

A meeting of the **OVERVIEW AND SCRUTINY PANEL (CORPORATE AND STRATEGIC FRAMEWORK)** will be held in the **COUNCIL CHAMBER, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, PE29 3TN** on **TUESDAY, 2 SEPTEMBER 2008** at **6:00 PM** and you are requested to attend for the transaction of the following business:-

**Contact
(01480)**

APOLOGIES

1. MINUTES (Pages 1 - 4)

To approve as a correct record the Minutes of the meeting of the Panel held on 3rd June 2008.

**Miss H Ali
388006**

2. MEMBERS' INTERESTS

To receive from Members declarations as to personal and/or prejudicial interests and the nature of those interests in relation to any Agenda Item. Please see Notes 1 and 2 overleaf.

3. GROWING SUCCESS - CORPORATE PLAN (Pages 5 - 34)

To consider and comment on a report by the Head of Policy and Strategic Services on Growing Success, the Council's Corporate Plan, prior to its submission to the Cabinet.

**I Leatherbarrow
388005
H Thackray
388035**

4. FINANCIAL FORECAST (Pages 35 - 48)

To consider and comment on a report by the Head of Financial Services on the Council's Financial Forecast prior to its submission to the Cabinet.

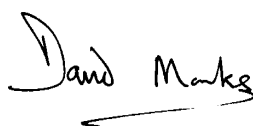
**S Couper
388103**

5. CUSTOMER SERVICE STRATEGY ACTION PLAN (Pages 49 - 64)

To consider a report by the Head of Customer Services on the Customer Service Strategy Action Plan.

**Ms M Greet
375882**

Dated this 21 day of August 2008



Chief Executive

Notes

1. *A personal interest exists where a decision on a matter would affect to a greater extent than other people in the District –*
 - (a) *the well-being, financial position, employment or business of the Councillor, their family or any person with whom they had a close association;*
 - (b) *a body employing those persons, any firm in which they are a partner and any company of which they are directors;*
 - (c) *any corporate body in which those persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or*
 - (d) *the Councillor's registerable financial and other interests.*
2. *A personal interest becomes a prejudicial interest where a member of the public (who has knowledge of the circumstances) would reasonably regard the Member's personal interest as being so significant that it is likely to prejudice the Councillor's judgement of the public interest.*

Please contact Miss H Ali, Democratic Services Officer, Tel No 01480 388006 / e-mail: Habbiba.Ali@huntsdc.gov.uk if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Panel.

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.

Agenda and enclosures can be viewed on the District Council's website – www.huntingdonshire.gov.uk (under Councils and Democracy).

If you would like a translation of Agenda/Minutes/Reports or would like a large text version or an audio version please contact the Democratic Services Manager and we will try to accommodate your needs.

Emergency Procedure

In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit and to make their way to the car park adjacent to the Methodist Church on the High Street (opposite Prima's Italian Restaurant).

Agenda Item 1

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (CORPORATE AND STRATEGIC FRAMEWORK) held in the Council Chamber, Pathfinder House, St Mary's Street, Huntingdon, PE29 3TN on Tuesday, 3rd June 2008.

PRESENT: Councillor S J Criswell – Chairman.

Councillors M G Baker, Mrs M Banerjee, P J Downes, J E Garner, D Harty, P G Mitchell, M F Newman, M F Shellens and R J West.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors J A Gray and P K Ursell.

1. MINUTES

The Minutes of the meeting of the Panel held on 1st April 2008 were approved as a correct record and signed by the Chairman.

2. MEMBERS' INTERESTS

No declarations were received.

3. BUDGET AND MEDIUM TERM PLAN (MTP) PROCESS 2009 - 2014

(Councillor T V Rogers, Executive Councillor for Finance and Environment, was in attendance for this Item).

Consideration was given to a report by the Head of Financial Services (a copy of which is appended in the Minute Book) on the approach, process and timing for the review and approval of the financial strategy, the 2009/10 budget and the 2010/14 Medium Term Plan (MTP).

By way of introduction, the Executive Councillor for Finance and Environment referred to the Council's financial performance in previous years, likely future inflation trends and Executive Councillors' role in compiling the budget in the current year. The Panel then were informed of the order of required additional income or reduced spending in 2009/10 and in subsequent years, in order to balance the budget. The Executive Councillor for Finance and Environment emphasised the need for ongoing efficiency savings to be identified throughout the Council and made assurances that Executive Councillors would consider all future MTP bids critically in light of the Council's current financial position.

The Director of Commerce and Technology drew Members' attention to future years' forecast variations from the current year's budget and the reasons therefore. He also outlined the projected income, planned

use of resources and additional savings that would be required in the period to 2012/13. A number of anticipated financial receipts were expected over the course of the year, which had been included in next year's budget. The Panel were advised that these funds meant that the Council would not have to change its service plans.

In response to a question by the Chairman on the financial implications of the Council's Environment Strategy, the Head of Financial Services reported on the provision for it that had been included within the MTP for the current year and in the following two years.

Following a question by a Member concerning the impact of increased fuel costs on the Council, the Panel were advised that efforts were being made across the Council to enhance energy use efficiency. Changes in the cost of fuel would be factored into inflation calculations in September for use in future forecasting.

The Chairman encouraged Members to forward to Officers suggestions for spending adjustments before September 2008. Having been informed of the process for the review of the financial strategy, the Panel expressed support for the proposed budget and MTP. Whereupon, it was

RESOLVED

that the Cabinet be recommended to:

- (a) approve the timetable and stages for considering amendments to service plans, the financial strategy, budget and MTP; and
- (b) confirm the importance of identifying efficiency savings across the Council.

4. HUNTINGDONSHIRE SUSTAINABLE COMMUNITY STRATEGY & LOCAL ECONOMY STRATEGY

(Councillor A Hansard, Executive Councillor for Resources and Policy, was in attendance for this Item).

With the assistance of a report by the Head of Policy and Strategic Services (a copy of which is appended in the Minute Book) the Panel were acquainted with the background to the production of the Huntingdonshire Sustainable Community Strategy and the work that had been undertaken to refine the outcomes and objectives contained within the document and to develop delivery plans for each of the strategic themes.

By way of introduction, the Executive Councillor for Resources and Policy reported that the Action Plans had yet to be finalised and that comments by Members on them were invited. He also reported that the Strategy had links to regional initiatives. Additionally, the Executive Councillor for Resources and Policy informed Members that following their request at a previous meeting to review the Action Plan associated with the Local Economy Strategy for Huntingdonshire, new statutory powers had become available with

which to pursue this work and that the Plan would be used to attract funding and to influence regional activities.

The Head of Policy and Strategic Services reported that completed Action Plans would be presented to the Panel in September and that any comments on their content should be submitted before that date. Furthermore, it was reported that the Local Strategic Partnership structure was currently under review and that Members would be informed of the resulting changes at a seminar in July 2008.

With regard to the strategic theme for Growth and Infrastructure and in response to a comment by a Member on the need to improve the provision of school and health facilities, the Panel were advised that it was intended to produce an Investment Strategy for Huntingdonshire, which would be used to address such areas for development. Members noted that the Strategy would be based on evidence and would include likely costs for proposed schemes. Having reviewed the content of the Action Plan for this particular theme, Members commented on the need to include surface drainage water under Item 6 of the Plan. In response to a question by the Chairman, the Panel were advised that communities not experiencing growth would be addressed through parish plans.

In terms of the Action Plan for the Environment strategic theme, the Panel were advised that the Plan was the same as the Council's Environment Strategy.

In respect of the Children and Young People's strategic theme, comment was made on the fact that contact with some statutory organisations, such as Connexions, was not compulsory for young people. Following questions, the Panel were advised that the Inclusive, Safe and Cohesive Communities strategic theme included reference to community transport and that the Council had appointed Councillor Hansard as its Champion for Children and Young People. Members were encouraged to note the range of work already undertaken by the Council to incorporate children and young people's views into its policies and services. Questions were raised regarding the cost of schemes in the Plan. In response, the Head of Policy and Strategic Services reported that, in the short term, funding for certain projects would be available from external sources and through the Council's Medium Term Plan. In the longer term, consideration would be given to this matter following the adoption of the Strategy.

Further comment was made under the Action Plan for the Inclusive, Safe and Cohesive Communities strategic theme on the need for the provision of advocacy services for migrant workers to be included within the Plan. In response, the Panel were advised of the likely financial implications for the Council. Members were also reminded of a previous Scrutiny Panel recommendation regarding a bid for funding which was being pursued via the Regional College.

The Panel were advised that the Action Plan for the Economic Prosperity strategic theme aimed to add value to a range of work currently undertaken in the District and to promote joint initiatives which would lead to sustainable growth in the local economy. Additionally, the Panel noted that work with partners to deliver sub-regional and regional initiatives would directly relate to the priorities

contained in the Local Economy Strategy. Members requested that pump priming for community sites be included in the Plan. They also discussed the agricultural industry in the District. As it represented only a small proportion of economic activity and of employment locally it had not been included as one of the sectors that the Plan intended to promote. It would, however, be promoted through the local procurement network. Members were reminded that there would be a further opportunity to examine the Action Plans at the seminar in July and also that comments could be submitted directly to Officers.

Chairman

OVERVIEW & SCRUTINY PANEL (CORPORATE & STRATEGIC FRAMEWORK)

2ND SEPTEMBER 2008

GROWING SUCCESS – CORPORATE PLAN (REPORT BY THE HEAD OF POLICY AND STRATEGIC SERVICES)

1. Introduction

- 1.1** The purpose of this report is to provide the Panel with an opportunity to comment on Growing Success, the Council's corporate plan, prior to its consideration by Cabinet and submission to Council for adoption.

2. Background

- 2.1** Growing Success was originally adopted by the Council in December 2006. It represents the Council's statement on how it will maintain or improve the quality of life in Huntingdonshire; specifically it is the Council's contribution towards the achievement of the Sustainable Community Strategy, Cambridgeshire's vision/Local Area Agreement and National Performance Indicators.
- 2.2** Ultimately, our success in these areas will be judged as part of the new, Comprehensive Area Assessment.
- 2.3** The plan also sets out our objectives for organisational improvement, to ensure that the Council can continue to achieve its overall objectives. Performance against the targets in the plan is reviewed quarterly and the plan as a whole is subject to an annual review.
- 2.4** Earlier this year the Cabinet agreed to extending the timescale for reviewing the plan so that account could be taken of the new Sustainable Community Strategy for Huntingdonshire and the Local Area Agreement for Cambridgeshire, both of which were in preparation. During the summer, an extensive process has been undertaken to examine the Council's organisational objectives and targets to take account of these broader strategic documents. The process included review of the plan by Heads of Service, the Chief Officer Management Team and the Member Working Group appointed by the Overview and Scrutiny Panels. The Cabinet also adopted this timetable with submission to the September Council meeting, for future reviews of Growing Success as it provides a better fit with the Council's business planning budget, MTP and service planning processes.
- 2.5** The attached plan incorporates the results of the extended review.

2.6 For the priority areas identified in the plan, an attempt has been made to establish stretching targets to reflect the desire to see significant improvements in these areas in the short term – 3 or so years. In some cases, given the limitations of resources and the external environment maintaining current performance levels is considered to be a stretching target.

3. Recommendation

The Panel are invited to consider the updated version of Growing Success and to forward comments to the Cabinet for their consideration.

Background Documents

Growing Success: the Council's Corporate Plan

Notes of the meetings of the corporate plan review working group

Sustainable community strategy for Huntingdonshire

Cambridgeshire's Vision

Local Area Agreement for Cambridgeshire

Contact officers

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Growing Success

The Council is responsible for promoting the economic, social and environmental wellbeing of our communities, so that we can all enjoy a good quality of life. To do this we must work with and bring together a variety of partners from the public, private and voluntary sectors.

This partnership has a Sustainable Community Strategy for Huntingdonshire, which sets out how, by working together, we can meet local and national priorities.

‘Growing Success’ is the Council’s plan of how we will achieve our part of the Sustainable Community Strategy. It is based on detailed research and importantly what our communities have told us. We need to balance and reconcile many competing demands and this plan will be used to help us prioritise and allocate resources.

‘Growing Success’ identifies the aims we will be working towards as a Council and how we plan to deliver them to meet the needs of people in Huntingdonshire.

This plan will be reviewed every three years to make sure that our priorities are still the right ones and that we are doing the best we can for Huntingdonshire. Every year we will look at how well we have done in achieving our objectives and targets.

Local Context – A diverse district

Huntingdonshire is a diverse area of nearly 350 sq miles. Currently our population is around 160,000: approximately half live in four market towns - Huntingdon, St Neots, St Ives and Ramsey - with the remainder in key settlements and rural villages set in attractive countryside.

It is a generally prosperous area where the majority of people enjoy a good quality of life. In a 2006 survey 91% of people were very satisfied or satisfied with Huntingdonshire as a place to live. The majority (60%) indicated that they were satisfied with the quality and amount of natural environment and the level of social and health services (63%).

However, the Council recognizes that this general picture does not apply to all individuals and communities. Some communities have more needs than others. Some areas in the market towns are experiencing higher levels of relative deprivation compared with Huntingdonshire as a whole or the region generally. Huntingdon North ward has the lowest levels of both household income and educational attainment in the district and is in the 10% most deprived areas in Cambridgeshire. The Eynesbury ward in St Neots also has examples of need including lower levels of skills, education and training. Parts of that ward are also in the worst 10% of areas in the County.

Many villages lack an adequate range of services and facilities in their immediate localities. Many continue to rely on employment opportunities characterised by lower wages, often due to seasonal work, and lower skills and attainment. In our villages some communities sit next to more prosperous ones where local residents commute to higher paid work within or outside the district. Public transport is perceived as poor and is a major contributor to dissatisfaction with the quality of life. However, transportation along the main travel corridors is good – with the exception of the A14 trunk road at peak times. Travel around the market towns and on local roads is reasonable although congestion, particularly at peak times, has been highlighted as a growing concern of local residents.

The level of crime compared with national figures is low and most people feel safe in Huntingdonshire. This is reflected in a recent survey with 91% of residents saying they feel safe in their local area and only 23% feel unsafe after dark. However, in a few communities crime is relatively high and this has a detrimental impact on daily life. For others, the fear of crime or antisocial behaviour/disorder is a disproportionate cause for concern.

Many people have highlighted the affordability of housing as a particular issue for them and their families. The last 'Quality of Life' survey reported 42% of residents satisfied with the availability of housing and 28% satisfied with the affordability of housing. Surveys have identified the requirement for 585 new social rented homes each year to meet local needs. There is a further need for 470 low cost homes for people who are unable to afford to buy their homes but would like to do so.

Life expectancy in Huntingdonshire is high compared to the national average. In the 2001 census 73.37% of people described their health as 'good'. This is almost 5% higher than the national average. Although for some sections of our communities and some parts of the district the statistics are not as good – there are health inequalities.

The cleanliness of the district continues to be kept to a high standard with only 7% of our streets been assessed as having significant deposits of litter and 83% of our residents are satisfied that Huntingdonshire is a clean green attractive place.

Last year there were over 1.5 million visits to the Council's leisure centres and active users of our leisure centres amount to about 10% of the local population. Yet there is a demand for more as only 41% of residents are satisfied with the general level of leisure facilities available in the area.

Growth

Since the early 1970s, Huntingdonshire has accommodated a large amount of new housing and job growth.

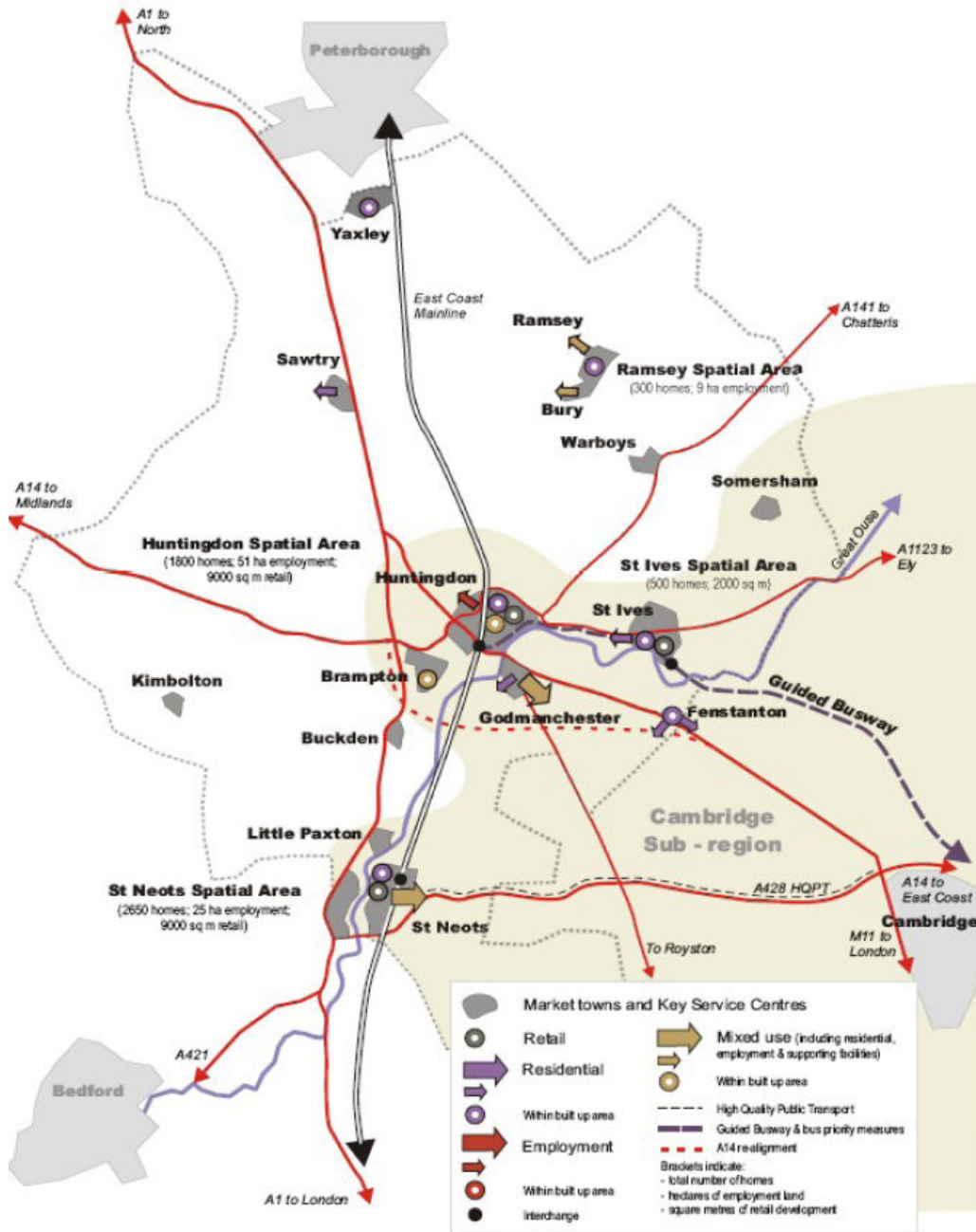
Huntingdonshire is at the centre of the Cambridge to Peterborough growth area and managing the opportunities and pressures from growth will be a continuing focus for the Council. To meet the needs of our communities we expect that Huntingdonshire will continue to accommodate a large amount of additional housing and jobs. Our role will include balancing the needs of new or expanding communities, which will require new infrastructure and services, with those of nearby communities which might be affected by growth but who don't have the same level of services and facilities. We will also need to consider the needs of those communities which don't grow and which might lack local services, facilities and opportunities. Managing the impact of growth is a key challenge for our environment. This has involved ensuring an adequate supply of land while minimizing the adverse environmental effects of development, including loss of greenfield sites, the urbanization of rural settlements, problems associated with increased usage of the private car and additional

waste. Most of the growth in Huntingdonshire has involved new housing. An important role for the Council will be to ensure that there are enough jobs so local people can live and work in Huntingdonshire.

The majority of growth has been and will continue to be located within Huntingdon and St Neots, our largest towns and key economic and service centres. There will be a lesser scale of development in the other market towns of St Ives and Ramsey. In rural areas new development will be limited and will be restricted to a number of key settlements. In villages there will be limited growth to meet local needs. The Council's resources will be focused upon the need to reinvigorate all of our towns and to assist our more deprived communities, including villages. Because of the current needs the provision of new affordable homes to rent and buy will remain an important issue.

Specifically the Council is proposing the significant extension to St Neots with a mixed housing development and retail development. The Council's proposed Spatial Strategy sets out how we see the different parts of the District developing. It identifies the different types of settlement within the District and how they will develop. It shows how and where the growth in housing, employment and retailing will be accommodated, and sets out priorities for areas that will be protected from development. The Key Diagram below illustrates the locations and directions of growth for the new homes, employment and retail.

Huntingdonshire Core Strategy Key Diagram.



Our Vision

The Community Strategy's long term vision is based on what local people have told us is important for them now and in the future, which is:

Huntingdonshire is a place where current and future generations have a good quality of life and can –

- Make the most of opportunities that come from living in a growing and developing district;
- Enjoy the benefits of continued economic success;
- Access suitable homes, jobs, services, shops, culture and leisure opportunities;
- Realise their full potential;
- Maintain the special character of our market towns, villages and countryside; and
- Live in an environment that is safe and protected from the effects of climate change and where valuable natural resources are used wisely.

To support this the Council will strive to:

- Make the most of the opportunities that come from growth by promoting the development of sustainable communities;
- Enable people to realise their full potential and have access to suitable homes, jobs and services;
- Work towards achieving a balance between social, economic and environmental needs;
- Maintain 'excellent' standards.

Roles

The Council has many roles that will influence or help to achieve the vision and our aims for Huntingdonshire, including:

‘Place making’, by this we mean:

Delivering the shared vision, with our partners and local communities, as to how Huntingdonshire will develop. This will mean more growth and change but in a sustainable way that meets local needs now and in the future. Development must reflect the distinctive character of our towns and rural areas and must include adequate infrastructure, community facilities and opportunities to work so that our communities are places where people want to live and work. The Local Development Framework will play a large part in helping us to fulfil this role.

Community leadership, by this we mean:

Representing Huntingdonshire; setting out the vision for our communities in partnerships with others; challenging and scrutinising services (including those we provide); making decisions; setting priorities for the area and the Council and being accountable for the choices made.

It requires us to recognise that our communities are diverse and have different needs, some greater than others; welcome diversity; understand that ‘one size does not fit all’; and recognise that achieving equality does not mean treating everyone the same.

Empowerment, by this we mean:

Helping local people and acting as their advocate and working closely with town and parish councils, communities and neighbourhoods and community and voluntary organisations. Listening and communicating with local residents and supporting the representative role of local councillors and helping people to get involved.

Bringing together services, by this we mean:

Shaping and bringing together services around the needs of residents and marshalling resources to best serve individuals and communities, particularly in the areas of most need.

Aims

In seeking to balance environmental, social and economic factors the Council has six aims for its communities that it is working towards and three aims for the Council itself, each with a series of objectives. The individual objectives need to be achieved if we are going to make progress and achieve the vision of the future.

The Community aims are:

- *A clean, 'green' and attractive place*
- *Housing that meets individual needs*
- *Safe, active and inclusive communities*
- *Healthy living*
- *Developing communities sustainably*
- *A strong, diverse economy*

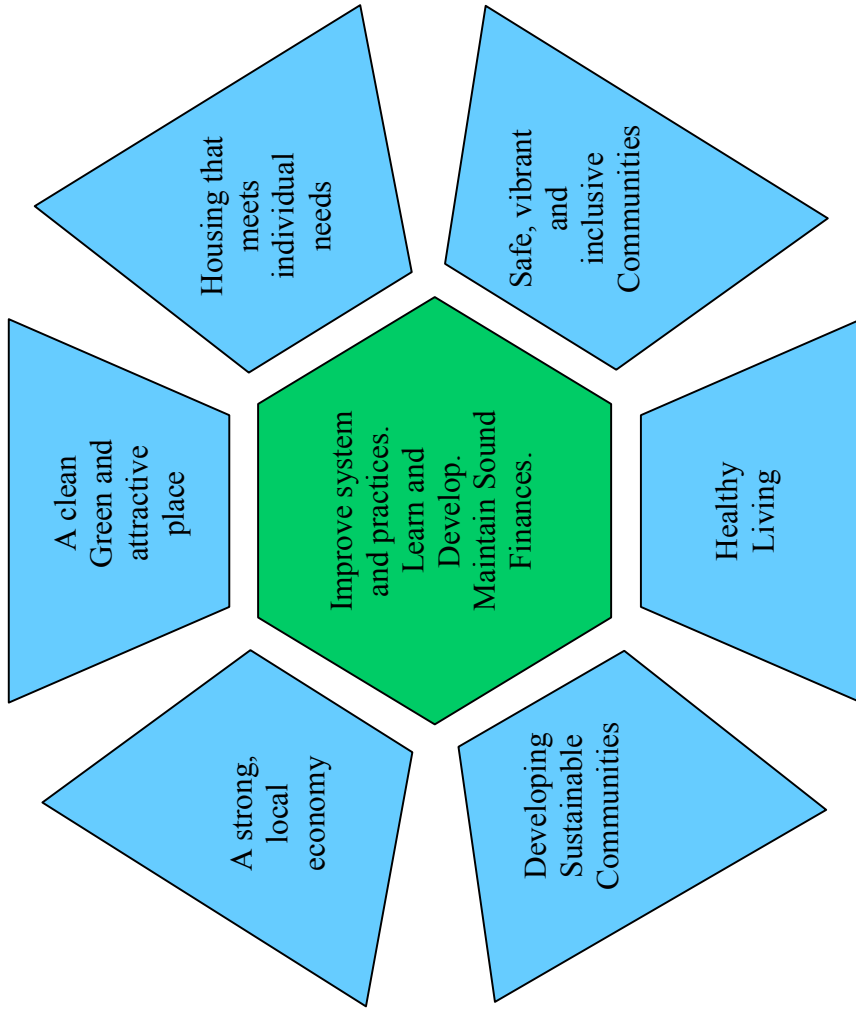
The Council aims are:

- *To improve our systems and practices*
- *To learn and develop*
- *To maintain sound finances*

Aims and Roles

Place Making
What we want
Huntingdonshire to
be like

**Community
Leadership**
Working
effectively with
our partners



Empowerment
Working closely with
Communities and
neighbourhoods

Bringing Together Services
Putting the customer first



Council Aims

Community Aims

Priorities

In this section the Council has chosen from the objectives in this plan a number of short term priorities where there is a particular local need or where the Council wants to develop its services. The relevant objectives are highlighted in the plan.

The Council expects to see significant progress in the achievement of these priorities within the next three years.

Community Priorities

1. To enable the provision of affordable housing
2. To achieve a low level of homelessness
3. To help to mitigate and adapt to climate change
4. To promote active lifestyles
5. To promote development opportunities in and around the market towns

Council Priorities

6. To be an employer people want to work for
7. To enable effective partnerships
8. To maximise business and income opportunities including extended funding and grants

Community Objectives

In this section the Council has set out objectives for each of the Community and Council aims, together with some of the main changes expected and the main activities and projects that will take place to help them to be achieved.

| COMMUNITY AIM: A clean, 'green' and attractive place | Target 09/10 |
|---|--|
| Proposed objectives | Measures |
| 1. To keep the district clean | % of streets that have unacceptable levels of litter |
| <p>We will do this by:</p> <ul style="list-style-type: none"> • ensuring that public spaces are kept free of litter, fly tipping and graffiti • ensuring that that rubbish is regularly collected from public and private bins | 7% |
| 2. To use resources more efficiently | % of relevant Environmental Strategy targets on track |
| <p>We will do this by:</p> <ul style="list-style-type: none"> • increasing recycling • reducing waste • ensuring the best use of land • promoting efficient use of water • encouraging sustainable purchasing. | 75% |
| 3. To help mitigate and adapt to climate change | Per capita CO₂ emissions in the LA area |
| <p>We will do this by :</p> <ul style="list-style-type: none"> • increasing energy efficiency • encouraging renewable energy • reducing travel and emissions to air | <p>2010/11 11%</p> <p>& NI 188 Adapting to Climate Change - level 1</p> <p>2010/011 Level 2</p> <p>7.33%.</p> |

| | | |
|---|---|-------------------|
| <ul style="list-style-type: none"> • adapting to climate change <p>4. To provide an environment that is protected and improved</p> <p>We will do this by:</p> <ul style="list-style-type: none"> • reducing contaminated and polluted land • protecting and enhance biodiversity in strategic green spaces and in other open space • protecting and enhancing the character of urban and rural areas • minimizing the development of greenfield land • ensuring good quality parks and open spaces | <p>% of residents satisfied with the local environment</p> | <p>80%</p> |
|---|---|-------------------|

| Housing that meets individuals' needs | | 09/10 target |
|---|--|----------------------|
| Proposed objectives | Measures | target |
| <p>1. To promote well maintained housing stock and bring empty homes back into use</p> <p>We will do this by:</p> <ul style="list-style-type: none"> • improving housing conditions by enabling people to repair or improve their homes • increasing home energy efficiency • encouraging private landlords to improve conditions where necessary. • advising, enforcing and providing financial assistance where appropriate. | <p>The number of private sector vacant dwellings that are returned into occupation (BV64)</p> | <p>>95</p> |
| <p>2. To support opportunities for the vulnerable to live independently</p> <p>We will do this by:</p> <ul style="list-style-type: none"> • adapting homes of disabled or older people to enable them to remain independent in their own homes. • enabling the development of new supported housing services for vulnerable people. | <p>Number of vulnerable people who are supported to maintain independent living.</p> | <p>200</p> |
| <p>3. To achieve a low level of homelessness</p> | <p>Number of households living in Temporary Accommodation</p> | <p>45</p> |

| | | |
|--|---|----------|
| | target 2010/11 target 2011/12 | 40 35 |
| We will do this by: | | |
| <ul style="list-style-type: none"> helping prevent people from becoming homeless. housing of homeless people where appropriate. | | |
| 4. To pay Housing and Council Tax benefits | Time taken to process Housing Benefit/Council Tax Benefit new claims and change events | 17 days |
| We will do this by: | | |
| <ul style="list-style-type: none"> paying Housing and Council Tax benefits to individuals who need help with these costs. improve take up of benefits. | | |

| | | |
|--|--|---------------|
| COMMUNITY AIM: Safe, vibrant and inclusive communities | | |
| Proposed objectives | Measures | target |
| 1. To reduce crime and anti-social behaviour and ensure that people feel safe | Perceptions of anti-social behaviour Baseline target will be reassessed against the results of the pending 'Place Survey' Jan/Feb 09 | %TBC |
| We will do this by: | | |
| <ul style="list-style-type: none"> providing effective licensing and registration using relevant powers (including ASBOs and ABCs) 'designing out' crime in new development promoting schemes which will provide positive and diversionary activity for young people. promoting facilities which bring people together, including inter-generational activities providing effective CCTV system in vulnerable areas dealing with streetscene issues such as abandoned vehicles and graffiti | | |
| 2. To enable residents to take an active part in their communities and work to ensure that communities are inclusive | % of people who feel they can influence decisions Base line to be established via the Place survey results | %TBC |

| | |
|--|-----------------------------|
| <p>We will do this by:</p> <ul style="list-style-type: none"> enabling access to facilities and opportunities for cultural, leisure, sport, community, voluntary and other activities. encouraging residents to take part in representative and democratic activities. engaging with children and young people and promote opportunities for their involvement in positive activities. assisting communities to resolve community issues locally adopting neighbourhood management approaches in the neediest communities. ensuring information and advice is available and accessible. supporting the community and voluntary sectors, by providing grants and community initiatives. promoting consultation and engagement with communities. | <p>available Jan/Feb 09</p> |
|--|-----------------------------|

| | |
|---|--|
| <p>COMMUNITY AIM: Healthy Living</p> | |
| <p>Proposed objectives</p> | <p>Measures</p> |
| <p>1. To protect the health of individuals</p> | <p>% of issues identified in the Health Protection Priority plan rated as very/highly important that are being actively addressed by the Council</p> |
| <p>We will do this by:</p> <ul style="list-style-type: none"> improving air quality. reducing the risk of injury or ill health at work. reducing the risk of food poisoning. intervening to abate statutory nuisances. having sound plans for civil emergencies. | <p>Calculated from the Health Protection Priority Plan (baseline 2008-9) where very highly important are scores 13-16, and highly important are scores 9-12. (currently 70% of issues tracked; of which- 30% are addressed by HDC). Assessed by review of Health Protection Priority Plan progress by Cambridgeshire Health Protection Committee</p> |
| | <p>target 100%</p> |

| 2. To promote active lifestyles | Number of people taking part in active lifestyle via opportunities provided or promoted by the Council | 1,809,110 pa. |
|--|--|-----------------------------------|
| <p>We will do this by:</p> <ul style="list-style-type: none"> providing facilities/events and encourage participation in active leisure pursuits for everyone. encouraging community involvement, volunteering and service. providing a network of Leisure Centres and associated activities. promoting and support the Healthy Walks programme. providing Holiday activity programme for children and young people. providing a cardiac rehabilitation programme. providing activity programmes for older people, disabled participants and under-represented groups. promoting cultural events and activities, in line with the Culture Strategy. providing play and activities for young people, in line with the Play Strategy. | <p>A cumulative total of the Leisure Centres and Leisure Development.</p> <p>20010/11</p> <p>2011/12</p> | <p>1,855,100</p> <p>2,087,600</p> |
| <p>3. To reduce health inequalities</p> | <p>% of relevant Council actions to reduce health inequalities, on target</p> | <p>90%</p> |
| <p>We will do this by:</p> <ul style="list-style-type: none"> working with our partners to improve life expectancy in communities with the greatest health needs promoting cardiac rehabilitation schemes and physical activity. promoting physical activity for people with disabilities. discouraging smoking. | | |

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| <p>4. To promote development opportunities in and around the market towns</p> | <p>Successful adoption of Core Strategy Successful bid for Housing growth fund and delivery of agreed spending plan</p> | <p>2009/10 2010/11</p> |
| <p>We will do this by:</p> <ul style="list-style-type: none"> • producing design briefs/urban design frameworks/master plans. • determining planning applications. • bidding for funding to enable development. • promoting the provision of enterprise centres on key sites to facilitate development. • considering investing in infrastructure, land and facilities to enable development. • promoting the provision of enterprise centres on key sites to facilitate development. | | |
| <p>5. To make town centres and key settlements accessible by supporting opportunities for residents to cycle, walk and use public transport</p> | <p>Modal share for daily bus, cycle and pedestrian trips.</p> | <p>>18.5%</p> |
| <p>We will do this by:</p> <ul style="list-style-type: none"> • enhancing walking/cycling routes, • enhancing public transport, community and specialised transport, • implementing car parking policies • developing/implementing market town transportation strategies • ensuring safe pedestrian routes, • providing concessionary fares | | |
| <p>6. To enable the provision of the social and strategic infrastructure to meet current and future needs.</p> | <p>% of actions identified in the Local Investment Framework on target</p> | <p>90%</p> |
| <p>We will do this by:</p> <ul style="list-style-type: none"> • enabling the delivery of the Investment Framework. • encouraging the provision of accessible leisure | | |

| | |
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| <ul style="list-style-type: none"> and community facilities and opportunities for all. providing and support the development of play and recreation facilities in identified communities | |
| COMMUNITY AIM: A strong, diverse economy | |
| Proposed objectives | Measures |
| <p>1. To encourage a high level of business support</p> <p>We will do this by –</p> <ul style="list-style-type: none"> facilitating comprehensive business support services for new and existing businesses. supporting and developing businesses networks, particularly in priority employment sectors or groups, such as manufacturing and creative enterprises | <p>% of people who are satisfied with business support services</p> <p>60%</p> |
| <p>2. To support the skills levels that aid economic prosperity</p> <p>We will do this by –</p> <ul style="list-style-type: none"> working with businesses and learning providers to identify current and future skill and training needs. bidding for additional funding to meet identified gaps. promoting projects which support skill development and learning in communities. | <p>Working age population qualified to at least Level 3</p> <p>Level 3</p> |
| <p>3. To support town centres and key settlements to become economically viable and vibrant</p> | <p>Average footfall of the four market towns compared to the regional/national average</p> <p>> national ave.</p> |
| <p>We will do this by:</p> <ul style="list-style-type: none"> supporting Town Centre partnerships, Implementing specific projects linked to the town centre visions and other plans providing environmental improvements. promoting the district, local facilities and attractions to residents and visitors | |

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| <ul style="list-style-type: none"> undertake research and provide information to ensure individual and community needs are identified cross reference to Communication and Marketing and Consultation and Engagement strategies engagement with Children and Young People | |
| <p>4. To enable Councillors to carry out their leadership role effectively</p> | <p>% of Councillors who believe they are supported in carrying out their leadership role effectively</p> <p>80%</p> |
| <p>We will do this by:</p> <ul style="list-style-type: none"> determine Council priorities and allocate resources. scrutinise and examine relevant issues. act in the best interests of the Council and constituents. | |
| <p>5. Effective partnership</p> | <p>% of strategic partnerships fully complying with the Councils framework</p> <p>100% within 3 years</p> |
| <p>We will do this by</p> <ul style="list-style-type: none"> lead the Huntingdon Strategic Partnership to bring together a range of bodies that contribute to meeting the needs and aspirations of our communities. continue to take opportunities to work with others where it will meet community needs and maximise the resources. represent Huntingdonshire's interests on key partnerships such as Local Area Agreement Board. review and assess existing and proposed partnerships | |
| <p>6. To maintain high levels of probity, governance and ethics</p> | <p>Achievement of improvements identified in annual Governance Statements</p> <p>100%</p> |
| <p>We will do this by:</p> <ul style="list-style-type: none"> maintain a clear and comprehensive constitution. ensure compliance with appropriate processes and procedures | |

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| <ul style="list-style-type: none"> • manage performance effectively • manage risk and opportunity effectively • cross reference to the assurance statement • Implement the Council's Improvement Plan | |
| <p>7. To use Council resources efficiently</p> <p>We will do this by:</p> <ul style="list-style-type: none"> • provide and maintain of range of buildings that meets our needs, which deliver value for money and exemplify our design, environmental and land use objectives • provide high levels of ICT availability with access from multiple locations including from – desk, home, or on the move. • ensure effective service recovery plans are in place • introduce specific travel plans at each of the council's main sites. • encourage sustainable procurement where this provides value for money • introduction of new working practices • undertaking an annual review of the code of governance • managing and assurance framework • produce a annual Governance statement • investigation of any complaints regarding the breaching of the code | <p>% of efficiency conditions/targets completed</p> <p>90%</p> |

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|---|-----------------------------|
| COUNCIL AIM: To learn and develop | |
| Proposed objectives | Measures |
| 1. To be an employer people want to work for | target 97% |

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| <p>We will do this by:</p> <ul style="list-style-type: none"> • selecting and recruiting the right people, at the right time. • retaining and releasing employees appropriately • training and developing employees • promoting from within wherever possible • encouraging innovation and creativity • encouraging employees to behave the way we expect • ensure appropriate levels of health and safety in the workplace • ensuring appropriate working conditions and occupational health • maintaining appropriate systems of remuneration and employment terms and conditions | |
| <p>2. To ensure that employees and members have appropriate skills, knowledge, behaviours and develop a culture of innovation</p> | <p>% of employees with a development plan % of councillors with a development plan</p> |
| <p>We will do this by:</p> <ul style="list-style-type: none"> • identifying development needs through individual performance and development plans. • being clear about skills and competencies needed to achieve the Council's objectives. • preparing and delivering development plans for councillors. • encouraging employees and members to share ideas, experience and knowledge internally and with partners, • effective communications | |
| <p>3. To strengthen our commitment and capacity to achieve equality, diversity and inclusion</p> | <p>Achievement against appropriate levels of the Equality Standard for Local Government.</p> |
| | <p>Level 3 by 2010</p> |

| | |
|--|--|
| <p>We will do this by:</p> <ul style="list-style-type: none"> maintaining statutory equality schemes which consider gender, race and disability equality issues and the needs of disadvantaged groups at all levels of services and in our policies and practices. ensuring that our employment practices provide equality of opportunity and do not discriminate against any individual. undertaking equality impact assessments for all services, policies and practices maintaining policies, procedures and practices which meet best practice in achieving equality, diversity and inclusion. | |
|--|--|

| COUNCIL AIM: To maintain sound finances | |
|---|--|
| Proposed objectives | Measures |
| <p>1. To manage our reserves and borrowing effectively</p> <p>We will do this by:</p> <ul style="list-style-type: none"> maintaining clear funding, reserves and borrowing plans producing accurate financial plans and accounts which are regularly reviewed. preparing a 10 year finance plan preparing a fully delegated budget each year | <p>% of plans and budgets produced on time</p> <p>target 100%</p> |
| <p>2. To continually review services to ensure that the Council resources are used to support achievement of our objectives and in a way that provides value for money</p> <p>We will do this by:</p> <ul style="list-style-type: none"> compliance with (where appropriate) the Key Line of Enquiry in the Use of Resources assessment and the delivery of the Use of Resources action | <p>Use of Resources value for money score</p> <p>Level 3</p> |

| | |
|---|---|
| <p>plan</p> | |
| <p>3. Maximise business and income opportunities including external funding and grants</p> <p>We will do this by:</p> <ul style="list-style-type: none"> • monitoring available sources of funding and making appropriate grant applications. • maintaining data and evidence of need in the district and presenting effective cases to sub regional and national partners. • maximising resources through planning obligations. • supporting communities and organisations in seeking funding where this will help achieve Council or Sustainable Community Strategy objectives | <p>Ratio of successful/unsuccessful bids</p> <p>70:30</p> |
| <p>4. To maintain below average council tax</p> | <p>Council Tax level below national average.</p> <p>Council Tax by band remains the lowest decile of districts in England.</p> |
| <p>We will do this by:</p> <ul style="list-style-type: none"> • balancing spending on priorities against available resources • implementing the Council's Financial Strategy | |
| <p>5. To administer local taxation</p> | <p>% of council tax collected per annum</p> <p>% of nation non-domestic rates collected per annum</p> <p>98.6%</p> <p>99.2%</p> |

| | |
|---|--|
| <p>We will do this by:</p> <ul style="list-style-type: none"> • accurately assessing and collecting council tax and national non domestic rates each year on behalf the Council, Cambridgeshire County Council, Town and Parish Councils, Police and Fire and Rescue Service and the Government. | |
|---|--|

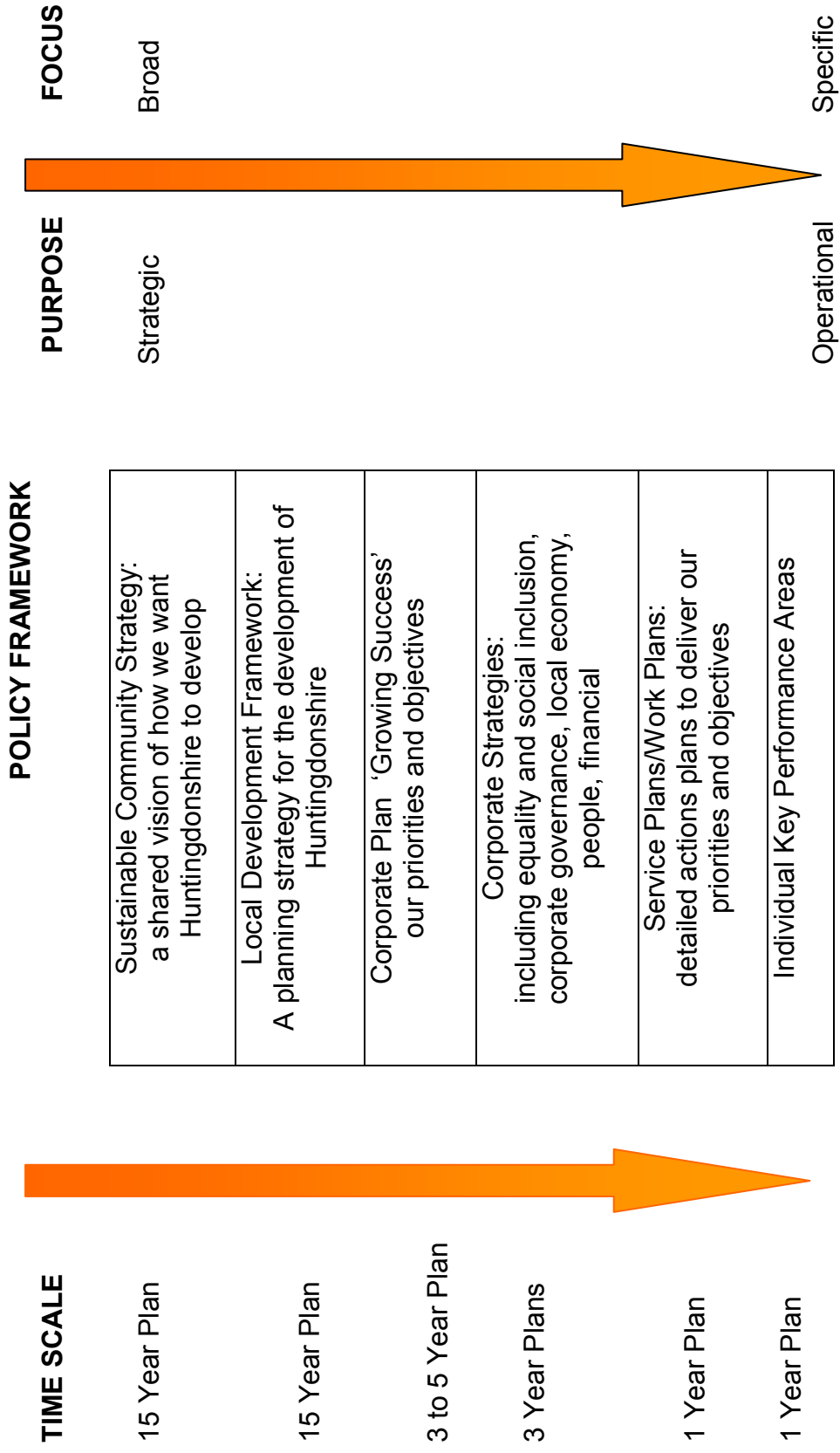
Managing Our Performance

The Council has been rated as ‘Excellent’ in the Government’s system for grading Councils, but we are not complacent. ‘Growing Success’ is designed to help us maintain and improve the very high standards we have achieved. This plan brings work together to ensure that it is linked to achieving our priorities.

The Council has a comprehensive performance management framework, which draws together the things we must achieve to meet our aims and vision. It enables us to examine our performance from four perspectives: community, financial, process and people.

| | |
|---|--|
| <p>COMMUNITY</p> <ul style="list-style-type: none"> • A clean, ‘green’ and attractive place • Housing that meets individuals needs • Safe, vibrant and inclusive communities • Healthy living • Developing Communities sustainably • A strong, diverse economy | <p>PROCESS</p> <ul style="list-style-type: none"> • To improve our systems and practices |
| <p>PEOPLE</p> <ul style="list-style-type: none"> • To learn and develop | <p>FINANCIAL</p> <ul style="list-style-type: none"> • To maintain sound finances |

The policy framework on the next page shows how our plans link together.



Our corporate and management plans are kept under constant review. We publish the progress we make towards meeting our aims annually and an important way we test our progress is to encourage our communities to share with us their views on what they think about Huntingdonshire, our services and what they expect of us. We also have an annual cycle for reviewing management and operational plans, and team and individual performance plans. These can be changed on a more frequent basis should we find it appropriate. A quarterly performance management plan helps us to monitor progress and achievements.

Collecting data and information is an integral part of performance reporting and we are committed to continuously improving the arrangements for securing the quality of data so that it is reliable, accurate, timely and helps us to judge performance accordingly. Each year the quality of our processes and procedures will be reviewed by an external auditor.

**OVERVIEW AND SCRUTINY PANEL
(CORPORATE & STRATEGIC
FRAMEWORK)**

2 SEPTEMBER 2008

CABINET

4 SEPTEMBER 2008

**FINANCIAL FORECAST
(Report by the Head of Financial Services)**

1 PURPOSE

- 1.1** This report considers the Financial Forecast for the next 15 years and highlights the difficulties of assessing inflation and the other impacts of the current economic problems together with the potential for significant fluctuations in Government Grant every 3 years when the Government's Comprehensive Spending Reviews are announced.
- 1.2** This report will be considered by the Overview and Scrutiny Panel (Corporate and Strategic Framework) on 2 September and Cabinet will then have the opportunity to consider their comments on 4 September prior to making their own recommendations to Council (24 September).

2 BACKGROUND

- 2.1** The Council has continued to spend carefully and this, together with extra grants, buoyant income and some transfers from revenue to capital, resulted in last year's outturn being £1.2m less than assumed in the MTP, though £0.3m of this will be needed to fund projects unavoidably deferred. This has been added to Revenue Reserves giving a total of £20.7m at April 2008. Additional capital expenditure resulted from transferring some items originally budgeted for as revenue and a lower level of deferral to 2008/09 than had been forecast. This resulted in Capital reserves of £16.0m at April 2008.
- 2.2** Our approved financial forecast recognises that we will have a number of years with deficits funded from reserves before equilibrium can be achieved. It also recognises that finding additional income, specific grant funding or savings to achieve this total will be a challenge.

3. FUNDING

- 3.1** The Councils net revenue expenditure has to be funded from Government general grant, council tax and reserves. The table below shows the proposed changes in each of these elements and the following paragraphs explain the changes included in this new forecast:

| FUNDING | 08/09 | 09/10 | 10/11 | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 | 16/17 | 17/18 | 18/19 |
|-------------------------|------------|------------|------------|-------------|-------------|------------|------------|-------------|-------------|-------------|-------------|
| | £M | £M | £M | £M | £M | £M | £M | £M | £M | £M | £M |
| Proposed Changes | | | | | | | | | | | |
| Government Grant | | | | 0.1 | 0.2 | | -0.1 | -0.3 | -0.4 | -0.6 | -0.8 |
| Council Tax | | | -0.1 | | | | | | | | |
| Reserves | 0.3 | 0.7 | 0.7 | -0.2 | -0.3 | 0.2 | 0.2 | | | | |
| Reduction (-) | 0.3 | 0.7 | 0.6 | -0.2 | -0.2 | 0.2 | 0.1 | -0.3 | -0.4 | -0.6 | -0.8 |

Note – some tables do not add up due to roundings

4 GOVERNMENT GENERAL GRANT

4.1 In December 2007 the Government, for the first time, announced three year's grant. They gave a definite figure for 2008/09 and a provisional indication for 2009/10 and 2010/11 as part of their Comprehensive Spending Review (CSR07).

4.2 Whilst this gives councils a much better basis on which to make their shorter term plans it has the potential to concentrate significant changes into each of the three-yearly reviews. There are two types of change:

- Change in the total amount the Government is prepared to distribute to local government.
- Changes to the formula by which this total sum is allocated to individual councils.

4.3 The Government's provisional settlement for 2009/10 and 2010/11 gave increases of 3.4% and 2.9% respectively and 3.5% per year was assumed thereafter. Given the current economic difficulties faced by the Government it is now likely that these assumptions are optimistic. The increases post 2010/11 have therefore been reduced to 2.5%. However, adjustments to the previous assumptions on the level of grant temporarily withheld, to protect those authorities who should receive decreases, means that losses only emerge post 2013/14 but then rise to £764k per year by 2018/19.

4.4 Any change in formula could be quite dramatic given the exemplifications produced when changes to the area cost adjustment factor were being considered in the last review. The Government has a working group that considers changes to the formula and by next year's review of the forecast it may be possible to identify whether we are more likely to lose or gain from potential changes. For this year's review the forecast has been based on no change to the formula.

| GRANT FUNDING | | 08/09 | 09/10 | 10/11 | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 | 16/17 | 17/18 | 18/19 |
|------------------------------|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | | £M | £M | £M | £M | £M | £M | £M | £M | £M | £M | £M |
| Current Approved Plan | | | | | | | | | | | | |
| | True grant forecast | 13.0 | 13.2 | 13.4 | 13.8 | 14.3 | 14.8 | 15.3 | 15.9 | 16.4 | 17.0 | 17.6 |
| | Less withheld for tapering | -0.8 | -0.6 | -0.4 | -0.4 | -0.4 | -0.5 | -0.5 | -0.5 | -0.5 | -0.5 | -0.6 |
| | Total | 12.2 | 12.6 | 12.9 | 13.4 | 13.9 | 14.3 | 14.8 | 15.4 | 15.9 | 16.5 | 17.0 |
| Proposed Plan | | | | | | | | | | | | |
| | True grant forecast | 13.0 | 13.2 | 13.4 | 13.7 | 14.0 | 14.4 | 14.7 | 15.1 | 15.5 | 15.9 | 16.3 |
| | Less withheld for tapering | -0.8 | -0.6 | -0.4 | -0.2 | | | | | | | |
| | Total | 12.2 | 12.6 | 12.9 | 13.5 | 14.0 | 14.4 | 14.7 | 15.1 | 15.5 | 15.9 | 16.3 |
| LOSS (-) | | -0.0 | -0.0 | -0.0 | +0.1 | +0.2 | 0.0 | -0.1 | -0.3 | -0.4 | -0.6 | -0.8 |

5. COUNCIL TAX

Tax Base

5.1 The current forecast is based on the tax base rising by 0.6% per year due to new house building.

5.2 Current economic difficulties have had a major impact on the house building industry and there has also been a noticeable volume of success in requests for reducing Council Tax bands for a variety of reasons. Overall it is anticipated that there will be no growth in taxbase for 2009/10 and just 0.3% in 2010/11. It has been assumed that, due to the inherent demand for additional housing, numbers will then rise for a period before returning to more normal levels of growth.

| TAX BASE | | 09/10 | 10/11 | 11/12 | 12/13 | 13/14 |
|------------------------------|------------|---------------|---------------|---------------|---------------|---------------|
| | | £ | £ | £ | £ | £ |
| Current Approved Plan | | 58,132 | 58,481 | 58,831 | 59,184 | 59,539 |
| | % increase | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% |
| Forecast Tax base | | 57,785 | 57,958 | 58,480 | 59,184 | 59,539 |
| | % increase | 0.0% | 0.3% | 0.9% | 1.2% | 0.6% |
| LOSS (-) | | -347 | -523 | -351 | 0 | 0 |

Council Tax Level

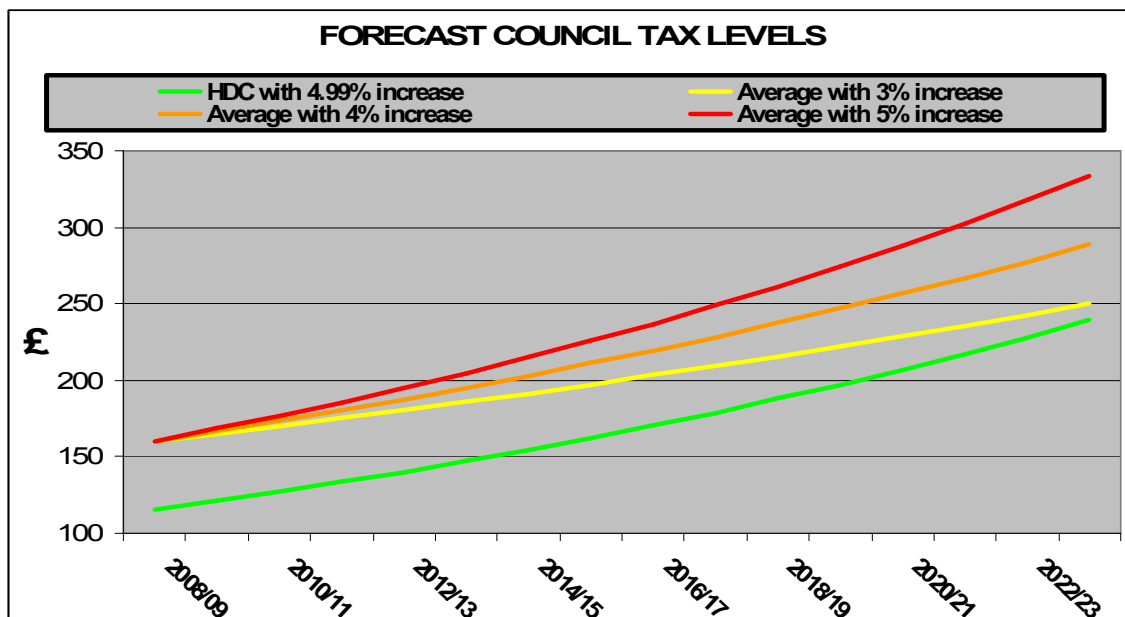
5.3 The Council decided to change its policy last year on the level of increases in Council Tax and moved from “the lower of the Council Tax and Budget Requirement increase being under 5%” to simply keeping the Council Tax increase under 5%. The Council also has a target to keep the level below that of the average District Council.

5.4 On 27 March the Government designated 8 authorities for capping, giving them 21 days to explain why their increase was necessary. Subsequently, on 26 June the Local Government Minister, John Healey, made the decisions shown in the table below:

| CAPPING | % increases: | | Subsequent Government action |
|----------------------------|----------------|--------------------|---|
| | council tax | budget requirement | |
| Bedfordshire Police | 9.6% | 5.3% | No change 2008/09 but notional lower figure set on which the 2009/10 increase will be calculated. |
| Norfolk Police | 8.3% | 5.3% | |
| Portsmouth City | 5.04% | 6.1% | |
| Surrey Police | 9.7% | 6.0% | |
| Cheshire Police | 17.0% | 6.8% | No change 2008/09 but increases limited to 3% in 2009/10 and 2010/11 |
| Leicestershire Police | 15.4% | 6.5% | |
| Warwickshire Police | 12.9% | 6.7% | |
| Lincolnshire Police | 78.9% | 29.0% | Capped and required to re-bill in 2008/09 |
| <i>Government criteria</i> | <i>Over 5%</i> | <i>Over 5%</i> | <i>Both increases must be over 5% for designation</i> |

5.5 Some of the Police Authorities may have gained benefit from this approach, e.g. Cheshire will achieve Council Tax increases of 23% over the next three years, it is likely that there is an underlying problem with Police finance that required some benefit. The only Local Authority, Portsmouth, has gained nothing as its marginal increase in Council Tax above 5% will be clawed back next year. It would therefore appear that the Council’s decision to increase the Tax level by 4.99% last year was sound.

- 5.6** However, it is very difficult to forecast what impact the current high levels of inflation on fuel, electricity and gas will have on the approach to capping for 2009/10. The position is exacerbated by public sector unions refusing to accept the current pay award offers because they consider that it results in a real-terms pay cut.
- 5.7** One argument is that Councils will have no choice but to make more significant increases, as, to do otherwise, will require unacceptably large cuts in services. Thus many Councils will make higher tax increases and, based on past performance, the Government would simply pick the worst ones resulting in a higher capping level.
- 5.8** Alternatively the Government may try and use local authorities as a means of deflation by limiting increases to lower levels than in past years.
- 5.9** For the purpose of the forecast, increases in Council Tax have been assumed to follow the previously approved plan of 4.99% per year. This will be reviewed in the light of the latest information when the tax is formally set next February for 2009/10.
- 5.10** The graph below shows Huntingdonshire's planned increases compared with the average District level rising at 3%, 4% or 5%.

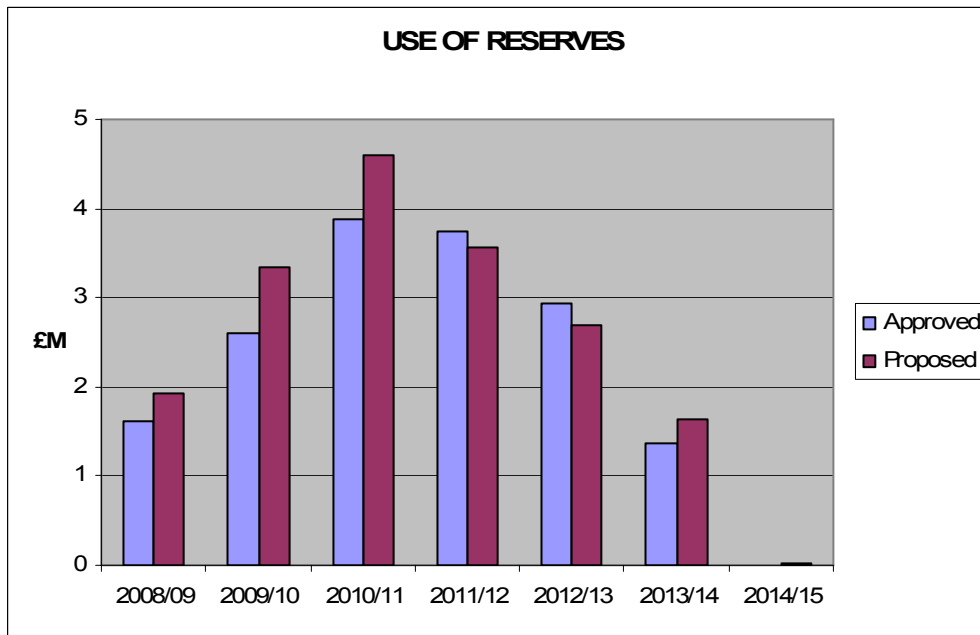


6. USE OF RESERVES

- 6.1** The balancing items in the process of producing the forecast are the use of reserves and the level of spending adjustments to be achieved. Available reserves are allocated over a number of years to give a profile of spending adjustments that is manageable (see also para. 8.1 below).
- 6.2** The current approved plan is based on allowing Revenue Reserves to fall to £3m, the recommended minimum level. The position is improved by the success in 2007/08 which led to them being increased and the forecast for the current year also shows less being required.

6.3 The previous Plan was based on net spending rising to £29M by 2018/19 and revenue reserves falling to £3M. The new plan has been extended to 2023/24, by when, net spending will rise to £33M. It is therefore considered appropriate to increase reserves to £4M as that date approaches.

6.4 The graph below compares the use of reserves in the approved plan with the proposed plan:



6.5 Capital Reserves

The forecast level of capital receipts has been revised downwards to reflect expected reductions in the Council’s share of “right-to-buy” receipts, due to the current economic problems, and also because certain schemes now include related receipts within the relevant MTP appraisal. This results in less buoyant capital reserves and hence requires additional capital funding to be met from borrowing.

7. NET EXPENDITURE

7.1 At this stage of the annual budget process the Forecast does not attempt to include all of the detailed variations that will emerge later in the process. It does however attempt to identify the significant items within the following categories:

- Inflation: General inflation, pay inflation, pension contributions and assumed increases in fees and charges
- Interest Rates
- Unavoidable significant Service Changes
- Service Variations post April 2013
- Minimum Revenue Provision
- Items not taken into account.

7.2 Inflation

In the current year additional costs will arise due to the slightly higher than budgeted pay award (though this can be almost met from a small reduction in the employer's pension contribution rate) together with higher electricity and diesel costs. These are partly offset by a significant reduction in insurance rates achieved at the re-tendering from July (£90k this year and £120k in a full year). Whilst there is no clear evidence on what may happen on diesel costs, an assumption has been made and the net result is that £155k will be needed in the current year and £132k in subsequent years to correct the 2008/09 price base.

7.3 The inflation on diesel is based on a purchase price of £1.10 per litre (£1.29 including VAT) for the rest of the year. Recent reductions in prices mean that this figure might be able to be reduced when the draft budget is considered in November. A reduction of 5p would amount to a reduction of around £25k. Diesel is purchased in bulk to obtain discounts and stored in a larger tank than was available at the old Godmanchester Depot.

7.4 Employer's pension contributions have been based on the latest valuation by the actuary and show a small reduction on the levels previously included. It must be appreciated that the figures are closely linked, in part, to the performance of the equity market, which may have implications for the next valuation in 3 years time.

7.5 2009/10 will see the end of our current fixed price contracts for gas in November and electricity in December. General inflation may also be higher but this can be broadly off-set by higher increases in discretionary fees and charges. Diesel, gas and electricity costs are likely to continue to increase by more than average inflation in the long run. Again there is no reliable basis on which to make these future assumptions and so the forecasts shown in the table below will be reviewed regularly during the plan period:

| | From | 08/09 | 09/10 | 010/11 | |
|---------------------|------|------------------|------------------|------------------|---------|
| | To | 09/10 | 10/11 | 011/12 | |
| prices | | | | | |
| expenditure | | 3.0% from 2.5% | 3.0% from 2.5% | | |
| fees & charges | | 3.0% from 2.5% | 3.0% from 2.5% | | |
| electricity | | 12% from 5% | 38% from 5% | Stay at 5% | ongoing |
| gas | | 20% from 5% | 40% from 5% | 10.0% from 5% | ongoing |
| fuel | | 10% from 5% | 10% from 5% | 10% from 5% | ongoing |
| pension rate | | 18.4% from 18.8% | 20.4% from 21.1% | 20.4% from 21.1% | ongoing |

7.6 There is also a need to identify inflation on the required spending adjustments so that they can be shown at the same price base as the rest of the budget each year to ensure comparability e.g. the new plan is at 2009/10 prices. The calculation last year has been refined which, whilst not altering the bottom line results in more of the spending adjustment being treated as inflation, and thus gives a lower headline figure for spending adjustments.

7.7 Higher inflation also means that if the Council is to use increases in fees and charges to contribute to future spending adjustment targets the increases will have to be higher.

7.8 Interest Rates

It has been assumed that we will earn 4.95% on our investments in 2009/10, 5.25% in 2010/11, 5.5% in 2011/12, 5.0% in 2012/13 and 4.75% thereafter. The Interest rate for borrowing has been assumed at 4.75% through until 2012/13 and 4.5% thereafter. In reality borrowing rates are likely to be higher during the earlier years but fluctuate within each year throughout the whole period of the forecast. Long term borrowing will take place either in advance or arrears to ensure keen rates are achieved and short term borrowing or investment used to cater for the timing differences. These rates will be reviewed at each stage of the budget process.

7.9 Service Variations to March 2013

Previously planned changes in budgets (MTP schemes) have been reflected in the financial forecast together with the following list of significant revenue items that are currently known. There is also an increase of £1,439k in the cost of the projects for the new Operations Centre, Customer Service Centre and Offices, excluding any recharges from revenue salaries for which there are compensating savings:

| VARIATIONS | 08/09 | 09/10 | 10/11 | 11/12 | 12/13 | 13/14 |
|--|------------|------------|-----------|------------|------------|------------|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Land Charges | 200 | 100 | 100 | 100 | 100 | 100 |
| Car Park Strategy – delayed implementation and change to charging basis. | 80 | -113 | -113 | -113 | -113 | -113 |
| Planning fees – major fall in house building | 150 | 150 | | | | |
| A14 Inquiry | | 250 | | | | |
| Need to accrue untaken leave in accounts | | | 150 | | | |
| Benefits adjustment | -80 | -80 | -80 | -80 | -80 | -80 |
| VAT Partial Exemption | -105 | | | | | |
| Revenue to Capital Transfers | -104 | | | | | |
| Total | 141 | 307 | 57 | -93 | -93 | -93 |

7.10 Whilst these items will result in a short term cost of £505k this is followed by a permanent reduction in costs of £93k per year.

7.11 Service Variations post April 2013

It is necessary to consider what general provision for service variations should be made beyond the level to March 2013 already included in the approved MTP.

7.12 It has been assumed that, given the financial position the Council will be facing in the coming years, any additional **revenue** developments should be funded from compensating savings or additional specific grant or contributions.

7.13 £4.65m per year for capital investment (at 2009/10 prices) has been included and this would be sufficient, **for example**, to fund:

| | £000 |
|---|--------------|
| Social Housing Grant | 1,100 |
| Leisure Centre Maintenance (500) and regular replacement of fitness equipment (200) | 700 |
| Disabled Facilities Grants | 900 |
| Vehicle Replacements | 800 |
| Other items | 1,154 |
| Total | 4,654 |

7.14 Any unavoidable additional costs will need to be met from revenue reserves until compensating savings or additional income can be obtained.

7.15 Minimum Revenue Provision (MRP)

The MRP is a charge to revenue to enable borrowing to fund capital expenditure to be repaid in a prudent fashion. New regulations require the Council to have a policy on the calculation of the MRP and this will be included in the November MTP report. The forecast has always made provision for such a payment once borrowing is required based on an average life of assets of 25 years. The Sensitivity Analysis exemplifies the impact if the new rules result in this average changing.

7.16 Items not taken into account

There are also some items that it is not possible to take account of at this stage but which may need to be brought into the MTP, before it is approved next February, if additional information becomes available in time. These include:

- The VAT position on off-street car parking which is the subject of continuing judgements and appeals. If it is finally resolved in favour of local authorities there will be a benefit of £150k per year.
- The Council is likely to be faced with some significant costs relating to an “orphan” contaminated land site. This could amount to as much as £150k per year together with some sums due for past years.
- At the time of writing this report there was still insufficient data from bus operators to forecast the level of any under or over spending on concessionary fares in the current year. There is the potential for additional costs and reduced income from next Spring when the Guided Bus becomes operational. This would be due to additional trips by passengers with concessionary fares passes and the impact on car park income at St Ives if the Guided Bus car park is free. There is a possibility that Concessionary Fares may become a County Service from April 2011 but it is impossible to predict whether the grant adjustments will be greater or less than our expenditure at that time.

- Potential service developments not already in the MTP and any unavoidable spending requirements not referred to in this report.

The net impact of the items in this paragraph is likely to be an additional cost and this is considered in Annex B.

8. SPENDING ADJUSTMENTS AND OVERALL POSITION

8.1 Any variations in funding, identified in sections 4 and 5 above, or net expenditure, section 7, need to be balanced by a combination of spending adjustments and the use of revenue reserves. There is still sufficient flexibility provided by revenue reserves to achieve this in an organised manner.

8.2 As referred to in para 7.6 above there is a need to adjust the split of spending adjustments between the inflation element and the headline target to achieve comparability with the price base for the rest of the plan. The table below therefore shows the relevant figures to restate the approved figures and then highlight the differences in the proposed plan:

| UNIDENTIFIED SPENDING ADJUSTMENTS | 09/10 | 10/11 | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 | 16/17 | 17/18 | 18/19 |
|--|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Approved Plan | -500 | -1,000 | -2,000 | -3,642 | -5,979 | -8,070 | -8,646 | -9,365 | -9,816 | -10,715 |
| Transfer to inflation provision | 0 | 24 | 94 | 296 | 702 | 1,192 | 1,445 | 1,750 | 2,006 | 2,426 |
| Proposed variations | 0 | -25 | -594 | -654 | -323 | -405 | -681 | -791 | -852 | -967 |
| Proposed Plan | -500 | -1,000 | -2,500 | -4,000 | -5,600 | -7,283 | -7,882 | -8,406 | -8,663 | -9,256 |
| Increase (-) | 0 | 0 | -500 | -358 | 379 | 787 | 764 | 959 | 1,153 | 1,459 |

8.3 There has been marked success in identifying spending adjustments with a significant part of the 2009/10 target identified last year leaving just £500k now to be found. However the increasing levels for future years mean that robust challenge will be required of any proposals for additional spending that emerge in this year's MTP.

8.4 Later reports in the budget cycle will identify the remainder of the adjustments for next year and any progress relating to later years.

8.5 Annex A summarises the overall forecast and covers the period up to 2023/24.

9 SENSITIVITY AND RISKS

9.1 The Financial Forecast takes a longer-term view and, within that time frame, many of its assumptions will turn out to be inaccurate and for this reason a sensitivity analysis is undertaken to identify the potential impact if any of the key assumptions change. This is attached at Annex B.

10 CONCLUSIONS

- 10.1** The benefits to forward planning, from three year grant figures, are illusory as the uncertainty every third year, on future grant levels, is significant.
- 10.2** The Council's plan to increase Council Tax levels by 4.99% per year is still sound in the light of the Government's approach to capping for 2008/09.
- 10.3** There will be unavoidable additional spending due to inflation, the downturn in the housing industry and other adjustments included in this report. There may well be other unavoidable areas of spending which will emerge during the budget/MTP process. This results in reserves having to be used more quickly and some increases in the level of spending adjustments required.
- 10.4** Although the Council continues to be successful in identifying revenue savings and additional grant funding there will need to be a robust challenge of all MTP bids. Also, any attempts to contribute from increases in fees and charges, will necessitate greater rises to compensate for higher levels of inflation.
- 10.5** Long range planning is far from precise, especially given the frequent changes within local government. However it does provide a clear indication of what will happen based on the current set of assumptions. It thus allows strategic decisions to be made which will be regularly reviewed when changes to the underlying assumptions emerge.
- 10.6** Cabinet will have the comments from the Overview & Scrutiny Committee available when they consider this report.

11 RECOMMENDATIONS

11.1 Cabinet is requested to:

Recommend this report to Council and highlight the increased uncertainty created by the current and future levels of inflation and the Government's reaction to them through capping and future grant settlements.

ACCESS TO INFORMATION ACT 1985

Source Documents:

1. Working papers in Financial Services
2. Financial Forecast (September 2007), 2007/08 Outturn, 2008/09 Revenue Budget and the 2009/2013 MTP

Contact Officer:

Steve Couper, Head of Financial Services

☎ 01480 388103

ANNEX A

| FINANCIAL SUMMARY | FORECAST | MTP | | | | FORECAST | | | | | | | | | | |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| 2008/09 BUDGET/MTP | 20,420 | 22,214 | 24,252 | 24,990 | 25,103 | 24,469 | 24,105 | 25,146 | 26,233 | 27,369 | 28,559 | 28,418 | 28,408 | 28,351 | 28,559 | 28,418 |
| Net deferrals | 185 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Items identified in forecast report | 141 | 307 | 57 | -93 | -93 | -93 | -93 | -93 | -93 | -93 | -93 | -93 | -93 | -93 | -93 | -93 |
| Inflation adjustments | | | | | | | | | | | | | | | | |
| - 2008/09 adjustments | 155 | 132 | 132 | 132 | 132 | 132 | 132 | 132 | 132 | 132 | 132 | 132 | 132 | 132 | 132 | 132 |
| - future revisions | | -48 | 165 | 94 | 83 | 75 | 9 | 9 | 15 | -43 | -24 | 2,000 | 3,743 | 5,986 | 8,347 | 10,409 |
| - adjusting savings pricebase | 0 | 0 | -26 | -155 | -393 | -765 | -1,292 | -1,649 | -2,030 | -2,356 | -2,883 | -3,737 | -4,499 | -5,461 | -6,617 | -7,523 |
| Variation in Cost of Borrowing | | 162 | 333 | 361 | 393 | 415 | 434 | 453 | 472 | 489 | 506 | 838 | 1,174 | 1,512 | 1,854 | 2,198 |
| Interest Variation | 42 | 163 | -13 | 4 | 74 | 101 | 118 | 128 | 130 | 134 | 139 | 134 | 120 | 106 | 92 | 78 |
| Forecast Outturn | -223 | | | | | | | | | | | | | | | |
| Changes to spending adjustments | 0 | 0 | 0 | -500 | -358 | 379 | 787 | 764 | 959 | 1,153 | 1,459 | 958 | 766 | 369 | -171 | -260 |
| NEW FORECAST | 20,720 | 22,930 | 24,899 | 24,833 | 24,942 | 24,713 | 24,199 | 24,890 | 25,817 | 26,785 | 27,795 | 28,650 | 29,751 | 30,902 | 32,103 | 33,359 |
| FUNDING | | | | | | | | | | | | | | | | |
| Use of revenue reserves | -1,923 | -3,331 | -4,588 | -3,532 | -2,610 | -1,564 | -198 | 0 | 0 | 0 | 0 | 200 | 200 | 200 | 200 | 200 |
| <i>Remaining revenue reserves EOY</i> | <i>18,823</i> | <i>15,492</i> | <i>10,904</i> | <i>7,372</i> | <i>4,762</i> | <i>3,198</i> | <i>3,000</i> | <i>3,000</i> | <i>3,000</i> | <i>3,000</i> | <i>3,000</i> | <i>3,200</i> | <i>3,400</i> | <i>3,600</i> | <i>3,800</i> | <i>4,000</i> |
| Government Support | -12,157 | -12,572 | -12,939 | -13,491 | -14,034 | -14,384 | -14,744 | -15,113 | -15,491 | -15,878 | -16,275 | -16,682 | -17,099 | -17,526 | -17,964 | -18,414 |
| Collection Fund Deficit | 28 | -27 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Council Tax | -6,668 | -7,001 | -7,372 | -7,810 | -8,298 | -8,765 | -9,257 | -9,777 | -10,327 | -10,907 | -11,520 | -12,168 | -12,853 | -13,576 | -14,339 | -15,146 |
| COUNCIL TAX LEVEL | £115.39 | £121.15 | £127.20 | £133.55 | £140.21 | £147.21 | £154.55 | £162.26 | £170.36 | £178.86 | £187.79 | £197.17 | £207.02 | £217.36 | £228.22 | £239.62 |
| % increase | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% |
| Forecast Capital Spending | 16,084 | 15,034 | 7,497 | 7,264 | 5,009 | 5,133 | 5,263 | 5,396 | 5,532 | 5,670 | 5,812 | 5,957 | 6,106 | 6,258 | 6,415 | 6,575 |
| Capital reserves EOY | 539 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Accumulated Borrowing EOY | 0 | 13,395 | 19,992 | 26,556 | 30,864 | 35,297 | 39,861 | 44,557 | 49,388 | 54,359 | 59,470 | 64,727 | 70,133 | 75,691 | 81,406 | 87,281 |
| Net Interest and Borrowing Costs | -2,120 | -517 | 474 | 1,204 | 1,867 | 2,320 | 2,698 | 3,022 | 3,342 | 3,664 | 3,989 | 4,316 | 4,638 | 4,962 | 5,290 | 5,621 |
| Spending Adjustments required | 0 | -500 | -1,000 | -2,500 | -4,000 | -5,600 | -7,283 | -7,882 | -8,406 | -8,663 | -9,256 | -9,757 | -9,949 | -10,346 | -10,886 | -10,975 |

FINANCIAL PLAN - SENSITIVITY AND RISKS

The financial forecast model has been used to demonstrate the impact that variations in investment rates, borrowing rates and increases in pay will have in specific years.

| Cumulative from 2009/10 unless otherwise indicated | Extra cost in: | |
|---|----------------|---------------|
| | 2013/14 £M | 2023/24 £M |
| 0.5% extra pay award | +0.7 | +3.3 |
| 0.5% increase in staff efficiency assuming this can be translated into reduced staffing levels. | -0.7 | -3.3 |
| 0.5% higher investment returns | 0.0 | 0.0 |
| 0.5% higher borrowing costs | +0.1 | +0.3 |
| 0.5% increase in Government Grant per year from 2011/12 | -0.2 | -1.4 |
| Impact on MRP of 5 year increase in average life of assets | -0.2 | -0.4 |
| Impact on MRP of 5 year decrease in average life of assets | +0.3 | +0.5 |
| Extra growth of £0.5m per year | +2.5 | +7.5 |

Inflation, other than pay, is fairly neutral as long as fees and charges are increased in line with it. If pay awards increase by more than forecast then further efficiency improvements would be needed to reduce the impact.

The impact of investment rates has significantly diminished by 2013/14 as reserves will have been significantly reduced to meet revenue deficits and to fund capital projects.

The impact of higher borrowing rates is less significant than pay but is growing.

Other Risks

The results of the next triennial revaluation of the Pension Fund will be received in December 2010. The performance of the Funds investments over the next three years will have a significant impact on the result. An increase of 1% per year for 4 years would have an impact of £0.5M in 2013/14 and £1.1M in 2023/24.

The position on Concessionary Fares is still not clear in the short term and it may become a County function from April 2011 though whether this will be financially beneficial cannot be assessed.

The Government's next Comprehensive Spending Review will be published in the summer of 2010 (and every three years thereafter) and will create significant uncertainty and potential volatility. It could have a significant impact as changes to the area cost adjustment are likely to be reconsidered.

It has been assumed that capping will continue to allow 4.99% increases in Council Tax. If this limit were to be reduced significant additional spending adjustments would be required. Relaxation of capping would provide potential

to reduce the level of spending adjustments required by increasing Council Tax levels, if this were supported by Council.

Inflation on Capital Schemes of 2.5% per year has been included in total within the plan. There have been examples of high tender prices on specific schemes but there is little objective data on which to base a higher inflation allocation or even to estimate a suitable contingency sum so no additional provision has been included. The Customer Service Centre and Pathfinder House figures are predominantly fixed prices.

There is no provision for any demographic growth in services. Pressures will emerge due to additional housing and increased longevity over the plan period.

Most budgets are based on 97.5% of salary due to the expectation of savings from staff turnover. If turnover falls financial pressures will emerge and vice versa.

Leisure Centre income is close to £5M per year (excluding cost sharing from the County Council and Schools) and certain facilities are in direct competition with the private sector. If income was lost it would be difficult to reduce expenditure by an equivalent sum in the short term. In addition the financial plan incorporates a substantial challenge for leisure centres to reduce their net cost by nearly £1M per year. This may not be achieved.

Spending Adjustments of £5.5M by 2013/14 and £11M by 2023/24 are included in the financial plan and achievement of these will require detailed identification and delivery plans.

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**OVERVIEW & SCRUTINY PANEL
(CORPORATE & STRATEGIC
FRAMEWORK)
CABINET**

2ND SEPTEMBER 2008

4TH SEPTEMBER 2008

CUSTOMER SERVICE STRATEGY ACTION PLAN (Report by Head of Customer Services)

1. Introduction

- 1.1 The Cabinet meeting of 21st February 2008 approved the new Customer Service Strategy. At that time, the Action Plan was not developed because the Council was to establish a new Customer Services team under a new Head of Service.
- 1.2 On the 1st April, the new team was created by joining together all front facing services (customer service centres, community information centres, tourist information centre and the call centre) under a new Customer Services Manager. The team reports to the new Head of Customer Services (formerly Head of Revenue Services).
- 1.3 Since then, the Action Plan has been developed, and is now submitted to the Scrutiny Panel for comment and for Cabinet to endorse.

4 Recommendation

- 4.1 It is recommended that the Customer Service Strategy Action Plan be approved.

BACKGROUND INFORMATION

Cabinet minutes – 21 February 2008

Contact Officer: Julia Barber – Head of Customer Services
☎ 01480 388105

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Customer Service Strategy: 'Customer Insight'

Purpose

Huntingdonshire District Council aims to provide excellent customer service.

Our vision is one where, for each of our services, we have a clear insight into the needs of our customers and provide services in a way, which meets those needs. Specifically this means each service will;

- ◆ Carefully consider who its customers are, and what services they require; and
- ◆ Design service delivery around the needs of those customers.

Contribution to the Council's Corporate and Strategic Framework

The Council has many roles, but to achieve our aims and objectives in our corporate plan, Growing Success, we are committed to consistent and sustained customer service.

Using our customer insight, the Council aims to achieve the following objectives in Growing Success:

- **to provide high quality customer services** – by making it as easy as possible for customers to access our services and get appropriate information;
- **to improve access to our services** – by introducing new ways of contacting the Council including: self service via web site, mobile/home delivery of services, increase use of call centre and customer service centres;
- **to be good at communicating with and listening to people and organisations** – this will entail regular and effective communication with local residents about Council services, seeking their views on new proposals, and regularly asking them their opinions and considering what they say;
- **to be clear about what we can do and aspire to achieve** – by regularly publishing our plans and services standards and information about our performance;
- **to be a part of effective partnerships** – by continuing to take opportunities to work with others where it will meet community needs and maximise the resources;
- **to strengthen our commitment and capacity to achieve equality, diversity and inclusion** – by maintaining or establishing statutory equality schemes which consider gender, race and disability equality issues and the needs of disadvantaged groups at all levels of services, policies and practices.

The achievement of these objectives means that the Council must be excellent at understanding the needs of the users of our services, those we represent and in organising services around those needs. This requires excellent customer service standards and practices, communications, marketing, consultation and engagement skills and activities.

In addition to the objectives in Growing Success, a series of strategic policies, including the Corporate Equality Policy, Consultation and Engagement Strategy and Communications and Marketing Strategy, all contain objectives and activities which require effective customer service and/or contribute towards the approach adopted within this strategy.

These strategies and policies are mutually supportive and are inherently connected in terms of the objectives they are seeking to promote. In delivering the vision for excellent customer service the Council also has to balance the costs and value of improvements we make.

Background

Where are we now?

Huntingdonshire District Council Customer Service Strategy, approved in 2003, has been successfully achieved. In the past four years the way that customers can contact the Council, obtain services and information has been significantly improved -

- A Call Centre has been established which deals with the majority of initial calls from customers and provides a more detailed call answering service for an increasing range of services.
- A temporary Customer Service Centre has been established in Huntingdon which brought together disparate points of contact for customers, including a tourist information centre. In addition to the physical change this has facilitated a consistent approach towards customer service and improvements in the development of employees. A new permanent centre is being built as part of the Council's new headquarters.
- Satellite Customer Service Centres have been maintained in St Ives and St Neots offering payment facilities and a range of other services.
- Community Information Centres have been successfully established in Yaxley and Ramsey working closely with many external partners.
- Continuous improvements have been made to the Council's website as a means of obtaining information about services.
- The St Neots Tourist Information Centre has been maintained pending its amalgamation with an enhanced customer service centre in the town.
- A Mobile Display Unit is used extensively around the district to promote services and as a mobile office. Trials have also been conducted on mobile working, mobile information provision and flexible working for employees. These trials have provided information about the demand and costs of such activities.

In the main, face to face services have developed independently and we need to ensure we learn from existing best practice across these locations. Officers also act as 'advocates' for those customers who need more help than others, and this will continue.

Where do we want to be?

Having made these achievements and having regard to increasing customer expectation and good practice in this field the time is right to revisit the strategy.

The strategy is planned to have a life of approximately three years and includes a broad action plan required to achieve its objectives. It is intended to reinforce existing good practice and performance already present across the Council. The strategy is focussed on the initial contact we have with customers and the subsequent delivery of service.

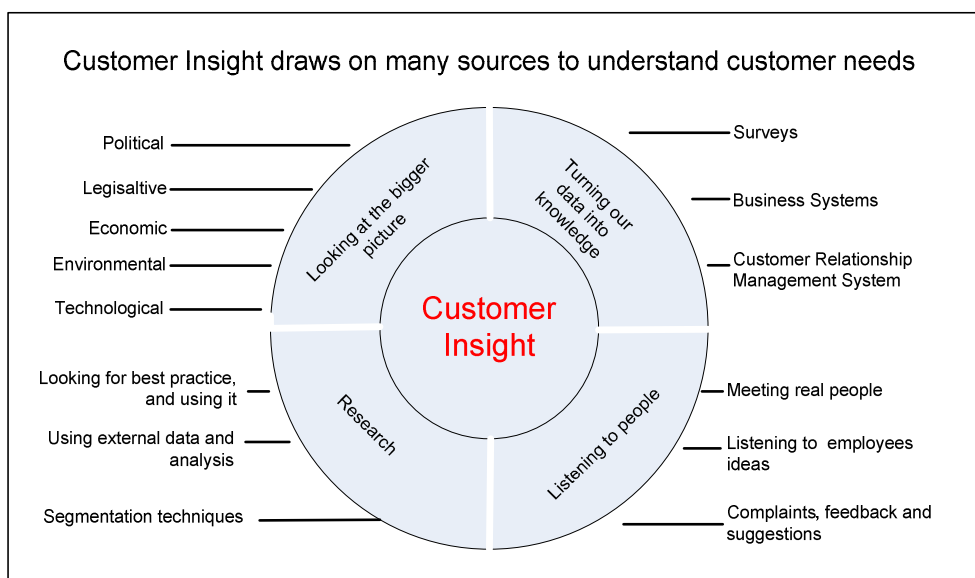
Understanding our customers better

Every potential or actual user of our services is a customer. The Council works hard to ensure customers receive excellent service, and while it knows a great deal about customers, more can always be done.

The Council wants to better understand the diversity of its communities, and deliver services which respond to different needs and aspirations. To do this, it needs to get maximum value from the information it gathers, and be able to bring different information sources together to build a richer, more comprehensive, picture of its customers.

Equality Impact Assessments are being carried out on all our services and policies and they will highlight issues that need to be addressed through customer service activities. It is important that we have a coordinated approach to the use of information from these assessments.

Each service needs to have a clear insight into the customers it serves. The following diagram highlights many of the sources of information the Council will use to develop this insight.



The services the Council provides

The Council delivers many services and for operational reasons and efficiency they will continue to be delivered in the most appropriate way. However, as our 'customer insight' develops new ways of meeting customer needs will be

Customer Insight

identified, and opportunities will arise to bring together services to work in a way better suited to meeting customer needs.

The way the Council is structured will need to reflect the objectives of this strategy. While Heads of Service will remain responsible for the delivery of customer service within their own service this will concentrate on more complex enquiries, requiring a level of specialist expertise. Such contact may lower in volume, but require more time and resources. However, to promote the exchange of best practice, service development, improved training and consistent levels of high quality customer service it is proposed that Customer Service will become within the remit of an existing single Head of Service who will be responsible for:

- ◆ ensuring a customer perspective is at the heart of all services
- ◆ overseeing the delivery and monitoring of this strategy
- ◆ managing the first point of contact with customers including:
 - The Call Centre
 - Customer Service Centres
 - Community Information Centres
 - Visitor Information Centres

They will deal with high volume, relatively simple services. They will interact heavily with customers and will need to be experts in customer service. They will also be responsible for:

- ◆ coordinating campaigns which involve services provided by the customer service team
- ◆ providing advice and guidance to services
- ◆ ensuring managers acknowledge their responsibility for customer service in their own service.

Customer Service Skills

Customer service and customer insight are key skills for all employees. This strategy promotes high quality training and development of employees to deliver the Council's objectives.

Meeting the needs of all our customers

The Council has a duty to ensure the services it provides do not exclude any group of customers, and this remains a high priority. For example we are meeting the needs of the emerging group of customers from the new EU member states. The website now has a screen-reader function enabling access to blind customers. Other new developments are underway and will be completed during the life of the strategy. We will ensure that information and communication requirements of disabled people are considered, specifically, disabled people have asked to be better informed about facilities and funding.

Making the most of our website

Offering 24/7 access to information and services will be a key part of meeting customer needs. By doing this we actively encourage greater access to services, at a cheaper cost to the Council, and free resources to deliver services to those customers most in need.

Where appropriate as part of our everyday business with our customers, we will:

- ◆ make them aware that the information or service they require is available online, encouraging them to use the website
- ◆ include a link to the Council's home page, or other relevant pages, in e-mails
- ◆ include our website address in printed material.

We will continue to look at the design and scope of the website to ensure it meets customer needs and consideration will be given to personalising the content for particular customers. We will ensure the website provides high quality and useful information, and the number of on-line services will increase.

Developing the points of contact with customers

The Council will continue to develop ways for customers to obtain services from the Council.

- The Call Centre will remain the primary method of dealing with telephone calls and with more services will be offered over time.
- Direct dial – customers will be able to contact direct service areas. As services transfer to the Call Centre, direct dial volumes will decrease and these calls will become more focussed on the complex, specialist calls, best dealt with by service experts.
- Face to face - the Customer Service Centre at Huntingdon will be a primary point of access, but there will be Customer Service Centres at St Ives and St Neots. The Community Information Centres at Yaxley and Ramsey will continue to provide services to customers. The range of service and information between these centres will be brought together.
- Mobile or flexibly delivered services – services delivered away from the Council's premises; sometimes in a customer's home will be further developed. Work is underway to introduce more flexible ways of working. Where there is a clear business case, this has potential to provide service at locations more suited to the customer, particularly in rural locations.
- Via the internet – either from their own home, from mobile devices, or from public points of access.
- In writing - this may be within a letter, or a customer may have to apply for a service using application forms.

Getting it right first time

Ensuring we answer customer enquiries first time is important. It means the customer receives an excellent level of service, and the Council does not spend effort dealing with avoidable and repeated customer contact. The establishment of the Call Centre and the Customer Service Centre in Huntingdon has meant a greater percentage of enquiries are dealt with at the first point of contact – but more could be done.

All services can help to improve our performance. Developing a clear customer insight requires all staff to understand the needs of customers and building services around those needs will reduce costs and lead to greater satisfaction. The Council should also use data more effectively to inform day

Customer Insight

to day contact with customers. This will increase the likelihood that the service offered fits the needs of the customers.

Encouraging customers to provide feedback, and understanding their comments allows the Council to make improvements and this is an area the Council will develop further.

Managing and responding to customer demand

The Council will also manage demand better by 'smoothing' the day-to-day peaks in customer demand. This will increase access to service, especially at busy times.

For example, collecting and publishing information showing the least busy times may encourage some customers to plan their next visit or phone call to coincide with these quieter times. In addition it will help services to plan for peaks in demand.

Making more of contact with customers

The Council has a Communications and Marketing Strategy and structure in place to promote marketing activities and many services already market themselves to customers and deliver excellent results. But the Council has identified that it can do more. Coordinated and targeted campaigns, based upon an increased understanding of customer needs and preferences, will ensure customers are more aware of services delivered by the Council.

Increasing the electronic provision of services and information

For some services currently there are limited practical alternatives to a paper application form, and some customers prefer to write to the Council. New media is becoming an increasingly preferred method for communication for many customers. This is something that must be taken into account and is being considered in the communications and marketing strategy, as more customers opt to receive electronic communications.

The Council will increase the use of e-mail and the website where possible and appropriate. This approach will reduce the time taken for the Council to respond to a customer, reduce the use of paper and reduce expenditure.

Bringing together services

While it is important that customers appreciate the distinctions between providers of services increasingly they are looking for simple or single points of contact. The Council already shares some elements of our customer service delivery for the benefit of our customers. Where practical, we will engage with partners and other agencies to try to deliver an improved service. This will mean customers can access a number of services in one location. The Council will need to share information with partners, and this will be encouraged.

Action Plan

This strategy is supported by a three-year action plan which will help to ensure a consistent approach across the whole of the Council. The Council's Head of Service overseeing customer service will be responsible for the monitoring

and implementation of the plan and will work with other services to make sure this happens.

Monitoring and Evaluation

Monitoring and evaluation are critical to ensuring that we achieve the objectives.

To ensure we are making progress we will:

- monitor our performance against local (and national, if any) measures
- report performance on customer service
- collect and publish evidence of good practice throughout the Council.

This strategy and action plan will be reviewed annually so that we can set specific targets for the future. A comprehensive review of the strategy will be undertaken every three years.

Risks

The council's corporate risk register identifies a large number of risks that may have negative effects on the council.

An effective customer service strategy is imperative to ensure the risks and the possibilities of them becoming a reality are kept to a minimum or prevented altogether.

The following key risks have been identified:

- Delivering the strategy may require resources already committed to other activities and projects.
- Customers are targeted in an uncoordinated way, using resources inefficiently and lowering customers' perception of our services.
- Customer insight may focus effort onto the majority of customers at the expense of hard to reach groups.
- Shared service requires commitment from outside the Council; it may be this is not forthcoming.

Action Plan 2008-2011

| Outcome | Action | Measure | Target | By whom | When |
|---|--|--|---|--|------------|
| To provide High quality customer service <i>Services are provided in a way that meet customer needs</i> | Designates a Head of Service to be responsible for overseeing the delivery of this strategy and for the provision of 'front-office' service. | Head of Customer Service appointed | April 2008 | Terry Parker | April 2008 |
| | Embeds the concept and practice of 'customer insight' into the organisation by encouraging services to implement this strategy. | Achieve commitment and buy in from all departments | All activity managers have attended a customer insight workshop. | Customer Services Manager | March 2009 |
| | | Review the complaints & feedback system to record feedback from customers, particularly satisfaction with the level of service provided. | % Improvements made based upon feedback from customers through comments and complaints. | Customer Services Manager & Central Services Manager | March 2010 |

| Outcome | Action | Measure | Target | By whom | When |
|--|--|---|---|--------------------------------|----------------|
| To provide high quality customer service <i>Services are provided in a way that meet customers needs</i> | Training and development course for relevant employees in customer service activities. | Adequate courses to meet personal development plan needs. | 100% in relation to appropriate actions. | Customer Services Manager | March 2009 |
| | Establish and publicise customer service standards. | Publication of standards | September 2008 | Customer Services Manager | September 2008 |
| | Production of protocols and good practice guidance for customer service. | Publications and dissemination of protocols. | January 2009 | Customer Services Manager | January 2009 |
| | Reduce the amount of avoidable customer contact by 'getting it right first time' | NI14 | Methodology in place – Oct 08 Data Gathered – Baseline Data produced April 09 % Reduction of avoidable contact TBC. | Customer Services Manager &HOS | Ongoing |

| Outcome | Action | Measure | Target | By whom | When |
|---|--|--|--|---------------------------|---------------|
| <p>To make it as easy as possible for customers to access our services and get appropriate information.</p> <p><i>Services are accessible to our customers</i></p> | Achieve recognition of providing customer service excellence across all customer service locations | Achievement of the prestigious Customer service excellence award | Dec 2010 | Customer Services Manager | Dec 2010 |
| | To make better use of available data to improve our understanding of customers needs | Services are built around the needs of customers | All activity managers attended customer insight workshop | Customer Services Manager | March 2009 |
| | Maintain or establish systems to ensure employees know how to share information and knowledge | Sharepoint site used to share information and Knowledge | All customer service staff update and use the Sharepoint site to share information and knowledge | Customer Services Manager | December 2008 |
| | Continued development and updating of web site and web based material | % Of customers satisfied that web-based information meets their needs. | 80% | The Web Team | Ongoing |

| Outcome | Action | Measure | Target | By whom | When |
|---|--|--|---|--|--------------|
| <p>To make it as easy as possible for customers to access our services and get appropriate information.</p> <p><i>Services are accessible to our customers</i></p> | To promote the use of the website to improve service and 'free-up' resources | % Of selected transactions (e.g. payments) completed online compared to other channels (where there is a choice) | 50% (this measure is part of the updated Growing Success, so may change once approved by Members) | The Web Team & Customer Services Manager | Ongoing |
| | To develop the website and web based services so they are more personalised to customers needs | Implement personalisation on the website | By Mar 2010 | IMD Development Team | By Mar 2010 |
| | Continue the development of the Call Centre and Customer Service Centre in Huntingdon. | More services introduced and customers dealt with quickly and efficiently | Service level agreements continue to be met at the call centre and customer service centre | Customer Services Manager | Ongoing |
| | Develop the face-to-face customer service in St Neots and St Ives. | Make recommendations To improve | Report to cabinet outlining recommendations | Customer Services Manager | October 2008 |

| Outcome | Action | Measure | Target | By whom | When |
|--|---|--|---|--------------------------------|--------------|
| To make it as easy as possible for customers to access our services and get appropriate information. <i>Services are accessible to our customers</i> | Explores with other public services and the voluntary sector, opportunities to provide services in a way that meets customer's needs; especially to establish a shared "high street" or prominent presence in St Neots. | service delivery. Make recommendations To improve service delivery | Report to cabinet outlining recommendations | Customer Services Manager | October 2008 |
| | Improves access to services by managing, and responding to, the demand on services better. | % Of customers who rate access to council services as good or excellent. | TBC from growing success | Customer Service Manager & HOS | Ongoing |
| | To improve the delivery of mobile services around the district. | % Of customers who rate access to council services as good or excellent. | TBC from growing success | IMD Development Team & HOS | Ongoing |

| Outcome | Action | Measure | Target | By whom | When |
|---|--|--|------------------------------------|--|----------------|
| <p>To be good at communicating with and listening to people and organisations</p> <p><i>To work to ensure that communities are inclusive</i></p> | <p>To ensure all customers, including those groups which are considered to be excluded or do not engage with the Council, are considered when delivering services.</p> | <p>Use mosaic and other customer feedback to target customer groups correctly to increase the % of customers who rate access to council services as good or excellent.</p> | <p>TBC from growing success.</p> | <p>Customer Services Manager & Heads of Service.</p> | <p>Ongoing</p> |
| | <p>Use the results of Equality Impact Assessments in the planning of customer service activities.</p> | <p>Number of actions arising from EIA's, which are used to inform customer service activities.</p> | <p>100% of appropriate actions</p> | <p>Customer Service Manager & Heads of service</p> | <p>Ongoing</p> |

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