – 2015/16 are:

People – Opportunities for everyone to contribute to and access the Council's services:

- Support for the vulnerable
- Community engagement
- Health Inequalities
- Satisfaction with the Council

Place – Safe and Clean:

- Increased waste recycling
- Satisfaction with cleanliness of the area
- Satisfaction with parks and open spaces
- A sustainable Hertford Theatre
- Reduced council carbon dioxide emissions
- Well managed Council assets
- Reduce fear of crime

Prosperity – Improving the economic and social opportunities to our communities:

- Parking and transport strategy
- Enhance broadband in rural area
- Zero per cent council tax increase
- Development meeting priorities
- Stream line the Council's back office
- Office and industrial space
- Improved economic resilience of market towns
- Guidance for development in Hertford and Ware
- Rural business programme
- Local Development Framework

2.9 The proposals in this report are designed to be consistent with achieving the above objectives within the resources available in particular further freezing of council tax.

2.10 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

2.11 Corporate Business Scrutiny Committee on 23 August considered a draft updated financial strategy 2012/13 to 2015/16 which was subsequently endorsed by the Executive. Key planning assumptions have subsequently been amended to:

- Further reduce the investment income assumptions in the light of evidence from the OBR and MPC of a more sustained period of historically low rates of interest
- Amend pay assumptions to reflect a further 2 years of restraint
- Incorporate savings from the new parking contract
- Incorporate more detailed savings identified during the development of service estimates based on 2010/11 and current year variations
- Take into account the sharing of New Homes bonus including the year 2 tranche
- Take account of the council tax freeze grant for 2012/13

2.12 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.

2.13 The MTFP retains significant planning contingency sums for 2013/14 and later years - given the funding changes and in particular the potential offsetting reductions to future retained business rates to pay for the new homes bonus.

2.14 The revised financial model for the MTFP is set out at **Essential Reference Paper B**.

### Revenue Support Grant Settlement

2.15 The 2012/13 settlement was unchanged from the provisional figures announced in December 2010 other than for the council tax freeze grant.

- 2.16 There is more concern about future years as set out above. The MTFP shows a cash reduction in formula grant plus new homes bonus from £8.2m in 2010/11 to £6.5m by 2014/15 a real terms reduction of 26% with an average 2.5% rate of inflation. Each further 1 percentage point reduction would lose £82k of income and inhibit the scope for further council tax freezes.

The revenue Budget 2012/13

- 2.17 The budget 2012/13 can be summarised as follows:

	£000	£000
Neighbourhood Services	3463	
Customer & Community Services	5707	
Internal Services	3902	
Chief Executive	1192	
- capitalised salaries	<u>-226</u>	14038
Investment income net of interest payable		-0
Pension costs not chargeable to services (note 1)		401
Further efficiency savings and fees net of growth		-411
Planning contingency		<u>866</u>
Net Expenditure		14894
Pensions Reserve (note1)		95
Contributions to reserves		<u>171</u>
<b>Net Expenditure after reserves</b>		<b>15159</b>
Funded by:		
Collection Fund (Surplus)/deficit		-62
Formula Grant		-5306
Grant to freeze council tax		-461
Leaving:		<u>9330</u>
<b>Demand on Collection Fund</b>		<b>9330</b>
Band D tax base		58,628
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.

2.18 The MTFP savings are set out at Essential Reference Paper B . The savings options were available for review and questioning by members in preparation for Scrutiny on a member web site. Total ongoing savings for 2012/13 total £1.588m of which

- Additional proposals subject to confirmation £592k
- Savings achieved and included in detailed estimates £748k
- Earlier savings proposals revised and achieved by restructuring in 2011/12 £248k

2.19 In refreshing the MTFP the savings proposals in respect of 2012/13 have been varied from earlier proposals included in the MTFP agreed in February 2011 as follows:

	£000
New proposals	
• Waste contract shared service	135
• Cash collection	10
• Parking contract	230
• Hosting self service	10
• Pay and display maintenance	50
• HMRC shared service	16
• Depot materials handling	30
• Recycling maintenance	8
• Bulky waste collection	6
• Commercial Waste	23
• Insurance premiums	89
Amended Proposals	
• Taxi licensing – reduction of saving by	8
• Discretionary rate relief – reduction of saving by	17
Deferred from 2012/13 in respect of shared services	
• HR staffing	60
Brought forward from 2014/15	
• Financial Services restructure	38



2.20 Some of the additional savings identified above are potentially reapplied.

	£000
• To supporting parking and enforcement	112
• Tourism development & markets	21
• As a resource to the Information Technology Steering Group to commission developments	72
• Surveying support	35
• Maintenance etc arising from capital works	25
• Reduced waste income from lower volume	75
• Play ground equipment	3
• Housing Improvement Agency	20

2.21 The Planning contingency for 2012/13 at £866k is little changed from the figure reported in September at £887k (contingency + balancing figure). Unless otherwise allocated it would be appropriate to make a contribution to the investment income reserve.

### Council Tax

2.22 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 in 2012/13 but the grant for another freeze in 2012/13 is for one year only. The MTFP builds in a further freeze from 2013/14 with increases of 2.5% each year thereafter.

2.23 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 2011 that was not taken into account when this year's budget was set will be applied in 2012/13. The implication for the Council is a contribution of £62k from the remaining surplus as shown in the MTFP.

### Reserves

2.24 The proposals in this budget include no fresh proposals to call on reserves. The General Fund Balance is unchanged at £3854k over this period. There is no planned call on the general reserve in the period 2012/13 to 2015/16.

2.25 Movement on the General Reserve in 2011/12 is based on the judgementally adjusted probable outturn rather than the approved supplementary estimates. In summary this is as follows:

	£000
Balance 1 April 2011	3762
Add	
Planned use 2011/12 budget	-66
Approval to use some of the 2010/11 under spending	-119
Call on reserve to meet 2011/12 variances – investment income offset by net under spendings elsewhere	-235
Judgemental further under spending	200
Year end Appropriations	-200
Balance 31 March 2012	3342

2.26 In setting the budget for 2010/11 and MTFP it was previously planned to draw on earmarked reserves and these intentions are retained.

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

Reserve	Bal at 31/3/12 £000	Bal at 31/3/13 £000	Bal at 31/3/14 £000	Bal at 31/3/15 £000	Bal at 31/3/16 £000
Interest Equalisation	0	0	0	0	0
Insurance Fund	10	10	10	10	10
Emergency Planning	36	36	36	36	36
VAT partial exemption	146	146	146	146	146
Service Improvement	617	617	617	617	617
LDF /Green belt	664	754	604	354	404
Housing condition survey	51	65	29	43	57
Council Elections	0	25	50	75	0
LABGI	112	112	112	112	112
Leisure utilities/pensions	180	240	300	360	420

Restructure	33	33	33	33	33
Legal fees	0	0	0	0	0
Performance Reward Grant	67	67	67	67	67
Pension Strain costs	127	59	2	2	2
Waste recycling income volatility	275	275	275	275	275
Footbridge River Stort	100	150	150	150	150
Earmarking general reserve March 2011	400	400	400	400	400
Total	2818	2989	2831	2680	2729

### Robustness of estimates and adequacy of reserves

- 2.28 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.
- 2.29 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.
- 2.30 The Council retains very substantial investments in relation to its annual spend. With the exception of a £10m structured deposit the Council has adopted a very risk averse investment policy accepting lower returns. It is prudent to retain above minimum levels of reserves in these circumstances.
- 2.31 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.

<b>Area of Risk</b>	<b>Factor</b>	<b>Comment and Mitigation</b>	<b>Illustrative Cost of variation</b>
Volatility of grant income	Medium/High	Although trend formula grant is certain for 21012/13 other grant income is subject to annual revisions..	A 5% reduction in grant = £265K
Localisation of council tax benefit and a 10% saving to be achieved.	High	Announced to take effect from 2013/14 but with no supporting detail announced.	The 10% saving = £700k with EHC share potentially 15% or £105k
New Homes Bonus	Medium	The potential loss of formula grant by top slicing is a significant risk.	NHB is projected to grow by a net £200k per year after claw back compared with over £400k in years 1 and 2 i.e allowance has been made for a 50% top slicing. Each further 10% cost = £40k
Discretionary Rate Relief	Low	No provision is made in the MTFP to respond to proposed freedoms to extend	The policy for 2012/13 has now been set.

		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	A 5% shortfall on car park income = £148k  A 5% shortfall in other income = £70k
Achieving savings	Medium/High	Targets become increasingly challenging over the MTFP and public acceptability of some proposals may be difficult to achieve.	A 10% under achievement = £59k
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	The £10m structured deposit has a floor rate of 3.7% the balance of investment are budgeted to return 0.65% in 2012/13 a reduction to 0.55% would see income fall by £58k

		investment returns consistent with OBR forecasts.	
Compliance with grant requirements	Low	Recent audits record a good performance	Nil
Vacancy saving	Medium	The provision has been reduced to reflect current lower levels of turnover	The factor allowed is 3% a reduction to 2% would cost £110k
Pay and inflation	Medium	A third year of pay restraint at zero and two further years at 1% will be challenging for national employers if pay in the private sector accelerates as the economy recovers	A 1% award in 2012 would cost £110k per year
Pension costs	Low	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	Pension costs are not variable in 2012/13

		and potential capping of benefits may improve the funding position at the 2013 valuation.	
Council tax increases	Low	The target for zero increases is determinable by the Council.	A 1% increase = £94k
Changing Council priorities	Low	The Council has refined its key priorities and fine tuning rather than significant revision is likely.	Not quantifiable

2.32 The estimates are considered sufficiently robust for the Council to set a budget and council tax for 2012/13.

2.33 **Essential Reference Paper C** sets out a stress testing of the MTFP by considering different scenarios by which the Council might be subject to unexpected financial pressures. The intention is to illustrate how resilient the Council's finances would be to a single or series of incidents.

### 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

Bank of England Inflation Reports

OBR reports

Local Government Finance Settlement December 2011.

Contact Member: Michael Tindale – Executive Member for Finance.

Contact Officer: Alan Madin – Director of Internal Services, Extn: 1401.

Report Author: Alan Madin – Director of Internal Services, Extn: 1401.



## ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/ Objectives	The budget and MTFP apply resources to achieve all the Council's priorities
Consultation:	
Legal:	<p>The Council must set a lawful and balanced budget and subsequently set a council tax for 2012/13 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 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.</p>
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



**GENERAL FUND - MEDIUM TERM FINANCIAL PLAN**

**SUB - SUMMARY Model for Scrutiny**

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive & PAs	221	218	219	223	228	237
Strategic Direction	432	337				
Governance Support			318	325	335	356
Community Engagement			655	671	685	710
Director of Neighbourhood services	125	125	124	127	129	135
Planning & Building Control	1,119	1,264	1,152	1,209	1,259	1,360
Legal			276	284	291	304
Housing Services	1,565	1,551	485	497	509	530
Community Safety & Health	228	249	1,425	1,469	1,508	1,581
Director of Customer & Community	109	106	106	108	110	115
Environment	6,129	5,385	5,565	5,804	6,052	6,348
Customer & New Media	-702	-610	-617	-554	-465	-349
Economic Development			112	137	167	200
Revenues & Benefits	267	292	301	339	374	465
Cultural & Community	2,592	1,229				
Hertford Theatre			241	261	279	305
Director of Internal Services	147	133	82	84	85	89
People, ICT & Property Services	341	317	2,266	2,336	2,398	2,510
Business Support	3,468	3,115				
Financial Support Services	188	143	656	670	683	710
Democratic & Legal Services	469	605				
Programme Director	107	32				
Corporate Risk			288	296	302	312
Other (& Adjustment)	901	1,346	611	934	976	963
Non Distributed Costs	-9,728					
Environment						
Capital Salaries	-186	-186	-226	-226	-226	-226
<b>Net Cost of Services</b>	<b>7,790</b>	<b>15,651</b>	<b>14,038</b>	<b>14,998</b>	<b>15,680</b>	<b>16,656</b>
Interest Payments	661	662	662	662	662	662
Interest & Investment Income	-871	-1,175	-687	-767	-948	-1,644
Pensions Interest/Return on Assets	1,007	1,424	401	401	401	401
Known Changes			25	912	1,055	1,159
Contribution to Earmarked Reserves	748	249	171			49
Contribution to/ from Interest Equalisation reserve	-1,185	17				
Contribution from Earmarked Reserves	-586	-373		-158	-151	
Cost of change Contingency						
Contribution of Vacancies						

Planning Contingency			866	717	909	1,161
Savings 2012/13			-592	-592	-592	-592
Savings 2013/14				-660	-660	-660
Savings 2014/15					-307	-307
Savings 2015/16						-263
One Off Savings			-20	-6	-15	
Growth 2012/13			265	265	265	265
Growth 2013/14				29	29	29
Growth 2014/15					53	53
Growth 2015/16						
Special Item			43			
RCCO/Internal Interest	25	26	25	25	25	25
Use of General Reserve	993	-66				
Movement on Pension Reserve	8,817	-888	95	95	95	95
Car Parking Fees & Charges			-78	-158	-240	-320
Other fees & Charges			-55	-91	-128	-166
<b>Net Expenditure</b>	<b>17,399</b>	<b>15,527</b>	<b>15,159</b>	<b>15,671</b>	<b>16,133</b>	<b>16,603</b>
Formula Grant/NNDR	-8,182	-6,079	-5,306	-5,278	-5,278	-5,278
Council Tax Freeze Grant		-230	-461			
Area Based Grant	-37					
New Homes Bonus				-1,040	-1,240	-1,440
Transfer (from)/to Collection Fund	16	31	-62			
<b>Demand on Collection Fund</b>	<b>9,196</b>	<b>9,249</b>	<b>9,330</b>	<b>9,353</b>	<b>9,615</b>	<b>9,885</b>
Council Taxbase	57,791	58,123	58,628	58,774	58,950	59,127
<b>Council Tax at Band D</b>	<b>159.13</b>	<b>159.13</b>	<b>159.13</b>	<b>159.13</b>	<b>163.10</b>	<b>167.18</b>
<b>Percentage Increase</b>		0.00%	0.00%	0.00%	2.50%	2.50%

## Pay and Price Assumptions for Medium Term Financial Plan

Data Table	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Overall salary increase (Inclusive of everything)*	0.65%	1.70%	1.45%	2.00%	1.75%	4.15%
Members Allowances	0.00%	2.68%				***
Inflation	2.00%	2.10%	3.00%	3.20%	2.70%	2.70%
NNDR	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Fuel	5.00%	2.50%	2.50%	2.50%	2.50%	2.50%
Contract Index - All Contracts	2.00%	2.70%	3.00%	3.20%	2.70%	2.70%
Contract Index - Street Cleansing	2.00%	2.70%	3.40%	3.50%	3.60%	3.80% * assumed RPIx 25/7/11
Contract Index - Refuse Only	2.50%	3.20%	3.40%	3.50%	3.60%	3.80% * assumed RPIx 25/7/11
Contract Index - Parking	1.50%	2.20%	3.40%	3.50%	3.60%	3.80%
Contract Index - Leisure	1.50%	2.20%	3.40%	3.50%	3.60%	3.80%
Tax Base Increase	0.50%	0.50%	0.25%	0.25%	0.30%	0.30%
<b>Income</b>						
Increase for Fees & Charges	3.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Increase for car parks	5.00%	2.50%	2.50%	2.50%	2.50%	2.50%
Interest on investment	2.46%	1.00%	1.05%	1.18%	1.16%	3.00%

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
5. Leisure - January RPIx applied in January

\*Salary Increase

Pay award original budget **	0.00	0.20	0.20	1.00	1.00	3.4
Pay allowance - increments and local award	0.65	1.50	1.25	1.00	0.75	0.75
	<b>0.65</b>	<b>1.70</b>	<b>1.45</b>	<b>2.00</b>	<b>1.75</b>	<b>4.15</b>

\*\* Pay award actuals and now reflected in future plans

\*\*\* Subject to IRP recommendation

**OTHER KNOWN REDUCTIONS AND INCREASES**

	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
	£'000	£'000	£'000	£'000
Increase in pension costs			92	184
Jackson Square Contract - Rent		8	16	16
Income Shortfall 2009/10 reducing effect		-50	-50	-50
Changes to Terms and Conditions		-130	-409	-503
Markets - marketing & maintenance			22	22
Homelessness grant continuation (reduction in income from 11/12)		50	50	50
Hertford Theatre Hydro Income		-11	-11	-11
National Insurance rebate	25	25	25	231
Reduction in Alternate Financial Model (AFM) income		150	300	300
Application of New Homes Bonus		520	620	720
LDF Public exam/Green belt review		300	400	100
Housing Condition survey		50		
Future Council elections				100
<b>Total</b>	<b>25</b>	<b>912</b>	<b>1,055</b>	<b>1,159</b>

## Investment Income

Table 1

Revised figures - after CBS

		£'000
2011/12	1.81%	£1,175
2012/13	2.10%	£1,424
2013/14	2.60%	£1,637
2014/15	3.00%	£1,809
2015/16	4.00%	£2,394

Table 2

Revised figures -16/12/11

		£'000
2012/13	0.65%	£687
2013/14	0.75%	£767
2014/15	1.25%	£948
2015/16	3.00%	£1,644

**Note:**

1. The rates at Table1 are inclusive of £10m earning 3.72% to April 2015 arising from the structured deposit.
2. The rates at Table 2 exclude the £10m structured deposit.

In both cases the interest income is inclusive of the interest earned on the structured deposit. The average rate including the structured deposit is shown in the table of Pay and Price Assumptions



New Homes Bonus - Income (expenditure shown on known changes sheet)

	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000
New Homes Bonus 11/12 (to be received 11/12 to 16/17)	-415	-415	-415	-415
New Homes Bonus 12/13 (to be received 12/13 to 17/18)	-425	-425	-425	-425
New Homes Bonus 13/14 (to be received 13/14 to 18/19)		-200	-200	-200
New Homes Bonus 14/15 (to be received 14/15 to 19/20)			-200	-200
New Homes Bonus 15/16 (to be received 15/16 to 20/21)				-200
Built into Estimates	840			
	<u>0</u>	<u>-1040</u>	<u>-1240</u>	<u>-1440</u>

Calculation of Council Tax base  
Updated

	10/11 £	11/12 £	12/13 £	13/14 £	14/15 £	15/16 £
Council Tax Base	57,791	58,123	58,628	58,628	58,774	58,950
Assume increase of 0.5% per annum				146	176	177
	57,791	58,123	58,628	58,774	58,950	59,127

<b>Savings</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Strategic Direction</b>				
Reduction in service activity				(7,000)
<b>Planning &amp; Building Control</b>				
Reduction in budget				(61,000)
Building control fees		(50,000)	(50,000)	
Development Control BPI led savings			(22,000)	
DC miscellaneous costs		(10,000)		
Planning administration			(68,000)	
LDF funding		(100,000)		
Planning policy resources		(12,000)		
<b>Health &amp; Housing</b>				
Continuation of funding Housing Improvement Agency		(10,000)		
Integrate environmental strategy and home energy conservation into single function	(17,000)			
Restructuring the services delivered by Licensing, Community Safety and Environmental Health leading to a reduction in resources			(106,000)	
<b>Licensing &amp; Community Safety</b>				
Set taxi licence fees to recover full costs	(5,000)	(5,000)	(5,000)	
Cease contribution to PCSO's (originally in 11/12)	(46,000)			
<b>Environment</b>				
Waste contract shared services saving	(135,000)			
Waste services contract transition		(100,000)	(100,000)	
Do not replace Area Environment Inspector & delete lease van after 12 month contract expires	(30,000)			
<b>Customer &amp; New Media</b>				
Saving in cash collection cost	(10,000)			
Re-letting of parking enforcement contract	(230,000)			
Replacement of hosted self-service system	(10,000)			
Reduction in cost of pay and display machine maintenance	(50,000)			

	2012/13 £	2013/14 £	2014/15 £	2015/16 £
<b>Customer &amp; New Media continued</b>				
HMRC shared service	(16,000)			
Elm Road income estimate correction	13,000	5,000		
Rye st/Grange paddocks income estimate correction	15,000	15,000		
Residents permit income	(3,000)	3,000		
Ware Amwell End - Revision of rent payable by Hertford regional College for student car park spaces	(1,000)	(1,000)		
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)		
 <b>Cultural &amp; Community</b>				
C&C - MOW		(15,269)		
Leisure Savings		39,000	118,000	
Castle Hall - new business plan (subject to approval)		(57,671)	(45,000)	
 <b>People &amp; Organisational Development</b>				
Reduce HR support		(60,000)		
Reduction in corporate training budget pro rata to staff reduction		(6,000)		
 <b>Business Support</b>				
Shared services				(153,000)
 <b>Revenues &amp; Benefits</b>				
Shared service efficiencies				(15,000)
Invest to save option		(64,000)		
 <b>Financial Support Services</b>				
Phased reduction in hours of estates staffing		(14,000)	(14,000)	
Review of Financial Support Services			(2,000)	

	2012/13 £	2013/14 £	2014/15 £	2015/16 £
<b>Democratic &amp; Legal Services</b>				
Reduction in Legal third party payments budget				(27,000)
Land Charges - staffing reductions	(4,000)	(23,000)		
Efficiency measures for electoral canvass			(13,000)	
Restructuring of Democratic & Legal Services		(23,000)		
<b>Corporate Risk &amp; Insurance</b>				
Reduction of insurance premiums following retender		(3,000)		
<b>Total to be built into estimates</b>	<b>(591,500)</b>	<b>(660,440)</b>	<b>(307,000)</b>	<b>(263,000)</b>

#### ALREADY BUILT INTO ESTIMATES

##### Strategic Direction

Reduction in supplies & services budgets	(1,000)
Reduction in size of Link magazine to A5 (partially offset by growth)	(12,000)

##### Planning & Building Control

Building control fees	(50,000)
DC miscellaneous costs	(10,000)
LDF funding	(10,000)

##### Health & Housing

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)

##### Environment

Depot materials handling -	(30,000)
Recycling Banks maintenance	(8,000)
Bulky waste collection reduced expenditure	(6,000)
Commercial waste reduced expenditure	(23,000)
Delete Business Support Assistant Part Time Post FTE Grade 3 - 18.5 hours)	(12,175)

	2012/13	2013/14	2014/15	2015/16
	£	£	£	£
<b>Environment continued</b>				
Delete Business Support Assistant Part Time Post FTE Grade 3 - 22.5 hours)	(12,922)			
Reduce Recycling advertising and promotion budget	(31,300)			
Review / reduce level of environmental coordination and advice	(25,000)			
Environmental co-ordination - reduction of previous savings item	25,000			
<b>Cultural &amp; Community</b>				
C&C - MOW	(45,761)			
Review minor grants	(12,500)			
Castle Hall - new business plan (subject to approval)	(83,085)			
Leisure Savings	(86,000)			
<b>Financial Support Services</b>				
Asset management and valuation flexible retirement	(12,000)			
Reprofile 14/15 saving	(38,000)			
Phased reduction in hours of estates staffing	(16,000)			
<b>Business Support</b>				
Restate property budgets	(13,000)			
Internal Audit efficiencies from partnership working	(30,000)			
<b>Corporate Risk &amp; Insurance</b>				
Reduction of insurance premiums following retender	(89,000)			
<b>Revenues &amp; Benefits</b>				
Discretionary Rate Relief	(12,600)			
<b>Corporate Costs</b>				
Reduce corporate management	(50,000)			
<b>ALREADY BUILT INTO ESTIMATES</b>	<b>(748,343)</b>			

2012/13	2013/14	2014/15	2015/16
£	£	£	£

**SUPERCEDED BY NEW STRUCTURE**

**Business Support**

Staffing efficiencies on completion of C3W programme	(56,090)			
Restructuring within facilities services	(50,000)			

**Cultural & Community**

Review the Hertford Theatre management structure	(15,000)			
Rationalise and consolidate the range of community and culture activities and projects undertaken	(41,000)			

**DELETED FROM 2012/13 - AS PER AM**

**Revenues & Benefits**

Invest to save option	(64,000)			
Discretionary Rate Relief	(17,400)			

**Democratic & Legal Services**

Restructuring of Democratic & Legal Services	(4,000)			
--	---------	--	--	--

**Total Deleted**

**(247,490)**

<b>(1,587,333)</b>	<b>(660,440)</b>	<b>(307,000)</b>	<b>(263,000)</b>
--------------------	------------------	------------------	------------------

<b>One Off Savings</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Review of 09/10 outturn</b>				
<b>CHIEF EXECUTIVE</b>				
<b>Strategic Direction</b>				
Public Consultation & Research	(9,700)	(5,700)	(14,700)	
Public Consultation & Research	(10,000)			
<b>Total to be built in</b>	<b>(19,700)</b>	<b>(5,700)</b>	<b>(14,700)</b>	<b>0</b>
<b>Already built in</b>				
<b>Financial Support Services</b>				
Rural Development Project Income Stream	(5,000)			
<b>Total already built in</b>	<b>(5,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total One Off Savings</b>	<b>(24,700)</b>	<b>(5,700)</b>	<b>(14,700)</b>	<b>0</b>



**Special Items**

2012/13	2013/14	2014/15	2015/16
£	£	£	£

**Review of 09/10 outturn****Planning & Building Control**

Bldg Control - Supplements	9,000			
Dev Plans - Supplements	6,500			
Dev Control - Supplements	9,000			

**Customer & New Media**

Web based permit and dispensations for self service	13,000			
Printing cost- resident permits	5,000			

**Total**

<b>42,500</b>	<b>0</b>	<b>0</b>	<b>0</b>
---------------	----------	----------	----------

<b>Growth</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
	£	£	£	£
<b>Environment</b>				
Refuse Service - Property Growth			53,000	
<b>Customer &amp; New Media</b>				
Grange Paddocks Project - Maintenance of pay and display machines		3,600		
Annual district wide signs and lines survey	15,000			
Additional notice processing resource .6fte	18,000			
Annual consolidation of traffic regulation orders	5,000			
Growth of signs and lines budget	10,000			
Targetted removals capacity	20,000			
Mobile enforcement capacity	29,000			
Re-instatement of website support	15,000			
<b>Cultural &amp; Community</b>				
Tourism development & markets	21,000			
<b>Business Support</b>				
ITSG contingency	72,000			
FM assistant surveyor	35,000			
Growth from capital programme	25,000	25,000		
<b>Total</b>	<b>265,000</b>	<b>28,600</b>	<b>53,000</b>	<b>0</b>

<b>Growth</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
---------------	----------------	----------------	----------------	----------------

**ALREADY BUILT INTO ESTIMATES**

**Strategic Direction**

Reduction in size of Link magazine to A5 (partially offset by growth) 4,600

**Environment**

Bulky waste collection - reduced income 11,000

Commercial waste reduced income 10,000

Kerbside recyclables income - reduction 75,000

Playground inspection costs 3,000

**Health & Housing**

Continuation of funding Housing Improvement Agency 20,000

**Total already built in**

<b>123,600</b>	<b>0</b>	<b>0</b>	<b>0</b>
----------------	----------	----------	----------

**Total Growth**

<b>388,600</b>	<b>28,600</b>	<b>53,000</b>	<b>0</b>
----------------	---------------	---------------	----------

This page is intentionally left blank

## ESSENTIAL REFERENCE PAPER C

### **Stress testing the MTFP: The Council's ability to withstand significant external shocks**

It is axiomatic that the MTFP is based on less than full knowledge of the future. There will be "events" which cannot be predicted or the impact of which cannot be quantified. It is important to consider the Council's ability to withstand any such events. Following the crisis in financial markets in 2008 major banks and financial institutions have been subject to stress tests to see how they would cope with disruption in financial markets including being subject to loss of value of some of their assets.

Below is set out a similar but internal assessment of the Council's financial position. The Council's external auditors looked at the financial resilience of the Council in 2011 (see Audit Committee 21 September 2011 agenda item 7 ) covering a wider range of topics than covered here and gave a positive report. A similar external review will be undertaken for 2011/12.

External shocks can be divided between scenarios which trigger unavoidable spending from demand or price pressures and those arising from unforeseen shortfalls in income and might include any of the following:

- The UK being subject to a significant economic downturn such that public spending might be subject to further substantial cuts.
- A loss on investments arising from failure of one or more banks
- The relocation of business rates at cost to the Council
- Failure of a major supplier
- A natural disaster
- Unforeseen additional take up of council tax benefit
- Prolonged pay and/or price inflation above expectation
- Investment returns running below forecast
- Costs arising from litigation

The Council seeks to mitigate the risk of some of the above – for example by insurances, its prudent approach to treasury management. However, none of the mitigation measures can offer

a 100% guarantee the Council will not be subject to a significant financial shock. The comments here are therefore not about likelihood but only about ability to cope should the “what if?” happen. The commentary on the robustness of estimates speaks to likelihood and quantifies the impact of a variance from assumptions. Individual cost impacts are of a lesser order than the more extreme scenarios considered here which is indicative of the Council’s ability to deal with concurrent lesser order variations from expectations.

The Council’s budget requirement for 2012/13 is £15.1m. For the purpose of stress testing the impact of the event(s) is set at “major”- level 1 = 10% of the requirement and “severe” - level 2= 20% of the requirement i.e. £1.5m and £3.0m

The tools to cope with such an event:

- Spendable reserves
- Borrowing and capitalisation including access to immediate cash
- The Bellwin formula
- Emergency increases in fees and charges
- Emergency reduction in spending
- Council tax
- Pooling of risk

### Spendable Reserves

The use of reserves is a potential response to meet a none continuing shock and potentially to buy time to make adjustment to spending if the shock is of a continuing nature.

The Reserves Policy approved in September 2011 set a minimum balance of £3m and a ceiling of £7.4m. The projected balance at March 2012 is £7.2m and the MTFP assumes no change over the period to March 2016. Earmarked reserves might be redirected in the short term providing another £2.7m of cover over the period of the MTFP.

The September refresh of the MTFP benchmarked the Councils reserves against similar Councils. At £10.3m at the date of comparison the Council fell into the bottom end of a group of 54 district council with 136 councils below this group with lesser

reserves and 11 in higher groups with higher reserves- the Council would therefore be in the upper middle quartile.

Reserves are adequate to meet

- Up to 2 level 2 events
- 1 level 2 events and up to 2 level 1 events
- Up to 4 level 2 events

A one off call on reserves of £3m would reduce cash balances and return on investments. By the end of the MTFP period investments are assumed to be achieving a 3% return. To offset this loss of income savings of an additional £90k per year would need to be identified.

However, prior to a continuing call on reserves other options as set out below would be applied.

If the event was of a continuing nature the implications would be much more challenging and as noted above a call on reserves used to implement longer term changes. The current MTFP includes a range of savings and to reduce spending by another £3m per year would be extremely difficult being equivalent to over 25% of payroll costs. In such a scenario the council would have to look to a combination of :

- Targeted reductions in staffing
- Renegotiations of terms and conditions
- Significant increases in fees and charges
- Renegotiation of major contracts
- An exceptional increase in council tax

At this stage the benefits of more detailed financial contingency planning in applying the above tools to meet such a challenge is not considered cost effective as no contingency plan can anticipate all circumstances which might be in place. The circumstances are likely to trigger a business continuity event or emergency planning event and contingency planning is focused in these areas of service delivery.

## Borrowing and Capitalisation

The council has a negative Capital Finance Requirement which within the constraints of the Prudential Code permits borrowing to meet capital expenditure in response to shocks. In extremis the Council might seek approval to charge revenue cost to capital to spread the cost.

## Bellwin Scheme

This refers to the scheme by which DCLG will meet the uninsurable costs of immediate response to an emergency such as caused by bad weather.

The threshold above which grant becomes payable is 0.2% of net revenue expenditure (£30k for East Herts) after which 85% of costs are recoverable. This “insurance policy” is limited to costs of immediate response and not to recovery i.e. costs incurred (within two months of an incident)

- *by a local authority in England on, or in connection with, the taking of immediate action to safeguard life or property or to prevent suffering or severe inconvenience, in its area or among its inhabitants;*
- *as a result of the incident(s) specified in the scheme which involved the destruction of or danger to life or property.*

## Emergency Increases in Fees and Charges

The Council accelerated some of its 2011/12 budget measures during 2010 in response to the contribution required from local authorities towards short term savings required by the incoming government.

The Council has therefore demonstrated its ability to respond promptly when required to meet unforeseen financial pressures.

Fees and charges which are subject to the Council’s discretion raise income of about £4m per year. A 10% across the board increase would generate an extra £400k per year.



### Emergency reductions in spending

The Council cannot instantly reduce much of its spending.

Payroll is a significant cost and it takes time to implement staffing reduction if legal challenges to dismissal are to be avoided and changes to terms and conditions by negotiation or imposition are protracted. Not filling vacancies has limited impact when turnover is low.

Contractual payments for outsourced services, rents, business rates, utility costs, licences, postal costs make up a further tranche of spending not able to be turned off at short notice.

### Exceptional council tax increase

A 1% increase in council tax generates about £93k per year (about the same as a the loss of investment income following a single level 2 event).

The Council's planning is based on increases well within any limit which would trigger a council tax referendum. It would therefore likely be well placed to absorb the impact of a continuing event by an increase in the council tax by an additional 1% to 2,5% if other measures did not offset the impact.

### Pooling of risk

The Council will explore risk pooling in respect of business rates as part of risk mitigation.

### Liquidity and Access to Financial Markets

The Treasury Management Strategy ensures the Council always has ready access to cash with 50% or so of investments currently in realisable short term UK treasury bills and other investments in short dated bank deposits. A £10m structured deposits is the sole illiquid investment.

The Council's major debtors are council tax payers and businesses for business rates and adequate provision is made for bad debts. These are subject to ongoing monitoring and rates of collection remain high.

The Council has no requirement to refinance outstanding debt and capital expenditure will be financed by reduction in investments rather than external borrowing.

The Council is therefore well placed to withstand short term lack of liquidity in financial markets.