



MEETING : EXECUTIVE
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : TUESDAY 2 SEPTEMBER 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 (Pages 7 - 22)

To approve the Minutes of the meeting held on 5 August 2014.

4. Declarations of Interest

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

5. Issues Arising from Scrutiny

Report to follow.

6. Annual Report 2013/14 (Pages 23 - 64)

7. Corporate Strategic Plan 2015/16 - 2018/19 (Pages 65 - 92)

8. Financial Strategy 2015/16 - 2018/19 and Medium Term Financial Plan Update (Pages 93 - 128)

9. 2013/14 Annual Governance Statement (Pages 129 - 164)

10. Public Health Offer to Districts and Boroughs in Hertfordshire 2014-16 (Pages 165 - 186)

11. Monthly Corporate Healthcheck - July 2014

Report to follow.

12. 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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MINUTES OF A MEETING OF THE
EXECUTIVE HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD ON
TUESDAY 5 AUGUST 2014, AT 7.00 PM

PRESENT: Councillor A Jackson (Chairman/Leader)
Councillors M Alexander, M Carver,
L Haysey, S Rutland-Barsby and M Tindale.

ALSO PRESENT:

Councillors P Ballam, J Jones, M McMullen,
P Moore, J Ranger, P Ruffles, J Thornton,
G Williamson and J Wing.

OFFICERS IN ATTENDANCE:

Martin Ibrahim	- Democratic Services Team Leader
George A Robertson	- Chief Executive and Director of Customer and Community Services
Kevin Steptoe	- Head of Planning and Building Control Services
Adele Taylor	- Director of Finance and Support Services

159 **LITTLE HADHAM CONSERVATION AREA APPRAISAL
AND MANAGEMENT PLAN**

The Executive Member for Strategic Planning and Transport submitted a report on the Little Hadham, Bury Green and Hadham Ford Conservation Area Appraisal following public consultation. He detailed the outcome of the public consultation in the report now submitted and

advised that some comments had been taken on board.

The Appraisal identified the special character of the Conservation Area together with the elements that should be retained or enhanced and those which detracted from the identified character. Once adopted by the Council, the Appraisal would become a 'material consideration' in the process of determining planning applications. It would also link into the development of neighbourhood planning.

The Executive Member for Finance, as the local ward Member, supported the proposals and thanked the Officers involved for engaging with local residents.

The Executive supported the recommendations as now detailed.

RECOMMENDED – that (A) the responses to the public consultation be noted and the Officer responses and proposed changes to the Little Hadham, Bury Green and Hadham Ford Conservation Area Appraisal be agreed;

(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; and

(C) the Little Hadham, Bury Green and Hadham Ford Conservation Area Appraisal be adopted.

160 **HIGH WYCH CONSERVATION AREA APPRAISAL AND MANAGEMENT PLAN**

The Executive Member for Strategic Planning and Transport submitted a report on the High Wych Conservation Area Appraisal following public consultation. He detailed the outcome of the public

consultation in the report now submitted and advised that some comments had been taken on board.

The Appraisal identified the special character of the Conservation Area together with the elements that should be retained or enhanced and those which detracted from the identified character. Once adopted by the Council, the Appraisal would become a 'material consideration' in the process of determining planning applications. It would also link into the development of neighbourhood planning.

The Executive supported the recommendations as now detailed.

RECOMMENDED – that (A) the responses to the public consultation be noted and the Officer responses and proposed changes to the High Wych Conservation Area Appraisal be agreed;

(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; and

(C) the High Wych Conservation Area Appraisal be adopted.

161

EAST HERTS GYPSIES AND TRAVELLERS AND TRAVELLING SHOWPEOPLE ACCOMMODATION NEEDS ASSESSMENT APRIL 2014

The Executive considered and supported the recommendations of the District Planning Executive Panel, at its meeting held on 17 July 2014, on the East Herts Gypsies and Travellers and Travelling Showpeople Accommodation Needs Assessment, April 2014.

RECOMMENDED – that (A) the East Herts Gypsies

and Travellers and Travelling Showpeople Accommodation Needs Assessment, April 2014, be agreed as part of the evidence base to inform and support the East Herts District Plan; and

(B) the East Herts Gypsies and Travellers and Travelling Showpeople Accommodation Needs Assessment, April 2014, be agreed to inform Development Management decisions.

(see also Minute 176)

162 **DISTRICT PLAN UPDATE REPORT**

The Executive considered and supported the recommendations of the District Planning Executive Panel, at its meeting held on 17 July 2014, on the District Plan Update Report.

RECOMMENDED – that (A) the record of consultation activity, together with the analysis of comments logged, as contained at Essential Reference Papers ‘B’ and ‘C’ respectively, be noted; and

(B) explanation of the Duty to Co-Operate, together with the letter from the Planning Minister in relation to Green Belt policy contained at Essential Reference Paper ‘D’, be noted.

(see also Minute 176)

163 **DELIVERY STUDY UPDATE REPORT**

The Executive considered and supported the recommendations of the District Planning Executive Panel, at its meeting held on 17 July 2014, on the Delivery Study Update Report.

RECOMMENDED – that (A) the specification for the District Plan Delivery Study contained at Essential

Reference Paper 'B', be noted; and

(B) the presentations to site promoters and subsequent meeting notes contained at Essential Reference Papers 'C' and 'D', be noted.

(see also Minute 176)

164 **GREATER ESSEX DEMOGRAPHIC FORECASTS 2012 – 2037 PHASE 5 MAIN REPORT – APRIL 2014**

The Executive considered and supported the recommendations of the District Planning Executive Panel, at its meeting held on 17 July 2014, on the Greater Essex Demographic Forecasts 2012 - 2037 Phase 5 Main Report – April 2014.

RECOMMENDED – that the Greater Essex Demographic Forecasts 2012 - 2037 Phase 5 technical study, be agreed as part of the evidence base to inform and support the East Herts District Plan.

(see also Minute 176)

165 **EAST HERTS EMPLOYMENT LAND REVIEW UPDATE 2013**

The Executive considered and supported the recommendations of the District Planning Executive Panel, at its meeting held on 17 July 2014, on the Employment Land Review Update 2013.

RECOMMENDED – that (A) the Employment Land Review Update 2013, be agreed as part of the evidence base to inform and support the East Herts District Plan; and

(B) the Employment Land Review Update 2013, be agreed to inform Development Management decisions.

(see also Minute 176)

166 **BUNTINGFORD EMPLOYMENT STUDY 2014**

The Executive considered and supported the recommendations of the District Planning Executive Panel, at its meeting held on 17 July 2014, on the Buntingford Employment Study 2014.

RECOMMENDED – that the Buntingford Employment Study, June 2014, be agreed as part of the evidence base to inform and support the East Herts District Plan and for Development Management purposes in the determination of planning applications.

(see also Minute 176)

167 **STRATEGIC LAND AVAILABILITY ASSESSMENT (SLAA)
ROUND 3 UPDATE REPORT**

The Executive considered and supported the recommendations of the District Planning Executive Panel, at its meeting held on 17 July 2014, on the Strategic Land Availability Assessment (SLAA) Round 3 Update Report.

RECOMMENDED – that (A) the full list of identified sites being assessed through Round 3 of the SLAA, attached at Essential Reference Paper 'B' of the report submitted, be noted; and

(B) any future Call for Sites suggestions be included and assessed as part of the annual monitoring and review of the SLAA.

(see also Minute 176)

168 **NEIGHBOURHOOD PLANNING UPDATE REPORT**

The Executive considered and supported the recommendations of the District Planning Executive Panel, at its meeting held on 17 July 2014, on the Neighbourhood Planning Update Report.

RECOMMENDED – that (A) the roles and responsibilities of the Council in accordance with the Neighbourhood Planning (General) Regulations 2012 and outlined in paragraphs 2.1 to 2.13 of this report submitted be noted; and

(B) the growing level of interest in Neighbourhood Planning in the District, together with the requirement to ensure that this area of work is adequately and appropriately resourced, be noted.

(see also Minute 176)

169 **APOLOGIES**

An apology for absence was submitted on behalf of Councillor P Phillips.

170 **LEADER'S ANNOUNCEMENTS**

The Leader referred to the Agenda Item on the Hertfordshire Building Control Project and stated that this would be considered as the last item of business, in case it would be necessary to exclude the press and public from the meeting.

The Leader gave advance notice that the Executive Member for Community and Partnership Liaison was working with Officers on organising an Urban Forum to look at specific town based issues that would operate in a similar way to the Rural Conference. Further details would emerge in due course.

171 MINUTES

RESOLVED – that the Minutes of the Executive meeting held on 1 July 2014 be approved as a correct record and signed by the Leader.

172 ISSUES ARISING FROM SCRUTINY

The Executive received a report detailing those issues referred to it by the Scrutiny Committees, which were noted. The issue relating to the increased workload caused by the need for frequent recalculations of benefit entitlement would be picked up. Issues relating to specific reports for the Executive were considered and detailed at the relevant report of the Executive Member.

RESOLVED – that the report be received.

173 HOUSING REGISTER POLICY - REVIEW

The Executive Member for Health, Housing and Community Support submitted a report reviewing the Housing Register and Allocations policy.

The Executive recalled that the policy had been agreed in March 2013, on the basis that two specific issues be reviewed after a year. These issues related to village priority/community cohesion in respect of the proposed threshold on settlements with over 1000 residents and the salary threshold of £48,000 for accessing the register.

The Community Scrutiny Committee, at its meeting held on 24 June 2014, reviewed these issues and concluded that no policy changes were needed at this time.

The Executive Member for Finance expressed his disappointment with the conclusion reached by the Community Scrutiny Committee. He reiterated his previous view that the salary threshold was too high and that it should be reduced, in order to give greater priority for applicants on a lower income. He suggested that a scaled threshold of £35k

for a one-bed property, £40k for a two-bed property and £48k for a three-bed property would be more appropriate.

The Executive Member for Health, Housing and Community Support questioned whether such a scaled threshold would be too complicated to administer. However, she undertook to ask Officers to consider this further. The Executive Member for Strategic Planning and Transport reminded Members that the policy included a Limited Means Points award for applicants on benefits or low incomes.

In response to a question from Councillor J Wing relating to the impact of the spare room subsidy, The Executive Member for Health, Housing and Community Support commented that additional properties would be coming on stream this year which should ease the problem of “bedroom blockage”

The Executive Member for Health, Housing and Community Support undertook to respond to Councillor J Ranger’s question on whether working in a village qualified as a village connection.

After being put to the meeting, and a vote taken, the recommendation now detailed, were approved.

RESOLVED - that the views of Community Scrutiny Committee be supported in that no policy changes in respect of ‘village priority procedure’ or ‘salary threshold’ be made at this time.

174 CAR PARKING PAY AND DISPLAY CHARGES - OBJECTIONS TO TRO

The Executive Member for Economic Development submitted a report on the outcome of public consultation on four Traffic Regulation Orders (TRO) that had been advertised. This detailed the objections made, including the petition submitted and debated at the Council meeting on 30 July 2014. A note summarising this debate had been tabled at the meeting.

In the absence of the Executive Member for Economic

Development, the Leader outlined the basis for the proposals in the TROs and reminded Members of the principles underpinning the car parking service. As indicated at the Council meeting on 30 July 2014, he proposed deferring the evening charge proposal, but that the £1 flat rate charge be retained for the hours of 4.00 pm – 6.30 pm. Also, the proposal for a 30 minute free period should also be retained. The Leader corrected the figures in Essential Reference Paper 'E' relating to the one-off costs of the alternative proposal for the flat rate evening charge between 4.00 pm – 6.30 pm.

The Leader commented on the potential impact of the changes for improving footfall in the town centres and on the Council's car parking income. He suggested that Officers would need to gauge the impact, seek feedback from retailers, the business community and the public and report back to the Executive in June 2015.

Notwithstanding these proposals, the Leader reiterated the moral justification for evening charges and the principle of the user pays. He referred to further considerations in the pipeline and advised that Officers were looking at a number of issues that utilised new technology in areas, such as pay on exit and Automatic Number Plate Recognition (ANPR). This review would also pick up the points made in the petition relating to town centre resident parking and in the context of the emerging District Plan.

The Executive Member for Finance referred to the financial implications of amending the TROs as suggested by the Leader and advised that they would cost the Council. Despite this, he supported the revised proposal.

Councillor J Wing repeated the concern he expressed at the Council meeting in respect of evening charges impacting on volunteers in community groups. He also expressed his concern on the displacement effect of evening charges and resident parking zones.

The Executive approved the revised proposals as now

detailed.

RESOLVED - that (A) the objections received in respect of the Traffic Regulation Orders be received;

(B) the summary of the petitioner's address to the Council meeting on 30 July 2014, as now tabled, be received;

(C) the making of the East Herts Rural Order be authorised;

(D) in respect of each of the Bishop's Stortford, Hertford and Ware Traffic Regulation Orders, these be implemented subject to the following modifications:

- (i) no evening charges beyond 6.30 pm;
- (ii) a £1 flat rate charge be retained for the 4.00 pm - 6.30 pm time band; and

(E) a further report reviewing the impact of these changes for the Council's finances and, in particular, for town centre retailers, be submitted to the Executive in June 2015.

175 REQUEST FOR AREA DESIGNATION FOR
NEIGHBOURHOOD PLANNING: BISHOP'S STORTFORD
CENTRAL, SOUTH AND ALL SAINTS AND PART OF
THORLEY

The Executive Member for Strategic Planning and Transport submitted a report seeking approval for the designation of a neighbourhood area for Bishop's Stortford Central, South and All Saints and part of Thorley, as detailed on the plan attached to the report submitted.

The Executive considered the application and the consultation undertaken. The report submitted detailed the main areas of consideration in determining the application in accordance with Schedule 9 of the Localism Act 2011.

The Executive supported the application.

RESOLVED - that the application for the designation of a Neighbourhood Area, submitted by Bishop's Stortford Town Council, and to cover the Bishop's Stortford wards of Central, South, All Saints and part of Thorley Parish, be supported.

176 DISTRICT PLANNING EXECUTIVE PANEL: MINUTES - 17 JULY 2014

RESOLVED – that the Minutes of the District Planning Executive Panel meeting, held on 17 July 2014, be received.

(see also Minutes 161 - 168)

177 HERTFORDSHIRE BUILDING CONTROL PROJECT PROGRESS

The Leader reminded Members that Essential Reference Paper 'B' of the report submitted contained exempt information, as defined by paragraph 5 of Part I of Schedule 12A to the Local Government Act 1972. He stated that the press and public could be excluded from the meeting if Members wished to discuss any of its detail.

The Executive Member for Community Safety and Environment submitted a report updating Members on the progress of the Hertfordshire Building Control project. He detailed the background to the work that had been undertaken to date by those Authorities that had expressed an interest.

In response to Members' comments and questions, the Executive Member stated that doing nothing was not an option as the future of the Building Control service needed to be secured. The proposed partnership would provide resilience and enable the service to remain competitive.

The Head of Planning and Building Control referred to the scoping work of the Solutions Centre and advised that the

business case to be developed would provide the necessary detail to justify the proposal. He advised Members that professional standards would be ensured by the usual competent bodies. Also, the management structure of the proposed arm's length company would include senior Officer and Member representation from all of the participating Authorities.

The Executive approved the proposal now detailed.

RESOLVED - that (A) the report be noted; and

(B) in principle, the project move forward and a full business case be submitted for approval in the autumn of 2014.

178 NEW PROPOSALS FOR SUPPORTING MEMBERS' ICT

The Executive Member for Economic Development submitted a report proposing a new policy for supporting Members' use of ICT and new support arrangements.

The Executive noted that the proposed new policy would take effect in May 2015, and would provide more flexibility, as detailed in the report submitted. The new support arrangements would be put in place as soon as possible following the forthcoming restructuring of the ICT service.

Councillor J Ranger expressed concern over the recycling of old laptops for new Members in 2015. The Executive Member for Community and Partnership Liaison referred to such arrangements working well with Members in Stevenage.

The Executive approved the proposals as now detailed.

RESOLVED - that (A) the policy detailed in the report now submitted requiring Members to access ICT systems using their own equipment with effect from May 2015, be approved;

(B) the ownership of existing laptops be transferred

to re-elected Members that wish to continue using them from May 2015 onwards;

(C) Members who are not elected in May 2015 return their laptops to provide a stock of equipment to be transferred to new Members should they wish to use them;

(D) the new arrangements for supporting Members set out in section 4 of this report be approved;

(E) the new Members' ICT support arrangements referred to in (D) above be put in place prior to May 2015 for those Members who wish to pilot such arrangements; and

(F) the new ICT Support Arrangements be formally reviewed post May 2015 to a timeframe to be agreed with the Executive Member for Economic Development.

179 GENERAL FUND REVENUE AND CAPITAL OUTTURN 2013-14

The Executive Member for Finance submitted a report advising the on the General Fund Revenue Outturn for 2013/14. He also detailed the capital outturn for 2013/14 and the planned financing of the capital programme for 2014/15.

The Executive approved the proposals now detailed.

RESOLVED - that (A) the General Fund Revenue Outturn for 2013/14 be approved;

(B) the level of Reserve Balances at 31 March 2014 as set out within the report, be noted;

(C) the Capital Outturn for 2013/14 be noted; and

(D) the Capital Programme for 2014/15 be noted.

180 MONTHLY CORPORATE HEALTHCHECK - JUNE 2014

The Leader submitted an exception report on performance, finance and risk monitoring for East Herts Council for June 2014.

The Executive approved the recommendations now detailed.

RESOLVED - that (A) the budgetary variances set out in paragraph 2.1 of the report be noted;

(B) the virement of £15,000 from the merging of IT systems Capital budget within the Licensing and Environmental Health divisions to the Funding for Applications budget as detailed in paragraph 2.19 of this report, be approved; and

(C) the controls and scores listed in the strategic risk register for the period April to June 2014, as detailed at paragraph 2.22, be approved.

The meeting closed at 8.55 pm

Chairman

Date

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EAST HERTS COUNCIL

EXECUTIVE – 2 SEPTEMBER 2014

REPORT BY LEADER OF THE COUNCIL

2013/14 ANNUAL REPORT

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- This report provides a draft of the council's Annual Report for 2013/14.

<u>RECOMMENDATION FOR EXECUTIVE:</u> That:	
(A)	the 2013/14 Annual Report be approved.

1.0 Background

- 1.1 The Annual Report documents the council's key achievements for each of the corporate priorities over the last financial year. It also contains financial information which provides an overview of the council's financial position and performance and a statement on contracts.
- 1.2 The Annual Report complements and mirrors the 2013 – 2017 Corporate Plan but looks back on performance rather than offering any forward looking planning.
- 1.3 This is the seventh year the Annual Report has been produced, as a single document that covers Strategic, Financial and Performance issues as recommended by external auditors.
- 1.4 The achievements within in the report have primarily been sourced from Team Update, Service Plan Progress Reports and Link Magazine.

2.0 Report

- 2.1 This report provides a draft of the Annual Report for 2013/14 for comment and approval.
- 2.2 The report allows residents to judge the effectiveness and contribution of the council to the district and local communities as well as enabling councillors and employees to reflect on performance.
- 2.3 The Annual Report will be designed and published on the council's website.
- 2.4 The Annual Report is attached as **Essential Reference Paper 'B'**. Performance information which complements the Annual Report has already been presented so has not been included at this stage.
- 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: Cllr A P Jackson – Leader of the Council.
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Contact Officer: Simon Chancellor – Head of Finance and Performance
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Report Author: Ceri Pettit – Corporate Planning and Performance Manager
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ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/ Objectives:	<p><i>People – Fair and accessible services for those that use them and opportunities for everyone to contribute</i></p> <p>This priority focuses on delivering strong services and seeking to enhance the quality of life, health and wellbeing, particularly for those who are vulnerable.</p> <p><i>Place – Safe and Clean</i></p> <p>This priority focuses on sustainability, the built environment and ensuring our towns and villages are safe and clean.</p> <p><i>Prosperity – Improving the economic and social opportunities available to our communities</i></p> <p>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:	The senior management team were consulted on the draft 2013/14 Annual Report.
Legal:	There are no legal implications.
Financial:	There are no financial implications.
Human Resource:	There are no human resources implications.
Risk Management:	Effective performance management arrangements helps to ensure that the council's priorities and objectives are met and supports greater transparency and increases local accountability. The Annual Report is one tool designed to help deliver this.
Health and wellbeing – issues and impacts:	There are no direct Health and Wellbeing implications in regard to this report.

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Annual Report

2013/14

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Section 1: Introduction

Message from the Leader and the Chief Executive

2013/14 has been a year of further developing and delivering already sound services, keeping any eye on the future and the challenges it inevitably brings.

As you read this annual report, you will learn about the improvements to the recycling services, what we are doing to make sure streets are clean and your parks and open spaces are well maintained and welcoming places. We know these things are important to you and you have told us that satisfaction levels are high. You will also read about some of the innovative ways we work in the community to help improve the longer term health of residents by encouraging exercise and good life habits and how our efforts have been recognised by our health professional partners.

Although we know that East Herts is a relatively healthy and affluent area, we are proud of the work and resources we have put in to help and support the more vulnerable of our residents. In particular our significant work with the Citizens Advice Bureau offering support to those with a range of issues; making sure that applications for benefits are processed quickly; working with partners to develop young person's accommodation in the district are just some examples.

At the same time as delivering services and support, we have been looking to ourselves to see how we can deliver ever more effective services and better value for money. By sharing services with other councils and by finding ways of reducing costs we have maintained a strong financial position such that we were able to reduce council tax for 2013/14 having already had no increase for 4 years!

Importantly, a draft new District Plan was prepared and went out to consultation during the year; a mammoth task which has stretched the capacity of ourselves and councils across the country. A 12 week consultation using a variety of methods to reach as many people as possible commenced in February 2014 which will be used to further inform its development.

The challenges facing the council and the public sector show no sign of easing, but as we look forward to the future residents and businesses can be reassured that East Herts Council will continue to do its utmost to deliver optimum quality and value in everything it does on behalf of its residents.

Councillor Anthony Jackson

Leader of the Council

George A Robertson

***Chief Executive and Director
of Customer & Community
Services***

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Section 2: Profile of the District

The Area

East Herts is the largest of the 10 districts in Hertfordshire. It covers 47,568.68 hectares, around a third of the county, and offers a blend of rural and town living. The benefits of this mixture are greatly appreciated by the 141,076¹ people who live in the district.

The majority of the people who live in the district live in one of the five towns. Bishop's Stortford has the largest population at 37,800, followed by Hertford (26,800), Ware (18,800), Sawbridgeworth (8,500) and Buntingford (5,400).²

Although the district is mainly comprised of farmland, five busy market towns (Bishop's Stortford, Buntingford, Hertford, Sawbridgeworth and Ware) and more than 100 villages and hamlets are scattered across the area.

East Herts is a beautiful and historic area. It has 42 conservation areas, over 4,000 listed buildings (including curtilage listed buildings), 31 scheduled monuments, 450 sites of archaeological significance and 11 registered historic parks and gardens.

Areas of nature conservation are equally abundant. Rye Meads and woodland in the south of the district at Wormley West End and Brickendon are internationally recognised, and there are a further 16 Sites of Special Scientific Interest (SSSI) and 582 Wildlife Sites.

East Herts is regarded as an attractive rural location for those moving out from (and commuting into) London because of its excellent transport links.

The Economy

The people of East Herts are predominantly employed and enjoy higher than average earnings (£589.90 gross weekly pay for full-

¹ Mid 2013 Population Estimates, ONS

² 2011 Census - Population estimates from the 2011 Census using whole MSOAs (produced by Community Information and Intelligence Unit, Hertfordshire County Council)

time workers compared to £518.10 for the whole of the country³). Unemployment is very low (1.3%⁴).

Over 50% of people travel to work by car and 12% travel by train. Less than 2% of people travel by bus/coach. 12% of people work at or from home⁵.

House prices are among the highest in the country; in 2014 for the period April to June the average property price was £338,000⁶ while the average salary in 2013 was £31,548 compared to £31,949 in Hertfordshire. 29.9% of properties are semi-detached in East Herts, followed by 27.9% which are detached⁷. There is a shortage of affordable housing.

The People

A fifth of people are under 16 and a fifth of people are over 60. The average age in the district is 39.5⁸.

More than half of people (aged 16 and over) are married and over a quarter are single. 10% of people are separated or divorced and 6% are widowed⁹.

Over 89% of people were born in England, 3% were born in other countries in the European Union and 4% in other countries¹⁰. The main religion is Christianity but almost a fifth of people have no religion¹¹.

East Herts has a low ethnic minority population of just 4.5%. The largest ethnic minority group is Asian/Asian British at 1.9% with Indian being the highest within that group. The second largest minority group is mixed/multiple ethnic groups at 1.6%¹².

The people of East Herts enjoy very good health and 9% provide unpaid care¹³.

³ 2013 Annual Survey of Hours and Earnings - Resident Analysis, NOMIS, ONS

⁴ April 2014, Total Claimant Count, NOMIS, ONS

⁵ 2011 Census - Method of travel to work, Table CT0015EW, Hertfordshire Local Information System Atlas (Herts LIS)

⁶ Average Property Price for all house types, Quarter 1 2014, Hertfordshire Local Information System Atlas (Herts LIS)

⁷ 2011 Census - Dwellings, Household spaces and Accommodation type (KS401EW), NOMIS

⁸ 2011 Census - Age Structure (KS102EW), NOMIS

⁹ 2011 Census - Marital and Civil Partnership Status (KS103EW), NOMIS

¹⁰ 2011 Census - Country of Birth (KS204EW), NOMIS

¹¹ 2011 Census - Religion (KS209EW), NOMIS

¹² 2011 Census - Ethnic Group (KS201EW), NOMIS

¹³ 2011 Census - Health and Provision of Unpaid Care (KS301EW), NOMIS

Over a third of people are educated to level 4 or higher e.g. Bachelor's degree (33.5%, 36,867). But under a fifth of the population have no qualifications (17.2%, 18,959)¹⁴.

Car ownership is high, with 46.5% of households owning two or more cars or vans and 40.8% of households owning one car or van¹⁵. 44.4% of people travel to work by car or van and 9.6% travel by train. Less than 2% of people travel by bus. 5% of people work from home¹⁶. However the rural nature of the district means that those that do not have access to a car or other means of transport face difficulty accessing services.

Did you know?

East Herts Council in 2013/14:

- Cleaned 36,592, 923 linear kilometres of roads and streets – That's the same as flying to Rio de Janeiro in Brazil 3,952 times.
- Processed 2,326 planning and related applications.
- Carried out 15,570 building control inspections – That's 60 inspections (on average) every working day of the year.
- Supported 6,361 housing benefit customers and 6,961 council tax support customers in East Herts. Across the shared revenues and benefits service for both East Herts Council and Stevenage Council the service administered housing benefit and council tax support to almost 30,000 accounts.
- Processed 110,574 changes in housing benefit and council tax support circumstances across East Herts and Stevenage – That's 425 cases processed (on average) every working day of the year.
- Processed 3,098 land charge search enquiries – that is a 24% increase compared to the previous year.
- 156,245 people visited Hertford Theatre – That's just about enough to fill the O2 arena eight times over.
- On average every 'Monday' 1,000 people visit the council website and the most popular search term our visitors use is

¹⁴ 2011 Census - Qualifications and Students (KS501EW), NOMIS

¹⁵ 2011 Census - Car or Van availability (KS404EW), NOMIS

¹⁶ 2011 Census - Method of travel to work (QS701EW), NOMIS

“planning”.

- The council is making more use of video and is building a presence on YouTube – this year our council videos, not including the committee webcasts, have had over 5,000 views with a total of more than 200 viewing hours.

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Section 3: Our Vision for the District

East Herts Council's vision for the district is:

To improve the quality of people's lives and preserve all that is best in East Herts

This overriding aim is underpinned by three corporate priorities which reflect local needs as identified through public consultation and feedback.

These priorities in 2013/14 were:

<u>People</u> – Fair and accessible services for those that use them and opportunities for everyone to contribute
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<u>Place</u> – Safe and Clean

<u>Prosperity</u> – Improving the economic and social opportunities available to our communities

Each priority was further defined by a series of objectives which were set out in our four year Corporate Strategic Plan for 2013 - 2017. These priorities and objectives were shared with many of our partner organisations to enable a joined-up approach in service delivery, helping to eliminate service gaps and duplication whilst promoting efficiency.

Those priorities begin to express the council's purpose and start to show that being **Here to Help** is central to the work and ethos here at East Herts Council.

- It is central to the services and support that we provide to residents and businesses and how we provide them.
- It is the main driver that underlies the Community Leadership role of our elected Members.
- It underpins the purpose of the Here to Help staff engagement and organisation improvement activities

This annual report cannot include everything we have achieved. However, it does identify those achievements which we believe will be of most community interest due to their impact and benefits.

Section 4: Progress against 2013/14 Corporate Priorities

PEOPLE – Fair and accessible services for those that use them and opportunities for everyone to contribute

Our priority is to focus on enhancing the quality of life, health and wellbeing, particularly those who are vulnerable and deliver strong services

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What we wanted to achieve	What we have done
<p>Objective: Reduce health inequalities, for example, by addressing obesity, smoking and physical inactivity</p>	<ul style="list-style-type: none"> Increased the overall number of swimmers accessing the council's pools by 2.2% when compared to performance in the previous year. This is due to a successful promotion of junior swims by SLM (Sports and Leisure Management – Everyone Active) and their investment in equipment (inflatables) to encourage junior fun swims as well as adding several additional fun swim sessions aimed at younger swimmers. Raised awareness of the dangers and social impact of tobacco to young people as part of an East Herts Council project to reduce smoking. The campaign is set to be rolled out to schools across Hertfordshire from the Autumn term in 2014. As part of the campaign students will be able to use an interactive website to watch films about the exploitation of children in tobacco plantations, see how friends and family can be affected by smoking related illness and take part in a range of activities designed to encourage a smoke-free life.
<p>Objective: Reduce fuel poverty</p>	<ul style="list-style-type: none"> Considered options for a partnership model to support the introduction of the Green Deal in 2013. However, national uptake of the Green Deal (GD) scheme remains very low, so developing a Hertfordshire option is not considered viable at this stage. In the interim, East Herts Insulation Grants, which can be used by customers as a useful adjunct to the Green Deal scheme, were re-launched in October 2013. In total four insulation grants were awarded during the year. This low figure is due to a free cavity /wall and loft scheme that was just starting across the district and therefore the council has been directing customers to it in conjunction with an energy insulation company (funded through the Energy Company Obligation and at no cost to East Herts). The existing East Herts grants scheme has been used to provide any loft/cavity measures that could not be provided for within the free scheme.

	<ul style="list-style-type: none"> • Successfully promoted “Keep Warm Stay Well” (KWSW) last winter and it is intended that an enhanced KWSW scheme will operate again from October 2014. KWSW is a scheme that offers support to vulnerable residents who are struggling with the cold or with paying their fuel bills. To help reduce residents vulnerability KWSW provides a range of free support that includes insulation and draught-proofing, emergency heaters and advice on making their home more energy efficient. There is also advice on paying bills, including entitlement to grants and benefits that could help.
Objective: Increase community engagement	<ul style="list-style-type: none"> • Worked in partnership with Inspirational Arts and the Hertfordshire Music Service to give young performers the opportunity to step into the limelight with the 3music project. Over the years 3Music has successfully acted as a starting block for many young performers seeking a career in the theatre and music industry. • Held the third annual Community Sports Awards event to recognise local sporting talent and celebrate achievements of East Herts Schools in Herts School & Youth Games. 16 awards were presented in 9 categories with individuals winning Sports Performer of the Year (over & under 18), Volunteer of the Year (over & under 18), Coach of the Year (over & under 18) and Service to Sport Award and clubs winning Sporting Achievement of the Year and Club of the Year. Award winners came from across the district - Bishops Stortford Canoe Club winning Coach of the Year and Bury Rangers Football Club winning Club of the Year and individual performers in swimming, cycling, badminton and canoeing coming from Hertford, Ware, Great Amwell and Bishops Stortford. There was good press coverage of the Awards. These awards help to support the council’s priorities in relation to health and well-being. • Revised all councillor role descriptions to highlight the requirements of community engagement as well as providing a programme of support to help members respond

	<p>to this increasing role. In addition three community engagement grants have been allocated to councillors to support public engagement meetings within their constituency.</p> <ul style="list-style-type: none"> • Facebook 'likes' have increased slowly but the number of twitter 'followers' has almost doubled and this channel is now being used as a primary communication tool. The council has also started to make use of video and is building a presence on YouTube. The videoclips will be used to give the public information (e.g. about specific wards), demonstrate changes to services (e.g. sorting of recycling) or provide a record of consultation events. The development of these social media channels is important as new ways of communicating and customer preferences are changing.
<p>Objective: Deliver strong and relevant services</p>	<ul style="list-style-type: none"> • Undertook our biennial residents' survey which showed 70% of residents were satisfied with the way the council runs things. This is an increase of 19% when comparison is made to the 2011 level of 51%. (2013 and 2011 residents' survey). However there were some key services which fell into the 'high priority/most in need of improvement' category which were not the responsibility of the council. These areas will be shared with relevant partners and feedback concerning East Herts as a council and as a service provider will be explored further through a series of focus group sessions. • Customer satisfaction with face to face contact continues to improve, with 80% (2013/14) of customers rating the contact as 'Good' compared to 79% in 2012/13 and 77.2% in 2011/12. For the second year running the most cited reason was the response time, with nine in ten customers choosing this option. • Scrutiny committees reviewed the council's basket of performance indicators to ensure they were fit for purpose and supported the council's priorities. The review

resulted in a number of indicators being deleted and new measures being introduced, for example new performance indicators to support the shared service revenue and benefits service. Scrutiny committees play a key role in ensuring the council is accountable in the delivery of its priorities and that it produces the right information to be able to demonstrate this.

- Ensured information was easily accessible and transparent for our customers by:
 - Redesigning the council's website and greatly reducing the number of mouse clicks needed to get through to priority pages/tasks. The new redesigned site is now deemed Level 1 'accessible' by the RNIB and we are working towards gaining Level 2.
 - Enhancing the information publication and freedom of information self-service by the establishment of East Herts Council information 'Home Page' with self-service links. Over the last year there have been 4953 visits to individual FOI (Freedom of Information) case records/responses published on the council website, from visitors outside of the council network, covering 1467 case records (obviously, some cases have had more visits than others). The online "Make an FOI Request" e-form has seen 43 visits. There have been 144 visits to the council Publication Scheme, and 785 visits to the Spending Disclosure. Although visits to these self-service links does not mean that an FOI request was avoided in its own right, it does demonstrate how effectively the council is making information accessible.
- Launched an online permit renewal system as part of the council's ongoing programme to provide customers with self-service options. Residents in controlled permit zones are no longer required to visit council offices in normal opening hours to

	<p>purchase their permits. Since the facility went 'live' on 13 November 2013, the council has have issued 648 renewal letters and in that same period 302 permit holders have used the online renewals facility. This would indicate a take-up rate of approx. 47%.</p>
<p>Objective: Improve outcomes for vulnerable families and individuals</p>	<ul style="list-style-type: none"> • Reduced the amount of time it takes to process new housing benefit claims or change of events from 18 days to 9 days by investing more resources to support the growing demand of the benefits service. • Contributed, as part of the East Herts Local Strategic Partnership to jointly funding a new time banking scheme in Buntingford in partnership with Hertfordshire County Council. The scheme is run by the North Herts Centre for Voluntary Service. Participants who sign up are able to donate time towards helping others in any way they feel they are able. In return they receive an equivalent amount of time back from somebody helping them. The scheme is aimed at engaging some of the most vulnerable members of society, but is open to anybody to join in. The scheme will help to raise the awareness of the value of giving time and inspire a new generation of volunteers. • Helped a group of widows and widowers aged 70 plus develop their cooking skills and to reduce social isolation that is increasing in this age group. A seven week course held at Dixon Place sheltered housing, facilitated a supportive atmosphere for people to develop their cooking skills, consider portion size, increase their confidence and build friendships. • Developed a three-year agreement which will provide East Herts Citizens Advice Service with £129,000 on an annual basis, subject to a yearly review. This will help to ensure a wide range of support on many issues affecting people's lives continues to

be provided, specifically housing debt, benefits and housing advice.

- Built a young persons supported accommodation in Hertford. The new accommodation provides 14 flats to support up to 28 East Herts residents aged 16 - 24 that are in housing need. In addition residents also receive training and support whilst living there. The accommodation opened on 18 October 2013. This scheme is the result of a joint project between Hertfordshire County Council and East Herts which identified the need for supported accommodation for young people in the Hertford and Ware area. Hertfordshire County Council provided the revenue funding, East Herts Council provided the land and Aldwyck Housing Association funded the capital cost of the building.
- Agreed a new Homeless Review and Strategy at full Council on 11 December 2013 as required under the Homelessness Act 2002. The strategy is now published and its purpose is to address homelessness by ensuring suitable accommodation, support and advice is available and accessible to all client groups and to encourage a multi-agency approach to preventing homelessness. The council's Housing Options approach is prevention focussed and relies heavily on the residents of East Herts being able to access timely, high quality advice and assistance to help them resolve their housing problems well before their situation reaches crisis point and homelessness. There has been a reduction in the number of homelessness presentations (30%) and acceptances (17%) over the last 3 years for East Herts which is indicative of an effective preventative Housing Options Service.
- Financially supported, through the discretionary grants programme, 134 voluntary and community organisation and youth athletes. 68 grants were awarded to small voluntary and community organisations ranging from grass roots groups to parish councils and health and social care charities. More than 2,000 individuals benefitted

	<p>from this pot alone. Of the projects funded, 43% supported older or vulnerable people, combatting loneliness and helping them live more fulfilling and independent lives. Additional monies were awarded to organisations to improve well-loved community assets such as village halls, sports pavilions and play areas and to arts and sports organisations and other groups to deliver activities for young people over the summer holidays. This helped organisations to improve their cultural offer, thus improving diversity and access.</p>
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Case Study 1: Shared Services

The council provides good services however we cannot be complacent and financial challenges will grow in future years. We will need to be creative and innovative to be able to maximise what we can do with our resources. We have already joined up with Stevenage Borough Council to provide housing benefit, council tax, business rates and benefit fraud investigations and have continued to explore a range of shared service provision with other councils to help improve service continuity, resilience and quality as well as secure cost savings and efficiencies through economies of scale. In 2013/14 we have:

- Joined forces with Stevenage Borough Council to provide ICT (Information Communication Technology), Business Improvement, Print and Design Services in partnership. As well as delivering financial savings, the shared service will strengthen resilience and improve the efficiency of the services we provide to our customers.
- Jointly procured a new cleaning contract with Stevenage and North Herts Council so that we can improve the level of cleanliness in council offices within the budget we have and now share a Payroll and HR system with Stevenage Council, to improve resilience and ensure we are RTI (Real Time Information) compliant.
- Ensured the monitoring arrangements for the Shared Internal Audit Service (SIAS) are well-embedded through the Director of Financial Support Services, the Manager of Corporate Risk (Audit Champion) and Audit Committee with

regular reporting arrangements. Savings envisaged of £9.3k from the original SIAS budget for 2013/ 14.

In the future we are considering the possibility of the provision of Building Control services through a Social Enterprise Partnership. This is likely to include a number of the district and borough councils across Hertfordshire. The aspiration is that it will enable Building Control services to be more responsive to customer need providing a flexible range of services and at the same time be more resilient both financially and because of the attractive professional roles it will be able to provide.

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Place – Safe and Clean

Our priority is to focus on sustainability, the built environment and ensuring our towns and villages are safe and clean.

What we wanted to achieve	What we have done
Objective: Reduce residual waste and increase our recycling rate	<ul style="list-style-type: none">• Launched SPARC (Separate Paper and Recycling Collections) to remove cardboard from the organic waste stream due to the changes in EU standards applied to compost and provide residents with more recycling opportunities with the introduction of the blue lidded bin for cardboard, glass, plastics, cans and tins. Recycling tonnages are up with 49% of waste recycled or composted an increase of 1.5% on the previous year. The recent residents' survey shows an increase in public satisfaction with waste and recycling services from 77% in 2011 to 80% in 2013.
Objective: Reduce the carbon dioxide emissions from our own operations by 25% by 2020 and work with partners to reduce the emissions of households and businesses	<ul style="list-style-type: none">• Introduced measures and changes to ensure the council is on target to reduce carbon dioxide emissions from its own buildings and the services it provides. Changes that have been introduced include:<ul style="list-style-type: none">➤ Pool covers at Fanshawe and Ward Freeman leisure centres as well as motion sensor lighting to reduce lighting use. Energy-efficiency glazing has been installed at Grange Paddocks to reduce heating costs.➤ Solar reflective blinds in the council's Wallfields offices in Hertford.➤ Sensor-controlled lighting and new glazing at Hertford Theatre.➤ Newer more efficient vehicles as part of the waste contract and the rescheduling

	<p>of collection rounds to maximise efficiency by using mapping software</p> <p>All these initiatives have contributed to a 13% reduction in CO₂ emissions since 2009.</p> <ul style="list-style-type: none"> • Put forward plans for a small scale micro hydro scheme that would harness the power of one of the weirs close to Hertford Theatre to generate electricity for use by the theatre. The local community were invited to see the plans at an afternoon exhibition in January 2014. A planning application is expected to go forward in summer 2014.
<p>Objective: Maintain our clean streets and reduce litter</p>	<ul style="list-style-type: none"> • Continued to maintain clean streets with the level of detritus being reduced by 2% when comparison is made with the level last year and met cleanliness targets for graffiti and flyposting. • Supported litter picking campaigns across the district to help improve environment cleanliness, encourage as many people as possible to pick up litter and promote policies that will stop people littering. For example: <ul style="list-style-type: none"> ○ Ware Beavers took part in a litter pick in Ware and the council provided each Beaver with a litter picking set. ○ Staff from Hanbury Manor Hotel and Country Club in Ware walked along the River Lea towpath from Ware to St Margarets collecting litter. • Worked with local housing associations and the Dogs Trust to provide free micro chipping as part of a campaign associated with a national drive to encourage responsible pet ownership. Micro chipping pets ensures they can be reunited with owners quickly should they stray and helps reduce kennelling and re-homing costs. During the campaigns 148 dogs were 'chipped'. From 2016 it will be a legal requirement for owners to have their dogs micro chipped.

	<ul style="list-style-type: none"> • Won the silver footprint RSPCA award, which is a national scheme that recognises local authorities that have clear procedures and policy on stray dogs. Up to end of March 2014 the council received 326 reports of stray dogs (both lost and found). 114 were collected by the council of which 70 were reunited with their owners. The remainder were rehomed.
Objective: Maintain our parks, play areas and open spaces	<ul style="list-style-type: none"> • Consulted on the Parks and Open Spaces Strategy for the next five years, to ensure that our green spaces, parks and playgrounds continue to be looked after. Consultation was held with 30 external stakeholders and 42 other interest groups. Responses and comments were integrated into the strategy and it was approved at the Executive on 1st October 2013. • Hartham Common joined a national scheme - the Queen Elizabeth II Fields Challenge - to provide a permanent legacy of the Diamond Jubilee 2012 and the London 2012 Olympics. The green space is one of 2,012 sports pitches, woodlands, play areas, gardens and parks across Britain joining the challenge which has committed to ensuring these sites are preserved for the future. • Raised awareness and use of open spaces by marking Love Parks Week, at Southern Country Park and Pishiobury Park. The Get Park Active events are designed to promote outdoor leisure and healthy lifestyles. • Retained our two Green Flags for The Ridgeway in Hertford (for the fifth year running) and Southern Country Park in Bishop's Stortford (for the sixth year running).
Objective: Reduce anti-social behaviour and the fear of crime	<ul style="list-style-type: none"> • Launched 'Who should I call?' leaflet in partnership with Hertfordshire Police and Hertfordshire County Council. It lists the most common subjects that people are unsure about from potholes and street lights to anti-social behaviour and includes

telephone, website and Twitter contact details.

- Grant funded 20 projects in partnership with CVS (Community Voluntary Services) to provide summer activities for young people. The activities ranged from outdoor games and sports, holiday play schemes, gardening for people with learning difficulties, dance, drama and podcasting activities to den building, educational events, fun days and trips out. For the first time, we were able to expand our popular Play Ranger project into Sawbridgeworth and Bishop's Stortford. In 2013, more than 2,800 children and young people took part. This is slightly lower than the participation level in 2012 of 2,980 children and young people. The reduction is due to fewer providers putting forward high volume programmes in 2013.
- Contributed, as part of the East Herts Community Safety Partnership to the reduction of recorded crime and anti-social behaviour across the district. Recorded crime in East Herts has fallen by 11% 8,261 in 2012/13 to 7,362 in 2013/14 and anti-social behaviour has reduced by 28% 3,039 in 2012/13 to 2,175 in 2013/14. However the first quarter of 2014/15 is showing that figures are starting to increase for the first time in a number of years. This coincides with the upturn in the economy and the pressure upon police forces to make savings. East Herts reputation for being a safe and fairly crime free area attracts criminals from areas where policing is much more intense, with many of our victims homes being left unlocked and property unattended and insecure. However when our 2013/14 performance is compared with our Home Office Benchmarking Group we were the fourth safest area overall for all crime, with Mid Sussex, West Oxford and the Vale of the White Horse performing better than us. We have the lowest weapons and drugs crime rates of the entire group; the rate for criminal damage, burglary, theft, violence and sexual offences is well below the average and our crime rates for shoplifting and theft from vehicles are average.

Objective: Ensure future development meets the need of the district and its residents

- Increased the percentage of major, minor and other planning applications that have been processed within the agreed timescales. For example the processing of minor applications has increased by 3%, when compared to performance in 2012/13.
- Agreed proposals for up to 2,200 homes and related infrastructure, known as Bishop's Stortford North. As part of the proposals developers will contribute £53.8m to new infrastructure in the area which includes £30m towards primary and secondary school provision, £3m for sports facilities and £2m for community buildings.

Case Study 2: Draft District Plan

The Local Plan 2007 is the current plan for the district, along with other plans prepared by Hertfordshire County Council. It includes a number of locations where the council has planned for significant new development to go, as well as policies that explain what type of development should take place in these locations and elsewhere. National planning policies have changed since this plan was put in place and so it needs to be updated. The council's new plan will be the East Herts District Plan.

The new District Plan is similar but will allow us to plan to 2031. It maps where the council thinks new development should go and the type of development this should be. It provides a framework for what new development should provide, such as new homes, schools, parks and playgrounds and places for people to work.

Consultation on the draft District Plan commenced in February 2014 and finished in May 2014.

The Plan affects everyone who lives in East Herts and therefore we made sure that everyone in East Herts got a chance to tell us whether they think we have got the plan right or not. Printed copies of the draft Plan were made available at local libraries, at East Herts Council offices and at local Town Council offices and leisure centres. Also summary brochures were sent out to every home in the district.

2014/15 will focus on analysing all the comments made on the draft Plan and making changes to it, where necessary. Once we have produced the final plan we will then send it to a Planning Inspector for an examination in public, before the council can adopt the Plan.

What we were unable to do:

- We had hoped to implement a project to reduce recycling contamination at communal properties however due to the changes in EU standards for compost the council had to prioritise the delivery of a new recycling service, SPARC, during 2013/14. Following successful implementation of the scheme work has started to look at expanding the new recycling service to as many communal properties (flats) as possible in 2014/15. This will also include the introduction of compostable bags in kitchen caddies to increase food capture and the removal of soft plastics (like plastic bags) from the comingled recycling to help improve quality, reduce recycling contamination and hence value of the material.
- The number of affordable homes delivered for 2013/14 was 76. The figure is lower than our target of 200 for two reasons. Firstly the number of new private developments being built directly affects the number of affordable homes as this is the primary route for accessing new affordable homes. There have been private development sites that have been slower on site than previously predicted and some significant delays. Secondly a number of asset sites that the housing associations proposed to build new homes on have been delayed or postponed and it is now anticipated that those with planning permission will be completed in 2014/15.

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

Our priority is to focus on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic opportunities and delivering cost effective services.

What we wanted to achieve	What we have done
Objective: Deliver value for money	<ul style="list-style-type: none">• In support of one of the strands of our Here to Help ethos we launched a series of staff development activities to further embed its outward-facing principles into everyday working practices. The programme enables managers and staff to better contribute to the development of the council's values and behaviours and to help identify ways to improve the way we work. This development programme commenced in January 2014 and will continue in 2014/15. It will play a key role in helping to support the council in the future as resources continue to reduce, whilst at the same time demand in the council's services increase.• Reduced the total number of sickness absence days per FTE (full time equivalent) staff in post by 0.37 days from 6.26 days in 2012/13 to 5.89 days in 2013/14.• As a result of identifying further efficiency savings, the council agreed to a reduction of 1% in its council tax for 2013/14. The reduced council tax requirement is due in part to changes in the Government's funding regime. In addition, changes in the benefits system have resulted in a change to the way the tax base is calculated.• Taken robust action against fraud and during 2013/14 have prosecuted 11 people, issued 31 administration penalties and 17 cautions. This means that the council is recovering a combined total of Housing Benefit/Council Tax Benefit/Support overpayments of £278,673.81 against these 59 sanctions and other overpayments

	determined as fraudulent. A further £35,854.48 in overpayments of Department for Work & Pensions benefits was also identified.
Objective: Enhance the economic well-being of East Herts	<ul style="list-style-type: none"> Contributed, as part of the East Herts Local Strategic Partnership to the development of a Work Club. Hertford Fire and Rescue Service in partnership with Jobcentre Plus formed a work club at their Hertford based headquarters to help support the Get East Herts Working Initiative. Championed and awarded funding by the Local Strategic Partnership (LSP), the scheme is aimed at helping people who are looking for work who do not have access to IT facilities at home, get online and find employment. Supported the Love Your Local Market initiative by showcasing locally grown produce regularly available at Hertford's markets in May 2013. Made additional short stay parking available at Gascoyne Way car park in Hertford on Saturdays, making visits to the Town easier. All four levels of the car park will give customers the option of parking for 1, 2, 3, 4, or 5 hours on Saturday. The change comes in response to public feedback, backed up by the council's own findings, that the bottom two floors are sometimes unable to meet short stay parking demand on Saturdays.
Objective: Deliver sustainable rural business growth	<ul style="list-style-type: none"> Implemented, in partnership with North Herts and Uttlesford District Councils and Essex and Hertfordshire County Councils, £2.1 million funding to help rural enterprises. Since the start of the programme 19 projects in East Herts have been allocated funding totalling £1,226,086.55 and 49.5 new jobs have been created. Projects supported include for example five farm diversification projects, three tourism projects and three community based projects. In addition 77 micro –enterprises were supported and businesses developed as part of the rural advice scheme. The council

	has successfully bid for transition funding to enable preparation to bid for a further programme for 2015/16.
Objective: Protect the environment	<ul style="list-style-type: none"> Facilitated a habitat restoration project to protect the wet grassland and botanical species at Thorley Wash Nature Reserve (a Site of Special Scientific Interest). The project was awarded money from a number of agencies, including £64,288.80 from the Rural Development Programme for England (RDPE), managed by East Herts Council. Funding was also secured from Growth Area Funding via Harlow Council, the Environment Agency, and the Highways Department of Hertfordshire County Council.

Case Study 3:

The central government funding that we receive directly for services has continued to reduce and is predicted to reduce further in future years. In order to mitigate the risk of having to make significant service reductions as funding reduces, there is a need for East Herts to identify new and/or additional sources of revenue income. While the council will continue to find new efficiencies and more joined up and innovative ways of working, greater self-reliance in terms of income generation can assist with ensuring key services are secured.

As a part of this work, the council agreed an investment strategy in November 2013 that considers how to make the best use of our assets, be they cash in the bank or property that we own or could invest in. Through our Treasury Management strategy, we consider where we place our money to get the best return whilst securing our money and have been successful at earning interest on our money despite the reducing interest rates available. In addition, we own a number of properties and do our best to secure lease income from them and ensure we make a good rate of return to invest back into other services. We are also considering investing money into other funds, such as Property Funds and into further direct property, in order to secure further returns on investment to invest back into our services and secure them in the longer

term.

What we were unable to do:

We had hoped to implement a self-service project, based on 'Fix My Street' which is a fault-reporting website. Unfortunately there have been delays in developing the "self-service" project due to technical difficulties with IT systems, however, Environmental Services is continuing to work with the ICT Team to develop a solution which will allow residents to report problems in their local environment using a mobile phone based 'app'.

Section 5: Consultation

The council is committed to engaging with local people directly about key issues so they can help shape the future of the district. During 2013/14 amongst others the council consulted on the:

- 2014/15 Budget with local businesses
- Parks and Open Spaces Strategy
- Homeless and Homeless Prevention Strategy
- Draft District Plan
- Conservation Assessments for Bishop's Stortford, Green Tye, Hertingfordbury, Hunsdon, Much Hadham, Puckridge, Stanstead Abbots, Standon and Watton-at-Stone

The council also undertook its biennial residents' survey. The results showed that the percentage of residents very or fairly satisfied has increased by 19% from 51% in 2011 to 70% in 2013. The findings from the survey will help inform the development of the 2015/16 Corporate Strategic Plan.

To view all our current open consultations and results of closed consultations go to www.eastherts.gov.uk.

Section 6: Equalities

The Public Sector Equality Duty, part of the Equality Act 2010, places an obligation on the council to meet the needs of all individuals in the way we work, when shaping policy, delivering services and in relation to our own employees. The Equality Act 2010 states that the council must have due regard to:

- eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The protected characteristics set out in the Act are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation and marriage and civil partnership.

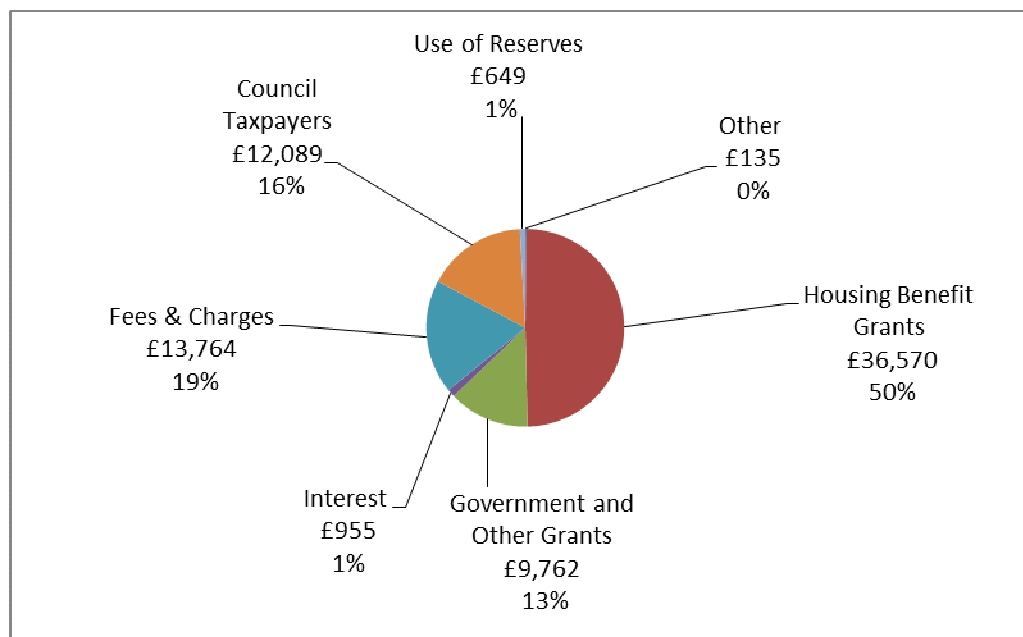
The East Herts Council Comprehensive Corporate Equality Policy 2012-2015 supports and drives the council's commitment to better meeting the needs of the district's diverse communities and delivering better services for our customers and ensuring access is fair and reasonable for all.

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Section 7: Financial Information

The following summarises East Herts Council's statement of accounts for the financial year from 1 April 2013 to 31 March 2014¹⁷.

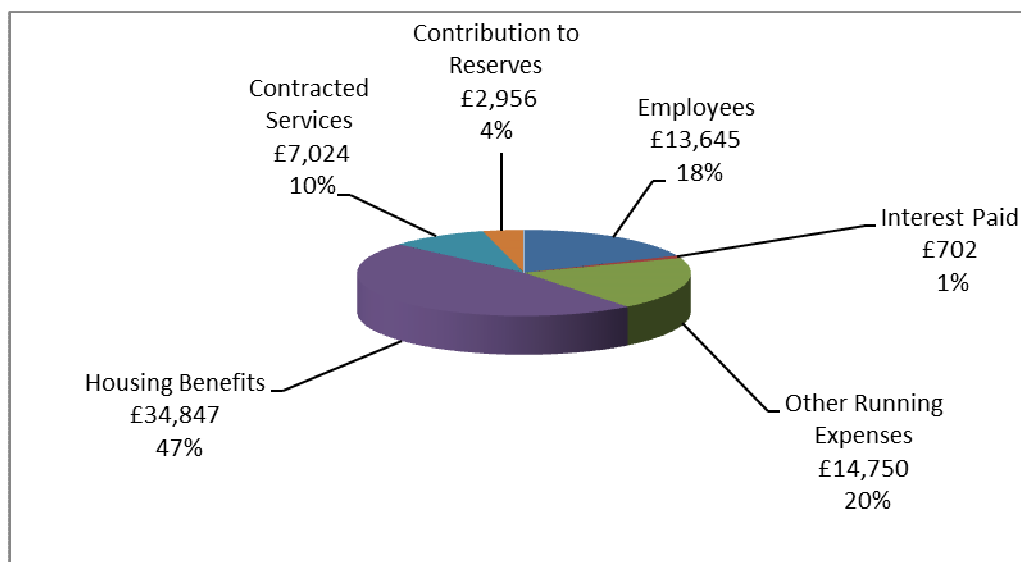
Where the money comes from Sources of income to the council £000



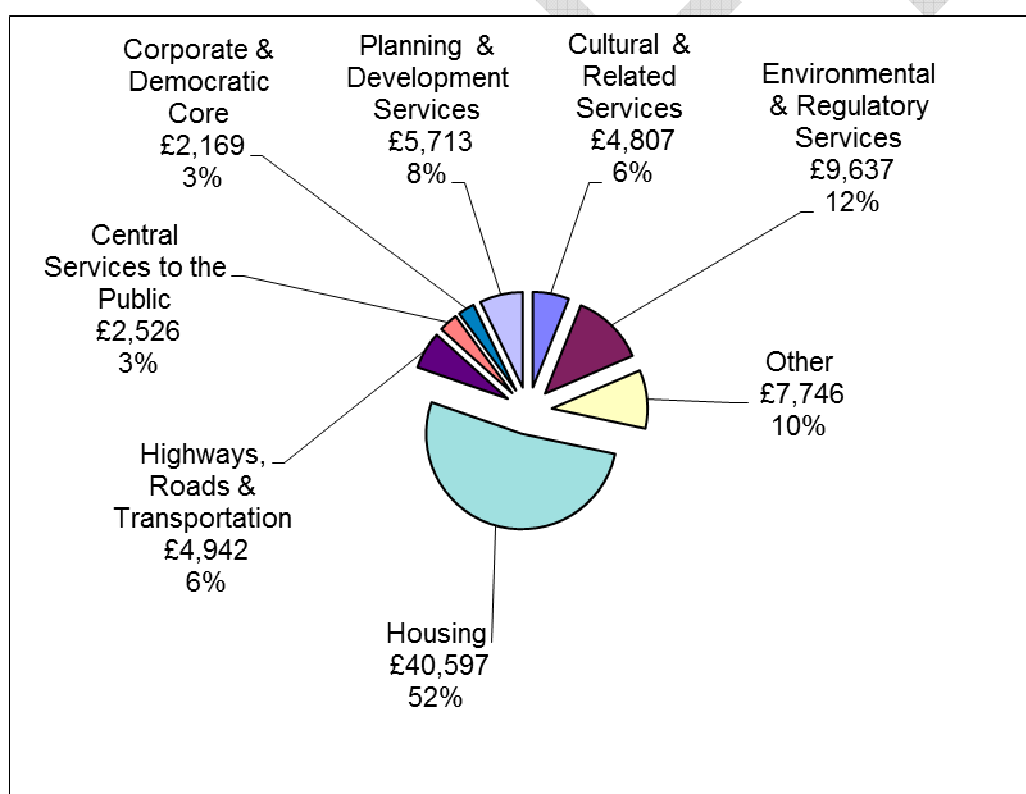
It can be seen that the largest source of the council's income is from Housing Benefit Grants.

How the money is spent £000

¹⁷ Draft accounts prior to audit



The services provided £000



The cost of "The Services Provided" includes capital charges, impairments, revenue funded from capital under statute and capital government grants totalling £ 4,213k which have been excluded from the chart "How the money is spent".

The full statement of account can be found at www.eastherts.gov.uk along with a full set of previous years audited accounts.

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Section 8: Statement on Contracts

In making changes to the way in which services are delivered, there will be times when the council awards contracts that involve the transfer of employees out of council employment. In 2013/14 there was a shared service initiative with one other council to provide ICT, Business Improvement, Print and Design Services. Staff were transferred through TUPE (Transfer of Undertakings (Protection of Employment) regulations) to the appropriate council.

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Section 9: Performance Indicators

Corporate priority performance measures for 2013/14.

The 2013/14 performance indicator outturns will be inserted here at the design stage.

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Appendix A Contact your councillor

Contact details for all 50 councillors can be found on the council's website - www.eastherts.gov.uk or by contacting Democratic Services on 01279 655261.

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Inserted on the back of the report

If you would like a translation of this document in another language, large print, Braille, audio or an electronic format, please contact Communications at East Herts Council on 01279 655 261 or email communications@eastherts.gov.uk

If you need any further information please contact us:
Office Opening Times: 9.00am to 5pm Monday to Friday.

We welcome your feedback on this Annual Report.

Web: www.eastherts.gov.uk

Phone: 01279 655261

Write: East Herts Council, Wallfields, Pegs Lane, Hertford SG13 8EQ

Email: performance@eastherts.gov.uk

Visit:

- Charringtons House, Bishop's Stortford
- Wallfields, Hertford

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EAST HERTS COUNCIL

EXECUTIVE – 2 SEPTEMBER 2014

REPORT BY THE LEADER OF THE COUNCIL

CORPORATE STRATEGIC PLAN 2015/16 – 2018/19

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To present a draft of the council's four-year Corporate Strategic Plan which outlines its priorities for the next four years and the key outcomes it is looking to achieve.

<u>RECOMMENDATION FOR COUNCIL:</u> That:	
(A)	The 2015/16 – 2018/19 Corporate Strategic Plan be approved.

1.0 Background

- 1.1 The council is required to produce details in the public domain of what it plans to do and this is achieved by publishing a four year Corporate Strategic Plan.
- 1.2 The Corporate Strategic Plan play's a key role in the council's performance management framework. It feeds into the council's four-year budget-planning model, to ensure expenditure is planned effectively and that financial resources are available to fund actions in priority areas.
- 1.3 The Corporate Strategic Plan is a forward-looking document. Details of how the council has performed against its proposed outcomes will continue to be reported through the Annual Report published every September.

2.0 Report

- 2.1 The Corporate Strategic Plan sets out the overall vision and direction for the council over the next four years. It highlights the

high level priorities and identifies the key outcomes that will be achieved.

2.2 The draft 2015/16 – 2018/19 Corporate Strategic Plan is attached in **Essential Reference Paper ‘B’**. There have been three main changes to the plan as follows:

- Two objectives have been changed under the ‘People’ objective:

From:	To:
Reduce health inequalities, for example, by addressing obesity, smoking and physical in activity	Improve the health and well-being of our residents
Deliver strong and relevant services	Deliver customer focused services

- An additional column has been added to provide context against each objective so our focus and what we hope to achieve is clearer.

2.3 The Corporate Strategic Plan will be updated each year to include new service developments planned for the fourth year, and to remove outcomes once they are completed and refine outcomes where changes occur. It should therefore be seen as a rolling document.

2.4 Once agreed the plan will be used to support the development of the 2014/15 Service Plans.

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: Cllr A P Jackson – Leader of the Council.

tony.jackson@eastherts.gov.uk

Contact Officer: Simon Chancellor – Head of Finance and
Performance
Contact Tel Ext No 2050
simon.chancellor@eastherts.gov.uk

Report Author: Ceri Pettit – Corporate Planning and Performance
Manager
Contact Tel Ext No 2240
ceri.pettit@eastherts.gov.uk

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ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/ Objectives:	<p><i>People – Fair and accessible services for those that use them and opportunities for everyone to contribute</i></p> <p>This priority focuses on delivering strong services and seeking to enhance the quality of life, health and wellbeing, particularly for those who are vulnerable.</p> <p><i>Place – Safe and Clean</i></p> <p>This priority focuses on sustainability, the built environment and ensuring our towns and villages are safe and clean.</p> <p><i>Prosperity – Improving the economic and social opportunities available to our communities</i></p> <p>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:	The senior management team were consulted on the draft 2015/16 – 2018/19 Corporate Strategic Plan.
Legal:	There are no legal implications. Specific legal implications relating to actions set out in the plan will be considered as part of their implementation.
Financial:	There are no financial implications at this stage, but will be considered as actions are brought forward.
Human Resource:	There are no human resources implications.
Risk Management:	<p>Effective performance management arrangements helps to ensure that the council's priorities and objectives are met and supports greater transparency and increases local accountability. The Corporate Strategic Plan is one tool designed to help deliver this.</p> <p>Specific risk management implications relating to actions set out in the plan will be considered as part of their implementation.</p>
Health and wellbeing –	There are no direct Health and Wellbeing implications in regard to this report. However one of the council's

issues and impacts:	objectives does support the health and wellbeing agenda.
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East Herts Council Corporate Strategic Plan 2015/16 – 2018/19

		Page Number
1.	Introduction	2
2.	East Herts Council – Context and Summary	4
3.	Organisation and Culture – Here to Help	6
4.	Delivering Your Priorities	9
5.	Measuring Success – How we plan and manage what we do	19

1. Introduction

This is East Herts' Corporate Strategic Plan 2015 – 2019.

The Plan sets out what East Herts Council aims to achieve over the next four years for the people of East Herts.

Our vision is to **improve the quality of peoples' lives and preserve all that's best in East Herts**. We know from our recent residents' survey that you share this ambition and feel that key factors such as more affordable housing, clean streets, better shopping facilities and job prospects and good quality recycling and waste services are important.

We are also aware that you would like to see service improvement in priority areas such as road and pavement repairs, traffic congestion, public transport and health services.

The government's reduction in funding and changes in existing funding streams means that we need to become more creative and innovative in the way we deliver services, so we can maximise what we can do with the limited resources we have. For example this might be achieved by developing more shared service models with other local authorities.

Our partners are also facing financial pressure with reduction in their funding and we need to consider how we can pool our resources together to better support you.

Coupled with this we have seen demand in some key services grow, linked closely to the welfare reforms that have been introduced and further changes are still to come with the introduction of Universal Credit.

The next four years is not just about changing the way we deliver services but is also about creatively building capacity within our workforce to be able to respond to the challenges we face, so we can continue to be 'here to help'.

Councillor Anthony Jackson

Leader of the Council

George A Robertson

***Chief Executive and Director of
Customer & Community Services***

2. East Herts Council in Context and Summary

Our Vision:

To improve the quality of people's lives and preserve all that's best in East Herts
--

Our Strategic Priorities:

Being **Here to Help** is central to the Council's purpose and ethos:-.

- It is central to the services and support that we provide to residents and businesses and how we provide them.
- It is the main driver that underlies the Community Leadership role of our elected Members.
- It underpins the purpose of the Here to Help staff discussions and activities

We are committed to the communities we serve and delivering good quality services that reflect local priorities and resources. In pursuit of that vision your elected councillors have identified three **PRIORITIES** to provide focus in those endeavours.

They are:

<u>People</u> – Fair and accessible services for those who use them and opportunities for everyone to contribute

<u>Place</u> – Safe and Clean

<u>Prosperity</u> – Improving the economic and social opportunities available to our communities

The relevance of our priorities has been tested through regular formal and informal consultation with local residents, businesses and partners. Importantly, our priorities are informed by the vision and priority themes of the East Herts Local Strategic Partnership, which brings together the views and talents of a wide range of groups and organisations.

The council's District Plan provides the framework to shape the district's built environment – houses and related infrastructure. It supports the council's and the Local Strategic Partnership's

priorities, whilst at the same time balancing the many external pressures that impact on the plan.

The Council's Developing Roles: Here to Help

Those priorities begin to express the council's purpose and start to show that being **Here to Help** is central to the work and ethos here at East Herts Council.

- It is central to the services and support that we provide to residents and businesses and how we provide them.
- It is the main driver that underlies the Community Leadership role of our elected Members.
- It underpins the purpose of the Here to Help staff engagement and organisation improvement activities

Supporting residents and communities to get the best access to the services and advice that they need means the council's role is much more than a service provider.

We realise that *how* we will make a difference to the communities we serve, will be by fulfilling a mix of any of the five main roles we have identified:

Community Leadership	<ul style="list-style-type: none">• inspiring and coordinating others' efforts with us and whichever partners can best help; helping communities to achieve their local ambitions
Partner	<ul style="list-style-type: none">• actively engaging with others and jointly committing time, money, intelligence and resources
Service Provider / Commissioner / Manager	<ul style="list-style-type: none">• ensuring the delivery of good quality services that reflect local priorities and resources; having responsibility and resources for consistent delivery will

	provide the bedrock for an organisation that continues to be here to help.
Influencer	<ul style="list-style-type: none"> • lobbying, listening, communicating and campaigning
Enabler	<ul style="list-style-type: none"> • making connections and removing barriers

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3. Organisation and Culture - Here to Help

Our organisation:

Our message to our residents is that we are 'Here to help' and to make a difference. We want to deliver the outcomes that local residents and communities want, so we will always endeavour to:

- Provide efficient and joined-up services, easily accessible to you the customer
- Be a gateway for access. If you need help and don't know who to ask, we will try to help you or put you in touch with someone else who can
- Provide excellent customer service ensuring that our customers get the services or support they need whether provided directly by us or through our partners
- Work in partnership with others across the district through the East Herts Local Strategic Partnership
- Create an environment where communities feel empowered and supported to provide their own solutions

Our Culture:

Our culture focuses on the ethos of being 'Here to help'. This lies at the root of our organisational values and behaviours demonstrated by the actions of councillors and staff.

Our three core values are:

- Here to help
- We work together to support each other
- We aim high to make a difference

The councillors' roles:

Your local councillors are elected to make council policy, take up issues and represent their communities. The role of councillors has been changing, with more emphasis placed on greater community engagement and stronger local advocacy. We see our councillors being **Strong Community Leaders** who:

- Are in touch with their local community

- Understand what the local issues are
- Support and champion their local issues by seeking to balance conflicting needs or providing the conduit to get things delivered, without losing sight of the strategic context of the district as a whole.

Every district councillor plays a role in ensuring this plan is delivered, whether they are an Executive, scrutiny or regulatory committee member and of course as an elected ward member.

Democratic Representation and Decision Making

East Herts has 50 councillors representing 30 wards and each councillor serves for four years. Following the district council elections in May 2011 and four by-elections in 2013 and one by-election in 2014 the breakdown of the political representation is:

Conservative: 45

Independent: 3

Liberal Democrat: 2

The council operates a Leader and Executive model, with key executive decisions taken by an Executive of seven councillors (which includes the Leader) with decisions and other issues reviewed by three scrutiny committees. Separate committees undertake other specific functions, for example, in relation to Planning and Licensing. Full details of the council's decision making process are available at: www.eastherts.gov.uk.

Our People:

The council knows that its most important asset is its people. Our workforce planning has a central role in delivering improved services and has been developed to:

- Help colleagues meet customer and service needs and continue to develop the skills and behaviours required to deliver them
- Ensure the council's values and behaviours are at the heart of everything we do
- Support the council's integrated service and financial planning framework

- Support colleagues to be flexible and resilient; able to respond to service changes and developments
- Support management information

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4. Delivering Your Priorities

The priorities and objectives recognise the challenges faced by residents and the council. They reflect the high level outcomes we and our partners want to deliver for the district and its residents.

***People* – Fair and accessible services for those that use them and opportunities for everyone to contribute**

This priority focuses on delivering strong services and seeking to enhance the quality of life, health and wellbeing, particularly for those who are vulnerable.

Therefore we want to:	Why:	Our role will be as a:
Improve the health and well-being of our residents	The health of people in East Herts is generally better than the England average. For example the estimated levels of adult smoking, adults who are obese and hospital stays for alcohol related harm are all better than the England average. We want to ensure this continues to be the case by focusing on providing early support and joined up services with our partners. Priorities in East Herts include addressing obesity and promoting increased physical activity levels, helping	Community Leader, Influencer, Partner and Enabler

	the expanding older population maintain their health and continuing to reduce the levels of smoking ¹ .	
Reduce fuel poverty	National surveys have suggested that because of the range of factors affecting fuel poverty, households most affected can be spread throughout the community, often as isolated pockets within relatively affluent areas. Across the UK there is a significant proportion of the fuel poor in more rural communities, off mains gas and living in “hard to treat” properties. The council’s House Condition Survey in 2009 found that 24.4% of households in social housing were in fuel poverty, compared with 35.5% of owner-occupiers. Rural housing was found to be less energy efficient than housing in our towns. Improving energy efficiency is an important priority for us.	Community Leader, Influencer, Partner and Provider / Commissioner / Manager
Increase community engagement	Effective engagement with local residents, partners and the voluntary and community sector is key for East Herts. Reductions in public sector spending has meant that we have had to make spending reductions in some service areas. Our partners have also been affected by savings requirements. Therefore it is important we work with our communities and partners, which may	Community Leader, Partner and Enabler

¹ East Hertfordshire Health Profile 2014 – Public Health England.

	include enabling services to be delivered by others.	
Deliver customer focused services	<p>Providing good customer service is important to us. We need to understand what services our residents and customers want and how they would like them to be provided. Our recent residents' survey showed that telephone was residents preferred contact channel, with the preference for email contact increasing. Our Customer Services Strategy plays a key role at setting out our approach to customer service and the range of access routes available. We will be revisiting our strategy during 2014/15 which will look at our residents' needs now and in the future so we can continuously improve and shape the services we provide.</p> <p>Our 'Here to Help' programme supports the Customer Service Strategy. It is about celebrating what is good, sharing good practice, making things better and unlocking barriers to change.</p>	Provider / Commissioner / Manager
Improve outcomes for vulnerable families and individuals	<p>Significant welfare reform has meant that we have experienced an increase in the demand for support across a range of services particularly with households with lower incomes. We want to achieve improved life chances for vulnerable families and individuals by continuing to provide good quality services from Housing and Benefit advice to the provision of</p>	Community Leader, Influencer, Partner and Provider / Commissioner / Manager

	<p>Disabled Facilities Grants.</p> <p>We need to ensure targeted affordable housing is delivered, empty homes and Houses in Multiple Occupation are dealt with so our residents can continue to live in their local area.²</p>	
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² 2007 – 2014 Economic Development Strategy

Place – Safe and Clean

This priority focuses on sustainability, the built environment and ensuring our towns and villages are safe and clean.

Therefore we want to:	Why:	Our role will be as a:
Reduce residual waste and increase our recycling rate	Sending waste to landfill is not sustainable for a number of environmental, financial and practical reasons and we believe that it is better to minimise the amount of waste being produced. Our 2013 residents' survey showed that our residents had high levels of satisfaction with our waste and collection services and we wish to maintain this and seek opportunities to develop services even further ³ .	Community Leader, Influencer and Provider / Commissioner / Manager
Reduce the carbon dioxide emissions from our own operations by 25% by 2020 and work with partners to reduce the emissions of households and businesses	One of the major contributors to climate change is carbon dioxide (CO ₂). Increasing the energy efficiency of our buildings, reducing the impact of environmental pollution and working with our partners to reduce their emissions will help us reduce CO ₂ and to improve the air quality we live in.	Community Leader, Influencer and Provider / Commissioner / Manager

³ 2013 East Herts Residents Survey

Maintain our clean streets and reduce litter	The appearance of the local environment is a major factor for residents in determining what makes somewhere a good place to live. Well maintained and clean streets and green spaces, free from litter, graffiti, fly tips and abandoned vehicles are ranked as important to our residents ⁴ . Working with our partners and the local community will help us to ensure we continue to achieve this.	Community Leader and Provider / Commissioner / Manager
Maintain our parks, play areas and open spaces in good order	<p>Parks and open spaces are invaluable natural resources which help to provide space to relax and to exercise, as well as understand nature. An audit and assessment of public open space provision by all providers identified 566 open spaces and outdoor sports facilities that are either owned by the council, parish or town councils, private landowners, housing associations or community groups in East Herts. Of these, 312 are considered parks and gardens, natural and semi-natural green space, amenity green space and provision for children and young people⁵.</p> <p>It is important that we make sure they are managed and developed in a responsible and effective way to be welcoming places for leisure time.</p>	Community Leader, Partner and Provider / Commissioner / Manager

⁴ 2013 East Herts Residents Survey

⁵ Parks and Open Spaces Strategy 2013 – 2018

<p>Reduce anti-social behaviour and the fear of crime</p>	<p>Hertfordshire is one of the safest counties in the country, and East Herts is amongst the safest districts within it. It has the second best lowest recorded crime figures (RAG report - All crime 1st April 2013 – 6th July 2014 10.91 crimes per person per 1,000 population).</p> <p>Since 2008, there has been a significant fall for 'all crime'. Burglary reduced around 40%, similarly personal robbery and thefts from cars and damage to vehicles. Holding the Chair of the Community Safety Partnership (CSP), East Herts Council has been a significant partner in helping the police achieve these reductions. We work closely together on joint operations, such as huge multi agency cross border stop and search events where rogue taxis, unlicensed trade waste carriers and benefits fraudsters are the focus. We join the police to conduct drugs raids, where pubs are involved, and this contributes to excellent detection rates. Our first rate CCTV network is so successful that it is becoming a council run 'arms-length' company to maximise business opportunities.</p> <p>The start of 2014 has seen an emerging increase in some crime types which the CSP is working on. Some of this can be explained by more rigorous crime recording but in-line with the upturn in the economy we</p>	<p>Community Leader, Partner and Enabler</p>
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	<p>are starting to see an increase in acquisitive crime.</p> <p>Seven in ten residents report that they feel safe in their local area after dark, while around a fifth said they feel unsafe. However three of the four main neighbourhood issues reported by residents as being a fairly or very big problem in their local area were people drunk or rowdy in public places (23%), people using or dealing drugs (22%) and groups/teenagers hanging around streets (22%)⁶.</p> <p>The council and police work side by side to target persons responsible for anti-social behaviour whilst at the same time facilitating youth diversionary activities to keep those who might be at the fringe of anti-social behaviour occupied.</p>	
Ensure future development best meets the need of the district and its residents	<p>Nine in ten residents are satisfied with their local area as a place to live⁷ and East Herts is ranked fifth out of the top 50 Local Authority Districts in the UK to live⁸. We want to ensure that new development continues to achieve outcomes that are positive for our residents, the local economy and the environment. Our Local Plan which is currently being updated in 2014/15 to</p>	Community Leader, Influencer and Provider / Commissioner / Manager

⁶ 2013 East Herts Residents Survey

⁷ 2013 East Herts Residents Survey

⁸ Halifax Quality of Life Rankings, 2013 Annual Quality of Life Survey by Halifax

	become the district plan provides the framework to shape the district's built environment for the future.	
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Prosperity – Improving the economic and social opportunities available to our communities

This priority focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic opportunities and delivering cost effective services.

Therefore we want to:	Why:	Our role will be as a:
<p>Deliver value for money and reduce our reliance on central government funding</p>	<p>Central government funding for local authorities is on a downward trend. In both the short and medium term there is a growing need for us to identify new and/or additional sources of income.</p> <p>While we will continue to find new efficiencies and more joined up and innovative ways of working for example in 2013/14 we met our savings target, however greater self-reliance in funding will be required. Therefore we need to plan for and manage this.</p> <p>Alongside this we also need to support our staff in managing these service challenges and developing their skills and capacity and ensuring that infrastructure in terms of ICT needs is robust and fit purpose.</p>	<p>Partner and Provider / Commissioner / Manager</p>
<p>Enhance the economic well-being of East Herts</p>	<p>We want to create a more business friendly environment in our towns so they become more</p>	<p>Community Leader, Influencer and Enabler</p>

	<p>vibrant.</p> <p>A thriving knowledge based economy is at the heart of economic success – in the sense of skills levels of residents and the nature of businesses. Therefore we want to ensure our residents are able to access appropriate education, employment and training opportunities and that we seek to attract new high-tech niche industries into appropriate existing or new locations.</p>	
Deliver sustainable rural business growth	<p>East Herts has a significant rural economy compared to other authorities within Hertfordshire. We want to prioritise the economic and social inclusivity of our rural communities by retaining local rural employment and services⁹.</p>	Community Leader, Influencer and Enabler
Protect the environment	<p>We want to ensure that our environment is protected and safe. This ranges from us ensuring that the food we eat is safe, managing the licensing of taxi vehicles and the regulation of licensing regimes to the protection of conservation areas and listed buildings.</p>	Community Leader, Influencer and Provider / Commissioner / Manager

⁹ 2007 – 2014 Economic Development Strategy

5. Measuring Success – a golden thread – How we plan, manage and deliver what we do

- **East Herts Local Strategic Partnership** developed and agreed a Sustainable Community Strategy as the overarching partnership plan for East Herts. Informed by the community it serves, it articulates shared aims and aspirations for the district. In 2012/13 East Herts Local Strategic Partnership reviewed and revised its priorities to three priority outcomes –

- community safety
- promoting economic well being
- supporting the vulnerable

Working groups supporting the original themes have been brought together and partnership actions have been agreed for each priority theme.

- **East Herts Council's Corporate Strategic Plan** (this plan) sets out the overall vision and direction for the council. Refreshed annually it looks forward over the next four years and links to the shared priorities of the Local Strategic Partnership. The plan highlights the high level priorities for the council and identifies some of the key outcomes that will to be achieved. It sets the direction for the organisation and forms the basis for the council's performance management activities and steers the distribution of resources.
- **Service Plans** are produced every year by Heads of Service, agreed by the council's elected members. They set out what key development type actions need to be undertaken to deliver the outcomes contained in the Corporate Strategic Plan. These actions are linked to key performance indicators, so achievement can be measured and tracked.
- The **Medium Term Financial Plan** considers the resources needed to deliver the council's priorities and ambitions. Development of service plans and a challenge process with elected members feeds into a four-year budget-planning model. The council uses the model to plan its expenditure

and make sure that financial resources are available to fund actions in priority areas.

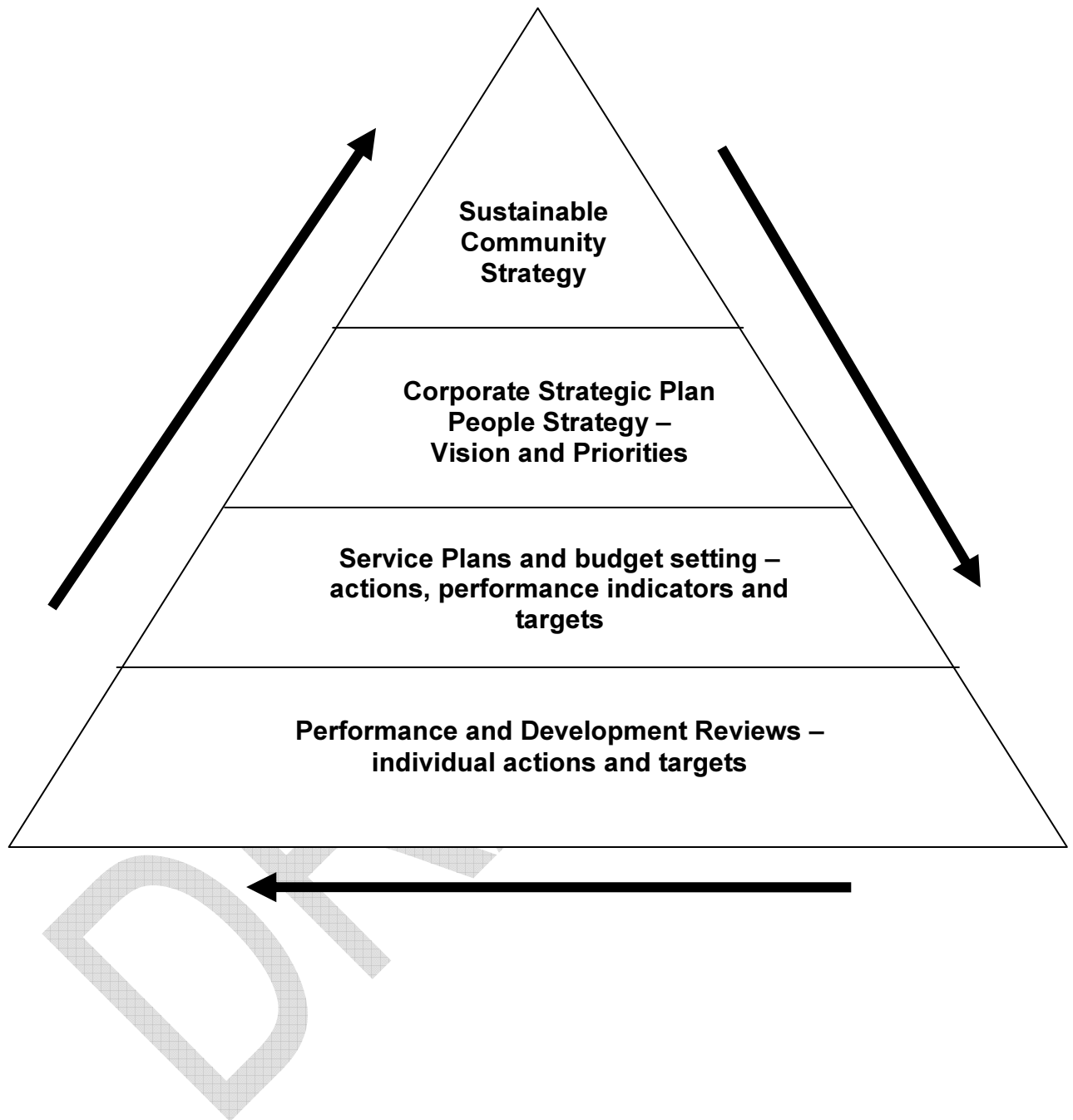
- The **People Strategy** is the council's framework for the delivery of people management, ensuring the council has a high quality workforce delivering good quality services. The strategy contains seven key people strands, which are aligned to the council's priorities. They are:

- Organisational development
- Learning and development
- Resourcing
- Equality and diversity
- Employee relations and reward
- Health and safety
- HR and payroll service

Overarching these is the organisation's commitment to the 'Here to Help' values and behaviours.

- **Performance and Development Reviews** set out individual's personal objectives that a member of staff needs to achieve to deliver their Service Plan and which contribute to the achievement of the council's priorities, values and behaviours. This process helps ensure every member of staff has the opportunity to develop their learning and personal development plan.
- The **Performance Management Framework** delivers timely monitoring of the council's priorities and delivery of outcomes. Financial and performance information and analysis is made available in the form of a regular **Corporate Healthcheck** and half yearly **Service Plan Monitoring Reports**. They are considered both by the **Corporate Management Team** and reported formally to the council's **Executive Committee** and **Scrutiny Committees**. Scrutiny meetings are open to all and we strongly encourage the public to attend.

East Herts Performance Management Framework:



EAST HERTS COUNCIL

CORPORATE BUSINESS SCRUTINY – 26 AUGUST 2014

EXECUTIVE - 2 SEPTEMBER 2014

REPORT BY THE EXECUTIVE MEMBER FOR FINANCE

FINANCIAL STRATEGY AND MEDIUM TERM FINANCIAL PLAN FROM 2014/15 TO 2018/19

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

To consider revisions to the Financial Strategy for the years 2014/15 to 2017/18. This includes the policy on reserves and the proposed planning assumptions to be used to update the Medium Term Financial Plan in preparation for annual budget setting.

<u>RECOMMENDATION TO CORPORATE BUSINESS SCRUTINY:</u> that	
(A)	Scrutiny consider the Medium Term Financial Plan from 2014/15 to 2018/19 and make recommendations to Executive on any revisions that should be considered in terms of the planning assumptions used.
<u>RECOMMENDATION TO EXECUTIVE:</u> that:	
(A)	any revisions to the Medium Term Financial Plan from 2014/15 to 2018/19 arising from Corporate Business Scrutiny be considered and the adoption of the strategy be recommended to Council.
<u>RECOMMENDATIONS TO COUNCIL:</u> that:	
(A)	the proposed Financial Strategy be adopted; and
(B)	the planning assumptions set out in this report be adopted by the Council as the basis for framing the 2015/16 budget and Medium Term Financial Plan to 2018/19.

1.0 Background

- 1.1 This report sets the context for the future financial position at East Herts Council. The Financial Strategy is a statement on the Council's approach to management of its financial resources to meet its priority delivery areas. The strategy also considers the appropriate level of reserves that the Council holds to mitigate current and longer term risks.
- 1.2 Medium term financial planning must make assumptions about the future course of demand and cost pressures on spending and on the factors which affect future income, wherever that income is derived.
- 1.3 In 2013/14, the way in which Local Government is funded fundamentally changed. This was reflected in the Medium Term financial plan considered during 2013/14 and continues to be reflected here.

2.0 Report

- 2.1 This report considers and outlines the underlying assumptions within the Medium Term Financial Plan (MTFP) and addresses the following key areas:
 - 1. Identification of the impact of funding changes and considers sensitivity analysis around income levels and potential costs
 - 2. Review of the financial strategy including the current level of reserves
 - 3. Considers underlying assumptions around inflation, savings and growth
 - 4. Other factors that need to be considered

Funding Changes

Government Grant and External Support

- 2.2 In the 2014/15 Local Government finance settlement, there was a reduction for the Council of 21% in its Revenue Support Grant. At that time a provisional 2015/16 figure was given of £1.95m which is a further reduction of 30% from 2014/15. The Council wishes to become more self-reliant rather than having to rely on Central

Government support by considering how to grow business rates and increase other income streams to be able to protect the services that residents and local businesses require.

Business Rates

- 2.3 In 2013/14 the way that Local Government is funded fundamentally changed, with the introduction of the “Retention of Business Rates” scheme whereby the Business rates that we collect in as a Council are now shared between Local Authorities (District and County Council) and Central Government. The system considers whether an authority is a “Top-Up” or “Tariff” authority (having to either take an extra share back or pay over more, like East Herts) and there are also provisions for a safety net, should the amount of business rates the Council is able to collect reduce.
- 2.4 The actual rate that is charged is set by Central Government and the Valuation Office determines how much each business must pay. We do not have influence over these amounts but some businesses may be eligible for discounts and exemptions that reduce their burden. Any discounts awarded, impact upon our funding levels as do any revaluations that businesses are awarded on appeal. The rate of tax is indexed to each September's RPI.
- 2.5 The scheme has been running since 1 April 2013. The Council fell into the safety net position during 2013/14, mainly due to the way in which appeals are treated. Appeals can be backdated until the last review, and are determined by the Valuation Office (VOA) and can in some cases take some time to be determined. The Council is compensated for these potential losses.
- 2.6 During 2013/14 and already in 2014/15, a number of new reliefs have also been introduced by Central Government, including flood relief for affected businesses, extensions on small rate relief and other measures intended to support economic growth. We pass on these reliefs but are then compensated for the impact of these through the application of specific “Section 31” grants, which have an impact on the way that cash flows into the Council through the collection fund.
- 2.7 Given the number of changes to the way the system is working, sometimes with little notice, modelling the future impact on the Council's finances presents a high level of risk. The model being considered as part of this strategy assumes that the original funding assumptions by Central Government are correct, but

further work in this area over the coming few months is important to ensure that the impact of all of these changes are fully understood.

Council Tax

- 2.8 From 1 April 2013, Council Tax Benefit was replaced with a Council Tax support scheme. The scheme was devised so that for non-pensioners (who were protected from the changes in the scheme), all recipients of Council Tax support had to pay at least 8.5% of their liability.
- 2.9 Any increase in the cost of discounts above our original estimates would impact upon our funding. A 1% increase in the cost would cost us in the region of £7k.
- 2.10 In December 2013, the funding for Local Government was announced following the Autumn Statement. The key points from those announcements are as follows:
- 10% funding reduction in 15/16 with notes that similar reductions expected in future years. This is on our total funding and not just the grant element that we receive from Central Government
 - It was announced that there would be a review of New Homes Bonus, although as yet there are no indications of any changes to this funding regime
 - An overall Welfare spending cap for all of Government. At this stage it is unclear what impact this could have on East Herts directly.
- 2.11 The impact of the Comprehensive Spending Review has been included in the MTFP and so our overall funding levels have been reduced in each year throughout the life of the MTFP.
- 2.12 Indicative funding levels for 2015/16 were announced in December 2013 as part of the 2014/15 settlement. The funding that we receive could be subject to change later this year, although experience from the last few years has shown that any changes are not usually significant.

Review of the financial strategy and current level of reserves

- 2.13 **Essential Reference Paper D** is the current Financial Strategy which was refreshed to reflect the changes in Central Government

funding last year.

2.14 The financial strategy and the MTFP have a 5 year focus and for the purposes of the Strategy this remains sound. However, we will always look to model the impact of financial decisions over a longer period of time, and in particular look to consider scenarios that are likely to impact upon the District. The types of scenario include:

- Changes in population numbers
- Potential changes in Household numbers
- Potential changes in Business growth
- Sustainability of other Government grants such as New Homes Bonus
- Longer term investment decisions

2.15 A review of the level of reserves has been carried out as at 31st March 2014 based on the draft final accounts (**Essential Reference Paper E** refers). This indicates that reserves are above the ceiling set out in the strategy by £1.374m. Consideration does need to be given to the potential release of reserves to reduce the overall general reserve which will be reviewed as part of the integrated resource and service planning currently underway.

2.16 In 2013/14, a payment was made as part of the triennial review of Pensions, to reduce the revenue impact of the Pensions deficit over 4 years. This smooth's the impact on the MTFP going forward. It was intended that this would be made from general reserves, but given the in-year underspend against service budgets, this did not reduce the level of general reserves overall.

2.17 At 31 March 2014 earmarked reserves totalled £8.374m. Additions to Earmarked reserves in 2013/14 totalled £2.322m. It should be noted that some of these relate to grants received in respect of Business Rates, where the impact will not be felt in the collection fund until 2015/16 at the earliest, due to the way the accounting treatment of this account works. A number of other earmarked reserves will be released in year for specific purposes.

2.18 During the last few years, the service budgets of the Council have underspent. Where possible, these underspends are either used to mitigate risks in future years through the creation of specific earmarked reserves, or are reviewed to determine if there are on-going sustainable savings that can reduce the need to find alternative savings.

- 2.19 To ensure that any ongoing financial implications are identified early, a specific “Budget Challenge” session was held in 2013/14 which reduced the level of savings that needed to be found during budget setting rounds. In 2014/15, a similar review will be undertaken to identify financial trends in all budget areas and any resource that can be reallocated to priority areas. The results of these challenge sessions will assist with identifying new savings plans necessary to meet the new savings requirements identified in this MTFP when setting the budget for 2015/16 in January 2015.

Underlying Assumptions around Inflation, Savings and Growth

- 2.20 **Essential Reference C** refers to the underlying assumptions that have been made in terms of inflation and other price increases during the medium term planning and the summary model of the MTFP shows how these have been included in the plan.
- 2.21 A number of changes have been made in the underlying assumptions in the model and these include:
- Updates on expected levels of investment income including the release of some of the interest equalisation reserve into the MTFP model
 - Increase in Council Tax base growth assumptions to take account of the latest trends on growth in the District
 - Updated inflationary assumptions as per the Office of Budget Responsibility (OBR) latest updates
 - Changes in salary inflation over the life of the model
 - Change in assumptions around Member allowances (to match salary inflation assumptions)
 - Reflection of updated Pension deficit payments following the triennial review in 2013/14.
 - Reflection of potential future impacts from the next triennial review of Pensions
 - Updates on Savings, Growth and Known changes built into the model
- 2.22 The model (**Essential Reference Paper B**) assumes that all savings and growth detailed will be delivered, and this is included within the sheets behind the summary model.
- 2.23 The MTFP also indicates that there are new savings that have to be identified, specifically for 2016/17 onwards. To be able to deliver this level of savings planning is underway to ensure that

these can be fully met in those years.

2.24 During this planning round, further review needs to be undertaken to ensure that the assumptions around the Localisation of Council Tax Support and Business Rate growth are valid and especially understanding the impact on the Council Tax Base. More detailed modelling will continue throughout the year to ensure the most up-to-date data is used in setting the budget for 2015/16.

2.25 During this planning period, the following are other areas that need to be assessed:

- Review of impact of underspends in 2013/14 and predicted underspends in 2014/15 and whether these are longer-term sustainable savings
- Consideration of any pressures and growth that are identified
- Consideration of any revenue costs and/or savings arising from Capital works identified either through Council funding or external funding (including S106 monies)
- Review of impact of investment strategy
- Further review of both earmarked and general reserves

Other factors that need to be considered

2.26 During 2013/14, a triennial review of Pensions was carried out, and the assumptions arising from this review are now included in the model. A number of other changes are also happening over the period of the budget and MTFP in relation to Pensions including auto enrolment, changes in national insurance contributions following the introduction of a new national state pension in 2016 and the next triennial review of the Pensions.

2.27 The Council had no unused capital receipts at 31 March 2014. Significant Capital development would be a cost to investment income and the Council needs to consider any additional Capital proposals and the total cost of any decisions. Invest to save proposals and externally funded projects need to take into account total costs to the Council as and when decisions are made on whether to undertake these projects.

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'

Contribution to the Council's Corporate Priorities/ Objectives	The budget and MTFP apply resources to achieve all the Council's priorities
Consultation:	Consultation on the budget happens through a number of sources, including the input of Scrutiny committees and through more targeted consultation.
Legal:	None at this stage but there are legal implications when the Council sets its budget for 2015/16
Financial:	This report does not propose any spending or income changes but establishes priorities for future budgets from 2014/15
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:	<p>Financial forecasts are inherently uncertain particularly given uncertainty around future funding.</p> <p>Risks around sensitivity of the information used has been identified and risk management includes:</p> <ul style="list-style-type: none"> • Making best estimates on the most relevant and up to date information • Adoption of the financial strategy • Proposed contingency sums • Adequate levels of earmarked and general reserve • Clearly defining assumptions made
Health and Wellbeing:	There are no specific implications in regard to Health and Wellbeing that need to be considered as part of this report. Health and Wellbeing is one of the Councils priorities and as such funding for activities will be included when budgets are set

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GENERAL FUND - MEDIUM TERM FINANCIAL PLAN						
SUMMARY Model - August 2014 version to Scrutiny						
	2013/14 Actual	2014/15	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000	£'000	£'000
Net Cost of Services	14,629	14,406	14,311	14,863	15,426	16,003
Interest Payments	661	662	662	662	662	662
Interest & Investment Income	-942	-895	-893	-1,130	-1,472	-1,915
Fees & Charges			-44	-165	-289	-416
Growth Items			376	402	402	402
Special Items			65	3	1	
Efficiency Savings - Existing plans			-165	-270	-270	-270
Efficiency Savings - to be Identified				-244	-787	-821
One off Savings						
Known Changes			341	193	171	-95
Application of New Homes Bonus *	358	1,095	1,370	1,660	1,676	1,736
Contingency		513	125			
RCCO/Internal Interest	25	25	25	25	25	25
Net Expenditure	14,731	15,806	16,175	15,999	15,546	15,311
Contribution to / from Earmarked Reserves	1,749	-95	-454	-78	-35	-35
Contribution to/ from Interest Equalisation reserve	574	-34	-220	-200	-178	
Use of General Reserve	-13					
Movement on Pension Reserve (Deficit Contribution)	672	600	600	600	800	800
Net Expenditure after reserves	17,713	16,277	16,100	16,321	16,133	16,076
Formula Grant/NNDR	-6,700	-5,238	-4,439	-3,995	-3,596	-3,236
Council Tax Freeze Grant	-93	-94	-94			
Other general grants	-672	-16				
New Homes Bonus	-1,414	-2,190	-2,740	-3,321	-3,353	-3,472
Transfer (from)/to Collection Fund	-157		-			
Transfer (from)/to NNDR Collection			-			
Demand on Collection Fund	8,678	8,738	8,827	9,004	9,184	9,369
Council Taxbase	55,084	55,469	56,023	56,584	57,149	57,721
Council Tax at Band D	157.54	157.54	157.55	159.12	160.71	162.32

Percentage Increase

0.00% 0.00% 1.00% 1.00% 1.00%

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

GENERAL FUND - MEDIUM TERM FINANCIAL PLAN						
SUB - SUMMARY August 2014 version to Scrutiny						
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000	£'000	£'000
Director of Neighbourhood Services	125	116	119	122	124	127
Corporate Support	96	108	110	112	115	118
Planning & Building Control	1,184	1,136	1,179	1,233	1,277	1,333
Housing Services	596	476	508	520	533	545
Community Safety & Health	1,419	1,453	1,412	1,455	1,489	1,534
Chief Executive and Director of Customer & Community Services	176	150	154	157	161	164
Welfare Reform	70	120				
Project Co-ordinator	2					
Environmental Services	5,955	5,392	5,553	5,711	5,874	6,040
Customer & Parking Services	-1,060	-757	-789	-721	-651	-580
Economic Development	131	82	88	94	100	106
Community Engagement	752	741	709	731	746	762
Hertford Theatre	250	218	236	254	273	292
Director of Finance and Support Services	131	131	131	134	137	140
Governance Support	499	556	575	595	615	635
People & Property Services	1,202	1,093	1,069	1,107	1,122	1,162
Business and Technology Services	1,457	1,281	1,313	1,333	1,398	1,410
Finance and Performance	610	552	564	577	590	603
Revenues & Benefits	-244	345	295	342	385	440
Corporate Risk	335	336	343	351	358	366
Other	1,131	902	768	782	807	832
Capital Salaries	-189	-26	-26	-26	-26	-26
Net Cost of Services	14,629	14,406	14,311	14,863	15,426	16,003
Interest Payments	661	662	662	662	662	662
Interest & Investment Income	-942	-895	-893	-1,130	-1,472	-1,915
Car Parking Fees & Charges				-76	-154	-234
Other fees & Charges			-44	-89	-135	-182
Growth 2015/16			376	376	376	376
Growth 2016/17				26	26	26
Growth 2017/18						
Growth 2018/19						
Special Item			65	3	1	
Savings 2015/16			-165	-165	-165	-165
Savings 2016/17				-105	-105	-105
Savings 2017/18						
Savings 2018/19						
Efficiency savings - to be identified				-244	-787	-821
One Off Savings						
Known Changes			341	193	171	-95
Application of New Homes Bonus *	358	1,095	1,370	1,660	1,676	1,736
Contingency		513	125			
RCCO/Internal Interest	25	25	25	25	25	25
Contribution to Earmarked Reserves	2,384	39	39	39	25	25
Contribution from Earmarked Reserves	-635	-134	-493	-117	-60	-60
Contribution to/ from Interest Equalisation reserve	574	-34	-220	-200	-178	
Use of General Reserve	-13					
Movement on Pension Reserve (Deficit Contribution)	672	600	600	600	800	800
Net Expenditure	17,713	16,277	16,100	16,321	16,133	16,076

Formula Grant/NNDR	-6,700	-5,238	-4,439	-3,995	-3,596	-3,236
Council Tax Freeze Grant	-93	-94	-94			
Other general grants	-672	-16				
New Homes Bonus	-1,414	-2,190	-2,740	-3,321	-3,353	-3,472
Transfer (from)/to Council Tax Collection Fund	-157		-			
Transfer (from)/to NNDR Collection Fund			-			
Demand on Collection Fund	8,678	8,738	8,827	9,004	9,184	9,369
Council Taxbase	55,084	55,469	56,023	56,584	57,149	57,721
Council Tax at Band D	157.54	157.54	157.55	159.12	160.71	162.32
Percentage Increase		0.00%	0.00%	1.00%	1.00%	1.00%

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

Pay and Price Assumptions for Medium Term Financial Plan

Data Table	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Overall salary increase (Inclusive of everything)*	1.75%	1.75%	2.25%	2.25%	2.25%	2.25%
Members Allowances	0.00%	1.00%	1.50%	1.50%	1.50%	1.50% **
Inflation	2.00%	2.30%	2.10%	2.00%	2.00%	2.00%
NNDR	2.50%	2.00%	3.00%	3.00%	3.00%	3.00%
Fuel	2.50%	2.30%	2.10%	2.00%	2.00%	2.00%
Contract Index - All Contracts	3.20%	2.30%	2.10%	2.00%	2.00%	2.00%
Contract Index - Street Cleansing	¹ 2.60%	2.30%	2.10%	2.00%	2.00%	2.00%
Contract Index - Refuse Only	² 2.60%	2.30%	2.10%	2.00%	2.00%	2.00%
Contract Index - Parking	³ 3.10%	2.30%	2.10%	2.00%	2.00%	2.00%
Contract Index - Leisure	⁴ 3.10%	2.80%	3.30%	3.60%	3.80%	3.90%
Income						
Increase for Fees & Charges	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Increase for car parks	0.00%	0.00%	0.00%	2.50%	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	1.50	1.50	1.50	1.50
Pay allowance - increments and local award	0.75	0.75	0.75	0.75	0.75	0.75
	1.75	1.75	2.25	2.25	2.25	2.25

** Subject to IRP recommendation

Investment Income Forecast @ 30.07.2014

		2014/15		2015/16		2016/17		2017/18		2018/19		Assumptions
		Principal - £'000	Interest - £	Principal - £'000	Interest - £	Principal - £'000	Interest - £	Principal - £'000	Interest - £	Principal - £'000	Interest - £	
Balance as at 30.06.2014												
Financing of capital programme		-565		-887		-548		-550		-550		2017/18 and 2018/19 estimated internal borrowing Re Updated MTFP August 2014.
Contribution from reserves		-134		-370		-60		-60		-60		
Total Investment Balance Forecast		77,772		76,515		75,907		75,297		74,687		
Treasury Fixed Term Investments												
Lloyds to Apr 2015		10,000										
rolled over - 364 days			372,000									
rolled over - 364 days				10,000	95,000							
rolled over - 364 days						10,000	95,000					
rolled over - 364 days								10,000	150,000			
rolled over - 364 days										10,000	175,000	
Lloyds to 4.7.2014		10,000										
to 6.7.2015			23,693									
rolled over - 364 days			70,534									
rolled over - 364 days				10,000	95,000							
rolled over - 364 days						10,000	95,000					
rolled over - 364 days								10,000	150,000			
rolled over - 364 days										10,000	175,000	
Barclays to 11.8.14		5,000										
rolled over - 364 days			36,164									
rolled over - 364 days			30,322	5,000	19,792							
rolled over - 364 days					27,708	5,000	47,500					
rolled over - 364 days								5,000	75,000			
rolled over - 364 days										5,000	87,500	
Total Treasury Fixed Term		25,000	532,714	25,000	237,500	25,000	237,500	25,000	375,000	25,000	437,500	
Treasury Variable Investments												
Morgan Stanley MMF		9,500										
0.37%			33,250									
rolled over - 3 months				9,500	8,788							Investment for 3 months and transferred to Property Funds.
Nat West SIBA (For Day to Day Cash Balances)		11,345		12,015		9,480		10,297		4,687		E10m disinvested part way through 2018/19.
0.25% from June 2014			33,119		30,038		23,700		36,040		26,222	
Natwest 95 days notice		5,000										
to July 14			9,288									
to April 2015			13,808									95 Days Notice
rolled over - 364 days				5,000	20,000							
rolled over - 364 days						5,000	20,000					
rolled over - 364 days								5,000	45,000			
rolled over - 364 days										5,000	45,000	
rolled over - 364 days												
rolled over - 364 days												
New Investment		5,000		5,000		5,000		5,000				Transferred to SIBA account for short term cash.
0.75% from Aug 2014 6 months			25,000		32,500		32,500		32,500			
Rolled over												
Investec		21,927		21,927								Part disinvest in July 2015
Rate 0.25%			90,540									
Rate 0.75%												
2015/16				3 months £10.5m released for Property Funds.	105,390	11,427	85,703	11,427	42,851	0	0	0 Part Year disinvestment to Direct property investment 2016/17
Non Treasury Investments												
LAMS		1,000		1,000		1,000		1,000		1,000		Funds placed in 2013/14
4.28%			42,800		42,800		42,800		42,800		42,800	
Property Funds		0	0	20,000		20,000		20,000		20,000		To be financed from Morgan Stanley Investment and Investec MMF
Assumed to take effect from 1.07.2015.				For 9 Months								
Assumed Funds selected have waiting lists					450,000		640,000		700,000		800,000	Income for 9 months 2015/16
Rate 3.0%												
Rate 3.2%												
Rate 3.5%												
Rate 4.0%												
Direct Property Investment												
With Effect from 2017/18								10,000	150,000			Assumed part year impact
Rate 3.0%												
Rate 3.2%										20,000	480,000	Second investment tranche assumed
Rate 3.5%												part year impact.
Pinders Lodge Lease to 2056			13,000		13,000		13,000		13,000		13,000	
In House cashflow					35,000		35,000		35,000		35,000	
Total Investment Income		78,772	793,519	77,515	975,015	76,907	1,130,203	76,297	1,472,191	75,687	1,914,522	
Property Funds Entrance Fees												
Forecast Estimate				82,000								To be finalised as part of the business case evaluation for the Property Funds.
Version 1		794,000		893,015		1,130,000		1,472,000		1,915,000		
MTFP February 2014		895,000		1,113,000		1,330,000		1,650,000				
VARIANCE			-101,000		-219,985		-200,000		-178,000			
Comprises:				£'000		£'000		£'000				
Assumptions on property Fund changed to 2 Quarter 2015/16				117		50		100				
Rates tapered from 1.1% to 0.95%				25	1.4% to 0.95%	113	2% to 1.75%	115				
LAMS assumptions revised				-13		-13		-13				
Barclays Loan matured April 14				70		70		100				
Initial estimates excluded Pinders lodge				-13		-13		-13				
Cash balances reduced from rate of 0.4% to 0.35%				8		8		-5				
Impact of increased cash balance				-10		-76		-40				
Investment in Direct property purchase								-150				
Investec matured for property fund								32				
Natwest 95 day notice revision to rate				35		50		55				
Property Funds Entrance fees				82								
Total variance				222		198		181				

Interest Rates based on Capita Advice 31.07.2014

June 2014
Bank rate forecast 0.50%
12 MONTH Investment rate 0.95%

Oct 2014 0.50%
Jan 2015 0.75%

April 2015 0.75%
July 2015 1.00%

Oct 2015 1.25%
Jan 2016 1.25%

GROWTH - 2015/16 TO 2018/19

Proposed ongoing growth against base budgets. These items will increase the net cost of services from the year indicated and for future years

	2015/16 £	2016/17 £	2017/18 £	2018/19 £
Customer & Parking Services				
Parking - Pay by Phone	16,000	16,000		
IT				
Growth from IT Capital Programme	10,000	10,000		
Organisational capacity - linked with Here to Help	350,000			
Total growth	376,000	26,000	-	-

SPECIAL ITEMS - 2015/16 TO 2018/19

Proposed growth items that will only impact the base budget in the year indicated. These items will increase the net cost of services

	2015/16 £	2016/17 £	2017/18 £	2018/19 £
Business & Technology Services				
EHC disturbance Costs (Less SBC contribution)	2,450	2,700	1,200	
People & Property				
Compliance Surveys	30,000			
Customer & Parking Services				
Southmill Area Resident Permit Scheme	30,000			
Finance & Performance				
Controlled Stationery - cheques	3,000			
Total Special Items	65,450	2,700	1,200	-

SAVINGS - 2015/16 TO 2018/19

Proposed ongoing savings against base budgets. These items will reduce the net cost of services from the year indicated and for future years

	2015/16 £	2016/17 £	2017/18 £	2018/19 £
Planning & Building Control				
Reduction in budget		(61,000)		
Building Control Reduced Spending	(50,000)			
Planning administration		(34,000)		
Environmental Services				
Grounds Maintenance Contract Extension	(37,500)			
Community Engagement				
Hertford Theatre - new business plan	(14,300)	(9,500)		
Democratic & Legal Services				
Reduction in Legal third party payments budget	(7,600)			
Revenue effects of capital				
Bell Street Public Conveniences modernisation	(5,600)			
Total	(115,000)	(104,500)	-	-
Savings from review of 2013/14 underspend				
Customer & Parking services				
Enforcement contract - contingency reduction	(50,000)			
Savings to be Identified				
Total savings to be built into estimates	(165,000)	(104,500)	-	-

ONE OFF SAVINGS - 2015/16 TO 2018/19

Proposed savings items that will only impact the base budget in the year indicated. These items will decrease the net cost of services

One Off Savings	2015/16 £	2016/17 £	2017/18 £	2018/19 £
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Total to be built in

0	0	0	0
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OTHER KNOWN REDUCTIONS AND INCREASES

Future adjustments to Net Cost of Services, which are as a result of decisions previously made and approved

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000
Changes to Terms and Conditions	-92	-92	-92	-92
Hertford Theatre Hydro Income	-11	-11	-11	-11
National Insurance rebate (exact date uncertain)		222	222	222
LDF Public exam/Green belt review	250	40	40	40
Future Council elections	100			
Housing benefit subsidy	-155	-160	-165	-170
Adjust council tax admin subsidy grant		48	140	175
Causeway lease reversal of accrual				-380
Causeway car park - loss of net income				36
Leisure Contract reduction in contract expenditure			-48	
CAB contribution	20			
DCLG - Housing Grant	50	50	50	50
Parking - additional reports	1			

Known Changes following CMT decisions

Procurement office - full time	11.1	11.1	11.1	11.1
Increase in Housing Manager's hours	21.4	21.4	21.4	21.4
Customer Services Manager - full time	2.5	2.5	2.5	2.5
Licensing post - (Grade 1/2 17.25hrs 2015/16 only)	2			
Environmental Health (2 x Grade 4 - part year 2015/16 only)	10.3			
Environmental Health (1 Grade 4 - 2 years only, 2015/16 & part 2016/17)	3.7	3.7		
Ass. Waste Service Manager - (full time - 1 year only)	4.4			
Graduate Trainee Positions (funded through Cost of Change Reserve)	40			
Project co-ordinator (funded through cost of change reserve)	42	42		
Leisure Development Manager (funded through cost of change reserve)	41	15		

341	193	171	(95)
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For information

Application of New Homes Bonus - 25% to parish and towns	685	830	838	868
Application of New Homes Bonus - priority spending	685	830	838	868
	1,370	1,660	1,676	1,736

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

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
New Homes Bonus 11/12 (to be received 11/12 to 16/17)	(415)	(415)	(415)	(415)		
New Homes Bonus 12/13 (to be received 12/13 to 17/18)	(425)	(425)	(425)	(425)	(425)	
New Homes Bonus 13/14 (to be received 13/14 to 18/19)	(553)	(553)	(553)	(553)	(553)	(553)
New Homes Bonus 14/15 (to be received 14/15 to 19/20)		(797)	(797)	(797)	(797)	(797)
New Homes Bonus 15/16 (to be received 15/16 to 20/21)			(550)	(550)	(550)	(550)
New Homes Bonus 16/17 (to be received 16/17 to 21/22)				(581)	(581)	(581)
New Homes Bonus 17/18 (to be received 17/18 to 22/23)					(447)	(447)
New Homes Bonus 18/19 (to be received 18/19 to 23/24)						(544)
Built into Estimates	1,393	2,190				
	-	-	(2,740)	(3,321)	(3,353)	(3,472)

FORMULA GRANT AND RETAINED NNDR

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Settlement December 2012						
NNDR	2,377	2,450				
RSG	3,573	2,746				
	<u>5,950</u>	<u>5,196</u>				
Settlement December 2013						
Indicative NNDR figures						
Billing Authority Baseline	21,556	21,976	22,583			
EHC Baseline (80%)	17,245	17,581	18,066			
EHC Baseline Funding Level	2,377	2,423	2,490			
Tariff	14,868	15,158	15,576			
EHC NNDR 1	Note 1					
Billing Authority Baseline	21,544	21,975	22,583	23,260	23,958	24,677
EHC Baseline (80%)	17,235	17,580	18,066	18,608	19,166	19,741
EHC Baseline Funding Level - Budget Figure	2,367	2,423	2,490	2,565	2,642	2,721
Tariff (as above)	14,868	15,158	15,576	16,043	16,525	17,020
BUDGET TOTALS	Note 2					
RSG	Note 3					
NNDR						
	<u>3,573</u>	<u>2,815</u>	<u>1,949</u>	<u>1,430</u>	<u>954</u>	<u>515</u>
	<u>2,367</u>	<u>2,423</u>	<u>2,490</u>	<u>2,565</u>	<u>2,642</u>	<u>2,721</u>
	<u>5,940</u>	<u>5,238</u>	<u>4,439</u>	<u>3,995</u>	<u>3,596</u>	<u>3,236</u>
CSR 2013						
Less 10% 16/17 onwards		5,238	4,439	3,995	3,596	3,236

Note 1 - Figures for 2014/15 onwards based on indicative settlement figures pending completion of East Herts NNDR1 return

Figures for 16/17, 17/18 & 18/19 assume a 3% uplift

Note 2 - Budget figures shown in bold

Note 3 - 16/17 & 17/18 & 18/19 RSG are assumed figures

Calculation of Council Tax base

	13/14	14/15	15/16	16/17	17/18	18/19
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	
	55,084	55,359	55,636	55,914		
Revised Tax base 13/12/2013						
From Final Tax base report		55468.63				
Assume increase of 1% per annum (AT 07/08/2014)			555	560	566	571
		55,469	56,023	56,584	57,149	57,721

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ESSENTIAL REFERENCE PAPER C

Planning assumptions for August 2014 MTFP update

Factor	Note	2015/16	2016/17	2017/18	2018/19
Council Tax Increase		0%	1.00%	1.00%	1.00%
Pay settlement (including allowance for increments and local award)	1	2.25%	2.25%	2.25%	2.25%
Members allowances	2	1.50%	1.50%	1.50%	1.50%
Price Inflation	3	2.3%	2.1%	2.00%	2.00%
Contract Inflation (general)	4	2.3%	2.1%	2.00%	2.00%
Council Tax Base	5	1.0%	1.0%	1.0%	1.0%
Fees and Charges (General)	6	2.5%	2.5%	2.5%	2.5%

Notes

1. Based on a continued pay restraint ceiling through the life of the MTFP. Includes an annual 0.75% increase to take account of increments and local award
2. Members allowances are set by Independent remuneration Panel but for planning purposes only, have included up rating in line with assumptions around pay.
3. Price inflation is based upon OBR predictions around inflation in future years
4. Contract inflation is based upon OBR predictions around inflation in future years
5. Council Tax base increases have been calculated using trend information. Further revisions may apply once more data on the impact of Council Tax support has been analysed.
6. Fees and Charges income levels assumed to increase by 2.5%. This may be through generation of additional income or where appropriate price increases

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THE FINANCIAL STRATEGY 2015/16 TO 2018/19

What is it and why is it important?

The medium term financial strategy is a statement of the objectives and principles that underpin the Council's approach to managing its resources looking ahead over a period of three years or more. It sets out the framework within which the Medium Term Financial Plan is developed and reviewed.

The strategy is important because the council must ensure that its plans for services are affordable and sustainable in the light of the resources it can reasonably expect to be available. This allows the Council to take decisions about prioritising the resources it has. Included in those resources is income from council tax as well as funding from Business rates, grants and other income streams from fees and charges. The future is inherently uncertain and the strategy considers that uncertainty and how the council can mitigate the risks.

Business rates retention and local council tax support were introduced from April 2013 and the risk profile of our funding changed. In the medium term the pace and strength of economic recovery, indicate a longer period of spending restraint. In this context the proposed strategy is to maximise the Council's financial resilience and consider ways to become more self sufficient where possible.

What outcomes is the strategy designed to achieve?

The objectives of the strategy are

- To ensure the Council is well placed to meet uncertainty about the level of funding that the government will be able to provide acknowledging that such funding will be constrained.
- To ensure that tax payers, service users, partner agencies and Council employees are aware of the funding issues faced by the council and are given the opportunity to help shape the Council's planning.

- To ensure that funding is available to meet the highest priority future revenue and capital needs of the Council as they arise
- To maximise the effective use of resources by annual review of the Council's resources corporately and by redirecting funding to higher priority areas as identified in the Corporate Plan and service plans.
- To ensure funding is available for priority service improvements.
- To inform service planning and ensure that the immediate and future financial implications of all decisions are taken into account in a timely manner and in the context of the Council's overall financial situation.
- To minimise volatility of council tax and ensure that increases are within any limits set by the government, and at least consistent with, and ideally lower than, those of similarly placed authorities
- To manage risks including keeping adequate reserves to ensure so far as is reasonably possible that service delivery is not disturbed by calls on funding from short term unforeseeable events
- To achieve value for money from all spending
- To be aware of and take up funding opportunities where these are consistent with the Council's objectives and where the obligations taken on are manageable by the council and commensurate with the sums received. In particular consider options that enable a greater self-reliance on our own funding and reduce the reliance on Central Government funding.
- To achieve efficiency in the use of resources including invest to save opportunities by taking into consideration relevant life cycle costs
- To secure, maintain and renew a stock of physical assets consistent with the Council's corporate priorities as detailed in the Asset Management Strategy
- To ensure the Financial Strategy and all the Council's other strategies are consistent.

What principles underpin the strategy?

The principles underlying the strategy are those of sustainability, transparency and consistency as evidenced by :

- The Council will adopt a prudent approach to assumptions and forecasts of its income and spending including assessment of:
 - the resources available to it from government and other external sources
 - changes in input prices both generally - including pay and specific price changes where these have significant impact on individual services by means of indexation clauses in contracts
 - interest rates and the growth of the wider economy so far as these affect the Council's ability to generate income from charges
 - the council tax base and rates of council tax collection and of other incomes.
 - investment returns and other factors as advised by the scheme's actuary, such as longevity, affecting pension costs
 - its ability to generate cashable efficiency gains
 - exposure to VAT and other tax liabilities
 - exposure to uninsured risks
- The council will establish spending plans consistent with its forecast of income other than where existing reserves are planned to be used
- The council will not commit to ongoing spending from incomes of a one off nature without a clear exit strategy in the absence of alternative funding
- The council will limit its borrowing by reference to CIPFA's prudential code and will make a prudent provision for repayment in accordance with that code.
- The council has adopted and will keep under review a policy on the level of reserves to ensure adequate but not excessive reserves.
- The council has adopted and will review a charging policy that is fair in terms of:
 - different service users,
 - the call on the tax payer as against the service user

- competition with other providers
- The council will maintain sound financial management practices set out in Financial Regulations and Financial Procedure Rules
- The Council will maintain the accounts in accordance with relevant codes of accounting practice and in particular CIPFA's BVACOP and financial planning will be consistent with those requirements.
- The strategy will be reviewed annually.

ESSENTIAL REFERENCE PAPER E

Reserves Policy

Why is a policy on reserves needed?

1. A policy is needed to satisfy statutory requirements (Sections 32 and 43 of the Local Government Finance Act 1992) in connection with the calculation of the budget requirement when setting the council tax. The Local Government Act 2003 also requires the chief finance officer to review and report on the adequacy of reserves when a council sets its budget. The same Act empowers the government to set minimum levels of reserves in the event an authority fails to act prudently.
2. More generally, an agreed policy on reserves assists in medium term planning. The Chartered Institute of Public Finance and Accountancy issues guidance on reserves and balances. Updated guidance (superseding that issued in 2008) was issued in July this year. This reflects arrangements arising from the IFRS based Accounting Code of Practice as well as the impact of emergency events (e.g. Flooding/storms) and the current period of financial austerity; this policy is consistent with that guidance.
3. The format of the accounts introduced by the application of International Financial Reporting Standards gives more prominence to the movement of and balances held in reserves which are a key indicator of an organisation's financial health and resilience.

What are reserves?

4. Reserves are the accumulated surplus of income over expenditure on an accruals rather than cash basis of accounting. There can be, and usually is, a difference between the total of reserves and accumulated cash balances.
5. Reserves can be usable or unusable. Usable reserves represent resources that are available to meet future liabilities. Unusable reserves are those which arise from accounting regulations – capital revaluations and pensions for example –

and which relate to transactions which by statute cannot be put to or taken from the general reserve.

6. Accounting conventions differentiate between reserves and provisions; provisions being amounts charged to the income and expenditure accounts in respect of liabilities likely to be incurred from past events and where a reliable estimate of the liability is possible but where the timing and/or precise value of that liability is uncertain. The reserves to be held and principles to assess the adequacy of balances.
7. The Council will hold two types of reserve
 - General reserves – by way of a working balance to manage cash flows and limit the need for temporary borrowing and to provide a contingency for unforeseeable events and emergency spending;
 - Earmarked reserves – reserves set aside for a defined purpose to meet known or predicted future liabilities.
8. The Council will adopt a risk based approach in considering the adequacy of individual reserves and the aggregate of all reserves. In reviewing reserves both immediate and the medium term requirements and risks will be considered; in general the longer the planning time frame the greater uncertainty to be applied to assumptions.

The general reserves:

9. The Council will maintain:-
 - a general reserve fund balance adequate to meet the needs of an in year working balance and as a second level of contingency; plus
 - a general reserve adequate to provide a reasonable level of contingency and manage differences between the timing of any significant charges to the income and expenditure account and MTFP assumptions .

10. There is no single formula by which all relevant considerations can be captured to work out any minimum, optimum or maximum level of general reserves or reserves in aggregate. Set out below are a minimum and maximum assessment that might be expected to apply in “normal” times. In the event that the general reserve is likely to fall outside of these boundaries the Council will give consideration to the need for any corrective action.
11. Subject to the risk considerations set out below, the aggregate balance on these reserves, less the amount held in respect of the Building Control Account, should normally not be expected to fall below £3m. This minimum acknowledges the Council’s exposure to variable interest rates, the degree to which services are bought in by contract, the dependency on income streams with an in year degree of uncertainty, the absence of any specific insurance reserve, risks associated with all regulatory services, the recent track record of spending within budget, plus the potential for error in any financial forecast.
12. Since this minimum balance was set in 2010 the Council has accepted some additional risk in its treasury activity by placing a proportion of its investments for longer (4 years) to achieve an improved investment return. These and other factors will vary over time and so may cause the minimum level to vary.
13. In terms of a maximum level of reserve the maximum should not be expected to exceed the sum of:
- (a) 40% of the budget requirement at the start of the year of account
 - (b) 2.5% of total assets in the last audited financial statements
 - (c) The sum of future planned withdrawals and/or contributions to the general reserve in the last approved MTFP
 - (d) Less any sum held as an insurance reserve

Note: at 31 March 2014 the above limit was as follows;

(a) 40% of £8.678m (2013/14) =	£ 3.471m
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(b) 2.5% of £130.41m (31/3/2013) =	£ 3.260m
(c) Future withdrawals from the general reserve	£0
(d) Insurance Reserve 31 March 2013	<u>-£ 0.010m</u>

Total	£6.721m
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The actual net aggregate balance March 2014	£8.016m
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14. The primary risks to be considered are the assumptions used to underpin the budget and medium term financial strategy and the judgement of the risk that those assumptions may prove to be wrong and the potential impact of variance from the assumption. The key assumptions to be considered are:-

- the potential volatility of government general and specific grants
- inflation and interest rates
- amount and timing of capital receipts
- delivery of planned efficiency and other savings
- expected growth in activity from demand led or discretionary expansion of services
- new partnerships and major capital schemes
- current and future availability of alternative sources of funding

Earmarked Reserves

15. Earmarked reserves will be established only for well defined specific purposes and generally will be expected to be used within the period of the MTFP.

16. Where specific reserves are established to meet defined risks of indeterminate duration the need for and balance on the reserve will be reviewed and likelihood and impact assessment will be reassessed as part of the Council's strategic risk management processes.

17. At 31 March 2014 earmarked reserves totalled £8.374m. Additions to Earmarked reserves in 2012/13 totalled £2.322m

Reporting of reserves

18. As a minimum, the annual budget report and the final accounts report will set out opening balances, expected or actual transfers to and from reserves together with closing balances. The Director of Finance and Support Services as S151 officer will comment on the adequacy of reserves in those reports.
19. During the year the adequacy of reserves will be reviewed as part of the health check monitoring in the light of any significant budget variances. If the balance on general reserves appears likely to move outside of the minimum boundary the need for corrective action will be considered in the next planned health check report or earlier if the Council's S151 officer so requires.

Governance arrangements in respect of reserves

20. Arrangements for the governance of the use of general and earmarked reserves will be set out in Financial Regulations. Planned contributions to and withdrawals from specific reserves will be set out in the MTFP approved by the Council.
21. The Council has delegated approval of the Final Accounts to the Audit Committee and as a result prior arrangements by which the Executive might approve at any time the establishment of an earmarked reserve and appropriations thereto from unused approved budgets have been revoked given that the full Council will no longer be able to ratify or amend those decisions. Such transactions now require the prior consent of full Council.

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EAST HERTS COUNCIL

CORPORATE BUSINESS SCRUTINY COMMITTEE – 28 AUGUST 2014

EXECUTIVE – 2 SEPTEMBER 2014

AUDIT COMMITTEE – 24 SEPTEMBER 2014

REPORT BY THE LEADER OF THE COUNCIL

ANNUAL GOVERNANCE STATEMENT 2013/14

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- This report presents the 2013/14 Annual Governance Statement at Essential Reference Paper 'B' and the 2014/15 Annual Governance Statement Action Plan at Essential Reference Paper 'C'.

RECOMMENDATIONS FOR CORPORATE BUSINESS SCRUTINY COMMITTEE: That:

(A)	the proposed Annual Governance Statement and Action Plan be scrutinised; and
(B)	the following comments be submitted to the Executive:

RECOMMENDATIONS FOR THE EXECUTIVE: That:

(A)	the comments of the Corporate Business Scrutiny Committee be received; and
(B)	the following comments be submitted to the Audit Committee:

RECOMMENDATIONS FOR AUDIT COMMITTEE: That:

(A)	the comments of the Corporate Business Scrutiny Committee and the Executive be received; and
(B)	the Annual Governance Statement 2013/14 and Action Plan 2014/15 be approved.

1.0 Background

- 1.1 The Annual Governance Statement is necessary to meet the requirements set out in the Accounts and Audit Regulations 2011 that requires authorities to carry out an annual review of the effectiveness of its system of internal control.

2.0 Report

- 2.1 The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, used economically, efficiently and effectively.
- 2.2 The Council should undertake regular, at least annual, reviews of its governance arrangements by means of an Annual Governance Statement, to ensure continuing compliance with best practice. It is important that such reviews are reported both within the Council, to the Audit Committee and externally with the published accounts, to provide assurance that:
- governance arrangements are adequate and operating effectively in practice, or
 - where reviews of the governance arrangements have revealed gaps, action is planned that will ensure effective governance in the future.
- 2.3 The process of preparing the governance statement should itself add value to the corporate governance and internal controls framework of the Council.
- 2.4 A governance statement should include the following information:
- an acknowledgement of responsibility for ensuring there is a sound system of governance (incorporating the system of internal control)
 - an indication of the level of assurance that the systems and processes that comprise the Council's governance arrangements can provide
 - a brief description of the key elements of the governance framework, including reference to group activities where those activities are significant.

- a brief description of the process that had been applied in maintaining and reviewing the effectiveness of the governance arrangements, including some comment on the role of:
 - ◇ the Council
 - ◇ the Executive
 - ◇ the Audit Committee/ overview and scrutiny function/ Standards Committee
 - ◇ Internal Audit
 - ◇ other explicit review/ assurance mechanisms.
- an outline of the actions taken, or proposed, to deal with significant governance issues.

2.5 It is important to recognise that the governance statement covers all significant corporate systems, processes and controls, spanning the whole range of the Council's activities, including in particular those designed to ensure that:

- the authority's policies are implemented in practice.
- high quality services are delivered efficiently and effectively.
- the authority's values and ethical standards are met.
- laws and regulations are complied with.
- required processes are adhered to.
- financial statements and other published performance information are accurate and reliable.
- human, financial, environmental and other resources are managed efficiently and effectively.

2.6 Grant Thornton, the Council's External Auditors, have previously highlighted that to add real value the Annual Governance Statement should:

- have greater status within the council's management and reporting processes as the key document that records the planned and obtained assurances around the achievement of the vision and strategic objectives.
- be owned from the top and used to plan and monitor internal and external assurance gathering throughout the year.
- be fundamentally reviewed each year so that it highlights what is significant and excludes what is not.
- have only significant weaknesses recorded with SMART action planning.
- provide a robust, transparent and honest assessment of the year's governance framework.

- 2.7 Those areas of the Annual Governance Statement that are considered to be static have been added to the Constitution as Part 8. The statement outlines the Governance Framework through the six core principles published by CIPFA.
- 2.8 In order to add real value to the Annual Governance Statement officers have considered the current Annual Governance Statement Action Plan, External and Internal Audit reports, Risk registers, Ombudsman reports, 3 C's reports, National Fraud Initiative reports and the Annual Report.
- 2.9 The Audit Committee has monitored the 2013/2014 Annual Governance Statement Action Plan throughout the year. At the Audit Committee on 16 July 2014, it was reported that seven significant governance issues remained outstanding and showed their status as "Amber". All these issues are considered to remain significant and have been carried forward to this year's Action Plan with target dates updated to reflect any changes of circumstances.
- 2.10 Any items that are considered to be significant governance issues that have come to light in the past year have been discussed by the Monitoring Officer, the Chief Finance Officer and the Manager of Corporate Risk and an Annual Governance Statement and 2014/2015 Action Plan that identifies required enhancements to internal control arrangements has been drawn up.
- 2.11 The following new issues have been identified and added to the Action Plan:
- Implementation of the Investment Strategy.
 - Development of a District Plan.
 - The effectiveness of the delivery of the Here to Help programme.
 - Increased levels of demand for our services.
- 2.12 The static part of the Annual Governance Statement can be found at **Essential Reference Paper 'B'**. This document shows tracked changes made to last year's statement. Changes have been made that update the Council's governance arrangements to ensure the current position is reflected.
- 2.13 The Annual Governance Statement Action Plan 2014/2015 can be found at **Essential Reference Paper 'C'**. The eleven issues identified will continue to be monitored through Corporate Management Team and Audit Committee.

2.14 These documents will be considered by Corporate Business Scrutiny Committee on 28 August 2014 and the Executive on 2 September 2014. Responsibility for approval of the Annual Governance Statement rests with the Audit Committee, as part of the approval of the Annual Accounts. The results of on-going consultations will be reported verbally to each Committee as part of the process.

3.0 Implications/Consultations

3.1 Consultation documents were sent to the Leader and Executive Members, Chairmen of Committees, Directors and senior managers, the Shared Internal Audit Service and External Audit. Corporate Management Team considered the Annual Governance Statement and Action Plan on 12 August 2014.

3.2 The Annual Governance Statement and Action Plan will be considered by Corporate Business Scrutiny Committee and the Executive, prior to approval by Audit Committee.

3.3 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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IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives	<p><i>People – Fair and accessible services for those that use them and opportunities for everyone to contribute</i></p> <p>This priority focuses on delivering strong services and seeking to enhance the quality of life, health and wellbeing, particularly for those who are vulnerable.</p> <p><i>Place – Safe and Clean</i></p> <p>This priority focuses on sustainability, the built environment and ensuring our towns and villages are safe and clean.</p> <p><i>Prosperity – Improving the economic and social opportunities available to our communities</i></p> <p>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:	Consultation has taken place with Councillors, Senior Management, Internal and External Audit.
Legal:	There are no additional legal implications to those already contained in this report.
Financial:	There are no additional financial implications to those already contained in this report.
Human Resource:	There are no additional human resources implications to those already contained in this report.
Risk Management:	There are no additional risk management implications to those already contained in this report
Health and wellbeing – issues and impacts:	There are no additional health and wellbeing implications to those already contained in this report.

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ANNUAL GOVERNANCE STATEMENT

20132/20134 AND ACTION PLAN 20143/20154

Scope of responsibility

East Hertfordshire District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, including arrangements for the management of risk.

The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010).

The Council has approved and adopted a local code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government' (CIPFA 2007).

This statement explains how the Council has complied with the code and also how it meets the requirements of regulation 4 of the Accounts and Audit (England) Regulations 2011 that requires authorities to carry out an annual review of the effectiveness of its system of internal control.

The purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and by which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. Controls cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify risks to the achievement of the council's policies, aims and objectives. It evaluates the likelihood of those risks being realised and the impact should they be realised, and it prioritises and manages them efficiently, effectively and economically.

The Governance Framework

The Council's governance framework derives from the six core principles identified by the Independent Commission on Good Governance in Public Services – a commission set up by the Chartered Institute of Public Finance and Accountancy (CIPFA), and the Office for Public Management. The Commission used work done by, amongst others, Cadbury (1992), Nolan (1995) and CIPFA/SOLACE (2001). These principles were adapted for application to local authorities and published by CIPFA in 2007.

The six core principles are:

- a. focusing on the purpose of the Council and on outcomes for the community and creating and implementing a vision for the local area;
- b. Members and officers working together to achieve a common purpose with clearly defined functions and roles;
- c. promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour;

- d. taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
- e. developing the capacity and capability of Members and officers to be effective; and
- f. engaging with local people and other stakeholders to ensure robust public accountability.

The key elements of East Herts Council's application of each of these core principles are as follows:

a) Focusing on the purpose of the Council and on outcomes for the community and creating and implementing a vision for the local area

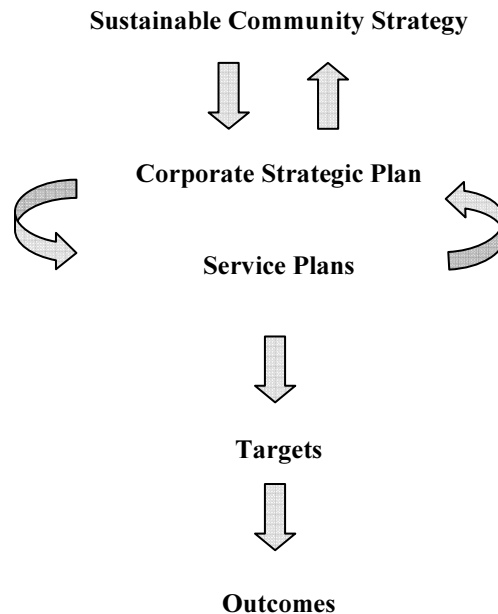
The Sustainable Community Strategy outlines the vision, aims and priority themes for the district. It was produced in conjunction with the East Hertfordshire Local Strategic Partnership, which brings together all relevant stakeholders, including those that deliver services in the area.

The Council's aims and objectives are set out in the annually updated Corporate Strategic Plan. This sets out what the Council expects to deliver over the next four years and, in many cases, beyond this timeframe. The details of how the Council will get there are incorporated in the individual service plans. The Plan will be updated each year to include new service developments and to remove outcomes once they are achieved. The Plan sets the direction for the financial planning of the Council based on the Council's priorities.

The Executive receives the Medium Term Financial Strategy covering a four-year period, which is used to set initial parameters for the coming budget process to ensure that spending proposals are affordable and sustainable over the medium term.

The diagram below sets out the various links in the process of establishing and subsequently monitoring the achievement of the Council's ambitions. It shows the links between the Sustainable Community Strategy and Corporate Strategic Plan which then feed into, and are informed by, service plans, service targets and

individual employees via specific areas of responsibility allocated to them.



The Council has an effective performance management framework using a dedicated IT system to record and report performance. The system is driven by the Service Plans which focus on activities that will deliver the Council's ambitions and priorities. This is cascaded through individual employee appraisals.

This process monitors how the Council is meeting its performance targets and triggers corrective actions where targets are proving challenging, through the Corporate Healthcheck report and Service Plan monitoring reports.

The Council's Executive and its Scrutiny Committees monitor and scrutinise progress against targets and performance in priority areas affecting relevant service areas, and consider and approve corrective action where necessary. For ease of interpretation performance graphs are reported. There are reports which include the results of monthly and quarterly budget monitoring reports covering the revenue expenditure, capital projects, key performance indicators and absence monitoring.

The monitoring process has enabled the Council to concentrate on areas which require particular attention.

The Council is therefore able to monitor all key measures on a monthly basis and respond quickly and effectively to changes at an early stage.

The Council maintains an objective and professional relationship with external auditors and statutory inspectors, as evidenced by the Annual Audit Letter.

| Through reviews by external auditors, external agencies, [the](#) Shared Internal Audit Service (SIAS) and internal review teams, the Council constantly seeks ways of securing continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness in the use of resources. The Council has regularly reviewed Financial Regulations and has adopted Procurement Regulations to ensure proper arrangements are in place for procurement of goods and services.

All budget cost centres are allocated to a named post holder, who is responsible for controlling spend against those budgets, and who is also responsible for maximising the benefits from assets used in the provision of their service.

b) Members and officers working together to achieve a common purpose with clearly defined functions and roles

The Council has adopted a constitution which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure these are efficient, transparent and accountable to local people.

The Council adopted the Leader and Cabinet Executive model. The main features are:

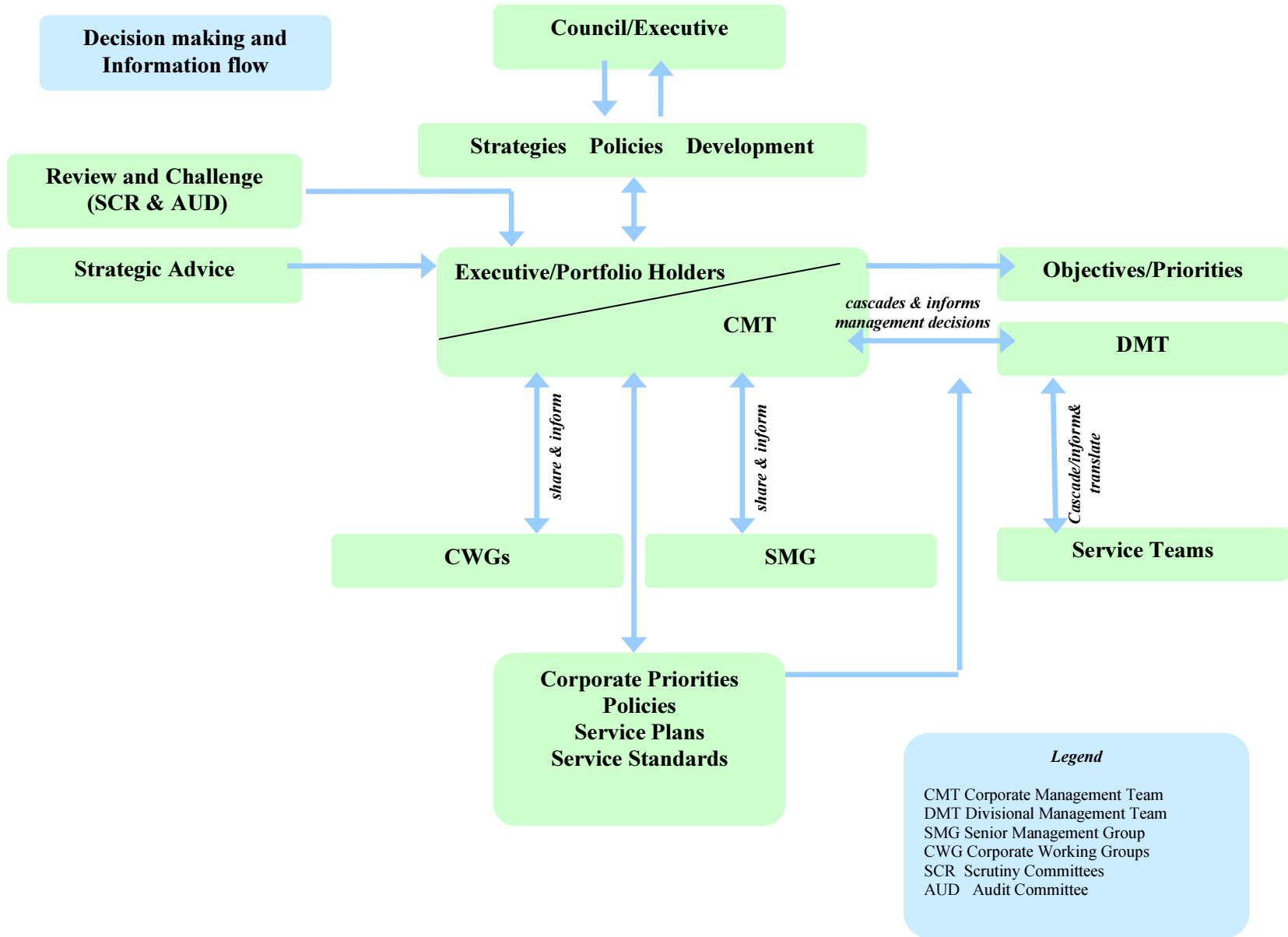
- The Council's Executive consists of a Leader and between two and nine other Councillors.

- The Leader is elected by full Council and will hold office in accordance with the Local Government and Public Involvement in Health Act 2007.
- The other Executive Members will be appointed by the Leader who will decide their portfolios and also which executive functions will be discharged by full Executive, any of its Committees or any individual Executive Member or officers.
- There are currently seven Councillors on the Executive.

The Council's Corporate Management Team (CMT) consisting of the Chief Executive and Director of Customer and Community Services, Directors and the Head of People and Property Services meets on a fortnightly basis to develop policy issues commensurate with the Council's aims, objectives and priorities. CMT also considers internal control issues, including risk management, performance management, compliances, efficiency and value for money, and financial management. Members of CMT meet with Portfolio Holders on a monthly basis to review progress in achieving the Council's ambitions, priorities for action, budget monitoring, performance management and forward planning for major issues. CMT has a corporate responsibility for the messages that the Council produces, both internally and externally.

Below CMT the management structure is well defined. The chart below indicates how decisions are implemented and cascaded:





The Council has adopted a number of codes and protocols that will govern both Member and officer activities. These are:

- Members' Code of Conduct
- Officers' Code of Conduct
- Members' Planning Code of Good Practice
- Member/Officer Relations Protocol

c) Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour

It is the function of the Monitoring Officer to ensure compliance with established policies, procedures, laws and regulations. After consulting the Chief Executive and Section 151 Officer he will report to the full Council if he considers that any proposal, decision or omission would give rise to unlawfulness or maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.

Under Section 5 of the Local Government and Housing Act 1989 it is the duty of the Council's Monitoring Officer to report to Council if it appears that the Authority, a Committee or Officer of the Authority has made a decision which is contrary to law.

The Council has responsibility for responding to Freedom of Information Requests (FOI) promptly and within 20 working days.

The Council has taken action to improve its speed of response to FOI's. An important element of that plan is to shift the Council from waiting for FOI requests to proactively reducing the need for individuals to request information by making a wider range of information more easily available through the Council's website.

The Council recognises that expenses of politicians have come under serious scrutiny. The current Members Allowances scheme is published in the Constitution.

All Council services are delivered by trained and experienced people. All posts have a detailed post profile and person specification. Training needs are identified through the Personal Development Review Scheme and addressed via the Human Resources service and/or individual services as appropriate.

The Council achieved re-accreditation for a further three years from April 2012 under the Investors in People Standard, which is a

quality framework to ensure that the Council's employees have the right knowledge, skills and motivation to work effectively.

The financial management of the Council is conducted in accordance with the Constitution and with Financial Regulations. The Director of Finance and Support Services is the statutory Chief Finance Officer in accordance with Section 151 of the Local Government Act 1972.

The Council has a Treasury Management Strategy Statement and Annual Investment Strategy in place. Investments are made in accordance with the Council's approved policy. All investment transactions and transfers undertaken in house are supported by appropriate documentation and are properly authorised. External fund managers are subject to strict regulation by the FSA. The Portfolio holder and the Leader of the Council receive regular updates from the Director of Finance and Support Services. The Chairman of the Audit Committee is invited to participate in review meetings with Fund Managers.

The Council ~~shares~~ utilises an Internal Audit ~~service~~ Service delivered under a shared partnership with seven other Councils. This service operates to the standards set out in the CIPFA Public Sector Internal Audit Standards which came into effect on 1 April 2013. An Anti-Fraud and Anti-Corruption Strategy and a Disclosure (Whistleblowing) Code are in place. A Whistleblowing hotline and email facility operates and has been well publicised. Each year all staff are required to complete Annual Declaration forms. The Council has adopted a policy on bribery. The Council does not tolerate bribery committed by Council employees or its contractors or partners and will take consistent and swift action against those persons committing bribery.

Individual services have produced Service Plans that are updated each year so that services know what they are required to do to achieve the Council's priorities and ambitions.

At individual employee level the Council has established a Personal Development Review Scheme so as to jointly agree individual employee objectives and identify training and development needs. The Scheme provides for a mid-year review as well as an annual appraisal at which past performance is reviewed.

d) Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

The Council has several committees which carry out regulatory or scrutiny functions. These are:

- Overview and Scrutiny committees (Corporate Business Scrutiny, Community Scrutiny and Environment Scrutiny) review and/or scrutinise decisions made or actions taken in connection with the discharge of any of the Council's functions, developing the capacity and capability of members and officers to be effective.
- Audit Committee provides assurance about the adequacy of internal controls, financial accounting and reporting arrangements, and that effective risk management is in place. Its work is intended to enhance public trust in the corporate and financial governance of the Council;
- Development ~~ManagementControl~~ Committee determines planning applications and related matters;
- Licensing Committee monitors and reviews the effectiveness of the Council's licensing policy and procedures;
- The Human Resources Committee's functions relate to all aspects of the Council's role as an employer. This includes the monitoring and strategic overview of Human Resources activities.
- Standards Committee promotes and maintains high standards of conduct for the Council's Members, and advises and assists Parish Councils and Councillors to maintain high standards of conduct;

The Council has data protection policies, a Data Protection Action Plan and a data sharing protocol in place to ensure that personal data is maintained securely and used correctly. There is a Data Protection Compliance Governance Framework which involves the Corporate Business Scrutiny Committee in the governance structure. The Committee will take a strategic oversight of the completion of the Data Protection Action Plan and Data Protection compliance through a formal annual report. Data Protection risk assessment is also part of the service planning process.

The Risk Management Strategy defines risk management, explains the benefits of a strategic approach, outlines how it will be implemented, identifies roles and responsibilities and formalises the process. The Strategy sets out the links between risk management, emergency planning and business continuity. It

recognises that risk management is a key part of the management of projects and partnerships.

The Strategy highlights how risk management supports strategic planning, financial planning, policy making and review and performance management.

The Corporate Management Team is responsible for ensuring that the key risks on the strategic risk register are managed. Strategic and service risk registers are reviewed ~~quarterly~~four times a year. Risks will be amended so that they reflect the current situation, obsolete risks deleted and new risks added. This will ensure that the risk register and the resulting risk mitigation measures are appropriate for corporate objectives and services.

Members have received risk management training.

The Council also has a Partnership Protocol in place.

The Council is represented on the Joint Committee and the Joint Management Board following the introduction of a shared Revenues and Benefits service with Stevenage Borough Council.

A shared service partnership with Stevenage Borough Council to deliver ICT, Business Improvement, Print and Design services came into operation on 1 August 2013. A Partnership Board with Director representation is responsible for making the key decisions about the way that the partnership operates.

The Shared Internal Audit Service (SIAS) is a partnership of eight Hertfordshire Authorities. The Council is represented on the Board that provides strategic direction and oversight for the partnership. The Manager of Corporate Risk is the Audit Champion for the Council and has monitoring meetings every two months with the Director of Finance and Support Services and SIAS managers. Progress reports are submitted to four Audit Committee meetings per year.

The Council is one of four partners in the Hertfordshire CCTV Partnership. ~~Approval has been given for the incorporation of Aa~~ new company to conduct the commercial trading affairs of the Hertfordshire CCTV Partnership has been created.

e) Developing the capacity and capability of Members and officers to be effective

The Council plans and provides training for members in carrying out their roles effectively including their responsibilities for governance, challenge, scrutiny and review. The Council holds accreditation for the Charter for Member Development.

The Council's vision is to empower Members to be more self sufficient, confident in their community leadership roles and responsive to local issues, problems and challenges in a variety of ways by drawing on existing skills, knowledge, strength, resources and expertise from within. This vision is being taken forward through a comprehensive Member Development programme overseen by a Members' Development Charter Group. A key aspect of peer- peer support for local problem solving is the use of Action Learning Sets.

The Council is taking forward the concept of 'Here to Help' which is an organisational development activity which has been developed in-house to allow managers and staff to contribute to the development of the Council's performance, values and behaviours. The purpose of 'Here to Help' is celebrating what is good, sharing good practice, making things better and unlocking barriers to better working. It is about giving employees greater opportunity to think about improvements to their ways of working together to deliver a high quality customer experience every time. ~~This includes outlining the stages by which it will be implemented. It will be shaped around the needs and demands of individual services. IT should be a significant enabler of this future approach.~~

The Council has an infrastructure in place to support members' needs in respect of ICT requirements and the Council's Democratic Services team provide advice and assistance.

Protocols have been adopted to ensure clarity of the respective roles of officers and members.

The Council's recruitment process is designed to ensure only well qualified applicants are employed and the subsequent induction process is robust so that employees are effective. The Performance Development Review process ensures individual contributions are effective in meeting corporate priorities and capability issues addressed by training. Internal communications methods and processes are reviewed to ensure staff remain well informed and their feed back is responded to. A biennial staff survey leads to action plans to improve effectiveness.

The Council reviews its organisation and capacity as part of its annual service planning to ensure its staffing is commensurate in both quantitative and qualitative terms with its business plans. The Council is committed to taking forward the shared services agenda which will ensure more effective use of scarce skills by sharing across boundaries.

The Council's HR People Strategy seeks to ensure its pay and terms and conditions are adequate to attract and retain sufficient staff and to encourage staff to invest in their own development.

The Council seeks to maintain effective employee relations to enable a high standard of service to the public to be maintained. Staff are fully consulted on proposed changes to terms and conditions. The Council engages with the trade union and staff to manage issues arising from pay settlements and changes to the organisation including the Local Joint Panel and the Human Resources Committee. The Council also utilises Staff Surveys.

Use is made of the Intranet to provide staff with ready access to learning material and best practice via a series of tool kits.

f) Engaging with local people and other stakeholders to ensure robust public accountability.

The Council encourages all members of the local communities to contribute to, and participate in, the work of the Council. The Council achieves this through Residents' Surveys and follow-up focus groups~~budget consultation exercises, to ensure that what it is doing meets the needs of its residents. In 2012/ 2013 informal budget consultation took place with businesses.~~ Engagement events around specific issues will be considered where they provide a proportionate and cost effective model for engagement.

The Council's Communications Strategy has identified a need to engage more through social media and reconfirmed the use of the LINK magazine quarterly as a communications and engagement tool.

Individual members are active in their localities and with local groups and serve on a number of external bodies.

The Hertfordshire County LSP and the East Herts District LSP are forums for active engagement with wider stakeholders and a mutual holding to account in delivering the Community

Strategies~~Plans.~~

The Council publishes an Annual Report setting out progress on its priorities in the prior year. An Annual Report on Overview and Scrutiny is also presented to Council and published every year.

There is a strategic approach to consultation to ensure the information returned is reliable – the Council has adopted a Consultation Toolkit setting out best practice.

The Council's web site is under constant review to ensure it is of a good standard and that information is easily accessed. A consultation section has been introduced so members of the public can easily access open consultations and information on closed consultations.

The Council manages freedom of information requests effectively to ensure transparency including the corporate governance arrangements. Information is made available on the website to reduce the need for requests. The Council has procedures in place to engage with members of the public to receive Comments, Compliments and Complaints. The Local Government Ombudsman reported on complaints made about the authority for the year ended 31 March 2014⁴³ that there were no concerns about response times and no issues arising from complaints.

As part of the Council's drive to increase the transparency of its spending, the Council publishes all payments on a weekly basis as opposed to the Government's expectation that spend over £500 is detailed.

The Council has approved a Pay Policy Statement as required under section 38 of the Localism Act. The statement follows three principles when publishing data; responding to public demand; releasing data in open formats available for re-use; and releasing data in a timely way.

Review of Effectiveness

This statement explains the Council's overall governance arrangements. Each year, the Council reviews its governance framework including the system of internal control. The Council produces and monitors an Action Plan each year. The process is detailed below:

- All Directors, Heads of Service, Members of the Executive and Chairmen of Committees given the opportunity to make contributions.
- Consideration by the Audit Committee.
- Production of a draft Annual Governance Statement.
- Consideration by Corporate Management Team
- Consideration by the Corporate Business Scrutiny Committee.
- Consideration by the Executive
- Approval by the Audit Committee.

The review of effectiveness is informed by the work of the Directors within the Council who have responsibility for the development and maintenance of the governance environment, the reports by the SIAS and also by comments made by the Council's External Auditors and other review agencies and inspectorates.

The process that has been applied in maintaining and reviewing the effectiveness of the governance framework includes:

The Monitoring Officer has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect. The Council reviews the Constitution annually to incorporate any necessary changes.

The Council has three overview and scrutiny committees. The committees can establish 'task and finish' groups, which can look at particular issues in depth, taking evidence from internal and external sources, before making recommendations to their 'parent' Scrutiny Committee and on to the Executive. Four Members can "call-in" a decision which has been made by the Executive but not yet implemented, to enable it to consider whether the decision is appropriate. In addition the Corporate Business Scrutiny Committee can exercise its scrutiny role in respect of Executive functions, Scrutiny Committees will conduct regular performance monitoring of all services, with particular attention to areas identified as under-performing.

The Council complies with the Regulation of Investigatory Powers Act (RIPA) 2000:

The Audit Committee

Seven Councillors sit on the Audit Committee. The Committee's terms of reference are detailed below:

Audit Activity

1. To consider the Head of Internal Audit's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements.
2. To consider summaries of specific Internal Audit reports as requested.
3. To consider reports dealing with the management and performance of the providers of Internal Audit services.
4. To consider reports from Internal Audit on agreed recommendations not implemented within a reasonable timescale.
5. To consider the External Auditor's annual letter, relevant reports and the report to those charged with governance.
6. To consider specific reports as agreed with the External Auditor.
7. To comment on the scope and depth of external audit work and to ensure it gives value for money.
8. To liaise with the Audit Commission over the appointment of the Council's External Auditor.
9. To commission work from internal and external audit.

Regulatory Framework

10. To maintain an overview of the Council's Constitution in respect of rules of procedure relating to contracts, financial regulations and financial procedures and codes of conduct and behaviour.
11. To review any issue referred to it by the Chief Executive or a Director or any Council body.
12. To monitor the effective development and operation of risk management and corporate governance in the Council.
13. To monitor Council policies on "Confidential Reporting" and the anti-fraud and anti-corruption strategy and the Council's complaints process.

14. To oversee the production of the Authority's Annual Governance Statement and to recommend its adoption.
15. To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.
16. To consider the Council's compliance with its own and other published standards and controls.
17. To review arrangements for delivering value for money.
18. To review the Council's finances including borrowing, loans, debts investments and banking arrangements.

Accounts

- To approve the annual statement of accounts. Specifically to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
- To consider the External Auditors' report to those charged with governance on issues arising from the audit of the accounts.

The Audit Committee's work programme and the minutes of its meetings are public documents and are published on the Council's web site.

The Shared Internal Audit Service (SIAS) has responsibility for delivery of the Internal Audit Plan at the Council. The SIAS also delivers a service to Hertfordshire County Council, Hertsmere Borough Council, North Hertfordshire District Council, Stevenage Borough Council, Welwyn Hatfield Borough Council, [Welwyn Hatfield Community Housing Trust](#), Watford Borough Council and Three Rivers District Council. The three main drivers for this partnership are seen as providing greater resilience, higher levels of performance and greater efficiencies.

The SIAS is responsible for monitoring the quality and effectiveness of systems of internal control. A risk model is used to formulate an annual audit plan. A model for assessing risk against desirability of audit work is used across SIAS and allows for the prioritisation of potential audit projects. Future risks are identified as appropriate and a forward plan for future audit work is in operation.

The reporting process for SIAS requires a report of each audit to be submitted to the relevant chief officer and service manager. The report includes recommendations for improvements that are included within an action plan (and graded as high, medium or merits attention). This requires agreement or rejection by relevant chief officer and/or service manager. The process includes follow-up reviews of high priority recommendations by SIAS and reports to the Audit Committee as part of the SIAS update report. The Audit Champion monitors all other recommendations and reports progress to Corporate Management Team on a quarterly basis~~which are also followed up by SIAS at the time of their next audit~~. All SIAS reports include an opinion on the quality and effectiveness of internal control within the Council's systems, and an assurance assessment.

All final versions of SIAS reports are circulated to members of the Audit Committee. All reports for the key financial systems audits are also sent to the Council's External Auditors who place reliance on the work carried out by SIAS. In order to comply with the requirements of the Public Sector Internal Audit Standards, SIAS will be required to have an independent external review of performance at least every five years.

For performance management, a traffic light monitoring and reporting system is in place. Performance data is reported to the Scrutiny committees on a frequent basis, with corrective action plans put in place for any under-performing areas.

Significant governance issues are reviewed each year and required enhancements to internal control arrangements are identified. These required enhancements form an Action Plan that is monitored through the Audit Committee.

The Annual Governance Statement is certificated by the Council Leader and the Head of Paid Service.

Further copies of this Statement and the Action Plan are available within the Annual Statement of Accounts on the Council's website www.eastherts.gov.uk; alternatively paper copies can be obtained from:

East Hertfordshire District Council
Manager of Corporate Risk
Wallfields
Pegs Lane,



ACTION PLAN 2014/15

Significant governance issues

The following required enhancements to internal control arrangements were identified during 2013/14 as a result of the review of arrangements and by the work of external and internal audit:

Required enhancements to internal control arrangements:

Issue	Resp. Off.	Initial Target Date	Actions needed to achieve milestone
Risk of failure to deliver an effective, efficient and economic IT service (from 2010/11 Action Plan)	Director of Finance and Support Services/ Head of <u>Business and Technology Services</u> ICT	March <u>October</u> 2014	<ul style="list-style-type: none">• All outstanding high risk IT audit recommendations implemented.• Resilient IT business continuity arrangements in place.
IT Risk Diagnostic (Highlighted by SIAS during 2012/13)	CMT	March <u>October</u> 2014	<ul style="list-style-type: none">• Develop an IT strategy which is aligned with the business objectives of the Council and sets out the vision and core priorities for ICT over the next 3 years.• Implement a governance committee to focus on strategic decision making and prioritisation within IT and assign the monitoring of ICT delivery to more operational committees. Actioned• Define performance indicators for ICT which are aligned with the business need and with

			ICT capacity to deliver. On a periodic basis, monitor and report them to business stakeholders. Actioned
Hertford Theatre future governance arrangements (from 2011/12 Action Plan)	CMT	March <u>October</u> 2014	<ul style="list-style-type: none"> Review to identify options for alternative governance models and the financial implications of adopting any of those models. Options to be developed to consider financial and other risks during a period of transition.
Asset Management Plan {formerly- Pro-actively seek opportunities to improve performance Plan} (from 2012/13 Action Plan)	CMT	March <u>Dec</u> 2014	<ul style="list-style-type: none"> Review assets held by the Council.
Impact of Welfare Reform changes (Identified as <u>a new</u> <u>2013/14</u> strategic risk)	CMT	March 201 <u>5</u> <u>4</u>	<ul style="list-style-type: none"> New Legislation will have an adverse financial impact on a significant number of residents. Provide residents more support for services across the Council to staffing levels, manage the budget and the public expectations. Implement Council policies effectively.
Operating effectively in <u>Revenues</u>	CMT	March <u>Dec</u> 2014	<ul style="list-style-type: none"> Complete a review of the operation of all shared service

<u>and Benefits and Business and Technology</u> Shared Services (taken forward from 2012/13 Action Plan)			partnership arrangements
Risk that S106 Monies remain unspent (Highlighted by SIAS during 2012/13)	Head of Comms, Engagement and Cultural Services/ Head of Planning and Building Control	March <u>Dec</u> 2014	<ul style="list-style-type: none"> Ensure that funds are spent on appropriate schemes in accordance with the terms of the Section 106 agreement which provide value for money for the community.
<u>Implementat'n of the Investment Strategy with sufficient levels of governance and due diligence (Identified as a new strategic risk)</u>	<u>CMT</u>	<u>March 2015</u>	<ul style="list-style-type: none"> <u>Find the optimum position of balancing risk and return and having financial strength to contribute to the local economy.</u>
<u>Development of a District Plan that is approved by the planning inspectorate. (Identified as a new strategic risk)</u>	<u>CMT</u>	<u>March 2015</u>	<ul style="list-style-type: none"> <u>Plan to be agreed within required timeframe.</u>
<u>The effectiveness of the delivery of the Here to Help programme (Identified as</u>	<u>CMT</u>	<u>March 2015</u>	<ul style="list-style-type: none"> <u>Ensuring challenges are met, particularly staff engagement, communications and adequate resources.</u>

<u>a new strategic risk)</u>			
<u>Increased levels of demand for our services. (Identified as a new strategic risk)</u>	<u>CMT</u>	<u>March 2015</u>	<ul style="list-style-type: none"> • <u>Demonstrate ability to adequately manage increased volume of contact from the public.</u> • <u>Demonstrate improvements, removal of barriers and increased capacity.</u>

We propose to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Certification by the Leader of the Council and the Head of Paid Service:

Signed.....Dated.....

**Councillor A P Jackson
Leader of the Council**

Signed.....Dated.....

**George A Robertson
Chief Executive and Director of Customer and Community Services**

ESSENTIAL REFERENCE PAPER 'C'

ACTION PLAN 2014/15

Significant governance issues

The following required enhancements to internal control arrangements were identified during 2013/14 as a result of the review of arrangements and by the work of external and internal audit:

Required enhancements to internal control arrangements:

Issue	Resp. Off.	Initial Target Date	Actions needed to achieve milestone
Risk of failure to deliver an effective, efficient and economic IT service (from 2010/11 Action Plan)	Director of Finance and Support Services/ Head of Business and Technology Services	October 2014	<ul style="list-style-type: none">• All outstanding high risk IT audit recommendations implemented.• Resilient IT business continuity arrangements in place.
IT Risk Diagnostic (Highlighted by SIAS during 2012/13)	CMT	October 2014	<ul style="list-style-type: none">• Develop an IT strategy which is aligned with the business objectives of the Council and sets out the vision and core priorities for ICT over the next 3 years.
Hertford Theatre future governance arrangements (from 2011/12 Action Plan)	CMT	October 2014	<ul style="list-style-type: none">• Review to identify options for alternative governance models and the financial implications of adopting those models.
Asset Management Plan {formerly- Pro-actively seek opportunities	CMT	Dec 2014	<ul style="list-style-type: none">• Review assets held by the Council.

to improve performance Plan} (from 2012/13 Action Plan)			
Impact of Welfare Reform changes (2013/14 strategic risk)	CMT	March 2015	<ul style="list-style-type: none"> New Legislation will have an adverse financial impact on a significant number of residents. Provide residents more support for services across the Council to staffing levels, manage the budget and the public expectations. Implement Council policies effectively.
Operating effectively in Revenues and Benefits and Business and Technology Shared Services (taken forward from 2012/13 Action Plan)	CMT	Dec 2014	<ul style="list-style-type: none"> Complete a review of the operation of all shared service partnership arrangements
Risk that S106 Monies remain unspent (Highlighted by SIAS during 2012/13)	Head of Comms, Engagement and Cultural Services/ Head of Planning and Building Control	Dec 2014	<ul style="list-style-type: none"> Ensure that funds are spent on appropriate schemes in accordance with the terms of the Section 106 agreement which provide value for money for the community.
Implementat'n of the Investment Strategy with sufficient levels of governance	CMT	March 2015	<ul style="list-style-type: none"> Find the optimum position of balancing risk and return and having financial strength to contribute to the local economy.

and due diligence (Identified as a new strategic risk)			
Development of a District Plan that is acceptable to the community and the planning inspectorate. (Identified as a new strategic risk)	CMT	March 2015	<ul style="list-style-type: none"> Plan to be agreed within required timeframe.
The effectiveness of the delivery of the Here to Help programme (Identified as a new strategic risk)	CMT	March 2015	<ul style="list-style-type: none"> Ensuring challenges are met, particularly staff engagement, communications and adequate resources.
Increased levels of demand for our services. (Identified as a new strategic risk)	CMT	March 2015	<ul style="list-style-type: none"> Demonstrate ability to adequately manage increased volume of contact from the public. Demonstrate improvements, removal of barriers and increased capacity.

We propose to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Certification by the Leader of the Council and the Head of Paid Service:

Signed.....Dated.....

**Councillor A P Jackson
Leader of the Council**

Signed.....Dated.....

**George A Robertson
Chief Executive and Director of Customer and Community
Services**

EAST HERTS COUNCIL

EXECUTIVE - 2 SEPTEMBER 2014

REPORT BY EXECUTIVE MEMBER FOR HEALTH, HOUSING AND COMMUNITY SUPPORT

PUBLIC HEALTH OFFER TO DISTRICTS AND BOROUGHES IN HERTFORDSHIRE 2014-16

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To consider the offer from Hertfordshire County Council to provide funding to deliver public health outcomes and projects.

<u>RECOMMENDATIONS FOR THE EXECUTIVE : That:</u>	
(A)	the proposed structure for the selection of projects for the delivery of public health outcomes funded by the offer from Hertfordshire County Council, be approved;
(B)	the Director of Neighbourhood Services be authorised to sign the memorandum of understanding between the County Council and East Herts Council; and
(C)	the project board consisting of the Executive Member for Health, Housing and Community Support, the Director of Neighbourhood Services and the Environmental Health Promotion Officer to evaluate and approve proposals, be approved.

1.0 Background

- 1.1. Councillor Teresa Heritage, Executive Member Public Health and Localism for Hertfordshire County Council has written to all the District and Borough Councils in Hertfordshire offering funding for 2014-15 and 2015-16 of £100,000 per annum. Funding will be dependent on delivery of outcomes or projects which have been agreed.

- 1.2. The offer of £100,000 is to deliver mutually agreed public health priorities which reflect the needs of the population as reflected in the Joint Strategic Needs Assessment (<http://jsna.hertsllis.org/>) and local health profiles (<http://www.healthprofiles.info/>). This will help both Councils to deliver their shared public health obligations and the ambitions in the Hertfordshire Public Health Strategy and the East Herts Health and Wellbeing Strategy.
- 1.3. There will be a memorandum of understanding which will set out what the money will be spent on and explain how performance is monitored. Performance monitoring will be through the Council's Health and Wellbeing Panel. Performance will be reported to the Director of Public Health.

2.0 Report

- 2.1. In considering how best to use the £200,000, the Council is keen to support a balance between some quick delivery wins, longer-term legacy projects and building community empowerment. To this end, the following aspects have been focused on:
 1. Mainstreaming public health
 2. National Health Leadership role
 3. Delivery of positive health outcomes
- 2.2. When selecting suitable projects emphasis will be placed on the following:
 1. Improving the quality of life for residents in East Herts, particularly those who are more disadvantaged
 2. Support residents who are in a good place already, to enable continued healthy eating, keeping well, reduce social isolation and to building social capital and cohesion.
 3. Projects which will lead to sustainable relationships with external partners to further the delivery of public health projects after the district offer has ended
- 2.3. Each project must be able to demonstrate:
 1. A clear evidence-based ill-health-prevention rationale

2. Effective ways of measuring the health outcomes which enable to Council to demonstrate health improvement and reduction of health inequalities
3. Its sustainability once the grant funding has ceased. This could be with the use of volunteers for better health or community enterprise type set up.

2.4. Evaluation and Selection of Projects

1. It is expected that project ideas could come from a multitude of people, both internal to the Council and external. It is therefore important that the Council follows a single route for the evaluation of each project.
2. It is proposed that a project board is established to evaluate each of the proposals to ensure they meet the criteria set out above.
3. The project board will consist of the Director of Neighbourhood Services, Environmental Health Promotions Officer and the Portfolio Holder for Health, Housing and Community Support.
4. The project board will consider whether there are other, more suitable, sources of funding other than the district offer. This might for example take the form the public health board or CCGs directly commissioning East Herts Council to provide health and wellbeing related services.
5. Project ideas must be submitted on the form provided. Some items for consideration are contained in Essential Reference Paper B. These officers will then review these proposals and decide if there is sufficient evidence to support the outcomes above.
6. The project leads will then be responsible for reporting progress to the project board so that the project board can provide feedback to members of the Health and Wellbeing Panel.

- 2.5. To help Members get a feel for the types of projects that may be considered, below are some examples of potential project outlines

1. Increased integration and optimising delivery through the Council's Leisure Services, Community Safety and Health Services and other Council Departments supporting public health delivery, including exploring chair based exercise and singing approaches linked particularly to wellbeing in dementia and building social connectedness.
2. Sustained alcohol recovery support through the Hertfordshire County Council Commissioned Services run by CRI (Crime Reduction Initiative) and other alcohol recovery service providers. There is a need to support healthy lifestyle intervention and enable employment opportunities as work and health go together as important health determinants.
3. Showcasing the work of the Council and partners in successful delivery programmes and being an ambassador for public health through seminars and case studies.
4. Combining time banking and public health approaches in terms of delivery of sustainable public health outcomes.

3.0 Fund Details

1. The money can be carried over from one year to another, there is no requirement to spend in this financial year, but it must be spent by 31st March 2016.
2. The legal mechanism for use of the money is the County Council under agency powers (Local Government Act 1972) asking Districts/Boroughs to provide public health services
3. The money can be used to support project and infrastructure costs including staff time in delivering
4. There may be some additional monies for one off projects on a case by case basis if the Council has specific projects
5. The money for each District/Borough is in addition to Hertfordshire County Council's investment in Royal Society of Public Health accredited training for local authority or voluntary sector staff.
6. The money can be spent on revenue or capital
7. The primary criteria for priorities for the money are as follows
 - i. Priorities should be those which are relevant for the District/Borough as identified in either the "Tartan Rug" of

Health Indicators or Health Challenges for Hertfordshire or the JSNA or Hertfordshire Public Health Strategy or local Public Health Strategy (or its equivalent) and

- ii. Agreed with the Director of Public Health and
 - iii. Noted in the Memorandum of Understanding
8. Priorities can be revised/amended by simple agreement.
 9. The outcome and process measures for the projects should be agreed and monitored between the District/Borough and Director of Public Health.
 10. The support available from Hertfordshire County Council's Public Health team is set out in paragraph 4.3 below. Consultancy advice and support is available to help with the offer.
 11. The money could be recovered by Hertfordshire County Council if instructed by Department of Health if it is not spent wisely on public health in accordance with the public health priorities in the Hertfordshire Public Health Strategy or the East Herts Health and Wellbeing Strategy.
 12. Sharing projects and staff with other Councils is encouraged.
 13. County encourages the Council to work with voluntary sector and community agencies.
 14. District and Borough Councils have the same choice of how they get projects delivered that they have with anything else: they can make (do it themselves), share (do with partner) or buy (commission or grant aid).
 15. The continuation or provision of a small grants fund or small projects fund within the district's portfolio of work on the District Offer is up to the local area to decide on. Some districts are having a grants competition.
 16. The money can be used to bring in other monies (e.g. Sport England) through matched funding.

17. Projects can be designed so that the Clinical Commissioning Group (CCG) matched funding can be obtained.
18. Once the Memorandum of Understanding is signed by both parties the monies can be invoiced immediately.

4.0 Programme Management Infrastructure and process

4.1. County Council Infrastructure

- a. The Public Health Board will be used by the County Council as the main mechanism to monitor and run the district offer programme.
- b. A designated lead officer will account manage and co-ordinate the County Council's support for Districts.
- c. The County Council will provide time from its public health team to support Districts on technical advice, content, evidence etc.
- d. The County Council will provide from its public health analytical team support on setting indicators and outcomes and advice on evaluation.
- e. The Public Health analytical team will provide regular updates of the Public Health Outcomes Framework, updates of the tartan rug etc.

4.2. Governance

- a. The Public Health Board will be used by the County Council as the main mechanism for countywide governance.
- b. Each district can agree as stated above its governance and programme infrastructure to suit its needs.

4.3. Support to Districts on the Offer

- a. An information exchange, ideas and network group will be convened to enable lead officers to work together and share ideas.
- b. Practical Support to Districts on being able to deliver the offer takes the following forms:

- i. The designated lead officer will co-ordinate the offer from Public Health and will link Districts into topic leads within Public Health to give technical advice and assistance on projects
- ii. Consultancy support from external qualified and experienced consultants in public health/health improvement is being commissioned, free of costs to districts, and this can be accessed through the designated lead officer.
- iii. Technical assistance on setting indicators for monitoring progress and outcomes will be provided by the public health analytical team (along with regular updates on the public health outcomes framework and “Tartan Rug”) and this can be accessed through the designated lead officer.
- iv. The Director of Public Health will attend meetings to agree content of programmes wherever needed
- v. Training and support and access to evidence will be provided wherever possible. Districts should identify their needs to help deliver the programme
- vi. The County Council is willing to try to source anything districts feel they need not mentioned or already provided by way of assistance, advice and expertise

5.0 Governance and Monitoring

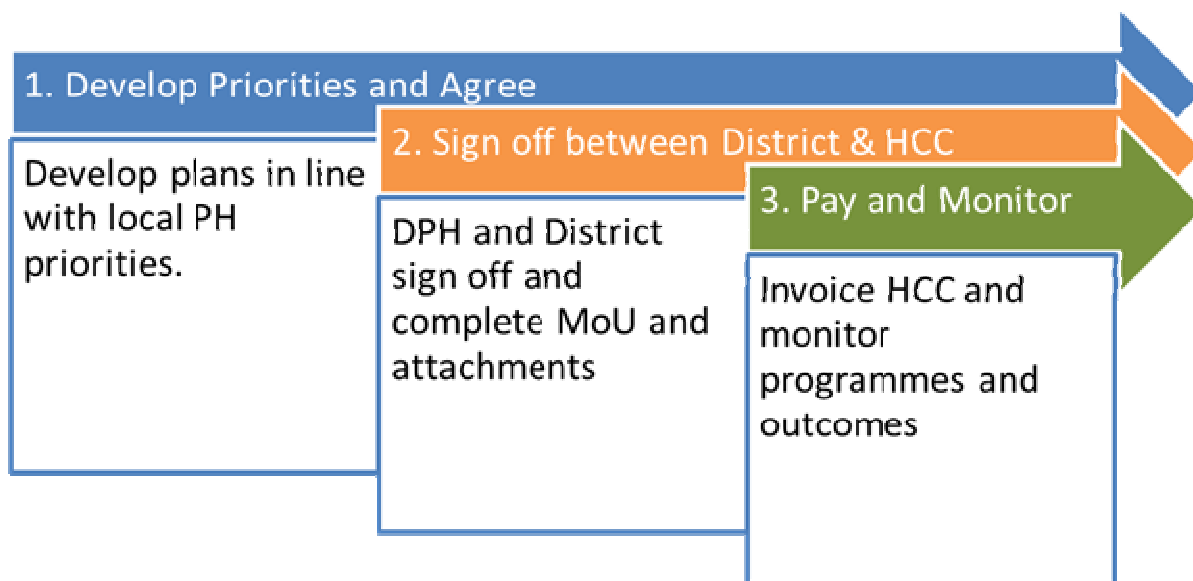
- 5.1. The County Council will take a light touch a process as possible to governance and decision making, so that each district can decide the best governance mechanism for them to adopt in relation to the money.
- 5.2. Reports will come from each District to the Public Health Board.
- 5.3. Which mechanisms the Districts use within the District is up to the District to suggest and agree within the Memorandum of Understanding.
- 5.4. The key criterion is that the District/Borough has a process for deciding on wise use of the money and accounting for its spend,

outputs and outcomes that works for the District. This mechanism should simply be mutually agreed, and stated in the Memorandum of Understanding.

- 5.5. There will be a simple suite of documents underpinning the process in each area:
 - a. An initial report to the Public Health Board once it has been through the District's own chosen governance process which contains
 - i. A signed Memorandum of Understanding between County and District to which will be attached
 - ii. A brief action plan on what the money will be used for, attached to the Memorandum of Understanding
 - iii. An outline of the performance monitoring (process, outputs, outcomes) chosen which can be the same document as the Action Plan
 - b. A performance monitor, quarterly, to the Public Health Board.
 - c. An annual simple certificate of what was spent, what is carried over for assurance purposes for the Department of Health which the County Council will ask for as part of monitoring and accounting for the grant
- 5.6. There are no set deadlines initially for these reports other than providing the annual certificate.
- 5.7. Monitoring performance will be done as realistically as possible. Ideally the Public Health Outcomes Framework will be used to monitor progress but it is recognised that this may take some time to shift. So outputs (activity numbers) and process or other outcomes will be mutually agreed between each District and the Director of Public Health which can be monitored. These can be refined and changed as time goes on by means of simply changing the action plan/ monitoring plan and exchange of emails/letters.

6.0 Process for Accessing the District Offer Monies

6.1. The following is the process for accessing the monies



7.0 Implications/Consultations

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

Background Papers

None

Contact Member: Councillor Linda Haysey- Portfolio Holder for Health, Housing and Community Support
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Report Author: Simon Drinkwater- Director of Neighbourhood Services

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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):	<i>People – Fair and accessible services for those that use them and opportunities for everyone to contribute</i> This priority focuses on delivering strong services and seeking to enhance the quality of life, health and wellbeing, particularly for those who are vulnerable.
Consultation:	There has been consultation with the County Council and relevant officers
Legal:	The District Council would be acting as agents for the County Council.
Financial:	The funding will be provided by the County Council on the terms set out in the report.
Human Resource:	There are no HR implications.
Risk Management:	The Council needs to identify suitable schemes to approve. Schemes may fail if they are not appropriate. Effective monitoring will be important.
Health and wellbeing – issues and impacts:	These are set out in the report.

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SCHEDULE 1 of 1 – PRIORITIES AND PERFORMANCE

ESSENTIAL REFERENCE PAPER ‘B’

Priority area for action by District Council	Desired deliverables	Desired Outcome	PHOF or JSNA section to be used to monitor progress	Funding Allocated	Frequency of monitoring	Notes and comments
1. Reducing smoking	<ul style="list-style-type: none"> Promote the Herts Healthy Homes concepts of Smokefree homes, Smokefree cars and use behaviour change approaches to support people to quit smoking, recognising the value of e-cigarette use in achieving this. 	<ul style="list-style-type: none"> Continued reduction in smoking levels and smoking related harm Acceptance of Smokefree living as usual way of life Increased number of people giving up smoking including young people 				
2. Promoting healthy eating and a healthy weight	<ul style="list-style-type: none"> Explore options for wider delivery and setup of up to 20 healthy eating courses (Meet and eat concept) across sheltered and private housing (using community venues) Explore options for set up and delivery 	<ul style="list-style-type: none"> More older people who are widowed cooking healthy meals for themselves Increased independence, building of support networks and reducing social isolation 				

	of 20 family based cooking courses working alongside East Herts Children's Centres utilising "Baking Beanes model" and Meet and Eat/Funky Food approaches	<ul style="list-style-type: none"> Families and young children eating more healthily, enabling a healthy sustained life across ages 				
3. Increasing physical activity	<p>Explore the following options for increasing physical activity uptake especially amongst those who are very inactive or only minimally active</p> <ul style="list-style-type: none"> Supporting Gardening community enterprises/organisations with such expertise to train young people and win contracts for grounds and garden maintenance, e.g. Herts Mind Network organisation and schemes such as Green Aiders Exploring the option for East Herts Parks and Private Parks to maximise the opportunity to increase physical activity levels 	<ul style="list-style-type: none"> Good health and wellbeing, physical activity and fitness alongside skills and job employment opportunities Increased physical activity levels and associated health benefits for individuals and communities 				

	<p>especially targeting those who are normally inactive and live in the immediate community</p> <ul style="list-style-type: none"> • Enable Health Walks support to be increased and expanded as a stepping stone to encourage inactive participants into an increased range of activities • Support the implementation of the CSAF, Community Sports Activation Fund to promote increased physical activity to the wider population with a key focus on the over 65's • Work with Active East Herts and local cycling groups to encourage increased cycling uptake, focusing on the inactive and utilising bike re-cycling and employment opportunities 	<ul style="list-style-type: none"> • Increased physical activity levels and associated health benefits for individuals and communities supporting sustained improvements in health outcomes • Increased physical activity levels and associated health benefits for individuals and communities supporting sustained improvements in health outcomes for targeted groups • Increase in cycling rates locally with a view to promoting sustainable travel, reducing congestion and improving air quality. 				
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4.	Awareness about alcohol and substance misuse	<ul style="list-style-type: none"> • Work with HCC and other partners in provision of Drug and Alcohol Lifestyle intervention and support to clients 	<ul style="list-style-type: none"> • Increased healthy lifestyle independence and supporting long term recovery 				
5.	Promoting mental health and emotional wellbeing	<ul style="list-style-type: none"> • In all projects seek to build social connections, reduce isolation, strengthen friendship and promote independent living • Look at building on Community health development through the use of time banking and other social empowerment models 	<ul style="list-style-type: none"> • Build community cohesion and resilience and improve health and wellbeing outcomes • Build community cohesion and resilience and improve health and wellbeing outcomes 				
6.	Learning about healthy living	<ul style="list-style-type: none"> • Recognise the pollution health impact of poor air quality and devise behavioural and practical solutions to addressing congestion and encouraging sustainable travel (links to cycling and infrastructure aspects) • Seek to develop and 	<ul style="list-style-type: none"> • Improved environmental and health outcomes, small behaviour changes resulting in reduced congestion, healthier modes of transport 				

	build upon Clinical Commissioning Group project approaches between the Council and likeminded partners to be innovative and address local population public health outcomes.	<ul style="list-style-type: none"> Addressing the public health needs of local residents in improved and efficient ways with a preventative focus, reducing ill health burden and promoting longer, healthier lives. 				
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Commissioning Sports and Physical Activity

East Herts Council - August 2014

Activities Commissioned	Provider	Target Group
Five leisure centres – public swimming, gyms, fitness studies, classes etc..	Sport and Leisure Management Ltd (Everyone Active) - Note 1	All ages
Cardiac rehabilitation (NHS referral Scheme)	Sport and Leisure Management Ltd (Everyone Active)	50+
Exercise Referral Scheme	Sport and Leisure Management Ltd	All ages

	(Everyone Active)	
'Forever Fit' (group exercise classes)	Sport and Leisure Management Ltd (Everyone Active)	50+
Hertfordshire Health Walks	Countryside Management Service (Herts CC)	Any age but primarily older population
Boot Camps	Regimental Fitness Ltd	All ages
Mass Fitness / Race events	Regimental Fitness Ltd	All ages
Age specific fitness classes, hi/low impact	Sport and Leisure Management Ltd (Everyone Active)	50+
Development of Community Youth Football, boys and girls	Bury Rangers Community Youth Football Club	All ages but primarily young people
Support for European Move week 2014,	Active East Herts (Community Sports Network) supported by a number of clubs and organisations including the CVS	All ages
'Ageing Well' activities to promote health and fitness in older people (e.g. swimming)	East Herts Council / Sports and Leisure Management Ltd	Older people, particularly 65+
Sports Development Grant (£21,000) funds a range of activities primarily for children and young people including East Herts Youth Games and East Herts Primary Schools Sports Event.	East Herts Council / East Herts Community Sports Network / Herts Sports Partnership	All ages but primarily young people
Parks and Open Spaces (Note 2) events and activities including:		

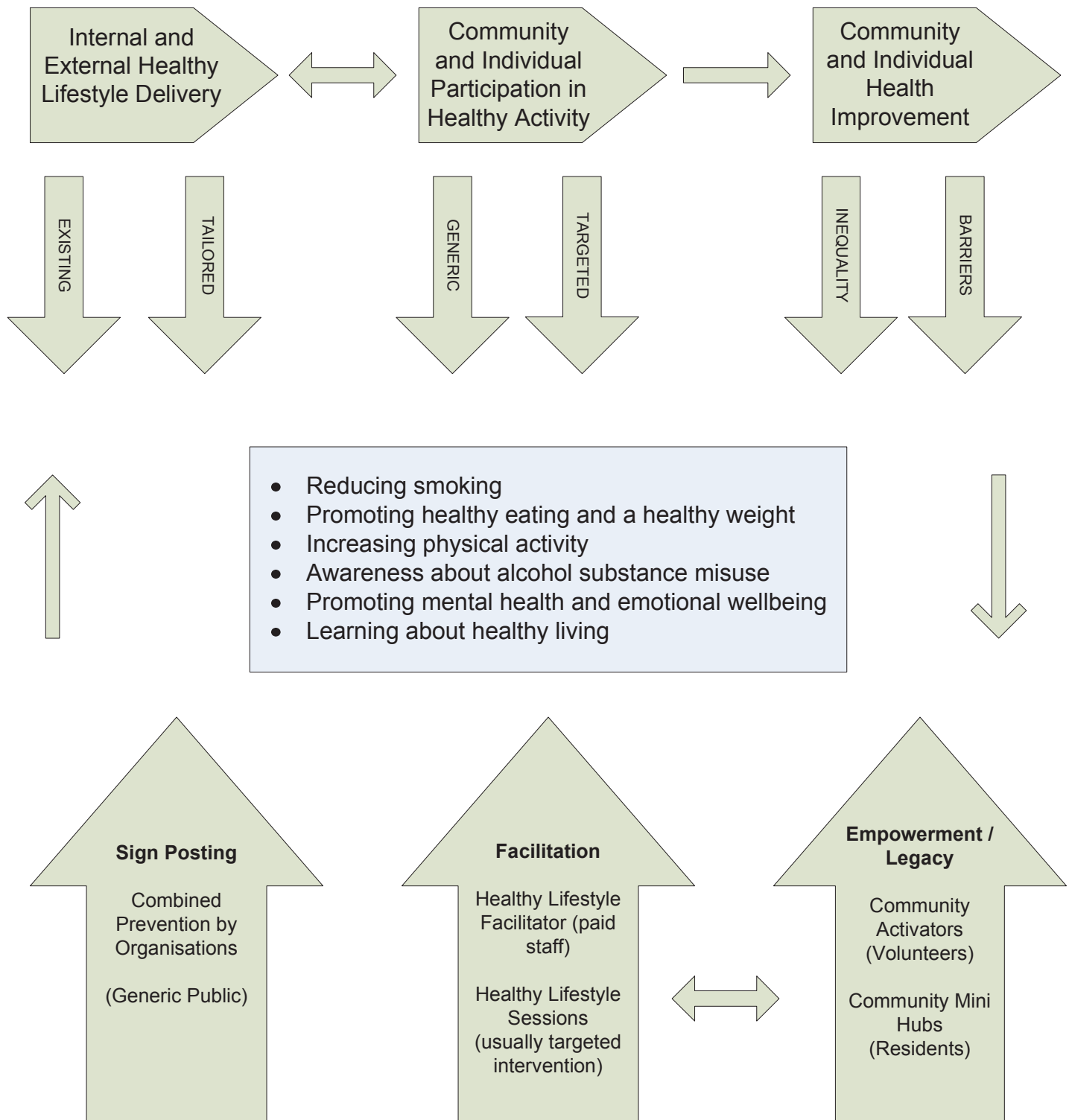
- Get Park Active (National Love Parks Week) events to promote healthy activities in open spaces	East Herts Council	All ages
- Playgrounds and Multi-use Games Areas (Note 3)	East Herts Council	All ages – but particularly younger people to encourage fitness and as diversionary activities. The Council has recently been developing ‘fitness stations’ for adults and older people.
- Football pitch provision (charged)		All ages – but particularly younger people
- Trim trails, grass marked running tracks, orienteering courses, geocaching (free)	East Herts Council	All ages - but particularly adults and older people
- Walking routes and trails (promoted through web sites, leaflets, partners and through signs and information boards in public open spaces)	East Herts Council	All ages - but particularly adults and older people
- ‘Friends of the Park’ groups (three currently operating) – encourages community cohesion and healthy activities such as park maintenance, learning new skills, running community based events	East Herts Council / Countryside Management Team	All ages - but particularly adults and older people
- Provision of woodland and woodland trails	East Herts Council	All ages - but particularly adults and older people
The Anti-Social Behaviour Summer Activities programme which runs annually and involves a number of activities which support young people in increasing physical activity participation	East Herts Council / East Herts Community Safety Partnership	Young people
Other community/school events whereby the Environmental Health Promotion Officer has a range of physical activity	East Herts Council	All ages

equipment where the public and school children can participate and try out simple exercises.		
Arts and Theatre performance aspects such as Dance/Activity which supports young people and adults creative expression	East Herts Council (via Hertford Theatre and through local cultural groups and organisation)	All ages

Notes:

1. Sport and Leisure Management Ltd (Everyone Active) is East Herts Council's main leisure contractor.
2. Easts Herts Council owns more than 100 public open spaces and has over 40 main public parks.
3. Easts Herts Council provides 56 playgrounds and multi use games areas.

East Herts Healthy Lifestyle Hub- Visual Representation



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