



## Public Document Pack

**Jeff Hughes**  
*Head of Democratic and Legal  
Support Services*

**MEETING** : EXECUTIVE  
**VENUE** : COUNCIL CHAMBER, WALLFIELDS, HERTFORD  
**DATE** : TUESDAY 10 JANUARY 2012  
**TIME** : 7.00 PM

### **PLEASE NOTE TIME**

#### **MEMBERS OF THE EXECUTIVE**

Councillor Tony Jackson	- Leader of the Council
Councillor Malcolm Alexander	- Deputy Leader and Executive Member for Community Safety and Environment
Councillor Mike Carver	- Executive Member for Planning Policy and Economic Development
Councillor Linda Haysey	- Executive Member for Health, Housing and Community Support
Councillor Michael Tindale	- Executive Member for Finance

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## PERSONAL AND PREJUDICIAL INTERESTS

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

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

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

## AGENDA

1. Apologies

*To receive apologies for absence.*

2. Minutes

*To approve the Minutes of the meeting held on 6 December 2011  
(previously circulated in the last Council agenda)*

3. Leader's Announcements

4. Declarations of Interest

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

5. Car Parking Fees and Charges 2012/13 (Pages 5 - 10)

6. Castle Weir Micro Hydro Scheme - Update (Pages 11 - 30)

7. Community Grants - Amended Policy (Pages 31 - 38)

8. Monthly Corporate Healthcheck - November 2011 (Pages 39 - 62)

9. 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.*

## EAST HERTS COUNCIL

### EXECUTIVE – 10 JANUARY 2012

#### REPORT BY EXECUTIVE MEMBER FOR PLANNING POLICY AND ECONOMIC DEVELOPMENT

#### CAR PARK CHARGES – 2012/13

WARD(S) AFFECTED: ALL

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

- To secure the Executive's agreement to a percentage change to car park pay and display charges for 2012/13.

<b><u>RECOMMENDATION FOR EXECUTIVE:</u> that</b>	
<b>(A)</b>	<b>the percentage increase in car park pay and display charges in 2012/13, be determined.</b>

#### 1.0 Background

1.1 East Herts Council reviews its pay and display charges annually, with changes coming into effect at the start of each financial year.

1.2 Pay and display charges were not increased in 2011/12. The current Medium Term Financial Plan includes an assumption that pay and display income will increase by 2.5% per annum.

1.3 On 24 November 2009 the Executive agreed to give officers greater flexibility in setting charges and asked that in future they bring forward tariff proposals that recognise the differing characteristics and needs of each town. A necessary precursor to this is the securing of a decision on the overall percentage increase required.

1.4 East Herts Council is developing a Transport and Parking Strategy in parallel with Hertfordshire County Council's preparation of its Local Transport Plan. The role of car park

pricing as a traffic management tool will be considered as part of this work. The Strategy will be mindful of local needs and aspirations consistent with the more flexible approach outlined in 1.3 above. The Strategy will not be reported to Council until spring 2012.

## 2.0 Report

### Pressures on Income

2.1 Whilst pay and display charges were not increased in 2011/12 the service faced cost and inflationary pressures in a number of areas:

- A 2.5% VAT increase from January 2011 (off-street parking charges attract VAT) resulting in a reduction of income of approximately £73k in 2011/12.
- The Council budgeted for inflation in respect of general running costs of around 2% in 2011/12, although at December 2011 CPI stood at 4.8%.

### Pay and Display Income

2.2 The original 2010/11 budget figure for pay and display income was £3,181,000. The outturn at year end was £2,979,000 being a total of approximately 6.5% below budget for that year.

2.3 The latter figure includes the net income reduction arising from the Council's decision to absorb the VAT increase referred to above.

2.4 The base budget for 2011/12 is set at £2,969,000. As at November 2011 income was averaging around 0.85% below budget. Officers' expectation is that that car park use and therefore income will remain depressed during 2012/13.

2.5 Additional downward pressure on 2011/12 pay and display income will arise from the refurbishment of Bircherley Green from January 2012 to June 2012 and the Christmas parking concessions (2011/12). The financial consequences of those two planned activities are included below;

Base budget (2011/12)	£2,969,000
Depressed P&D income (0.85%).	£25,000
Christmas parking concessions (2011/12)	£7,000
Expected impact of Bircherley Green MSCP refurbishment (20 January 2012 to June 2012)	£10,000
Predicted outturn for 2011/12	£2,927,000

- 2.6 If it is assumed that the Christmas parking concession is repeated in 2012/13 and the anticipated losses due to the continued refurbishment of Bircherley Green MSCP during April and May 2012 are also £10,000, then the base budget for 2012/13 should be £2,927,000.
- 2.7 As that figure equates to a total 1.42% shortfall against the base budget for 2011/12, an increase in income of 3.92% (2.5% + 1.42%) would be required to achieve the expectations of the MTFP. This would require a charges increase of £116,000 or approximately 4.0% if car park use did not further decline for other reasons.
- 2.8 Any percentage increase agreed by Members will be translated into proposed tariff changes at town level which will be reported as part of the budget setting exercise at the Executive on 7 February 2012.
- 3.0 Implications/Consultation
- 3.1 Changes to existing car park pay and display charges are made through the "Notice of Variation" procedure which does not give a statutory right to object to the Council's proposals.
- 3.2 New car park charges or the re-designation of car parks (i.e. short stay to long stay or vice versa) would require the promotion of a Traffic Regulation Order. When advertised, a TRO allow any interested party the opportunity to make representations concerning the Council's proposals.
- 3.3 The above proposal takes no account of the financial impact of initiatives the Council may wish to implement in-year, arising from the findings of the forthcoming Parking and Transport Strategy. These would be the subject of a separate report.

Background Papers

Minutes of the Executive held on 24 November 2009.

[http://www.eastherts.gov.uk/media/word/n/b/Minutes\\_24\\_November\\_2009.doc](http://www.eastherts.gov.uk/media/word/n/b/Minutes_24_November_2009.doc)

Contact Member: Cllr M Carver – Executive Member for Planning Policy and Transport

Contact Officer: Neil Sloper, Head of Customer Services and Parking, ext 1611

Report Author: Andrew Pulham – Parking Manager



ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives:</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>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>Consultation:</p>	<p>Changes to existing car park pay and display charges are made through the "Notice of Variation" procedure which does not give a statutory right to object to the Council's proposals.</p> <p>New car park charges or the re-designation of car parks would require the promotion of a Traffic Regulation Order. When advertised, a TRO allow any interested party the opportunity to make representations concerning the Council's proposals.</p>
<p>Legal:</p>	<p>Changes to existing car park pay and display charges are made through the "Notice of Variation" procedure</p> <p>Wholly new car park charges or the re-designation of car parks would require the promotion of a Traffic Regulation Order.</p>
<p>Financial:</p>	<p>The current MTFP requires an increase to car park income of 2.5% per annum over 2011/12 budget.</p>
<p>Human Resources:</p>	<p>N/A</p>
<p>Risk Management:</p>	<p>Changes that require the promotion of a Traffic Regulation Order carry increased risk of delayed, partial or non-delivery. Any interested party may raise objections following the promotion of a TRO.</p> <p>A significant increase in car park tariffs at a time of economic austerity may generate considerable customer, business and media backlash.</p>

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EAST HERTS COUNCIL

EXECUTIVE - 10 JANUARY 2012

REPORT BY EXECUTIVE MEMBER FOR  
COMMUNITY SAFETY AND ENVIRONMENT

CASTLE WEIR MICRO HYDRO SCHEME - UPDATE

WARD(S) AFFECTED: Hertford Castle

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**Purpose/Summary of Report**

- To present an update on the capital investment proposal for the installation of a micro hydro generation scheme at Castle Weir, Hertford.

<b>RECOMMENDATION FOR EXECUTIVE: that:</b>	
<b>(A)</b>	<b>the revised business case for the design and build of a micro hydro scheme at Castle Weir, Hertford, set out within the report be approved.</b>

**1.0 Background**

- 1.1 The Executive of 1 December 2010 considered and agreed a report on the business case for the installation of a micro hydro scheme at Castle Weir, Hertford, and delegated the way to proceed to the Director of Customer Services in consultation with the Executive Councillor for the Environment. A sum of £165,500 was agreed for inclusion in the Council's capital programme for 2011/12 on the basis of invest to save.
- 1.2 The report below aims to update the Executive on the scheme and sets out a revised business plan following delays in achieving agreement and additional specification requirements

principally from the Environment Agency in obtaining permission to undertake the works.

## 2.0 **Report**

- 2.1 As the Executive will be aware hydro power systems convert potential energy stored in water at height to kinetic energy through a turbine to produce electricity. A feasibility study was undertaken for the River Lea and specifically Castle Weir which is close to Hertford Theatre. This indicated that through the installation of a small scale micro hydro system a significant element of the electricity demand for Hertford Theatre can be generated.
- 2.2 There are two principal types of hydro system- Kaplan and Archimedes screw. Technically the Kaplan type remains the favoured option for this site and typical installation costs for a suitable basic system were estimated at £165,500 including basic construction works, with this sum being agreed within the Capital Programme.
- 2.3 At the current time certain renewable energy generation schemes attract what are known as 'Feed in Tariff payments'. Whilst these have been much in the press recently with regard to significant Government cuts to those payments to be made for solar PV renewable systems installed after mid December 2011, no such cuts have been announced for tariff payments relating to micro hydro systems. Indeed it is officers' understanding following consultation with DECC that no amendments to the hydro tariffs are planned with the exception that there may be a relaxation in the use of approved contractors. Therefore the tariffs will continue to make the installation of a Hydro scheme at Castle Weir significantly financially attractive and potentially indeed more so with ever increasing energy costs.
- 2.4 In summary Feed in Tariffs allow the generator, in this case East Herts Council, to be paid a set sum for every unit of energy generated for their own use (20.9p per kW), plus

receive an additional payment of 3.1p per unit exported to the grid (i.e. not used on site), and of course benefit from the saving in actual electricity not purchased from the national grid. The payments are on a set basis for a full term of 20 years and significantly continue to be linked to the Retail Price Index (RPI) and adjusted for inflation annually. The payment expected from the project is set out in **Essential Reference Paper “A”**.

- 2.5 The initial indicative timetable presented to Executive previously proposed that works for the installation of the hydro scheme would take place during summer 2011. However, serious delays have been experienced due to lengthy and protracted ongoing negotiations with the Environment Agency (EA), whose authority is formally required before works can start. Whilst it was appreciated that EA authority was required, officers had been advised that this should normally take a couple of months. However, the project has been caught by revised fish and eel regulations which came into force at the end of 2010, as well as a stringent approach to interpretation of the UK official guidance on hydro schemes by the EA regional office.
- 2.6 Over the last few months progress in negotiation has been made and numerous meetings and discussions held with various sections within the EA to expedite the process. However, the EA is continuing to make certain demands in relation to the design of the scheme which have an effect on the turbine specification. The procurement process has commenced with potential bidders selected through a pre-qualification process, in accordance with Council procurement rules. However, Environment Agency requirements have meant that the tendering process has had to be halted until the revised specification can be agreed.
- 2.7 Many of the EA requirements are very technical in nature and each variation has a potential knock on effect to another part of the specification. For example the scheme incorporates an auto trash screen cleaner, to remove debris before it reaches the turbine. The initial specification for the mesh size was

25mm. EA requirements mean that this has had to be halved, resulting in a reduced velocity through the turbine, along with the potential likelihood of more debris being caught in the screen. This has required officers to consider up rating the turbine from that originally proposed of 12kW to 15kW in order to maintain the viability of the system. However, a larger turbine is more expensive, although it may have the advantage in generating slightly more electricity which will also give rise to increased tariff payments, as explained in **Essential Reference Paper "A"**. In addition it has also meant that the auto trash screen has had to be upgraded at additional cost and will operate at an increased rate. Following this, at the end of November the EA further requested ( amongst other items) that the trash screen be oversized by 10% to accommodate any blockages and to permit increased escape velocities and an enhanced 'bywash' channel be incorporated rather than an 'eel pipe'. As each change impacts on other parts of the specification and as each piece of equipment is individually constructed any changes cause considerable difficulties in finalising costings. Officers believe that many of these requirements are not necessarily required given the location of Castle Weir and local knowledge of the site, however, it is emphasized that everything possible is being undertaken to achieve the correct balance in terms of negotiation relating to site design and specification.

- 2.8 Officers have also been in negotiation with the EA regarding flood risk modeling. It is the opinion of East Herts Engineering Section that the hydro design does not increase flood risk due to the chosen location and the large adjacent flood relief weir. However, after protracted discussions on this point it is officers' opinion that in order to expedite the matter of obtaining the necessary licence from the EA, that a Flood Relief assessment must be undertaken. This is in essence a study, involving a range of possible scenarios, with the objective of assessing whether the proposal impacts upon flood risk. Officers have reached a revised agreement with the EA that only 3 scenarios now need to be addressed and that East Herts will pay for the EA to undertake this work. We are currently waiting to hear the EA's timetable for this work, but in

theory it should be possible to complete this in the New Year.

- 2.9 Alongside permission from the EA, planning approval is also required and as Members will be aware the site is in a conservation area. Detailed discussion have been held with planning officers on the design of the plant room for the turbine, in order to ensure the least visual intrusion, as well as enhancing the aesthetic appeal of the existing weir flow. The current thinking is a small flat roofed structure incorporating a green roof. The footprint of the turbine has been moved slightly away from the bridge by Castle Weir by one metre to improve visual sightlines and meet EA requirements. One aspect that planning officers wished to be considered was whether audible noise would be generated by the turbine. Whilst no system can be totally silent, the Kaplan design is inherently quiet (much more so than an Archimedes screw system). The Executive Member for the Environment visited, along with officers, “The Mill at Sonning”, near Reading which has a similar size and design of turbine as that proposed at Hertford. It was apparent from the site visit just how relatively quiet the system actually is – quieter than the existing water flow at the weir site adjacent to Hertford Theatre. Also as the turbine will be enclosed in a plant building this will afford further noise amelioration.
- 2.10 The visit to the “Mill at Sonning” was also useful in that it allowed discussion with the site’s operator, who confirmed that the turbine, which has been in operation some 5 years, has worked much better than expected generating a very healthy financial return for their organisation, along with considerable and ongoing positive media interest. Officers have also discussed experience of turbine development at other lowland river sites that are in the process of installing a turbine and they are also experiencing lengthy delays in achieving formal consents.
- 2.11 The revised full payback of the planned system is explained in **Essential Reference Paper A**, but is estimated to be between 8.6 and 8.9 years in terms of simple payback. This is based on increased tariff payments of £24,600 due to the enhanced

turbine specification and electricity usage of Hertford Theatre. It is highly likely that over time energy costs will continue to rise, meaning that the return from the scheme will become greater. All costings are of course estimates and subject to final tender prices.

- 2.12 A summary of the costs and income from the scheme is shown at **Essential Reference Paper 'B'**. In addition the Director of Internal Services has undertaken a net present value (NPV) and 'sensitivity analysis for the project using a range of scenarios based on extreme, if unlikely variances. This type of analysis produces slightly different (yet similar) results. This is appended at **Essential Reference Paper 'C'**. The NPV analysis including maintenance costs indicates a payback after year 9. Even in a (highly unlikely) worst case scenario (such as a 50% contract payment reduction or a 20% overspend in capital and much higher maintenance costs) the project would still recover all its costs and generate surplus income from year 13.
- 2.13 If the Executive is minded to accept this revised business case then, it is anticipated that in terms of the *best possible* timeframe the planning and final tender stage could start in March 2012 (if final specification agreements and licences are in place with the EA), with the intention to commence on site in September/October 2012 assuming all the necessary steps progress smoothly. However, the EA has indicated that river works should generally be undertaken during the low flow periods of the late summer/early autumn. Clearly if this window is missed then it may not be possible to undertake full installation works until the following year, though this may be negotiable.
- At the time of writing clarification is awaited from the EA on their timetable for the Flood Risk Assessment and also their agreement to the various formal consents which are still being negotiated. Any update will be reported at the meeting.*



<b>Activity</b>	<b>Best Possible Indicative Date</b>
Environment Agency Consents received	Early March 2012
Planning application submitted	March 2012
Out to tender	March 2012
Planning Consent Granted	June 2012
Tender Award (subject to Planning approval)	Mid June 2012
Start on site –assuming 8 week average lead in for turbine	Early September 2012
Works period	September/October 2012
Commissioning	Late October/November 2012

Background Papers

None

Contact Member: Councillor Malcolm Alexander, Executive Member for Community Safety and the Environment

Contact Officers: Cliff Cardoza, Head of Environmental Services, ext 1698

Report Author: David Thorogood, Environmental Coordinator

**ESSENTIAL REFERENCE PAPER 'A'**

<p>Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):</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>Consultation with the Environment Agency is underway.</p> <p>Local residents will be consulted through the usual planning processes.</p>
<p>Legal:</p>	<p>No specific implications</p>
<p>Financial:</p>	<ul style="list-style-type: none"> <li>• <i>Estimated costs are based on the installation of a 15kW Kaplan turbine system producing 85,000kW per year (based on current EA reduced flow specification).</i></li> <li>• <i>In the 12 month period September 2010 to August 2011 Hertford Theatre had an annual electricity consumption of 286,000kWhrs at a cost of £31,000 including supply charges.</i></li> <li>• <i>Current unit rates for electricity are 7.895p day and 5.212p night.</i></li> <li>• <i>Electricity consumption at the Hertford Theatre will vary significantly both seasonally and across the day. The Castle Weir hydro will generate electricity continuously (subject to river levels). At off-peak times the hydro may well generate more electricity than Hertford Theatre can use, and this will be fed</i></li> </ul>

	<p><i>into the Grid for which an additional payment of 3.1p per unit will be received, although this has been excluded from the tariff calculations. On average, it will deliver approximately 30% of the annual electricity demand of Hertford Theatre based on recent usage.</i></p> <ul style="list-style-type: none"> <li>• <i>The annual value of electricity produced by the turbine would be approximately <b>£24,600</b>, dependant on negotiation with the utility company partner through whom tariff payments are accessed, with <u>possibly</u> an additional £1200 including any export tariff payment. Note this additional payment has been <u>excluded</u> from the payback assumptions below.</i></li> <li>• <i>Total value of tariff plus estimated electricity saved over 20 years is <b>£492,000</b></i></li> <li>• <i>Annual maintenance is currently estimated at £800, although this will be funded from existing budgets, as trash screen cleaning is already carried out at the site.</i></li> <li>• <i>Capital costs of the turbine and plant are now estimated at £184,000 (including £15,000 contingency) due to the enhanced specification. In addition an estimated £27,000 to £35,000 is required for civil works namely the plant house and associated infrastructure giving an estimated total capital cost of £211,000 to £219,000. This equates to an approximate payback of 8.6 to 8.9 years using simple payback <u>excluding</u> any potential benefit from the export tariff.</i></li> <li>• <i>Other project costs include £320 for Environment Agency Licences plus local newspaper advertising, £2500 EA Flood Risk Modelling and costs of the initial planning application. Licences may need to be renewed after 12 years, but officers intend to seek life time consent as a matter of course. A provision for these is <u>included</u> in the capital costs shown</i></li> <li>• <i>Sensitivity Analysis</i></li> </ul>
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	<p><i>The table below details the impact upon the payback period in the event of a 10%, or 20% variation in costs in either direction.</i></p>			
	0%	-10%	+10%	+20%
<i>Basic Construction Works</i>	£211,000 8.6 yrs	£189,900 7.7 yrs	£232,100 9.4yrs	£253,200 10.2yrs
<i>Enhanced</i>	£219,000 8.9yrs	£197,100 8.0yrs	£240,900 9.7yrs	£262,800 10.6yrs
	<ul style="list-style-type: none"> <li><i>A more detailed Net Present Value calculation (Essential Reference Paper 'C' refers) indicates a base case payback which includes additional maintenance, after year 9, and a worst case extreme scenario, which includes a 50% reduction in feed in payments, of 13 years. Note if energy prices continue to rise, as would seem likely then clearly the value of electricity generated by the turbine and which is used to offset grid electricity will assist with reducing the payback period.</i></li> </ul>			
Human Resources	None			
Risk Management:	No specific implications			

## ESSENTIAL REFERENCE PAPER 'B'

### Summary of Financial Implications and Payback Period

#### Capital

Cost of scheme (including £15,000 contingency)	£211,000
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#### Revenue

Income from Feed In Tariff (Note the tariff will be <u>adjusted for RPI annually</u> )	£17,800
Electricity Generated and offset	£6,800
Total Annual Income	<u>£24,600</u>

#### Payback Period

**8.6 years**

Additional income generated after full payback over the 20 year tariff period = £280,500

## **ESSENTIAL REFERENCE PAPER 'C1'**

### **Hertford Theatre Hydro Electricity Scheme NPV and sensitivity analysis**

#### **Base Case**

The base case uses current prices for all costs and income assuming that future maintenance costs and income from feed in tariff and electricity increase in line with inflation at an assumed 2.5%.

Existing projects have incurred virtually nil maintenance costs in the first 5 years. However, the analysis below assumes some level of maintenance at 10 year intervals.

NPV turns positive at the start of year 10 and returns £150k over a 25 year period.

#### **Scenarios considered for sensitivity testing**

The following illustrates the implications of some extreme if unlikely variances. Less extreme variances would produce outcomes some where between the base case and the illustrative case.

1. The first scenario considers the implications should the capacity to generate electricity be 20% below forecast.

NPV turns positive mid way through year 13 and returns £84k over 25 years.

2. The second scenario considers the implications of electricity prices increasing at a constant 3% in real terms.

NPV turns positive in the latter half of year 8 and returns £282k over 25 years.

3. The third scenario considers the implications of a world wide depression such that feed in tariffs were renegotiated or a 50% reduction in value imposed contrary to contract. This change to take effect from year 4.

NPV turns positive in the latter half of year 13 and a return of £66k is

made over 25 year.

4. The fourth scenario considers more significant maintenance escalating at 5 yearly intervals and equivalent to 50% of the capital costs over the 25 years. NPV turns positive in year 10 and returns £95k over 25 years.

In these circumstances a 20% cost over run on capital would defer to year 13 the time to reach a positive NPV.

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Hertford Theatre Hydro electricity scheme

Base Case (all current prices)

Year	NPV factor		Expenditure		Income		NPV Total	Net NPV	Cumulative NPV
			Cash	NPV	Feed in	Electricity			
0	1.000	Capital cost	-211000	-211000	17800	6800	24600	-186400	-186400
1	0.966	Maintenance	-100	-97	17800	6800	23768	23671	-162729
2	0.934	Maintenance	-100	-93	17800	6800	22964	22871	-139857
3	0.902	Maintenance	-100	-90	17800	6800	22188	22098	-117760
4	0.871	Maintenance	-100	-87	17800	6800	21437	21350	-96410
5	0.842	Maintenance	-100	-84	17800	6800	20713	20628	-75781
6	0.814	Maintenance	-100	-81	17800	6800	20012	19931	-55850
7	0.786	Maintenance	-100	-79	17800	6800	19335	19257	-36594
8	0.759	Maintenance	-100	-76	17800	6800	18682	18606	-17988
9	0.734	Maintenance	-100	-73	17800	6800	18050	17976	-12
10	0.709	Maintenance	-100	-71	17800	6800	17439	17369	17357
11	0.685	Maintenance	-5000	-3425	17800	6800	16850	13425	30782
12	0.662	Maintenance	-100	-66	17800	6800	16280	16214	46995
13	0.639	Maintenance	-100	-64	17800	6800	15729	15665	62661
14	0.618	Maintenance	-100	-62	17800	6800	15197	15136	77797
15	0.597	Maintenance	-100	-60	17800	6800	14684	14624	92420
16	0.577	Maintenance	-100	-58	17800	6800	14187	14129	106550
17	0.557	Maintenance	-100	-56	17800	6800	13707	13651	120201
18	0.538	Maintenance	-100	-54	17800	6800	13244	13190	133391
19	0.520	Maintenance	-100	-52		6800	3537	3485	136876
20	0.503	Maintenance	-100	-50		6800	3417	3367	140243
21	0.486	Maintenance	-5000	-2428		6800	3302	874	141117
22	0.469	Maintenance	-100	-47		6800	3190	3143	144261
23	0.453	Maintenance	-100	-45		6800	3082	3037	147298
24	0.438	Maintenance	-100	-44		6800	2978	2934	150232

Sensitivity Analysis

**Scenario**

There is a 20% shortfall in generating capacity below existing estimate

0	1.000	Capital cost	-211000	-211000	14240	5440	19680	-191320	-191320
1	0.966	Maintenance	-100	-97	14240	5440	19014	18918	-172402
2	0.934	Maintenance	-100	-93	14240	5440	18371	18278	-154124
3	0.902	Maintenance	-100	-90	14240	5440	17750	17660	-136464
4	0.871	Maintenance	-100	-87	14240	5440	17150	17063	-119401
5	0.842	Maintenance	-100	-84	14240	5440	16570	16486	-102915
6	0.814	Maintenance	-100	-81	14240	5440	16010	15928	-86987
7	0.786	Maintenance	-100	-79	14240	5440	15468	15390	-71597
8	0.759	Maintenance	-100	-76	14240	5440	14945	14869	-56728
9	0.734	Maintenance	-100	-73	14240	5440	14440	14366	-42361
10	0.709	Maintenance	-100	-71	14240	5440	13952	13881	-28481
11	0.685	Maintenance	-5000	-3425	14240	5440	13480	10055	-18426
12	0.662	Maintenance	-100	-66	14240	5440	13024	12958	-5468
13	0.639	Maintenance	-100	-64	14240	5440	12583	12520	7051
14	0.618	Maintenance	-100	-62	14240	5440	12158	12096	19148
15	0.597	Maintenance	-100	-60	14240	5440	11747	11687	30835
16	0.577	Maintenance	-100	-58	14240	5440	11350	11292	42127
17	0.557	Maintenance	-100	-56	14240	5440	10966	10910	53037
18	0.538	Maintenance	-100	-54	14240	5440	10595	10541	63578
19	0.520	Maintenance	-100	-52	14240	5440	10237	10185	73762
20	0.503	Maintenance	-100	-50		5440	2734	2684	76446
21	0.486	Maintenance	-5000	-2428		5440	2642	214	76660
22	0.469	Maintenance	-100	-47		5440	2552	2505	79165
23	0.453	Maintenance	-100	-45		5440	2466	2421	81586
24	0.438	Maintenance	-100	-44		5440	2382	2339	83924

**Scenario**

Electricity prices escalate by 3% above inflation

0	1.000	Capital cost	-211000	-211000	17800	6800	24600	-186400	-186400
1	0.966	Maintenance	-100	-97	18334	7004	24481	24385	-162015
2	0.934	Maintenance	-100	-93	18884	7214	24363	24270	-137746
3	0.902	Maintenance	-100	-90	19451	7431	24245	24155	-113591
4	0.871	Maintenance	-100	-87	20034	7653	24128	24041	-89550
5	0.842	Maintenance	-100	-84	20635	7883	24012	23927	-65623
6	0.814	Maintenance	-100	-81	21254	8120	23896	23814	-41809
7	0.786	Maintenance	-100	-79	21892	8363	23780	23701	-18107
8	0.759	Maintenance	-100	-76	22549	8614	23665	23589	5482
9	0.734	Maintenance	-100	-73	23225	8872	23551	23477	28960
10	0.709	Maintenance	-100	-71	23922	9139	23437	23366	52326
11	0.685	Maintenance	-5000	-3425	24639	9413	23324	19899	72225
12	0.662	Maintenance	-100	-66	25379	9695	23211	23145	95370
13	0.639	Maintenance	-100	-64	26140	9986	23099	23035	118405
14	0.618	Maintenance	-100	-62	26924	10286	22987	22926	141331
15	0.597	Maintenance	-100	-60	27732	10594	22876	22817	164148
16	0.577	Maintenance	-100	-58	28564	10912	22766	22708	186856
17	0.557	Maintenance	-100	-56	29421	11239	22656	22600	209456
18	0.538	Maintenance	-100	-54	30303	11577	22546	22493	231949
19	0.520	Maintenance	-100	-52	31212	11924	22438	22386	254334
20	0.503	Maintenance	-100	-50		12282	6172	6122	260456
21	0.486	Maintenance	-5000	-2428		12650	6142	3715	264171
22	0.469	Maintenance	-100	-47		13030	6113	6066	270237
23	0.453	Maintenance	-100	-45		13420	6083	6038	276275
24	0.438	Maintenance	-100	-44		13823	6054	6010	282285

**Scenario**

The electricity company negotiates/imposes a 50% reduction in the feed in tariff arising from fall in world demand from world wide depression taking effect from year 4

0	1.000	Capital cost	-211000	-211000	17800	6800	24600	-186400	-186400
1	0.966	Maintenance	-100	-97	17800	6800	23768	23671	-162729
2	0.934	Maintenance	-100	-93	17800	6800	22964	22871	-139857
3	0.902	Maintenance	-100	-90	17800	6800	22188	22098	-117760
4	0.871	Maintenance	-100	-87	17800	6800	21437	21350	-96410
5	0.842	Maintenance	-100	-84	8900	6800	13219	13135	-83275
6	0.814	Maintenance	-100	-81	8900	6800	12772	12691	-70584
7	0.786	Maintenance	-100	-79	8900	6800	12340	12261	-58323
8	0.759	Maintenance	-100	-76	8900	6800	11923	11847	-46476
9	0.734	Maintenance	-100	-73	8900	6800	11520	11446	-35030
10	0.709	Maintenance	-100	-71	8900	6800	11130	11059	-23971
11	0.685	Maintenance	-5000	-3425	8900	6800	10754	7329	-16642
12	0.662	Maintenance	-100	-66	8900	6800	10390	10324	-6318
13	0.639	Maintenance	-100	-64	8900	6800	10039	9975	3657
14	0.618	Maintenance	-100	-62	8900	6800	9699	9637	13294
15	0.597	Maintenance	-100	-60	8900	6800	9371	9311	22606
16	0.577	Maintenance	-100	-58	8900	6800	9054	8997	31602
17	0.557	Maintenance	-100	-56	8900	6800	8748	8692	40295
18	0.538	Maintenance	-100	-54	8900	6800	8452	8398	48693
19	0.520	Maintenance	-100	-52		6800	3537	3485	52178
20	0.503	Maintenance	-100	-50		6800	3417	3367	55545
21	0.486	Maintenance	-5000	-2428		6800	3302	874	56419
22	0.469	Maintenance	-100	-47		6800	3190	3143	59563
23	0.453	Maintenance	-100	-45		6800	3082	3037	62600
24	0.438	Maintenance	-100	-44		6800	2978	2934	65534

**Scenario**

There is more significant maintenance required than forecast occurring at 5 yearly intervals

0	1.000	Capital cost	-211000	-211000	17800	6800	24600	-186400	-186400
1	0.966	Maintenance	-100	-97	17800	6800	23768	23671	-162729
2	0.934	Maintenance	-100	-93	17800	6800	22964	22871	-139857
3	0.902	Maintenance	-100	-90	17800	6800	22188	22098	-117760
4	0.871	Maintenance	-100	-87	17800	6800	21437	21350	-96410
5	0.842	Maintenance	-100	-84	17800	6800	20713	20628	-75781
6	0.814	Maintenance	-10000	-8135	17800	6800	20012	11877	-63904
7	0.786	Maintenance	-100	-79	17800	6800	19335	19257	-44647
8	0.759	Maintenance	-100	-76	17800	6800	18682	18606	-26042
9	0.734	Maintenance	-100	-73	17800	6800	18050	17976	-8065
10	0.709	Maintenance	-100	-71	17800	6800	17439	17369	9303
11	0.685	Maintenance	-20000	-13699	17800	6800	16850	3151	12454
12	0.662	Maintenance	-100	-66	17800	6800	16280	16214	28668
13	0.639	Maintenance	-100	-64	17800	6800	15729	15665	44333
14	0.618	Maintenance	-100	-62	17800	6800	15197	15136	59469
15	0.597	Maintenance	-100	-60	17800	6800	14684	14624	74092
16	0.577	Maintenance	-30000	-17301	17800	6800	14187	-3114	70978
17	0.557	Maintenance	-100	-56	17800	6800	13707	13651	84630
18	0.538	Maintenance	-100	-54	17800	6800	13244	13190	97820
19	0.520	Maintenance	-100	-52		6800	3537	3485	101305
20	0.503	Maintenance	-100	-50		6800	3417	3367	104672
21	0.486	Maintenance	-45000	-21851		6800	3302	-18549	86123
22	0.469	Maintenance	-100	-47		6800	3190	3143	89266
23	0.453	Maintenance	-100	-45		6800	3082	3037	92303
24	0.438	Maintenance	-100	-44		6800	2978	2934	95238

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## EAST HERTS COUNCIL

EXECUTIVE – 10 JANUARY 2012

### REPORT BY EXECUTIVE MEMBER FOR HEALTH HOUSING AND COMMUNITY SUPPORT

#### COMMUNITY GRANTS – AMENDED POLICY

WARD(S) AFFECTED: ALL

#### Purpose/Summary of Report

- To recommend amendments to the community grants policy

<b><u>RECOMMENDATION FOR EXECUTIVE:</u> that</b>	
<b>(A)</b>	<b>the simplification of the grant “pots” and the recommended amendments to the community grants policy, as set out in Section 2 of the report submitted, be approved.</b>

#### 1.0 Background

- 1.1 A report on the community grants process was submitted to Community Scrutiny on 22 November 2011 so that Members could look at the range of grant “pots” and consider how they might be refocused to better achieve the Council’s corporate priorities.
- 1.2 Following initial discussion at the Community Scrutiny meeting, it was decided that a smaller working/advisory group would discuss Community Grants in more detail with a view to presenting the full committee in February 2012 with options for ‘repackaging’ the existing funding pots – especially in light of community interest in the Olympics and Queen’s Jubilee celebrations in 2012.
- 1.3 The advisory/working group convened on the 2 December and discussed the timescale required to amend the

community grants policy so that projects celebrating the Olympics (Ready4Winners) and Queen's Jubilee could be eligible for a Council grant.

- 1.4 To allow the maximum time possible for marketing and promoting new criteria, it was agreed that members of Community Scrutiny would be sent minutes of the advisory/working group meeting and asked to consider them in lieu of a formal community report. This would allow the report to be presented to the Executive at the earliest opportunity in the new year and not wait until after the next full scrutiny meeting (28 February 2012).
- 1.5 Any feedback received on the recommendations were to be submitted to the Committee Chairman (Councillor Graham McAndrew) by 14 December 2011.
- 1.6 Information about current criteria and priorities for community grants – as well as information on organisations recently allocated a grant – can be found online at <http://www.eastherts.gov/index.jsp?articleid=10144>

## 2.0 Report

- 2.1 The section below summarises the advisory/working group's recommendations, which – if agreed – will be implemented from April 2012:
  - 2.1.1 To add the theme of Olympics 2012 (Ready4Winners) and the Queen's Jubilee to the list of projects eligible for funding.
  - 2.1.2 To merge the current strands of capital funding into one General Capital pot. Funding criteria to cover the same areas as currently, e.g. buildings, equipment, green space improvements, village hall competition.
  - 2.1.3 To create a simpler application and less rigorous assessment procedure for small revenue and capital grants under £2,000. It was agreed not to delegate the final signing off to an Officer panel.



- 2.1.4 To introduce a quarterly Review Panel (comprising of Director, Head of Service, Grants Officer and Executive Member) which would review previously funded projects and sign off on new applications.
  - 2.1.5 To retain the current scoring process for applications over £2,000 on an indicative level rather than a pass/fail test. An Officer Panel will continue to assess applications and make recommendations for funding.
  - 2.1.6 To submit a report on the dispersal of grants under the amended policy twice yearly to Community Scrutiny. It is planned to continue to inform all Members of grant allocations through the weekly Members Information Bulletin, but the reports to Scrutiny will allow for more detailed review and analysis.
- 2.2 Members will be aware that the community grants budget will be subject to further constraints agreed by the Medium Term Financial Plan (MTFP). A summary of the simplified funding streams (pots) follows in **Essential Reference Paper B**.
- 2.3 Members are asked to agree this simplification of the grant “pots” and approve the recommended amendments to the Community Grants policy.
- 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

“Update on Community Grants,” 22 November 2011, submitted to Community Scrutiny.

Minutes of Grants Working Group, 2 December 2011.

Available online at [www.eastherts.gov.uk](http://www.eastherts.gov.uk)

Hard copies can be made available for Members on request from the Community Projects Team.

Contact Member: Councillor Linda Haysey, Executive Member for Health, Housing and Community Support

Contact Officer: Will O'Neill, Head of Cultural and Community Services, ext 1594

Report Author: Claire Pullen, Community Planning and Partnerships Manager, ext 1459

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>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>
<p>Consultation:</p>	<p>Various discussions with other officers administering grant scheme</p>
<p>Legal:</p>	<p>None</p>
<p>Financial:</p>	<p>No new budgets</p>
<p>Human Resource:</p>	<p>None</p>
<p>Risk Management:</p>	<p>None</p>

## ESSENTIAL REFERENCE PAPER 'B'

### AMENDED EAST HERTS COMMUNITY GRANT "POTS"

#### CAPITAL GRANTS SCHEME

<b>New Scheme Name</b>	<b>Incorporates the following "pots"</b>	<b>What is funded</b>
<p>Large Capital Grants (£2,000 or more)</p> <p>(Budget is £120,000 in 2011/2012)</p>	<p>Community Capital Grants Scheme</p> <p>Partnership Investment Fund</p> <p>East Herts Village Hall Challenge</p>	<p>Refurbishment projects of community buildings – kitchen upgrade, disabled toilets, new roof</p> <p>Leverage to pull in external funding for large-scale community building projects</p> <p>Competition for rural village halls to identify "Best Run Village Hall"</p> <p>Large items of equipment such as (but not exclusively):</p> <ul style="list-style-type: none"> <li>• Allotment shed</li> <li>• New boiler</li> <li>• Stage and lighting equipment</li> <li>• Play equipment</li> <li>• Raised vegetable planters</li> <li>• Start up office equipment</li> </ul>
<p>Small Capital Grants (less than £2,000)</p> <p>(Budget is £20,000 in 2011/2012)</p>	<p>Community Planning Grant Scheme</p>	<p>Small items of equipment that improve community assets or services such as (but not exclusively):</p> <ul style="list-style-type: none"> <li>• Path and seating area construction in green space</li> <li>• New wood flooring</li> <li>• Flower boxes</li> <li>• Fencing around allotments or playgrounds</li> <li>• Outdoor lights</li> <li>• Lap tops &amp; IT equipment</li> <li>• Audio visual equipment</li> <li>• Watering systems</li> <li>• Outboard motor for boat</li> <li>• Camping equipment (tents for scouts/guides)</li> </ul>

## REVENUE GRANTS SCHEME

<b>New Scheme Name</b>	<b>Incorporates the following "pots"</b>	<b>What is funded</b>
Small grants  (Total budget is £22,100 in 2011/2012)	Performance to Excellence (Sports and Arts) (£4,100 in 2011/2012)	Special schemes geared to helping 11 to 16 year olds residents achieve sporting and artistic excellence
	Councillor Revenue Grants and Community Revenue Grants (£13,000 in 2011/2012)	Running costs for small community groups and health and social care charities that offer services directly benefitting local people
	Senior Citizen/Disabled Persons Holiday Parties (£5,000 in 2011/2012)	Funding at £1 per person for organisation having parties between Nov and January
	No named pot. Theme to be added to scoring criteria.	Community Celebrations and Queens Jubilee street parties that build social cohesion

The Summer Activities Fund and Arts Development Budget are exempt from the merger of revenue funds as they are commissioning schemes.

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EAST HERTS COUNCIL

EXECUTIVE – 10 JANUARY 2012

MONTHLY CORPORATE HEALTHCHECK – NOVEMBER 2011

REPORT BY THE CHIEF EXECUTIVE

WARD (S) AFFECTED: All

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Purpose/Summary of Report:

- **To set out an exception report on the finance and performance monitoring for East Herts Council for November 2011.**

<b><u>RECOMMENDATION FOR EXECUTIVE:</u></b>	
<b>(A)</b>	<b>The budgetary variances set out in paragraph 2.1 of the report be noted;</b>
<b>(B)</b>	<b>The Executive is requested to recommend to Council that £132,300 of the Town Centre Environmental Enhancements capital budget is re-profiled from 2011/12 into 2012/13.</b>

1.0 Background

1.1 This is the monthly finance and performance monitoring report for the Council.

1.2 Each month the report will contain a breakdown of the following information by each corporate priority where remedial action is needed:

- Salary, Capital and Revenue variance.
- Performance information (based on the performance indicator suite that is reported on a monthly basis) and also the Directorate's position in respect to payment of invoices and sickness absence.




1.3 **Essential Reference Paper 'B'** shows the full set of performance indicators that are reported on a monthly/quarterly basis.  
**Essential Reference Paper 'C'** shows detailed information on salaries.



**Essential Reference Paper 'D'** (to follow) shows detailed information capital programme.

**Essential Reference Paper 'E'** (to follow) shows explanations of variances on the Revenue Budget reported in previous months.

**Essential Reference Paper 'F'** (to follow) shows a Summary of Executive actions made within the financial year.

The codes used in relation to performance indicator monitoring are as follows:

Status	
	This PI is 6% or more off target.
	This PI is 1-5% off target.
	This PI is on target.

Short Term Trends	
	The value of this PI has changed in the short term.
	The value of this PI has not changed in the short term.



## 2.0 Report – Directorate Position

### **REVENUE FINANCIAL SUMMARY**

- 2.1 The financial aspects of this report are based on budgetary information from April 2011 to November 2011.

	Position as at 30.11.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
<b>(1) Promoting prosperity &amp; well being; providing access &amp; opportunities</b>						
Concessionary Fares	19	0	0	0	19	0
Taxi Licensing income	0	0	3	0	0	8
Hillcrest Rental income	33	0	9	0	40	0
Environmental Pollution	59	0	42	0	12	0
Housing Grants	0	13	0	0	0	9
Renovation Grants	20	0	4	0	20	0
Emergency Planning	0	25	2	0	0	20

	Position as at 30.11.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
<b>(2) Fit for purpose</b>						
Turnover	0	355	0	13	0	443
Print/Desk Top Publishing	0	35	0	4	0	53
Hartham Land Sale	50	0	0	0	50	0
Office Moves	0	42	0	4	0	55
Investment Income	0	220	0	30	0	325
Insurance	0	0	0	0	80	0
Corporate Training	29	0	4	0	25	0
IT Licences	0	22	35	0	105	0
Legal Fees income	144	0	144	0	115	0

	Position as at 30.11.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
<b>(3) Pride in East Herts</b>						
Parking Enforcement Cont	101	0	3	0	0	0
Pay and Display machines	0	0	0	0	0	16
Car Parks legal fees	0	5	1	0	0	6
Car Parks advertising	7	0	0	0	0	5
CCTV Contributions	0	7	0	11	0	9
Recycling Materials Handling	26	0	3	0	40	0
Waste Contract (various bud)	0	0	0	0	125	0
Hydro Electric plant	0	6	0	7	0	11
Bulky waste collection income	0	11	0	2	0	11
Waste Contract	200	0	50	0	200	0
Kerbside dry recycling income	0	168	0	14	0	155
Recycling banks maintenance	4	0	1	0	8	0
Textile Banks	0	5	1	0	0	6
Car Park ticket advertising	0	1	0	0	0	2
Elm Road car park income	0	5	0	0	0	5
Trade Waste	3	0	0	1	0	1
Grange Paddocks Security	0	0	0	0	0	1

	Position as at 30.11.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
Kerbside Dry Recycling Exp	0	21	0	2	0	28
Trade Waste sacks Income	0	3	0	0	0	2
Leaf Clearance	0	0	0	0	0	23
Street Cleansing	116	0	17	0	13	0
<b>(4) Shaping now, shaping the future</b>						
New Homes Bonus Grant	415	0	208	0	207	0
Discharge of Conditions	20	0	3	0	17	0
Development Control income	0	77	0	18	0	55
Dev Cont Pre App advice	17	0	2	0	8	0
Local Dev Framework	90	0	45	0	88	0
Planning Appeals	0	60	0	24	0	81

	Position as at 30.11.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
<b>(5) Leading the way, working Together</b>						
Member's Allowances	43	0	11	0	45	0
Audit Fees	95	0	20	0	25	0
<b>TOTAL:</b>	1,491	1,081	608	130	1,242	1,330
<b>Net Projected Variance</b>						88
<b>Supported by supplementary estimates</b>						
Car Park Pay and Display Machines						17
<b>Total Supplementary Estimates</b>						17

- 2.2 Subject to all other budgets being equal, this would result in an overspend of £88k. The Service Estimates report going to Joint Scrutiny Committee on 17 January 2012 shows a favourable variance between the 2011/12 Estimate and 2011/12 Probable of £374k. The Healthcheck report is reporting an adverse position of £325k on Investment Income, which is not included in the Service Estimates. Therefore adjusting for this figure the difference between the Healthcheck Report and the Service Estimates Report is a net £137k of favourable variances not specifically identified in the Healthcheck.
- 2.3 Salary budgets are constantly monitored and **Essential Reference Paper 'C'** shows a projected overspend of £443k.

## **FINANCIAL ANALYSIS AND PERFORMANCE ANALYSIS**

### **Promoting Prosperity and well-being, providing access and opportunities**

#### **Financial analysis**

- 2.4 There are no new financial issues this month regarding this priority.

#### **Performance analysis**

- 2.5 **EHPI129 - Response time to anti social behaviour (ASB) complaints made to East Herts Council.** Performance data was not available during the writing of this report. Performance data will be updated in the December Healthcheck report.

Please refer to **Essential Reference Paper 'B'** for full details.

### **Fit for purpose**

#### **Financial analysis**

- 2.6 There are no new financial issues this month regarding this priority.

#### **Performance analysis**

- 2.7 **EHPI 12c - Total number of sickness absence days per FTE staff in post.** Performance was 'Red' for November. Absence levels did not meet the Council standards due to higher levels of long-term absences for November. Management have taken remedial action.

2.8 The following indicators were 'Green', meaning that the targets were either met or exceeded for November 2011:

- NI 181 - Time taken to process Housing Benefit/Council Tax Benefit new claims and change events.
- EHPI 6.8 - Turnaround of pre NTO PCN challenges.
- EHPI 6.9 – Turnaround of NTO Representations.
- EHPI 8 - % of invoices paid on time.

Please refer to Essential Reference Paper 'B' for full details.

### Pride in East Herts

#### **Financial analysis**

2.9 There are no new financial issues this month regarding this priority.

#### **Performance analysis**

2.10 **NI 191 – Residual household waste per household.** April – November figure is 311 Kg's per household. This is an annual equivalent of 471 Kg's which is slightly over the expected 459.

2.11 **NI 192 - Percentage of household waste sent for reuse, recycling and composting.** April – November is 50.82%, with one small piece of data to come, which the service estimates may lift performance to 50.85%. composting collection levels will fall during the winter so it is anticipated that the outturn will be around 48%.

2.12 The following indicator was 'Green', meaning that the target was either met or exceeded for November 2011:

- EHPI 2.4 – Fly-tips: Removal

Please refer to Essential Reference Paper 'B' for full details.

### Shaping now, shaping the future

#### **Financial analysis**

2.13 There are no new financial issues this month regarding this priority.

#### **Performance analysis**



- 2.14 **NI 157a - Processing of planning applications: Major applications.** Performance was 'Red' for November 2011. Target not achieved - three decisions were made. The two that were beyond the timescale were the wind turbine proposal at Benington (which comprised considerable consultation and review time) and a residential proposal which required the formulation of an associated legal agreement.
- 2.15 **NI 157b - Processing of planning applications: Minor applications.** Performance was 'Amber' for November 2011. Target not achieved. Eight decisions took longer than the target timescale. Of these four were referred to the committee or committee decision was required because the Council had an interest in the application. In the other cases additional time was permitted for consultation and consideration because of the nature of the issues raised by the applications.
- 2.16 **NI 157c - Processing of planning applications: Other applications.** Performance was 'Amber' for November 2011. Performance has improved from previous month but is just below target.
- 2.17 The following indicator was 'Green', meaning that target was either being met or exceeded for November 2011. It is:
- EHPI 2.2(45) – Number of collections missed per 100,000 collections of household waste.

Please refer to [Essential Reference Paper 'B'](#) for full details.

### Leading the way, working together

#### **Financial analysis**

- 2.18 There are no new financial issues this month regarding this priority.

#### **Performance analysis**

- 2.19 There are no performance indicators that are being monitored on a monthly basis for this priority.

### CAPITAL FINANCIAL SUMMARY

- 2.20 The table below sets out expenditure to 30 November 2011 against

the Capital Programme. Members are invited to consider the overall position. **Essential Reference paper D** contains details of the 2011/12 Capital Programme. Comments are provided by the Project Control Officers in respect of individual schemes.

SUMMARY	2011/12 Original Estimate	2011/12 Revised Estimate	2011/12 Actual Commit to date	2011/12 Projected spend	Variance Col 4 - Col 2
	£	£	£	£	£
Promoting Prosperity	2,144,940	2,916,060	1,637,743	2,879,910	(36,150)
Fit for Purpose	1,385,550	2,125,170	1,753,939	2,084,610	(40,560)
Pride in East Herts	2,326,200	1,921,740	539,341	1,562,230	(359,510)
Shaping now	380,500	347,600	25,449	340,500	(7,100)
Leading the Way	0	0	0	0	0
Re-profiling potential Slippage	(750,000)	(750,000)			750,000
<b>TOTAL</b>	<b><u>5,487,190</u></b>	<b><u>6,560,570</u></b>	<b><u>3,956,472</u></b>	<b><u>6,867,250</u></b>	<b><u>306,680</u></b>

2.21 Executive is asked to support a request to re-profile £132,300 of the Town Centre Environmental Enhancements budget from 2011/12 into 2012/13 as no substantial priority projects have been identified with profiles in this financial year.

### 3.0 Implications/Consultation

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

#### Background Papers:

2010/11 Estimates and future targets report, Essential Reference Paper B – For complete list of performance indicators that are being monitored for 2011/12

#### Contact Officer:

#### In terms of performance issues

Lorna Georgiou, Performance and improvement Coordinator – ext 2244

In terms of financial issues

Mick O'Connor, Principal Accountant – ext 2054

In terms of risk issues

Graham Mully, Insurance Officer – ext 2166

Essential Reference Papers

Essential Reference Paper B – Performance Indicator set relating to Executive.

Essential Reference Paper C – Detailed information on salaries

Essential Reference Paper D – Detailed information on capital

Essential Reference Paper E – Explanations of variances on the Revenue Budget reported in previous months.

Essential Reference Paper F - Summary of Executive actions

## ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives:</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>Performance monitoring discussions have taken place between, Chief Executive, Directors and Heads of Service.</p>
<p>Legal:</p>	<p>There are no legal implications.</p>
<p>Financial:</p>	<p>There are no financial implications.</p>
<p>Human Resource:</p>	<p>There are no Human Resource implications.</p>
<p>Risk Management:</p>	<p>There are no Risk implications.</p>

# November Executive Corporate Healthcheck 2011/12



**Traffic Light Red**  
**Description** Fit for purpose, services fit for you




**People Services & Organisational Development**

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 6 <sup>th</sup> December 2011
EHP112c	Total number of sickness absence days per FTE staff in post		0.81 days	0.70 days		Performance off target for November, however management has taken corrective action.	<p>November 2011 result</p>	None

**Traffic Light Red**  
**Description** Shaping now, shaping the future




**Planning and Building Control**

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive
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									<b>meeting on 6<sup>th</sup> December 2011</b>
NI 157a (BV109a)	Processing of planning applications: Major applications		33.00%	69.00%		Target not achieved - three decisions were made. The two that were beyond the timescale were the wind turbine proposal at Benington (which comprised considerable consultation and review time) and a residential proposal which required the formulation of an associated legal agreement.		None	




**Traffic Light Amber**  
**Description** Shaping now, shaping the future

**Planning and Building Control**

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 6 <sup>th</sup> December 2011
NI 157b (BV109b)	Processing of planning applications: Minor applications		76.00%	80.00%		Target not achieved. Eight decisions took longer than the target timescale. Of these four were referred to the committee or committee decision was required because the Council had an interest in the application. In the other cases additional time was permitted for consultation and consideration because of the nature of the issues raised by the applications.		None




**Planning and Building Control**

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 6 <sup>th</sup> December 2011
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NI 157c (BV109c)	Processing of planning applications: Other applications		92.00%	93.00%		Performance improved from previous month but is just below target.	<p>November 2011 result</p> 	None
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**Traffic Light Green**  
**Description** Fit for purpose, services fit for you

**Financial Support Services**




PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 6 <sup>th</sup> December 2011
EHP18	% of invoices paid on time		97.46%	98.00%		Performance for November has taken a dip on previous months to slightly below target.	<p>November 2011 result</p> 	None

**Parking Services**




PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 6 <sup>th</sup> December 2011
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EHPI6.9	Turnaround of NTO Representations		12 days	28 days		This PI remains within target	<p>November 2011 result</p> 	None
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**Parking Services**

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 6 <sup>th</sup> December 2011
EHPI6.8	Turnaround of Pre NTO PCN challenges (10 working days)		13 days	14 days		This PI remains within target	<p>November 2011 result</p> 	None

**Revenues and Benefits Services**

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 6 <sup>th</sup> December 2011
NI 181	Time taken to process Housing Benefit/Council Tax Benefit new claims and change events		9.7 days	10.0 days		Period from 7 November 2011 to 5 December 2011 = 9.71 days, Cumulative position 11.89 days. Case load continuing to rise	<p>November 2011 result</p> 	None



**Traffic Light Green**  
**Description** Pride in East Herts

**Environmental Services**

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 6 <sup>th</sup> December 2011
EHPI2.4 (47)	Fly-tips: removal		0.96	2		Improved performance this month keeps the year to date achievement much better than the target.	<p>November 2011 result</p>	None


**Environment Services**

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 6 <sup>th</sup> December 2011
EHPI2.2 (45)	Waste: missed collections per 100,000 collections of household waste		28.79	50		Best monthly performance since the new contract started.	<p>November 2011 result</p>	None

**Traffic Light Unknown**  
**Description** Promoting prosperity & well being providing access & opportunities

**Licensing and Community Safety**


PI code	Short Name	Status	Current	Current	Short term	Notes	Performance	Action taken during last Executive
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			Value	target	trend		Gauge	meeting on 6 <sup>th</sup> December 2011
EHP1129	Response time to ASB complaints made to EHC.					Data not available during the writing of this report	<b>N/A</b>	None


### Traffic Light Unknown












Description Pride in East Herts

#### Environment Services

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 6 <sup>th</sup> December 2011
NI 191	Residual household waste per household		311			April – November figure is 311 Kg's per household. This is an annual equivalent of 471 Kg's which is slightly over the expected 459.	<b>N/A</b>	None

#### Environment Services

PI code	Short Name	Status	Current Value	Current target	Short term trend	Notes	Performance Gauge	Action taken during last Executive meeting on 6 <sup>th</sup> December 2011
NI 192	Percentage of household waste sent for reuse, recycling and composting		50.82%			April – November is 50.82%, with one small piece of data to come, which the service estimates may lift performance to 50.85%. composting collection levels will fall during the winter so it is anticipated that the outturn will be around 48%.	<b>N/A</b>	None

PI Status		Long Term Trends		Short Term Trends	
	Alert		Improving		Improving
	Warning		No Change		No Change
	OK		Getting Worse		Getting Worse
	Unknown				
	Data Only				



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**SALARIES/AGENCY/APPOINTMENT OF STAFF/RELOCATION**

Essential Reference Pa

	<b>Estimate</b>	<b>Profile to 30.11.11</b>	<b>Actual to 30.11.11</b>	<b>Variance to Profile</b>	<b>Projected outturn</b>	<b>Projected Outturn Variat to Estimate</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Executive / Corp Support	458,430	305,620	330,339	24,719	488,520	30,090
Internal Services	4,086,850	2,724,553	2,941,718	217,165	4,344,590	257,740
Neighbourhood Services	3,706,710	2,451,093	2,476,797	25,704	3,739,750	33,040
Customer & Community	2,586,850	1,724,569	1,831,282	106,713	2,737,640	150,790
<b>Summary</b>	<b>10,838,840</b>	<b>7,205,835</b>	<b>7,580,136</b>	<b>374,301</b>	<b>11,310,500</b>	<b>471,660</b>
Strain Costs (funded)	87,709	0	0	0	87,709	0
Employer's Pension Cost (not charged to services)	456,550	304,367	285,336	-19,031	428,000	-28,550
<b>TOTAL</b>	<b>11,383,099</b>	<b>7,510,202</b>	<b>7,865,472</b>	<b>355,270</b>	<b>11,826,209</b>	<b>443,110</b>

g:P&F/SALARIES HEALTHCHECK

