



**MEETING** : EXECUTIVE  
**VENUE** : COUNCIL CHAMBER, WALLFIELDS, HERTFORD  
**DATE** : TUESDAY 4 FEBRUARY 2014  
**TIME** : 7.00 PM

**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 Strategic Planning and Transport                   |
| Councillor Linda Haysey           | - Executive Member for Health, Housing and Community Support              |
| Councillor Paul Phillips          | - Executive Member for Economic Development                               |
| Councillor Suzanne Rutland-Barsby | - Executive Member for Community & Partnership Liaison                    |
| Councillor Michael Tindale        | - Executive Member for Finance  |

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## DISCLOSABLE PECUNIARY INTERESTS

1. A Member, present at a meeting of the Authority, or any committee, sub-committee, joint committee or joint sub-committee of the Authority, with a Disclosable Pecuniary Interest (DPI) in any matter to be considered or being considered at a meeting:
  - must not participate in any discussion of the matter at the meeting;
  - must not participate in any vote taken on the matter at the meeting;
  - must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
  - if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
  - must leave the room while any discussion or voting takes place.
  
2. A DPI is an interest of a Member or their partner (which means spouse or civil partner, a person with whom they are living as husband or wife, or a person with whom they are living as if they were civil partners) within the descriptions as defined in the Localism Act 2011.
  
3. The Authority may grant a Member dispensation, but only in limited circumstances, to enable him/her to participate and vote on a matter in which they have a DPI.

4. It is a criminal offence to:

- fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register;
- fail to notify the Monitoring Officer, within 28 days, of a DPI that is not on the register that a Member disclosed to a meeting;
- participate in any discussion or vote on a matter in which a Member has a DPI;
- knowingly or recklessly provide information that is false or misleading in notifying the Monitoring Officer of a DPI or in disclosing such interest to a meeting.

(Note: The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.)

## AGENDA

1. Apologies

*To receive apologies for absence.*

2. Leader's Announcements

3. Minutes

*To approve the Minutes of the meeting held on 21 January 2014 (to follow).*

4. Declarations of Interest

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

5. Issues Arising from Scrutiny (Pages 7 - 10)

6. Treasury Management Strategy Statement 2014/15 (Pages 11 - 32)

7. Capital Programme 2013/14 (Revised) to 2016/17 (Pages 33 - 52)

8. Fees and Charges 2014/15 (Pages 53 - 84)

9. Revenue Estimates, Services - 2013/14 Probable, 2014/15 Estimate  
(Pages 85 - 132)

10. Consolidated Budget report 2014/15 and Medium Term Financial Plan  
(Pages 133 - 178)

11. Developing an Investment Strategy (Pages 179 - 188)

12. Hertingfordbury Conservation Area Appraisal and Management Plan  
(Pages 189 - 246)

*Note – Related plans for this item will be circulated separately.*

13. Hertford Theatre Seating Refurbishment (Pages 247 - 256)

14. Monthly Corporate Healthcheck - November/December 2013

*Report to follow.*

15. 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.*

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## EAST HERTS COUNCIL

EXECUTIVE – 4 FEBRUARY 2014

REPORT BY SCRUTINY COMMITTEE CHAIRMEN

ISSUES ARISING FROM SCRUTINY

WARD(S) AFFECTED: All

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

- This report details the comments and recommendations made by the Scrutiny Committees since the last meeting of the Executive and should be read in conjunction with reports of the Executive Members found elsewhere on the agenda.

<b><u>RECOMMENDATION FOR DECISION:</u></b>
<b>(A) That the report be received.</b>

1.0 Background

1.1 Scrutiny meetings have been held recently as follows:

Joint meeting of Scrutiny Committees – 14 January 2014

2.0 Report

2.1 **Capital Programme 2013/14 (Revised) to 2016/17 (Agenda Item 7)**

**Fees and Charges 2014/15 (Agenda Item 8)**

**Revenue Estimates, Services – 2013/14 Probable, 2014/15 Estimate (Agenda Item 9)**

**Consolidated Budget Report 2014/15 and Medium Term Financial Plan (Agenda Item 10)**

The joint meeting of Scrutiny Committees supported the proposals as now submitted.

### 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

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## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATION

Contribution to the Council's Corporate Priorities/ Objectives:	This report seeks to summarise scrutiny activities, which in general terms, support all of the Council's objectives.
Consultation:	This report assists the wider consultation process in reporting issues arising from scrutiny to the Executive.
Legal:	The Constitution provides for issues arising from Scrutiny to be reported to the Executive.
Financial:	None
Human Resource:	None
Risk Management:	None

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## EAST HERTS COUNCIL

AUDIT COMMITTEE - 22 JANUARY 2014

EXECUTIVE - 4 FEBRUARY 2014

REPORT BY EXECUTIVE MEMBER FOR FINANCE

TREASURY MANAGEMENT STRATEGY STATEMENT 2014/15  
AND MINIMUM REVENUE PROVISION POLICY STATEMENT

WARD(S) AFFECTED: ALL

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

- The report sets out the 2014/15 Treasury Strategy Statement and Annual Investment Strategy together with the setting of Prudential Indicators.

<b><u>RECOMMENDATION FOR AUDIT COMMITTEE</u></b>	
<b>(A)</b>	<b>that the Committee considers the 2014/15 Treasury Management Strategy Statement and Annual Investment Strategy and Prudential Indicators and makes comments to the Executive.</b>
<b><u>RECOMMENDATIONS FOR COUNCIL:</u></b>	
<b>(A)</b>	<b>that the 2014/15 Treasury Management Strategy Statement and Annual Investment Strategy and Prudential Indicators for East Herts Council be approved; and</b>
<b>(B)</b>	<b>the Policy on Minimum Revenue Provision (MRP) be approved.</b>

### 1.0 Background

- 1.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested with appropriate counterparties or instruments that are able to provide sufficient liquidity to satisfy the councils appetite for risk.

The second main function of the treasury management service is to fund the Council's capital plans. There is a need to understand the long-term cash flow implications required to fund the Council's Capital spending obligation. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

CIPFA defines treasury management as:

*"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*

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

## 2.0 Report

2.1 The suggested strategy for 2014/15 in respect of the following aspects of the treasury management function is based upon the Treasury officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury advisor. The strategy covers:

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

It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, for the Council to produce a

balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:-

1. increases in interest charges caused by increased borrowing (or reduced interest earnings where capital receipts are used) to finance additional capital expenditure; and

any increases in running costs from new capital projects are limited to a level which is affordable within the projected income of the Council for the foreseeable future.

## 2.2 Treasury Limits for 2013/14 to 2016/17

2.2.1 It is a statutory duty under S.3 of the Local Government Act 2003 and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the “Affordable Borrowing Limit”. In England and Wales the authorised limit represents the legislative limit specified in the Act.

2.2.2 The Council must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax levels is ‘acceptable’.

2.2.3 Whilst termed an “Affordable Borrowing Limit”, the capital plans to be considered for inclusion incorporate financing by both external borrowing and other forms of liability, such as credit arrangements. The Authorised Limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years.

## 2.3 Prudential Indicators for 2013/14 - 2016/17

2.3.1 The following prudential indicators (in table below) are relevant for the purposes of setting an integrated treasury management strategy.

2.3.2. The Council is also required to indicate if it has adopted the CIPFA Code of Practice on Treasury Management. This was adopted in March 2002 by the full Council.

PRUDENTIAL INDICATORS	2012/13	2013/14	2014/15	2015/16	2016/17
EXTRACT FROM BUDGET	£'000	£'000	£'000	£'000	£'000
	Actual	Probable	Estimate	Estimate	Estimate
Capital Expenditure	3,579	5,345	3,265	1,638	1,248
Financed By					
Capital Receipts	1,230	1,506	2,320	500	500
Capital Grants	288	233	200	175	175
Third Party Contributions	94	273	155	51	
Revenue	25	25	25	25	25
Net Financing need for the year	(1,942)	(3,308)	(565)	(887)	(547)
<b>Ratio of financing cost to Net Revenue Stream(%)</b>	(2.27%)	(1.84%)	(0.89%)	(0.05%)	(1.20%)
<b>Net borrowing requirement</b>					
Brought forward 1 April	(58,932)	(60,838)	(57,530)	(56,965)	(56,078)
Carried forward 31 March	(60,838)	(57,530)	(56,965)	(56,078)	(55,531)
In year borrowing requirement	1,906	3,308	565	887	547
reduction in amounts invested					
Capital Financing Requirement as at 31st March	(43,919)	(40,611)	(40,046)	(39,159)	(38,512)
Incremental impact of capital investment decisions increase in council tax *band D() per annum	£0.67	£1.07	£0.65	£0.32	£0.24

<b>TREASURY MANAGEMENT</b>					
Authorised limit for external debt					
Borrowing	14,750	15,600	15,900	16,000	16,000
Other long term liabilities	2,770	2,350	2,000	1,600	1,000
<b>TOTAL</b>	<b>17,520</b>	<b>17,950</b>	<b>17,900</b>	<b>17,600</b>	<b>17,000</b>
Operational boundary for external debt-					
borrowing	10,000	10,000	10,000	10,000	10,000
Other long term liabilities	2,770	2,350	2,000	1,600	1,000
	<b>12,770</b>	<b>12,350</b>	<b>12,000</b>	<b>11,600</b>	<b>11,000</b>
Upper limit for fixed interest rate exposure expressed as either					
Net principal re fixed rate borrowing investments	100%	100%	100%	100%	100%
Investments	98%	98%	98%	98%	98%
<b>Upper limit for variable rate exposure</b>					
Net principal re variable rate exposure	50%	50%	50%	50%	50%
Borrowing					
Investments	95%	95%	95%	95%	95%
Upper Limit for total Principal sums invested for 364 days					
Per Maturity Date	65,000	61,000	60,000	59,000	58,000

<b>Maturity structure of new fixed rate borrowing during 2014/15</b>	<b>upper limit</b>	<b>lower limit</b>
under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%

## 2.4 Current Portfolio Position

2.4.1 The Council's treasury portfolio position at 30.11.13 comprised:

	<b>Principal</b>		<b>Ave Rate</b>	
		£m	£m	%
Fixed rate funding	*PWLB	1.5		8.875
	Market	<u>6.0</u>		8.785
			7.5	8.803
Variable rate funding	*PWLB	Nil		
	Market	<u>Nil</u>		
<b>TOTAL DEBT</b>			<u>7.5</u>	<u>8.803</u>
<b>TOTAL INVESTMENTS</b>			67.2	1.1.%

\* PWLB is public works loans board.

## 2.5 Borrowing Requirement

2.5.1 The borrowing required in 2014/15 is nil as no borrowing is needed to support capital expenditure. A borrowing requirement will continue to arise in the forthcoming years based on expected capital expenditure net of other sources of funding (capital receipts, grants, revenue contributions). However the continued use of investments will negate the need to borrow.

## 2.6 Prospects for Interest Rates

2.6.1 The borrowing and investment strategy is in part determined by the economic environment within which it operates.

2.6.2 The Council has appointed Capita Asset Services as treasury adviser to the Council and part of their service is to assist the Council to formulate a view on interest rates. (Please note that in prior years the company was known as "Sector Treasury Services") The following table gives their view on interest rates.



### 2.6.3 Capita Asset Services View Interest rate forecast – November 2013.

Annual Average %	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)		
		5 year	25 year	50 year
Mar 2014	0.50	2.50	4.40	4.40
Jun 2014	0.50	2.60	4.50	4.50
Sep 2014	0.50	2.70	4.50	4.50
Dec 2014	0.50	2.70	4.60	4.60
Mar 2015	0.50	2.80	4.60	4.70
Jun 2015	0.50	2.80	4.70	4.80
Sep 2015	0.50	2.90	4.80	4.90
Dec 2015	0.50	3.00	4.90	5.00
Mar 2016	0.50	3.10	5.00	5.10
Jun 2016	0.75	3.20	5.10	5.20
Sep 2016	1.00	3.30	5.10	5.20
Dec 2016	1.00	3.40	5.10	5.20
Mar 2017	1.25	3.40	5.10	5.20

Capita Asset Services current interest rate view is that in respect of the Bank Rate:-

- Bank Rate is forecast to remain unchanged at 0.5% before starting to rise from June 2016.
- Growth prospects remain strong looking forward, not only in the UK economy as a whole, but in all three main sectors, services, manufacturing and construction.
- Unlike growth, wage inflation remains relatively flat and continues to significantly lag CPI inflation.
- The Bank of England also issued forward guidance with the Inflation Report which stated that the Bank will not consider raising interest rates until the unemployment rate has fallen to 7% or below.
- Although the UK has lost its AAA rating from Fitch and Moody's, this setback has not resulted in a negative reaction from the market or significantly impacted the UK's cost of borrowing

## 2.7 Economic (Forward View)

This challenging and uncertain economic outlook has several key treasury management implications:

- The Eurozone sovereign debt difficulties provide a clear indication of high counterparty risk. This continues to suggest

the use of higher quality counterparties for shorter time periods;

- Investment returns are likely to remain relatively low during 2014/15 and beyond;
- Borrowing interest rates are still attractive and may remain relatively low for some time. The timing of any borrowing will need to be monitored carefully;
- The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring even higher borrowing costs, which are now looming ever closer, where authorities will not be able to avoid new borrowing to finance new capital expenditure and/or to refinance maturing debt, in the near future;

## 2.8 Borrowing Strategy

2.8.1 It is anticipated that there will be no capital borrowings required during 2014/15. However under the prudential code borrowings are permissible but with a negative Capital Finance Requirement, this would be difficult to justify. The running down of investments also has the benefits of reducing exposure to interest rate and credit risk. This will be continually monitored in conjunction with the treasury advisers.

### 2.8.2 External v. Internal Borrowing

Comparison of gross and net debt positions at year end	2012/13	2013/14	2014/15	20015/16	2016/17
	£'000	£'000	£'000	£'000	£'000
	Actual	Probable outturn	Estimate	Estimate	Estimate
Actual external debt (gross)	7,500	7,500	7,500	7,500	7,500
Cash balances	(67,220)	(67,220)	(60,220)	(60,220)	(60,220)
<b>Net debt</b>	<b>(59,720)</b>	<b>(59,720)</b>	<b>(52,720)</b>	<b>(52,720)</b>	<b>(52,720)</b>

The Council currently has a difference between gross debt and net debt (after deducting cash balances). The positive net debt will decrease as the Capital programme is financed from internal borrowing, or if a change of Policy of external borrowing was introduced. By not borrowing it reduces the credit risk on investments.

## 2.9 Debt Rescheduling

2.9.1 Due to high rates of interest payable on the outstanding £1.5 million PWLB (Public Works Loans Board) loans and the expected low level of the corresponding discount rates for maturities, any potential restructuring or premature repayment of the loans would be very expensive as their repayment would attract heavy premiums (in excess of £1M). The situation is kept under review and if there are any changes, appropriate decisions will be taken.

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

2.9.3 All rescheduling will be reported to the Council, at the earliest meeting following its action.

## 2.10 Annual Investment Strategy

### 2.10.1 **Investment Policy**

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

- (a) the security of capital and
- (b) the liquidity of its investments.
- (c) The Council will also aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

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

2.10.1.3 Investment instruments identified for use in the financial year are shown below under the 'Specified' and 'Non-Specified' Investments categories. Counterparty limits will be set through the Council's Treasury Management Practices. These have been amended in accordance with

the report to Council on the 4 July 2012.

### **Specified Investments**

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

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

	<b>*Minimum 'High' Credit Criteria</b>	<b>Use</b>
Debt Management Agency Deposit Facility	-	In-house
Term deposits - UK government	-	In-house
Term deposits - other LA's ( including police & fire authority's)	-	In-house
Term deposits - banks and building societies**	*Short-term F1 Long-term A, Individual_, Support 1,2,3	In-house and fund managers
Certificates of deposits issued by banks and building societies covered by UK Government guarantee	*Short-term F1 Long-term A, Individual_, Support 1	Fund managers
Certificates of deposits issued by banks	*Short-term F1, Long-term A,	Fund managers

	<b>*Minimum 'High' Credit Criteria</b>	<b>Use</b>
and building societies NOT covered by UK Government guarantee	Individual _, Support 1,2,	
1. Callable deposits	*Short-term F1, Long-term A, Individual _, Support 1,2,3	Fund managers
2. Range trade	*Short-term F1, Long-term AA, Individual _, Support 1,2,3	Fund managers
3. Snowballs	*Short-term F1, Long-term AA, Individual _, Support 1,2,3_	Fund managers
UK Government Gilts	AA	Fund managers
Bonds issued by multilateral development banks	AAA	Fund managers
<b>Collective Investment Schemes structured as Open Ended Investment Companies (OEICs):</b>		
1. Money Market Funds	AAA	Fund managers and In-house
2. Enhanced cash funds	*Short-term F1, Long-term AAA, Individual _,	Fund managers and in-house
3. Short term funds	*Short-term F1, Long-term A, Individual _, Support 1,2,3	Fund managers
4. Bond Funds	*AAA	Fund managers
5. Gilt Funds	*AAA-AA	Fund managers
Bonds issued by a financial institution which is guaranteed by the UK government	*AAA	In-house on a 'buy-and-hold basis. Also for use by fund managers
Sovereign bond issues (ie other than the UK govt)	*AAA	Fund managers
Treasury Bills	AA	Fund Managers . In-house on a buy and hold basis.

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

### **Non-Specified Investments:**

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

	<b>* Minimum Credit Criteria</b>	<b>Use</b>	<b>**Max% of total investments</b>	<b>Max maturity period</b>
Term deposits - other LAs (with maturities in excess of 1 year)		In-house	60%	5 years
Term deposits - banks and building societies (with maturities in excess of 1 year)	*Short-term F1, Long-term A, Individual __, Support 1,2,3	In-house	80%	5 years
Commercial paper issuance by UK banks covered by UK Government guarantee	*Short-term F1, Long-term A, Individual __, Support 1,2,3	Fund managers		5 years
<b>Fixed term deposits with variable rate and variable maturities</b>				
1. Callable deposits	*Short-term F1, Long-term AA, Individual __, Support 1,2,3	Fund managers	80%	5 years
2. Range trade	*Short-term F1, Long-term AA, Individual __, Support 1,2,3	Fund managers	10%	5 years
3. Snowballs	*Short-term F1, Long-term AA, Individual __, Support 1,2,3	Fund managers	10%	2 years
Certificates of deposits issued by banks and building societies with maturities in excess of 1 year	*Short-term F1, Long-term AA, Individual __, Support 1,2,3	Fund Managers	50%	5 years
UK Government Gilts with maturities in excess of 1 year	AA	Fund Managers	100%	10 years
Bonds issued by multilateral development banks with maturities in excess of 1 year	AAA	Fund managers	40%	10 years
Bonds issued by a financial institution which is guaranteed by the UK government with maturities in excess of 1 year	AA	Fund managers	40%	10 years
Sovereign bond issues (ie other than the UK govt) with maturities in excess of 1 year	AAA	Fund managers	50%	10 years

Corporate Bonds : <b>the use of these investments would constitute capital expenditure</b> (bonds other than government bonds)	*AAA	Fund Managers(subject to regulation changes)	10%	5 years
Floating Rate Notes : <b>the use of these investments would constitute capital expenditure unless they are issued by a multi lateral development bank</b> (ie bonds with interest rate that varies in line with the market rate of interest, reset say every 3 months)	*AAA	Fund Managers but not permitted where the investment would constitute capital investment.	10%	5 years
Property fund: <b>the use of these investments would normally constitute capital expenditure</b>		Usable but the position regarding capital expenditure to be clarified before undertaking.	10%	10 years

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

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

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

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

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

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

of counterparties.

Counterparty limits with individual banking groups would not exceed £10m with the exception of those already individually approved (Lloyds £20m and Nat West £20m)

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

### **2.10.1 In-House Funds**

In-house funds are mainly cash flow derived and therefore investments will be made with reference to short term interest rates (ie rates for investments up to 12 months). Current policy has seen the withdrawal of the funds from SWIP which have been redirected into fixed term deposits and recently a money market fund. The Investment board met during the year and will continue to do so to consider the maturing fixed term investments and liquid funds held in the money market fund. This will include assessing the feasibility of using Alternative and Enhanced cash funds. The daily cash flow funds staying with our own bankers.

2.10.2 Interest Rate Outlook: Capita Asset Services is forecasting that Bank Rate will stay flat until September 2016 with the first rise to 0.75%. This will continue until the rate rises to 1.25% in March 2017. It would therefore be prudent to look at the period of investments and their interest rates against this background information. For 2014/15 the Council has assumed investment return of 1.1% on the investments made in house. For the medium term planning process rates of 1.1% (2015-16) 1.4% (2016-17) has been assumed.

For its cash flow generated balances, the Council will seek to utilise its business reserve account or short term notice accounts in order to benefit from the compounding of interest and revisiting investing short-term in money market funds. Where the opportunity is available we will be investing with other locals on a short term basis.

### **2.11 Fund Managers Review and Forecasts**

East Herts Council employ only one fund manager Investec. The Funds from Scottish Widows (SWIP) were withdrawn during 2012/13 and now placed in short term money market funds and fixed term deposits.



**2.11.1 Investec Asset Management**

At 30 November 2013 Investec’s holding on behalf of the Council was £21,921,830.

In the first quarter Investec focussed on the CD market and the floating rate notes and moved into the gilt market in the second quarter. During the second quarter of 2013/14, Investec returned 0.04% net of fees vs the Merrill Lynch 1-3 gilt of 0.11%, an underperformance of 7bps, the return for the period was also below the industry average of 0.10% by 6bps. For the financial year to date, Investec returned -0.10% against the benchmark of -0.26%, an outperformance of 16bps.

2.11.2 This performance is set out below:

	Merrill Lynch 03 yr gilt* benchmark	East Hertfordshire Investec fund net of fees	Variance
Quarter ended 30/06/2013	0.23%	<b>0.13%</b>	(0.10%)
Quarter ended 30/09/2013	0.11%	<b>0.04%</b>	(0.07%)
Half Year 2013-14	0.34%	<b>0.17%</b>	(0.17%)

In view of the weakness in the gilt position during 2013/14 and the associated low level of returns on this fund, we expect a return of 0.2% for the year ending 31/3/14, and 0.75% for 2014/15, 1.25% for 2015/16.

In the second quarter of 2014/15, the Council plan to withdraw £10m from Investec fund to be placed into Property fund while the remaining £10m will continue to be managed by the Fund Manager.

**2.11.3 Investment in Pooled Property Funds**

The Council is currently looking at the use of both Property Fund and also investment in property on a direct basis (Report to the Executive on the 5th November, 2013) This continues to be explored but the aim is to have a balanced investment portfolio across all asset types.

The advantages of investing in a property fund is that it can be a simpler investment route. This is a more diversified form of

investment than an individual purchase of property and would give greater geographic spread and access to assets that the Council could not afford to own through use of its own resources. However, this does not come with the advantages of controlling the type, placement and use of directly managed property that could have additional benefits of place-shaping, service provision or other local benefits.

Property fund would give the Council an exposure to a diversified portfolio of commercial property throughout the UK, without the issues of maintenance, management and repairs that would have if it were to own the property directly.

The property fund investment is anticipated to be at the level of approximately £20m representing 1/3rd of our capital investment sum and is for long term purposes.

They have entry and exit fees (anticipated to be around 0.4%) and are typically viewed as long term investments over 5 years or more. This fund will be invested in accordance with the Council investment priorities which are security of the amount invested, liquidity of the capital invested and optimum yield commensurate with security and liquidity. Any investments within this category will only be considered after obtaining advice from our Treasury Advisor, Capita Asset Services.

#### **2.11.4 Investment Property**

With short term interest rates remaining lower for even longer than anticipated, our investment strategy will typically result in the lengthening of investment periods where cash flow permits. The Council is considering further investment in property in conjunction with Council's property advisors. This will be done by divesting from some of the funds we have with the fund manager as well as funds managed in-house. These are not treasury investments in the context of the strategy but will be capital expenditure. They will be included in the project within the capital expenditure programme. Appropriate governance arrangements will be established to oversee any such acquisition. Separate reporting arrangements are in place.

#### **2.11.6 End of year Investment Report**

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

## Summary of Strategy

- No new borrowings to finance capital expenditure until capital receipts and other funding has been fully applied. This will be continually monitored in conjunction with the Treasury Advisers.
- Any debt rescheduling opportunities will be investigated.
- Fund Manager to trade gilts and Certificate of Deposit, Treasury Bills, Money Market Funds with objective of maximising yields.
- The Investment board will continue to meet and make decisions on maturing deposits and the funds held in money market funds in conjunction with the Council's advisers, taking into account the fragility of banks and volatility of the money markets.
- A 0.70% return has been assumed in 2014/15 for budgetary setting. However this is subject to final review prior to the Council setting its budget.

### 2.12 Minimum Revenue Provision (MRP)

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

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

#### Option 1 – Asset Life Method

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

#### Option 2 – Depreciation Method

Using this approach will require an authority to charge MRP in

accordance with the standard rules for depreciation accounting. As with Option 1 the “MRP Holiday” will be available for assets yet to be brought into service.

2.12.2 Under new regulations the method by which the Council provides for the repayment of its borrowings for capital expenditure incurred before 1<sup>st</sup> April 2008, either of the two methods below can be used:-

#### Method 1 - Regulatory

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

#### Method 2 – Capital Financing Requirement

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

This method will be used by the Council which will result in a nil requirement.

### 3.0 Policy on the use of external service providers

The Council uses Capita Asset Services as its external treasury management advisors.

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

#### 3.1 Role of the Section 151 Officer

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

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

This is incorporated within the Financial Regulation on Treasury Management.

### 3.2 Treasury Management scheme of delegation

- (i) The Council's Audit Committee review reports, and comments are passed on to the Executive.
- (ii) Executive considers any comments from Audit Committee and recommends approval to full Council.
- (iii) Monthly health check monitoring reports are through CMT, then to Executive and then to full Council.
- (iv) Quarterly reports through Audit Committee to Executive.
- (v) Investment board recommends financial investments.
- (vi) Delegation for officers is detailed within the constitution.
- (vii) The training needs for treasury management is periodically reviewed.

### 4.0 Implications/Consultations

- 4.1 Information on corporate issues and consultation associated with this report can be found within Essential Reference Paper 'A' (Page \*)

### Background Papers

None

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

Contact Officer: Adele Taylor, Director of Finance & Support Services, Ext 1401  
Simon Chancellor, Head of Finance & Performance Ext 2050

Report Author: Taiwo Oyetade, Principal Accountant (Interim) Ext 2138

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## ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/Objectives:	<b>Prosperity</b> Improving the economic and social opportunities available to our communities.
Consultation:	The Strategy Statement has been drawn up with reference to information from our Treasury Advisers.
Legal:	There are no legal implications in the report.
Financial:	As set within the report.
Human Resource:	There are no Human Resources implications in the report.
Risk Management:	A prudent (over the planned period) assumption of 1.36% has been used on the sensitive interest receivable rate based on the information and advice available. A variation of 0.25% (either way) would result in a budget variance of some £167,500. If cash flows vary by £1m then the result is a movement of £13,600 per annum.

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## EAST HERTS COUNCIL

### JOINT SCRUTINY COMMITTEE – 14 JANUARY 2014

### EXECUTIVE – 4 FEBRUARY 2014

### REPORT BY EXECUTIVE MEMBER FOR FINANCE

### CAPITAL PROGRAMME 2013/14 (REVISED) TO 2016/17

### WARD(S) AFFECTED: ALL

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

- The report sets out proposals for the Council's Capital Programme for the period 2013/14 (Revised) to 2016/17.

<b><u>RECOMMENDATIONS FOR JOINT MEETING OF SCRUTINY COMMITTEES:</u></b> that	
(A)	<b>The draft Capital Programme 2013/14 (Revised) to 2016/17 be scrutinised; and</b>
(B)	<b>The Executive be advised of any recommendations.</b>
<b><u>RECOMMENDATIONS FOR THE EXECUTIVE:</u></b> that	
(A)	<b>Any comments made by the Joint Meeting of Scrutiny Committees on 14 January 2014 be considered; and</b>
(B)	<b>The new Capital Programme for the period 2013/14 (Revised) to 2016/17 be recommended to Council.</b>

#### 1.0 Background

1.1 The capital programme approved by the Council in February 2013 has subsequently been updated and amended initially by items of slippage and other re-phrasings following the 2012/13 Capital Out-turn position.

1.2 A number of further amendments to the Programme have since been approved through individual reports as well as the Council's monthly Health check process. The most significant being the

additional resources (£2.2m) relating to the changes to the Council's Recycling arrangements (SPARC).

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 2013/14 (Revised) to 2016/17. Lead officers have submitted proposals for new schemes to be included within the Programme. The Council's latest approved Financial Strategy Statement does not place any specific ceiling (for planning purposes) on the future programme for projects to be funded from the Council's available capital resources. The affordability of the Programme, including new schemes, is considered in the context of the Council's MTFP. New projects are supported (in line with Council priorities) where external contributions are anticipated. Investment requirements linked to invest to save schemes continue to be 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 where appropriate. Following the approach adopted in recent 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 £5.335m reflects a reduction of £1.012m compared to the "current approved" position of £6.347m being reported through the Health check report (November position). A number of schemes have been re-profiled into 2014/15 and approved as part of the monthly Health check process.

2.4 With the exception of support for affordable housing existing rolling programmes of work have been presented as continuing up

to 2016/17. 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 (in line with the shared IT service business plan) as well as various environmental initiatives.

From 2015/16 support for affordable housing will be provided through alternative mechanisms including the use of section 106 monies.

- 2.5 The Draft Programme at Essential Reference Paper 'B' includes proposals for some new schemes. These mainly relate to essential works to pools and offices (in line with the Property Maintenance Plan). Additional resources (based on current trends) of £225k per year are proposed from 2015/16 in order to meet the Council's mandatory responsibility for providing Disabled Facility Grants. "Invest to save" schemes are proposed in respect of arrangements for the management of public conveniences at Bell Street, Sawbridgeworth and the provision of a 3G artificial turf pitch at Hartham. Full business cases will be required before programmes of work can proceed. Proposed new schemes total £1.076m and are shown in bold typeface and summarised separately in the Programme for ease of reference.

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.

Members should note that, due to accounting requirements for asset valuations, some 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). 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 42% of the proposed Programme will be funded from available Capital Receipts.

Receipts arising from the 2002 LSVT of the Council's housing stock are currently assumed to continue. Together with receipts

arising from the disposal of surplus assets an estimated £4.826m is anticipated over the duration of the programme.

2.8 From 2015/16 a change in the funding regime is planned in respect of Housing Renovation grant monies. Grants will be paid (via the Department of Health) to a new Integrated County Transformation Fund. Resource assumptions are that a similar level of grant will be passed on to this Council although actual arrangements are still under discussion.

2.9 Third party contributions including S106 monies of £479k are anticipated over the period of the Programme.

2.10 The balance of funding will be through “internal borrowing”.

2.11 Resources

	£000's	£000's
Usable receipts 1 April 2013	0	
Estimated new receipts to 31 march 2017	<u>4,826</u>	4,826
Government grants	783	
Third party contributions	479	
Revenue contribution	<u>100</u>	<u>1,362</u>
Total Estimated Resources		6,188
Capital Programme presented		11,496
Estimated internal borrowing (disinvestment)		5,308

2.12 Members will note that the Programme will require the Council to continue to undertake “internal borrowing” in order to fund the programme. The Council has received advice that it may apply internal borrowing until such time as its 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 Council's Treasury Management Report.

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

None

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## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS:

<p>Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):</p>	<p><b>People</b> This priority focuses on enhancing the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</p> <p><b>Place</b> This priority focuses on the standard of the built environment and our neighbourhoods and ensuring our towns and villages are safe and clean.</p> <p><b>Prosperity</b> This priority focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic and social opportunities.</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. 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>

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**CAPITAL PROGRAMME SUMMARY  
2014/15**

<b>SUMMARY</b>	<b>2013/14 Original Estimate</b>	<b>2013/14 Estimate as @ Nov '13</b>	<b>2013/14 Revised Estimate</b>	<b>2014/15 Original Estimate</b>	<b>2015/16 Original Estimate</b>	<b>2016/17 Original Estimate</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>EXISTING SCHEMES</u></b>						
PEOPLE	2,314,970	1,800,010	1,220,360	1,969,700	661,000	661,000
PLACE	729,510	2,808,790	2,726,710	538,740	224,000	224,000
PROSPERITY	1,647,540	1,737,830	1,387,870	621,120	92,500	92,500
<b>SUB-TOTAL</b>	<b>4,692,020</b>	<b>6,346,630</b>	<b>5,334,940</b>	<b>3,129,560</b>	<b>977,500</b>	<b>977,500</b>
<b>RE-PROFILING POTENTIAL SLIPPAGE (71264/7501)</b>	<b>(250,000)</b>			<b>(250,000)</b>	<b>250,000</b>	
<b>SUB-TOTAL</b>	<b>4,442,020</b>	<b>6,346,630</b>	<b>5,334,940</b>	<b>2,879,560</b>	<b>1,227,500</b>	<b>977,500</b>
<b><u>NEW SCHEMES</u></b>						
PEOPLE	0	0	0	0	330,000	250,000
PLACE	0	0	0	335,400	80,750	20,000
PROSPERITY	0	0	10,000	50,000	0	0
<b>SUB-TOTAL</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>385,400</b>	<b>410,750</b>	<b>270,000</b>
<b>GRAND TOTAL</b>	<b>4,442,020</b>	<b>6,346,630</b>	<b>5,344,940</b>	<b>3,264,960</b>	<b>1,638,250</b>	<b>1,247,500</b>

# CAPITAL PROGRAMME 2014/15

Exp. Code	PEOPLE	Project Control Officer	2013/14 Original Estimate £	2013/14 Estimate as @ Nov '13 £	2013/14 Revised Estimate £	2014/15 Original Estimate £	2015/16 Original Estimate £	2016/17 Original Estimate £
	<b>Leventhorpe Pool *</b>							
72348	- Replacement Gym Equipment	M. Kingsland	0	26,780	26,500	0	0	0
72338	- Renew Air Handling Plant	S. Whinnett	22,800	25,000	0	25,000	0	0
	<b>Hartham</b>							
72339	- Replacement Fire Exit Doors & Frames	S. Whinnett	20,000	20,000	20,000	0	0	0
72340	- Replace Main Pool Circulating Pumps	S. Whinnett	0	16,960	0	16,960	0	0
72341	- Replace Learner Pool Circulating Pumps	S. Whinnett	0	5,000	0	0	0	0
72349	- Pool Hall Air Handling Renewal	S. Whinnett	100,000	100,000	0	100,000	0	0
	<b>Grange Paddocks</b>							
72342	- Replace Calorifiers to Football Pavilion	S. Whinnett	12,000	12,000	11,540	0	0	0
72343	- Renew Pool Calorifiers	S. Whinnett	20,000	20,000	20,000	0	0	0
72344	- Renew Roof Covering To Pool Hall	S. Whinnett	75,000	75,000	75,000	0	0	0
	<b>Fanshawe Pool *</b>							
72345	- Refurbish or Replace Pool Filters	S. Whinnett	0	20,000	0	20,000	0	0
72346	- Replace Pool Circulating Pumps	S. Whinnett	20,000	20,000	0	20,000	0	0
72350	Pool Covers at Hartham & Grange Paddocks	S. Whinnett	59,000	59,000	42,420	0	0	0
72599	Scotts Grotto Renovation	J. Earley	4,700	4,700	4,700	0	0	0

# CAPITAL PROGRAMME 2014/15

Exp. Code	PEOPLE	Project Control Officer	2013/14 Original Estimate £	2013/14 Estimate as @ Nov '13 £	2013/14 Revised Estimate £	2014/15 Original Estimate £	2015/16 Original Estimate £	2016/17 Original Estimate £
<b>Private Sector Improvement Grants</b>								
72602	- Disabled Facilities (Note 1)	S. Winterburn	710,000	690,000	450,000	595,000	355,000	355,000
72605	- Disabled Facilities - Discretionary	S. Winterburn	110,000	89,000	4,990	50,000	60,000	60,000
72606	- Decent Home Grants	S. Winterburn	120,000	116,600	50,000	120,000	120,000	120,000
72604	Energy Grants	S. Winterburn	20,000	20,000	20,000	20,000	20,000	20,000
72685	Future Social Housing Schemes	S. Drinkwater	827,900	7,160	7,160	820,740	0	0
72698	Rental Accommodation in Sawbridgeworth	S. Drinkwater	0	360,840	360,840	0	0	0
71201	Capital Salaries	S. Chancellor	26,000	26,000	26,000	26,000	26,000	26,000
72442	Community Capital Grants	C. Pullen	140,900	64,900	79,850	156,000	80,000	80,000
72582	LSP Capital Grants (Note 2)	W. O'Neill	12,920	7,320	7,320	0	0	0
72578	Drill Hall	W. O'Neill	4,350	4,350	4,640	0	0	0
72545	Presdales - Replace Pavilion	W. O'Neill	9,400	9,400	9,400	0	0	0
<b>TOTAL EXISTING SCHEMES</b>			<b>2,314,970</b>	<b>1,800,010</b>	<b>1,220,360</b>	<b>1,969,700</b>	<b>661,000</b>	<b>661,000</b>
<b>NEW SCHEMES</b>								
<b>SWIMMING POOLS</b>								
72351	Hartham & Grange Paddocks - Resurfacing & Lining	S. Whinnett	0	0	0	0	65,000	0
72352	Hartham - Refurbishment Pool Filters	S. Whinnett	0	0	0	0	0	25,000
72353	Joint Provision Pools - Replacement Air Conditioning to Offices	S. Whinnett	0	0	0	0	15,000	0

# CAPITAL PROGRAMME 2014/15

Exp. Code	PEOPLE	Project Control Officer	2013/14 Original Estimate £	2013/14 Estimate as @ Nov '13 £	2013/14 Revised Estimate £	2014/15 Original Estimate £	2015/16 Original Estimate £	2016/17 Original Estimate £
72354	<b>Leventhorpe Pool - Gym Air Conditioning Replacement &amp; Roof Refurbishment (Note 3)</b>	<b>S. Whinnett</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,000</b>	<b>0</b>
72602	<b>Private Sector Improvement Grants - Disabled Facilities (additional funding)</b>	<b>S. Winterburn</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>225,000</b>	<b>225,000</b>
<b>TOTAL NEW SCHEMES</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>330,000</b>	<b>250,000</b>
<b>GRAND TOTAL</b>			<b>2,314,970</b>	<b>1,800,010</b>	<b>1,220,360</b>	<b>1,969,700</b>	<b>991,000</b>	<b>911,000</b>

## New schemes in bold

- \* Expenditure on Joint Use Pools 40% funding sought from HCC/schools as appropriate.
- Note 1. Government funding of £232,717 in 13/14, assumed funding of £200,000 14/15 and 175,000 in both 15/16 and 16/17.
- Note 2. Expenditure to be funded from PRG
- Note 3. Joint Provision Agreement does not apply to the Gym, EHC is liable for 100% of the costs

## CAPITAL PROGRAMME 2014/15

Exp. Code	PLACE	Project Control Officer	2013/14 Original Estimate £	2013/14 Estimate as @ Nov '13 £	2013/14 Revised Estimate £	2014/15 Original Estimate £	2015/16 Original Estimate £	2016/17 Original Estimate £
	<b>Hertford Theatre:-</b>							
72586	Renew Fire Alarm	S. Whinnett	19,700	19,700	20,400	0	0	0
72579	Remodelling & Refurbishment Works	S. Whinnett	0	0	10	0	0	0
72587	McMullen Gates Refurbishment	S. Whinnett	0	700	700	0	0	0
72594	Renew Boilers	S. Whinnett	0	28,900	28,900	0	0	0
72589	Renew Roof Covering	S. Whinnett	0	5,000	3,170	0	0	0
72703	Audio, lighting & technical equipment	W. O'Neill	0	64,500	64,500	0	0	0
71271	Castle Gardens B/S - Resurface Footpaths	S. Whinnett	30,000	30,000	30,000	0	0	0
71272	Castle Gardens Bungalow - Replace Roof Covering	S. Whinnett	0	2,400	900	0	0	0
74102	Historic Building Grants	K. Steptoe	35,000	50,140	50,140	35,000	35,000	35,000
75165	Containers Replacement Programme	C. Cardoza	100,000	100,000	100,000	100,000	100,000	100,000
75145	Standardise Litter Bins	C. Cardoza	5,500	5,920	5,920	5,500	5,500	5,500
75152	Commercial Waste	C. Cardoza	33,500	33,500	33,500	33,500	33,500	33,500
75167	Provision for containers - ARC for Communal Props	C. Cardoza	0	1,770	1,770	0	0	0
75170	Comingled Recycling Service - Wheeled Bins only	C. Cardoza	0	1,100,000	1,100,000	0	0	0
75171	Comingled Recycling Service - Replacement Vehicles only	C. Cardoza	0	1,100,000	1,056,300	0	0	0
72504	Provision of Play Equipment	C. Cardoza	50,000	50,000	50,000	50,000	50,000	50,000
72506	Art in Parks Project (Note 1)	C. Cardoza	5,000	5,000	5,000	0	0	0

**CAPITAL PROGRAMME 2014/15**

Exp. Code	PLACE	Project Control Officer	2013/14 Original Estimate £	2013/14 Estimate as @ Nov '13 £	2013/14 Revised Estimate £	2014/15 Original Estimate £	2015/16 Original Estimate £	2016/17 Original Estimate £
72585	The Bourne, Ware - Play Area Development Programme (Note 2)	C. Cardoza	40,000	40,000	4,240	40,760	0	0
72507	Pishiobury Park Wetland Habitat Project (Note 3)	C. Cardoza	0	20,000	20,000	0	0	0
72508	Hartham Common-Parks Development Plan Project (Note 4)	C. Cardoza	25,000	0	0	25,000	0	0
75168	Energy Efficiency & Carbon Reduction Measures (Note 5)	C. Cardoza	45,000	0	0	45,000	0	0
72591	Castle Weir Micro Hydro Scheme	C. Cardoza	210,210	4,730	4,730	203,980	0	0
74105	Town Centre Environmental Enhancements	P. Pullin	85,300	96,230	96,230	0	0	0
74106	Heart of B/S - Market Improvement Scheme	P. Pullin	45,300	45,300	45,300	0	0	0
72701	Hartham Art Project (Note 6)	W. O'Neill	0	5,000	5,000	0	0	0
<b>TOTAL EXISTING SCHEMES</b>			<b>729,510</b>	<b>2,808,790</b>	<b>2,726,710</b>	<b>538,740</b>	<b>224,000</b>	<b>224,000</b>
<b>NEW SCHEMES</b>								
<b>72509</b>	<b>Installation of Multi Use Games Area (MUGA) at Gt. Innings, Watton-at-Stone (Note 7)</b>	<b>C. Cardoza</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>80,000</b>	<b>0</b>	<b>0</b>
<b>72510</b>	<b>Boardwalk installation across balancing pond at Southern Country Park, B/S (Note 8)</b>	<b>C. Cardoza</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>80,400</b>	<b>0</b>	<b>0</b>
<b>72511</b>	<b>Installation of play area at Buryfield Recreation Ground, Ware (Note 9)</b>	<b>C. Cardoza</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60,750</b>	<b>0</b>

## CAPITAL PROGRAMME 2014/15

Exp. Code	PLACE	Project Control Officer	2013/14 Original Estimate £	2013/14 Estimate as @ Nov '13 £	2013/14 Revised Estimate £	2014/15 Original Estimate £	2015/16 Original Estimate £	2016/17 Original Estimate £
72512	3G Artificial Turf Pitch development at Hartham Common, Hertford (Note 10)	C. Cardoza	0	0	0	85,000	0	0
72513	Bell Street Public Conveniences modernisation	T. Watkins	0	0	0	70,000	0	0
74102	Historic Building Grants	K. Steptoe	0	0	0	20,000	20,000	20,000
<b>TOTAL NEW SCHEMES</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>335,400</b>	<b>80,750</b>	<b>20,000</b>
<b>GRAND TOTAL</b>			<b>729,510</b>	<b>2,808,790</b>	<b>2,726,710</b>	<b>874,140</b>	<b>304,750</b>	<b>244,000</b>

Note 1. Provision to attract external funding.

Note 2. £5,000 funded from Riversmead Housing Association S106

Note 3. This project will require match funding to maximise the potential of this project and this sum reflects provision for this.

Note 4. Currently working with the Countryside Management Service to lever in external funding

Note 5. Relates to provision for energy efficiency measures following C3W. This is subject to bids for grant funding.

Note 6. Fully funded from Sainsbury's S106 monies

Note 7. Fully funded from S106 monies

Note 8. £70,400 funded from S106 monies

Note 9. £50,750 funded from S106 monies

Note 10. Agreed annual management fee reduction of £17,000 over 8 years

**CAPITAL PROGRAMME 2014/15**

Exp. Code	PROSPERITY	Project Control Officer	2013/14 Original Estimate £	2013/14 Estimate as @ Nov '13 £	2013/14 Revised Estimate £	2014/15 Original Estimate £	2015/16 Original Estimate £	2016/17 Original Estimate £
71374	Network, Servers & Storage Upgrade	D. Frewin	50,000	0	0	0	0	0
71442	Revenues & Benefits Programme	H. Lewis	0	0	18,600	0	0	0
71377	BACS	P. Bowler	2,500	2,500	0	0	0	0
71379	Authentication	P. Bowler	31,000	31,000	31,000	0	0	0
71388	G.I.S.	P. Bowler	2,000	5,470	0	0	0	0
71395	EDM - Corporate	P. Bowler	11,000	16,070	5,000	11,070	0	0
71408	Housing Benefits System	S. Tarran	16,100	16,100	0	0	0	0
71409	Locata	P. Bowler	10,000	10,000	10,000	0	0	0
71414	Hardware Funding (Note 1)	D. Frewin	140,000	0	0	5,000	35,000	35,000
71425	2 Blade Enclosures	D. Frewin	0	24,270	24,270	0	0	0
71426	8 Blade Servers for Workstation Virtualisation	D. Frewin	0	39,050	39,050	0	0	0
71427	12 Blade Servers for Workstation Virtualisation	D. Frewin	0	30,720	30,720	0	0	0
71428	Servers for GCS(X) Network	D. Frewin	0	12,020	12,020	0	0	0
71429	1 New Datacenter core network switches	D. Frewin	0	28,360	28,360	0	0	0
71430	2 storage switch 2 x IL3 switch	D. Frewin	0	16,380	16,380	0	0	0
71431	Establishment of LES & internet links to replace MPLS	D. Frewin	0	50,000	50,000	0	0	0
71432	10TB Tier 1 (SAS Class) Storage	D. Frewin	0	20,940	20,940	0	0	0
71433	20TB Tier 2 (MDL Class) Storage	D. Frewin	0	17,240	17,240	0	0	0
71434	Zero Clients	D. Frewin	0	54,020	54,020	0	0	0



**CAPITAL PROGRAMME 2014/15**

Exp. Code	PROSPERITY	Project Control Officer	2013/14 Original Estimate £	2013/14 Estimate as @ Nov '13 £	2013/14 Revised Estimate £	2014/15 Original Estimate £	2015/16 Original Estimate £	2016/17 Original Estimate £
71415	Applications	P. Bowler	55,000	110,070	0	0	0	0
71443	Civica ICON Upgrade	H. Lewis	0	0	25,770	0	0	0
71444	BACS Software	H. Lewis	0	0	21,980	0	0	0
71435	Proposed Funding for Applications	P. Bowler	0	200,000	112,320	350,000	0	0
71436	Desktop Virtualisation Application Virtualisation Secure Gateway Access	P. Bowler	0	33,000	33,000	0	0	0
71437	Windows Server Licensing	P. Bowler	0	10,000	5,000	5,000	0	0
71416	Merging IT systems - Licensing & Env Health	B. Simmonds	15,000	0	0	15,000	0	0
71418	Mayrise Upgrade	J. Petrie	10,000	30,000	30,000	0	0	0
71420	Integrated DC & BC Systems	K. Steptoe	60,000	60,000	60,000	0	0	0
71422	Shared Services Infrastructure Integration	A. Taylor	50,000	0	0	0	0	0
71438	EH 50% share of technical/project management costs	H. Lewis	0	55,000	55,000	0	0	0
71424	Provisional IT Investment	CMT	500,000	0	0	0	0	0
71439	Service Desk & Utilities	H. Lewis	0	64,000	64,000	0	0	0
71440	Shared service print investment costs 50%	H. Lewis	0	20,500	20,500	0	0	0
71441	Shared service accommodation costs 50%	H. Lewis	0	62,000	62,000	0	0	0
71362	Capital Salaries	S.Chancellor	109,000	109,000	109,000	0	0	0
	<b>Car Parks:-</b>							
75240	Bircherley Green MSCP - Major Refurb. & Repairs	S. Whinnett	66,240	66,240	66,240	0	0	0
75241	Gascoyne Way MSCP - Major Refurb. & Repairs	S. Whinnett	0	8,600	8,600	0	0	0
75268	Northgate End - Resurfacing & Lining	S. Whinnett	50,000	50,000	50,000	0	0	0
75269	Bell Street - Resurfacing & Lining	S. Whinnett	25,000	25,000	25,000	0	0	0
75166	Replace Footbridge Library Car Park, Ware	G. Field	7,200	7,200	5,300	0	0	0
	<b>Council Offices:-</b>							
71274	Replacement of Radiators	S. Whinnett	60,000	60,000	0	60,000	0	0
71269	Wallfields Security Gates & Fencing to Boiler House	S. Whinnett	15,000	15,000	0	15,000	0	0
71273	Wallfields Fire Alarm Upgrade	S. Whinnett	0	0	(770)	0	0	0

**CAPITAL PROGRAMME 2014/15**

Exp. Code	PROSPERITY	Project Control Officer	2013/14 Original Estimate £	2013/14 Estimate as @ Nov '13 £	2013/14 Revised Estimate £	2014/15 Original Estimate £	2015/16 Original Estimate £	2016/17 Original Estimate £
71423	Replacement Condensers to Server Room	S. Whinnett	0	1,000	0	0	0	0
72598	Cricketfield Lane-Resurface Footpath & Retainment Works	S. Whinnett	75,000	75,000	0	75,000	0	0
71275	Wallfields & Charringtons - Server Room Fire Suppression Systems	S. Whinnett	20,000	20,000	20,000	0	0	0
71276	Wallfields - Equality Access & Card Control to Doors	S. Whinnett	40,000	40,000	40,000	0	0	0
71203	Replacement of Chairs & Desks	R. Crow	10,000	11,080	11,080	10,000	10,000	10,000
75157	New Footbridge over the River Stort	A. Osborne	91,020	90,220	90,220	0	0	0
72568	North Drive - reconstruct road & drainage	A. Osborne	15,380	15,380	630	14,750	0	0
75160	River & Watercourse Structures	G. Field	47,500	61,800	61,800	47,500	47,500	47,500
71266	Capital Salaries	S. Chancellor	53,600	53,600	53,600	0	0	0
71251	Automated Telling Machines at Hertford & B/S	N. Sloper	0	0	0	12,800	0	0
72702	Parking Services - Operational Vehicle	N. Sloper	10,000	10,000	0	0	0	0
<b>TOTAL EXISTING SCHEMES</b>			<b>1,647,540</b>	<b>1,737,830</b>	<b>1,387,870</b>	<b>621,120</b>	<b>92,500</b>	<b>92,500</b>
<b>NEW SCHEMES</b>								
<b>OFFICES</b>								
71277	<b>Wallfields - Lift Improvements</b>	<b>S. Whinnett</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,000</b>	<b>0</b>	<b>0</b>
71278	<b>Wallfields - Refurbishment of Windows</b>	<b>S. Whinnett</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,000</b>	<b>0</b>	<b>0</b>
71279	<b>Buntingford Service Centre - Fire Alarm Imp.</b>	<b>S. Whinnett</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IT</b>								
71445	<b>Compliance Software System</b>	<b>S. Whinnett</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>0</b>
<b>TOTAL NEW SCHEMES</b>			<b>0</b>	<b>0</b>	<b>10,000</b>	<b>50,000</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>			<b>1,647,540</b>	<b>1,737,830</b>	<b>1,397,870</b>	<b>671,120</b>	<b>92,500</b>	<b>92,500</b>

**New schemes in bold**

**CAPITAL PROGRAMME 2014/15**

Exp. Code	PROSPERITY	Project Control Officer	2013/14 Original Estimate £	2013/14 Estimate as @ Nov '13 £	2013/14 Revised Estimate £	2014/15 Original Estimate £	2015/16 Original Estimate £	2016/17 Original Estimate £
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Note 1. Funding for future years as follows (as agreed at 23.7.13 Exec):-  
2017/18 - £35,000  
2018/19 - £154,950  
2019/20 - £67,010  
2020/21 - £74,000

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## EAST HERTS COUNCIL

### JOINT MEETING OF SCRUTINY COMMITTEES – 14 JANUARY 2014

### EXECUTIVE – 4 FEBRUARY 2014

### REPORT BY THE EXECUTIVE MEMBER FOR FINANCE

### FEEES AND CHARGES 2014/15

WARD(S) AFFECTED: ALL

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#### **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 2014/15 for a variety of services.

#### **RECOMMENDATIONS FOR JOINT MEETING OF SCRUTINY COMMITTEES:**

<b>(A)</b>	<b>The proposals for increases in fees and charges, as detailed in Essential Reference Paper ‘B’ be scrutinised; and</b>
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<b>(B)</b>	<b>The Executive be advised of any recommendations.</b>
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#### **RECOMMENDATIONS FOR THE EXECUTIVE:**

<b>(A)</b>	<b>Any comments made by the Joint meeting of Scrutiny Committees on the 14 January 2014 be considered; and</b>
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<b>(B)</b>	<b>The increases in fees and charges as detailed in Essential Reference Paper ‘B’ be recommended to Council.</b>
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#### 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 of the increase 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 2014/15 having regard to the principles of the strategy. A proportionate approach having regard to the level of income generated within each service area has also been advocated.
- 2.0 Report
- 2.1 Officers have prepared proposals for increasing fees and charges for 2014/15, 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 increasing car parking pay and display charges are to be brought forward as a separate report to the Executive. It is proposed that residents parking scheme permits and other miscellaneous permits are frozen for 2014/15.
- 2.3 Whilst it is not proposed to increase hostel rents for 2014/15, it is proposed to increase the charges for Bed and Breakfast accommodation by 2.5%.
- 2.4 There are a few changes recommended for Planning and Building Control fees for the 2014/15 year. It is expected that these amendments and increases will generate additional income of £5,000.
- 2.5 There are no proposals to increase Land Charges and Electoral fees in 2014/15 as the current charges reflect the cost of service delivery.
- 2.6 The report proposes to increase Legal fees by 4.8% for 2014/15 generating an additional £2,800.

- 2.7 With regard to Markets and Farmers Markets there is no proposal to increase fees in 2014/15, as an increase could adversely affect our town centres, however it is proposed to increase market licences by 2% generating additional income of around £500.
- 2.8 There is a new charge proposed, electricity fees for market stalls. Potential income that this may generate is currently unknown and will be reviewed for 2015/16.
- 2.9 Room hire rates at Hertford Theatre are to be increased in 2014/15 in line with inflation. The charges have been held since April 2012. It is planned that this two year cycle will be maintained as a way of enabling new hirers to establish themselves and remain competitive.
- 2.10 It is proposed to increase most non – statutory Environmental Health Licences in line with inflation for 2014/15. Some of the Houses in multiple Occupation charges have been increased above inflation, this has been offset by omission of some additional charges and new discount offer for complete applications.
- 2.11 The Licensing, Gambling and Taxi fees and charges will be subject to a full review in January to ensure compliance with new case law. A separate report will be presented with the findings and recommendations from this review. Therefore no proposals will be put forward as part of this report.
- 2.12 Pest control charges are to be increased in line with inflation for 2014/15. It is also proposed to increase concessionary charges for this service from £10 to £15 this could generate additional income of up to £1,000. There is no price increase for wasps due to competitive pressures.
- 2.13 Pest Control are also piloting some new services in 2014/15 detailed in the Appendix, the take up and level of potential income from these is not currently known and will be reviewed for 2015/16.
- 2.14 The report proposes to increase Domestic Paid Loads by an average of 2% for 2014/15. The charges are now designed to set a £10 per item pattern after the initial charge.
- 2.15 Clinical Waste charges have been increased by an average of 1.7% for 2014/15.

2.16 The report proposes that commercial waste charges for 2014/15 are increased by an average of 4%. This should generate additional income of about £21,000, but this is not a net increase. It reflects above inflation increases in disposal costs from the County Council which result from the Government's landfill tax escalator and contract inflation on HCC's disposal contract.

2.17 The table below summarises the assumptions for additional income from fees and charges in the MTFP and the Officer proposals based on 2014/15 expected income levels. It shows that current proposals will generate an additional £37,200 which will result in an unfavourable effect of £800 per annum on the current MTFP income assumptions. However, this is more than offset by the £95,130 increase in the underlying income streams due to changes in volume. The figures below show the income excluding VAT. Any additional expenditure that has generated the requirement to increase income will be shown in other financial reports.

<b>Service</b>	<b>2013/14 Estimate £</b>	<b>2014/15 Estimate (Excluding Officer Proposals) £</b>	<b>MTFP £</b>	<b>Officer Proposals £</b>
Hertford Theatre	125,000	137,000	3,070	3,400
Pest Control	37,100	38,000	850	1,500
Clinical Waste	77,600	93,100	2,090	1,600
Domestic Waste	33,800	31,800	710	600
Commercial Waste	497,600	526,230	11,800	21,000
Env Health Promotions	2,800	3,000	70	-
Licences Env Health	15,750	15,750	350	600
Hackney Carriage	139,600	139,600	3,130	-
Development and Building Control Misc	50,000	60,000	1,120	5,000
Legal Fees	58,400	58,400	1,310	2,800
Land Charges	219,000	247,000	5,540	-
Markets	132,950	134,850	3,020	500
Farmers Markets	7,450	7,450	170	-
Hostels	120,000	120,000	2,690	-
Bed and Breakfast	7,000	7,000	160	200
Residents Parking	85,350	85,350	1,920	-
<b>Total</b>	<b>1,609,400</b>	<b>1,704,530</b>	<b>38,000</b>	<b>37,200</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 Finance. [michael.tindale@eastherts.gov.uk](mailto:michael.tindale@eastherts.gov.uk)

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## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS:

Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):	<p><b>People</b> This priority focuses on enhancing the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</p> <p><b>Place</b> This priority focuses on the standard of the built environment and our neighbourhoods and ensuring our towns and villages are safe and clean.</p> <p><b>Prosperity</b> This priority focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic and social opportunities.</p>
Consultation:	Directors and Heads of Service.
Legal:	The Council has the power to set the charges described in the report.
Financial:	The 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.

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**EAST HERTFORDSHIRE DISTRICT COUNCIL**

**SCALE OF CHARGES**

**The fees and charges shown overleaf are for 2014/15**

## NEIGHBOURHOOD SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>Environmental Health Licences</b>					
396.00 + vet fees	n/a + VAT	Riding Establishments	per annum	406.00 + vet fees	n/a + VAT
1,909.00 + vet fees	n/a + VAT	Zoos - New Licence	per 4 year registration	1,957.00	n/a + VAT
1,476.00 + vet fees	n/a + VAT	Zoos - Year 6 renewal licence inspection	per 6 years	1,513.00 + vet fees	n/a + VAT
643.00 + vet fees	n/a + VAT	Zoos - Transfer of Licence	per transfer	660.00 + vet fees	n/a + VAT
858.00 + vet fees	n/a + VAT	Zoos - Year 3 interim licence inspection inspection		880.00 + vet fees	n/a + VAT
541.00 + vet fees	n/a + VAT	Dangerous Wild Animals	per annum	555.00 + vet fees	n/a + VAT
234.00 + vet fees	n/a + VAT	Dog breeding establishments	per annum	240.00 + vet fees	n/a + VAT
234.00 + vet fees	n/a + VAT	Animal boarding establishments	per annum	240.00 + vet fees	n/a + VAT
110.00 + vet fees	n/a + VAT	Home boarding establishments	per annum	113.00 + vet fees	n/a + VAT
191.00 + vet fees	n/a + VAT	Pet Shops	per annum	196.00 + vet fees	n/a + VAT
187.00	n/a	Registration for Skin Piercing (Static / Home Business)	per business	192.00	n/a
118.00	n/a	Registration for Skin Piercing (Person)	per person or premises change	121.00	n/a
187.00	n/a	Registration for Peripatetic Skin Piercing ( includes one operator)	per business	192.00	n/a
118.00	n/a	Update to an existing skin piercing registration (Business)	per update	121.00	n/a
55.00	n/a	Street trading Occasional Registered Charity (up to one month)	per month	57.00	n/a
108.00	n/a	Street trading Occasional (up to one month)	per month	111.00	n/a

## NEIGHBOURHOOD SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>Environmental Health Licences (contd)</b>					
313.00	n/a	Street trading Peripatatic (eg ice cream van)	per annum	321.00	n/a
318.00	n/a	Street trading Static (eg burger van)	per annum	326.00	n/a
21.00	n/a	Additional Licence fee for second reminder letter	per letter	22.00	n/a
47.00	n/a	Additional Licence fee for chasing applications after the expiry of current licence	per licence	49.00	n/a
n/a	n/a	Scrap Metal Site Licence - Grant	per licence	246.00	n/a
n/a	n/a	Renewal	per licence	182.70	n/a
n/a	n/a	Variation, Name Change, Change of Site	per change	43.50	n/a
n/a	n/a	Scrap Metal Collectors Licence Grant	per licence	222.50	n/a
n/a	n/a	Renewal	per licence	159.20	n/a
n/a	n/a	Variation, Name Change	per change	43.50	n/a
<b>Training Courses</b>					
65.00	n/a	Level 2 Food Safety Training	per person,per course	65.00	n/a
65.00	n/a	Level 2 Health & Safety Training	per person,per course	65.00	n/a
41.00	n/a	Level 2 Food Safety Refresher Training	per person,per course	41.00	n/a
41.00	n/a	Level 2 Health & Safety Refresher Training	per person,per course	41.00	n/a
620.00	n/a	Level 2 Food Hygiene Training (up to 14 places at customer's premises)	per course	620.00	n/a
380.00	n/a	Level 2 Food Hygiene Refresher Training (up to 14 places at customer's premises)	per course	380.00	n/a
100% of fee paid		Cancellation Fee (less than 10 working days before course)	per person,per course	100% of fee paid	

## NEIGHBOURHOOD SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>Miscellaneous Fees &amp; Charges</b>					
12.00	n/a	Food register	per single entry	13.00	n/a
25.00	n/a	Food register	per category	26.00	n/a
75.00	n/a	Food register	per full copy	77.00	n/a
60.00	n/a	Air quality data enquiries	per hour or part	62.00	n/a
60.00	n/a	Additional Land charge enquiries	per hour or part	62.00	n/a
47.00 + disposal costs	n/a + VAT	Issue of certificate following surrender of food	per hour or part	49.00 + disposal costs	n/a + VAT
47.00	n/a	Food export health certificate	per hour or part	49.00	n/a
36.00	43.20	Replacement 'Scores on Doors' certificate	each	37.00	44.40
47.00	56.40	Replacement of any environmental health licence or registration documents	each	49.00	58.80
47.00	56.40	Statement of fact for civil cases	per hour	49.00	58.80
107.00	128.40	Standards inspection for immigration	per inspection	110.00	132.00
263.00	315.60	Housing Notices	fixed charge	330.00	396.00
36.00	43.20	Letter confirming food premises registration	per letter	37.00	44.40
47.00	56.40	Attendance at Exhumations	per hour (or part)	49.00	58.80



## NEIGHBOURHOOD SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>Private Water Supplies</b>					
322.00	n/a	Risk Assessment (smaller supplies - Regulation 10)	per assessment	331.00	n/a
421.00	n/a	Risk Assessment (larger supplies - Regulation 9)	per assessment	432.00	n/a
108.00	n/a	Risk Assessment (Desktop)	per assessment	111.00	n/a
83.33	100.00	Sampling Visit	per visit	83.33	100.00
+ analysis costs				+ analysis costs	
83.33	100.00	Investigation	per investigation	83.33	100.00
+ analysis costs				+ analysis costs	
100.00	n/a	Granting of Authorisation	per authorisation	100.00	n/a
up to £25	n/a	Analysis Costs (Regulation 10)	per set of samples	up to £25	n/a
up to £100	n/a	Analysis Costs (Check Monitoring)	per set of samples	up to £100	n/a
up to £500	n/a	Analysis Costs (Audit Monitoring)	per set of samples	up to £500	n/a
<b>HMO Licensing Fees</b>					
683.00	n/a	Licence for standard 5 bedroom HMO (initiated by applicant without LA intervention)		785.00	n/a
925.00	n/a	Licence for standard 5 bedroom HMO (initiated by applicant with LA intervention)		1,064.00	n/a
13.00	n/a	Additional bedrooms	each	14.00	n/a
47.00	n/a	Production of drawings		49.00	n/a
24.00	n/a	Resolve application queries on site		-	-
13.00	n/a	Request and checking missing information	per item	-	-
47.00	n/a	Additional costs		-	-
115.00	n/a	Variation of licence		118.00	n/a

## NEIGHBOURHOOD SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>HMO Licensing Fees</b>					
55.00	n/a	Fee reduction for additional HMO's with same applicant / landlord		55.00	n/a
568.00	n/a	Renewal of HMO Licence		653.00	n/a
75.00	n/a	Confirmation of empty home status for VAT reduction		77.00	n/a
<b>Miscellaneous Engineering Fees</b>					
free		Street parties (non-commercial)		free	
25.63	n/a	Sewer Records/Plans	per item	27.00	n/a

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>Misc Building Control and Development Management 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	15.50	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)	77.00	n/a
300.00	n/a	Legal obligation agreements - clause monitoring fee	per obligation issue	310.00	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	77.00	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		515.00	n/a

## NEIGHBOURHOOD SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
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	28.00	n/a
85.00	n/a	Fee for discharge of or compliance with a condition	per request (any number of conditions)	97.00	n/a
4.50	n/a	Retrieval of externally stored microfilmed records	per microfilmed record	4.60	n/a
<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
30.00	n/a	Request for informal confirmation that proposed development comprises 'permitted development'. (Not Lawful Development Certificate)	Initial fee	-	-
-	-		Initial fee	41.60	55.00
-	-		Secondary fee	20.83	25.00
583.33	700.00	<b>Major development proposals</b>	Initial fee	-	-
291.66	350.00		Secondary fee	-	-
-	-	Largescale Major Development Proposals	Initial fee	833.33	1000.00
-	-		Secondary fee	416.67	500.00
-	-	Smallscale Major Development Proposals	Initial fee	600.00	720.00
-	-		Secondary fee	300.00	360.00
333.33	400.00	<b>Minor development proposals</b>	Initial fee	-	-
166.66	200.00		Secondary fee	-	-
-	-	Minor Development (single new or replacement dwellings and other development of less than 50sqm floorspace)	Initial fee	250.00	300.00
-	-		Secondary fee	125.00	150.00
-	-	Minor Development (all other minor development)	Initial fee	341.67	410.00
-	-		Secondary fee	170.83	205.00

## NEIGHBOURHOOD SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>PRE-APPLICATION ADVICE</b>					
<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	87.50	105.00
<b>Other Development</b>					
83.33	100.00		Initial fee	87.5	105.00
41.67	50.00		Secondary fee	43.75	52.50
<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

## NEIGHBOURHOOD SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>HOSTELS</b>					
<b>Hillcrest</b>					
195.00	n/a	Single Room	per week	195.00	n/a
+ service charges				+ service charges	
220.00	n/a	Double Room	per week	220.00	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>					
95.17	n/a	Single person	per week	97.65	n/a
13.60	n/a		per day	13.95	n/a
126.54	n/a	Single person and one child	per week	129.50	n/a
18.08	n/a		per day	18.50	n/a
137.35	n/a	Single person and two children	per week	140.70	n/a
19.62	n/a		per day	20.10	n/a
126.54	n/a	Couple	per week	129.50	n/a
18.08	n/a		per day	18.50	n/a
148.17	n/a	Couple and one child	per week	151.90	n/a
21.17	n/a		per day	21.70	n/a
160.06	n/a	Couple and two children	per week	164.15	n/a
22.87	n/a		per day	23.45	n/a
12.98	n/a	Additional children up to 16	per week	13.30	n/a
1.85	n/a		per day	1.90	n/a

## CUSTOMER & COMMUNITY SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>HIRE CHARGES FOR HERTFORD THEATRE</b>					
<b>WEEKDAYS</b>					
248.00	n/a	<b>Auditorium</b>	am (9am to 1pm)	256.00	n/a
62.00	n/a		am per hour	64.00	n/a
375.00	n/a		pm (1pm to 6pm)	395.00	n/a
77.00	n/a		pm per hour	79.00	n/a
522.00	n/a		Evening (6pm to midnight)	534.00	n/a
87.00	n/a		Evening per hour	89.00	n/a
533.00	n/a		9am-6pm (discounted rate)	551.00	n/a
757.00	n/a		1pm-midnight (discounted rate)	779.00	n/a
955.00	n/a		9am-midnight (discounted rate)	985.00	n/a
84.00	n/a	<b>Studio</b>	am (9am to 1pm)	88.00	n/a
21.00	n/a		am per hour	22.00	n/a
130.00	n/a		pm (1pm to 6pm)	135.00	n/a
26.00	n/a		pm per hour	27.00	n/a
216.00	n/a		Evening (6pm to midnight)	162.00	n/a
36.00	n/a		Evening per hour	37.00	n/a
184.00	n/a		9am-6pm (discounted rate)	193.00	n/a
296.00	n/a		1pm-midnight (discounted rate)	307.00	n/a
360.00	n/a		9am-midnight (discounted rate)	375.00	n/a
84.00	n/a	<b>River Room</b>	am (9am to 1pm)	88.00	n/a
21.00	n/a		am per hour	22.00	n/a
130.00	n/a		pm (1pm to 6pm)	135.00	n/a
26.00	n/a		pm per hour	27.00	n/a
216.00	n/a		Evening (6pm to midnight)	162.00	n/a
36.00	n/a		Evening per hour	37.00	n/a
184.00	n/a		9am-6pm (discounted rate)	193.00	n/a
296.00	n/a		1pm-midnight (discounted rate)	307.00	n/a
360.00	n/a		9am-midnight (discounted rate)	375.00	n/a
124.00	n/a	<b>Foyer</b>	am (9am to 1pm)	88.00	n/a
31.00	n/a		am per hour	22.00	n/a
255.00	n/a		pm (1pm to 6pm)	135.00	n/a
51.00	n/a		pm per hour	27.00	n/a
372.00	n/a		Evening (6pm to midnight)	162.00	n/a
62.00	n/a		Evening per hour	37.00	n/a

## CUSTOMER & COMMUNITY SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>HIRE CHARGES FOR HERTFORD THEATRE</b>					
<b>WEEKENDS AND BANK HOLIDAYS</b>					
308.00	n/a	<b>Auditorium</b>	am (9am to 1pm)	316.00	n/a
77.00	n/a		am per hour	79.00	n/a
435.00	n/a		pm (1pm to 6pm)	445.00	n/a
87.00	n/a		pm per hour	89.00	n/a
738.00	n/a		Evening (6pm to midnight)	750.00	n/a
123.00	n/a		Evening per hour	125.00	n/a
643.00	n/a		9am-6pm (discounted rate)	661.00	n/a
1,023.00	n/a		1pm-midnight (discounted rate)	1,072.00	n/a
1,281.00	n/a		9am-midnight (discounted rate)	1,311.00	n/a
132.00	n/a	<b>Studio</b>	am (9am to 1pm)	136.00	n/a
33.00	n/a		am per hour	34.00	n/a
180.00	n/a		pm (1pm to 6pm)	185.00	n/a
36.00	n/a		pm per hour	37.00	n/a
276.00	n/a		Evening (6pm to midnight)	282.00	n/a
46.00	n/a		Evening per hour	47.00	n/a
282.00	n/a		9am-6pm (discounted rate)	291.00	n/a
406.00	n/a		1pm-midnight (discounted rate)	417.00	n/a
518.00	n/a		9am-midnight (discounted rate)	533.00	n/a
132.00	n/a	<b>River Room</b>	am (9am to 1pm)	136.00	n/a
33.00	n/a		am per hour	34.00	n/a
180.00	n/a		pm (1pm to 6pm)	185.00	n/a
36.00	n/a		pm per hour	37.00	n/a
276.00	n/a		Evening (6pm to midnight)	282.00	n/a
46.00	n/a		Evening per hour	47.00	n/a
282.00	n/a		9am-6pm (discounted rate)	291.00	n/a
406.00	n/a		1pm-midnight (discounted rate)	417.00	n/a
518.00	n/a		9am-midnight (discounted rate)	533.00	n/a
188.00	n/a	<b>Foyer</b>	am (9am to 1pm)	136.00	n/a
47.00	n/a		am per hour	34.00	n/a
310.00	n/a		pm (1pm to 6pm)	185.00	n/a
62.00	n/a		pm per hour	37.00	n/a
432.00	n/a		Evening (6pm to midnight)	282.00	n/a
72.00	n/a		Evening per hour	47.00	n/a
<b>WEEKLY</b>					
5,125.00	n/a	<b>Auditorium</b>	Mon - Sunday (amateur)	5,275.00	n/a
6,400.00	n/a		Mon - Sunday (professional)	6,600.00	n/a
2,050.00	n/a	<b>Studio</b>	Mon - Sunday	2,100.00	n/a
2,050.00	n/a	<b>River Room</b>	Mon - Sunday	2,600.00	n/a



## CUSTOMER & COMMUNITY SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
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>					
125.00	150.00	Concert Grand Piano	per 3 hours	130.00	156.00
62.50	75.00	Piano Tuning		64.50	77.40
37.50	45.00	Electric Piano		38.50	46.20
<b>Projection</b>					
29.17	35.00	LCD Projector & Screen		29.17	35.00
<b>Public Address System</b>					
42.55	51.06	Portable PA Unit		75.00	90.00
30.00	36.00	Lapel Mic		13.33	16.00
30.00	36.00	Hand Radio Mic		15.83	19.00
<b>Cinema Prices</b>					
5.42	6.50	Adults		5.83	7.00
3.75	4.50	Concessions		4.17	5.00

## CUSTOMER & COMMUNITY SERVICES

2013/14		DETAILS	UNIT OF	2014/15	
Exc. VAT £	Inc. VAT 20% £		CHARGE	Exc. VAT £	Inc. VAT 20% £
<b>CAR PARKS</b>					
<b>Off Street Resident Season Ticket</b>					
229.17	275.00	Port Vale		229.17	275.00
1,026.00	1,231.20	Crown Terrace		1,026.00	1,231.20
<b>On Street Resident Season Ticket</b>					
36.00	n/a	1st Permit		36.00	n/a
72.00	n/a	2nd Permit		72.00	n/a
19.00	n/a	Motorcycle permit		19.00	n/a
21.00	n/a	Contractor permit	per week	21.00	n/a
315.00	n/a	Business permit	per annum	315.00	n/a
36.00	n/a	Carers/ Special permits	admin charge (discretionary)	36.00	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
15.00	n/a	Charge for Temporary Dispensation from Parking Restrictions		15.00	n/a
<b>On Street Residents Parking Permits</b>					
55.00	n/a	Folly Island - 2nd Permit		55.00	n/a
<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

## CUSTOMER & COMMUNITY SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>PARKING</b>					
<b>Penalty Charges issued under Regulation 10 of the General Regulations</b>					
<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>Bishop's Stortford market traders' tariff</b>					
3.00	3.60	Link Road	Thurs & Sat	2.32	2.90
3.00	3.60	Northgate End	Thurs & Sat	2.32	2.90
3.00	3.60	Apton Road	Thurs & Sat	2.32	2.90
<b>Old London Road - Hertford</b>					
12.50	15.00	Coach / Lorry tarriff	per visit	12.50	15.00

## CUSTOMER & COMMUNITY SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
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
33.33	40.00	Small dead animal removal	per animal	33.33	40.00
28.33	34.00	Assistance to third party organisations	per hour	28.33	34.00
28.33	34.00	Provision of dog waste bag	per box 5000	28.33	34.00
8.00	9.60	Dog Fouling Sign	per sign	12.50	15.00
** unless first offence and dog is collected the same day					
<b>Allotments</b>					
3.30	n/a	Allotments	(per year) per 25.3m <sup>2</sup>	3.40	n/a
<b>Outdoor Exercise Group Activities *</b>					
1,200.00	n/a	Organisations - per site		1,200.00	n/a
450.00	n/a	Personal Trainers - per trainer		450.00	n/a

\* Charges for personal trainers and organisations are levied to commercial organisations and individuals using EHC owned land for organised group activities where a charge is levied to participants either directly or through a membership scheme. These are ceiling prices and may be reduced at the discretion of the Head of Environmental Services for shorter time periods or where activities are undertaken in partnership with the Council in pursuit of corporate objectives relating to health and well being. These charges do not apply to the Council's own Leisure Services contractor.

## CUSTOMER & COMMUNITY SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>REFUSE COLLECTION</b>					
<b>Commercial Refuse Collection</b>					
71.00	85.20	Paid Collections	medium	72.50	87.00
146.50	175.80	" (Plus HCC disposal costs)	large	150.00	180.00
<b>Mixed Heriditaments</b>					
charged according to the proportion of trade waste collected					
<b>Domestic Refuse Collection</b>					
23.00	n/a	Bulky Waste Collection	1 Item	23.50	n/a
33.50	n/a	"	2 Items	33.50	n/a
43.50	n/a	"	3 Items	44.50	n/a
54.00	n/a	"	4 Items	54.50	n/a
64.00	n/a	Bulky Waste Collection - Load	small	65.00	n/a
92.50	n/a	"	medium	94.50	n/a
138.50	n/a	"	large	141.00	n/a
10.00	n/a	Bulky Collection Cancellation Fee	per collection	10.00	n/a
<b>Commercial Events</b>					
71.75	86.10	Cleansing / Refuse Collection	per hour	73.20	87.84
<b>Cleansing Private Land</b>					
22.55	27.06	Cleansing private land (Performance area - regular schedule)	per linear metre per annum	23.00	27.60
70.73	84.87	Ad - hoc litter picking	per hour	72.15	86.58
<b>Abandoned Vehicles (end of life vehicles) surrendered and removed by LA</b>					
40.00	48.00	Vehicle	per vehicle	40.00	47.00
60.66	72.79	Caravan	per caravan	61.90	71.00
<b>Clinical Waste</b>					
13.66	16.39	Charge per site	per visit (max 26)	13.93	16.72
8.00	9.60	Sharps containers	per container	8.15	9.78
4.80	5.76	Sacks - trade (infectious waste)	per sack	4.90	5.88
0.65	n/a	Sacks - domestic (infectious waste)	per sack	0.66	n/a
2.90	3.48	Sacks - trade (Offensive waste)	per sack	2.95	3.54
0.65	n/a	Sacks - domestic (Offensive waste)	per sack	0.66	n/a
25.00	n/a	Extra Sacks delivery charge	per occasion	25.00	n/a

## CUSTOMER & COMMUNITY SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>REFUSE COLLECTION</b>					
<b>Graffiti Removal</b>					
51.25	n/a	Cleaning graffiti on private land*	per sqm	52.25	n/a
30.75	n/a	Cleaning graffiti - small items (single tag)	per item	31.50	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>					
82.00	n/a	sacks	per 50	85.00	n/a
366.00	n/a	240 litres	per bin p.a.	381.50	n/a
422.00	n/a	340 litres	per bin p.a.	439.00	n/a
716.00	n/a	660 litres	per bin p.a.	746.00	n/a
892.50	n/a	1,100 litres	per bin p.a.	937.00	n/a
<b>Prescribed Waste Collection Service</b>					
48.00	n/a	Sacks	per 50	49.00	n/a
285.00	n/a	240 litres	per bin p.a.	290.50	n/a
304.00	n/a	340 litres	per bin p.a.	309.50	n/a
510.00	n/a	660 litres	per bin p.a.	520.00	n/a
550.00	n/a	1,100 litres	per bin p.a.	562.50	n/a
<b>Prescribed Waste for Educational Establishments</b>					
48.00	n/a	Sacks	per 50	49.00	n/a
259.00	n/a	240 litres	per bin p.a.	263.50	n/a
289.00	n/a	340 litres	per bin p.a.	295.00	n/a
472.00	n/a	660 litres	per bin p.a.	481.00	n/a
510.00	n/a	1,100 litres	per bin p.a.	520.00	n/a
25.00	n/a	Bin removal & re-delivery charge following non-payment	per occasion	25.00	n/a
25.00	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

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>PEST CONTROL</b>					
<b>Commercial Premises</b>					
59.00	70.80	Rats & Mice	per hour or part hour	60.50	72.60
		<b>OR</b>			
		Contract service available	per annum		
48.20	57.84	Wasps	one nest job	49.50	59.40
48.20	57.84	Ants	one nest job	49.50	59.40
16.80	20.16	Additional nests	per add. nest	17.25	20.70
58.60	70.32	Bed Bugs	per hour or part hour	60.00	72.00
58.60	70.32	Fleas	per hour or part hour	60.00	72.00
58.60	70.32	Cockroaches	per hour or part hour	60.00	72.00
58.60	70.32	Squirrels	per hour or part hour	60.00	72.00
58.60	70.32	Cluster Fly Infestation	per hour or part hour	60.00	72.00
58.60	70.32	Visit for Advice ONLY	per hour or part hour	60.00	72.00
-	-	Servicing of electronic fly killers	per annum	price on application	
-	-	Sale of electronic fly killers	per unit	price on application	
-	-	Pigeon / Bird Proofing	per job	price subject to survey	
-	-	Installation of air vent covers, proofing small holes	per job	price subject to survey	
-	-	Installation of bristle strips	per job	price subject to survey	
-	-	Supply and fit insect screens	per job	price subject to survey	
<b>Domestic Premises *</b>					
19.17	23.00	Rats	# call out charge	20.83	25.00
44.58	53.50	Mice	per job	45.83	55.00
41.67	50.00	Wasps	one nest job	41.67	50.00
44.58	53.50	Ants	one nest job	45.83	55.00
16.67	20.00	Additional nests	per add. nest	17.09	20.50
57.50	69.00	Cluster Fly Infestation	one job (up to 3 visits)	58.96	70.75
162.50	195.00	Bed Bugs	one job (up to 3 visits)	166.67	200.00
59.17	71.00	Bed Bugs	additional visits	60.42	72.50
75.00	90.00	Squirrels	per job	77.50	93.00
47.50	57.00	Fleas	per hour	48.75	58.50
47.50	57.00	Cockroaches	per hour	48.75	58.50
19.17	23.00	Visit for Advice ONLY	per half hour	20.83	25.00
59.17	71.00	Return Visit Charge (rats & mice)	per job	60.42	72.50

## CUSTOMER & COMMUNITY SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>PEST CONTROL</b>					
<b>Domestic Premises *</b>					
-	-	Additional charge for a smoke test in drain (rodents)	per occasion	29.17	35.00
-	-	Installation of air vent covers, proofing small holes	per job	price subject to survey	
-	-	Installation of bristle strips	per job	price subject to survey	

\* Concession for residents in receipt of income related benefit - £15 per job, waived in cases of hardship at the discretion of the Head of Environmental Services

# A call out charge of £25 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 £15. 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

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>Markets - Hertford &amp; Bishop's Stortford</b>					
21.80	n/a	Standard pitch 3m x 2.1m (10' x 7')	per pitch	21.80	n/a
		Incentive for above (Bishop's Stortford only)	5 consecutive weeks - 5th week free		
26.00	n/a	Casual Trader pitch 3m x 2.1m (10' x 7')	per pitch	26.00	n/a
1.20	n/a	Additional space	per 0.3m (per sq ft)	1.20	n/a
<b>Markets - Ware</b>					
14.00	n/a	Standard pitch 3m x 2.1m (10' x 7')	per pitch	14.00	n/a
		Incentive for above	5 consecutive weeks - 5th week free		
15.60	n/a	Casual Trader pitch 3m x 2.1m (10' x 7')	per pitch	15.60	n/a
1.20	n/a	Additional space	per 0.3m (per sq ft)	1.20	n/a
10.90	n/a	Charity Stall - Any Market		10.90	n/a
-	-	Electricity Fee Charges	per stall per day	3.00	n/a
<b>Market Licence</b>					
31.50	n/a	Commercial - up to 10 stalls		32.10	n/a
52.50	n/a	Commercial - up to 11 - 30 stalls		53.55	n/a
109.25	n/a	Commercial - up to 31plus stalls		111.45	n/a
22.10	n/a	Charity		22.10	n/a
<b>Farmers Markets</b>					
23.00	n/a	Hertford (own stall)		23.00	n/a
27.00	n/a	Hertford (East Herts stall)		27.00	n/a
1,365.80	n/a	<b>Jackson Square</b>	per quarter	1,475.06	n/a

## CUSTOMER & COMMUNITY SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
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	per hour	24.68	29.62
(if information is held electronically)					
actual cost		Converting to electronic or microfiche		actual cost	
actual cost		Postage		actual cost	
-	-	Subject Access Requests (discretionary)		10.00	n/a
<b>REVENUES</b>					
70.00	n/a	Council Tax penalty for failure to promptly notify or provide information	1st offence	70.00	n/a
280.00	n/a		subsequent offences	280.00	n/a
80.00	n/a	Summons and Liability Order		80.00	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

## FINANCE & SUPPORT SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>LAND CHARGES</b>					
<b>Local Land Charges</b>					
<b>Statutory 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
Various	n/a	Office copy of any plan or other document filed pursuant to the rules	per copy	Various	n/a
<b>Non Statutory Charges</b>					
5.00	n/a	Personal Search inclusive of printout	for print out	5.00	n/a
21.00	n/a	Official search (including issue of official certificate of search) in: the whole of the register	per search	21.00	n/a
5.00	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
<b>Answering form of enquiry</b>					
<b>Part I Enquiries -</b>					
66.00	n/a	One parcel of land - Residential / Commercial	per enquiry	66.00	n/a
20.00	n/a	- Commercial each additional parcel	per enquiry	20.00	n/a

## FINANCE & SUPPORT SERVICES

2013/14		DETAILS	UNIT OF CHARGE	2014/15	
Exc. VAT £	Inc. VAT 20% £			Exc. VAT £	Inc. VAT 20% £
<b>Non Statutory Charges</b>					
<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					
12.00	n/a	numbered in the form 4 - 21	per enquiry	12.00	n/a
20.00	n/a	numbered in the form 22	per enquiry	20.00	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>					
105.00	126.00	Notice of Transfer	per hour	110.00	132.00
105.00	126.00	Deed of Variation	per hour	110.00	132.00
105.00	126.00	Deed of Covenant Copy	per hour	110.00	132.00
105.00	126.00	" Engrossment	per hour	110.00	132.00
105.00	126.00	Postponement of Charge	per hour	110.00	132.00
105.00	126.00	Litigation, Conveyancing and Planning matters	per hour	110.00	132.00
105.00	n/a	Sale of Council Minutes	per civic year	110.00	n/a
Extract of Electoral Register					
20.50 + 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					
20.50 + 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	

## EAST HERTS COUNCIL

### JOINT MEETING OF SCRUTINY COMMITTEES – 14 JANUARY 2014

### EXECUTIVE – 4 FEBRUARY 2014

### REPORT BY THE EXECUTIVE MEMBER FOR FINANCE

### SERVICE ESTIMATES – REVENUE BUDGET REVISED 2013/14 AND ESTIMATES 2014/15

WARD(S) AFFECTED: ALL

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

- The report sets out proposals for the Council's Service estimates for 2013/14 (Revised) and the 2014/15 Estimates.

<b><u>RECOMMENDATIONS FOR JOINT MEETING OF SCRUTINY COMMITTEES:</u></b>	
(A)	<b>The proposals for the Council's Service Estimates be scrutinised; and</b>
(B)	<b>The Executive be advised of any recommendations.</b>
<b><u>RECOMMENDATIONS FOR THE EXECUTIVE: that</u></b>	
(A)	<b>Any comments made by Joint Scrutiny Committee on the 14 January 2014 be considered; and</b>
(B)	<b>The Probable Revenue Estimates for 2013/14 and the draft Revenue Estimates for 2014/15 be recommended to Council.</b>

#### 1.0 Background

1.1 The process and timetable for the preparation and presentation of the Council's Revenue Estimates aims to ensure:

- appropriate consultation with Officers and Members, and
- linkages with the Council's service planning and corporate strategies process.

- 1.2 The Strategy to be adopted in preparing the 2014/15 Estimates was set out by the Executive at its meeting on 3 September 2013.
- 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. The process allows for separate consideration of service enhancements and proposals for efficiency savings which are not included within the base budgets presented within this report. These are set out within the consolidated budget report.

## 2.0 Report

- 2.1 The summarised estimates in respect of all General Fund Services are attached at **Essential Reference Paper B**. The Director of Finance and Support Services and the Accountancy team have been available to advise and support Directors/Heads of Service on the contents of their budgets.

### Price Levels

- 2.3 The Revised Estimates for 2013/14 are based on actual payments to date plus anticipated expenditure to the end of the financial year.
- 2.4 The Estimates for 2014/15 are the projected outturns including anticipated inflation.
- 2.5 The Salary estimates for 2014/15 include the following:
- An assumption for a national pay award of 1%.
  - An assumption that vacancies arising from turnover will produce savings equating to 2% of the total pay bill across virtually all cost centres. The turnover factor for 2013/14 was 3%.
  - Increments and local award as appropriate;
  - The financial impact of any job evaluations, redundancies and restructures.
  - Pensions contributions at a rate of 16.6%.
  - The assumption for Pensions Auto Enrolment, that staff currently not in the council's pension scheme will join under the arrangements coming into force on 1<sup>st</sup> April 2014.
- 2.6 Income Estimates contained in this report do not yet reflect proposed increases in fees and charges, as detailed elsewhere on the Agenda.

## Recharges of Divisional and Support Costs

- 2.7 In line with the strategy and to assist inter year comparisons the estimates presented in this report do not show recharges of Divisional and Support costs.

## Capital Financing Charges

- 2.8 To facilitate year on year comparisons the estimates presented do not include Capital Costs at this stage. These charges, based on the Capital Programme included later on the agenda, are summarised separately at **Essential Reference Paper C.**

## 3 Comments on the Estimates presented

### 3.1 2013/14 Revised Budgets (excluding Capital Financing Costs)

Overall the 2013/14 Revised Estimate for services show a £832,760 favourable variance compared to the Original 2013/14 Estimate as summarised below:

<b>Service</b>	<b>2012/13 Actual</b>	<b>2013/14 Estimate</b>	<b>2013/14 Revised Estimate</b>	<b>Variance – Estimate to Revised. (-) Favourable</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Customer and Community	5,292,064	6,635,630	6,341,510	294,120 (-)
Neighbourhood Services	3,270,065	3,497,800	2,945,880	551,920 (-)
Finance and Support Services	4,395,490	4,419,650	4,432,930	13,280
<b>Total Net Cost of Services</b>	<b>12,957,619</b>	<b>14,553,080</b>	<b>13,720,320</b>	<b>832,760(-)</b>

Note: the Estimate for 2013/14 of £14.553 million includes Council Tax Support (£255k) which was previously accounted for below the 'Net Cost of Services' line to facilitate comparison and the gross revenue cost of implementing SPARC of £686k, partially financed for savings within the Domestic Refuse Collection contract £200K.

3.2 This favourable service position is in line with the Healthcheck financial position for the reporting period to 30 November 2013 of circa £740k (excluding the adverse variance on Investment interest of £150K, this is because the variance will be funded from the Interest Equalisation Reserve, and the balance on the Planning Contingency of £467k) reported later on the agenda.

3.3 The key service variations for 2013/14 are summarised as follows:

3.3.1 An adverse summarised salaries variance of £121k has been identified in preparing the Revised Estimates.

3.3.2 *Customer and Community Services:*

- Welfare Reform – the cost of implementing the new arrangements was lower than anticipated - £97k favourable.
- Refuse Collection Domestic – Reduction in contract cost used to finance the implementation of SPARC - £200k favourable.
- Recycling – the decline in the market price for comingled recycling has reduced recycling receipts - £110k unfavourable. This is offset by locally agreed landfill diversion receipts of £80k (favourable).
- Off Street Parking – reduction in income in line with economic trends- £183k unfavourable.
- Off street Parking – reduced contract price - £99k favourable.
- Parking – Supermarket Reimbursement realigned - £46k favourable.

3.3.3 *Neighbourhood Services:*

- Planning and Building Control –Development Plans Service - Local Development Plan Upkeep reduced costs - £30k favourable.
- Planning and Building Control –Development Control Service – increase in planning income due to significant developments and underlying increased income trend continuing. - favourable income variance of £476k. This is countered by the expectation of increased Planning Appeals. - adverse variance of £160K.
- Community Safety Service increased Income - £38K favourable.
- Housing Options – Additional grant from central government to 2015 - £50K favourable.

3.3.4 *Finance and Support Services:*

- Land Charges income higher than expected due to economic improvement in district - £20K favourable.
- Revenues and Benefits Service – income from Summons Costs Recovery lower than anticipated - £25k unfavourable.



#### 4.0 2014/15 Estimated Budgets excluding Capital Financing Costs

4.1 The 2014/15 Estimate shows a decrease of £639,700 approximately over the 'adjusted' 2013/14 Estimate as summarised below:

Service	2012/13 Actual	2013/14 Estimate	Adjustment for Material One off Items in 2013/14 Estimate	Adjusted 2013/14 Estimate	2014/15 Estimate	Variance – Estimate to Estimate .(-) Favourable
	£	£	£	£	£	£
Customer and Community	5,292,064	6,635,630	830,230 (-)	5,805,400	5,774,780	30,620
Neighbourhood Services	3,270,065	3,497,800	0	3,497,800	3,289,590	208,210
Finance and Support Services	4,395,490	4,419,650	0	4,419,650	3,954,780	464,870
<b>Total Net Cost of Services</b>	<b>12,957,619</b>	<b>14,553,080</b>	<b>830,230</b>	<b>13,722,820</b>	<b>13,019,150</b>	<b>703,670</b>

Note: the Estimate for 2013/14 of £14.553 million includes Council Tax Support which was previously accounted for below the 'Net Cost of Services' line to facilitate comparison.

4.2 The 2013/14 Estimate contained the following One Off budgets in the customer and Community service area:

- Purchase of remaining lease arrangements for Refuse Vehicles - £660,230.
- Welfare Reform - £170,000.

To improve clarity of financial comparison the 2013/14 Estimate has been adjusted by the above sums. A proposed special item for Welfare Reform in 2014/15 of £170k was included in the MTFP approved by Council in February 2013. The budget continues to be included in the updated MTFP reported elsewhere on the agenda.

4.3 One off savings, growth and special items identified in the Medium Term Financial Plan have yet to be built into the 2014/15 estimate reported at paragraph 4.1. Ongoing Base Budget service reductions of

approximately £350K identified as part of the budget challenge process are included.

### Service Estimates

4.4 The following comments aim to provide Members with an insight into the significant underlying movements within the service budgets that support the Estimates presented. Members should note that commentaries exclude the impact of variances to salary budgets which are reported corporately.

#### 4.4.1 *Corporate Salary Costs*

The overall increase in the corporate salaries budget based on the assumptions detailed at paragraph 2.5 have been partially offset by restructures, resulting in a net adverse variance on corporate salaries of £191k approximately.

#### 4.4.2 *Customer and Community Services*

- *Refuse Collection – Domestic* - The budget includes the ongoing full year impact of the reduced cost of the refuse collection contract resulting in a favourable budget variance of £184k.
- *Recycling* – The local agreement for diversion of waste from landfill is estimated to provide additional income of £81k, however the estimate is vulnerable to the performance of all 9 District Council within the scheme. The full year impact of recycling receipts is included in the estimates giving an unfavourable variance of £166k approximately and reflects the reduced market price for comingled materials. Recycling costs under the contract arrangements are estimated to result in a favourable variance of £127k. In view of the extensive advertising for the scheme in 2013/14 the budget is expected to reduce back to the base budget level, resulting in a favourable variance of £18K in 2014/15.
- *Leisure Provision* - The impact of inflation and tender implications for the leisure contract is estimated to be £133k for the year.
- *Parking Income* - The impact of the economic downturn is expected to reduce parking income by £264k (adverse variance).
- *Hertford Theatre* - Increased income is forecast of £46K (favourable variance).

#### 4.4.3 Neighbourhood Services

- Local Development Plan - Reduced requirement from reserves £50k favourable variance.
- Community Safety and Health - £50k budget included for Housing Condition Survey.
- Community Safety - Reduction in costs of running CCTV service resulting in a favourable variance of £24K. Increase income forecast of £15k (favourable).
- Housing Options - Additional Income from DCLG to 2015 - £50K favourable

#### 4.4.4 Finance and Support Services

- New Homes Bonus –In line with the Government’s Provisional allocation 588 additional properties have been added to the Council Tax base which qualifies for New Homes Bonus grant. In addition the council has received £36k for additional affordable housing units within the district. The financial impact of the additional income and the impact on the Parish Grants and Priority Spend budgets is detailed below. It should be noted that the estimate is provisional pending publication of the Local Government Funding Settlement, due in February 2014.

	<b>2013/14 Estimate</b>	<b>2014/15 Estimate</b>	<b>Variance (-) Favourable Variance, '+' adverse Variance)</b>	<b>Comments</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
<b>New Homes Bonus Income</b>	(1,416)	(2,190)	774(-)	Forecast is based on 588 properties added to Tax Base and 104 Affordable Units, for the period October 2012 to October 2013.

<b>Parish Grant</b>	349	548	199 +	Additional income allocated 25% to Parish Grant.
<b>Priority Spend</b>	210	548	338 +	2013/14 budget allocation 25% limited to £210,000. 2014/15 budget based on 25% of New Homes Bonus.
<b>Net Total</b>	<b>(857)</b>	<b>(1,094)</b>	<b>(237)</b>	

- Council Tax Support Scheme (Grant to Parishes) - Budget reduced in line with recommendation from the Executive £127k favourable. The MTFP agreed by Council in February 2013 included a nil award of grant.
- Rent Allowances - £154k adverse variance due to increases cost of scheme in relation to rent increases (£125k adverse) and reduction in administration subsidy (£29k adverse). Additional income is forecast for Rent Allowance debtors - £85K favourable.
- ICT/Printing and Graphic Design Shared Service – the business plan for the shared service identified savings for the first full year of operation of £208k. These savings have now been factored into the 2014/15 Estimate.

## 5.0 Implications/Consultations

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

### Background Papers

None

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## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS:

<p>Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):</p>	<p><b>People</b> This priority focuses on enhancing the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</p> <p><b>Place</b> This priority focuses on the standard of the built environment and our neighbourhoods and ensuring our towns and villages are safe and clean.</p> <p><b>Prosperity</b> This priority focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic and social opportunities.</p>
Consultation:	
Legal:	None
Financial:	See body of report
Human Resource:	None
Risk Management:	As outlined in the report

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## ALL DIVISIONS

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
<b>SUMMARY OF ESTIMATES</b>				<b>Essential Reference Paper B1</b>
SERVICE				
CUSTOMER & COMMUNITY SERVICES	5,292,064	6,635,630	6,341,510	5,774,780
NEIGHBOURHOOD SERVICES	3,270,065	3,497,800	2,945,880	3,289,590
FINANCE & SUPPORT SERVICES	4,395,490	4,164,650	4,432,930	3,954,780
NET EXPENDITURE	<u>12,957,619</u>	<u>14,298,080</u>	<u>13,720,320</u>	<u>13,019,150</u>

## CUSTOMER & COMMUNITY SERVICES

Service	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
<b>SUMMARY OF ESTIMATES</b>				
SERVICE				
Chief Executive and Director of				
CC1 Customer & Community Services	142,158	134,010	164,670	150,370
CC2 Welfare Reform	1,522	170,000	73,360	0
CC3 Environmental Services	4,792,062	6,318,670	5,996,150	5,457,440
CC4 Customer Services & Parking	-706,117	-1,041,290	-990,810	-865,110
CC5 Communications, Engagement & Cultural Services	947,088	961,620	985,150	948,640
CC6 Economic Development	115,351	92,620	112,990	83,440
<b>NET EXPENDITURE</b>	<u>5,292,064</u>	<u>6,635,630</u>	<u>6,341,510</u>	<u>5,774,780</u>

**CUSTOMER & COMMUNITY SERVICES**

CC3

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £	
<b>SUMMARY OF ENVIRONMENTAL SERVICES ESTIMATES</b>					
SERVICE					
CCE1	Environmental Services	1,015,035	1,030,110	1,029,790	985,770
CCE2	Allotments	-568	100	150	100
CCE3	Playgrounds	124,039	133,950	122,450	136,250
CCE4	Public Conveniences	82,037	98,290	95,170	100,270
CCE5	Refuse Collection - Domestic	950,811	1,871,880	1,608,950	971,150
CCE6	Refuse Collection - Commerical	-109,307	-92,350	-156,850	-143,480
CCE7	Clinical Waste	-49,601	-40,600	-60,400	-60,100
CCE8	Street Cleansing & Litter Control	834,042	923,010	893,570	913,420
CCE9	Recycling	684,263	919,530	796,750	736,500
CCE10	Parks & Open Spaces	1,040,119	1,137,860	1,126,770	1,137,760
CCE11	Buntingford Service Centre	16,506	23,470	226,160	235,050
CCE12	Animal Control	27,631	30,940	29,610	27,410
CCE13	Pest Control	61,175	52,730	51,830	50,850
CCE14	Environmental Co-Ordination Section	31,587	29,390	30,580	25,850
CCE15	Herts Environmental Forum	-780	0	-100	-4,310
CCE16	Environmental Co-Ordination Service	26,300	39,550	30,350	30,350
CCE17	Leisure Services	50,893	48,540	49,390	48,750
CCE18	Leisure Development	1,386	2,220	2,220	2,220
CCE19	Leisure Provision	-10,131	85,950	97,610	241,480
CCE20	Customer & Community Admin	16,625	24,100	22,150	22,150
	<b>NET EXPENDITURE</b>	<b>4,792,062</b>	<b>6,318,670</b>	<b>5,996,150</b>	<b>5,457,440</b>

**CUSTOMER & COMMUNITY SERVICES**

CC4

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF CUSTOMER SERVICES & PARKING ESTIMATES**

## SERVICE

CCS1	Head of Customer Relations	130,860	131,610	124,580	121,210
CCS2	External Customer Services	352,926	348,060	339,840	346,260
CCS3	Web Team	106,911	140,250	166,470	102,630
CCS4	Information Management	32,177	23,890	24,840	35,170
CCS5	Car Parking	384,897	362,010	339,080	371,770
CCS6/12	Car Parks	-1,713,888	-2,047,110	-1,985,620	-1,842,150
	<b>NET EXPENDITURE</b>	<u>-706,117</u>	<u>-1,041,290</u>	<u>-990,810</u>	<u>-865,110</u>

**CUSTOMER & COMMUNITY SERVICES**

CC5

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £	
<b>SUMMARY OF COMMUNICATIONS, ENGAGEMENT &amp; CULTURAL SERVICES ESTIMATES</b>					
SERVICE					
CCC1	Head of Communications, Engagement & Cultural Services	83,551	77,550	77,950	74,120
CCC2	Communications	148,255	153,800	151,360	149,980
CCC3	Engagement & Partnership Team	145,837	134,720	137,140	139,360
CCC4	MOWs	15,056	0	0	0
CCC4	CABs	129,000	129,000	129,000	129,000
CCC5	Community Planning	33,525	70,700	57,070	64,170
CCC6	Transportation	84,371	86,650	86,650	86,650
CCC7	Community Projects	85,100	73,510	73,460	67,960
CCC8	Revenue Contributions & Grants to Voluntary Bodies	21,633	20,040	20,040	16,390
CCC9	Hertford Theatre & Café	200,760	215,650	252,480	221,010
	<b>NET EXPENDITURE</b>	<u>947,088</u>	<u>961,620</u>	<u>985,150</u>	<u>948,640</u>

**CUSTOMER & COMMUNITY SERVICES**

CC6

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF ECONOMIC DEVELOPMENT ESTIMATES**

SERVICE

CCD1	Economic Development Section	113,684	89,710	98,260	91,340
CCD2	Markets	-23,164	-32,760	-19,390	-32,710
CCD3	Tourism	3,046	3,290	3,240	3,460
CCD4	Economic Development	21,785	32,380	30,880	21,350
CCD5	Town Centre Enhancements	0	0	0	0
CCD6	Rural Development	0	0	0	0
	<b>NET EXPENDITURE</b>	<u>115,351</u>	<u>92,620</u>	<u>112,990</u>	<u>83,440</u>

## NEIGHBOURHOOD SERVICES

Service	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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### SUMMARY OF ESTIMATES

#### SERVICE

NS1	Director of Neighbourhood Services	125,755	119,540	119,930	116,300
NS2	Corporate Support Team	98,539	103,620	95,260	107,630
NS3	Planning & Building Control	1,261,762	1,185,480	835,850	1,136,120
NS4	Community Safety & Health	1,360,674	1,550,290	1,388,560	1,452,930
NS5	Housing Services	423,335	538,870	506,280	476,610
NET EXPENDITURE		<u>3,270,065</u>	<u>3,497,800</u>	<u>2,945,880</u>	<u>3,289,590</u>

**NEIGHBOURHOOD SERVICES**

NS3

Service	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF PLANNING & BUILDING CONTROL ESTIMATES**

## SERVICE

NSP1	Development Plans	277,236	255,410	272,060	241,970
NSP2	Building Control Section	710,949	635,650	650,790	666,910
NSP3	Development Control Section	1,341,410	1,385,720	1,363,200	1,363,440
NSP4	Development Plans Service	83,478	131,600	96,600	81,600
NSP5	Building Control Service	-490,332	-573,900	-579,800	-576,800
NSP6	Development Control Service	-660,979	-651,000	-967,000	-641,000
NSP7	Conservation Service	0	2,000	0	0
	<b>NET EXPENDITURE</b>	<u>1,261,762</u>	<u>1,185,480</u>	<u>835,850</u>	<u>1,136,120</u>



	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £	
<b>SUMMARY OF COMMUNITY SAFETY &amp; HEALTH ESTIMATES</b>					
SERVICE					
NSS1	Community Protection	293,221	301,520	300,250	302,960
NSS2	Hackney Carriages	-134,414	-130,100	-136,800	-131,600
NSS3	Gambling & Other Licensing	-15,316	-16,000	-13,500	-16,000
NSS4	Alcohol & Entertainment Licensing	-109,553	-108,000	-108,000	-108,000
NSS5	Emergency Planning	23,978	31,460	26,710	31,710
NSS6	Community Safety Section	40,348	40,890	29,990	26,010
NSS7	Community Safety Projects	46	0	0	0
NSS8	Community Safety Service	167,379	204,390	167,580	137,340
NSS9	Engineering & Drainage	132,574	128,250	73,280	70,250
NSS10	Engineering & Transport	56,375	61,640	61,470	62,620
NSS11	Environmental Health	888,513	940,600	905,030	937,220
NSS12	Private Sector Housing Grants	-28,715	0	-5,700	0
NSS12	Other Private Sector Housing	0	0	0	50,000
NSS12	Houses in Multiple Occupation	-4,226	0	-4,260	-1,000
NSS12	Landlord Forum	445	500	500	500
NSS13	Env Health Licences	-15,410	-14,950	-14,000	-14,950
NSS13	Sampling	-3,046	920	-1,080	-1,080
NSS14	Food & Health Safety	2,619	3,840	2,340	3,340
NSS15	Environmental Health Promotions	50,204	53,050	53,090	52,540
NSS16	Environmental Pollution	15,652	52,280	51,660	51,070
NSS17	Env Health Work	0	0	0	0
	<b>NET EXPENDITURE</b>	<b>1,360,674</b>	<b>1,550,290</b>	<b>1,388,560</b>	<b>1,452,930</b>

**NEIGHBOURHOOD SERVICES**

NS5

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £	
<b>SUMMARY OF HOUSING ESTIMATES</b>					
SERVICE					
NSH1	Housing Section	384,143	398,960	409,030	400,270
NSH2	Private Sector Housing	70	100	0	0
NSH2	Other Housing	-63	1,560	-290	-170
NSH3	Enabling	37,500	27,500	27,500	27,500
NSH4	Housing Options	45,935	166,090	103,090	101,090
NSH5	Hillcrest Hostel	-44,250	-55,340	-33,050	-52,080
	<b>NET EXPENDITURE</b>	<u>423,335</u>	<u>538,870</u>	<u>506,280</u>	<u>476,610</u>

## FINANCE & SUPPORT SERVICES

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £	
<b>SUMMARY OF ESTIMATES</b>					
SERVICE					
IS1	Director of Finance & Support Services	142,076	131,800	130,750	130,860
IS2	People & Property Services	986,153	1,017,300	1,075,480	1,044,690
IS3	ICT, Printing & DTP Services	1,495,139	1,407,910	1,420,100	1,280,470
IS4	Financial Services & Performance	554,799	568,890	582,550	551,740
IS5	Corporate Risk	337,874	352,880	336,020	335,940
IS6	Governance Support	350,767	604,860	550,280	558,550
IS7	Revenues & Benefits Shared Service	202,094	167,680	196,070	245,350
IS8	Other	326,588	-86,670	141,680	-192,820
	NET EXPENDITURE	<u>4,395,490</u>	<u>4,164,650</u>	<u>4,432,930</u>	<u>3,954,780</u>

2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF PEOPLE, ICT AND PROPERTY SERVICES ESTIMATES**

## SERVICE

ISP1	People & Organisational Services	323,206	324,780	359,520	325,700
ISP2	Facilities Management	272,749	275,330	270,220	258,650
ISP3	Courier	29,171	25,120	25,220	26,380
ISP4	Asset Management	134,921	102,250	114,510	119,040
ISP5	Miscellaneous Properties	-505,817	-495,830	-491,740	-459,850
ISP6	Footpath Lighting	9,619	0	1,800	2,000
ISP7	Document Management	77,742	76,160	71,620	77,490
ISP8	Wallfields - Hertford	453,517	515,230	526,320	493,800
ISP9	Charrington House (Part)	191,045	194,260	198,010	201,480
	<b>NET EXPENDITURE</b>	<u>986,153</u>	<u>1,017,300</u>	<u>1,075,480</u>	<u>1,044,690</u>

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
<b>SUMMARY OF ICT, PRINT AND GRAPHIC DESIGN ESTIMATES SERVICE</b>				
ISS1 Shared ICT Service	0	0	614,930	683,060
ISS2 Shared Print & Graphic Design Service	0	0	61,930	102,420
ISS3 IT Services	1,332,849	1,269,100	674,680	489,620
ISS4 Corporate Resource Unit	130,868	112,410	58,900	5,320
ISS5 Desk Top Publishing	31,422	26,400	9,660	50
<b>NET EXPENDITURE</b>	<b>1,495,139</b>	<b>1,407,910</b>	<b>1,420,100</b>	<b>1,280,470</b>

**FINANCE & SUPPORT SERVICES**

IS4

Service	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF FINANCIAL SERVICES & PERFORMANCE ESTIMATES**

## SERVICE

ISF1	Financial Services	479,935	482,050	510,300	467,390
ISF2	Performance	74,864	86,840	72,250	84,350
	<b>NET EXPENDITURE</b>	<u>554,799</u>	<u>568,890</u>	<u>582,550</u>	<u>551,740</u>

**FINANCE & SUPPORT SERVICES**

IS5

Service	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF CORPORATE RISK**

## SERVICE

ISA1	Corporate Risk & Insurance	177,301	170,440	174,210	166,310
ISA2	Shared Internal Audit Services	116,280	122,800	113,100	115,300
ISA3	Procurement	44,293	59,640	48,710	54,330
	<b>NET EXPENDITURE</b>	<u>337,874</u>	<u>352,880</u>	<u>336,020</u>	<u>335,940</u>

**FINANCE & SUPPORT SERVICES**

IS6

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF GOVERNANCE SUPPORT ESTIMATES**

## SERVICE

ISG1	Democratic Services	311,815	307,070	295,020	301,880
ISG2	Land Charges & LLPG	111,464	127,510	121,100	128,230
ISG3	Legal	61,677	274,520	258,150	254,880
ISG4	Burials	4,616	1,000	1,000	1,000
ISG5	Elections	64,895	75,000	75,000	75,000
ISG6	Land Charges Service	-197,050	-180,240	-199,990	-202,440
ISG6	Street Naming	-6,650	0	0	0
	<b>NET EXPENDITURE</b>	<u>350,767</u>	<u>604,860</u>	<u>550,280</u>	<u>558,550</u>



**FINANCE & SUPPORT SERVICES**

IS7

Service	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF REVENUES & BENEFITS ESTIMATES**

## SERVICE

ISR1	Revenues & HB Section	-91,283	-346,550	-286,510	-268,590
ISR2	Revenues & HB Section - Transitional	0	0	0	0
ISR3	Revenues & HB - Shared Service	1,436,490	1,370,690	1,326,440	1,301,230
ISR4	Benefits Service	-1,143,113	-856,460	-843,860	-787,290
ISR4	Revenues Service	0	0	0	0
	<b>NET EXPENDITURE</b>	<u>202,094</u>	<u>167,680</u>	<u>196,070</u>	<u>245,350</u>

		2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
<b>SUMMARY OF OTHER ESTIMATES</b>					
SERVICE					
ISO1	Corporate & Democratic Core	622,956	672,510	667,780	676,060
ISO2	Other Expenses	-296,368	-759,180	-526,100	-868,880
	NET EXPENDITURE	<u>326,588</u>	<u>-86,670</u>	<u>141,680</u>	<u>-192,820</u>

**ALL DIVISIONS****Essential Reference Paper C**

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
<b>SUMMARY OF CAPITAL CHARGES</b>				
SERVICE				
CUSTOMER & COMMUNITY SERVICES	1,641,056	2,337,950	2,160,240	2,432,440
NEIGHBOURHOOD SERVICES	700,047	2,080,510	1,243,340	1,978,720
FINANCE & SUPPORT SERVICES	619,862	563,430	484,920	508,760
CAPITAL CHARGES	<u>2,960,965</u>	<u>4,981,890</u>	<u>3,888,500</u>	<u>4,919,920</u>

## CUSTOMER & COMMUNITY SERVICES

Service	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
<b>SUMMARY OF ESTIMATES</b>				
SERVICE				
Chief Executive and Director of				
CC1 Customer & Community Services	46,248	50,200	55,160	61,570
CC3 Environmental Services	856,123	1,385,930	1,361,710	1,616,150
CC4 Customer Services & Parking	361,560	464,910	394,380	401,170
CC5 Communications, Engagement & Cultural Services	234,131	252,430	154,770	246,130
CC6 Economic Development	142,994	184,480	194,220	107,420
<b>CAPITAL CHARGES</b>	<u>1,641,056</u>	<u>2,337,950</u>	<u>2,160,240</u>	<u>2,432,440</u>

**CUSTOMER & COMMUNITY SERVICES**

CC3

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £	
<b>SUMMARY OF ENVIRONMENTAL SERVICES ESTIMATES</b>					
SERVICE					
CCE1	Environmental Services	35,188	41,170	38,070	36,680
CCE3	Playgrounds	127,540	136,540	134,310	130,100
CCE4	Public Conveniences	23,780	22,550	18,370	18,370
CCE5	Refuse Collection - Domestic	45,564	559,810	560,040	545,450
CCE6	Refuse Collection - Commerical	19,080	22,430	22,000	25,350
CCE9	Recycling	98,420	98,910	98,730	359,770
CCE10	Parks & Open Spaces	40,050	40,420	40,390	40,410
CCE11	Buntingford Service Centre	20,144	16,680	16,680	14,470
CCE12	Animal Control	780	770	620	750
CCE13	Pest Control	1,550	1,540	1,230	1,500
CCE14	Environmental Co-Ordination Section	780	770	610	750
CCE15	Herts Environmental Forum	780	770	610	740
CCE16	Environmental Co-Ordination Service	1,020	0	0	0
CCE17	Leisure Services	780	770	610	740
CCE19	Leisure Provision	440,667	442,800	429,440	441,070
CAPITAL CHARGES		<u>856,123</u>	<u>1,385,930</u>	<u>1,361,710</u>	<u>1,616,150</u>

**CUSTOMER & COMMUNITY SERVICES**

CC4

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF CUSTOMER SERVICES & PARKING ESTIMATES**

## SERVICE

CCS1	Head of Customer Relations	1,550	1,540	1,230	1,500
CCS2	External Customer Services	36,349	32,090	27,560	28,250
CCS3	Web Team	2,330	2,310	2,460	2,250
CCS4	Information Management	780	770	610	740
CCS5	Car Parking	9,132	9,000	7,300	8,300
CCS6/12	Car Parks	311,419	419,200	355,220	360,130
	<b>CAPITAL CHARGES</b>	<u>361,560</u>	<u>464,910</u>	<u>394,380</u>	<u>401,170</u>

**CUSTOMER & COMMUNITY SERVICES**

CC5

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £	
<b>SUMMARY OF COMMUNICATIONS, ENGAGEMENT &amp; CULTURAL SERVICES ESTIMATES</b>					
SERVICE					
CCC1	Head of Communications, Engagement & Cultural Services	780	770	610	740
CCC2	Communications	2,330	2,310	1,850	2,250
CCC3	Engagement & Partnership Team	2,330	2,310	1,850	2,250
CCC7	Community Projects	49,424	47,670	7,320	0
CCC8	Revenue Contributions & Grants to Voluntary Bodies	132,747	140,900	79,850	156,000
CCC9	Hertford Theatre & Café	46,520	58,470	63,290	84,890
	<b>CAPITAL CHARGES</b>	<u>234,131</u>	<u>252,430</u>	<u>154,770</u>	<u>246,130</u>

**CUSTOMER & COMMUNITY SERVICES**

CC6

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF ECONOMIC DEVELOPMENT ESTIMATES**

## SERVICE

CCD1	Economic Development Section	4,660	2,310	1,230	1,500
CCD2	Markets	15,319	12,930	12,810	22,000
CCD4	Economic Development	220	220	220	220
CCD5	Town Centre Enhancements	122,795	169,020	179,960	83,700
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	CAPITAL CHARGES	142,994	184,480	194,220	107,420
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## NEIGHBOURHOOD SERVICES

Service	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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### SUMMARY OF ESTIMATES

#### SERVICE

NS1	Director of Neighbourhood Services	37,096	41,700	46,670	57,430
NS2	Corporate Support Team	3,110	3,080	2,460	2,990
NS3	Planning & Building Control	123,058	111,970	118,660	124,180
NS4	Community Safety & Health	481,613	1,033,460	637,380	918,300
NS5	Housing Services	55,170	890,300	438,170	875,820
CAPITAL CHARGES		<u>700,047</u>	<u>2,080,510</u>	<u>1,243,340</u>	<u>1,978,720</u>

**NEIGHBOURHOOD SERVICES**

NS3

Service	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF PLANNING & BUILDING CONTROL ESTIMATES**

## SERVICE

NSP1	Development Plans	9,450	7,290	6,630	5,560
NSP2	Building Control Section	14,848	20,090	16,790	18,850
NSP3	Development Control Section	40,240	49,590	45,100	44,770
NSP7	Conservation Service	58,520	35,000	50,140	55,000
CAPITAL CHARGES		<u>123,058</u>	<u>111,970</u>	<u>118,660</u>	<u>124,180</u>

## NEIGHBOURHOOD SERVICES

NS4

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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### SUMMARY OF COMMUNITY SAFETY & HEALTH ESTIMATES

#### SERVICE

NSS1	Community Protection	6,990	8,430	5,540	8,240
NSS6	Community Safety Section	1,550	770	620	750
NSS8	Community Safety Service	53,710	53,700	53,550	53,680
NSS9	Engineering & Drainage	2,330	2,310	1,230	1,500
NSS10	Engineering & Transport	217,570	235,010	227,810	238,960
NSS11	Environmental Health	22,466	24,470	29,740	33,420
NSS12	Private Sector Housing Grants	176,217	708,000	318,270	581,000
NSS15	Environmental Health Promotions	780	770	620	750
CAPITAL CHARGES		<u>481,613</u>	<u>1,033,460</u>	<u>637,380</u>	<u>918,300</u>

**NEIGHBOURHOOD SERVICES**

NS5

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £	
<b>SUMMARY OF HOUSING ESTIMATES</b>					
SERVICE					
NSH1	Housing Section	20,005	21,880	19,880	18,910
NSH2	Other Housing	0	827,900	368,000	820,740
NSH4	Housing Options	14,925	14,130	14,130	0
NSH5	Hillcrest Hostel	20,240	26,390	36,160	36,170
CAPITAL CHARGES		<u>55,170</u>	<u>890,300</u>	<u>438,170</u>	<u>875,820</u>

## FINANCE & SUPPORT SERVICES

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £	
<b>SUMMARY OF ESTIMATES</b>					
SERVICE					
IS1	Director of Finance & Support Services	37,094	41,710	46,660	57,430
IS2	People & Property Services	347,167	287,510	221,530	229,190
IS3	ICT, Printing & DTP Services	13,200	13,090	16,870	19,130
IS4	Financial Services & Performance	12,713	14,560	12,240	14,990
IS5	Corporate Risk	5,024	5,760	4,220	4,840
IS6	Governance Support	26,950	22,440	19,140	17,810
IS7	Revenues & Benefits Shared Service	120,031	121,010	114,640	117,030
IS8	Other	57,683	57,350	49,620	48,340
CAPITAL CHARGES		<u>619,862</u>	<u>563,430</u>	<u>484,920</u>	<u>508,760</u>

2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF PEOPLE, ICT AND PROPERTY SERVICES ESTIMATES**

## SERVICE

ISP1	People & Organisational Services	10,553	25,730	10,670	11,600
ISP2	Facilities Management	5,440	5,390	10,710	13,640
ISP3	Courier	1,550	1,540	1,230	1,500
ISP4	Asset Management	3,344	3,310	2,690	3,140
ISP5	Miscellaneous Properties	225,920	105,440	101,040	101,090
ISP7	Document Management	3,100	3,080	2,460	2,990
ISP8	Wallfields - Hertford	91,840	137,600	87,310	89,810
ISP9	Charrington House (Part)	5,420	5,420	5,420	5,420
	<b>CAPITAL CHARGES</b>	<u>347,167</u>	<u>287,510</u>	<u>221,530</u>	<u>229,190</u>

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
<b>SUMMARY OF ICT, PRINT AND GRAPHIC DESIGN ESTIMATES SERVICE</b>				
ISS3 IT Services	10,880	10,780	15,020	16,880
ISS4 Corporate Resource Unit	1,550	1,540	1,230	1,500
ISS5 Desk Top Publishing	770	770	620	750
	<hr/>	<hr/>	<hr/>	<hr/>
CAPITAL CHARGES	13,200	13,090	16,870	19,130
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**FINANCE & SUPPORT SERVICES**

IS4

Service	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF FINANCIAL SERVICES & PERFORMANCE ESTIMATES**

## SERVICE

ISF1	Financial Services	11,013	12,140	10,900	12,630
ISF2	Performance	1,700	2,420	1,340	2,360
	<b>CAPITAL CHARGES</b>	<u>12,713</u>	<u>14,560</u>	<u>12,240</u>	<u>14,990</u>



**FINANCE & SUPPORT SERVICES**

IS5

Service	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF CORPORATE RISK**

## SERVICE

ISA1	Corporate Risk & Insurance	4,254	4,220	3,600	4,090
ISA3	Procurement	770	1,540	620	750
CAPITAL CHARGES		<u>5,024</u>	<u>5,760</u>	<u>4,220</u>	<u>4,840</u>

**FINANCE & SUPPORT SERVICES**

IS6

	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF GOVERNANCE SUPPORT ESTIMATES**

## SERVICE

ISG1	Democratic Services	9,910	7,160	6,700	7,460
ISG2	Land Charges & LLPG	8,575	6,870	5,110	4,590
ISG3	Legal	5,871	5,820	4,740	5,670
ISG5	Elections	2,594	2,590	2,590	90
	<b>CAPITAL CHARGES</b>	<u>26,950</u>	<u>22,440</u>	<u>19,140</u>	<u>17,810</u>

**FINANCE & SUPPORT SERVICES**

IS7

Service	2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF REVENUES & BENEFITS ESTIMATES**

## SERVICE

ISR1	Revenues & HB Section	120,031	121,010	114,640	117,030
	CAPITAL CHARGES	<u>120,031</u>	<u>121,010</u>	<u>114,640</u>	<u>117,030</u>

**FINANCE & SUPPORT SERVICES**

IS8

2012/13 ACTUAL £	2013/14 ESTIMATE £	2013/14 PROBABLE £	2014/15 ESTIMATE £
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**SUMMARY OF OTHER ESTIMATES**

## SERVICE

ISO1	Corporate & Democratic Core	57,683	57,350	49,620	48,340
	CAPITAL CHARGES	<u>57,683</u>	<u>57,350</u>	<u>49,620</u>	<u>48,340</u>

EAST HERTS COUNCIL

JOINT MEETING OF SCRUTINY COMMITTEES – 14 JANUARY 2014

EXECUTIVE – 4 FEBRUARY 2014

REPORT BY THE EXECUTIVE MEMBER FOR FINANCE

CONSOLIDATED BUDGET REPORT: PROBABLE OUTTURN 2013/14;  
REVENUE BUDGET 2014/15; MEDIUM TERM FINANCIAL PLAN  
2014/15 TO 2017/18

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WARD(S) AFFECTED:      ALL

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**Purpose/Summary of Report:**

This report recommends a revenue budget for 2014/15 in the context of:

- the Council's priorities
- the medium term financial plan to 2017/18
- funding the capital programme (subject of a separate report)
- the anticipated revenue budget outturn for 2013/14
- the proposed Treasury Management Strategy for 2014/15 (subject of a separate report to the Audit Committee followed by Executive)
- the council tax base for 2014/15 (agreed at Council on 11 December 2013)
- the NNDR base for 2014/15 (to be agreed at Council prior to Executive)
- proposals no council tax increase for 2014/15
- proposals for reserves and balances.

<b><u>RECOMMENDATION FOR JOINT MEETING OF SCRUTINY COMMITTEES:</u></b> that	
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(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.
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<b><u>RECOMMENDATIONS FOR COUNCIL:</u></b>	
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(A)	The probable outturn for 2013/14 be approved and it be agreed
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	that any variation at out turn showing an improved position against the under spending reported below, be put to the cost of the priority spend reserve;
(B)	The revenue budget for 2014/15 be approved and, in support of the 2014/15 budget, a one-off payment be made from the reserves of £1.008m to fund a one-off payment to the Pension fund to cap the increased deficit repayments to £600k pa for future years;
(C)	The medium term financial plan to 2017/18 be approved; and
(D)	There be no increase in Council Tax for 2014/15 and 2015/16.

## 1.0 Background

1.1 The Council continues to set its Medium Term Financial Plans (MTFP) against a backdrop of reducing public expenditure and increasing financial constraints across the sector. The budget for 2014/15 is set in a significantly changed funding regime for Local Government which has the potential to increase the risks locally for financial planning going forwards. Although this new funding regime has been in place since 1<sup>st</sup> April 2013, the financial impacts are still to be fully analysed for a full financial year. These changes include:

- The cessation of Council Tax Benefit which has been replaced with a locally determined and managed Council Tax support scheme.
- The localisation of Business Rates which places the risks and rewards for increases and decreases in Business Rate yield with the Council.

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, particularly given the need to be able to respond to any fluctuations in funding levels presented by the transfer of risk arising from the changes in the way Local Government is funded.

- 1.3 Following on from the Autumn Statement on 5<sup>th</sup> December 2013, the government announced the provisional Local Government Finance Settlement for 2014/15 and 2015/16 on 18<sup>th</sup> December 2013. This is subject to consultation and final checks by DCLG of the data they have used, and will not be finalised until the end of January 2014. The numbers in this report are subject to further revision once the settlement has been finalised if they should differ.
- 1.4 When the MTFP was refreshed in September 2013, assumptions were made about funding levels for the Council, based upon announcements made in the Comprehensive Spending review in June 2013. At that time, assumptions were made in our funding model that:
- Funding reductions already announced in 2014/15 would remain the same, and that there would be 10% reductions in our total funding from 2015/16 onwards.
  - That 40% would be top-sliced from New Homes Bonus funding.
  - An overall cap on welfare spending nationally. The impact specifically on East Herts was unknown.
- 1.5 Following the Autumn Statement in December 2013, and subsequent specific funding announcements, these assumptions have been updated to the following:
- Funding reductions in line with original 2014/15 announcements last year and provisional settlement for 2015/16 consistent with overall funding reductions already assumed in the September refresh
  - No top-slice of New Homes Bonus. However, a review was announced of the whole New Home Bonus scheme to be undertaken in early 2014, reporting “Easter 2014”
  - The Welfare Cap is still applicable although there is still no indication on what impact there may be locally.
  - Council Tax freeze grants from prior years were rolled into our base funding, although this is still all part of our overall funding settlement

1.6 Locally, there are also some further issues that we have considered in more detail since the September refresh and have included these in the updated model:

- The Executive requested that funding for one further year to Parish and Town Councils be included in the budget for 2014/15. This would be at 50% of the level of funding they received in 2013/14 in recognition of the impact of the localisation of Council Tax Support. At the same time, the Executive committed to continue to pass on 25% of the funding the Council receives for New Homes Bonus directly onto Parish and Town Councils.
- Priority Spend budgets for New Homes Bonus had previously been capped at 25% of the 2011 award. This has been amended to be 25% of total award.
- Budgets for 2014/15 (and future years where appropriate) have been amended following a budget challenge session held during August and September. All Heads of Service reviewed their budgets to see if there were efficiency savings that they could propose to meet future funding gaps.
- Following publication of Planning projections and the impact on housing levels for future years, the Council Tax Base and subsequent impact on New Homes Bonus projections at a District Level have been revised
- Results of the Triennial Pension review have been received. The impact of the results has been included in the model. There is a separate note included with this report that explains the rationale.
- As part of the Treasury Management Strategy, the implications of the new investment strategy have been included in the model, particularly in relation to investment in property funds. At this point, no assumptions have been made about investing directly in property.
- New savings, growth and special items have been identified and included in the model

1.7 The impact of the introduction of Council Tax Support in 13/14 and the scheme for 2014/15 was subject to a separate report to Executive in December. The implications of this are already



factored into the financial model.

1.8 The revised model shows a significant variation (reduction) in the new savings that have to be found in 2016/17 and 2017/18 and an increased contingency level in earlier years. These will have to be closely monitored given the level of risk in some of the supporting assumptions:

- Assumed continuation of New Homes Bonus throughout the life of the MTFP. This currently supports 8% of our cost of services of which only 50% of this could immediately be stopped in 2014/15. In 2017/18 this proportion rises to 11%.
- Achievement of increase in interest levels from investment opportunities estimated from property funds
- Continued delivery of savings already planned
- Identification of new savings for 16/17 and 17/18
- Inclusion of Council Tax Freeze grant for 14/15 and 15/16

## 2.0 Report

### **Opening balances 1 April 2013**

2.1 The budget for 2013/14 was set in February 2013 with an expectation that 31 March 2013 would see a balance on the general reserve of £4,204k. The final accounts recorded a balance of £4,255k i.e. £51k higher than expected.

2.2 The unallocated general fund balance was £3,854k inclusive of the £168k building control surplus. Earmarked reserves compared as follows:

2.3

Reserve	Expected Balance 31.3.13 £000	Actual Balance 31.3.13 £000
Interest Equalisation	1577	1683
Insurance Fund	10	10
Emergency Planning	36	36
VAT partial exemption	146	146
Service Improvement	610	610
LDF/Green belt	764	814
Housing condition survey	65	65
Council election	25	25

LABGI	104	99
Leisure utilities/pensions	240	240
Restructure	33	33
Performance Reward Grant	42	62
Pension strain costs	95	0
Waste recycling income volatility	275	275
Footbridge reserve	150	150
Cost of change	565	1127
DCLG Preventing Repossession	25	30
DEFRA Env. Pollution	35	53
Waste Recycling Reserve	280	461
New Homes Bonus Priority Spend	0	133
Total	5077	6052

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 £805k above ceiling.

### **Projected outturn 2013/14**

- 2.4 The latest health check report at the time of drafting this report is the November report. This shows favourable variances of £1,374k offset by adverse variances of £887k, a net favourable variance of £487k. The health check report includes both service and non service estimates.

#### **Priorities**

- 2.5 The Council's priorities against which spending proposals need to be measured have been simplified to the broad strands of People Place and Prosperity.
- 2.6 In summary the key objectives of (and set out in full in) the Corporate Strategic Plan 2013/14 – 2016/17 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

2.7 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.

2.8 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**

2.9 Corporate Business Scrutiny Committee on 27th August 2013 considered a draft updated financial strategy 2014/15 to 2017/18 which was subsequently endorsed by the Executive. Key planning assumptions have subsequently been amended as detailed in Section 1 of this report. These can be summarised as follows:

- Announcements on our provisional settlements for 2014/15 and 2015/16 from Central Government
  - Reversal of the New Homes Bonus Top-Slice
  - 50% of prior year Localisation of Council Tax funding awarded to Town and Parish Councils plus committing 25% of estimated future years New Homes Bonus throughout the life of the MTFP
  - Priority Spend budgets for New Homes Bonus amended to be 25% of total award rather than capped at 2011 levels.
  - Amended for the results of the budget challenge sessions held with Heads of Service.
  - Revision of the Council Tax Base and future New Homes Bonus levels in line with future planning projections published by East Herts.
  - Impact of the Triennial Pensions review included in the model
  - Implications of the new Investment strategy included in the model.
  - New savings, growth and special items have been identified and included in the model
- 2.10 The MTFP retains contingency sums for 2014/15 through to 2015/16. Given the increased uncertainty due to funding changes and the fact that the settlement is still provisional then it is appropriate to retain some form of contingency. This sum would also fund any implications for in-year growth items and would ideally be used to pump prime any invest to save opportunities identified throughout those years, to generate new savings that are still to be identified for 16/17 and 17/18.
- 2.11 The MTFP also contains assumptions around the delivery of efficiency savings and it will be important to ensure that these are closely monitored to ensure that they are delivered on time.
- 2.12 The revised financial model for the MTFP is set out at **Essential Reference Paper B**.

## **Revenue Support Grant Settlement**

- 2.13 The 2014/15 grant settlement was announced in December 2013 but remains provisional until the end of January 2014. Announcements on funding for 2015/16 have also been made, although these remain provisional until January 2014.
- 2.14 In 2013/14, the system for financing Local Government has changed. In prior years the way that East Herts was funded was as follows:
- Our share of Council Tax collected which we bill and collect on behalf of ourselves, Hertfordshire County Council, the Police Authority and our towns and Parishes
  - A revenue support grant that was the difference between our assumed level of spending need and our share of Council Tax and Business rates that we collected according to Government calculations.
  - A share of the yield from Business Rates (also known as NNDR) that the District collects on behalf of Government. The amount to be collected is set by the valuation office and we have no influence over the amount that the rates are set at.
  - Other specific grants, usually awarded with specific outcomes expected. Examples of this are Council Tax Freeze and Homeless grants as well as New Homes Bonus.
  - Any income that we are able to raise ourselves through fees and charges or investing the cash that we have in the bank through our treasury management strategy.
- 2.15 From 2013/14 the way we are funded changes in that the business rates that we collect are now used to fund our services. The main change for 2013/14 and future years is that the funding from Business Rates will no longer be a share of the National Pool and instead the Business Rates that we collect are shared between us as the billing authority, and precepting authorities and Central Government. The actual rates payable by a business are still determined nationally.
- 2.16 In the first year of the new arrangements, 2013/14, there is a gap between the Government's overall spending control totals and the

anticipated level of the local Business Rates share. This difference is made up by Revenue Support Grant (RSG). It is anticipated that the level of RSG will reduce in future years in-line with the forecasts for public spending outlined in the last Spending Review and the 2013 Autumn Statement. Certain special and specific grants for each authority have been amalgamated to give authorities more control over how they may be used.

- 2.17 Monitoring and forecasting the levels of business rate collection in 2013/14 and future years is therefore much more important than in previous years,
- 2.18 In addition to the changes in funding, the system by which vulnerable residents are able to receive support to pay their Council Tax bills has changed. Council Tax Benefit which was nationally funded and set, has been replaced by a locally determined Council Tax Support system. Funding for this forms part of the overall budget for 2013/14 and future years and the implications of a reduction in funding of the scheme have been included in the calculation of the overall budget.

### **The revenue Budget 2014/15**

- 2.19 The budget 2014/15 can be summarised as follows:

	£000	£000
Neighbourhood Services	3,289	
Customer and Community Services	5,775	
Finance and Support Services	3,955	
- capitalised salaries	-26	12,993
Investment income net of interest payable		(208)
Further efficiency savings and fees net of growth		318
Contingency		513
Net Expenditure		13,616
Movement in Pension Reserve (Deficit contribution)		600
Contributions to reserves		(129)
<b>Net Expenditure after reserves</b>		<b>14,807</b>
Funded by:		
Collection Fund (Surplus)/deficit		0

RSG / Retained NNDR	(5238)
Grant to freeze council tax	(94)
General Revenue Grants	(16)
Leaving:	
<b>Demand on Collection Fund</b>	<b>8739</b>

Band D tax base	55,469
Band D tax	£157.54

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.

2.20 The MTFP savings are set out at **Essential Reference Paper B**. Total ongoing savings for 2014/15 total £430k of which

- Additional proposals subject to confirmation £64k
- Savings achieved and included in detailed estimates £366k

2.21 In refreshing the MTFP the savings proposals in respect of 2014/15 have been varied from earlier proposals included in the Budget Strategy as follows:

£000

#### Amended Proposals

Planning and Building Control – reduction of savings by 72

Democratic and legal services, savings deferred to 14/15 13

Revenue affects of new Capital Schemes (addition of) (23)

**Net reduction of 62**

2.22 The contingency for 2014/15 at £513k has reduced from the figure reported in September at £692k.

#### **Council Tax**

2.23 We are assuming that Council Tax Freeze Grant, equivalent to 1% of the rise will be available to the Council should it choose to

freeze in 2014/15. The model assumes both a grant to cover the freeze in 2014/15 and 2015/16 and the corresponding Council Tax freeze. If this is not forthcoming, this will cost £94k.

## Reserves

- 2.24 The proposals in this budget include one call on the general reserves, to fund the one-off contribution to the Pension fund. More detail can be found in **Essential Reference Paper D**.

The General Fund Balance is unchanged at £3,854k over this period. There is no planned call on the general fund in the period 2014/15 to 2017/18.

- 2.25 Movement on the General Reserve in 2013/14 based on the probable outturn is as follows:

	£000
Balance 1 April 2013	4,255
Add	
Planned use 2013/14 budget	0
Approval to use some of the 2011/12 under spending	-80
Net variance	558
Estimated balance 31 March 2013	4,733

- 2.26 In setting the budget for 2013/14 and MTFP it was previously planned to draw on earmarked reserves and these intentions are broadly retained. Some additional appropriations are now anticipated relations to the use of LABGI and Environmental Pollution.

- 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 31/3/14 £000	Bal at 31/3/15 £000	Bal at 31/3/16 £000	Bal at 31/3/17 £000	Bal at 31/3/18 £000
Interest Equalisation	2,144	2,110	2,110	2,110	2,110
Insurance Fund	10	10	10	10	10
Emergency Planning	36	36	36	36	36
VAT partial exemption	146	146	146	146	146



Service Improvement	610	610	610	610	610
LDF /Green belt	734	714	444	384	324
Housing condition survey	79	43	57	71	71
Council Elections	50	75	0	25	50
LABGI	94	94	94	94	94
Leisure utilities/pensions	300	300	300	300	300
Restructure	33	33	33	33	33
Performance Reward Grant	35	0	0	0	0
Pension Strain costs	0	0	0	0	0
Waste recycling income volatility	275	275	275	275	275
Footbridge River Stort	150	150	150	150	150
Cost of Change	1127	1127	1127	1127	1127
DCLG Preventing Repossessions	30	30	30	30	30
Environmental Pollution	29	0	0	0	0
New Homes Bonus Priority Spend	313	313	313	313	313
Total	6,195	6,066	5,735	5,714	5,679

### **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 Council adopted a strategy in regard to reserves in September and the proposals as they currently stand breach that policy. However, given that there are a number of risk areas that need to be considered then it is the judgement of the Section 151 Officer that this level of reserves is adequate and not excessive. The increased level of uncertainty in funding going forward and the impact on the Council's services of the substantial changes in

Welfare Reform have added financial risk to the Council. Consideration is also given to the fact that this settlement is based on provisional information from DCLG.

- 2.30 This judgement has regard to the Council's 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. A more detailed stress test is included at **Essential Reference Paper C**.
- 2.31 The Council retains very substantial investments in relation to its annual spend and has brought forward a paper in regard to considering a new Investment Strategy which is currently being considered and will be brought forward for further decisions in 2014. It is prudent to retain above minimum levels of reserves in these circumstances.
- 2.32 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 the RSG element of formula grant is certain for 2014/15 retained business rate grant income is subject to changes in debit collectable.	A 5% reduction in RSG/NNDR Income = £262k
Localisation of council tax support replacing	High	In setting our local scheme	Each 1% increase in

Council Tax Benefit		there are risks about the increasing needs of our residents and there is a possibility that increasing numbers of individuals may come forward for support	spend on CTS would cost East Herts an additional £8k
Discretionary Rate Relief	Low	No provision is made in the MTFP to respond to proposed freedoms to extend discretionary NNDR relief. Any awards now directly impact on the Councils funding	The policy for 2014/15 has now been set.
Income achievement	Medium	Income levels are reviewed annually as part of the fees and charges report where Heads of Service will estimate the expected levels of income for their service areas based on the most up-to-date performance information that they have.	A 5% shortfall on car park income = £160k  A 5% shortfall in other income = £85k

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 of total planned savings to 17/18 = £113k
Interest rates	High	There are divergent views on the direction of short term rates reflecting different assumptions about the impact of markets concerns about sovereign debt and how the UK economy will respond to public sector spending cuts and increased taxes. The MTFP anticipates investment returns consistent with OBR forecasts.	The £10m structured deposit has a floor rate of 3.7%. Other fixed rate deposits range from 0.6-2%. With varying terms to August 2014. The balance of funds (c £25m) are anticipated to return between 0.7% and 2.05% over the period of the MTFP. A 0.5% variance on overall investments equates to around £335k.
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 2% a reduction to 1% would cost £110k
Pay and inflation	Medium	A 1% pay award has been assumed with further increases of 1%, 2.5% and 2.5% from April 15, 16 and 17 respectively	A 1% equates to circa £110k per year
Pension costs	Low	Pension contributions reflect the latest triennial review in 2013 and are therefore as up-to-date as possible. The next review will be in 2016 and will impact in 2017/18	Pension costs are not variable from 2014/15 to 2016/17
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

2.33 The estimates are considered sufficiently robust for the Council to set a budget and council tax for 2014/15

2.34 **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

None

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## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS:

Contribution to the Council's Corporate Priorities/ Objectives	The budget and MTFP apply resources to achieve all the Council's priorities
Consultation:	The outcome from consultation will be reported separately as Essential Reference Paper E
Legal:	<p>The Council must set a lawful and balanced budget and subsequently set a council tax for 2014/15 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.

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## GENERAL FUND - MEDIUM TERM FINANCIAL PLAN

## SUB - SUMMARY January 2014 for Scrutiny

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	£'000	£'000	£'000	£'000	£'000	£'000
Director of Neighbourhood services	126	120	116	118	122	126
Corporate Support	99	104	108	110	113	117
Planning & Building Control	1,262	1,185	1,136	1,174	1,243	1,314
Housing Services	423	539	477	507	523	539
Community Safety & Health	1,361	1,530	1,453	1,406	1,457	1,510
Chief Executive and Director of Customer & Community Services	142	134	150	153	158	163
Welfare Reform	2	170				
Environment	4,792	5,648	5,457	5,591	5,753	5,920
Customer & New Media	-706	-1,048	-865	-801	-725	-646
Economic Development	115	93	83	89	96	103
Community Engagement	746	741	728	707	724	743
Hertford Theatre	201	216	221	238	259	281
Director of Finance and Support Services	142	132	131	133	137	142
Governance Support	351	605	559	575	601	628
People & Property Services	2,481	2,376	1,045	1,066	1,100	1,135
ICT, Printing & DTP Services			1,280	1,307	1,356	1,406
Financial Support Services	555	569	552	562	579	597
Revenues & Benefits	202	168	245	279	350	423
Corporate Risk	338	353	336	342	351	361
Other	851	772	775	766	794	824
Capital Salaries	-172	-188	-26	-26	-26	-26
<b>Net Cost of Services</b>	<b>13,310</b>	<b>14,218</b>	<b>13,962</b>	<b>14,293</b>	<b>14,966</b>	<b>15,659</b>
Interest Payments	660	662	662	662	662	662
Interest & Investment Income	-1,193	-996	-895	-1,113	-1,330	-1,650
Car Parking Fees & Charges					-80	-160
Other fees & Charges			-37	-81	-126	-172
Growth 2014/15			58	58	58	58
Growth 2015/16				18	18	18
Growth 2016/17					18	18
Growth 2017/18						
Special Item			376	65	3	1
Savings 2014/15			-64	-64	-64	-64
Savings 2015/16				-262	-262	-262
Savings 2016/17					-14	-14
Savings 2017/18						
Efficiency Savings - to be Identified					-246	-165
One Off Savings			-15			
Known Changes				379	423	163
Application of New Homes Bonus *	238	558	1,095	1,356	1,592	1,798
Contingency		590	513	443		

Council Tax Support Scheme: grants to town and parish		255	127			
RCCO/Internal Interest	25	25	25	25	25	25
Contribution to Earmarked Reserves	1,620	99	39	39	39	25
Contribution from Earmarked Reserves	-177	-265	-134	-370	-60	-60
Contribution to/ from Interest Equalisation reserve	1,249	600	-34			
Use of General Reserve	97					
Movement on Pension Reserve (Deficit Contribution)	118	493	600	600	600	600
<b>Net Expenditure</b>	<b>15,947</b>	<b>16,239</b>	<b>16,277</b>	<b>16,049</b>	<b>16,222</b>	<b>16,480</b>
Formula Grant/NNDR	-5,537	-5,940	-5,238	-4,439	-3,995	-3,596
Council Tax Freeze Grant	-233	-94	-94	-94		
Other general grants	-13	-16	-16			
New Homes Bonus	-772	-1,416	-2,190	-2,715	-3,188	-3,601
Transfer (from)/to Council Tax Collection Fund	-62	-95	-			
Transfer (from)/to NNDR Collection Fund			-			
<b>Demand on Collection Fund</b>	<b>9,330</b>	<b>8,677</b>	<b>8,738</b>	<b>8,800</b>	<b>9,039</b>	<b>9,284</b>
Council Taxbase	58,628	55,084	55,469	55,857	56,248	56,642
<b>Council Tax at Band D</b>	<b>159.13</b>	<b>157.54</b>	<b>157.54</b>	<b>157.54</b>	<b>160.70</b>	<b>163.92</b>
<b>Percentage Increase</b>		-1.00%	0.00%	0.00%	2.00%	2.00%

\* 2014/15 onwards NHB application split equally between Priority Spending and Parish & Town Councils ( as shown on the Known changes sheet)

## Investment Income - 12/12/2013

REF PAPER B

	2013/14	2014/15	2015/16	2016/17	2017/18	Assumptions	Source
<b>total cash</b>	<b>67</b>	<b>67</b>	<b>60</b>	<b>60</b>	<b>0</b>	<b>60</b>	
<b>Fixed term</b>							
<b>Lloyds rate 3.72</b> to Apr 2015 rolled over rat rate 1.1 rolled over rat rate 1.4 rolled over rat rate 2.0	10 372	10 372	10 110	10 140	10 200	Roll over for 1 year " " " "	Capital Assets Services " "
<b>Natwest rate 2.25</b> to Oct 13 Rate 0.8 to April 2014 rolled over rate 0.6 rolled over rate 0.7 rolled over rate 1.1 rolled over rate 1.4 rolled over rat rate 2.0	5 20 15	5 35	5 50	5 70	5 100	95 Days Notice	
<b>Lloyds rate 3%</b> Jul-13 Income rolled over rate 0.92 rolled over rate 0.75 rolled over rate 1.1 rolled over rate 1.4 rolled over rate 2.0	10 75 70	10 75	10 110	10 140	10 200	Roll over for 1 year " " " "	Capital Assets Services " "
<b>Barclays</b> to Aug 14 rate 2% rolled over rate 0.7% rolled over rate 1% rolled over rate 1.4% rolled over rate 2.0%	5 100	5 30 23	5 50	5 70	5 100	Roll over for 1 year " " " "	Capital Assets Services " "
<b>Barclays</b> Until April 14 rate 0.88% rolled over rate 0.7% rolled over rate 1% rolled over rate 1.4% rolled over rate 2.0%	5 40	5 35	5 50	5 70	5 100	Roll over for 1 year " " " "	Capital Assets Services " "
<b>Investec</b> Rate 0.25% 0.75% 1.40% 1.50%	21.8 55	12 15	5 38	5 70	5 75	Disinvest £10m in July 2014/15 and £7m in 2015/16	Investec
<b>LAM</b> 3.00%	1 30	1 30	1 30	1 30	1 30	Funds placed in 2013/14	
<b>Property Fund</b> Rate 3.0% Rate 3.2% Rate 3.5% Rate 4.0%		20 220	20 640	20 700	20 800	Investment commence in second quarter 2014/15 Half Year income less £80k entry fees Full year income " "	
<b>Short term</b> rate Income	10 0.4 40	0.4 20				Disinvesting in second quarter 2014/15	
<b>In house cash flow</b>	45	40	35	40	45		
<b>Total</b>	<b>842</b>	<b>895</b>	<b>1113</b>	<b>1330</b>	<b>1650</b>		
<b>Total - Feb 2012 MTFP</b>	<b>996</b>	<b>929</b>	<b>865</b>	<b>997</b>	<b>0</b>		
<b>Difference (2014/15 - 2016/17 to be funded from Reserves)</b>	<b>154</b>	<b>34</b>	<b>-248</b>	<b>-333</b>	<b>0</b>	<b>-1650</b>	

	£million	Maturity
Lloyds min return	10	3.72% Apr-15
Nat west	5	0.60% Apr-14
Lloyds	10	1% Jul-14
Barclays	5	2% Aug-14
Barclays	5	0.88% Apr-14

## Using Office Budget Responsibility (OBR)

13/14	0.70%
14/15	0.70%
15/16	0.95%
16/17	1.40%
17/18	2.05%

<b>Growth</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>£</b>	<b>£</b>	<b>£</b>	
<b>Environment</b>				
Waste Services - Property Growth	22,000			
<b>Customer &amp; New Media</b>				
Parking - Pay by Phone	8,000	8,000	8,000	
<b>IT</b>				
Growth from IT Capital Programme	10,000	10,000	10,000	
<b>New Items</b>				
<b>People &amp; Property</b>				
Consultants fees re property investment appraisal	7,700			
Lighting columns maintenance costs	10,000			
<b>Total growth</b>	<b>57,700</b>	<b>18,000</b>	<b>18,000</b>	<b>0</b>

## REF PAPER D

<b>Special Items</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>£</b>	<b>£</b>	<b>£</b>	
Welfare Reform	120,000			
<b>New items</b>				
<b>People, ICT &amp; Property</b>				
EHC disturbance Costs (Less SBC contribution)		2,450	2,700	1,200
Resource to facilitate HR performance reporting	20,000			
Compliance Surveys	30,000	30,000		
<b>Customer Services &amp; New Media</b>				
Southmill Area Resident Permit Scheme	15,000	30,000		
Car Park Management System Consultancy - Specification & Tender Support	15,000			
Bisops Stortford Parking Futures	15,000			
Review of on-stree limited waiting bays	15,000			
Intranet consultation and redesign including role and template implementation	15,000			
Member's website consultation and redesign including role and template implementation	15,000			
Accessibility assessment of www.eastherts.gov.uk	10,000			
<b>Finance &amp; Performance</b>				
Controlled Stationery - cheques		3,000		
<b>Community Engagement</b>				
20203/822 Development of Olympic Programme	500			
20203/822 Herts Savers Credit Union	5,000			
<b>Revenues &amp; Benefits</b>				
Revenues & Benefits shared service - contribution to staffing	100,000			
<b>Total Special Items</b>	<b>375,500</b>	<b>65,450</b>	<b>2,700</b>	<b>1,200</b>
<b>Built into 2014/15 Estimates</b>				
<b>People, ICT &amp; Property</b>				
EHC disturbance Costs (Less SBC contribution)	2,200			
	<b>377,700</b>	<b>65,450</b>	<b>2,700</b>	<b>1,200</b>

## REF PAPER E

MTFP Savings 2014/15 To 2017/18		Note	2014/15	2015/16	2016/17	2017/18
			£	£	£	£
<b>Planning &amp; Building Control</b>						
Reduction in budget				(61,000)		
Building Control Reduced Spending				(50,000)		
Planning administration				(34,000)		
<b>Environmental Services</b>						
Grounds Maintenance Contract Extension			(12,500)	(37,500)		
<b>Community Engagement</b>						
Hertford Theatre - new business plan				(14,300)	(9,500)	
<b>People, ICT &amp; Property</b>						
Reduce HR support - Shared Support Services			(2,000)	(5,000)	(4,000)	
17719/053	Reduction in corporate training budget pro rata to staff reduction		(3,000)			
Phased reduction in hours of estates staffing			(14,000)			
SBC Contribution to EHC retained recharges			(9,560)			
<b>Revenues &amp; Benefits</b>						
Shared service efficiencies				(15,000)		
<b>Democratic &amp; Legal Services</b>						
Reduction in Legal third party payments budget				(27,000)		
Efficiency measures for electoral canvass				(12,500)		
<b>Revenue effects of capital</b>						
Bell Street Public Conveniences modernisation			(5,600)	(5,600)		
3G Artificial Turf Pitch development at Hartham Common (Management fee reduc			(17,000)			
<b>Total</b>			<b>(63,660)</b>	<b>(261,900)</b>	<b>(13,500)</b>	<b>0</b>
<b>Savings to be Identified</b>					<b>(252,000)</b>	<b>(174,000)</b>
<b>Total savings to be built into estimates</b>			<b>(63,660)</b>	<b>(261,900)</b>	<b>(265,500)</b>	<b>(174,000)</b>
<b>Already built in to Estimates as part of Underspend Challenge</b>						
<b>Planning &amp; Building Control</b>						
Planning administration			(34,000)			
<b>Community Safety &amp; Health</b>						
Set taxi licence fees to recover full costs			(5,000)			
Restructuring the services delivered by Licensing, Community Safety and Environmental Health leading to a reduction in resources			(3,420)			

<b>Environmental Services</b>	
Waste services contract transition	(100,000)
<b>Community Engagement</b>	
Hertford Theatre - new business plan	(45,000)
<b>Democratic &amp; Legal Services</b>	
Land Charges - staffing reductions	(23,000)
	<u>(210,420)</u>
<b>Already built into Estimates</b>	
<b>Community Safety &amp; Health</b>	
Restructuring the services delivered by Licensing, Community Safety and Environmental Health leading to a reduction in resources	(102,580)
<b>Environmental Services</b>	
Leisure Savings	155,000
<b>People, ICT &amp; Property</b>	
Estimated Shared services Savings	(208,000)
	<u>(155,580)</u>
<b>Items removed from Savings list (not built in to estimates)</b>	
<b>Planning &amp; Building Control</b>	
Building Control Reduced Spending	(50,000)
Development Control BPI led savings	(22,000)
	<u>(72,000)</u>
<b>Total</b>	<u>(501,660)</u>



REF PAPER F

<b>One Off Savings</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Customer &amp; Community</b>				
<b>Community Engagement</b>				
Public Consultation & Research	(14,700)			
<b>Total to be built in</b>	<b>(14,700)</b>	<b>0</b>	<b>0</b>	<b>0</b>

## REF PAPER G

## OTHER KNOWN REDUCTIONS AND INCREASES

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
Changes to Terms and Conditions		-92	-92	-92
Hertford Theatre Hydro Income		-11	-11	-11
National Insurance rebate (exact date uncertain)			222	222
LDF Public exam/Green belt review		250	40	40
Future Council elections		100		
Reduction in housing benefit over recovery		65	130	195
Adjust council tax admin grant		67	134	201
Causeway lease reversal of accrual				-380
Causeway car park - loss of net income				36
Leisure Contract reduction in contract expenditure				-48
Remove Council Tax Support Scheme				
Waste - Alternate Financial Model (AFM) income reduction				
		<b>379</b>	<b>423</b>	<b>163</b>
<b>For information</b>				
Application of New Homes Bonus - 25% to parish and towns		678	796	899
Application of New Homes Bonus - priority spending		678	796	899
		<b>1,356</b>	<b>1,592</b>	<b>1,798</b>

REF PAPER H

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

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
New Homes Bonus 11/12 (to be received 11/12 to 16/17)	(415)	(415)	(415)	(415)	(415)	
New Homes Bonus 12/13 (to be received 12/13 to 17/18)	(425)	(425)	(425)	(425)	(425)	(425)
New Homes Bonus 13/14 (to be received 13/14 to 18/19)		(553)	(553)	(553)	(553)	(553)
New Homes Bonus 14/15 (to be received 14/15 to 19/20)			(797)	(797)	(797)	(797)
New Homes Bonus 15/16 (to be received 15/16 to 20/21)				(525)	(525)	(525)
New Homes Bonus 16/17 (to be received 16/17 to 21/22)					(473)	(473)
New Homes Bonus 17/18/ (to be received 17/18 to 22/23)						(828)
Built into Estimates	840	1,393	2,190			
	-	-	-	(2,715)	(3,188)	(3,601)



REF PAPER J

Calculation of Council Tax base

	13/14	14/15	15/16	16/17	17/18
ST Figures 14/12/12					
Eligible chargeable properties	59,354				
Council tax benefit scheme	(4,639)				
Estimated growth	0.89%	487			
Non collection allowance	1.25%	(690)			
Increase - CT reduction scheme		175			
Increase - Wider CT reforms		397			
Assume increase of 0.5% per annum (SC 18/12/2012)			275	277	278
	<b>55,084</b>	<b>55,359</b>	<b>55,636</b>	<b>55,914</b>	
Revised Tax base 13/12/2013 From Final Tax base report		55468.63			
Assume increase of 0.7% per annum (SC 19/11/2013)			388	391	394
		<b>55,469</b>	<b>55,857</b>	<b>56,248</b>	<b>56,642</b>

## Pay and Price Assumptions for Medium Term Financial Plan

Data Table	2013/14	2014/15	2015/16	2016/17	2017/18
Overall salary increase (Inclusive of everything)*	1.75%	1.75%	1.75%	3.25%	3.25%
Members Allowances	0.00%	1.00%	1.00%	2.50%	2.50% **
Inflation	2.00%	2.30%	2.10%	2.00%	2.00%
NNDR	2.50%	2.00%	3.00%	3.00%	3.00%
Fuel	2.50%	2.30%	2.10%	2.00%	2.00%
Contract Index - All Contracts	3.20%	2.30%	2.10%	2.00%	2.00%
Contract Index - Street Cleansing	1 2.60%	2.30%	2.10%	2.00%	2.00%
Contract Index - Refuse Only	2 2.60%	2.30%	2.10%	2.00%	2.00%
Contract Index - Parking	3 3.10%	2.30%	2.10%	2.00%	2.00%
Contract Index - Leisure	4 3.10%	2.80%	3.30%	3.60%	3.80%
<b>Income</b>					
Increase for Fees & Charges	2.50%	2.50%	2.50%	2.50%	2.50%
Increase for car parks	0.00%	0.00%	0.00%	2.50%	2.50%

1. Street cleansing / Grounds Maintenance - CPI

2. Refuse & Recycling - CPI

3. Parking - April CPI applied in January

4. Leisure - January RPIx applied in January

\*Salary Increase

Pay award	1.00	1.00	1.00	2.50	2.50
Pay allowance - increments and local award	0.75	0.75	0.75	0.75	0.75
	<b>1.75</b>	<b>1.75</b>	<b>1.75</b>	<b>3.25</b>	<b>3.25</b>

\*\* Subject to IRP recommendation

## ESSENTIAL REFERENCE PAPER C

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

Given 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.

Below is set out an internal assessment of the Council's financial position. The Council's external auditors reviewed the financial resilience of the Council in 2013 as part of its overall assessment of our financial accounts. (see Audit Committee 18 September 2013) and gave a positive report.

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:

- Continuation of public sector funding reductions
- A loss on investments arising from failure of one or more banks
- Changes in the arrangements for Local Government financing directly impacting on funding levels, including level of localised business rates being much lower than expected
- Failure of a major supplier
- A natural disaster
- Unforeseen additional take up of council tax support
- 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 and the integration of service and financial planning over the medium term. 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 the ability to cope should any of the scenarios materialise.

The Council's budget requirement for 2014/15 is £14m. 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. circa £1.4m and £2.8m

The tools to cope with such an event are:

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

### Spendable Reserves

The use of reserves is a potential response to meet non-recurrent shocks and potentially to buy time to make adjustment to spending if the shock is of a continuing nature.

The current approved Reserves Policy sets a minimum balance of £3m and a ceiling of £7.1m. The projected balance at March 2014 currently exceeds the ceiling but is subject to a number of risks as highlighted in the consolidated budget report. Earmarked reserves might be redirected in the short term providing another further coverage over the period of the MTFP if required.

Reserves are adequate to meet more than one level 2 events or a combination of Level 1 and 2 events.

A one off call on reserves would reduce cash balances and return on investments, but there is currently an earmarked reserve that could be brought into play that is specifically for interest being below the level set in the budget.

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. The current MTFP includes a range of savings and to reduce spending by another £2.8m per year (Level 2 “shock”) 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 estimated at £40m at March 2014 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 from the Secretary of State 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

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 although consideration would need to be given that some of these fees and charges are only able to be set at "cost recovery" levels so may increase the need to increase discretionary fees and charges at more than 10%. It is more likely that this scenario would be considered as part of a package of measures rather than on an individual basis.

### 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, as it currently is.

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.

A lead in time of 6 to 9 months is indicative of the minimum time to implement significant reductions in spending efficiently and mitigate impact on services.

### Exceptional council tax increase

A 1% increase in council tax generates about £94k per year DCLG has indicated that an increase in Council Tax in excess of 2% for 13/14 would trigger a referendum and although the level for

14/15 has yet to be announced, it is likely to be similar. It would therefore be unlikely that the raising of exceptional Council Tax would be a tool that could be used to mitigate any financial shocks.

### 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. Although the latest Treasury Management strategy is looking to change the nature of our investment levels, it will still ensure that we maintain “safe” levels of ready access to cash.

The Council’s major debtors are council tax payers and businesses for business rates and adequate provision is made for bad debts. These sources of income 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.

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## PENSION FUND TRIENNIAL VALUATION 2013 – PENSION ARRANGEMENTS

### 1 Summary

- 1.1 The Council has recently received the results of the triennial valuation 2013 which is used to determine the employer contribution rates for the next three years, with effect from 1<sup>st</sup> April 2014.
- 1.2 The Pension Deficit at the start of this triennial valuation (31<sup>st</sup> March 2013) was £19.717 million. The Pension Fund benefiting from higher than expected Investment returns.
- 1.3 The purpose of this summary report is to set the context for the lump sum payment to be made from reserves to the pension fund and stabilise the employer contribution rate and annual deficit contribution for the period 2014/15 to 2016/17.
- 1.4 The proposal is:
- An additional lump sum payment of £1.008 million,
  - Stabilise the annual Pension Deficit Contribution for the 4 year period April 2014 to March 2018 to £600,000, and
  - Stabilise the employer contribution rate to the pension fund to a fixed rate of 16.6% of pay in each of the next three years.

### 3. Financial Implications

- 3.1 Following the 2013 valuation the actuary for the pension fund has proposed the following certified employer contribution rates as set out in the table below:

	<b>% of payroll to future benefits</b>	<b>% of payroll to past accrued benefits.</b>	<b>Monetary amount p.a. to finance Pension Deficit. £'000</b>
<b>Current Arrangements for 2013/14</b>	<b>16.6%</b>	<b>0%</b>	<b>428</b>
<b>Proposed certified rates for the year ending</b>			
31 March 2015	<b>16.6%</b>	<b>0%</b>	<b>1,608 (Note 1)</b>
31 March 2016	<b>16.6%</b>	<b>0%</b>	<b>600</b>
31 March 2017	<b>16.6%</b>	<b>0%</b>	<b>600</b>

Note 1: includes one off lump sum contribution of £1.008 million.

3.2 This one off payment would be met from balances and reduce the requirement to reflect increased contributions in budgets for the next three years. This payment will also reduce the deficit earlier and the Fund will benefit from additional cash returns as there will be more assets available for investment.

#### 4. Explanation

4.1 The Local Government Pension Scheme (LGPS) undergoes a financial valuation every three years; this is carried out by the scheme actuary, Hymans Robertson LLP. The triennial valuation is an assessment of the financial health of the pension fund and the results of which is used to determine the contributions that the Council will need to pay to the Fund from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2017.

4.2 The previous triennial valuation was carried out at the valuation date of 31<sup>st</sup> March 2010; at this point in time the Council's element of the Fund was shown to be £20.585 million in deficit or 74% funded. The latest 2013 valuation is based on an assessment of the fund as at 31<sup>st</sup> March 2013. The result shows that the deficit position has improved slightly, resulting in a Deficit Contribution of £19.717 million and a funding level of 79%. The assets and the liabilities of the pension fund from the two valuations are summarised in the table below.

	<b>2010 Valuation</b>	<b>2013 Valuation</b>
	<b>£'000</b>	<b>£'000</b>
Assets	80,446	93,138
Liabilities	(59,861)	(73,421)
<b>Deficit</b>	<b>(20,585)</b>	<b>(19,717)</b>
<b>Funding Level</b>	<b>74%</b>	<b>79%</b>

#### 5. Options to address the pension fund deficit

5.1 The Actuary is required by Regulations to set a prudent contribution rate in order to ensure the long term solvency of the pension fund. Therefore any funding deficit identified will be recovered through a 20 year period, and be reflected in employer contribution rates.

5.2 For 2013/14, as recommended in the 2010 valuation, the Council is paying 16.6% of payroll to meet the cost of future accrual of pension benefit and an annual lump sum payment of £428,000 towards reducing the deficit.

5.3 Following the release of the results for the 2013 valuation, the actuary has proposed a future payroll rate of 18.9% to address future benefit

accruals. In addition to a monetary amount of £1.092 million to address the deficit is proposed.

- 5.4 As an alternative option, the actuary also calculated a lump sum payment that could be paid into the fund to stabilise both the contribution rate at 16.6% over the three year period to March 2017 and an annual contribution payment of £600,000 over the next four years (to 31<sup>st</sup> March 2018), as set out in 3.1 and determined to be £1,008 million.
- 5.5 Were the annual deficit contribution to remain at £428,000 for the three year period to 31 March 2017, the council would face a significantly increased annual contribution estimated to be £1 million approximately in 2017/18. The option proposed at paragraph 5.4 enables the Council to stabilise the annual deficit payment over a four year period.
- 5.6 Based on analysis provide by the actuary and using an expected return of 4.8% per annum, by paying a lump sum payment of £1.008 million into the fund this would generate an additional £0.153 million over a 3 year period. This is because there is an opportunity gain, by putting a cash sum into the Fund to repay some of the deficit earlier, particularly if investment returns are in line with or better than the actuary's expectation of returning 4.8% over the long term. The investment returns will be earned sooner by paying in the £1.008 million lump sum up front. Of course the benefit would be increased if investments outperform the actuary's return assumption.
- 5.7 A 1.1% average rate of return is forecast for the council's investments over the next three years. The rate of investment return earned in the pension fund will be significantly more, so there is significant benefit to choose the lump sum payment option.

## **6. Risk Management Implications**

- 6.1 There is a risk that the investment return achieved by the pension fund is lower than expected, market returns could deteriorate over the next 3 years and may not reach the assumption set by the actuary.
- 6.2 It should be noted that other factors also impact on the Pension Fund's performance in both the short and long term. For example changes to the membership demographics compared to the Funding model

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## ESSENTIAL REFERENCE PAPER 'E

### East Herts Council Budget Consultation 2013

East Herts Council is committed to effective consultation when setting each year's budget. This year, consultation concentrated on 4 key areas with an opportunity to raise any other ideas or suggestions in regard to the budget for the Council. The consultation activity with regard to setting the 2014/15 budget is detailed below.

#### **BUSINESS BUDGET CONSULTATION 2013**

The 2013 Business Budget Consultation took place with representatives of Bishop's Stortford Chamber of Commerce on 10<sup>th</sup> December at Next Step Centre in Bishop's Stortford (part of Hertford Regional College).

The following questions were presented to Chamber Members covering 4 key areas, which helped structure the meeting and prompt discussion. A summary of the responses is included under each question heading.

**1. If the Council were in a position to make a single significant investment to support the local economy what do you think it should be?**

There was a very strong feeling in the group that car parking is the most critical issue for towns and that multi storey car parking would contribute to prosperity. Linked to this was a view that transport masterplanning was needed and should incorporate car parking policy.

**2. If the Council had the resource to develop a business centre locally what activities would you like to see at the centre? (e.g incubation, enterprise training, manufacturing, services to business)**

This issue was not addressed in detail but strong interest exists for incubation support for start up business. There was also a need to support existing and developing businesses.

**3. Is the Coalition Governments welfare reform having an impact upon your business? (workforce issues, recruitment)**

There were no clear opinions about this. Comments indicated that welfare reform is a fairly new policy and that it was too early to understand the impact upon business.

#### **4. What local car parking initiatives might be helpful for business?**

Parking rebate schemes for town centre workers might also help as would low occupancy time rebates. The RINGO scheme was good but people find it difficult to understand. Pay On Exit system preferred to Pay and Display.

#### **5. Other issues/comments**

The idea of support models for Chambers of Commerce was raised. France and Germany provide public sector funding for their Chambers in return for the delivery of economic services. Could Bishop's Stortford be a pilot for a similar approach?

There were a range of ideas proposed including grant support for small business, youth enterprise schemes, urban funding schemes/urban conference, apprenticeships, national insurance holidays and a general feeling that access to business related support should be simplified.

## EAST HERTS COUNCIL

EXECUTIVE - 4 FEBRUARY 2014

### REPORT BY THE EXECUTIVE MEMBER FOR FINANCE

#### DEVELOPING AN INVESTMENT STRATEGY FOR EAST HERTS: PROGRESS REPORT

WARD(S) AFFECTED: ALL

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

- This report outlines: progress achieved in developing an Investment Strategy for East Herts; the advice being sought; performance of the existing investment portfolio; and next steps, including an indicative programme.

<b>RECOMMENDATIONS FOR EXECUTIVE: that:</b>	
<b>(A)</b>	<b>progress to date be noted; and</b>
<b>(B)</b>	<b>the draft outline programme be noted and that a further report will update on progress at a future Executive meeting.</b>

#### 1.0 Background

1.1 The report to the Executive on 5 November 2013 set out the background to developing an Investment Strategy and the principles for property investment.

1.2 This report sets out: the progress to date; the specific areas being actioned; the advice that is being sought; overall current performance of the existing investment portfolio; and next steps, including an indicative programme.

#### 2.0 Investment areas being progressed

2.1 There are four discrete areas of possible investment that are currently being investigated and progressed. These are:

- **Acquisition of a Property Investment Portfolio** – direct investment in physical assets
- **Investment in Property Funds** – making an investment within a fund that has a number of properties and the Council pools their investment with other investors. As a consequence the risk and reward is spread across all properties in the fund for all investors.
- **Management of the existing investment property portfolio** – ensuring that the Council continues to proactively manage our current investment property portfolio.
- **Investment in the Municipal Bonds Agency - consider** whether the Council wishes to participate in the setting up of the Municipal Bonds Agency, with other partners, through the Local Government Association

### 3.0 Property Investment Portfolio – progress to date

3.1 Advice has been sought from a number of organisations as part of our due diligence work:

#### 3.1.1 **Property professionals, Lambert Smith Hampton (LSH).**

They have advised East Herts on the potential ways of structuring the procurement of the acquisition of investment properties and features that may make this more or less attractive to the market and deliver best value for East Herts.

#### 3.1.2 **A proposal has been sought and received from Capita (Asset Management) on the statutory and accounting implications of investing in any new Investment Property.**

Initial meetings have been held with Capita. Their report is due to be received by officers by late February 2014 for further consideration.

#### 3.1.3 **Discussions with other Local Authorities already undertaking direct investment around potential partnership working.**

Direct discussions have taken place with a number of local authorities and public sector bodies who already undertake similar functions. These have been to establish both lessons learnt and for us to consider whether there are options available around partnering opportunities within the sector. Whether these options would be viable relies on important due diligence work underway in relation to governance and legal issues surrounding direct property investment.

#### 4.0 Property Investment Portfolio – next steps

4.1 The receipt of the proposals from other local authorities and public sector bodies and the advice from Capita (Asset Management) is necessary prior to further developing the detailed plan for potential acquisition of a new Property Investment Portfolio. However, it is likely that the earliest that a new Property Investment Portfolio could start to be acquired is the end of 2014.

4.2 Appropriate governance and management arrangements will be developed and, subject to investment in property being approved, implemented.

#### 5.0 Property Funds – progress to date

5.1 Proposals have been received from Capita (Asset Management) for the provision of advice to East Herts on the statutory and accounting implications of investing in any new Investment Property and Property Funds and for supporting the process for evaluating and selecting property funds. It is anticipated that they will commence work on both proposals during January.

#### 6.0 Property Funds – next steps

6.1 The process to get to inception of Property Funds will include:

- Revision of East Herts' Treasury Management Strategy Statement and Annual Investment Strategy in order to enable the Council to acquire Property Funds.
- Development and approval of appropriate governance and client management arrangements.
- Sending invitations to fund managers to provide East Herts with information on their property funds.
- Analysing information provided by fund managers.
- Short-listing of funds.
- Interviewing short-listed fund managers.
- Selection of preferred fund(s).
- Receipt of required documentation from fund manager(s).

6.2 The yield achieved from Property Fund(s) will be used as a benchmark to assist with establishing what potential returns should be sought from a property investment portfolio. An estimate of the potential yield has been included within the budgets for 2014/15 and the Medium Term Financial Plan

(MTFP). These have been presented to Joint Scrutiny and are on the same agenda as this report. If the yield does not meet our expectations in the MTFP any shortfall can be funded via our Interest Equalisation Reserve in the in the short-term. In the longer-term the financial implications would need to be considered as part of future budget setting processes.

6.3 It is currently anticipated that funds may be able to be incepted by the end of April 2014 at the earliest, although the MTFP does not take account of yields until July 2014.

#### 7.0 Existing Investment Portfolio – progress to date

7.1 The value of the Council's existing property investment portfolio is relatively small. The portfolio of investment assets plus community facilities and other properties is derived from the property assets that remain following previous disposals. The portfolio generally does not consist of prime investment property.

7.2 An analysis of the financial performance of the existing investment portfolio has been undertaken. This identified that the yield (before taking account of any provision for voids, bad debts or management costs) for each property is between 4 and 11%, average 6%. It also does not take account of any liabilities that the Council has, or may have, in respect of these properties.

#### 8.0 Existing Investment Portfolio – next steps

8.1 The yield of the existing property investment property portfolio, appropriately adjusted for void risk, bad debt risk, management costs and liabilities, will be used as a benchmark to assist with establishing what potential returns should be sought from a new property investment portfolio.

#### 9.0 Municipal Bonds Agency – progress to date

9.1 Discussions have been held with the Local Government Association's (LGA's) Senior Advisor responsible for managing this project.

9.2 The Council has considered information from the Municipal Bonds Agency (the Agency), including a presentation of the key reasons for proposing the Agency and their outline business case.

10.0 Municipal Bonds Agency – next steps

- 10.1 Once more detail is available we will need to make a decision about whether to participate in the Agency as a Foundation Investor.
- 10.2 If we decide that we wish to explore further the option for East Herts to participate in the Agency as a Foundation Investor, an expression of interest will need to be sent to the LGA.
- 10.3 The LGA are revising the project plan for setting up the Agency. This is scheduled to be available by the end of February and will contain key programme activities and dates. These will be reported to the Executive in future progress reports.
- 10.4 Subject to an appropriate business plan, participation in the Agency as a Foundation Investor will be considered for recommendation to the Council.
- 10.5 The Agency is likely to take 12 to 18 months to be established.

11.0 Outline programme

- 11.1 A draft indicative programme is set out in section 11.2, below. This programme, particularly in respect of the Property Investment Portfolio, is likely to be subject to significant change as it is refined following consideration of Capita (Asset Management)'s advice and the selection of the most beneficial procurement route for these properties.
- 11.2 Subject to the approval of this report, key actions necessary to progress this and draft programme dates are set out in the table below. All actions will be subject to the appropriate decision-maker's approval as laid down in the Scheme of Delegation within the Constitution but the table below indicates who will be the action owner responsible for ensuring this timetable is adhered to.

<b>Action</b>	<b>When</b>
Property Investment Portfolio proposals received from local authorities and public sector bodies.	January 2014
Revised outline Business Case and project plan received for the Municipal Bonds	February 2014

<b>Action</b>	<b>When</b>
Agency.	
Statutory, regulatory and accounting advice received from Capita.	February 2014
Invitations to Property Fund Managers to provide information on their funds.	February 2014
Decision on whether to proceed, as Foundation Investor, in the Municipal Bonds Agency.	February/ March 2014
Approval of revised Treasury Strategy to allow investment in Property Funds and Investment Properties.	March 2014
Evaluation of Property Fund information.	March 2014
Evaluation of advice to determine preferred procurement route for the Property Investment Portfolio.	March 2014
Selection of Property Fund(s).	April 2014
Inception of Property Fund(s).	April 2014
Procurement of Property Investment Portfolio agent. (subject to member agreement)	Summer 2014
Detailed project plan, business case and operating model produced for the Municipal Bonds Agency.  Organisational structures established.	October 2014
Selection of preferred Property Investment Portfolio agent. (Subject to member agreement)	Autumn 2014
Launch of Municipal Bonds Agency.	December 2014



Action	When
Inception of Property Investment Portfolio (subject to member agreement)	Winter 2014

12.0 Implications/Consultations

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

Background Papers

None

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## ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/ Objectives	Ensuring that the Council has sufficient resources in the medium to long terms to run its priority services covers all aspects of the Corporate Objectives.
Consultation:	None required at this stage.
Legal:	This report sets out progress in establishing a framework for future decision making. During the development of the Investment Strategy, specific legal advice is being taken to ensure that the Council is complying with relevant financial legislation. At this stage, there are no implications from the recommendations made in this report.
Financial:	Additional financial resources may be required to initiate the development of the strategy but future funding will need to form part of the calculation of Return on Investment from our overall investment portfolio.
Human Resource:	It is not anticipated that there are any HR implications at this stage of the project.
Risk Management:	<p>Establishment of an investment strategy will need to consider the management of risk as one of the main criteria when making investment decisions.</p> <p>This report highlights the need for this to be considered and will be subject to further detailed assessment for each of the areas under consideration in future reports when the actual Investment Strategy is established and investment decisions required.</p>

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EAST HERTS COUNCIL

EXECUTIVE - 4 FEBRUARY 2014

REPORT BY EXECUTIVE MEMBER FOR STRATEGIC PLANNING AND TRANSPORT

HERTINGFORDBURY CONSERVATION AREA APPRAISAL AND MANAGEMENT PLAN

WARD(S) AFFECTED:     HERTFORD CASTLE

**Purpose/Summary of Report**

- To enable Members to consider the Hertingfordbury Conservation Area Appraisal following public consultation.

<b><u>RECOMMENDATIONS FOR EXECUTIVE:</u></b> That	
(A)	the responses to the public consultation be noted and the Officer responses and proposed changes to the Hertingfordbury Conservation Area Appraisal be supported;
(B)	authority be delegated to the Head of Planning and Building Control, in consultation with the Executive Member for Strategic Planning and Transport, to make any further minor and consequential changes to the Appraisal which may be necessary;
(C)	the Hertingfordbury Conservation Area Appraisal be supported for adoption;
<b><u>RECOMMENDATIONS FOR COUNCIL:</u></b> That:	
(A)	the responses to the public consultation be noted and the Officer responses and proposed changes to the Hertingfordbury Conservation Area Appraisal be agreed;
(B)	the Hertingfordbury Conservation Area Appraisal be adopted.

## 1.0 Background.

- 1.1 East Herts has a rich environmental heritage which includes 42 Conservation Areas. The East Herts Local Plan commits the Council to review its Conservation Areas, a requirement which is also set out in national legislation.
- 1.2 The review of Hertingfordbury's Conservation Area is the fifth in a series of reviews undertaken in 2012/2013. These reviews can now be presented for Members consideration. In each case a report will be presented when a public consultation exercise has been undertaken in relation to each individual settlement.
- 1.3 Each document identifies the special character of the respective Conservation Area together with the elements that should be retained or enhanced and those which detract from the identified character. Existing boundaries will be reviewed and, where appropriate, practical enhancement proposals will be suggested.
- 1.4 Once Members have considered each Appraisal, and the document has been adopted by the Council, they will become a 'material consideration' in the process of determining planning applications.

## 2.0 Hertingfordbury Conservation Area Appraisal

- 2.1 Hertingfordbury's Conservation Area was first designated in 1968 and redesignated in 1981. The Hertingfordbury Conservation Area Appraisal was completed in 2013. There was a period of public consultation between October and December 2013. A public meeting was held on 24<sup>th</sup> October 2013 at which about 25 members of the public were in attendance. Responses were received from the Town Council and from 4 others and other points were raised at the public meeting. The headline issues are set out in the following paragraphs:
- 2.2 *General content of Appraisal:* The Appraisal sets out a revision to the Conservation Area boundary to exclude properties to the west of St Marys Lane and properties south of the Cole Green Way (former rail line). It identifies the key environmental features and the manner in which they can be controlled. In relation to Hertingfordbury the most relevant ones are: Listed Buildings including structures in their curtilages; non listed buildings of quality worthy of protection; other unlisted distinctive features worthy of protection and important open land and spaces.

- 2.3 Please note that the character analysis plan attached to this report indicates the proposed deletion of both the area of housing and the allotment gardens to the west of St Marys Lane, from the Conservation Area. However, following consultation and reassessment of this matter, the management plan also attached shows the now proposed extent of deletion in this area, which is of the area of housing only, retaining the allotment gardens within the Conservation Area.
- 2.4 *Listed buildings and structures in their curtilages:* These are protected by legislation and have been identified in the Appraisal. Some are in a poor condition and these have also been identified in the Council's recently updated Buildings at Risk Register. It is considered important their condition improves. Potentially this could occur through the planning process or possibly from grant assistance. Officers will approach owners as Members agreed when considering the Buildings at Risk Register in March 2013.
- 2.5 *Non listed buildings of quality worthy of protection:* A small number have been identified that make a positive contribution to the Conservation Area and these should be retained through the planning process.
- 2.6 *Other unlisted distinctive features worthy of protection:* A number have been identified and include walls and railings. These are important to the rural qualities and character of Hertingfordbury. Most are protected by virtue of being within the curtilages of Listed Buildings or above prescribed heights (which means that it is necessary to seek consent before demolition is undertaken). However some are unprotected in law from demolition. Protection could formally be achieved through the introduction of an Article 4 Direction. Prior to considering such a course of action, the Council will seek to establish ownership and discuss the matter further with respective owners.
- 2.7 *Important open land and spaces:* The Appraisal has identified a number of such important open spaces that materially contribute to the character or appearance of the Conservation Area that should be protected through the planning process.
- 2.8 *Enhancement proposals to deal with detracting elements:* A number have been identified and include untidy sites, monuments in need of repair and boundaries in need of repair. It is accepted that such improvements will often only be carried out with the co-

operation of owners and other local bodies and organisations. However the District Council may have a role to play in some instances, for example by offering technical advice; by determining applications and where appropriate offering grant assistance.

### **3.0 Consultation Feedback**

- 3.1 The Town Council is in agreement with the majority of the draft document however they feel that the conservation area boundary should remain unchanged. The general support of the Town Council is encouraging and the process of identifying and subsequently achieving physical improvements, implemented at local level, however small, is important.
- 3.2 Other comments received through the consultation process are set out in the table included as **Essential Reference Paper B** arranged in the subject order set out above.
- 3.3 **Essential Reference Paper C** is a copy of the Hertingfordbury Conservation Appraisal and Management Plan as it appeared at the consultation draft stage with track changes to show how the final document will appear.
- 3.4 In summary it is recommended that the Hertingfordbury Conservation Area Appraisal and Management Plan be adopted and be used in the process of determining planning applications.
- 4.0 Implications/Consultations Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper A**

#### Background Papers

None

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## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives	<p><b>Place</b> This priority focuses on sustainability, the built environment and ensuring our towns and villages are safe and clean.</p> <p><b>Prosperity</b> This priority focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic opportunities and delivering cost effective services.</p>
Consultation:	<i>Community consultation has been undertaken as set out in the report</i>
Legal:	<i>Preparation of the Appraisal fulfils statutory requirements.</i>
Financial:	<p><i>Costs associated with the preparation of the Appraisal are met from within existing staffing and operational budgets.</i></p> <p><i>The Appraisal suggests works and actions which could be undertaken to enhance the character and appearance of the conservation Area and remove detracting elements. The Council is not committed to undertaking these further actions. There will be potential revenue and capital costs associated with doing so – which can be further assessed on reaching a decision whether to undertake further action.</i></p>
Human Resource:	<i>No additional staffing implications</i>
Risk Management:	<i>No significant risk issues</i>

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## Essential Reference Paper B

<b>Issue</b>	<b>Representations made</b>	<b>Officer comment</b>
<p>Changes to the Conservation Area Boundary Involving the removal of two areas:</p> <p>Area A – the Allotment Gardens and adjacent 6 no. 20<sup>th</sup> century detached houses to the west of St Marys Lane;</p> <p>Area B – 5 no. detached houses to the south of the former railway, now Cole Green Way.</p>	<p>The changes to the boundary have been objected to by the majority of the respondents, including Hertford Town Council and Hertingfordbury Conservation Society.</p> <p>The Conservation Society generally welcomes the document but disagree with the proposals to remove land from within the Conservation Area on the basis that existing buildings are often fine example of buildings from the 1950s and 60s and will become part of the historical evolution of the village and in the future will be viewed as holding a similar position as the oldest houses in the village.</p> <p>Hertford Town Council, who own the Allotments, considered no changes should be made.</p>	<p>The principal consideration is set out in the recent National Planning Policy Framework which states that <i>when considering the designation of conservation areas local planning authorities should ensure that an area justifies such status because of its special architectural or historic interest, and that the concept of conservation is not devalued through the designation of areas that lack special interest.</i></p> <p>Officers have carefully re-examined the proposed boundary changes but remain of the view that the 20<sup>th</sup> century housing in both areas cannot be properly described as being ‘areas of special architectural or historic interest’. Their various individual designs, use of materials, scales, heights, massing and alignments have little in common with the distinctive nature of the historic core. Their visual contribution can perhaps best be described as ‘neutral’ and this is particularly the case in relation to the area south of the Cole Green Way. It is generally accepted that conservation areas will sometimes contain pockets of ‘neutral’ housing otherwise boundaries may be complex and</p>

		<p>convoluting.</p> <p>It is acknowledged that the Allotment Gardens have a degree of historic interest because the land appeared in such a use on late 19<sup>th</sup> century mapping. On this basis there is some justification for the site remaining in the conservation area, notwithstanding its current unattractive appearance.</p> <p>In summary and on balance it is considered a case can be made for including the Allotment Gardens but Officers remain of the view that the areas of modern housing should be excluded from the Conservation Area designation. Discussion with the Town Council may be appropriate to explore the potential of securing visual improvements in relation to the Allotment gardens.</p>
<p>Enhancement proposals to deal with detracting elements</p>	<p>Hertingfordbury Conservation Society welcomes analysis of structures which need attention and will work with residents to try and secure funding.</p> <p>One respondent is unaware of discussions regarding potential improvements to the car park at The Prince of Wales (paragraph 6.55).</p> <p>A respondent on behalf of the Price of Wales public house suggests that a paragraph is included which identifies the potential for development within the area.</p>	<p>The Council appreciate how the community works together to maintain and improve the character and appearance of the conservation area.</p> <p>The document has been updated to reflect this.</p> <p>The role of the appraisal is not to identify areas for development, but to identify areas and features which contribute to the character and appearance of the conservation area as well as areas which can be enhanced.</p>

	<p>A respondent on behalf of the Price of Wales public house states that they would be willing to discuss landscape improvements as part of a planning application.</p>	<p>Officers will consider any proposals that come forward.</p>
<p>Comments relating to the document</p>	<p>A local source provided further information on Spencer Frederick Gore, the artist.</p> <p>A respondent queries the reference made to the gardens at Epcombs being a Locally Important Historic Parks and Garden as they believe this to not be the case.</p> <p>A respondent disagrees that 214 Hertingfordbury Road is a curtilage listed building.</p>	<p>The document has been updated to include the information supplied.</p> <p>Officers have taken this reference from a supplementary planning document 'Historic Parks and Gardens' and therefore deem it to be correct.</p> <p>Following further research, including looking at historic maps and the planning history of the building, officers believe this building to be curtilage listed.</p>
<p>Other minor comments</p>	<p>One respondent notes that Hertingfordbury suffers from traffic related issues and suggests that a speed limit is imposed on St Mary's Lane</p> <p>The sculpture of Judge Spencer Cowper by Roubiliac should be removed from Cowper Chapel and re-sited in the church where it can be seen by visitors.</p>	<p>The introduction of such measures goes beyond the remit of the Appraisal process. Respondent has been informed to contact Highways at Hertfordshire County Council.</p>

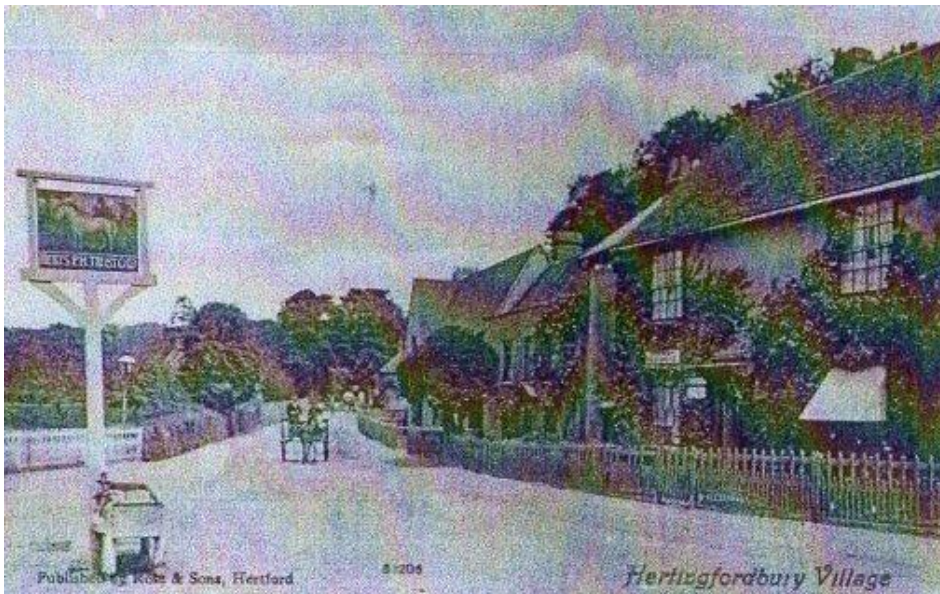
	<p>Those responsible for the production of the appraisal are to be congratulated on the excellent and valuable work.</p>	
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## HERTINGFORDBURY CONSERVATION AREA APPRAISAL AND MANAGEMENT PLAN

DRAFT FOR CONSULTATION

2013



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This Appraisal has been produced by Officers of East Hertfordshire District Council to assess the current condition of the Hertingfordbury Conservation Area, to identify where improvements can be made and to advise of any boundary changes that are appropriate. The document is in draft form and will be subject to public consultation and agreement by District Council Members.

## 1. INTRODUCTION.

1.1. The historic environment cannot be replaced and is a resource that is both fragile and finite. Particularly in an age when society and its needs change with rapidity, the various historic and architectural elements of Conservation Areas can be perceived to interact in a complex manner and create a 'unique sense of place' that is appreciated by those lucky enough to reside in such special places and by the many interested persons who appreciate and visit them.

1.2. East Hertfordshire District has a particularly rich and vibrant built heritage, featuring 42 Conservation Areas and approximately 4,000 fine listed buildings displaying a variety of styles representative of the best of architectural and historic designs from many centuries. Generally and very importantly the clear distinction between built form and open countryside has been maintained.

1.3. The District is situated in an economically buoyant region where an attractive environment, employment opportunities and excellent transport links, road, rail and air, make it a popular destination to live and work. In addition to London a short commuting distance away, the District is influenced by other factors beyond its administrative area, such as Stansted Airport and the towns of Harlow and Stevenage. With such dynamics it is inevitable that the historic environment will be subject to pressures which emphasize the need to protect it.

1.4. The East Hertfordshire Local Plan Second Review, adopted in April 2007, recognize these facts and commit the Council to review its Conservation Areas and their boundaries. The production of this document is part of this process.

1.5. Conservation Areas are environments which are considered worthy of protection as a result of a combination of factors such as the quality of design and setting of the buildings or their historic significance. In addition to the individual qualities of the buildings themselves, there are other factors such as the relationships of the buildings with each other, the quality of the spaces between them and the vistas and views that unite or disrupt them. The relationship with adjoining areas and landscape, the quality of trees, boundary treatments, advertisements, road signage, street furniture and hard surfaces, are also important features which can add to or detract from the Conservation Area.

1.6. This Appraisal recognises the importance of these factors and will consider them carefully. Once approved this document will be regarded as a 'material consideration' when determining planning applications. The document also puts

forward simple and practical management proposals that improve the character of the Conservation Area which are capable of being implemented as and when resources permit.

1.7. The recommendations concerning non-listed buildings and structures are normally formed by the field workers observations made from the public realm and seldom involve internal inspection or an assessment of their structural condition. Therefore recommendations contained in this Appraisal might be subject to reconsideration through the planning application process, where that is necessary, and which would involve the submission of additional information. Similar considerations may apply to estimating dates of buildings.

1.8. This Conservation Appraisal will:

- Identify the special character of Hertingfordbury;
- Identify elements that should be retained or enhanced;
- Identify detracting elements;
- Review the existing boundary;
- Put forward practical enhancement proposals;

1.9. The Conservation Area lies within the Hertford urban area where there is a very wide spectrum of facilities and organizations.

1.10. The document will be prepared in partnership with the local community and the District Council wishes to involve the local Council and members of the local community through the consultation process that will follow.

1.11. Acknowledgement and thanks are recorded to Hertfordshire County Council whose Historic Environment Unit has been particularly helpful.

1.12. This Appraisal is written in three parts: Part A - Legal and Policy Framework. Part B - Appraisal; Part C - Management Proposals.

## PART A - LEGAL AND POLICY FRAMEWORK

### 2. LEGAL AND POLICY FRAMEWORK.

2.1. The legal background for designating a Conservation Area is set out in Section 69 of the Planning (Listed Buildings and Conservation Areas) Act 1990. This states that the Council shall from time to time designate Conservation Areas, which are defined as being '*areas of special architectural or historic interest, the character or appearance of which it is desirable to conserve or enhance*'. The same section of the Act also requires that Councils undertake periodic reviews.

2.2. Section 71 of the Act requires Councils to *'formulate and publish proposals for the preservation and enhancement'* of Conservation Areas and hold a public meeting to consider them.

2.3. Within Conservation Areas there are additional planning controls and if these are to be supported it is important that the designated area accords with the statutory definition and is not devalued by including land or buildings that lack special interest.

2.4. One of the most important additional planning controls that apply to Conservation Areas is set out at section 74 of the Act which states that *'a building in a conservation area shall not be demolished without the consent of the appropriate authority'*. This requirement is known as 'Conservation Area Consent' (CAC)<sup>1</sup> and is subject to certain exceptions. For example it does not apply to Listed Buildings which are protected by their own legislation but is relevant to other non listed buildings in the Conservation Area above a threshold size. Looking for and identifying such buildings is therefore a priority of this Appraisal. Another exception relates to certain ecclesiastical buildings which are not subject to local authority listed building and conservation area administration provided an equivalent approved system of control is operated by the church authority. This is known as the 'ecclesiastical exemption'. Importantly in such circumstances, church authorities still need to obtain any necessary planning permissions from the Council.

2.5. The Town and Country Planning (General Permitted Development Order) 1995 (as amended), defines the range of minor developments for which planning permission is not required and this range is more restricted in Conservation Areas. For example the Order currently requires that the addition of dormer windows to roof slopes, various types of cladding, satellite dishes fronting a highway and a reduced size of extensions, all require planning permission in a Conservation Area whereas they would not require permission beyond.

2.6. However, even within Conservation Areas there are many other minor developments that do not require planning permission. So as to provide further protection the law allows Councils' to introduce additional controls if appropriate. Examples of such controls can include some developments fronting a highway or open space, such as an external porch, the painting of a house or the demolition of some gates, fences or walls. The removal of important architectural features that are important to the character or appearance of a Conservation Area or individual buildings within it such as distinctive porches, windows or walls or railings to some non-listed properties can be subject to a more detailed assessment and if appropriate made subject to protection by a legal process known as an 'Article 4 Direction' which withdraws 'Permitted Development Rights'. The use of such Directions can only be made in justified circumstances

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<sup>1</sup> Since October 2013 the need to obtain CAC has been replaced by a requirement to obtain planning permission

and a clear assessment of each Conservation Area considerably assists in this respect. In conducting this Appraisal, consideration will be given as to whether or not such additional controls are necessary.

2.7. Works to Trees. Another additional planning control relates to trees located within Conservation Areas. Setting aside various exceptions principally relating to size and condition, any proposal to fell or carry out works to trees has to be 'notified' to the Council within 6 weeks of the works. The Council may then decide make the tree/s subject to a Tree Preservation Order. This Appraisal diagrammatically identifies only the most significant trees or groups of trees that make a particularly important contribution to the character of the Conservation Area. Other trees not specifically identified may still be suitable for statutory protection.

2.8. Some hedges may be protected by the Hedgerow Regulations 1997. This legislation is extremely complicated and only applies in certain situations that are determined by the location of the hedge, its age and or its historical importance, the wildlife it supports and its number of woody species.

2.9. National Planning Policy Framework. Published in March 2012, this document replaces previous advice, including PPS 5, Planning for the Historic Environment. The principle emphasis of the new framework is to promote sustainable development. Economic, social and environmental roles should not be considered in isolation because they are mutually dependent and positive improvements in the quality of the built, natural and historic environment should be sought, including replacing poor design with better design. Whilst architectural styles should not be imposed it is considered proper to reinforce local distinctiveness.

2.10. In relation to the historic environmentOf particular relevance the new National Planning Policy Framework advises as follows:

- There should be a positive strategy in the Local Plan for the conservation of the historic environment and up-to-date evidence used to assess the significance of heritage assets and the contribution they make.
- Conservation Areas. Such areas must justify such a status virtue of being of '*special architectural or historic interest*'.
- Heritage assets. A Heritage asset is defined as '*a building, monument, site, place, area or landscape identified as having a degree of significance meriting consideration in planning decisions, because of its heritage interest. Heritage asset includes designated heritage assets and assets identified by the local planning authority (including local listings)*'.

- Considerable weight should be given to conserving such heritage assets and the more important they are the greater the weight. For example the effect of an application affecting a non- designated heritage asset should be taken into account and a balanced judgment reached. Substantial harm to or loss of a grade II Listed Building should be exceptional whilst harm to heritage assets of higher status, e.g. a grade I or II\* Listed Building should be wholly exceptional.
- Local Planning Authorities should look for opportunities for new development within Conservation Areas to enhance or better reveal their significance and proposals that preserve such elements should be approved.
- The use of Article 4 Directions to remove national permitted development rights should be limited to situations *'where this is necessary to protect local amenity or the well being of the area...'*
- Green Areas. Such areas of particular importance can properly be identified for special protection as Local Green Spaces in selected situations.

2.11. East Hertfordshire's environmental initiatives and Local Plan Policies. East Hertfordshire is committed to protecting Conservation Areas and implementing policies which preserve and enhance them; to support their preservation through the publication of design and technical advice and to be pro-active by offering grants and administering an Historic Buildings Grant Service. With regard to the latter grants are awarded on a first come first served basis in relation to listed buildings and other unlisted buildings of architectural or historic interest. The maximum grant will not normally exceed £1,000.

2.12. In respect of the above the Council has produced a number of leaflets and guidance notes that are available on request. Further details are provided in Appendix 1.

2.13. The Council also has a 'Buildings at Risk Register', produced in 2006 and updated in 2012/13. In relation to Hertingfordbury's Conservation Area there is one structure entered on the Register as being 'At Risk', namely the Sedilia in St Mary's churchyard Grant assistance not exceeding £10,000 may be available for works that lead to such a structure's long term security.

2.14. The East Herts Local Plan was adopted by the Council in 2007. The 'saved' policies set out in the plan remain in force and are relevant in relation to Conservation Area and Historic Building considerations. The Local Plan and its policies can be viewed on the Council's website or a copy can be obtained from the Council (contact details are set out in section 7).

2. 15. In accordance with the requirements of the Planning and Compulsory Purchase Act 2004, the Council is in the process of preparing a planning policy document which will replace the 2007 Local Plan. This will be known as the East Herts District Plan (DP). Once adopted, the DP will contain the relevant Council planning policies.

2.16. EHDC has produced several documents as Supplementary Planning Guidance. The Supplementary Planning Document 'Historic Parks and Gardens' produced in 2007 identifies several parks and gardens in the Hertingfordbury area. Panshanger Park north of the A414 and beyond the Conservation area is designated Grade II\* and Cole Green House that was demolished in the mid 20<sup>th</sup> century was built for William Cowper who died in 1723. There are other Locally Important Historic Parks and Gardens. These are Hertingfordbury Park, to the east of St Mary's church described in the above document as being '*one of the earliest recorded deer parks in this area dating from 1285*'. Another is Cole Green Park, described as '*a deer park dating from 1749 worked on by Capability Brown*' and yet another at Roxford Grotto Wood, the site of Roxford Manor owned by the Quaker Brassey family. The one relevant to this document is within the Conservation Area at Epcombs and is described as being '*formal gardens between the house and river that appear on the Dury and Andrews map of 1766...*'<sup>2</sup>

2.17. The Conservation Area was first designated in 1968 and reconsidered in 1981.

### 3. ORIGINS AND HISTORIC DEVELOPMENT.

3.1. There is some evidence of early settlement as Paleolithic (Old Stone Age) implements have been found. Notable is a hand axe made of porphyry found in a pit close to a small tributary of the River Mimram just beyond the Conservation Area boundary to the west of the White Horse Hotel.

3.2. Some have considered a Roman route from Welwyn Garden City to the Ermine Street may have passed nearby but this has not been confirmed by excavation and is considered 'doubtful' by the County Archeologist.

3.3. At the time of the Domesday Survey the manorial estate is called Herefordingberie meaning 'stronghold of the people of Hertford' but how this should properly be interpreted is unclear. The site of the property known as Epcombs (existing property dating from the 17<sup>th</sup> century) is recorded in Domesday Book thus '*a priest holds 1/2hide of the kings alms...1 plough: 1mill at 12d*'.

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<sup>2</sup> East Herts District Council, *Historic Parks and Gardens: Supplementary Planning Document, September 2007, page 31.*

3.4. A leaflet entitled 'St Mary with St. John, Hertingfordbury, A Short Introduction' advises that during the 1950's, a plague pit was discovered at the north west corner of the churchyard. This discovery was made when tombstones were relocated alongside the boundary wall.

3.5. Much of historic Hertingfordbury that is visible today dates from the 17<sup>th</sup> century (approximately 26% of all Listed Buildings are from this period) and from the 18<sup>th</sup> and 19<sup>th</sup> centuries (approximately 22% each). All other centuries from 13<sup>th</sup> to 16<sup>th</sup> and 20<sup>th</sup> centuries are represented.

3.6. Additional building of quality took place in the 19<sup>th</sup> century and such buildings are identified later in this Appraisal. Further development took place in the mid 20<sup>th</sup> century principally by a concentration of modern properties set in large grounds to the west of St Mary's Lane and also on St Mary's lane, south of the former railway line.

3.7. Several families of historic importance who influenced the settlement are buried in the church and its graveyard. Robert Addis who opened a toothbrush factory in Hertford after WW1, lived at The Old Rectory; Epcombs is accredited as being the inspiration and model for 'Longbourn' home of the Bennett Family in Jane Austin's 'Pride and Prejudice' whilst Garth House was residence of Spencer [Frederick Gore the artist \( 1879-1914\) whose works appear in Galleries in the United Kingdom and abroad.](#)

3.8. In more detail, mapping dating from 1874 shows the main street much as today's alignment with an Infant's School in the centre of the village (now no. 261 Hertingfordbury Road). At this time there was an extensive area of allotment gardens on land to the west of 260-274 Hertingfordbury Road that is now Mayflower Close. This was in addition to the large area of allotments south of the same road that still exists. The Hertford Branch Line together with its station crossed St Mary's Lane to the south where the railway bridge still exists together with Station House, now a residence. The area south of the railway line was principally woodland, named Corner Wood. On this site and nearby, six 20<sup>th</sup> century detached properties of limited historical or architectural importance have been built in the 20<sup>th</sup> century. A greenhouse of commercial size once existed on the car park to the Prince of Wales PH. A Corn Mill was operational where Hertingfordbury Road crosses the River Mimram and other records shown that no. 228 opposite was built in the early 19<sup>th</sup> century as the Miller's House. At this time a building existed in the south west corner of the graveyard.

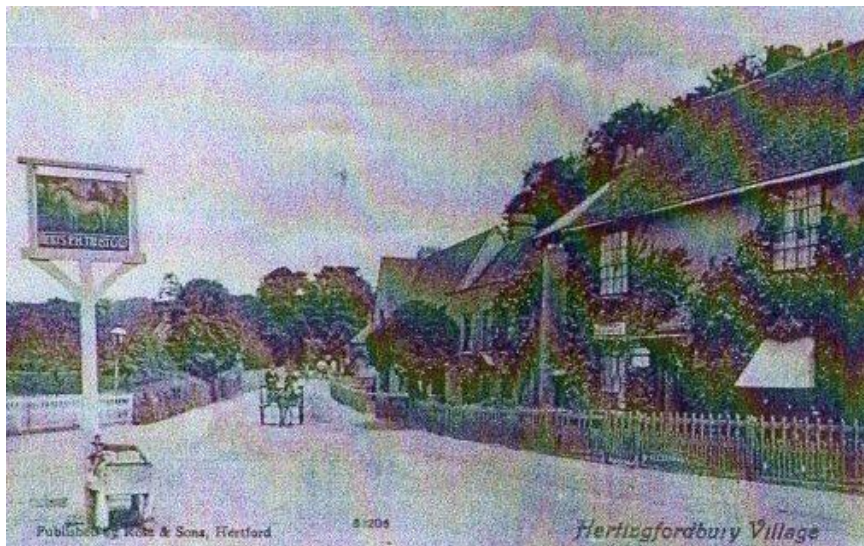
3.9. Kelly's Post Office Directory of 1874 describes the settlement as follows:  
*Hertingfordbury is a parish between the rivers Mimram, or Maran, and Lea ...Here is a station on the Hertford and Welwyn branch on the Great Northern Railway... The church of St Mary's is an ancient edifice...level with the chancel on the north side is a mausoleum of Earl Cowper's family, containing monuments*

*of beautiful design and workmanship...* Several charities are noted, one of which financially supported apprenticing boys and girls.

3.10. In addition to the several farmers Kelly's list at this time, the following trades are entered: builder, beer retailers, boot and shoe makers, shopkeepers, brick maker and coal merchant, seedsman, wheelwright, baker, tailor and draper and miller. Some of these were located elsewhere in the various Greens that make up the whole parish. Its population in 1871 was 828.

3.11. Mapping from 1897 shows few changes, one difference being extensive gravel pits that had been established by this time south of the branch railway line. Significantly less tree cover than previously existed is shown on mapping of this date and cress beds existed on a tributary north of the River Mimram. The spelling of the house name 'Epcombs', was changed from the earlier map where it was identified as 'Epscombe'.

3.12. The mapping from 1920 showed that the extensive gravel pits had been worked out by this time, the commercial size greenhouse in the Prince of Wales PH had been demolished as had the building in the south west corner of the graveyard. St Joseph's Lodge had been constructed and the former track to Hertingfordbury Park is shown as a properly defined access.

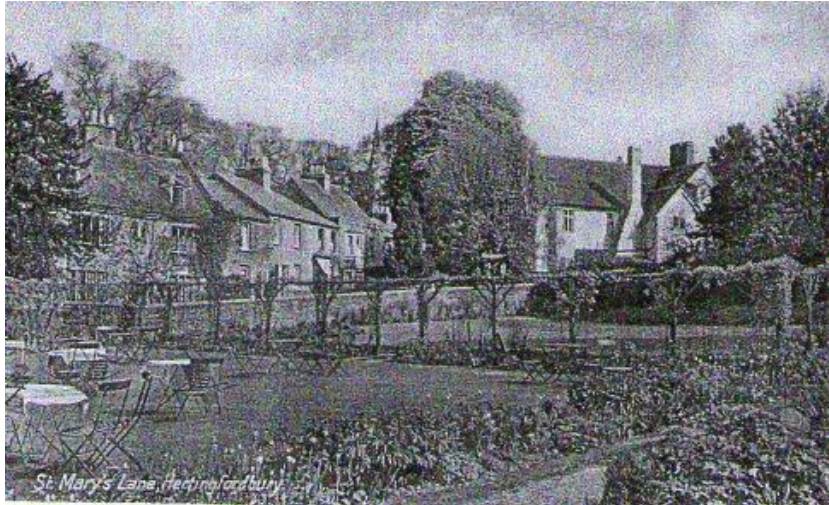


Picture 1 – Hertingfordbury Road circa 1915. [Reproduced courtesy of Hertfordshire Archives and Local Studies.](#)

3.13. Few changes occurred from examining the next available mapping which dates from 1938. A new building identified on the 1963 map as 'The Rectory' (now Glebe House) had been built south west of the sports ground on St Mary's



Lane. The map dating from 1963 shows that the railway line had been dismantled and that housing at Mayflower House, housing opposite the sports ground and housing south of the dismantled railway had been constructed by this time. Also a large nursery and greenhouses is shown to the west of no. 214 Hertingfordbury Road, now the approximate location of the A414 and roundabout access to Hertingfordbury.



Picture 2 – Looking towards St. Mary's Lane, circa 1950. [Reproduced courtesy of Hertfordshire Archives and Local Studies.](#)



Picture 3 – Railway Station, late 1950's. [Reproduced courtesy of Hertfordshire Archives and Local Studies.](#)

3.14. The Place Names of Hertfordshire published by Cambridge University Press refers to the following ancient names: Herefordingberie (1086), Hertfordingeberie (1220), Hertfordingesberi (1248), Herfordynggeberi (1309) Hartynghfordbury (1507), Hertingfordburi (1535); amongst others.

3.15. The existing Conservation Area is shown on Plan 1, a map dating from 1874.

#### 4. GENERAL DESIGNATIONS AND CRITERIA USED TO IDENTIFY IMPORTANT ENVIRONMENTAL FEATURES.

4.1. There are no designated Scheduled Ancient Monuments in the Conservation Area.

4.2. Areas of Archaeological Significance. Much of the Conservation Area is so designated. Not all archeological sites are of equal importance and the Council will decide a course of action that may vary from recording any remains prior to development or protecting it from development, when determining planning applications.

4.3. Listed buildings. Individually listed buildings have been identified, plotted and some are briefly described below. Such abbreviated descriptions being based on the Dept. of Culture Media and Sport's list. Full descriptions can be obtained on line at English Heritage's website or Heritage Gateway website ([www.heritagegateway.org.uk](http://www.heritagegateway.org.uk)) Listed Buildings are protected from unauthorised demolition, alteration or extension. Structures, including railings and walls, within the curtilages of listed buildings, if they are pre-1948, are subject to the same controls as listed buildings.

4.4. Non-listed buildings of quality and worthy of protection from demolition. There are several non listed buildings that make an important architectural or historic contribution to the Conservation Area and these have been separately identified. The basic questions asked in identifying such buildings/structures are:

- (a) Is the non listed building/structure of sufficient architectural or historic interest whose general external form and appearance remains largely unaltered?
- (b) Does the building contain a sufficient level of external original features and materials?

- (c) Has the building retained its original scale without large inappropriate modern extensions that destroy the visual appearance, particularly in respect of the front elevation?
- (d) Is the building/ structure visually important in the street scene?

4.5. Trees and Hedgerows. There are a number of trees and hedgerows that particularly contribute to the quality of the Conservation Area. The basic criteria for identifying such important trees and hedgerows are:-

- (a) They are in good condition;
- (b) They are visible at least in part from public view points.
- (c) They make a significant contribution to the street scene or other publicly accessible areas.

4.6. Open land, open spaces or gaps of quality that contribute to the visual importance of the Conservation Area where development would be inappropriate have been identified. The basic question asked in identifying such areas is does the open space or gap form an important landscape feature contributing to the general spatial quality and visual importance of the Conservation Area? Private open spaces forming an important setting for an historic asset and unkempt spaces that have the potential to be enhanced are candidates for selection subject to complying with the principle question.

4.7. Any other distinctive features that make an important visual or historic contribution are noted.

4.8. Reference has previously been made to the potential of introducing Article 4 Directions in justified circumstances and the criteria for their selection in relation to features associated with selected non listed properties is as follows:

- In relation to chimneys, these need to be in good condition, contemporary with the age of the property, prominent in the street scene and complete with chimney pots. Exceptionally particularly important chimney stacks without pots may be selected.
- In relation to selected windows, these need to be on front or side elevations, fronting and visible from the street/s, contemporary with the age of the property and where the majority of windows of respective elevations retain their original characteristics and have not been replaced by modern glazing units.

- In relation to walls or railings in a Conservation Area, those selected need to be below the prescribed heights (those fronting a highway including a footpath or bridleway, water course or open space 1m or 2m elsewhere require prior consent for their demolition), be prominent in the street scene and make a positive architectural or historic contribution to its visual appearance.
- In relation to other features, these may include good quality architectural detailing to non-listed buildings, constructed of wood, metal or other materials.
- It may also be appropriate to introduce Article retain quality buildings below the prescribed 4 Directions to threshold where consent for demolition in Conservation Areas is not required.

4.9. Features that detract or are in poor repair have been identified.

4.10. Important views are identified.

4.11. ~~Conservation Area boundaries. In suggesting any revisions to the Conservation Area boundaries, principal consideration has been given as to whether or not the land or buildings in question form part of an area of special architectural or historic interest whose character or appearance should be conserved. The extent of the Conservation Area can include open land that has historical associations with the built form. This may particularly be the case if such open land is environmentally important and visually forms part of the Conservation Area's setting and is distinct from open farmland. In suggesting any revisions to the Conservation Area boundary, consideration has been given as to whether or not the land or buildings in question form part of an area of special architectural or historic interest whose character or appearance should be conserved.~~

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## 5. GENERAL CHARACTER AND SETTING OF HERTINGFORDBURY CONSERVATION AREA.

5.1. In terms of its wider setting, the Landscape Character Assessment produced in 2007 as a Supplementary Planning Document describes the Cole Green and Hertingfordbury Settled Farmland as being *'an unusual area in terms of the grouping of small settlements and the road network which reflects the area's former parkland character... Any impact from the edge of Hertford is well screened by vegetation. Although the A414 is observable only at some points on the northern edge it has the effect of cutting this are off from the adjoining areas to the north and west'*.

5.2. The Conservation Area, the subject of this Appraisal, stretches from the southern boundary of the A414 to modern 20<sup>th</sup> century development south of the former railway line. The latter, now Cole Green Way, is extensively used as a walking, cycling and riding route. The historic Conservation Area is centred on Hertingfordbury Road that is linear in character and St Mary's Lane that rises to St Mary's church, a large ecclesiastical building that dominates the local scene.

5.3. There are 27 separately Listed Buildings in Hertingfordbury Conservation Area, 2 of which are listed grade grade II\*. The grade II\* Listed Buildings are 'Amores' and St Mary's Church.

5.4. In relation to Listed Buildings, all centuries between the 13<sup>th</sup> - 20<sup>th</sup> centuries are represented. Approximately 7% date from the 16<sup>th</sup> century; 26% date from the 17<sup>th</sup> century; 22% from the 18<sup>th</sup> century; 22% from the 19<sup>th</sup> century and 11% from the 20<sup>th</sup> century. The latter include St Josephs Lodge, the Paget Memorial and garden gates at 'Epcombs'.

5.5. As set out below, this Appraisal identifies a small number of other buildings of historic interest and architectural quality that are not listed. These date from the 19<sup>th</sup> century and are an important historic and visual component of the Conservation Area that need to be protected.

## 6. DETAILED CHARACTER ANALYSIS.

6.1. *General overview.* Most of the Listed Buildings are located on Hertingfordbury Road where the urban form on the eastern side of the road is tighter, as opposed to a more open character elsewhere. Materials used include brick and render finishes with old red tile or slate roofs. Chimneys form an important feature of the Conservation Area in respect of both listed and some unlisted 19<sup>th</sup> century buildings. Walls play an important function in defining and enclosing the street scene in selected locations and elsewhere traditional railings define boundaries and add to the rural quality of the Conservation Area. Trees and hedges play an important role in adding to the high quality of the Conservation Area on its approach roads and in the centre at 'Amores' and within the churchyard. The Conservation Area includes expansive areas of open land, some being agricultural and other areas having parkland characteristics. The River Mimram adds to the visual diversity of the Conservation Area. There is a clear distinction between the high visual qualities of the historic core and those of the modern 20<sup>th</sup> century developments on St Mary's Lane. In summary the historic core is of a sufficiently high calibre to warrant its designation as a Conservation Area but it is considered that its boundaries need amending to exclude some areas of modern development.

6.2. *Scheduled Ancient Monuments.* There are none.

6.3. Archeological sites. Much of the Conservation Area is an Area of Archeological Significance. However this does not apply to open land adjacent to the western boundary, including the Allotment Gardens, most of the sports ground and modern 20<sup>th</sup> century development along St Mary's Lane, including housing of a similar date, south of the former railway line. The archeological data available from Hertfordshire County Council frequently relates to information contained in the Listed Building descriptions.

6.4. Individually Listed Buildings. A selection of these are described below and have been chosen to illustrate their wide variety. The descriptions provided are much abbreviated and based on English Heritage official entries.

6.5. 'Amores' – Grade II\*. Formerly known as 'The Old Parsonage'. Two storey and attics. A number of internal features including an early 18<sup>th</sup> century straight flight stair, a closet with an 18<sup>th</sup> century 2-panel door, a drawing room with similarly dated paneling and moulded dado rail. Fireplace on west wall has flush hardwood, an Entrance Hall with carved wood corbels, reputedly by Joseph Mayer of Oberammergau, who carved the bench ends in St Mary's Church. Amores was held by copyhold of the Manor or Hertingfordbury, held by the Duchy of Lancaster. The name derives from a tenant named 'at More', corrupted into John Amores in 1540. In 1560 it was held by William North who added the elaborate fireplaces and chimney to the north gable in 1563. The house was restored in 1959.

6.6. St Joseph's- Grade II. Two storey lodge and gateway dating from the early 20<sup>th</sup> century, extended in the 1980s. Red brick with old tiled roofs with Dutch gables with stone copings. Brick chimneystack with 4 low octagonal shafted moulded brick flues. Jacobean style. Front elevation has first floor 3-light window with moulded brick mullions, iron casements with lattice leaded glazing. Gateway has substantial red brick, Flemish bond piers, with stone caps and ball finials, and elaborate scrollwork wrought-iron gates. The building forms an important part of the setting of St Mary's Church and Churchyard.

6.7. Church of St Mary and St John- Grade II\*. Dates from 13<sup>th</sup> and 14<sup>th</sup> centuries. Restored in 1845 and 1890, virtually rebuilt on the latter occasion. Flint with sandstone dressings, clay tiled roof; the tower has copper covered setback spire on 'Hertfordshire spike'. Chancel built 1891. 19<sup>th</sup> century nave roof constructed of oak from the Panshanger estate. Tall 15<sup>th</sup> century tower arch with attached octagonal columns. 19<sup>th</sup> century chancel arch. East window from 13<sup>th</sup> century. Cowper Chapel, 19<sup>th</sup> century. A 19<sup>th</sup> century raised altar area with altar rails in pink and red veined translucent marble. Below north window is a 2 seat sedilia in pink and white veined marble. The original sedilia was rebuilt in the churchyard (see below). Pulpit is in nave, green and pink alabaster. Pews have bench ends in Rococo style, carved in 1893 by Joseph Mayr of Oberammergau; the Cowper Chapel was built 1890-94 over the family vault in 13<sup>th</sup> century style and separated from the chancel by a wrought-iron screen with gates from 1891.

Principal memorial to Francis Thomas de Grey Cowper is life size recumbent effigy by Henry Poole 1909. An earlier church which preceded the present one was built before 1400, and possibly connected with John of Gaunt. A small modern extension is of good design and appropriate in scale and use of materials.

6.8. Sedilia, St Mary's churchyard- Grade II. This sedilia, dating from the 14<sup>th</sup> century was removed from the church during its restoration and rebuilding in 1891. In a decorated Gothic style with stone seats and recessed bays, it is now badly eroded. The structure is identified as being 'At Risk' on East Herts Buildings at Risk Register. Careful restoration and consolidation is required and its long term protection from further erosion might involve returning it to the church interior or providing a proper shelter in its external location. Ongoing deterioration continues, which if remaining unresolved, will lead to its eventual destruction.



Picture 4 – 14<sup>th</sup> century grade II Sedilia removed from church during 19<sup>th</sup> century 'restoration', now in need of urgent repairs. Included on the Council's Buildings at Risk Register.

6.9. Pauline Payne Whitney Paget Memorial in St Mary's Churchyard- Grade II. An early 20<sup>th</sup> century memorial to Pauline Payne Whitney Paget of Portland stone. Sculpture of Virgin Mary and Child, with the infant St John, below a canopy supported by 2 Tuscan Doric columns, frieze inscribed 'Pro

patria'. Plinth of sculpture inscribed 'To the memory of Almeric Hugh Paget, first Baron Queenborough, 1861-1949'. Stepped forecourt to memorial defined with brick dwarf walls. Inset stone tablets records 'Pauline Payne Whitney Paget, daughter of William Collins Whitney sometime secretary of the US Navy, 1874-1916'. Inset into the limestone slab in front of the sculpture are lead figures of soldiers and sailors from the First World War. The artist of this important memorial has not been traced. Selected repairs need to be undertaken, including the resetting and re-laying of 9 no. forecourt slabs.



Picture 5 – A fine early 20<sup>th</sup> century memorial to Pauline Payne Whitney Paget, in need of repair, listed grade II.

6.10. Nathaniel Brassey Tomb in St Mary's Churchyard- Grade II. A chest tomb with sarcophagus, 1798 to Nathaniel Brassey. Of Portland stone being a chest tomb on stepped base, with corner pilasters and long panels inscribed, with tapered sarcophagus on claw feet and armorial bearings. Metal railing surround removed. Remove vegetation and undertake repairs as necessary.





Picture 6 - Nathaniel Brassey tomb from 18<sup>th</sup> century, listed grade II.

6.11. Sarah Lady Cowper Tomb in St Mary's Churchyard – Grade II. Sarcophagus, 1719, to Lady Sarah Cowper. Grey marble on Portland stone stepped base sarcophagus with pedestal feet on paneled base, covered sides with inscribed tablets; low pyramidal cap. Lady Sarah Cowper, widow of William Cowper of Hertford Castle, was mother of William, first Earl Cowper, Lord Chancellor to George I. Remove vegetation, devise schedule of minor repairs and undertake works as necessary.



Picture 7 - Sarah Lady Cowper tomb, listed grade II.

6.12. The Old Rectory – Grade II, a former rectory, in landscaped park. 17<sup>th</sup> with 18<sup>th</sup> and early 19<sup>th</sup> century extensions, altered in the 1930s. Yellow stock and red brick, timber framing with plaster and stucco, Welsh slated roofs. Panelled entrance hall with Tudor arch with carved corbels representing Gog and Magog. Smoking Room has reproduction Jacobean oak panelling brought from Essendon Place. From 1929, the Old Rectory was the home of Robert Addis, who opened his toothbrush factory on the Ware Road in Hertford after the First World War. The house and gardens were embellished during the 1930s.

6.13. ‘Epcombs’ and attached wall – Grade II. Small country house. 17<sup>th</sup> century, altered and extended 18<sup>th</sup>, 19<sup>th</sup> and early 20<sup>th</sup> centuries. Brick with timber-framed core. Hipped Welsh slated roofs behind parapets, red brick chimneystacks. At the core of the house is a 17<sup>th</sup> century hall with east and west cross wings. Red brick wall, with a garden door with recessed pilasters, moulded base, Portland stone caps, and a stone keyblock carved with the head of Medusa in a red rubbed brick flat arch. This wall also has circular openings, and niches for sculptures including a figure of a satyr. ‘Epcombs’ originated as a pre-Conquest farm. The gardens are identified in EHDC’s Historic Parks and Gardens Supplementary Planning Guidance as being ‘locally important’. The house was reputedly the model for ‘Longbourn’, the

home of the Bennett's in Jane Austen's 'Pride and Prejudice'. Garden gates are separately listed but these no longer exist in the description location. However the owner advised they may be in store on site.

6.14. Hertingfordbury Corn Mill – Grade II. Former corn mill, mid 19<sup>th</sup> century, altered early 20<sup>th</sup> century. Yellow-grey Cambridge brick with old tiled roofs with corbel band cornices and verges. Hertingfordbury Mill was operational until 1933.

6.15. The Moat House – Grade II. Dating from early 19<sup>th</sup> century with 20th century alterations. Yellow stock brick, Welsh slated double roofs, yellow brick chimneys above parapeted gabled ends. The house was built as the Miller's House to nearby Corn Mill.

6.16. No. 249 Hertingfordbury Road - Grade II. Two storey house, formerly with ground floor shop. Yellow gault brick with gabled old tiled roof. First floor has wood mullion and transom casement window, with terracotta shield above with date '1876' and Cowper crest.

6.17. No.261 Hertingfordbury Road – Grade II. Formerly used as an Infants' school in the 19<sup>th</sup> century. Of 16<sup>th</sup> and 17<sup>th</sup> century origin with 19<sup>th</sup> century alterations. Timber-framed and plastered with masonry lining. Old tiled roof, with central chimney.

6.18. 279 Hertingfordbury Road – Grade II. A former beer house. Early 19<sup>th</sup> century. Timber-framed and plastered, with masonry lining, ground floor part weather boarded, Welsh slated roof, brick chimneys. A very simple and unaltered vernacular building constructed at end of the timber-framed era.

6.19. Important buildings within the curtilages of Listed Buildings.

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6.20. No. 214 Hertingfordbury Road. Having studied historic maps and the planning history of the building it is our opinion that no. 214 Hertingfordbury Road is curtilage listed. Single storey painted brickwork with hipped slate roof; 3 no.chimneys, some original windows. Historically believed to be stabling associated with Epcombs. Now converted to residential uses.

6.21. Single storey outbuilding within curtilage of 'Little Manor'. no. 265 Hertingfordbury Road. Principally of brick construction and partly weather boarded with tiled roof.

6.22. Other buildings that make an important architectural or historic contribution. 11-15 St. Mary's Lane; Group of 19<sup>th</sup> century cottages constructed in 2 phases of yellow stock brick with slate roofs and 2 no. prominent chimneys; some vertical sliding sash windows. Despite modern additions, these cottages are important and in the street scene. Selected

features are worthy of protection by Article 4 Direction subject to further consideration and notification.



Picture 8 - 11-15 St Mary's Lane, 19<sup>th</sup> century unlisted cottages that add architectural diversity to the street scene.

6.23. No. 267 Hertingfordbury Road and nos. 1- 3 St. Mary's Lane. Group of 19<sup>th</sup> century, 2 storey cottages constructed of brick with slate roofs. Brickwork to no. 267 is painted. 2 no. chimneys, one prominent with decorative pots. Particularly important former shop window and vertical sliding sash windows to upper storey of no.3. Some modern windows detract. Selected features are worthy of protection by Article 4 Direction subject to further consideration and notification.



Picture 9 - No. 267 Hertingfordbury Road and nos. 1- 3 St. Mary's Lane. Unlisted buildings whose mass and selected architectural details contribute to the quality of the street scene.

6.24. Mill Farm, Hertingfordbury Road. A tall 2 storey late 19<sup>th</sup> century house of yellow stock brick and tiled roof. Several quality chimneys and many original windows. Rubbed brick lintels and date plaque 1892. Selected features are worthy of protection by Article 4 Direction subject to further consideration and notification.

6.25. Prince of Wales PH. In a part tall and prominent 19<sup>th</sup> century building with slate roof with decorative ridge tiles, 3 no. prominent chimney stacks; vertical sliding sash windows and decorative horizontal banding. These features should be retained through existing planning controls.



Picture 10 – The Prince of Wales PH, a prominent unlisted property in a central location whose historic mass and scale and architectural details contribute to the street's environmental qualities.

6.26. Nos. 240- 242 Hertingfordbury Road. These 2 storey 19<sup>th</sup> century cottages are set back from the road. Extensions and replacement windows detract. However their original tall and decorative chimney stacks contribute to the general quality of the area and are features worthy of protection by an Article 4 Direction subject to further consideration and notification.

6.27. Nos. 260 – 274 Hertingfordbury Road. 19<sup>th</sup> century two storey yellow stock brick terrace with steeply pitched tile roof, double gables, dormers and series of prominent chimneys. Single storey outbuildings to the rear constructed of brick with principal roof tiled and lean to roofs in slate. The historic and architectural quality of the main terrace has been eroded by replacement windows but its mass and chimney detailing remains important.

The single storey outbuildings are also important, particularly from a historical perspective, and should be retained. Selected features are worthy of protection by Article 4 Direction subject to further consideration and notification.



Picture 11 - Nos. 260 – 274 Hertingfordbury Road, an unlisted 19<sup>th</sup> century terrace whose imposing mass contributes to the Conservation Area in this location.



Picture 12 - Outbuildings to nos. 260 - 274 Hertingfordbury Road, that should be retained; particularly important from an historical perspective.



6.28. Other distinctive features that make an important architectural or historic contribution. Wall forming boundary to churchyard and Hertingfordbury Road. 1.2 m flint and brick wall with entrance gates, probably of late 19<sup>th</sup>/early 20<sup>th</sup> century date. Concrete capping slabs, some in need of replacement.



Picture 13 – Concrete capping slabs to church boundary wall in need of replacement.

6.29. Other monuments within the churchyard. The churchyard is large and contains many high quality monuments and tombstones dating from the 18<sup>th</sup>-20<sup>th</sup> centuries. Some that are individually listed, have been previously identified. There are others of high quality and interest, including about 15 impressive chest tombs, many of which are in need of repair. Such repairs differ in complexity varying from significant to minor. If left unattended the situation will continue to deteriorate and the cost of remedial action will rise. A survey needs to be undertaken and remedial work carried out in a logical and on an incremental basis. The potential of securing external funding should be explored, including grant assistance from bodies like the Heritage Lottery Fund (HLF). Preliminary inquiries with HLF have indicated such a proposal could be acceptable particularly if it could be linked with community benefit such as local school involvement and the provision of publicly

available information. The churchyard is a very important open space and the range and quality of the monuments it contains is quite exceptional.



Picture 14 – One of many fine chest tombs in the churchyard, this one being of stone and rubbed brick.

6.30. Other structures in churchyard. Metal fence to graveyard on northern and eastern boundaries. Dates from late 19<sup>th</sup>/early 20<sup>th</sup> century and is in need of repair works. Also steps to graveyard extension in need of modest repairs.

6.31. Western boundary wall to 'Epcombs' . Protected both by its height and being within the curtilage of a Listed Building this wall of approximately 2m in height is prominent in the local street scene and significantly adds to the quality of the Conservation Area in this location.



Picture 15 – Western boundary wall to ‘Epcombs’, a prominent and important feature, protected virtue of being within the curtilage of a Listed Building.

6.32. Boundary wall to ‘The Hill’. This tall wall of approximately 4m provides a strong distinctive boundary to the western side of Hertinfordbury Road, effectively joining ‘The Hill’ with the ‘Prince of Wales’ PH.

6.33. Metal fence surrounding Thames Water facility. Stout metal fence approximately 1.6m in height that adds to the quality of the Conservation Area in this location. Generally in good condition but in need of repainting. Northern side boundary fence is unprotected from removal without prior consent and should be retained. An Article 4 Direction may be appropriate subject to further consideration and notification.



Picture 16 – Metal fence to side of Thames Water facility, worthy of retention and in need of repainting.

6.34. Wall forming north boundary to 'Stoney Field'. A yellow stock brick wall, probably 20<sup>th</sup> century, of various height averaging about 2m, protected in law from demolition without prior consent. The wall makes an important contribution to the street scene in this location which is in contrast with the deteriorating fencing surrounding 'Amores' opposite.

6.35. Metal estate fencing approximately 1m in height on access route to The Old Rectory. This long run of metal estate fencing dating from late 19<sup>th</sup>/early 20<sup>th</sup> century is prominent and important in its rural parkland setting and is worthy of retention. Its status in law needs assessing before considering whether or not an Article 4 Direction may be appropriate.



Picture 17 – 19<sup>th</sup>/20<sup>th</sup> century metal estate fencing of quality that adds to the rural qualities of the Conservation Area in this location and which should be retained.

6.36. Metal estate fence on school approach road to St Joseph's in the Park school. Similar to fence described in paragraph above. Partly within the Conservation Area. The long run extends beyond the Conservation Area to the school car park. The whole is generally in very poor condition and detrimental to the parkland setting. A practical solution could be to reuse any sections in reasonable condition but complete replacement might be the most practical outcome.

6.37. Wall of bridge over River Mimram. Small but distinctive wall approximately 1.2m in height with stone capping detailing; protected virtue of its height adjacent to a highway.



Picture 18 – Simply designed bridge over the River Mimram.

6.38. Pump to rear of Prince of Wales PH. 19<sup>th</sup> century pump broken and in need of repair.



Picture 19 - 19<sup>th</sup> century pump to rear of Prince of Wales PH in urgent need of restoration.

6.39. Important open land, open spaces and gaps. There are several important open spaces of varying sizes, types and functions. River Mimram -the river traverses the north of the Conservation Area and is particularly pleasing when seen from the public vantage point of the road bridge.



Picture 20 – The River Mimram makes a particularly valuable visual contribution to the Conservation Area.

6.40. The open space to the front of Mimram House, Hertingfordbury Road. This open space with its small orchard of trees neatly cut and traditionally shaped adds character and interest to this part of the Conservation Area. Further planting of traditional orchard trees would enhance the site.

6.41. The churchyard. The historic and architectural importance of the churchyard has previously been referred to. The extensive open space with its traditional churchyard trees in the centre of Hertingfordbury is visually most important and extensively used and appreciated by local residents and visitors alike.



Picture 21 – St Mary's churchyard. This open space is of the highest quality in terms of its open space, ecology and quality tombs. This Appraisal recommends repairs be carried out to selected tombs, possibly in association with external funding.



6.42. The Sports ground. This area to the south of the churchyard contains a cricket pitch and tennis courts whose tree lined boundaries enclose the open space. A combination of the cricket pitch, surrounded by trees with views of the church beyond, creates a traditional quintessentially English scene when viewed from the seating provided on the western boundary.



Picture 22 – The sports ground, church spire and 20<sup>th</sup> century listed lodge.

6.43. Pasture land either side of St Mary's Lane and to the south of the Sports Ground. This pleasant open pasture land enclosed by boundary trees is visually important from glimpsed from the road and from the extensively used and elevated Cole Green Way. Pasture to the west of St. Mary's Lane performs an important landscape function of providing a gap between two groups of 20<sup>th</sup> century development.

6.44. Cole Green Way. This bridleway, formerly the railway line, is extensively used by walkers, cyclists and riders. It is in good condition and the track is flanked by trees.

6.45. Garden to The Old Rectory. The access road to The Old Rectory and other properties nearby is situated in open parkland countryside. The garden between

The Old rectory and the access track is visible from the approach and is particularly important to the setting of this Listed Building.

6.46. Two open spaces that are not included are the gardens at 'Epcombs' and 'Amores' because they are both hidden from view and thus do not visually contribute to the quality of the Conservation Area when seen from the public realm.

6.47. Particularly important trees and hedgerows. Principal trees and groups of trees and hedgerows visible from public vantage points are diagrammatically indicated. They are particularly important on all the approach roads to the Conservation Area and in its centre around the churchyard and 'Amores'.

6.48. Designated Wildlife sites. The churchyard is so designated because of its moderately diverse neutral grassland supporting a range of fine grasses and herbs. Species recorded, some in abundance, include Common Knapweed, Lady's Bedstraw, Burnet-saxifrage, Common Sorrel, Bird's-foot Trefoil and Oxeye Daisy. Meadow Saxifrage has also been recorded. The diagrammatic symbol for the Wildlife Site on EHDC's Local Plan mapping needs amending to properly reflect its location.

6.49. Important views. A selection is marked on the plans. Most important are those of the church but views along the river and across pasture land north of Cole Green Way and at The Old Rectory are also visually important.

6.50. Elements that are out of character with the Conservation Area: A number of repair works that would result in improvements have already been identified, generally relating to monuments or other distinctive features. Other detracting elements are identified below and where appropriate a remedial course of action recommended. Implementing such improvements will only be possible with the respective owners' co-operation.

6.51. Prince of Wales Car park. This car park is an expansive area of tarmac enclosed by walls and fencing that detracts the appearance of the centre of the Conservation Area. It would benefit from comprehensive landscaping should the owner be interested in pursuing such a course of action.



Picture 23 - The car park to the Prince of Wales PH – its appearance could be improved by comprehensive landscaping.

6.52. Fence around Amores. Amores is an important grade II\* listed building and the many trees in its extensive grounds greatly contribute to the quality of the centre of the Conservation Area. Parts of the boundary fencing have recently been replaced, however other lengths remain in a deteriorating and unattractive condition. The west elevation to 'Amores' detracts in part and is in need of repainting.



Picture 24 – Boundary fencing to 'Amores' that detracts from this important central location.

6.53. Telephone kiosk on northern approach. This modern telephone call box is in poor condition with some elements missing including door and one elevation. Some graffiti is evident. It is suggested that BT contacted to ascertain its current use. If the view is taken that it should be retained then the necessary repair works need undertaking. If on the other hand it is considered redundant, the call box should be removed.



Picture 25 – Modern telephone box that should either be repaired or removed.

6.54 A highway directional sign to front of Garth House. This poor quality black and white arrow sign mounted on rusty iron supports detracts and needs replacing

6.55. *Opportunities to secure improvements.* ~~Having contacted the owners and discussed the issues with them, consider t~~here is potential for making improvements to the car parking area at the Prince of Wales PH; consider improvements to fencing surrounding 'Amores'. Approach owners of other boundary walls, fencing, historic pump near the Prince of Wales PH and highway directional sign as identified in the table as set out in the Management Proposals below with view of securing improvements. Discuss possibility of increasing orchard planting to front of Mimrams House. Discuss need for modern telephone kiosk at northern end of village and dependant on outcome, repair or remove it. Should the church authorities favour the idea, consider drawing up a prioritised schedule of repairs for both monuments and boundary fencing and other repair work and enhancements in the churchyard and consider the potential of securing external funding; possibly with the Heritage Lottery Fund.

6.56. *Suggested boundary changes.* It is considered an area to the south and west comprising of the ~~Allotment Gardens and~~ large detached dwellings to the west of St Mary's Lane and to the south of Cole Green Way should be excluded. *The Allotment gardens, also to the west of St Marys Lane are to remain in the Conservation Area. Whilst visually the gardens have a detrimental impact, there is an historical association with the village which warrants their retention within the Conservation Area.*

6.57. The Allotment Gardens whilst being well used and productive consist of a variety of sheds, greenhouses and fencing that are often constructed from reclaimed materials and whose overall appearance is unattractive.



Picture 26 – The allotment gardens whilst being of great worth and community benefit, do not positively contribute to the visual qualities of the area and are therefore proposed to be removed from the Conservation Area.

6.58. The large detached houses to the west of St Mary's Lane and to the south of Cole Green Way are set in generous plots often with fine mature trees. However the buildings themselves dating from the mid 20<sup>th</sup> century are not considered as being of special architectural or historic interest.

6.59. It is therefore proposed to exclude these locations from the Conservation Area and redraw the boundary. Should this proposal be agreed and implemented, a tree survey should be undertaken with a view of protecting trees of appropriate quality by Tree Preservation Orders.



Picture 27 – An example of a pleasing modern 20<sup>th</sup> century housing but one of insufficient architectural or historic importance south of Cole Green Way. The whole area is proposed to be excluded from the Conservation Area.

6.60. Other actions. Amend EHDC records and mapping in respect of the Brassey Memorial and the Wildlife Site and advise English Heritage of several mapping errors on their records (i.e. in respect of 'St. Joseph's Lodge' and 'The Hill').

6.61. Overall Summary. The designation of Hertingfordbury's Conservation Area is justified but should be amended to exclude the Allotment Gardens and 20<sup>th</sup>

century development to the west of St. Mary's Lane and south of Cole Green Way. Several unlisted 19<sup>th</sup> century buildings and other features have been identified as being worthy of protection. The most important architectural and historical feature is the church whose churchyard contains many high quality tombs and monuments, some of which are in need of repair. In this respect a key recommendation of this document is that discussions take place with the church authorities to explore the potential of seeking external funding for their repair and enhancement.

## PART C- MANAGEMENT PROPOSALS.

### 7. MANAGEMENT PROPOSALS.

*7.1. Revised Conservation Area Boundary.* The revised boundary is shown on Plans and includes the following amendment: reduce the Conservation Area to exclude the Allotment Gardens and 20<sup>th</sup> century properties to the west of St. Mary's Lane and development to the south of Cole Green Way. In association with this proposal, consider making unprotected trees worthy of protection, subject to Tree Preservation Orders.

*7.2. General Planning Control and Good Practice within the Conservation Area.* All 'saved' planning policies are contained in the East Herts Local Plan Second Review adopted in April 2007. It is against this document and the National Planning Policy Framework that the District Council will process applications.

7.3. Applicants considering submitting any application should carefully consider the relevant policies and if necessary contact Council Officers to seek pre-application advice. For further details including advice on Planning Applications, Conservation Areas, Listed Buildings, Landscaping, and other general administrative advice please contact the Planning Department for assistance.

Telephone no. 01279 655261

E-mail [planning@eastherts.gov.uk](mailto:planning@eastherts.gov.uk)

Or write to E.H.D.C. Wallfields, Pegs Lane, Hertford SG13 8EQ

7.4. Applicants may also wish to refer to one of the several Guidance Notes referred to in Appendix 1 below.

*7.5. Planning Control – Potential need to undertake an Archeological Evaluation.* Within areas designated as being an Area of Archaeological Significance the contents of Policies BH1, BH2 and BH3 are particularly relevant.



7.6. *Listed Building Control and Good Practice.* Those buildings that are individually listed are identified. Other pre-1948 buildings, structures or walls within the curtilage of a Listed Building are similarly protected in law.

7.7. Listed Buildings are a significant factor in contributing to the quality of Hertingfordbury's built environment. It is essential that their architectural detailing is not eroded nor their other qualities and settings compromised.

7.8. The Appraisal has identified an individually listed structure as being 'At Risk', being the Sedilia in the churchyard. This important 14<sup>th</sup> century historic object is declining badly and restoration options alternatively involve returning it to the interior of the church or building a shelter to protect it in situ.

7.9. *Planning Control – Other Unlisted Buildings that make an Important Architectural or Historic Contribution.* Within the Conservation Area there are 6 unlisted buildings/ groups of buildings that have been so identified. These are:, 11-15 St Mary's Lane; 267 Hertingfordbury Road and 1-3 St Mary's Lane; Mill Farm; Prince of Wales PH in part; Nos. 240-242 Hertingfordbury Road and nos. 260-274 Hertingfordbury Road together with their outbuildings. Any proposal involving the demolition of these buildings is unlikely to be approved.

7.10. Proposed Article 4 Directions. There are some distinctive features that are integral to some of the unlisted buildings identified above that make an important architectural or historic contribution which may include selected chimneys, windows and other architectural detailing. In some situations protection may exist through existing planning controls but in other cases additional protection could only be provided by removing Permitted Development Rights via an Article 4 Direction. The latter legislation is complex. Should the Council consider such a course of action appropriate there would be a process of notifying the affected owners separately at a later date. This would be associated with further detailed consideration and possible refinement.

7.11. *Planning Control – Other Unlisted distinctive features that make an Important Architectural or Historic Contribution.* This Appraisal has identified several walls and railings that make a particular contribution to the character of the Conservation Area. Some of these are protected virtue of exceeding the specified heights relevant to Conservation Area or by Listed Building legislation. Any proposal involving the demolition of these walls is also unlikely to be approved. Others fences including the northern boundary to the Thames Water compound and fence alongside access road to The Old Rectory are not protected where Article 4 Directions may be appropriate subject to further consideration.

7.12 *Planning control – Wildlife Site within the Conservation Area.* The wildlife importance of the churchyard has been set out above. Any proposals will be

considered against Policies ENV 14 and ENV 16. Any repairs to monuments will need to respect any wildlife considerations.

7.13. *Planning Control – Locally Important Historic Parks and gardens.* EHDC Supplementary Planning Document 'Historic Parks and Gardens' has identified the gardens of 'Epcombs', within the Conservation Area, as being 'locally important'<sup>3</sup>. Proposals that significantly harm its special character will not normally be permitted and would require clear justification. Proposals will be considered against Policy BH16.

7.14. *Planning Control – Important open land, open spaces and gaps.* This Appraisal has identified the following particularly important spaces: River Mimram; open space to the front of Mimram House; the churchyard; the sports ground; pasture land south and south west of the Sports Ground; Cole Green Way and garden to The Old Rectory. These represent open spaces gaps and other open landscape features within the Conservation Area that materially contribute to its character or appearance and will be protected.

7.15. *Planning Control – Particularly important trees and hedgerows.* Only the most significant trees are shown diagrammatically. It has not been possible to plot trees on inaccessible land. Subject to certain exceptions all trees in a Conservation Area are afforded protection and a person wanting to carry out works has to notify the Council. Trees that have not been identified may still be considered suitable for protection by Tree Preservation Orders. Owners are advised to make regular inspections to check the health of trees in the interests of amenity and Health and Safety. As previously advised some hedges may be protected by the Hedgerow Regulations 1997.

7.16. *Planning Control – Important views.* The most important views within and out of the Conservation area are diagrammatically shown. Policy BH6 is particularly relevant.

7.17. *Enhancement Proposals.* The Appraisal has identified a number of elements that detract that are summarized in the Table below together with a proposed course of action. Within the staff and financial resources available, Council Officers will be pro-active and provide assistance. It must be recognized that such improvements will generally only be achieved with the owners co-operation.

Detracting element	Location	Proposed Action.
Car park	Prince of Wales PH.	Contact owner with view of discussing landscape improvements to this important central location.
Selective length of	'Amores' and	Contact owner with view of

<sup>3</sup> East Hertford District Council, *Historic Parks and Gardens: Supplementary Planning Document*, September 2007, page 31.

boundary fence and west elevation of property.	surrounding 'Amores'.	discussing improvements.
Highway directional sign	To front of Garth House.	Seek replacement.
Modern telephone kiosk.	Northern approach, Hertingfordbury Road.	Contact BT and Parish Council to establish usage. If kiosk to be retained, repair it. Otherwise consider its removal.
Eroded Sedilia – a listed structure 'at risk'.	Churchyard.	Establish church's considerations. Consider restoration and consolidation in situ or returning structure to church interior. Highest priority.
Other unlisted monuments/tombs in the churchyard in need of repair.	St Mary's Churchyard.	Discuss issue with church authority/owners. Identify monuments in need of repair, develop a schedule of restoration. Explore the potential for external grant aid including Heritage Lottery Funding for both listed and unlisted monuments.
Church boundary wall.	Fronting Hertingfordbury Road.	Discuss replacement of selected capping slabs with church authority; possibly in association with external grant aid assistance should this course be pursued.
Metal boundary fence and steps.	Churchyard and access to churchyard extension.	Undertake necessary repairs; possibly in association with external grant aid assistance should this course be pursued.
Boundary fencing.	Thames Water site, Hertingfordbury Road.	Discuss with Thames Water, seeking to initiate necessary repainting.
Boundary fencing.	Approach road to St Joseph's in the Park school.	Discuss potential of repair/ replacement with owners.
19 <sup>th</sup> century pump.	Rear of Prince of Wales PH.	Establish ownership and potential for repair and potential for subsequent listing if adequate repairs can be executed.
Orchard area.	To front of Mimrams House.	Discuss possibility of additional orchard planting with owner.
Other actions.		
Establish location/fate of separately listed gates at Epcombs and if appropriate seek their replacement in original location.		

Advise English Heritage that maps accompanying several listed building descriptions have locations wrongly plotted; e.g. St Josephs Lodge and The Hill.
Amend EHDC mapping in relation to location of Brassey memorial on its information base.
The symbol for the Wildlife Site on EHDC's Local Plan mapping needs amending to properly reflect its proper location, i.e. St Mary's churchyard.
EHDC records show a Listed Building in the curtilage of The Moat House. This cannot be traced on initial search of English Heritage records. The matter needs clarifying and any necessary changes to records made.

Appendix 1. Guidance notes produced by East Hertfordshire District Council. The following represent useful technical information and can be obtained via the details provided above.

1. Brick Repointing and Repair.
2. Conservation Areas.
3. Cleaning Historic Brickwork.
4. Farm Buildings.
5. Flint and Flint Wall Repair.
6. Hard Landscaping in Historic Areas.
7. Listed Buildings.
8. Rainwater Goods and Lead.
9. Shopfronts.



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## EAST HERTS COUNCIL

EXECUTIVE – 4 FEBRUARY 2014

REPORT BY EXECUTIVE MEMBER FOR HEALTH, HOUSING AND  
COMMUNITY SUPPORT

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### HERTFORD THEATRE SEATING REFURBISHMENT TENDER

WARD(S) AFFECTED: ALL

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#### Purpose/Summary of Report

- To update the Executive on progress made in seeking the refurbishment of the seating at Hertford Theatre.

<b><u>RECOMMENDATION FOR EXECUTIVE:</u> That:</b>	
<b>(A)</b>	<b>The tender price for seating refurbishment at Hertford Theatre, as contained in the report, is approved, and capital provision of up to £109,000 is made available for this project.</b>

#### 1.0 Background

1.1 Following consideration of a project initiation document (PID) at its meeting of 28/05/13, the council's corporate management team agreed to support a proposal to seek Executive approval for investment of up to £164,500 of capital to upgrade the technical equipment and seating in the theatre's main auditorium. The case for such investment was agreed in order to enable continued growth in the business within the context of better than anticipated performance against original business plan targets.

1.2 The Executive of 23/ 7/13 approved capital of £64,000 for technical, lightening and audio equipment and, in response to a request for capital of approximately £100,000 to refurbish the seating at Hertford Theatre, resolved that: 'a further report be submitted following the tendering process'.

## 2.0 Report

- 2.1 Following consultation with the council's Procurement Officer, the council's Chief Executive and the Director of Financial and Support Services agreed to a single negotiated tender procurement route for the seating refurbishment with Hussey Seatway the company that installed the existing seats and structure.
- 2.2 A tender of £99,066 (including the two additional options for LED lights) has subsequently been negotiated with Hussey Seatway for a specification as set out at **Essential Reference Paper B**.
- 2.3 In order to allow for any additional enabling electrical and other peripheral works and for project management costs, it is recommended that a 10% contingency is added, bringing the capital provision to up to £109,000
- 2.4 Should the Executive approve the capital provision as requested then it would be the intention to have the works carried out during the summer closedown period in 2014 from late July through to the end of August.
- 2.5 The Executive is informed that the seating works will coincide sequentially with the installation of a new floor in the auditorium under a separate contract. The replacement floor in the auditorium is required as a result of flood damage incurred in January 2013 and will be funded through an agreed insurance claim. It is critical that these two contracts are coordinated and synchronised within a constrained time period and it is the intention that appropriate project management arrangements are put in place to ensure this; the costs for which will be met from the 10% contingency sum identified in 2.3 above.
- 2.6 The Executive is reminded that, in the summary, the seating refurbishment is designed to achieve:
- Powered automated retraction and set up facility - saving on expenditure associated with set up time and providing additional flexibility to hirers
  - More sense of stability to the structure and permanence to the rear stairs
  - Acoustic dampening – a quieter unit



- Semi-fixed flat floor seating to match tiered seats
- Improved look and feel – new seat coverings in Hertford Theatre brand colour

### 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 Linda Haysey – executive member for health, housing and community support  
[Linda.haysey@eastherts.gov.uk](mailto:Linda.haysey@eastherts.gov.uk)

Contact Officer: Will O'Neill – head of communications, engagement and cultural services  
Contact Tel No 01992 531594  
[Will.oneill@eastherts.gov.uk](mailto:Will.oneill@eastherts.gov.uk)

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## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	<b><i>People</i></b> This priority focuses on enhancing the quality of life, health and wellbeing, particularly for those who are vulnerable, and delivering strong services
Consultation:	<i>none</i>
Legal:	<i>none</i>
Financial:	<i>Contained within the report.</i>
Human Resource:	<i>none</i>
Risk Management:	<i>Arrangements to be put in place to ensure smooth project management in relation to synchronisation with flooring contract and minimisation of close down period.</i>

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## QUOTATION - P01675.3-12

Rhys Thomas  
Hertford Theatre  
The Wash  
Hertford SG14 1PS

By Email : rhys.thomas@eastherts.gov.uk

13 January 2014

QUOTATION to refurbish the existing Hussey Seatway Retractable Seating Unit and replace the flat floor seating, generally as shown on our drawing P01675-12-01, Rev. C, Sheet 1 and as detailed below:-

### **FLAT FLOOR**

To supply and deliver 94 No. Arts Mode 5 Flat Floor Seats to match the seating on the retractable seating unit. To include :-

Fabric	To be Flamblend Range by Bradbury Fabrics.
Armrests	To be moulded plastic.
Seat Numbers	Included
Row Letters	Included
Seat Pan	To tip-up automatically when not in use.

To include 3 No. custom design transportation/storage trolleys for the 94 No. Arts Chairs, including the floor bars.

### **RETRACTABLE SEATING UNIT**

To modify and refurbish the unit as follows :-

- To remove all the integral flotation systems from the 3 units.
- To remove the front to back locks.
- To remove the existing chairs and store on site
- To remove the existing 18mm deckboards and dispose of same.
- To join all 3 units together, bolt the rear rows to the facility floor
- To change the wheels on the understructure as required.
- To supply an integral electric system so the unit opens/closes as one bank in approximately 1 minute for each cycle, with one person operation. Note the system incorporates 'Soft Start' which minimises the power surge on the building electrics when the unit is operated.
- To supply and fit new high quality Birch 22mm thick deckboards. Deckboards to be mounted on rubber gaskets.
- To supply and fit Eurocord carpet, colour to be chosen from our standard range.
- To supply replacement intermediate steps with 22mm birch deck tops. Carpeted finish to all surfaces. Nosings to all step edges, type to be agreed and include photo luminescent strips..
- To check the chair frames and refurbish where required.
- To replace the fabric and foam. Fabric to be chosen from the Flamblend range by Bradbury Fabrics.

- To refit the existing chairs with a rubber gasket between the chair and platform. Row 1 kickboard to be carpeted (rather than current painted steel).
- To supply 24 No. side rails with tinted grey acrylic infill  
Lower rails to remain as removable items. However we will fit a nylon wedge system to the rails to eradicate noise when the rails are knocked by the audience.  
Note: There will no longer be a clamp bolt system.  
Upper rails will be permanently fixed self storing rails.
- All fastenings (including chair fixings) will be black.
- Replace row letters with row letters that will be visible when going up or down the aisle.
- To supply a plinth, 2m in length, for Row S, with guardrails, incorporating a soft covering.
- To supply a desk for the plinth, 2m in length.

#### **REAR STAIRCASE / ELEVATED REAR ROW WITH ADDITIONAL SEATING**

- To remove and dispose of the existing rear staircase structure.
- To supply and install a new permanent rear staircase structure as shown on our drawing, all rails to have acrylic infill.
- To supply and install 2 No. fixed platform structures, each with 6 No. Arts chairs. All side and rear rails to have acrylic infill. Note all decks will be timber and have gaskets between the timber and steel to minimise sound.
- To supply and fit panels to conceal all the understructure and provide a high quality, laminate finish.
- Nosings to all step edges, type to be agreed and include photo-luminescent strips to all front edges.
- To integrate two 'Cloakroom' structures within the structure, as shown on our drawing.
- Note - all deckboards will be 22mm thick. Deckboard steps above the cloakroom areas to be fire rated at half hour.

**All for the sum of .... £94,566.00**

#### **Option**

1. To provide 54 No. LED lights in the intermediate steps on the seating bank.  
For the additional sum of ... £2,700.00
2. To provide 36 No. LED lights in the rear staircase.  
For the additional sum of ... £1,800.00

## NOTES

### Product

- 1] We make every effort to ensure that our products and proposed layouts meet with the local regulatory requirements. However, we cannot be ultimately responsible for gaining approval, although we will assist where possible.
- 2] It is the responsibility of the owner/client to ensure that the floors are capable of withstanding the point loads imposed by the system. Hussey Seatway can provide information [including drawings] regarding the load levels and position of these loads, and will co-operate fully where needed. Various floor types are suitable, but a level, smooth and hard surface is required, ie deviation must not be greater than 5mm over 3m.
- 3] Please note, carpeted floors are not acceptable under any circumstances, unless running boards are also purchased – this to be discussed with our technical department.
- 4] Unless specifically asked pull out tests on masonry fixings will not be completed. The quality of masonry must be of a standard to accept good fixings where required.
- 5] Maintained power supplies will be required for the LED aisle lights if this option is selected

### Prices Quoted

- 1] Are exclusive of VAT which will be charged at the ruling rates
- 2] Are open for acceptance for a period of 30 days
- 3] Are based on delivery/installation by 31 August 2014 latest, with the installation period to be in one continuous period.
- 4] Include for insurance of the material up to delivery to site. Once the goods are on site it is the client's responsibility to insure the goods.
- 5] Are based on delivery vehicles being : -
  - a. 40ft containers or trailers
  - b The delivery vehicle being able to park within 30m of the room where the seating is to be installed.**Note** – if both of the above cannot be achieved, extra charges will apply.
- 6] Our price does not include for any storage of the goods should installation be delayed from a previously agreed installation commencement date extra charges may apply.

### Delivery/Installation:

Exact programme to be finally agreed, but works to be carried out in July / August 2014 to suit your programme.

### Payment Terms:

To standard BASES Terms and Conditions as follows : -

20% Deposit with order

80% 30 days after completion

**Note - Credit will only be given if Hussey Seatway is able to secure credit insurance on the purchaser from HCC International.**

### Conditions of Sale

- 1] The Title of any goods supplied does not pass from Hussey Seatway Ltd until full payment is received.
- 2] Our standard Conditions of Sale will apply, full details will be provided on request.

For and on behalf of  
**Hussey Seatway Ltd**

David Black  
Director

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