

NOTICE IS HEREBY GIVEN that a meeting of **HUNTINGDONSHIRE DISTRICT COUNCIL** will be held in the **BURGESS HALL, ST IVO RECREATION CENTRE, WESTWOOD ROAD, ST IVES** on **WEDNESDAY, 18 FEBRUARY 2009** at **2:30 PM** and you are requested to attend for the transaction of the following business:-

A G E N D A

PRAYER

The Bishop of Huntingdon, the Right Reverend Dr David Thomson will open the meeting with prayer.

APOLOGIES

CHAIRMAN'S ANNOUNCEMENTS

1. 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 below.

2. MINUTES (Pages 1 - 12)

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

3. FINANCIAL PLAN, MEDIUM TERM PLAN, 2009/10 BUDGET AND ASSOCIATED MATTERS (Pages 13 - 52)

The Council is requested to consider the Cabinet's recommendations on the Financial Plan, Medium Term Plan for 2010/14, the 2009/10 Budget, related Prudential Indicators and the Treasury Management Strategy (see also Items Nos. 58 and 59 of the Report of the meeting of the Cabinet) and, in accordance, with Section 30 (2) of the Local Government Finance Act 1992 Act, to approve resolutions as to the levels of Council Tax in 2009/10 for the various parts of Huntingdonshire District.

A report by the Head of Financial Services is enclosed.

(Members are requested to note that the information contained in Appendix B should be treated as provisional at this stage.)

4. REPORTS OF THE CABINET, PANELS AND COMMITTEES

(a) Cabinet (Pages 53 - 76)

- (b) Standards (Pages 77 - 78)
- (c) Overview and Scrutiny Panel (Service Delivery) (Pages 79 - 84)
- (d) Overview and Scrutiny Panel (Service Support) (Pages 85 - 88)
- (e) Overview and Scrutiny Panel (Corporate and Strategic Framework) (Pages 89 - 92)
- (f) Development Control Panel (Pages 93 - 96)
- (g) Corporate Governance Panel (Pages 97 - 100)
- (h) Employment Panel (Pages 101 - 104)

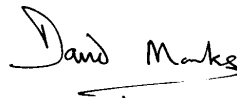
5. ORAL QUESTIONS

In accordance with the Council Procedure Rules (Section 8.3) of the Council's Constitution, to receive oral questions from Members of the Council

6. LOCAL GOVERNMENT ACT 1972: SECTION 85

The Chief Executive to report on absences of Members from meetings.

Dated this 10th day of February 2009



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 Ms C Deller, Democratic Services Manager, Tel No 01480 388007/e-mail: Christine.Deller@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 Council.

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

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Agenda Item 2

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the COUNCIL held in the Council Chamber, Pathfinder House, St Mary's Street, Huntingdon PE29 3TN on Wednesday, 3 December 2008.

PRESENT: Councillor J W Davies – Chairman.

Councillors J D Ablewhite, M G Baker, K M Baker, Mrs M Banerjee, I C Bates, J T Bell, Mrs B E Boddington, P L E Bucknell, E R Butler, K J Churchill, W T Clough, Mrs K E Cooper, S J Criswell, P H Dakers, Mrs J A Dew, D B Dew, P J Downes, J J Dutton, R W J Eaton, R S Farrer, J E Garner, A N Gilbert, P M D Godfrey, P Godley, J A Gray, A Hansard, D Harty, L W McGuire, P G Mitchell, D J Priestman, Mrs D C Reynolds, T V Rogers, J M Sadler, T D Sanderson, M F Shellens, L M Simpson, C J Stephens, P A Swales, G S E Thorpe, R G Tuplin, P K Ursell, P R Ward and J S Watt.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors C R Hyams, Mrs P A Jordan, Ms S Kemp, I R Muir, M F Newman, R Powell and R J West.

IN ATTENDANCE: Mr D L Hall

44. PRAYER

The Parish Priest of the Church of the Sacred Heart, St. Ives, Father P Maddison opened the meeting with Prayer.

45. CHAIRMAN'S ANNOUNCEMENTS

(a) **Councillor I R Muir**

Having announced that Councillor I R Muir was seriously ill in Leicester Infirmary, the Chairman undertook to convey the Council's best wishes to him.

(b) **Civic Reception**

The Chairman thanked those Members who had attended and contributed to the success of his civic reception held on 31st October 2008.

(c) **Director of Central Services**

The Council congratulated Mr I Leatherbarrow, who had

been appointed recently as Director of Central Services and wished him every success in his new role.

(d) **Civic Support**

Following Mr Leatherbarrow's appointment, the Chairman advised the Council that support for civic arrangements would now be undertaken by Mrs K Pauley in the Administration Division. On behalf of previous Chairmen and the Council, the Chairman extended his appreciation and thanks to Mrs E Buckridge for her support in that role over recent years.

(e) **Awards**

On behalf of the Council, the Chairman congratulated Ms C Garbett, the Council's Sustainable Economic Development Manager on being awarded Employee of Year 2008 at a recent Huntingdonshire Business of the Year event. The Chairman also announced that he was pleased to congratulate Ms G Bonnet, the Impressions Fitness Brand Manager and her team for the achievement of second place in the Fitness Industry Association awards as "Fitness Club of the Year".

(f) **Official Openings**

The Chairman drew attention to two events at which he had presided recently which both had demonstrated the Council's commitment to investing in services for Huntingdonshire residents. These involved the opening of a new play facility as part of the internal conversion at Huntingdon Leisure Centre and the Creative Exchange in St. Neots.

(g) **Pathfinder House – Last Council Meeting**

The Chairman reminded Members that they were attending their last Council meeting in Pathfinder House, prior to the move to new accommodation. A schedule of meeting venues had been circulated to all Members for meetings of the Council until Spring 2010 when the new civic suite would be available.

(h) **Carol Service**

The Chairman encouraged Members to attend the District Council's Carol Service to be held over lunch time on 12th December 2008.

46. MINUTES

The Minutes of the meeting of the Council held on 24th September 2008 were approved as a correct record and signed by the Chairman.

47. MEMBERS' INTERESTS

Councillor T D Sanderson declared a personal interest in Minute No.

48 by virtue of his membership of Huntingdon Town Council.

Councillor P J Downes declared a personal interest in Minute No. 48 by virtue of his membership of Cambridgeshire County Council.

Councillors J W Davies and P J Downes declared a personal interest in Minute No. 49 (a) (Item No. 57) by virtue of their potential eligibility for free swimming at the District Council's five leisure centres.

Councillor I C Bates declared a personal interest in Minute No. 48 by virtue of his appointment as the District Council's representative on the Cambridgeshire Horizons Board.

Councillors I C Bates, Mrs B E Boddington, K J Churchill, S J Criswell, P J Downes, J J Dutton, R S Farrer, D Harty and L W McGuire declared a personal interest in Minute No. 49 (e) (Item No. 18) by virtue of their membership of Cambridgeshire County Council.

48. DEVELOPMENT APPLICATION - ERECTION OF 20 HOUSES AND 9 FLATS WITH ASSOCIATED WORKS AND LANDSCAPING, INFORMAL OPEN SPACE, NORTH WEST OF 5 MAYFIELD ROAD, HUNTINGDON

In conjunction with the report of the Development Control Panel (Minute No. 49 (f) refers), the Head of Planning Services introduced a report (a copy of which is appended in the Minute Book) regarding a planning application for the erection of 20 houses and 9 flats with associated works and landscaping on an existing area of open space fronting onto Mayfield Road, Huntingdon.

In the course of his presentation, the Head of Planning Services explained that the development represented a departure from the Development Plan and would therefore require submission to Go-East on the basis that the open space proposed for development originally had been designated for protection under the Huntingdonshire Local Plan, 1995. He further advised that current Government guidance recommended the development of affordable housing in urban and sustainable locations.

The Council was made aware that the proposal would bring forward an exemplar form of sustainable residential development, deliver 29 affordable housing units and accord with the design brief adopted for the site in July 2008, with 30% of the site being retained as open space. The Head of Housing Services advised the Council of the current housing need in the District and in Huntingdon East Ward in particular, while the Team Leader, Environment described the principles of Level 5 of the Code for Sustainable Homes and referred to the example that the Council would set if it were to recommend a development which complied with this standard.

The Council received personal representations from Ms Hilton and Mr Brewer, objectors and from Mr Blake and Mr Budden, the agents for the applicants. The Chairman of the Development Control Panel, Councillor P G Mitchell, also drew attention to those issues which had led the Panel to indicate its support for the application and to recommend its approval and, following representations made by Councillors Sanderson and Thorpe, suggested that the applicant be

requested to provide an appropriately designed children's play area as part of the development.

The following issues were raised during detailed discussion of the application:-

- ◆ that Planning Policy Statement No. 1 (2007) committed planning authorities to provide homes, jobs and infrastructure with lower carbon emissions resilient to climate change;
- ◆ that the developer be requested to take established landscaping and habitats into account when developing the site;
- ◆ that it was the intention of the applicant to approach Huntingdon Town Council with a view to that Council accepting responsibility for maintenance of the open space;
- ◆ that the Open Space, Sport and Recreation Needs Assessment had identified a surplus of amenity space in the Huntingdon East Ward but that, in any event, the development would secure the retention of 30% of the site as open space; and
- ◆ that there was no Section 106 contribution proposed for education because there was no land value attached to the site and the requirement for affordable housing and a desire to provide an exemplar sustainable development outweighed any financial benefit which would normally be negotiated on behalf of consultees.

Following a number of contributions to the debate by Members both in support and against the application it was moved, seconded and

RESOLVED

- (a) that subject to conditions to be determined by the Head of Planning Services and the provision of an appropriately designed children's play area, the application for the erection of 20 houses and 9 flats with associated works and landscaping on informal open space, north-west of 5 Mayfield Road, Huntingdon be supported;
- (b) that the Government Office for the Eastern Region be requested to consider whether they wish to call in the proposal; and
- (c) that, in the event that the proposal is not called in by the Government Office, the application be approved, subject to the conditions set out in paragraph 8 of the report now submitted.

49. ADJOURNMENT

At 3.47pm it was

RESOLVED

that the meeting stand adjourned.

Upon resumption at 4.12pm.

50. REPORTS OF THE CABINET, COMMITTEES AND PANELS

(a) Cabinet

Councillor I C Bates, Leader and Chairman of the Cabinet presented the Report of the meetings of the Cabinet held on 25th September, 16th October, 6th, 7th and 20th November 2008.

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In connection with Item No. 42, the Executive Councillor for Finance and Environment, Councillor T V Rogers reported that the Minister of State at the Department for Communities and Local Government had announced that there were no adjustments proposed to the grant settlements for Huntingdonshire previously indicated for 2009/10 and 2010/11. As a result approximately £600,000 in grant had been withheld to financially support other authorities. In addition, the Executive Councillor highlighted several areas critical to the preparation of the budget and MTP for the period 2009/14, making specific reference to capital and revenue reserves and the difficulties which potentially might arise from exceeding the budgets for disabled facilities grants and concessionary fares. Mention also was made of the significant level of spending adjustments identified by Heads of Service and Chief Officers following a review of budgets, MTP schemes and plans for the next five years and the continued uncertainty surrounding the Government's approach to capping.

To clarify the position, the Executive Councillor reported that the District Council's contribution to the County Council's accident safety scheme on the A141/Kings Ripton road junction, Huntingdon would be financed from the MTP bid for the local transport plan (£30,000), Huntingdonshire Transport Strategy (£5,000) and Safe Cycle Routes (£20,000) with a balance of (£20,000) coming from LPSA reward funding.

In concluding his address, Councillor Rogers envisaged that Council Tax was unlikely to rise above 4.99% leading to an increase of between 0.48p and £5.76 per month for a band D property. Therefore, he commended the recommendation of the Cabinet on the draft budget and MTP 2009 – 2014 to the Council.

The Leader of the Opposition, Councillor P J Downes, welcomed the contribution made by the Overview and Scrutiny Panels to the budgetary process and the clarification received on the position in respect of the A141 safety scheme.

Referring to the income raised by the Council from fees and

charges, Councillor I C Bates, Leader of the Council, drew attention to the difficulties which might result from the effect of the economic downturn on income from planning fees, recycling credits and admissions to the leisure centre complexes, with a possibility that spending might require further adjustment to allow for any resulting loss of income over the next few months.

Whereupon, having been moved and seconded and put to the vote the recommendation contained in Item No.42 was declared to be CARRIED

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In connection with Item No. 49 and in response to a question from Councillor P J Downes regarding the setting of more ambitious targets for recycling and composting, the Leader, Councillor I C Bates, referred the questioner to a response to a similar question given by the Cabinet Member for Environment and Climate Change to a meeting of the County Council held on 21st October 2008 when Councillor Downes had been present.

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In connection with Item No. 50 and in response to a question from Councillor G S E Thorpe, regarding the extent of consultation thus far with town councils in the District over a proposal to introduce additional cleansing services in town centres on Sunday mornings, the Leader, Councillor I C Bates replied that the Head of Operations had been requested to investigate the feasibility of the proposal which had arisen following a study by the Overview and Scrutiny Panel (Service Delivery). Consultation with the town councils would follow and in the circumstances Councillor Bates suggested that it would be premature to draw any conclusions regarding a necessity to increase the town councils' precepts to cover additional cleansing rotas.

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Whereupon, it was

RESOLVED

that, subject to the foregoing paragraphs, the Report of the meetings of the Cabinet held on 25th September, 16th October, 6th, 7th and 20th November 2008 be received and adopted.

(b) Standards Committee

Mr D L Hall presented the Report of the meeting of the Standards Committee held on 20th November 2008.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Standards Committee held on 20th November 2008 be received and adopted.

(c) Overview and Scrutiny Panel (Corporate and Strategic Framework)

Councillor J A Gray presented the Report of the meeting of the Overview and Scrutiny Panel (Corporate and Strategic Framework) held on 11th November 2008.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Overview and Scrutiny Panel (Corporate and Strategic Framework) held on 11th November 2008 be received and adopted.

(d) Overview and Scrutiny Panel (Service Support)

Councillor J A Gray presented the Report of the meetings of the Overview and Scrutiny Panel (Service Support) held on 14th October and 11th November 2008.

.....

In connection with Item No. 25 and in response to a question from Councillor P J Downes, Councillor Gray concurred with the views expressed by the questioner in terms of the opportunities presented by home working but he acknowledged that the process might not be appropriate for all post holders.

.....

In connection with Item No. 28 and in response to a question from Councillor W T Clough, Councillor Gray explained that at each meeting Members systematically reviewed via the Decision Digest, Forward Plan and progress reports the work of the Council to consider how the Panel could influence the decisions that were upcoming or being made in various forums.

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Whereupon, it was

RESOLVED

that the Report of the meetings of the Overview and Scrutiny Panel (Service Support) held on 14th October and 11th November 2008 be received and adopted.

(e) Overview and Scrutiny Panel (Service Delivery)

Councillor S J Criswell presented the Report of the meetings of the Overview and Scrutiny Panel (Service Delivery) held on 7th October and 4th November 2008.

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Whereupon, it was

RESOLVED

that the Report of the meetings of the Overview and Scrutiny Panel (Service Delivery) held on 7th October and 4th November 2008 be received and adopted.

(f) Development Control Panel

Councillor P G Mitchell presented the Report of the meetings of the Development Control Panel held on 13th October and 17th November 2008.

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In connection with Item No. 15, it was noted that the recommendations had been considered previously under Minute No. 48 ante.

.....

Councillor Mitchell drew attention to Item No. 17 and concerns expressed with regard to the traffic and transport issues presented by proposals to develop the area around Butts Grove Way, The Whaddons and Suffolk House, Huntingdon and informed the Council that he had requested a traffic and travel assessment to examine how traffic generated by the proposed new development might be managed.

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Whereupon, it was

RESOLVED

that, subject to the foregoing paragraphs, the Report of the meetings of the Development Control Panel held on 3rd October and 17th November 2008 be received and adopted.

(g) Employment Panel

Councillor Mrs B E Boddington presented the Report of the meeting of the Employment Panel held on 18th November 2008.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Employment Panel held on 18th November 2008 be received and adopted.

(h) Licensing and Protection Panel

Councillor J M Sadler presented the Report of the meeting of the Licensing and Protection Panel held on 6th November 2008.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Licensing and Protection Panel held on 5th November 2008 be received and adopted.

(i) Licensing Committee

Councillor J M Sadler presented the Report of the meeting of the Licensing Committee held on 5th November 2008.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Licensing Committee held on 5th November 2008 be received and adopted.

(j) Appointments Panel

Councillor L M Simpson presented the Report of the meeting of the Appointments Panel held on 7th November 2008.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Appointments Panel held on 7th November 2008 be received and adopted.

(k) Corporate Governance Panel

Councillor C J Stephens presented the Report of the meeting of the Corporate Governance Panel held on 23rd September 2008.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Corporate Governance Panel held on 23rd September 2008 be received and adopted.

51. ORAL QUESTIONS

In accordance with the Council's Procedure Rules (Paragraph 8.3 of the Council's Constitution), the Chairman proceeded to conduct a period of oral questions addressed to Executive Councillors and Panel Chairmen as follows:-

Question from Councillor P G Mitchell to the Executive Councillor for Planning Strategy and Transport, Councillor P L E Bucknell

In response to a question regarding progress towards the allocation of pitches in the District for Gypsy and Traveller Families, Councillor Bucknell replied that the Development Plan Document (DPD) on Gypsy and Traveller sites would be issued for consultation early in the new year with a view to achieving an objective of 20 pitches for gypsy/traveller families in the District by 2011 as required by the Regional Spatial Strategy for the East of England.

Question from Councillor Mrs B E Boddington to the Executive Councillor for Resources and Policy, Councillor A Hansard

In response to a question regarding the ineffective mobile 'phone coverage in some villages in the District, Councillor Hansard replied that he had become aware of the difficulties experienced by some communities via the recent great digital debate in St. Ives and that he would continue to lobby and monitor the situation as exclusion from the network was not conducive either for residents or for a healthy and vibrant business network in the District.

Question from Councillor J E Garner to the Executive Councillor for Planning Strategy and Transport, Councillor P L E Bucknell

In response to a question regarding the performance of the Development Control Section of the Planning Services Division, Councillor Bucknell replied as follows –

- ◆ in 2007/08, the Council had processed 2,057 planning applications;
- ◆ 72% of major applications were determined within 13 weeks, exceeding the national target of 60%;
- ◆ 69% of minor applications were determined within eight weeks exceeding the national target of 65%; and
- ◆ 89% of all other applications were determined within 8 weeks exceeding the national target of 80%.

In that year, the Council also had processed 1,614 formal requests for pre-application advice and permitted development determinations. He explained that this currently was a discretionary service which was not charged. Officers endeavoured to respond to inquiries within four weeks but did make it clear to customers that this might not always be possible. Councillor Bucknell advised that with regard to formal condition monitoring, the applicable legislation and the ability of the Council to charge for this service had only come into force earlier this year and therefore it was too early to define performance in respect of this specific area.

Question from Councillor D J Priestman to the Executive Councillor for Finance and Environment, Councillor T V Rogers

In response to a question regarding the liability of small businesses in the District to pay council or business tax, Councillor Rogers reported that a scheme which would permit relief for small businesses from Council Tax would commence on 1st April 2009 and that the Council would continue via the Local Government Association, to lobby the Government for improved benefits in this area.

Question from Councillor M F Shellens to the Leader of the Council, Councillor I C Bates

In response to a question regarding proposals for car parking on the Riverside Park, Huntingdon, Councillor Bates replied that he considered it inappropriate and premature to comment on the question in advance of the conclusion of the consultation process on various uses for the Riverside Park but he confirmed that the Overview and Scrutiny Panel (Service Support) would have the opportunity to consider the outcome of the exercise.

Question from Councillor G S E Thorpe to the Executive Councillor for Planning Strategy and Transport, Councillor P L E Bucknell

In response to a question regarding the old fire station site in St. Neots, Councillor Bucknell replied that the current planning application to allow for the demolition of the old fire station building had been prompted by the need for the Council, as a responsible land owner, to have regard to issues of public safety. A recent structural report (in May 2008) had confirmed that the building was structurally unsafe and potentially liable to an uncontrolled collapse. Such an event could potentially endanger pedestrians and cause damage to the footpath and the busy roadway to the front of the property. The existing building also contained asbestos and this would need to be moved in a controlled manner. Currently the Council had no plans for

the re-use or redevelopment of the site. Whilst he was aware that there had been various informal discussions about the future of the site, Councillor Bucknell confirmed that it had not been marketed and no application for its development had been received. Planning Officers remained willing to talk to any interested parties about the Council's land holdings and/or the planning process.

Question from Councillor P J Downes to the Deputy Leader of the Council and Executive Councillor for Customer Services and Information Technology, Councillor L M Simpson

In response to a question regarding the question of increased fly-tipping in Brampton Ward following the closure of the waste recycling centre in Buckden, Councillor Simpson assured the questioner that he would, on behalf of the responsible Executive Councillor, continue to monitor the number of such incidents and any additional cost involved in clearing the rubbish.

Question from Councillor M G Baker to the Deputy Leader of the Council and Executive Councillor for Customer Services and Information and Technology, Councillor L M Simpson

In response to a question regarding the total cost of the recruitment process for the post of Director of Central Services, Councillor Simpson undertook to respond to the questioner in writing.

52. LOCAL GOVERNMENT ACT 1972: SECTION 85

The Chief Executive reported that there were no absences of Members from meetings for consideration in accordance with Section 85 of the Local Government Act 1972.

The meeting concluded at 5.07pm.

Chairman

Financial Plan, Medium Term Plan, 2009/10 Budget and Associated Matters

Report by the Head of Financial Services

1. PURPOSE

- 1.1 The purpose of this report is to allow Council to consider and decide upon the recommendations made by Cabinet in relation to the Financial Plan, the MTP, the 2009/10 budget and associated matters together with the formal determination of the Council Tax.

2. BACKGROUND

- 2.1 On 29th January 2009 the Cabinet discussed a report on the Financial Plan, the MTP and the 2009/10 budget (copy attached as Appendix A hereto.) They took into account the comments from the Overview and Scrutiny Panel (Corporate and Strategic Framework) meeting which took place on 27th January 2009 and the consultation meeting with members of the local business community held on 26th January 2009. The Cabinet then approved the recommendations included in the report (Item No. 58 of the Report of the Cabinet refers).
- 2.2 The Cabinet also considered an associated report on the Council's Treasury Management Strategy and Prudential Indicators which is reproduced as Appendix A to the Report of the Cabinet. The Cabinet supported this report without change.
- 2.3 In the light of Cabinet's recommendation on the increase in the Council Tax level for 2009/10 of £5.76 per year, or just 11p per week, the formal resolution with related calculations is attached as an Appendix to this report. It should be noted that when this report was prepared not all of the Council Tax levels for other bodies had been formally determined. Therefore the tables are based on expected levels and, if these figures are changed, replacement tables will be circulated.

3. DECISIONS

- 3.1 The Cabinet's recommendations on the two reports can be found in Item Nos. 58 and 59 of the Report of the Cabinet. In the light of these recommendations the Council is invited to:
- ◆ approve the proposed Budget, MTP and Financial Plan,
 - ◆ approve the Treasury Management Strategy and Prudential Indicators; and
 - ◆ approve the Band D Council Tax of £121.15 for 2009/10 and the formal resolutions shown in Appendix B hereto.

ACCESS TO INFORMATION ACT 1985

Working Papers - Files in Financial Services

Contact Officer: Steve Couper, Head of Financial Services
☎ 01480 388103

**FINANCIAL STRATEGY, MEDIUM TERM PLAN 2010 to 2014
AND THE 2009/10 BUDGET
(Report by the Head of Financial Services)**

1 PURPOSE

- 1.1 The purpose of this report is to allow the Cabinet to determine its recommendations to Council on 18 February in relation to the Council's Budget and Council Tax for 2009/10, Medium Term Plan for 2010/14 and associated matters.

2 BACKGROUND

- 2.1 This year's process started with consideration of a financial strategy by Overview & Scrutiny, Cabinet and Council in September. The second stage was the draft MTP and Budget report, discussed by Overview & Scrutiny and Cabinet, before being considered by Council on the 3 December. Both reports highlighted the difficulty of assessing how deeply and how long the expected recession would last.

3 PROPOSED CHANGES TO THE DRAFT PLAN

- 3.1 A number of adjustments have been necessary since the December report. A number relate to forecast higher net spending due to economic factors. These include lower interest rates in the shorter term but higher rates in the longer term, the increase in the NI rate from April 2011 and increased vacancies on industrial properties.
- 3.2 The first two months income, since the car park tariffs were changed in October, implies that the forecast patronage was too optimistic. Allowance has therefore been made for gradual recovery of these sums over the Plan period.
- 3.3 HM Revenues and Customs **had** signalled a permanent end of the Council's loss of some VAT each year but they now do not consider their intended approach will comply with the regulations. Allowance must be made for the loss recommencing next year pending an alternative solution being found.
- 3.4 Additional spending on statutory Disabled Facilities Grants has been included to reflect the "catch up" anticipated now that the PCT has increased Occupational Therapist resources.
- 3.5 Detailed work has been ongoing in order to revise the bid for IT systems replacements. An increased sum has been included that better reflects the unavoidable demand for upgrades and occasional replacement systems.
- 3.6 Inflation provisions have been revised to reinstate the allowance for some areas of unavoidable inflation but this is more than off-set by the impact of recent falls in the level of petrol prices.

3.7 The full summary is shown below:

PROPOSED CHANGES	2009/10	2010/11	2011/12	2012/13	2013/14
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Capital					
Reintroduction of provision for loss of VAT (Partial Exemption)	212	44	25	22	35
IMD Systems Replacement Bid	98	326	100	13	93
Disabled Facilities Grants	250				
St Neots Footbridge (rephasing)	-537	537			
Inflation on above items		23	6	3	13
	23	930	131	38	141
Revenue (- = less cost)					
Fuel inflation allowance reduced from previous assumptions	-136	-136	-136	-136	-136
Increase in NI rate from April 2011			98	103	109
Other inflation	45	45	45	30	-164
Provision for loss of VAT (Partial Exemption)	140	140	140	140	140
Car Parking charges and penalties	140	126	102	68	34
NNDR Relief on small industrial properties in 2009/10	-30				
IMD Systems Replacement Bid	8	6	20	20	20
Temporary saving on toilet maintenance	-30				
Increased vacancies on Industrial properties	80				
Variation in Cost of Borrowing	-35	-27	6	-26	-48
Interest	12	198	57	-22	-23
Other	-11	-8	-11	-9	-11
	183	344	321	168	-79
Funding					
Extra Spending adjustments required				95	1,066
Council Tax - Tax base adjustments	21	22	0	-24	0
Use of Reserves	162	322	321	97	-1,145
	183	344	321	168	-79

3.8 As can be seen from the funding lines in the table above, reserves will have to be used sooner and thus spending adjustments will also have to be identified and introduced earlier than previously forecast. The table below shows the acceleration in the use of reserves:

USE OF RESERVES	2009/10	2010/11	2011/12	2012/13	2013/14
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Approved Budget/MTP (February 2008)	2,599	3,874	3,741	2,944	1,358
Draft (November 2008)	3,596	4,631	4,063	2,902	1,145
Proposed in this report	3,758	4,952	4,385	2,999	0

3.9 No allowance has been included for the £150k per year cost of ongoing remediation for a contaminated land site that may be an "orphan" site. If this is the case the costs will fall on the Council unless a government grant can be obtained for a capital solution.

hesitate to use our capping power as necessary to protect council tax payers from excessive increases.”

4.6 It should be remembered that although the Government constantly refers to Council Tax increases, the legislation requires any capping decision to be framed around increases in budget requirement. The Council’s proposed increase in budget requirement will be 4.4% for 2009/10.

4.7 The past figures used for capping were as follows:

	Increase in budget requirement of	AND	Increase in Council Tax of
2005/06	6%		5.5%
2006/07	6%		5%
2007/08	No Authorities capped		
2008/09	5%		5%

4.8 In 2004/05 14 Councils were capped, in 2005/06 this fell to 9 Councils and in 2006/07 two Councils (York and Medway) were **designated** (i.e. they were not actually capped but were told that for 2007/08 any capping decision would be based on the figures for 2006/07 as if they had been capped). In 2008/09 one Police Authority was capped whilst 6 Police Authorities and one local authority (Portsmouth Unitary) had criteria set such that they would have to limit increases for the next one or two years.

4.9 The Chief Officers’ Management Team considers that the proposals contained in this report give the best balance between minimising the level of spending adjustments required and avoiding capping next year.

4.10 If any subsequent Government statements on capping are made they will be reported at the meeting.

5. SPENDING ADJUSTMENTS

5.1 The table below shows the position on spending adjustments over the MTP period with the period up to 2023/24 being shown in Annex D.

SPENDING ADJUSTMENTS	BUDGET	MTP			
	2009/10	2010/11	2011/12	2012/13	2013/14
	£000	£000	£000	£000	£000
UNIDENTIFIED					
2009/10 BUDGET/MTP	0	-500	-1,500	-3,238	-6,501
ALREADY IDENTIFIED BUT NOT YET GUARANTEED					
Leisure Centres' target	-750	-900	-900	-900	-900
Additional Grants	-250	-250	-250	-250	-250
Provision for staff savings	-25	-50	-50	-50	-50

5.2 It will always be technically possible to make major savings but the challenge is to make them in a way that has least impact on service provision. There is still time to plan these in a way to have lower impact

but this task needs to gain momentum in case further adverse changes bring the date forward. The plan shows revenue reserves falling to the minimum level of £3M during 2012/13 and once this happens there will be no flexibility for further deferral.

- 5.3 It is therefore important to identify a schedule of items that can be implemented if no lower impact opportunities emerge. Work has started on this through a series of Meetings have been held between each Head of Service, the relevant Executive Councillor and the Executive Councillor for Finance.

6. 2009/10 BUDGET

- 6.1 As far as next year's budget is concerned the tables below show the breakdown and funding of the revenue and capital budgets for which approval is required. Annex B gives further details of next years revenue budget whilst Annex C gives the summary over the Forecast period and Annex A shows the consolidated MTP.

REVENUE BUDGET	2008/09	2008/09	2009/10
	Original Budget ^❶	Forecast	Budget
Service Spending	£000	£000	£000
Environmental Services	9,074	8,704	9,244
Planning	2,342	2,344	2,652
Community Services	7,546	7,862	7,807
Community Safety	1,014	1,065	1,058
Housing Services	5,749	4,767	4,839
Highways & Transportation	1,690	1,494	2,008
Corporate Services	5,084	5,053	5,418
Other Expenditure			
Contingencies	-1,061	-100	-677
Other items (mainly reversal of Capital Charges)	-8,854	-8,426	-8,436
Investment Interest and Borrowing Costs	-2,162	-2,315	-535
Council Total	20,420	20,448	23,378
Funding			
Government Support (RSG & NNDR)	-12,157	-12,157	-12,572
Collection Fund Deficit	28	28	-27
Council Tax	-6,668	-6,668	-7,022
Deficit – from Reserves	-1,622	-1,652	-3,758
	-20,420	-20,448	-23,378

The variations shown in this table and in Annex B include the allocation of MTP variations (Annex A), including inflation, to services together with capital charges, management and administration and pension adjustments that are net nil.

^❶During the course of the year some budgets have been re-categorised so individual lines do not all reconcile with last year's report.

CAPITAL BUDGET	2008/09 Forecast			2009/10 Budget		
	Net £000	Con't ^① £000	Gross £000	Net £000	Con't ^① £000	Gross £000
Refuse and Recycling	83		83			
Public Conveniences	130		130	217		217
Environmental Health				15		15
Economic Development ^②	737	1,262	1,999	1,303	2,485	3,788
Community Initiatives				11		11
Parks and Open Spaces	384	95	479	646		646
Joint Leisure Centres ^③	2,214	726	2,940	3,916	1,446	5,362
Community Facilities	89		89	105		105
Community Safety	237	60	297	104		104
Housing Services				-168	168	0
Private Housing Support	2,298	1,500	3,798	2,241	982	3,223
Homelessness	7		7			
Housing Benefits	72		72			
Transportation Strategy	774		774	518		518
Public Transport ^④	155		155	970		970
Car Parks	441		441	89		89
Environmental Improvements	-442	1,560	1,118	460	310	770
Operations Division	299		299	654		654
Offices	6,504		6,504	5,002		5,002
IT related	1,358		1,358	1,009		1,009
Other	254		254	374		374
Technical	-247		-247	330		330
Proposed Plan	15,347	5,203	20,550	17,796	5,391	23,187
Notes						
① contributions and grants from other organisations						
② main increases relate to new industrial units and Housing Growth Fund for Huntingdon West development						
③ main increases relate to developments at St. Neots, football improvements, energy generation and the rifle range conversion at the St Ivo and the routine replacement of fitness equipment.						
④ main increase is Huntingdon Bus Station						

7 CONSULTATION AND COMMENTS

7.1 This report will be considered at a meeting of the Overview and Scrutiny (Corporate and Strategic Framework) Panel on the 27 January and a consultation meeting with members of the business community is taking place on 26 January. Comments from both meetings will be reported to Cabinet.

8. PRUDENTIAL CODE

8.1 The Prudential Code sets various limits relating to the budget and this has been included as an annex to the Treasury Management Strategy elsewhere on the Cabinet's agenda.

9 RISKS AND SENSITIVITY

9.1 Risks

There are an increasing number of risks to the successful achievement of the proposed MTP which reflect the tighter financial constraints. The main risks are:

- The impact of services not being able cope with revenue inflation not being included on certain budgets in 2009/10

- The uncertainty in achieving the spending adjustments relating to Additional Grants, Leisure Centre savings and the new small general provision for staffing reductions.
- The level of unidentified spending adjustments that can be found without cutting services.
- The continued uncertainty on Concessionary Fares together with the question of whether it will, in due course, become a County function and the potential impact of the guided bus on this budget and the car parking budget for St Ives.
- Uncertainties on how long the recession will last.
- Government Grant levels after the next Comprehensive Spending Review (20011/12 and after).
- Potential Grant formula changes, particularly from changes to the area cost adjustment (20011/12 and after).
- The potential significant impact of lower equity prices on the employers' pension rate following the next pension revaluation.
- The potential cost of remediation of orphan contaminated land sites.
- Potential significant increases in gate fees at recycling centres due to lower resale values for recyclates.

9.2 Reserves and the Robustness of the 2009/10 Budget

The Local Government Act 2003 requires the Director of Commerce and Technology (as the Council's Chief Financial Officer) to report to the Council on the robustness of the estimates and the adequacy of reserves when it considers its budget and the consequent Council Tax. His comments are contained in Annex E and confirm that the budget is adequately robust and that the level of revenue reserves is currently significantly above the minimum level required.

9.3 Financial Plan – Sensitivity and Risks

Annex F considers the sensitivity of the plan in the longer term to variations in inflation, pay awards and interest rates and highlights other significant risks to the Council's financial position. Some of these issues are clearly outside the Council's control and there is little alternative to simply keeping them under review and reacting appropriately if they occur. Others, particularly the identification of spending adjustments, are clearly within the Council's own control and so can be programmed and dealt with. This annex also explains the need for revenue reserves to be retained at a minimum of £3M in the short term.

10 CONCLUSIONS

- 10.1 The Council approved the draft Budget, MTP and Financial Strategy figures in December but concern was highlighted in relation to the impact of the ongoing economic situation.
- 10.2 The December figures have been amended for the items highlighted in section 3 of this report.
- 10.3 RSG for next year and indicative figures for 2010/11 have been announced at the same levels as previously proposed. The Government is withholding £589k next year, the equivalent of an 8.8%

Council Tax increase, so that Councils who have too much grant only have to give it up slowly.

- 10.4 The Government have, as usual, signalled their intention to use capping to keep Council Tax levels down for 2009/10 and have again referred to an expectation that average increases should be substantially below 5%. There can be no guarantee of the actual level at which capping will apply because the Government refuse to give this figure as a matter of principle.
- 10.5 Given the significant levels of spending adjustments required in future years, public reluctance to support service reductions, the Council's current low level of Council Tax and the Government comments on capping the Chief Officers' Management Team considers that these proposals achieve the appropriate balance.
- 10.6 The challenge for the future is to identify £6.5M of further taxation or spending adjustments by 2013/14. Those required for 2009/10 have been identified and work is underway to identify specific proposals for subsequent years. It will obviously be necessary for any new additional spending pressures to be matched corporately by corresponding savings.
- 10.7 The resulting proposed Council Tax increase of £5.76 for 2009/10 is 11p per week for a band D property.
- 10.8 The combination of sound budget practices, the success so far in identifying savings and significant revenue reserves means that the proposed 2009/10 budget is robust and that the Council is well-placed, for the moment, to deal with any unforeseen expenditure.

11. RECOMMENDATION

11.1 The Cabinet is asked to recommend to February Council:

- **Approval of the proposed MTP, budget and Financial Plan (Annexes A, B and C)**
- **Approval of a Council Tax (Band D) increase of £5.76 for 2009/10.**

ACCESS TO INFORMATION ACT 1985

Grant Settlement Information – Files in Financial Services
Working Papers - Files in Financial Services
Project Appraisals
2008/09 Revenue Budget and the 2009/013 MTP

Contact Officer: Steve Couper, Head of Financial Services
☎ 01480 388103

ANNEXES

- A Consolidated MTP (2008/09 to 2013/14) with Schemes requiring approval before commencement highlighted.
- B 2009/10 Revenue Budget by Service

- C Overall Financial Summary to 2023/24
- D Spending Adjustments required to 2023/24
- E Reserves and the Robustness of the 2009/10 Budget
- F Financial Plan - Sensitivity and Risks & Future level of Reserves

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CONSOLIDATED MTP 2008/09 TO 2013/14

The following sheets have been colour coded as explained below to signify any schemes requiring approval before commencement.

The coding is based on:

- Routine items that just happen to be Capital should be treated the same as base revenue budget i.e. no further approval required.
- Small or unavoidable items do not require approval though some replacements of assets and Invest to Save schemes require COMT approval.
- Significant schemes require approval from Cabinet.
- Items reliant on ensuring the “trading” position is robust (e.g. leisure and industrial estate) would require Director plus Executive Councillor agreement.

The colour coding show this as follows:

Approval by:
COMT and then Cabinet
Service Director following consultation with Director of C&T and Executive Councillor
COMT
Head of Service

PROPOSED MTP		REVENUE						NET CAPITAL						GRANTS & CONTRIBUTIONS					
		2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014
Bid	Scheme	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	BASE	23,116	23,116	23,116	23,116	23,116	23,116	0	0	0	0	0	0	0	0	0	0	0	0
	Refuse and Recycling																		
	Recycling Gate Fees	9	17	26	35	35	35												
650	Recycling Credits	-19	-38	-55	-72	-72	-72												
800	BREW Funding	24																	
	Recycling T/F Revenue to Capital	-83						83											
	Public Conveniences																		
302	New Public Conveniences							130	217										
504	Removal of APCs	-121	-153	-153	-153	-153	-153												
	Maintenance of Toilets		-30																
	Environmental Health																		
307	Stray Dog Kennels	-5	-5	-5	-5	-5	-5		15										
	Planning Policy and Conservation																		
465	Local development framework inquiry	40	116	-5	-5	-5	-5												
739	Proposed use of Planning Delivery Grant	339	242	72	31														
655	Electronic Document Imaging				17	21	21												
656	Planning Enforcement Monitoring Officer				23	27	27												
901	Planning Fees - reduced income	75	50																
	Planning Conditions income		-25	-25	-25	-25	-25												
	Savings in costs		-10	-10	-10	-10	-10												
	Economic Development																		
401	Huntingdon Town Centre Development							13	0	311	321	334							
224	Town Centre Developments							21	0	0	210	64							
239	New Industrial Units			-37	-65	-65	-65	100	935						285				
	Earmarked Capital Receipt already received								285										
657	Creative Industries Centre, St Neots						-30	557						562					
358	Ramsey Rural Renewal		12	5	5	3		10	52										
509	Industrial Estate Repairs							20	31										
643	Health Centre Sapley Square	-643	-643	-643	-643	-643	-643	16											
850	Huntingdon West Development (Housing Growth Fund)													700	2,200	2,800			

		REVENUE						NET CAPITAL						GRANTS & CONTRIBUTIONS					
		2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014
Bid	Scheme	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	Transportation Strategy																		
870	Local Transport Plan							122	93	83	91	91	90						
871	Safe Cycle Routes							374	93	93	93	93	95						
872	St Neots Transport Strategy Phase 2								90	90	90	90							
873	Accessibility Improvement /Signs in footpaths and car parks							63	35	35	35	35	35						
351	St Neots Pedestrian Bridges									537									
874	Huntingdon Transport Strategy							75	80	80									
362	St Ives Transport Strategy							140	82										
363	Ramsey Transport Strategy								45	45	45								
875	A14 Inquiry	50	200																
	Public Transport																		
818	Railway Stations - Improvements									29	26								
899	Bus Shelters - extra provision	15	18	25	28	28	28	105	41	41	41	42	42						
825	Huntingdon Bus Station							50	900	-150	-150				150	150			
	Highways Services																		
844	Street naming and numbering	15	10	5	5														
	Car Parks																		
166	St Neots - Cambridge Road Car Park		4	4	4	4	4		89										
461	Car Park Repairs							56											
480	Implementation of car park strategy	-348	-441	-456	-480	-514	-548	385				512	1,333						
	Environmental Improvements																		
49	Huntingdon Town Centre 2 - High St etc	2	2	2	2	2	2	12											
51	Ramsey Great Whyte Phase 2	1	1	1	1	1	1	0	0										
52	St Ives Town Centre 2 - Completion							32	425	642									
876	Small Scale - District Wide Partnership							76	79	79	79	79	80	10	10	10	10	10	10
877	AJC Small scale improvements							84	86	86	86	86	90	0	0				
878	Village Residential Areas							55		57	57	60	60					10	10
703	Heart of Oxmoor	-30	-30	-30	-30	-30	-30	-1,383	-300					1,550	300				
489	St Neots and Eynesbury							102											
879	Environment Strategy Funding	50	55	55	55	55		50	50	50	55	55							
880	Sustainable Homes Retrofit		15	15				530	120			-550							

		REVENUE						NET CAPITAL						GRANTS & CONTRIBUTIONS					
		2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014
Bid	Scheme	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
881	Climate Change Adaptation Study		15																
882	Energy and Water Efficiency		25																
883	Decentralised and Renewable Energy - District Appraisal		25																
	Administrative Services																		
676	Taxi Survey		20																
824	Land Charges - Extra net cost	213	260	211	162	162	162												
884	Standards Investigations	5	10	10	10	10	10												
	Licensing Income	-20	-20	-20	-20	-20	-20												
	Electoral Reviews	-5	-5	-5	-5	-5	-5												
	Democratic Representation																		
885	District Council Elections - No elections every fourth year	-10	-67	0	50	-80	-80												
825	Members Allowances Review			5															
826	Electoral Administration Act	8	8	16	8	8	8												
	Operations Division																		
886	Vehicle fleet replacements.	-224	-224	-224	-224	-224	-224	299	654	218	768	1,249	857						
738	Driver Operating Scheme		10	10	10	10	10												
840	Transport Legislation - Drivers Hours	14	11	11	11	11	11												
887	St Ives TC Grounds Maintenance	4	4	4	4	4	4												
888	Markets income - Reduction	25	25	25	25	25	25												
	Bin storage transferred to EFH		-25	-25	-25	-25	-25												
	Offices																		
889	Eastfield House	3	-1	3	3	3	3	85											
890	Headquarters	-101	-136	55	140	140	140	6,419	5,002	-740	-248								
	IT related																		
494	Voice and data infrastructure	35	60	60	60	60	60	242	13										
902	VOIP Data Switches	-90						90											
495	Corporate EDM	10	10	10	10	10	10	128	132										
600	Network and ICT Services	167	207	176	170	170	170												
891	Business Systems	41	49	47	78	78	78	137	282	510	267	180	250						
634	Customer First	702	702	702	702	702	702	102	73										
733	Flexible and Mobile Working Systems	51	51	51	51	51	51	35											

		REVENUE						NET CAPITAL						GRANTS & CONTRIBUTIONS					
		2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014
Bid	Scheme	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	Temporary Spending Adjustment (Contingency)		22	28	28	28	28												
	Temporary Spending Adjustment (Recharges)		74	64	67	67	67												
	Pension Increase Savings (Corporate Management)				-18	-18	-18												
	Roundings	2	-5		-3	-4	-2												
	PROPOSED TOTAL	20,448	23,378	25,286	25,687	25,306	23,149	15,347	17,796	6,056	4,957	6,666	6,374	5,203	5,391	3,564	685	563	563

Note: The Council's £75k contribution to the funding of the A141 improvements is funded from two schemes included above (Local Transport Plan £30k and Safe Cycle Routes £20k) together with £25k from the LPSA Reward Grant.

GRANT FUNDING AWARDED	Capital			Revenue			
	2008/9	2009/10	2010/11	2008/9	2009/10	2010/11	2011/12
LPSA REWARD GRANT	£000	£000	£000	£000	£000	£000	£000
Positive activities - engaging young people		0			27	27	27
Holiday scheme for St Ives, Yaxley Ramsey and Sawtry		0			19	19	19
Homelessness and skills - Huntingdon		300			0		
Homelessness and skills - St Neots		180			30		
Fusion / Proud to be Loud		0			67	67	67
Priority road safety		25			0		
Active at 50		0			3	3	3
Active lifestyles (community sports network)		0			14		
Exercise referral scheme - health walks and cardiac rehab		0			50		
Energy efficiency - homes		50	50		0		
Energy efficiency - businesses		25	25		0		
Improvement to wildlife site - engineering and equipment		60			0		
Supporting low carbon communities		40			0		
Skills - 19-25's getting into work		0			50		
Business support / marketing of business opportunities		0			30		
Design costs of economic development initiatives		30			0		
Total	0	710	75	0	290	116	116
BIG LOTTERY GRANT							
Stukeley Skatepark (see also MTP815)	60						
Stilton Skatepark	50						
Proud to be Loud (see also LPSA)				20	20	20	
Fusion (see also LPSA)				17	17	17	
Play Outreach				16	16	16	
Project Management				8	9	9	9
Total	110	0	0	61	62	62	9

All items are to fund additional expenditure not included in the proposed budget/MTP except for Stukeley Skatepark where the grant is set against the scheme cost.

BUDGET SUMMARY	2008/09		2009/10
	Original	Forecast	Budget
	£000	£000	£000
Environmental Services			
Refuse Collection	3,674	3,464	3,576
Recycling	642	796	837
Drainage & Sewers	584	547	580
Public Conveniences	293	216	251
Environmental Health	2,393	2,297	2,575
Closed Churchyards	17	11	18
Street Cleaning & Litter	1,471	1,373	1,407
	9,074	8,704	9,244
Planning			
Development Control	1,358	1,504	1,391
Building Control	212	278	259
Planning Policy & Conservation	1,336	1,365	1,592
Economic Development	-629	-552	-660
Planning Delivery Grant	65	-251	70
	2,342	2,344	2,652
Community Services			
Countryside	594	653	672
Tourism	151	135	150
Community Initiatives	799	852	908
Parks	1,708	1,768	1,871
Leisure Policy	458	479	482
Leisure Centres	3,622	3,811	3,530
Community Facilities	214	164	194
	7,546	7,862	7,807
Community Safety			
Community Safety	1,014	1,065	1,058
	1,014	1,065	1,058
Housing Services			
Housing Services	680	851	897
Private Housing Support	3,538	2,595	2,526
Homelessness	625	586	574
Housing Benefits	905	735	842
	5,749	4,767	4,839
Highways & Transportation			
Transportation Strategy	997	451	1,152
Public Transport	709	790	760
Highways Services	102	100	101
Car Parks	-525	-274	-447
Environmental Improvements	406	427	442
	1,690	1,494	2,008
Corporate Services			
Local Taxation & Benefits	1,435	1,340	1,484
Corporate Management	1,812	1,739	1,848
Democratic Services	1,261	1,242	1,364
Central Services	320	490	466
Non Distributed Costs	255	242	256
	5,084	5,053	5,418
Other Expenditure			
Contingency	-1,061	-100	-677
Other Expenditure	-8,854	-8,426	-8,436
Investment Interest and Borrowing Costs	-2,162	-2,315	-535
	-12,077	-10,841	-9,648
Council Total	20,420	20,448	23,378

SERVICE BUDGET		2008/09		2009/10
		Original	Forecast	Budget
		£000	£000	£000
Environmental Services				
Refuse Collection	Abandoned Vehicles	66	74	82
	Brew Project	26	42	26
	Domestic Refuse	3,582	3,356	3,460
	Trade Refuse	0	-7	8
		3,674	3,465	3,576
Recycling	Recycling	645	794	879
	Recycling Sites	-3	2	-41
		642	796	838
Drainage & Sewers	Internal Drainage Boards	339	335	354
	Nightsoil Collection	10	10	10
	Watercourses	234	201	216
		584	546	580
Public Conveniences	Public Conveniences	293	216	251
		293	216	251
Environmental Health	Air Quality	124	107	109
	Animal Welfare	162	155	165
	Caravans And Camping	6	6	6
	Contaminated Land	183	185	181
	Health & Safety	252	281	274
	Energy Efficiency	252	227	338
	General	7	12	12
	Food Safety	489	470	502
	Health Promotion	43	45	46
	Licences	169	126	195
	Nuisances	324	311	346
	Pest Control	153	152	152
	Private Sector Housing	215	205	232
	Travellers	14	15	16
		2,393	2,297	2,574
Closed Churchyards	Closed Churchyards	17	11	18
		17	11	18
Street Cleaning & Litter	Littering	141	164	171
	Street Cleaning	1,330	1,209	1,236
		1,471	1,373	1,407
Environmental Services		9,074	8,704	9,244
Planning				
Development Control	Advice	509	467	467
	Application Processing	567	761	650
	Enforcement	282	276	274
		1,358	1,504	1,391
Building Control	Promotion & Enforcement	329	262	272
	Building Regulations Applications	-153	20	-10
	Defence Estates	36	-4	-2
		212	278	260

SERVICE BUDGET		2008/09		2009/10
		Original	Forecast	Budget
		£000	£000	£000
Planning (continued)				
Planning Policy & Conservation	A14 Inquiry	0	50	200
	Biodiversity Action Plan	6	7	6
	Conservation & Listed Build	269	197	205
	Local Plan	564	543	634
	Planning Projects/Implement	244	271	251
	Strategic & Regional Planning	67	92	94
	Suppl Planning Guidance	18	11	12
	Trees	167	194	189
		1,336	1,365	1,591
Economic Development	Business & Enterprise Support	289	243	254
	Markets	-64	-23	-37
	NNDR Discretionary Relief	42	27	28
	Property Development and Management	-1,097	-984	-1,102
	Town Centre Management	201	185	198
		-629	-552	-659
Planning Delivery Grant	Planning Grant Unallocated	65	-251	70
		65	-251	70
Planning		2,342	2,344	2,653
Community Services				
Countryside	Barford Road Pocket Park	8	9	10
	Coneygear Park	5	7	7
	Countryside Management	164	212	216
	Hinchingbrooke Country Park	271	276	283
	Holt Island	2	2	2
	Ouse Valley Way	2	2	2
	Paxton Pits	112	115	119
	Spring Common	30	30	32
			594	653
Tourism	Tourism	151	135	150
		151	135	150
Community Initiatives	Community Projects	138	161	208
	Customer Service	216	216	222
	Equal Opportunities	50	42	39
	Local Agenda 21	47	62	65
	Miscellaneous Grants	348	372	374
	Oxmoor Action Plan	0	-1	0
		799	852	908
Parks	Parks & Open Spaces	1,644	1,712	1,814
	Pavilions	58	50	51
	Unallocated Land Survey	6	6	6
		1,708	1,768	1,871
Leisure Policy	Arts Development	199	196	178
	Leisure Development	253	265	284
	Policy And Strategic Management	5	18	20
		458	479	482
Leisure Centres	Huntingdon Leisure Centre	672	834	785
	Leisure Centres Overall	44	34	-529
	Ramsey Leisure Centre	570	562	644
	Sawtry Leisure Centre	541	566	580
	St Ivo Leisure Centre	958	972	1,148
	St Neots Leisure Centre	837	843	903
		3,622	3,811	3,531

SERVICE BUDGET		2008/09		2009/10
		Original	Forecast	Budget
		£000	£000	£000
Community Services (cont.)				
Community Facilities	Leisure Grants	194	141	171
	Priory Centre	20	24	23
		214	165	194
Community Services		7,546	7,863	7,807
Community Safety				
Community Safety	C C T V	776	787	765
	Community Safety	238	277	293
		1,014	1,065	1,058
Community Safety		1,014	1,065	1,058
Housing Services				
Housing Services	Choice Based Lettings	44	60	62
	Contributions To HRA	20	16	17
	Housing Advances	12	14	10
	Housing Advice	209	324	350
	Housing Developments	9	4	4
	Housing Strategy	108	134	145
	Mobile Home Park	-2	-12	-10
	Publicising Housing Services	6	6	6
	Waiting List	274	305	313
		680	851	897
Private Housing Support	Home Improvement Agency	91	30	98
	Housing Associations	2,112	1,238	1,235
	Housing Surveys	23	22	23
	Renovation/Improvement Grants	1,313	1,305	1,169
	3,538	2,595	2,525	
Homelessness	Homelessness Management	316	277	279
	Hostel Support	99	99	99
	Prevention Schemes	10	7	7
	Priority Needs Scheme	28	28	26
	Rental Deposit Scheme	94	85	86
	Temporary Accommodation - B&B	78	90	78
	625	586	575	
Housing Benefits	Housing Benefits Admin	640	826	953
	Rent Allowance Local Scheme	22	22	23
	Rent Allowance National Scheme	124	-237	-262
	Temporary Accommodation Support	119	124	127
	905	735	841	
Housing Services		5,749	4,767	4,838
Highways & Transportation				
Transportation Strategy	Cycling	34	27	33
	Transportation Management	147	81	113
	Transport Schemes	817	343	1,006
	997	451	1,152	
Public Transport	Bus Shelters	49	65	72
	Bus Stations	106	118	102
	Concessionary Fares	554	607	586
	709	790	760	
Highways Services	Street naming	101	100	101
	101	100	101	

SERVICE BUDGET		2008/09		2009/10
		Original	Forecast	Budget
		£000	£000	£000
Highways & Transport' (cont)				
Car Parks	Car Park Assets	90	92	108
	Car Park Management	-351	-461	-679
	Car Park Policy	-264	95	124
		-525	-274	-447
Environmental Improvements	Management	91	117	105
	Schemes	315	310	337
		406	427	442
Highways & Transportation		1,690	1,494	2,008
Corporate Services				
Local Taxation & Benefits	Council Tax	1,189	1,112	1,186
	Council Tax Benefits	192	203	259
	N N D R Administration	54	24	39
		1,435	1,339	1,484
Corporate Management	Chief Executive & Management Team	771	722	809
	External Audit	123	122	126
	Public Accountability	807	789	807
	Treasury Management	112	106	106
		1,812	1,739	1,848
Democratic Services	Corporate Committees	377	398	446
	Member Allowances & Support	884	844	918
		1,261	1,242	1,364
Central Services	Elections	426	428	379
	Emergency Planning	78	64	67
	Land Charges	-184	-1	20
		320	491	466
Non Distributed Costs	Pensions	255	242	256
		255	242	256
Corporate Services		5,084	5,053	5,418
Other Expenditure				
Contingency	Spending Adjustments Contingency	-277	0	-242
	Other Contingencies	-785	-100	-435
		-1,061	-100	-677
Other Expenditure	Capital Charges Reversed	-8,352	-6,947	-7,137
	Commutation Transfer	-59	-59	-18
	Pensions Liabilities Reversed	-547	-1,421	-1,421
	V A T Partial Exemption	105	0	140
		-8,854	-8,427	-8,436
Investment Interest	Interest Paid	84	84	76
	Interest Received	-2,246	-2,399	-1,229
	Borrowing Costs			618
		-2,162	-2,315	-535
Other Expenditure		-12,077	-10,842	-9,648
COUNCIL TOTAL		20,420	20,448	23,378

RESERVES AND THE ROBUSTNESS OF THE 2009/10 BUDGET

The Local Government Act 2003 requires me, as the Council's Chief Financial Officer, to report on the robustness of the 2009/10 budget and the adequacy of reserves when you consider it and the consequent Council Tax.

Robustness

The Council has tended in recent years to underspend its budget. This demonstrates that it has budgeted prudently and that managers have taken a mature approach to budgetary control rather than simply spending any spare sums on low priority items. This may not recur due to the ongoing identification of required budget savings and the uncertain size and duration of the current recession.

The Internal Audit and Risk Manager considers that that our internal financial controls are working adequately. There is also a sound system of financial monitoring and identification of any necessary budget variations that feeds into the budget/MTP process.

The 2009/10 budget has been prepared using the budget for 2008/09 as a base, and amending it for known changes, particularly:

- Certain unavoidable inflation but no allowance for general inflation on general expenditure items.
- Potential pay rises
- The impact of MTP schemes
- Forecast interest rates, which have a significant impact on our investment income

There will always be some items that emerge after the budget has been prepared. These are normally met by compensating savings elsewhere in the budget or, if necessary, the use of revenue reserves.

The most significant potential risks to the budget are:

- reduced income due to recession
- non-achievement of planned savings (leisure centres and grants)
- failure of a borrower
- an emergency (e.g. flooding)
- higher inflation than anticipated
- increases in gate fees at recycling centres due to lower resale values for recyclates.

Reduced Income

A 1% loss of income from fees, rents and charges would amount to around £160k but adjustments to the 2009/10 budget to reflect lower expectations already include Planning Fees (£50k), Car Parking (£140k), Land Charges (£260k) and Industrial Rents (£80k). Building Control Fees are also expected to be lower but there is an earmarked reserve to finance this.

Planned Savings

Planned savings for 2009/10 include £750k on Leisure Centres (an increase from £160k in 2008/09), £250k of grant income and £25k from employees. None of these are certain.

Treasury Management

There is a separate report on the January 2009 Cabinet Agenda concerning the approach to mitigating Treasury Management risks. The maximum permitted with one counterparty is £11M but this is only possible where £5M of the sum is held in a liquidity account with that body. Liquidity Accounts allow recovery of investments on the same working day which substantially reduces the risk. Thus the practical limit is probably £6M which is limited to bodies with the highest credit rating or Building Societies with more than £2billion in assets.

Emergencies

Certain types of eventuality are mitigated in other ways. Many significant risks are insured against, so losses are limited to the excesses payable. The Government's Bellwin Scheme meets a large proportion, over a threshold, of the costs of any significant peacetime emergencies (e.g. severe flooding).

Inflation

A ½% increase in general and pay inflation, assuming no compensating increase in fees and charges was possible, would result in a net cost of approximately £130k. It is also possible that inflation could be lower than assumed next year – a 1% lower pay award would save £210k.

Interest Rates

A ½% reduction in interest rates would result in lost income of approximately £120k but, as we have a number of investments with agreed rates for all or part of next year, the real impact would be significantly less.

Revenue Reserves

These are estimated to be £19.1m at April 2009 and reduce to £15.3m by March 2010 in order to support revenue spending. This is still very significantly above what would be considered a safe minimum level, which would be around £3m.

Therefore, even if a number of unexpected additional costs emerged there would still be sufficient funding to cover the deficit for 2009/10.

Annex F deals with the position over the rest of the medium term financial plan period.

Conclusion

Considering all these factors, I believe that the combination of a robust budget process and significant reserves should give Members no concerns over the Council's financial position for 2009/10 but significant work is required to identify future years' spending or taxation adjustments so that future budgets can be considered robust in the light of significant reductions in the level of reserves.

Terry Parker
Director of Commerce and Technology

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.

SPENDING ADJUSTMENTS REQUIRED IN YEAR	2013/14 £000	2023/24 £000
	£M	£M
Already required by MTP/Financial Plan	+6.5	+10.7
Implications of other changes		
0.5% extra pay award cumulative from 2010/11	+0.5	+3.0
0.5% increase in staff efficiency cumulative from 2010/11 assuming this can be achieved and translated into reduced staffing levels.	-0.5	-3.0
1% higher investment returns in year	-0.1	-0.1
1% higher borrowing costs in year	+0.1	+0.1
1% extra employers pension contributions cumulative from 2011/12 for 5 years.	+0.5	+1.4

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 meet the impact.

The impact of investment rates is significantly diminished by 2013/14 as reserves will have been significantly reduced to meet revenue deficits and to fund capital projects. If long term borrowing rates and short term investment rates vary similarly there is a fairly neutral impact.

The next triennial revaluation of the Pension Fund is due in December 2010. Significant increases in contribution rates may be necessary from April 2011 even if the stock market has recovered by that date.

Other Risks

The Plan assumes that the extra specific grant awarded for Concessionary Fares for the three years starting in April 2008 will, together with the base budget provision be sufficient to meet the Council's costs. This is still not clear though any variation will probably not now be significant. It is also possible that responsibility for the scheme may become a County responsibility in April 2011. Resulting Grant adjustments, because they will be formula based, may not be neutral.

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. This could have a significant impact, particularly if the area cost adjustment formula is varied.

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.

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 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.

There may be significant increases in gate fees at recycling centres due to lower resale values for recyclates. The gate fees should fall again as the recession ends and demand increases.

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 approaching £5M per year 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 £1M per year. This may not be achieved.

Revenue reserves may not be sufficient but the plan is based on them reducing to £3M but then gradually increasing to £4M by 2023/24. This is dealt with in more detail below.

Conclusion

Spending Adjustments of a further £6.5M by 2013/14 and £10.7M by 2023/24 are required by the financial plan and there is potential for this to increase, particularly if the imminent recession is more significant than assumed, existing savings are unachievable or if pension contributions rise significantly. Prompt action is therefore necessary to take maximum advantage of the remaining time to identify optimum adjustments which should have less impact on service levels. Achievement of the MTP will become increasingly uncertain in the future without an established list of achievable adjustments that can be implemented as the need is confirmed.

FINANCIAL PLAN - FUTURE LEVEL OF RESERVES

The Plan is based on net spending rising to £28.7M by 2019/20 (circa £90M gross spending) with revenue reserves of £3M. The plan is therefore based on raising reserves to £4M by the end of 2023/24.

Adequate reserves are critical for various reasons:

Inflation

If pay awards and inflation were 1% more than expected in 2019/20, and fees and charges were not increased to mitigate it, the cost would be about £580k

Cash Flow

Changes to the profile of when the Government pays the Council its Government Grant and other payments (e.g. housing and Council Tax benefit)

Major failure of the computer systems for billing and recovering Council Tax, NNDR or other income. Impact is exaggerated because this Council takes the risk of late collection for the whole sum on Council Tax and NNDR for the area which amounts to £110M at present and would grow to, say, £170M by 2019/20. One month's loss of interest on £170M is around £700k.

Non achievement of Spending Adjustments

Spending adjustments of £10.7M are still to be identified.

Emergency/Disasters

The impact of a disaster to the public (e.g. flooding or a plane crash) is restricted by the Government paying 85% of any cost in excess of £36k but the Council would still need to fund the total cost pending reimbursement.

A Council disaster (e.g. the Council's computers or offices catching fire), would not receive government funding but certain aspects are insured such as alternative accommodation and lost income at Leisure Centres. There would still be a need to fund the costs "up front" and there is no cover for the cost of lost cash flow.

Unplanned Spending loss of income

This would include items like planning inquiries. Whilst unlikely to recur the cost of the Alconbury Inquiry was in excess of £2M.

Loss of income

Changes in economic activity can have a significant impact on development control fees, building control fees and land charges.

Leisure Centre income could suffer if a new private Fitness Centre aggressively entered the market.

Invest to Save

In order to meet the spending adjustments and to manage the authority effectively there will be a number of opportunities that require investment in order to increase service provision for no additional long term cost or to maintain provision but at a lower long term cost. Reserves are therefore required to allow this to happen.

Capping

If capping continues there is a need for higher reserves to allow any mitigating action to be undertaken in a planned and controlled way so that the service impact on the public is minimised whilst replenishing reserves to an adequate level. Thus it should be assumed that any significant financial shortfall may take 3 to 4 years to resolve.

Conclusion

It is difficult to arrive at a scientific calculation of a minimum figure for reserves. Whilst the unexpected items are unlikely to all occur in the same year and may be reduced by compensating favourable changes the remaining level of unidentified spending adjustments and the manner in which capping tends to force immediate rather than best solutions means there is a need to hold significant reserves to cover the period until compensating adjustments are achieved or capping relaxed.

Our current reserves (£19M) are clearly well above the necessary levels to cover these risks but it is considered that £3M is the minimum that should be retained and as expenditure increases this should be gradually increased.

FORMAL 2009/10 COUNCIL TAX RESOLUTIONS

- (a) That the following amounts be calculated by the Council for 2009/10 in accordance with Sections 32 to 36 of the Local Government and Finance Act 1992 (the Act):-

	£
(i) the aggregate of the amounts which the Council estimates for the items set out in Section 32(2) (a) to (e) of the Act Gross revenue expenditure including benefits and Town/Parish Precepts	73,486,453
(ii) the aggregate of the amounts which the Council estimates for the items set out in Section 32 (3) (a) to (c) of the Act Gross revenue income including reimbursement of benefits and use of reserves	49,949,498
(iii) the amount by which the aggregate at (b) (i) above exceeds the aggregate at (b) (ii) above in accordance with Section 32 (4) of the Act Budget requirement plus Parish/Town Precepts (item i minus item ii)	23,536,955
(iv) the aggregate of the amounts payable into the General Fund for the items set out in Section 33 (1) of the Act. Government support	12,572,251
(v) the aggregate of the amounts payable to the General Fund for the items set out in Section 33 (3) of the Act Collection Fund surplus	27,882
(vi) the basic amount of Council Tax for 2009/10 in accordance with Section 33 (1) District plus average Town/Parish Council Tax	188.70
(vii) the aggregate of special items referred to in Section 34 (1) Total Town and Parish Council precepts	3,914,987
(viii) the basic amount of Council Tax for 2009/10 for those parts of the District to which no special item relates District Council Tax	121.15 per band D property

- (ix) the basic amounts of Council Tax for 2009/10 for those parts of the District to which one or more special items relate in accordance with Section 34 (3) of the Act are shown by adding the Huntingdonshire District Council amount to the appropriate Parish Council amount in column "band D" set out in table 1 attached.
 - (x) the amounts to be taken into account for 2009/10 in respect of categories of dwellings listed in the different valuation bands in accordance with Section 36 (1) of the Act are shown by adding the Huntingdonshire District Council amount to the appropriate Parish Council amount for each of the valuation bands in the columns "bands A to H" set out in table 1 attached.
- (b) That the amounts of precept issued to the Council by Cambridgeshire County Council, Cambridgeshire Police Authority and Cambridgeshire & Peterborough Fire Authority for each of the categories of dwellings listed in different valuation bands in accordance with Section 40 of the Act shown in table 1 attached be noted.
- (c) That, having regard to the calculations above, the Council, in accordance with Section 30 (2) of the Local Government and Finance Act 1992, hereby sets the figures shown in table 2 as the amounts of Council Tax for 2009/10 for each of the categories of dwelling shown.

TABLE 1	BAND	BAND	BAND	BAND	BAND	BAND	BAND	BAND
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Cambridgeshire County Council	678.18	791.21	904.24	1,017.27	1,243.33	1,469.39	1,695.45	2,034.54
Cambridgeshire Police Authority	109.80	128.10	146.40	164.70	201.30	237.90	274.50	329.40
Huntingdonshire District Council	80.77	94.23	107.69	121.15	148.07	174.99	201.92	242.30
Cambridgeshire Fire Authority	37.56	43.82	50.08	56.34	68.86	81.38	93.90	112.68
PARISH COUNCILS :-								
Abbotsley	42.55	49.65	56.74	63.83	78.01	92.20	106.38	127.66
Abbots Ripton	21.00	24.50	28.00	31.50	38.50	45.50	52.50	63.00
Alconbury	37.37	43.60	49.83	56.06	68.52	80.98	93.43	112.12
Alconbury Weston	16.55	19.30	22.06	24.82	30.34	35.85	41.37	49.64
Alwalton	13.55	15.81	18.07	20.33	24.85	29.37	33.88	40.66
Barham & Woolley	12.35	14.40	16.46	18.52	22.64	26.75	30.87	37.04
Bluntisham	78.28	91.33	104.37	117.42	143.51	169.61	195.70	234.84
Brampton	55.95	65.28	74.60	83.93	102.58	121.23	139.88	167.86
Brington & Molesworth	18.01	21.02	24.02	27.02	33.02	39.03	45.03	54.04
Broughton	22.49	26.23	29.98	33.73	41.23	48.72	56.22	67.46
Buckden	40.94	47.76	54.59	61.41	75.06	88.70	102.35	122.82
Buckworth	54.41	63.48	72.55	81.62	99.76	117.90	136.03	163.24
Bury	18.24	21.28	24.32	27.36	33.44	39.52	45.60	54.72
Bythorn & Keyston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Catworth	37.56	43.82	50.08	56.34	68.86	81.38	93.90	112.68
Chesterton	11.49	13.41	15.32	17.24	21.07	24.90	28.73	34.48
Colne	31.47	36.71	41.96	47.20	57.69	68.18	78.67	94.40
Conington	6.39	7.46	8.52	9.59	11.72	13.85	15.98	19.18
Covington	20.63	24.07	27.51	30.95	37.83	44.71	51.58	61.90
Denton & Caldecote	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Diddington	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Earith	34.91	40.72	46.54	52.36	64.00	75.63	87.27	104.72
Easton	20.53	23.96	27.38	30.80	37.64	44.49	51.33	61.60
Ellington	25.31	29.53	33.75	37.97	46.41	54.85	63.28	75.94
Elton	23.81	27.77	31.74	35.71	43.65	51.58	59.52	71.42
Eynesbury Hardwicke	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Farcet	32.76	38.22	43.68	49.14	60.06	70.98	81.90	98.28
Fenstanton	28.77	33.56	38.36	43.15	52.74	62.33	71.92	86.30
Folksworth & Washingley	35.87	41.85	47.83	53.81	65.77	77.73	89.68	107.62
Glatton	12.92	15.07	17.23	19.38	23.69	27.99	32.30	38.76
Godmanchester	33.63	39.23	44.84	50.44	61.65	72.86	84.07	100.88
Grafham	27.66	32.27	36.88	41.49	50.71	59.93	69.15	82.98
Great & Little Gidding	52.32	61.04	69.76	78.48	95.92	113.36	130.80	156.96
Great Gransden	26.43	30.84	35.24	39.65	48.46	57.27	66.08	79.30
Great Paxton	25.36	29.59	33.81	38.04	46.49	54.95	63.40	76.08
Great Staughton	23.13	26.99	30.84	34.70	42.41	50.12	57.83	69.40
Haddon	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hail Weston	43.06	50.24	57.41	64.59	78.94	93.30	107.65	129.18
Hamerton	8.33	9.72	11.11	12.50	15.28	18.06	20.83	25.00

TABLE 1 Cont.	BAND	BAND	BAND	BAND	BAND	BAND	BAND	BAND
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Hemingford Abbots	29.56	34.49	39.41	44.34	54.19	64.05	73.90	88.68
Hemingford Grey	26.95	31.44	35.93	40.42	49.40	58.38	67.37	80.84
Hilton	30.11	35.13	40.15	45.17	55.21	65.25	75.28	90.34
Holme	25.21	29.42	33.62	37.82	46.22	54.63	63.03	75.64
Holywell-cum-Needingworth	66.60	77.70	88.80	99.90	122.10	144.30	166.50	199.80
Houghton & Wyton	36.77	42.90	49.03	55.16	67.42	79.68	91.93	110.32
Huntingdon	64.47	75.21	85.96	96.70	118.19	139.68	161.17	193.40
Kimbolton & Stonely	52.70	61.48	70.27	79.05	96.62	114.18	131.75	158.10
Kings Ripton	35.09	40.93	46.78	52.63	64.33	76.02	87.72	105.26
Leighton Bromswold	30.00	35.00	40.00	45.00	55.00	65.00	75.00	90.00
Little Paxton	40.40	47.13	53.87	60.60	74.07	87.53	101.00	121.20
Morborne	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Offord Cluny & Offord D'arcy	25.18	29.38	33.57	37.77	46.16	54.56	62.95	75.54
Oldhurst	28.37	33.09	37.82	42.55	52.01	61.46	70.92	85.10
Old Weston	7.75	9.05	10.34	11.63	14.21	16.80	19.38	23.26
Perry	18.11	21.13	24.15	27.17	33.21	39.25	45.28	54.34
Pidley-cum-Fenton	13.25	15.45	17.66	19.87	24.29	28.70	33.12	39.74
Ramsey	28.69	33.48	38.26	43.04	52.60	62.17	71.73	86.08
St.Ives	59.41	69.31	79.21	89.11	108.91	128.71	148.52	178.22
St.Neots	58.37	68.09	77.82	87.55	107.01	126.46	145.92	175.10
St.Neots Rural	11.30	13.18	15.07	16.95	20.72	24.48	28.25	33.90
Sawtry	52.97	61.80	70.63	79.46	97.12	114.78	132.43	158.92
Sibson-cum-Stibbington	34.92	40.74	46.56	52.38	64.02	75.66	87.30	104.76
Somersham	46.62	54.39	62.16	69.93	85.47	101.01	116.55	139.86
Southoe & Midloe	37.97	44.30	50.63	56.96	69.62	82.28	94.93	113.92
Spaldwick	27.73	32.35	36.97	41.59	50.83	60.07	69.32	83.18
Steeple Gidding	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Stilton	44.96	52.45	59.95	67.44	82.43	97.41	112.40	134.88
Stow Longa	33.90	39.55	45.20	50.85	62.15	73.45	84.75	101.70
Tetworth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
The Stukeleys	18.05	21.06	24.07	27.08	33.10	39.12	45.13	54.16
Tilbrook	18.52	21.61	24.69	27.78	33.95	40.13	46.30	55.56
Toseland	9.01	10.51	12.01	13.51	16.51	19.51	22.52	27.02
Upton & Coppingford	19.61	22.87	26.14	29.41	35.95	42.48	49.02	58.82
Upwood & the Raveleys	22.53	26.29	30.04	33.80	41.31	48.82	56.33	67.60
Warboys	27.02	31.52	36.03	40.53	49.54	58.54	67.55	81.06
Waresley	10.67	12.44	14.22	16.00	19.56	23.11	26.67	32.00
Water Newton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Winwick	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wistow	26.35	30.75	35.14	39.53	48.31	57.10	65.88	79.06
Woodhurst	17.09	19.94	22.79	25.64	31.34	37.04	42.73	51.28
Woodwalton	20.63	24.07	27.51	30.95	37.83	44.71	51.58	61.90
Yaxley	49.78	58.08	66.37	74.67	91.26	107.86	124.45	149.34
Yelling	7.35	8.58	9.80	11.03	13.48	15.93	18.38	22.06

TABLE 2	TOTAL CHARGE							
	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
	£	£	£	£	£	£	£	£
Abbotsley	948.86	1,107.01	1,265.15	1,423.29	1,739.57	2,055.86	2,372.15	2,846.58
Abbots Ripton	927.31	1,081.86	1,236.41	1,390.96	1,700.06	2,009.16	2,318.27	2,781.92
Alconbury	943.68	1,100.96	1,258.24	1,415.52	1,730.08	2,044.64	2,359.20	2,831.04
Alconbury Weston	922.86	1,076.66	1,230.47	1,384.28	1,691.90	1,999.51	2,307.14	2,768.56
Alwalton	919.86	1,073.17	1,226.48	1,379.79	1,686.41	1,993.03	2,299.65	2,759.58
Barham & Woolley	918.66	1,071.76	1,224.87	1,377.98	1,684.20	1,990.41	2,296.64	2,755.96
Bluntisham	984.59	1,148.69	1,312.78	1,476.88	1,805.07	2,133.27	2,461.47	2,953.76
Brampton	962.26	1,122.64	1,283.01	1,443.39	1,764.14	2,084.89	2,405.65	2,886.78
Brington & Molesworth	924.32	1,078.38	1,232.43	1,386.48	1,694.58	2,002.69	2,310.80	2,772.96
Broughton	928.80	1,083.59	1,238.39	1,393.19	1,702.79	2,012.38	2,321.99	2,786.38
Buckden	947.25	1,105.12	1,263.00	1,420.87	1,736.62	2,052.36	2,368.12	2,841.74
Buckworth	960.72	1,120.84	1,280.96	1,441.08	1,761.32	2,081.56	2,401.80	2,882.16
Bury	924.55	1,078.64	1,232.73	1,386.82	1,695.00	2,003.18	2,311.37	2,773.64
Bythorn & Keyston	906.31	1,057.36	1,208.41	1,359.46	1,661.56	1,963.66	2,265.77	2,718.92
Catworth	943.87	1,101.18	1,258.49	1,415.80	1,730.42	2,045.04	2,359.67	2,831.60
Chesterton	917.80	1,070.77	1,223.73	1,376.70	1,682.63	1,988.56	2,294.50	2,753.40
Colne	937.78	1,094.07	1,250.37	1,406.66	1,719.25	2,031.84	2,344.44	2,813.32
Conington	912.70	1,064.82	1,216.93	1,369.05	1,673.28	1,977.51	2,281.75	2,738.10
Covington	926.94	1,081.43	1,235.92	1,390.41	1,699.39	2,008.37	2,317.35	2,780.82
Denton & Caldecote	906.31	1,057.36	1,208.41	1,359.46	1,661.56	1,963.66	2,265.77	2,718.92
Diddington	906.31	1,057.36	1,208.41	1,359.46	1,661.56	1,963.66	2,265.77	2,718.92
Earith	941.22	1,098.08	1,254.95	1,411.82	1,725.56	2,039.29	2,353.04	2,823.64
Easton	926.84	1,081.32	1,235.79	1,390.26	1,699.20	2,008.15	2,317.10	2,780.52
Ellington	931.62	1,086.89	1,242.16	1,397.43	1,707.97	2,018.51	2,329.05	2,794.86
Elton	930.12	1,085.13	1,240.15	1,395.17	1,705.21	2,015.24	2,325.29	2,790.34
Eynesbury Hardwicke	906.31	1,057.36	1,208.41	1,359.46	1,661.56	1,963.66	2,265.77	2,718.92
Farcet	939.07	1,095.58	1,252.09	1,408.60	1,721.62	2,034.64	2,347.67	2,817.20
Fenstanton	935.08	1,090.92	1,246.77	1,402.61	1,714.30	2,025.99	2,337.69	2,805.22
Folksworth & Washingley	942.18	1,099.21	1,256.24	1,413.27	1,727.33	2,041.39	2,355.45	2,826.54
Glatton	919.23	1,072.43	1,225.64	1,378.84	1,685.25	1,991.65	2,298.07	2,757.68
Godmanchester	939.94	1,096.59	1,253.25	1,409.90	1,723.21	2,036.52	2,349.84	2,819.80
Grafham	933.97	1,089.63	1,245.29	1,400.95	1,712.27	2,023.59	2,334.92	2,801.90
Great & Little Gidding	958.63	1,118.40	1,278.17	1,437.94	1,757.48	2,077.02	2,396.57	2,875.88
Great Gransden	932.74	1,088.20	1,243.65	1,399.11	1,710.02	2,020.93	2,331.85	2,798.22
Great Paxton	931.67	1,086.95	1,242.22	1,397.50	1,708.05	2,018.61	2,329.17	2,795.00
Great Staughton	929.44	1,084.35	1,239.25	1,394.16	1,703.97	2,013.78	2,323.60	2,788.32
Haddon	906.31	1,057.36	1,208.41	1,359.46	1,661.56	1,963.66	2,265.77	2,718.92
Hail Weston	949.37	1,107.60	1,265.82	1,424.05	1,740.50	2,056.96	2,373.42	2,848.10
Hamerton	914.64	1,067.08	1,219.52	1,371.96	1,676.84	1,981.72	2,286.60	2,743.92
Hemingford Abbots	935.87	1,091.85	1,247.82	1,403.80	1,715.75	2,027.71	2,339.67	2,807.60
Hemingford Grey	933.26	1,088.80	1,244.34	1,399.88	1,710.96	2,022.04	2,333.14	2,799.76
Hilton	936.42	1,092.49	1,248.56	1,404.63	1,716.77	2,028.91	2,341.05	2,809.26

TABLE 2 Cont.	TOTAL CHARGE							
	BAND	BAND	BAND	BAND	BAND	BAND	BAND	BAND
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Holme	931.52	1,086.78	1,242.03	1,397.28	1,707.78	2,018.29	2,328.80	2,794.56
Holywell-cum-Needingworth	972.91	1,135.06	1,297.21	1,459.36	1,783.66	2,107.96	2,432.27	2,918.72
Houghton & Wyton	943.08	1,100.26	1,257.44	1,414.62	1,728.98	2,043.34	2,357.70	2,829.24
Huntingdon	970.78	1,132.57	1,294.37	1,456.16	1,779.75	2,103.34	2,426.94	2,912.32
Kimbolton & Stonely	959.01	1,118.84	1,278.68	1,438.51	1,758.18	2,077.84	2,397.52	2,877.02
Kings Ripton	941.40	1,098.29	1,255.19	1,412.09	1,725.89	2,039.68	2,353.49	2,824.18
Leighton Bromswold	936.31	1,092.36	1,248.41	1,404.46	1,716.56	2,028.66	2,340.77	2,808.92
Little Paxton	946.71	1,104.49	1,262.28	1,420.06	1,735.63	2,051.19	2,366.77	2,840.12
Morborne	906.31	1,057.36	1,208.41	1,359.46	1,661.56	1,963.66	2,265.77	2,718.92
Offord Cluny & Offord D'arcy	931.49	1,086.74	1,241.98	1,397.23	1,707.72	2,018.22	2,328.72	2,794.46
Oldhurst	934.68	1,090.45	1,246.23	1,402.01	1,713.57	2,025.12	2,336.69	2,804.02
Old Weston	914.06	1,066.41	1,218.75	1,371.09	1,675.77	1,980.46	2,285.15	2,742.18
Perry	924.42	1,078.49	1,232.56	1,386.63	1,694.77	2,002.91	2,311.05	2,773.26
Pidley-cum-Fenton	919.56	1,072.81	1,226.07	1,379.33	1,685.85	1,992.36	2,298.89	2,758.66
Ramsey	935.00	1,090.84	1,246.67	1,402.50	1,714.16	2,025.83	2,337.50	2,805.00
St.Ives	965.72	1,126.67	1,287.62	1,448.57	1,770.47	2,092.37	2,414.29	2,897.14
St.Neots	964.68	1,125.45	1,286.23	1,447.01	1,768.57	2,090.12	2,411.69	2,894.02
St.Neots Rural	917.61	1,070.54	1,223.48	1,376.41	1,682.28	1,988.14	2,294.02	2,752.82
Sawtry	959.28	1,119.16	1,279.04	1,438.92	1,758.68	2,078.44	2,398.20	2,877.84
Sibson-cum-Stibbington	941.23	1,098.10	1,254.97	1,411.84	1,725.58	2,039.32	2,353.07	2,823.68
Somersham	952.93	1,111.75	1,270.57	1,429.39	1,747.03	2,064.67	2,382.32	2,858.78
Southoe & Midloe	944.28	1,101.66	1,259.04	1,416.42	1,731.18	2,045.94	2,360.70	2,832.84
Spaldwick	934.04	1,089.71	1,245.38	1,401.05	1,712.39	2,023.73	2,335.09	2,802.10
Steeple Gidding	906.31	1,057.36	1,208.41	1,359.46	1,661.56	1,963.66	2,265.77	2,718.92
Stilton	951.27	1,109.81	1,268.36	1,426.90	1,743.99	2,061.07	2,378.17	2,853.80
Stow Longa	940.21	1,096.91	1,253.61	1,410.31	1,723.71	2,037.11	2,350.52	2,820.62
Tetworth	906.31	1,057.36	1,208.41	1,359.46	1,661.56	1,963.66	2,265.77	2,718.92
The Stukeleys	924.36	1,078.42	1,232.48	1,386.54	1,694.66	2,002.78	2,310.90	2,773.08
Tilbrook	924.83	1,078.97	1,233.10	1,387.24	1,695.51	2,003.79	2,312.07	2,774.48
Toseland	915.32	1,067.87	1,220.42	1,372.97	1,678.07	1,983.17	2,288.29	2,745.94
Upton & Coppingford	925.92	1,080.23	1,234.55	1,388.87	1,697.51	2,006.14	2,314.79	2,777.74
Upwood & the Raveleys	928.84	1,083.65	1,238.45	1,393.26	1,702.87	2,012.48	2,322.10	2,786.52
Warboys	933.33	1,088.88	1,244.44	1,399.99	1,711.10	2,022.20	2,333.32	2,799.98
Waresley	916.98	1,069.80	1,222.63	1,375.46	1,681.12	1,986.77	2,292.44	2,750.92
Water Newton	906.31	1,057.36	1,208.41	1,359.46	1,661.56	1,963.66	2,265.77	2,718.92
Winwick	906.31	1,057.36	1,208.41	1,359.46	1,661.56	1,963.66	2,265.77	2,718.92
Wistow	932.66	1,088.11	1,243.55	1,398.99	1,709.87	2,020.76	2,331.65	2,797.98
Woodhurst	923.40	1,077.30	1,231.20	1,385.10	1,692.90	2,000.70	2,308.50	2,770.20
Woodwalton	926.94	1,081.43	1,235.92	1,390.41	1,699.39	2,008.37	2,317.35	2,780.82
Yaxley	956.09	1,115.44	1,274.78	1,434.13	1,752.82	2,071.52	2,390.22	2,868.26
Yelling	913.66	1,065.94	1,218.21	1,370.49	1,675.04	1,979.59	2,284.15	2,740.98

Cabinet

Report of the meetings held on 18th December 2008 and 29th January 2009

Matters for Decision

58. FINANCIAL STRATEGY, MEDIUM TERM PLAN AND BUDGET

The Cabinet has considered the content of the 2009/10 draft budget, the Medium Term Plan for the period 2010 - 2014 and the level of Council Tax for 2009/2010. A copy of the financial report considered by the Cabinet at its meeting held on 29th January 2009 is attached to the Financial Plan, Medium Term Plan, 2009/10 Budget and Associated Matters Report which is Item No.3 on the Council Agenda.

In discussing spending adjustments in the Medium Term Plan, Members' attention was drawn to the conclusions reached by the Overview and Scrutiny Panel (Corporate and Strategic Framework) on this matter. In so doing, the Cabinet has concurred with the Panel that, given the current economic climate and the need for budgetary flexibility, there is merit in establishing a working group to assist Executive Councillors in their continuing review of the budget and financial strategy. Having noted comments arising from the consultation with the business community on expenditure proposals, the Cabinet

RECOMMEND

- (a) that the proposed budget, Medium Term Plan and Financial Strategy appended hereto be approved; and**
- (b) that a Council Tax increase of £5.76 (4.99%) representing a level of £121.15 for Band D properties for 2009/10 be approved.**

59. TREASURY MANAGEMENT STRATEGY 2009/10

Reproduced as Appendix A is a proposed Treasury Management Strategy for 2009/10. The strategy, which complies with the Chartered Institute of Public Finance and Accountancy's Code of Practice, has clear objectives for the management of the Council's borrowing and investments.

In noting the deliberations of the Overview and Scrutiny Panel (Corporate and Strategic Framework) that, subject to the appropriate

safeguards, the Strategy be amended to provide the opportunity to invest in corporate bonds, the Cabinet

RECOMMEND

that the Treasury Management Strategy for 2009/10, as amended, be approved.

Matters for Information

60. PERFORMANCE MONITORING

The Cabinet has noted the Council's operational performance against 37 short, medium and long term objectives contained in "Growing Success," the Council's Corporate Plan. With regard to those objectives where actual performance has not progressed as well as anticipated, Executive Councillors have been reassured that a system has been introduced to ensure that applications for loft and cavity wall insulation are processed within 5 working days. Particular reference also was made to the implications of the current economic climate on the Council's ability to achieve the target of affordable housing commitment on qualifying sites.

61. CUSTOMER SERVICE DEVELOPMENT IN ST. IVES AND ST. NEOTS

The Cabinet has noted a proposal to increase a range of services being offered to customers via the St. Ives and St. Neots Customer Services Centres. In reviewing the issues involved, Executive Councillors have stressed that such services should be delivered, if possible, from the High Street or a central location. In that respect, the Cabinet has felt unable to support, currently, any option to remodel existing offices. As a result, Executive Councillors have requested the Head of Customer Services to investigate the financial viability of acquiring shop units in St. Ives and St. Neots and to explore the possibility of sharing the properties with one or more partners. Members have requested that local Councillors be consulted on the location of any alternative accommodation. Approval has also been given in principle for the relocation of the St. Neots Tourist Information Centre with existing staff being subsumed within the Customer Services Team.

62. DEVELOPMENT OF OPTIONS FOR THE DEVELOPMENT MANAGEMENT DPD

Having regard to the views of the Overview and Scrutiny Panel (Service Support) (Item No. 29 of their Report refers) the Cabinet has approved for public consultation the contents of the Development Plan Document (DPD) Development of Options and the Sustainability Appraisal. The document forms part of the Local Development Framework and will support the Core Strategy and East of England

Plan as well as setting out the Council's policies for managing development in Huntingdonshire including the assessment and determination of planning applications. The draft policy has evolved from the Huntingdonshire Interim Planning Policy Statement, 2007 and from those representations received during the Issues and Options Consultation and Initial Sustainability Appraisal and has been updated to reflect changes in national guidance. It is anticipated that public consultation will commence in mid-January.

63. LETTINGS POLICY

Having considered a proposal to vary the Council's Lettings Policy, the Cabinet has authorised the Head of Housing Services, after consultation with the Executive Councillor for Housing and Public Health, to award priority to applicants with exceptional housing circumstances, where those circumstances are not adequately covered by the existing policy. Pending a further review of the policy, the change will correct unforeseen detrimental consequences which disadvantage an individual's opportunity for being housed in comparison with the priority of other applicants. This delegation has previously been used in exceptional circumstances but was omitted, in error, from the current policy.

64. WEB STRATEGY 2009 – 2011

The Cabinet has approved the content of a revised web strategy for the Council and a supporting action plan for the three year period 2009/2011. The document covers sharing services, generating revenue, monitoring and evaluation, risks and resources.

65. COMMUNITY ENTERPRISE CENTRE – SAPLEY EAST

The Cabinet has agreed to submit an application for grant support from the East of England Development Agency's Investing in Communities Programme for the construction of a community enterprise centre in the Sapley East area. The development of such a Centre is an accepted element of regeneration schemes and will provide small scale employment, skill and learning opportunities to match particular community needs. The initiative accords with the objectives of the Local Economy Strategy and the activities of the Council and its partners in these areas. Having acknowledged that current and future funding opportunities will be maximised if the community enterprise centre was owned and controlled by a community interest company, the Cabinet has –

- ◆ reaffirmed a decision to reinvest the proceeds of the disposal of land in this regeneration scheme to produce future community benefits;
- ◆ supported the principle of establishing a community interest company which owns and manages the proposed community enterprise centre and other assets if opportunities arise;
- ◆ authorised the Director of Environmental and Community Services to obtain an agreement, in principle, from appropriate organisations to form a community interest company and to

work with those organisations to prepare a robust business plan to demonstrate the viability of the community enterprise centre; and

- ◆ agreed to consider a masterplan for the regeneration of the Sapley East area and the Business Plan for the community enterprise centre before a final decision is made by the Cabinet in March/April 2009.

66. MONITORING OF THE CAPITAL PROGRAMME 2008/09

The Cabinet has been acquainted with variations to the approved capital programme in the current year and the consequential estimated revenue impact.

67. FINANCIAL MONITORING – REVENUE BUDGET

The Cabinet has noted the expected revenue budget variations already identified in the current year, together with the payments written-off in the year for Council Tax and National Non-Domestic Rates.

68. ASSET MANAGEMENT PLAN

The Cabinet has noted details of the Council's management of assets against national property performance management indicators. In so doing, Executive Councillors have been advised that work to update the Council's land ownership records is continuing with a new computerised database being acquired to incorporate all information relating to property ownership and asset management.

69. HOMELESSNESS AND THE HOUSING MARKET

The Cabinet has been acquainted with the deliberations of the Overview and Scrutiny Panel (Service Delivery) (Item No. 36 of their Report refers) regarding the current national and local economic factors affecting the housing market and the associated level of demand for social rented housing. It was reported that there has been a significant rise in the number of customers presenting themselves to the Council for housing related assistance of late and this has necessitated the deployment of resources to meet the increased level of demand. In discussing the current situation, the Executive Councillor for Housing and Public Health has referred to the need to monitor the situation closely given the uncertainty of the current economic climate and the likelihood of a further increase in demand for housing services should conditions worsen. At the same time, the Cabinet has been reminded of a number of housing initiatives currently in place to ameliorate the effects of the economic downturn in terms of preventing house repossessions and homelessness and to help those experiencing financial difficulties.

70. DISABILITY ACCESS STUDY

The Cabinet has been acquainted with the findings of a study by the Overview and Scrutiny Panel (Service Delivery) into disability access

across the District, which examined access to premises/sites other than those provided by the District Council. In so doing, Members have concurred with the Panel that further work is required to promote advocacy/advice services to those with disabilities and to tackle problems relating to the misuse of disabled bays and blue badge parking. With this in mind, the Cabinet has –

- ◆ requested that representations be made to Cambridgeshire County Council to ensure that the enforcement of blue badge restrictions in any new arrangements for decriminalised parking be recognised;
- ◆ endorsed the view that the Council should continue to undertake enforcement of parking in disabled bays in the car parks it manages; and
- ◆ requested that the Council instigates discussions on the potential for comprehensive joint advocacy/advice services and other opportunities for joint working between those organisations supporting people with disabilities.

71. SOCIAL CONSEQUENCES OF ALCOHOL ABUSE

The Cabinet has considered the findings of a study by the Overview and Scrutiny Panel (Service Support) (Item No. 32 of their Report refers) regarding the impact of alcohol abuse consumption on levels of anti-social behaviour and alcohol related crime within the District. Although related incidents were evident in Huntingdonshire, it was of some reassurance to Executive Members that the study found that they were at a lower level than in many parts of the country. Nevertheless, the Cabinet welcomed and encouraged the actions being taken by various agencies to reduce such incidents, particularly the development of a countywide alcohol strategy.

Having considered the extent of powers available to enforcement agencies including the County Council's Trading Standards Service and the Police, the Cabinet has requested the Head of Administration to liaise formally with agencies to encourage them to use this power in a positive way to tackle alcohol related crime and disorder. At the same time, the Cabinet has requested that where appropriate the District Council's Licensing Section ensure that local residents are aware of the opportunities available to them, under the Licensing Act 2003, to initiate reviews of premises licences and club premises certificates in situations where they were experiencing problems caused by public disorder emanating from these premises.

72. GRANT AID WORKING GROUP

The Cabinet has noted the findings of a study by the Overview and Scrutiny Panel (Service Delivery) which reviewed capital and revenue grant aid schemes operating across the Council. Although the study has reviewed issues relating to the criteria for each scheme, the application process, member/officer involvement and external funding, the Cabinet has noted the involvement of the Executive Councillors for Finance and Transportation and for Housing and Public Health in the Council's grant processes. Under the

circumstances, the Cabinet has therefore requested that those Members meet with the Working Group to discuss the issues highlighted and to report thereon to a future meeting of Cabinet.

73. ICT STRATEGY 2009 - 11

The Cabinet has approved the contents of a ICT Strategy and supporting action plans for the three year period 2009 - 2011. The Strategy sets out a vision which supports specific elements of Growing Success, largely within the Council's aim "to improve our systems and practice".

**74. URBAN DESIGN FRAMEWORKS –
LAND AT THE WHADDONS, MAYFIELD DRIVE, HUNTINGDON
AND LAND SOUTH OF HIGH STREET, RAMSEY**

Having been acquainted with the responses received from the consultation exercises on the Urban Design Frameworks for land at the Whaddons, Mayfield Drive, Huntingdon and land south of the High Street, Ramsey, the Cabinet has agreed to approve the contents of the documents and has authorised the Head of Planning Services, after consultation with the Executive Councillor for Planning Strategy and Transportation to make any minor consequential amendment to the text and illustrations as necessary. The frameworks examine the potential redevelopment and regeneration opportunities available to the areas.

**75. LUMINUS GROUP – PROPOSED CHANGES TO MEMORANDUM
AND ARTICLES OF ASSOCIATION**

In response to a request from the Luminus Group, the Cabinet has approved in principle a proposed amendment to the Memorandum and Articles of Association of Luminus Homes and Oak Foundation, to permit remuneration of Board Members, subject in the case of Oak Foundation to the consent of the Charity Commissioners also being obtained and in both instances to the precise wording being agreed by the Head of Legal and Estates. The Cabinet also has agreed that the determination of any future proposed amendments to the Memorandum and Articles within the Luminus Group be delegated to the Head of Legal and Estates, after consultation with the Executive Councillor for Housing and Public Health.

**76. PROPOSED TERMS OF REFERENCE & METHOD OF
OPERATIONS – COUNTRYSIDE GROUP**

The Cabinet has agreed to defer consideration of proposed revised terms of reference and method of operations for the Countryside Joint Group given the need to also consider the outcome of a review of management arrangements for Leisure Centre Management Committees currently being undertaken and to achieve consistency between the arrangements.

77. NEW ACCOMMODATION – BUILDING A – OPTIONS REVIEW

(The following item was considered as a confidential item under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.)

Having regard to the views of the Overview and Scrutiny Panel (Corporate and Strategic Framework), the Cabinet has approved in principle the disposal of a leasehold interest in Council owned land fronting St Mary's Street, Huntingdon to the Luminus Group for the provision of affordable housing and has authorised the Chief Executive, after consultation with the Leader, to agree the final terms and conditions for the disposal. The land has become available as part of a major project to provide new accommodation for the Council's headquarters.

I C Bates
Chairman

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**2009/10 TREASURY MANAGEMENT STRATEGY
(Report by the Head of Financial Services)**

1. INTRODUCTION

- 1.1 A Treasury Management Strategy ensures that the Authority has clear objectives for the management of its borrowing and investments. It is also needed to comply with the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Code of Practice, which is required by the Council's Code of Financial Management. The Government has also published Guidance which recommends that an Annual Investment Strategy is produced each year and approved by the full Council.
- 1.2 The Guidance emphasises that priority must be given to the security and liquidity of investments whilst the Code covers the same point by requiring the effective management and control of risk. This Strategy is intended to meet the requirements of the Code and the Guidance.
- 1.3 The Strategy takes account of the increased profile that treasury management has had in the last few months due to the collapse of Icelandic Banks in which many Local Authorities had investments.
- 1.4 When the Government removed its limits on capital expenditure levels some years ago it introduced the concept of a Prudential Code which pulled together a number of indicators relating to capital expenditure, external debt and treasury management. Its purpose was to demonstrate that the Council's capital expenditure plans were affordable and to provide a set of limits, to be complied with, and indicators to be monitored during the forthcoming year. These indicators are shown as Appendix B to the strategy.
- 1.5 The proposed strategy is attached as Annex A.

2. RECOMMENDATION

- 2.1 **Cabinet is requested to recommend to Council that it approves the attached Treasury Management Strategy.**

BACKGROUND PAPERS:

Background files in Accountancy Section: Treasury Management Reports
Reports on the 2009/10 Budget and Medium Term Plan to Cabinet and Council
CIPFA's Treasury Management in the Public Services Code of Practice 2002
ODPM Guidance on Local Government Investments March 2004

Contact Officer: Steve Couper, Head of Financial Services
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TREASURY MANAGEMENT STRATEGY 2009/10

Treasury Management is the process by which the Council:

- ensures it has sufficient cash to meet its day-to-day obligations
- borrows when necessary to fund capital expenditure, including borrowing in advance when rates are considered to be low
- invests any surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest.

This Strategy explains how this will be carried out and meets the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Code of Practice and the Government's Guidance on Local Government Investments.

NEW FACTORS IN 2008/09

Over the period of its 5 year Medium Term Plan (MTP) the Council will need to start borrowing to fund capital expenditure once its existing Capital Reserves have been used. Agreement was reached with External Auditors that if the Council considered that long term borrowing rates were low it would be reasonable to borrow, in advance, up to the sum needed in the MTP. This was included in the 2008/09 Strategy.

During 2008/09, long term borrowing rates were volatile and when rates fell to around 3.90% in December the Council took out its first tranche of £10M long-term borrowing from the Public Works Loan Board (PWLB).

In October 2008 three Icelandic Banks collapsed that Councils, including this one, had on their approved list of counterparties. This raised the public profile of treasury management in Local Government and caused Councils to review their appetite for risk in managing their investments. It also highlighted the weaknesses of relying on credit ratings, the method used by most authorities to decide where to invest funds.

THE COUNCIL'S FINANCIAL STRATEGY

The extract below from the Council's Financial Strategy shows:

- how revenue reserves will fall to the basic level needed as a contingency against unexpected events,
- how capital reserves have already been nearly fully used to fund capital expenditure,
- how borrowing will be required to meet further planned capital expenditure. When this is carried out will depend on how low interest rates are perceived at any point in time. Hence "must" borrow levels reflect using other funds to delay until the last moment whilst "may" borrow levels show maximum borrowing in advance.

FORECAST	2008/09 £M	2009/10 £M	2010/11 £M	2011/12 £M	2012/13 £M	2013/14 £M
Revenue Reserves	19.1	15.3	10.4	6.0	3.0	3.0
Capital Reserves	1.3					
Earmarked Reserves	3.4	3.4	3.4	3.4	3.4	3.4
Total Reserves** (EOY)	23.8	18.7	13.8	9.4	6.4	6.4
Planned Capital Expenditure		17.8	6.1	5.0	6.7	6.4
Funded from:						
new capital receipts		1.1	0.9	0.7	0.7	0.7
capital reserves		1.3				
borrowing		15.4	5.2	4.3	6.0	5.7
Borrowing (accumulated)						
To be funded from borrowing		15.4	20.6	24.9	30.9	36.6
"Must" borrow	0	3.7	6.8	15.5	24.5	30.2
"May" borrow	26.3	36.5	41.0	45.7	50.6	55.5
Already borrowed	10.0	10.0	10.0	10.0	10.0	10.0

** excludes any cash flow surpluses and specific earmarked reserves (e.g. S106 and R&R Funds)

The amount and period of capital borrowing up until March 2010 will be dependent upon the actual levels of interest rates and how high or low they are perceived to be in a long term sense. For example, if long term rates fell to 3.5% we would be likely to move to our "may" borrow limits as soon as possible as, even if that meant an acceptable level of short term cost because temporary investment rates were lower than borrowing rates, the long term benefit would be significant. Conversely, if long term rates were 5% and it were perceived that future rates would be lower, only the "must" borrow limits would be followed and, even then, the sums would be borrowed for a short period rather than locked into a long term arrangement.

Authorities are only allowed to borrow short term for revenue purposes to cover cash flow.

CASH FLOW

In addition to the fundamental movements described above there are day-to-day impacts due to the flow of funds into and out of the Council. For instance, the dates on which the County Council is paid its portion of the council tax will be different to the days the money is received from those living in the District. These cash flows will sometimes leave the Council with several million pounds to borrow or invest overnight or for a few weeks.

LONG TERM BORROWING

Although borrowing is not required until 2009/10 to fund the Capital Programme, effective treasury management involves borrowing when interest rates are judged to be at the optimum level, even if the funds have then to be invested until the money is required; borrowing in this way is allowed if it is for planned capital expenditure. The definition of planned expenditure is not precise and has therefore been discussed with our external auditor who is comfortable with the interpretation of it being included in our approved MTP. Hence, once Council has approved the MTP in February the figure will be £36.5 M. The Council borrowed £10m in December 2008 for 49 to 50 years, when PWLB long-term interest rates were around 3.90% and the funds borrowed have been temporarily invested for 4 to 5 years at rates over 4%.

When the Council borrows the repayment profile of the debt must be considered if it is for a shorter period than the life of the asset being financed i.e. if the debt needed to be replaced rather than repaid then the replacement dates need to be spread over a sensible period to avoid peaks when interest rates may be high. Our borrowing from the PWLB is likely to be for sufficient period that the required depreciation charges will be enough to repay the debt rather than replace it.

Borrowing will tend to be from the Public Works Loans Board (PWLB) which is a Government Agency providing funds to government bodies at wholesale market rates. They provide a range of options including fixed rate loans for up to 50 years. Commercial bodies have become more involved in this market though their products are generally of the type where the lender retains an option to increase the interest rate after a number of years and the borrower has the right to repay if the new rate is not acceptable.

CATEGORIES OF INVESTMENT

The guidance on Local Authority Investments categorises investments as 'specified' and 'non-specified'.

Specified investments are:

- in sterling
- due to be repaid within 12 months
- not defined as capital expenditure in the capital finance regulations 2003
- with a body that has a high credit rating or it is made with the UK Government (gilts or CDs), or a local Authority.

Non-specified investments include all other types of investment, for example corporate bonds.

The only non-specified investments that will be used will be time deposits of greater than 12 months with a body that has a high credit rating, is one of the larger building societies or has a legal position that guarantees repayment (e.g. a local authority). Time deposits are for specified periods and are returned in full after that period – they are not subject to value fluctuations as with Gilts and Corporate Bonds.

IN-HOUSE MANAGEMENT AND CDCM

CDCM currently manages £20M of investments and the remaining investments and borrowing are managed in-house. The bulk of CDCM's fund will need to be returned in the next 2 years unless further advance borrowing is carried out. Now that there is not a longer-term nature to this fund it would be appropriate to regularly review the need for it and close it when appropriate.

Appendix A outlines the mandate for the in-house and CDCM investments and lists the approved counter-parties though it should be noted that these will change during the course of any year as credit ratings or the size of building societies change.

The Council will need to approve a prudential indicator for the 'authorised limit for external debt'; which combines temporary borrowing for cash flow purposes and long-term borrowing to fund capital expenditure. A maximum of £56.5 is being recommended (£20m temporary plus £36.5 long term).

Although the MTP shows that the Authority will need to borrow to fund its capital

programme it does not necessarily have to borrow from PWLB or the market because it can use its in-house investments to finance capital until the investments are used.

RISKS ASSOCIATED WITH INVESTMENTS

The collapse of the Icelandic Banks in October 2008 resulted in the Capital Receipts Advisory Group (CRAG) reviewing its appetite for risk as regards counterparties that the Council would be willing to invest with. Whilst investments could be made with the Government's Debt Management Office which are theoretically risk-free, as they are backed by the Government, there is a significant downside to this level of safety in that the rates offered have been up to 2% below the market rate – a major issue when base rate itself is only 2%.

Following detailed discussion, CRAG recommended that the, then current, counterparty list of banks and building societies should continue to be used. They felt that Building societies are such key financial institutions within the UK that if one got into financial difficulties it would either be taken over by another building society or supported by the Government. They also have a significant proportion of their funds covered by retail savings so are less at the risk of market volatility.

Whilst we have a reasonable number of institutions to invest with, the list reduces every time a bank or building society is taken over by another institution. It is possible that the level of advance borrowing could become limited by the availability of acceptable counterparties. This will be monitored closely.

Although many organisations rely on credit ratings to determine suitable counterparties and the Government advice refers to bodies with a “high” credit rating, recent events have shown that ratings are not totally reliable. Annex B shows the definition of the various credit ratings. The following changes have been made to mitigate this risk but they still only reduce it rather than remove it:

- The Council's Treasury Management advisors (Sterling) provide notice of institutions where the credit rating agencies have indicated a 'rating watch' which indicates that there may be a concern over the long-term stability of the bank or building society. These will often result in the counterparty being immediately removed from our list.
- Country limits have been set of £6M for non-EU countries, £10M for individual EU countries and £20M for EU in total. The EU limits exclude the UK.
- For shorter term investments the short-term credit rating is the most relevant, however as we may be investing in the medium-term when we have borrowed in advance it is prudent to take long-term credit ratings into account for any investment longer than 1 year. These should be A- or higher (FITCH) or the equivalent with other rating agencies

ADVISORS

The Council appointed Sterling Consultancy Services as Treasury Management Advisors in January 2008.

The Advisor carries out the following role:

- provides up-to-date information on credit ratings
- advises on borrowing, borrowing rates and opportunities to borrow early
- provides economic data and interest rate forecasts

KEY POINTS

Definition of 'high credit rating' for specified investments

The Council's mandates require all investments to have a short-term rating of a minimum of F1, as defined by the credit rating agency FITCH (or the equivalent for other rating agencies), except for any body that has a legal position that guarantees repayment or is a building society that is in the top 25 by value. Any investment for more than 1 year must also have a long term rating of at least A-

The frequency that credit ratings are monitored

Sterling monitors the credit ratings of banks and building societies daily and notifies the Council of any changes immediately. Where the rating is downgraded that bank or building society will immediately be removed from the counterparty list if its new rating is outside of the defined limits.

Sterling also notifies the Authority of counterparties where the credit rating is on negative rating watch. If the negative watch applies to long-term ratings a judgement will be made as to whether or not the counterparty should be removed from the list.

The categories of non-specified investments that can prudently be used during 2009/10

Time deposits over 12 months.

Liquidity of investments

The time deposits managed In-house and by CDCM are non-liquid investments (i.e. they will only be available at the end of the agreed period). CDCM's mandate specifies the dates by which sums need to be available for return. These sums will be regularly reviewed and CDCM advised of any necessary changes as the year progresses.

In addition to time deposits the Authority uses a liquidity funds with the NatWest Bank and Alliance Leicester, both of these allow repayment the same day.

Limiting Counterparty Risk

CDCM advise the Council of all proposed investments in advance. This allows the Council to ensure that the combined CDCM and In-house investment with a Counterparty does not exceed the specified limits. For example: Both lists would allow £6M with Barclays Bank but the Council will limit its investment with Barclays to £6M in total.

MANAGEMENT

The Head of Financial Services and his staff, supported by the Council's professional advisor, will manage and monitor investments and borrowing. The Capital Receipts Advisory Group will be kept informed of relevant issues and consulted on any significant changes to the Strategy.

The Cabinet will receive a six month report on the performance of the funds and an annual report on the performance for the year.

CHANGES TO THE STRATEGY

The strategy is not intended to be a strait-jacket but a definition of the upper limit of the level of risk that it is prudent for the Council to take in maximising the return on its net investments. Any changes that are broadly consistent with this Strategy and either reduce or only minimally increase the level of risk, are delegated to the Head of Financial Services, after consultation with the Capital Receipts Advisory Group, where significant.

Any other proposal to change this strategy will be referred back to the Council.

PRUDENTIAL INDICATORS

The Council's Prudential Indicators are attached at Appendix C. They are based on data included in the budget report and this Strategy. They set various limits that allow officers to monitor its achievement. These indicators must be approved by the Council and can only be amended by the Council.

Definition of Credit Ratings

Short term (FITC)	F1	Shares rated in this category have the most solid solvency levels and the highest stock liquidity and enterprise value in the market.
	F2	Shares rated in this category have very good solvency levels and stock liquidity and enterprise value in the market.
	F3	Shares rated in this category have a combination of good or adequate solvency levels and stock liquidity and enterprise value in the market.
Long-term (FITC)	AAA	Highest credit quality. 'AAA' ratings denote the lowest expectation of credit risk . They are assigned only in case of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
	AA	Very high credit quality. 'AA' ratings denote expectations of very low credit risk . They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
	A	High credit quality. 'A' ratings denote expectations of low credit risk . The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.

IN-HOUSE FUND MANAGEMENT

Duration of investments	No investment shall be longer than 5 years.
Types of investments	Fixed Deposits Deposits at call, two or seven day notice
Credit Ratings	Short term rating F1 by FITCH IBCA or equivalent Long-term rating of A- by FITCH IBCA or equivalent if the investment is longer than 1year
Maximum limits per body or group	<p>F1+ or have a legal position that guarantees repayment for the period of the investment £6M</p> <p>F1 £5M</p> <p>Building Society with assets over £2bn in top 25 (Currently 16) £6M</p> <p>Building Society with assets over £1bn if in top 25 (Currently 3) £5M</p> <p>Building Society with assets under £1bn in top 25 £3M</p> <p>In addition to the above: £5M</p> <p>Liquidity (Call) Account with a credit rating of F1+ or with a legal position that guarantees repayment.</p> <p>Other Country limits</p> <ul style="list-style-type: none"> - £6M in a country outside the EU - £10M in a country within the EU (excluding UK) - £20M in EU countries combined (excluding UK) <p>These totals apply to investments made up until 31 March 2010 but lower limits may be introduced for later years to avoid too high a proportion of the Council's funds being with any one counterparty.</p>
Benchmark	LGC 7 day rate

CDCM MANDATE

Duration of investments	No investment shall be longer than 2 years. The following funds must be available for return by the dates listed below: £13M by 31 March 2010 £7M by 31 March 2011										
Types of investments	Fixed Deposits Deposits at call, two or seven day notice										
Credit Ratings	Short term rating F1 by FITCH IBCA or equivalent Long-term rating of A- by FITCH IBCA or equivalent if the investment is longer than 1 year										
Maximum limits	<table> <tr> <td>F1+ or have a legal position that guarantees repayment for the period of the investment</td> <td>£6M</td> </tr> <tr> <td>F1</td> <td>£5M</td> </tr> <tr> <td>Building Society with assets over £2bn in top 25 (Currently 16)</td> <td>£6M</td> </tr> <tr> <td>Building Society with assets over £1bn if in top 25 (Currently 3)</td> <td>£5M</td> </tr> <tr> <td>Building Society with assets under £1bn in top 25</td> <td>£3M</td> </tr> </table> <p>Other Country limits</p> <ul style="list-style-type: none"> - £6M in a country outside the EU - £10M in a country within the EU (excluding UK) - £20M in EU countries combined (excluding UK) <p>These totals apply to investments made up until 31 March 2010 but lower limits may be introduced for later years to avoid too high a proportion of the Council's funds being with any one counterparty.</p>	F1+ or have a legal position that guarantees repayment for the period of the investment	£6M	F1	£5M	Building Society with assets over £2bn in top 25 (Currently 16)	£6M	Building Society with assets over £1bn if in top 25 (Currently 3)	£5M	Building Society with assets under £1bn in top 25	£3M
F1+ or have a legal position that guarantees repayment for the period of the investment	£6M										
F1	£5M										
Building Society with assets over £2bn in top 25 (Currently 16)	£6M										
Building Society with assets over £1bn if in top 25 (Currently 3)	£5M										
Building Society with assets under £1bn in top 25	£3M										
Benchmark	3 month LIBID										

**CIPFA Prudential Code for Capital Finance in Local Authorities
Prudential Indicators for 2009/10**

Capital expenditure

1. Actual and Estimated Capital Expenditure

	2007/8 Actual £000	2008/9 Forecast £000	2009/10 Estimate £000	2010/11 Estimate £000	2011/12 Estimate £000
Gross	16,518	20,550	23,187	9,620	5,562
Net	13,833	15,347	17,796	6,056	4,957

2. The proportion of the budget financed from government grants and council tax that is spent on interest.

The negative figures until 2009/10 reflect that the Authority is a net investor and so the interest earned is used to help fund the budget. In 2011/12 the borrowing costs exceed interest earned on investments

2007/8 Actual £000	2008/9 Forecast £000	2009/10 Estimate £000	2010/11 Estimate £000	2011/12 Estimate £000
-16%	-11%	-4%	0%	1%

3. The impact of schemes with capital expenditure on the level of council tax

This calculation highlights the hypothetical impact on the level of Council Tax from new capital schemes that the Council has approved in the budget/MTP. It must ignore changes already approved, slippage, inflation and savings.

The actual planned change in Council Tax is different because of the impact of other variations and the use of revenue reserves.

	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate
Increase	£8.34	-£2.21	£0.44
Cumulative	£8.34	£6.14	£6.58

4. The capital financing requirement.

This represents the need for the Authority to borrow to finance capital expenditure. Whilst the Authority has capital reserves it will not have to borrow for capital purposes but may choose to do so:

31/3/08 Actual £000	2008/9 Forecast £000	2009/10 Estimate £000	2010/11 Estimate £000	2011/12 Estimate £000	2012/13 Estimate £000	2013/14 Estimate £000
0	0	15,420	5,156	4,257	5,966	5,674

It totals £36.5m over the MTP period.

5. Net borrowing and the capital financing requirement.

Borrowing must not be used to finance revenue spending except in the short term. In the short term it is legitimately used to cover cash flow e.g. funding salaries pending receipt of council tax income or return of investments.

The forecast shows that capital reserves are expected to run out in 2009/10 and the Authority will then need to fund most of its capital expenditure from long-term borrowing. However it is permitted to borrow a certain amount in advance of the need to fund capital expenditure (see paragraph 7 below).

External debt

6. The actual external borrowing at 31 March 2008

There was no borrowing.

7. The authorised limit for external debt.

This is the maximum limit for borrowing and is based on a worst-case scenario. It reflects the Treasury Management Strategy which allows the Authority to borrow up to £26.3m in 2008/09 and up to an aggregate of £36.5m in 2009/10 to finance capital expenditure shown to be financed from borrowing in the Medium Term Plan period if it appears that long term rates are attractive. The remainder of the limit relates to temporary debt for Cash Flow Purposes.

	2008/9 Limit £000	2009/10 Limit £000	2010/11 Estimate £000	2011/12 Estimate £000
Short term	20,000	20,000	20,000	20,000
Long Term	26,300	36,500	41,000	45,700
Total	46,300	56,500	61,000	65,700

8. The operational boundary for external debt.

This reflects a less extreme position. Although the figure can be exceeded without further approval it represents an early warning monitoring device to ensure that the authorised limit (above) is not exceeded; it allows the management of the Council's day to day cashflow. The short term and long term elements of the operational boundary will be monitored separately.

	2009/10 Limit £000	2010/11 Estimate £000	2011/12 Estimate £000
Short term	15,000	15,000	15,000
Long term	36,500	41,000	45,700
Total	51,500	56,000	60,700

Treasury management

9. Adoption of the CIPFA Code

The Prudential Code requires the Authority to have adopted the CIPFA Code of Practice for Treasury Management in the Public Services. This has been adopted.

10. Exposure to investments with fixed interest and variable interest as a percentage of total investments.

The mandates could result in a significant amount of the funds being at variable rates as CDCM has some deals where the rate is revised every quarter. In practice the exposure to variable rates is likely to be less and is effectively of a temporary nature due to the lender having an option to request repayment when rates fall.

	2009/10 Limit £000	2010/11 Estimate £000	2011/12 Estimate £000
Upper limit on fixed rate exposure	100%	100%	100%
Upper limit on variable rate exposure	50%	50%	50%

11. Borrowing Repayment Profile

The proportion of 2009/10 borrowing that will mature in successive periods.

The first table refers to temporary borrowing for cash flow purposes; 100% will mature in less than 12 months. Whilst long-term borrowing will often be for more than 10 years there are interest rate scenarios that might require shorter term borrowing on a temporary basis.

Cash flow borrowing	Upper limit	Lower limit
Under 12 months	100%	100%
12 months and within 24 months	0%	0%
24 months and within 5 years	0%	0%
5 years and within 10 years	0%	0%
10 years and above	0%	0%

Funding capital schemes	Upper limit	Lower limit
Under 12 months	25%	0%
12 months and within 24 months	25%	0%
24 months and within 5 years	25%	0%
5 years and within 10 years	50%	0%
10 years and above	100%	0%

12. Investment Repayment Profile

Limit on the value of investments that cannot be redeemed within 364 days i.e. by the end of each financial year.

	2009/10 Estimate £M	2010/11 Estimate £M	2011/12 Estimate £M
Limit on investments over 364 days as at 1 April each year.	36,000	17,000	10,000

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Standards Committee

Report of the meeting held on 4th December 2008

Matters for Information

12. MEMBERSHIP OF THE COMMITTEE

Councillors J Alexander and M Reece have been appointed by the Cambridgeshire and Peterborough Association of Local Councils to serve as Parish Council representatives on the Committee and will commence their new duties with effect from 1st January 2009. Together with long-serving Member, Councillor G Watkins, the Committee now comprises three Parish Council representatives, as provided in the Constitution. Having tendered his resignation, the Committee has thanked Parish Councillor D MacPherson for his contribution to its work since the introduction of the first model code of conduct in 2001.

13. REFERRALS (ASSESSMENT) SUB-COMMITTEE

The Chairman of the Referrals (Assessment) Sub-Committee has reported on three cases which have been considered recently. Of these, the Committee has noted that one allegation has been referred for investigation and one referred to the Monitoring Officer for other action including training. No further action is to be taken in the other case.

14. CODES OF CONDUCT FOR LOCAL AUTHORITY MEMBERS AND EMPLOYEES

The Committee has approved a series of suggested responses to the consultation paper "Communities in Control: Real People, Real Power: – Codes of Conduct for Local Authority Members and Employees which will be submitted to the Department of Communities and Local Government (DCLG). Views were invited on proposals to revise the Local Authorities Model Code of Conduct Order 2007 and it is anticipated that a new code incorporating the outcome of the consultation exercise will come into effect by May 2009. The most significant revision to the Member's Code involves the issue of "private capacity" to cover those occasions where a Members' criminal behaviour in a private capacity brings disrepute to a local authority. The Monitoring Officer will offer further training to District and Parish Councillors following the introduction of changes to the Code in May.

That part of the consultation paper relating to a proposed code of conduct for employees will be considered by the Employment Panel.

15. USE OF RESOURCES JUDGEMENTS 2007/8

In compliance with the requirements of the Audit Commission (KLOE 4.3 - key line of enquiry), the Committee has undertaken its annual review of the “standards of ethical conduct across the organisation”. This involves a survey of complaints received under the Model Code of Conduct by type, locality and outcome and an appraisal of the training received by councillors (both District and Parish) during the year. The outcome of the survey influences the structure of the training programme for the following year to meet any emerging trends or needs.

Because of the difficulty in identifying any particular trends from the 2007/8 data, the Standards Committee has encouraged the Monitoring Officer to be proactive generally, to continue to build good working relationships with town and parish councils and to offer training to Councils as soon as it becomes apparent from contacts/enquiries that further guidance on the Code could be beneficial. In this way, a total of 67 town and parish councillors and clerks have received training on the Code in 2008 and certificates in recognition of their attendance for training were awarded. The Committee has endorsed the continuation of this approach to training.

16. OTHER ITEMS OF INTEREST

The Committee has –

- ◆ noted the nature of the code of conduct enquiries recorded by the Monitoring Officer since its last meeting in September;
- ◆ invited the Leader of the Council and the Leader of the Opposition to address them at a future meeting on their expectations of the Committee; and
- ◆ conducted for training purposes, a local assessment exercise.

D L Hall
Chairman

Overview and Scrutiny Panel (Service Delivery)

**Reports of the meetings held on 2nd December 2008,
6th January and 3rd February 2009**

Matters for Information

30. CUSTOMER SERVICE DEVELOPMENT IN ST IVES AND ST NEOTS

The Panel has considered the outcome of a review of the services delivered by the St Ives and St Neots Customer Service Centres. The review was prompted following the adoption of a Customer Services Strategy in 2008. The Panel has expressed support for the recommendations, which are that the range of services provided in St Ives and St Neots should be increased, that the St Neots Tourist Information Centre should, in principle, be relocated and alternative accommodation in St Neots and St Ives should be investigated.

Members have discussed the importance of offering customers a private meeting area, the incorporation of other services and facilities within the proposals, the value of locating the Customer Service Centres in an accessible and highly visible location and the need to consult Ward Councillors on any proposals to change the location of the Centres.

The Panel has acknowledged the financial implications for St Neots Museum of amalgamating the two current offices in St Neots, but nevertheless has concurred with a suggestion that the customer service facility should be in one single unit to enable efficiency savings to be achieved. Further information has been requested on the Town Council's position in the event that the District Council considers relocating its facilities which are currently located within the Town Council's offices at the Priory Centre. The Panel has also suggested that the provision of outreach services in larger villages should be investigated.

31. PERFORMANCE MONITORING

The Panel has reviewed the Council's performance against its priority objectives, which are contained in "Growing Success" - the Corporate Plan. In endorsing the views of the Corporate Plan Working Group, Members have commented on two priority areas where targets have not been met, namely the promotion of energy efficiency to householders and the percentage of affordable housing on qualifying

sites. With regard to the former, Members have concurred with the Working Group's recommendation that further measures should be taken to promote energy efficiency. It has been suggested that the high levels of performance to date indicate that delays in excess of the target are not significant and that the performance reflects seasonal trends. Furthermore, it has been noted that the allocation of additional resources in order to achieve the target demonstrates that the performance management process is operating as intended. In terms of the percentage of affordable housing on qualifying sites, the Panel has noted that the target is likely to be amended to reflect that contained in the Regional Spatial Strategy.

**32. CARE QUALITY COMMISSION:
ENFORCEMENT POLICY CONSULTATION DOCUMENT**

The Panel has submitted responses to questions raised by the Care Quality Commission on its proposed Enforcement Policy for the Regulation of Health and Adult Social Care Services in England. The Commission has been established as an independent regulator and brings together the work of the three Commissions for Social Care Inspection, Healthcare and Mental Health. Members have expressed the view that care services should be tightly regulated. However, concern has been expressed at the proposed use of financial penalties which could be detrimental to the level of patient care being delivered and might result in some facilities ceasing to operate. Members have also commented on the absence of any reference to the Local Involvement Network (LINK) and an inconsistency in the criteria for instigating formal investigations.

In acknowledging the complexity of the framework represented in the consultation document and in noting that the Commission would not begin operating until 1st April 2009, the Panel has agreed to invite a representative of the Care Quality Commission to attend a future Panel meeting in the spring.

33. ENHANCED CLEANSING SERVICES

The Panel has been advised of the Cabinet's response to recommendations arising from its study on enhanced cleansing services in the District's market towns. Whilst the Cabinet has endorsed the principal of introducing enhanced cleansing on Sundays, further work will be needed before it can be implemented. The Head of Operations will carry out this work.

34. IMPACT OF THE NEW A14 IN TERMS OF AIR QUALITY AND NOISE POLLUTION

Councillor M F Shellens has reported to Members his initial findings into the potential impact that the new A14 will have on local air quality and noise levels. Although much of this information is contained in the Local Air Quality Management Further Review and Assessment Report, Councillor Shellens has undertaken to discuss the details of this document directly with Officers in the Planning and Environmental and Community Health Services Divisions.

35. FUTURE GOVERNANCE OF HINCHINGBROOKE HOSPITAL: CONSULTATION ARRANGEMENTS

The Panel has received a presentation from Dr S Dunn, Director of Strategy and Hinchingsbrooke Next Steps Project Co-ordinator for the East of England Strategic Health Authority on proposals for the future governance and operation of Hinchingsbrooke Hospital. Ms J Bawden, Director of Communications, NHS Cambridgeshire was also in attendance.

The Panel has been apprised of the background to the proposals and has been advised that a number of governance models for the Trust have been explored, with a franchised agreement for a defined period being selected as the preferred option. The main features of an operating franchise, its potential strengths and the competitive process through which a franchisee will be identified have been outlined to Panel Members.

Subject to the Government accepting the new governance arrangements, the Panel has been advised of details of the planned approach to public engagement on the implementation of them, which includes the establishment of a Stakeholder Panel. The purpose of the Stakeholder Panel will be to brief, involve and consult with interested groups and parties. The Stakeholder Panel will be chaired by the District Council's Chief Executive.

The Panel has questioned whether the competition exercise will facilitate the repayment of the Hospital's existing debt and if market testing will permit future subsidy of services. The role of the Government and the implications of not approving the franchise proposal have also been discussed. It has been reported that the range and quality of services will be ensured by the contract specification and that these matters will form part of the Stakeholder Panel's deliberations. It is expected that patient choice will make it possible for the Hospital to attract greater numbers of patients and Members have been assured that there is no intention to sell any land or buildings currently in the Hospital's ownership. The Panel has been advised that a franchise is a robust model, which is employed by other Strategic Health Authorities. Finally, Members have been acquainted with the cost of the process to date and the likely timescale for its completion.

36. HOMELESSNESS AND THE HOUSING MARKET

In pursuit of its investigations into matters associated with the Council's performance against the Corporate Plan at Item 31 above, the Panel has considered an analysis of current national and local economic factors affecting the housing market and the associated demand for social housing, together with details of a proposal to remodel Coneygear Court. There has not been a significant increase in home repossessions locally when compared to the previous year. However, it is likely that demand for housing services will increase over the course of the next year. The Housing Service already has a

number of initiatives in place to address the effects of the economic downturn in terms of preventing homelessness and home repossessions. Efforts are being made to promote these services to residents experiencing financial difficulties in order that they seek advice at the earliest opportunity. As a result of these measures having been out in place Members have been informed that the Housing Service is currently operating at maximum capacity. The Panel has, therefore, requested the Cabinet to look sympathetically on future requests for additional resources to meet any further increases in demand should they arise.

With regard to the re-modelling of Coneygear Court, the Panel has received assurances that should the Granta Housing Society bid for the redevelopment of the site be successful, interim arrangements will be made to accommodate occupiers of the property during the construction period.

37. CUSTOMER SERVICE – QUARTERLY PERFORMANCE REPORT: OCTOBER – DECEMBER 2008

The Panel has received the Customer Service Quarterly Performance Report for the period October to December 2008, which outlines the levels of performance and standards achieved by the Service. The Panel has received clarification on the scope of the activities referred to within the report, including the procedure for logging complaints at the Call Centre for missed refuse collections and the categorisation of service enquiries by the Customer Service Centres.

The Panel has been apprised with the outcome of a “Mystery Shopper” exercise undertaken on the service provided by the Council via the Call Centre, on email enquiries and on the Council’s website. Members have been informed that the Council performed well in comparison with other local authorities.

In future the format of the report will reflect the organisation of the Corporate Plan – “Growing Success”.

An update also has been received on the Customer Service Centres in St Ives and St Neots. The cost implications of relocating the Customer Service Centres currently are being worked on.

38. LEISURE CENTRE MANAGEMENT AGREEMENTS

The Panel has been acquainted with a proposal to change the funding and management arrangements of the District’s jointly provided Leisure Centres, which has arisen as a result of recent legislative change affecting the way the education service operates. Members have noted that the proposal to dispense with the current Management Committees and to replace them with an Active Leisure Forum will result in savings on audit fees and on the administrative costs associated with servicing the meetings. Whilst it also has been noted that the arrangements will change the way the Centres are funded, the Panel has been advised that the County Council will

continue to have an obligation to meet the cost of capital repairs at each of the Centres.

The Panel has reviewed the proposed terms of reference for the Forum. In so doing, suggestions have been made for changes to the areas covered by the St Ives and Huntingdon Leisure Centres. The Panel has also expressed the view that the notification period for meetings of the Forum should be longer than the proposed five day period.

Subject to the comments outlined above, the Panel has recommended the Cabinet to endorse the recommendations contained within the report.

39. DISABILITY ACCESS STUDY

The Panel has approved the final report on the study into disability access across the District for submission to the Cabinet. The Chairman had been nominated to attend the relevant Cabinet meeting to present the report and, following consideration of it, the Cabinet has endorsed the Panel's recommendations (Item No. 70 of the Cabinet's report refers.). A report on responses to the Panel's representations in the course of the study has been requested in six months time.

40. PROMOTING BETTER HEALTH IN OLDER PEOPLE THROUGH PHYSICAL ACTIVITY

Members have reviewed the progress made in respect of the Panel's previous study into promoting better health in older people through physical activity. The Panel has been encouraged by the progress that has been made to enhance the services available for older people within Huntingdonshire, with particular achievements being made via the "Active at 50" project. Having regard to the latter, the Panel has been pleased to note that in addition to a Big Lottery Fund award, further grant has been received through the Local Public Service Agreement reward funding.

The Panel has been advised that a lack of resources has prevented the creation and maintenance of a database of exercise services and facilities for older people from taking place. The Panel are keen that such a database is made publicly available and have asked officers to investigate ways in which the recommendation on this matter might be implemented.

41. ADOPTION OF ROADS AND SEWERS

The Adoption of Roads and Sewers Working Group has submitted some preliminary findings to the Panel. Members have been reminded that the Working Group had previously been tasked with undertaking a study on "the process of adopting estate roads and sewers with an aim to put measures in place that could streamline the process and make the procedures more transparent, initially by investigation of introducing a District-wide register of unadopted roads

and sewers.” The Working Group has completed its investigations into the procedures associated with the adoption of sewers and the findings are encouraging in that the Government intends to transfer responsibility for privately owned sewers and lateral drains in England to statutory water and sewerage companies.

An update also has been received on a recent meeting of the Working Group on the County Council’s procedure for adopting roads and the District Council’s powers as the local Planning Authority in the procedure. It has become apparent that the absence of legal powers throughout the adoption process can inhibit the adoption process.

In the course of a lengthy discussion on the adoption of roads, the Panel has unanimously expressed the view that a more proactive approach should be taken by the responsible bodies to ensuring that roads are adopted in a timely manner. Some of the options available to do this will be investigated by the Working Group at its next meeting when the study will be nearing completion.

Other Matters of Interest

42. OVERVIEW AND SCRUTINY PANEL (SERVICE DELIVERY) PROGRESS

The Panel has reviewed its programme of studies at each of its meetings. The Panel has discussed future potential study areas and has requested scoping reports on trends in the value of recycled materials and on the provision of leisure facilities for young people to be submitted to future meetings. Members also have noted that the Cabinet has deferred consideration of their final report on Grant Aid to enable consultation with the relevant Executive Members to take place.

43. LOCAL GOVERNMENT ACT 2000 – FORWARD PLAN

The Panel has been acquainted with details of the current Forward Plan of Key Decisions at each of its meetings. The Panel has requested sight of items on the Leisure Facilities Strategy and on the Structure Review Working Group’s Findings prior to their consideration by the Cabinet.

44. SCRUTINY

The Panel has received and noted the latest editions of the Decision Digest and has received answers to questions raised on their contents.

S J Criswell
Chairman

Overview & Scrutiny Panel (Service Support)

**Report of the meetings held on 9th December 2008
and 13th January 2009**

Matters for Information

**29. DEVELOPMENT OF OPTIONS FOR THE DEVELOPMENT
MANAGEMENT DPD**

The Panel has considered the content of the Development Management DPD which sets out the Council's policies for managing future development in Huntingdonshire.

In so doing, the Panel has commented upon a variety of issues including parking provision and energy conservation in new development, the implications of the new Community Infrastructure Levy, cycleway development and building in the flood plain. Members also have noted that a framework has been developed for the first time to establish contributions from developers towards indoor sports facilities.

Although the Panel has expressed general support for the proposed policies within the document, some concerns were expressed in relation to the wording of the draft policy concerning development as part of the Great Fen Project such that Members felt unable to support the policy as drafted. Given that the contents of a Master Plan for the area is not yet available, Members felt that the terminology used whereby "planning permission for development.... will be granted for proposals which will deliver the implementation of the Great Fen Project as identified on the Proposals Map and which are consistent with the Master Plan" could fetter the Council's discretion when considering future applications. Concerns were also expressed about the references to the possible restriction of permitted development rights for specific farming or operational purposes which could disadvantage local landowners operating in the Master Plan area.

The Panel's comments were conveyed to the Cabinet for consideration at its meeting on 18th December 2008. Item No. 62 of the Report to the Cabinet refers.

**30. URBAN DESIGN FRAMEWORK –
LAND AROUND BUTTSGROVE WAY, THE WHADDONS AND
SUFFOLK HOUSE, HUNTINGDON**

The Panel has endorsed the content of an Urban Design Framework (UDF) for development opportunities in this part of Huntingdon which had been designed to establish a clear planning framework to ensure that future proposals for development within the area are well planned and appropriate. In so doing, Members' attention was drawn to the responses which had been received from a recent consultation exercise.

In welcoming the document as a positive step and one which had helped to alleviate initial misunderstandings amongst local residents, Members expressed comments on the question of highway safety in Buttsgrove Way, the future housing mix of development and the need to respect the private dwellings in the area in the substantial development proposals.

**31. CAR PARKING DEVELOPMENT AT HUNTINGDON AND
ST NEOTS RAILWAY STATIONS**

The District Council's Transportation Team Leader attended the Panel's January meeting to update Members with ongoing discussions between the Local Planning Authority and Network Rail concerning the expansion of the car parking facilities at St Neots and Huntingdon Railway Stations. Members have been acquainted with the background to the discussions and advised that, arising from the expansion proposals the District Council had concerns about vehicular access to St Neots Station and the Western Car Park in Huntingdon. A resolution to the question as to whether the proposals constituted permitted development was still awaited.

In discussing the current situation, Members have commented that any changes to vehicular access to Huntingdon Station should not be considered in isolation from the Huntingdon West Area Action Plan and the parking capacity problems experienced by off-peak travellers in the town. The Panel also queried the District Council's position and the implications for access if the situation was not resolved or the expansion proposal was deemed to be permitted development.

The Panel also discussed the connections between train and bus services operating from the Huntingdon and St Neots Stations. Problems in this respect were particularly highlighted in St Neots and the Panel has been informed that Stagecoach has already been advised and that, Councillor P L E Bucknell, as Executive Councillor would be meeting with bus companies to discuss the matter in the near future.

32. SOCIAL CONSEQUENCES OF ALCOHOL ABUSE

The Panel has received the final report of its Working Group which was established to consider the problems of alcohol abuse and its social consequences within the District. Subject to an amendment to

emphasise the importance of enforcement agencies making full use of the powers available to them to tackle the effects of alcohol misuse and resultant public disorder, the Panel has endorsed the content of the report.

The Panel has also agreed to re-visit the study towards the end of the year to review progress made towards achievement of the countywide alcohol action plan, the night watch project in St Ives and the availability of statistics from Hinchingsbrooke Hospital on alcohol related accidents and emergency treatment.

The Panel's report has subsequently been considered by the Cabinet, (Item No.71 of its Report refers).

**33. MONITORING OF SECTION 106 AGREEMENTS
(PLANNING OBLIGATIONS)**

The Panel has been updated on the receipt and expenditure of money negotiated under Section 106 Agreements by the Council.

In doing so, the Panel has noted that there had been a slow down in money received from developers because of the current economic climate and was alerted to the future possibility of developers seeking to re-negotiate agreements because properties were no longer achieving previously anticipated values.

34. PERFORMANCE MONITORING

The Council's performance against the targets within the Corporate Plan "Growing Success" has been reviewed by the Panel.

The Panel has been pleased to note that most of the targets within the priority areas allocated to the Service Support Panel were being met or exceeded.

35. FORWARD PLAN

The Panel has been acquainted with details of the Forward Plan of forthcoming key decisions prepared by the Leader of the Council, arising from which Members have identified a number of items for consideration at future meetings or on which further information was requested.

36. WORK PLAN STUDIES

The Panel has been advised of progress made to date on its studies into the negotiation and expenditure of Section 106 Agreements and maximising Council income.

Although the Panel may give consideration to the Council's future borrowing requirements as a potential area for future investigation, Members have agreed that in the light of the ongoing review of the Council's political management structure and the potential changes to Overview and Scrutiny arrangements, it would not be appropriate to

start any fresh studies before the commencement of the new Municipal Year.

37. OVERVIEW AND SCRUTINY PANEL (SERVICE SUPPORT) - PROGRESS

The Panel has been advised of progress on actions required as a result of recent decisions, as part of which further information has been requested on the future situation with regard to heavy goods vehicle parking at Alconbury and the deliberations of a three County group which has been established to pool information and develop a Heavy Commercial Vehicle Strategy.

38. SCRUTINY

The Panel has considered the latest editions of the Decision Digest and discussed matters contained therein.

In so doing, the Panel has endorsed the comments of the Overview and Scrutiny Panel (Service Delivery) concerning customer service development in St. Ives and St. Neots. These related to the need to consult Ward Councillors on any proposals to change the location of existing Customer Service Centres and a suggestion to investigate the provision of outreach services in larger villages.

J A Gray
Chairman

Overview and Scrutiny Panel (Corporate and Strategic Framework)

Report of the meeting held on 27th January 2009

Matters for Information

7. FINANCIAL STRATEGY, MEDIUM TERM PLAN 2010 TO 2014 AND THE 2009/10 BUDGET

The Panel has reviewed the Financial Strategy, Medium Term Plan 2010 - 2014 and the Budget and level of Council Tax for 2009/10, which is included as a separate item elsewhere on the Agenda for the Council meeting.

The Panel has been acquainted with details of Executive Councillors' involvement in identifying potential areas for spending adjustments. In so doing, the Executive Councillor for Finance and Environment has made known his view that budgets associated with housing services and Information Technology should be recast as single budget areas. In the course of the Panel's discussions on this subject, a further suggestion emerged that investigations might be carried out into the potential benefits of creating single budgets for each Executive Councillor's area of responsibility.

The Panel has examined proposed increases in expenditure on Information Technology and, as a result, has suggested that those matters identified in the report as requiring approval by the Chief Officers Management Team should instead be submitted to the Cabinet before proceeding.

With regard to the level of unidentified spending adjustments required in the period to 2013/14 and, following a suggestion by the Executive Councillor for Finance and Environment, the Panel has established a Working Group to review the budget for future years and to express a view on the priority that should be accorded to items contained within it. A particular aim of the Working Group will be to identify which items within the budget are a statutory requirement and which are permissive. In addition, Councillor P J Downes has made a suggestion that in order to achieve spending adjustments, the Council might revisit some of his party's previous suggestions for savings, for example, charging non-residents of Huntingdonshire for using District Council leisure facilities.

Members have discussed the overall approach that the Council should adopt in the present economic conditions and has identified two possible strategic courses, namely exercising restraint in its spending and implementing measures support and promote the local economy.

The Panel has requested the Cabinet to take into account these options and the other comments outlined above when formulating its recommendations on the overall strategic approach and on the Council's Financial Strategy, Medium Term Plan and Budget. (Item No. 58 of their report refers).

8. 2009/10 TREASURY MANAGEMENT STRATEGY

The Panel has been acquainted with proposed changes to the Council's Treasury Management Strategy for 2009/10, following completion of the annual review of the Strategy. The Panel had requested sight of the Strategy because of recent events concerning local authorities' investments. Particular attention has been paid to a proposal for Corporate Bonds to be included under non-specified investments within the Strategy as one of the types of investment available to the Council. The risks associated with such investments have been discussed and the Panel has received assurances that they will only be used when other forms of investment are unable to demonstrate a better rate of return and after it has been subject to a risk assessment and consultation with the appropriate Members on the proposed limits, procedures and credit rating. With these safeguards in place, the Panel has not expressed any objection to Corporate Bonds being adopted as one of the Council's forms of investment.

Consideration has also been given to the Council's approach to long term borrowing. Having noted the terms of borrowing undertaken to fund the Capital Programme for 2009/10, Members have been informed that the external auditor has approved the practice of borrowing to fund future budget commitments when rates are favourable. The Panel has expressed the view that should similar circumstances reoccur, the same practice should be employed to borrow up to the amount required to fund the Capital Programme.

The Panel's views have been conveyed to the Cabinet to assist them in formulating their recommendations to Council on this matter (Item No. 59 of their Report refers.)

9. NEW ACCOMMODATION – BUILDING A – OPTIONS REVIEW

(The following item was considered as a confidential item under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.)

The Panel has considered the approach to be adopted to the site of Building A of the New Office Accommodation Project. Having reviewed the options presented, the Panel has expressed a preference for Option E, namely the disposal of the site by leasehold to Luminus for the construction of social rented housing. In coming to this view the Panel took into account the facts that this Option is likely to attract grant aid from the Homes and Communities Agency and construction on the whole site can be completed by March 2010.

Given the current economic climate, the Panel has concluded that, of those available, Option E represents the most effective use of the site and will provide the best rate of return for the Council. Additionally,

Members have expressed their view that Option will enable the Council to obtain a long term source of income. In this respect the Cabinet has been recommended to seek terms such that the level of ground rent paid to the Council is linked to an appropriate index in order that there is tangible benefit over the full 125 years term of the proposed lease.

S J Criswell/J A Gray
Chairmen

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Development Control Panel

**Report of the meetings held on 15th December 2008
and 19th January 2009**

Matters for Information

19. SCHEME OF DELEGATED POWERS IN RESPECT OF DEVELOPMENT CONTROL

The Panel has regularly reviewed its scheme of delegation to ensure that performance levels are being sustained, applications determined within prescribed timescales and that Members are focusing on those applications considered to be of major significance or of a controversial nature. The use of delegated powers has enabled Development Control Services to meet Government Standards in accordance with national performance indicators and timescales.

To continue to meet these challenges and to sustain performance levels, the Panel has considered several minor areas of change which, if delegated to Officers, would make better use of resources but still retain Members' involvement in major applications.

In respect of those sections of the current arrangement where changes are proposed, it is suggested that the scheme be extended to authorise Officers to enter into Section 106 Agreements in relation to affordable housing providing the offer is in accordance with adopted policy and follows consultation with the relevant Ward Member. Other changes are targeted at relatively minor types of proposals such as applications for means of access or for the installation of satellite dishes and antennae. In addition, the Panel has reaffirmed the operational arrangement whereby any Member can request in writing, to the Head of Planning Services, within 21 days of the publication of the weekly list or such longer period as may be determined, the submission of a relevant application for determination by the Panel.

The proposed amendments to the scheme of delegation will be implemented with immediate effect and the scheme reviewed again after a reasonable period of operation.

20. NEIGHBOUR NOTIFICATION

The Panel has reviewed the practice of neighbour notification, first established in 1992, and has endorsed current arrangements which are far beyond those required by legislation. Under the Town and Country Planning (General Development Procedure) Order 1995 all

planning applications are subject to some form of mandatory notification and/or advertisement. This can be satisfied by advertisement in a local newspaper, signs or notices or by notification to owners and/or occupiers of adjoining properties by post. In addition to the legislative requirements, the Council consults neighbours on -

- ◆ receipt of any application for planning permission;
- ◆ the approval of reserved matters;
- ◆ listed building consent;
- ◆ consent for demolition in a Conservation Area;
- ◆ prior notice applications for telecommunications; and
- ◆ receipt of an application where objections or representations are raised to an earlier related application.

Practical experience of the process also has resulted in an extension to this procedure which involves notifying the owner/occupiers of all neighbouring land by letter and by site notice if owners cannot be easily identified.

21. ENFORCEMENT ACTION: HARTFORD MARINA

In Item No. 27 of the Report of its meeting to the Council held 16th April 2008, the Panel reported that it had endorsed a general approach to investigate and address alleged breaches of planning control at Hartford Marina to seek to resolve the question of possible unauthorised occupation of the various units accommodation as sole or main residences.

The Panel has now received a progress report on action taken thus far and, in the light of the various representations made at the meeting, has agreed to establish a Member Working Group comprising Councillors J D Ablewhite, P A Swales, G S E Thorpe and R J West to consider existing relevant policies and the preparation of supplementary planning guidance on marinas, to seek to determine a way forward for enforcement action by obtaining improved information on the various individual circumstances prevailing at the marina and given the need for additional enquiries, to hold any enforcement action in abeyance for six months.

22. SUMMARY OF ENFORCEMENT ACTIVITY FOR 2008

The Panel has noted the extent of enforcement activity undertaken by the enforcement team in the Planning Division during 2008 and has endorsed seven key objectives identified for the service in 2009.

Of those identified, the Panel has requested that priority be accorded to the production of a leaflet on the enforcement process for town and parish councils and to the continuation of the investigations at Hartford Marina (see Item No. 21 ante).

**23. DEVELOPMENT CONTROL:
PROGRESS REPORT - 1ST JULY - 30TH SEPTEMBER 2008**

In receiving a statistical report on the performance of the Development Control Section over the period 1st July - 30th September 2008, the Panel has observed that whilst there had been a reduction in the number of applications submitted during the quarter in comparison with the same period last year, the quarterly income appears to have increased. In explanation, the Panel has noted that the complex nature and size of applications currently being submitted command a higher level of fee which does not necessarily correspond with the number of applications received.

24. DEVELOPMENT APPLICATIONS

Over two meetings, the Panel has determined a total of 22 applications, of which 14 were approved and 8 refused.

Of interest to the Council will be the decision to approve an application to develop a 480 place prison for 18 - 21 year old male prisoners at Littlehey Prison, Perry for which approval was given subject to the completion of a Section 106 Agreement which will secure the upgrading of the cycle route through Perry and the continuation and extension of a visitor mini-bus service from Huntingdon to the prison.

P G Mitchell
Chairman

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Corporate Governance Panel

Report of the meeting held on 10th December 2008

Matters for Information

18. CALCULATION OF COUNCIL TAX BASE 2009/10

In accordance with Section 34 of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Tax Base) Regulations 1992 (as amended), the Panel has approved the amount calculated by the District Council as the tax base for the whole District for the year 2009/10 as 57,960. The amounts for the parts of the District listed below for the same year shall be for the Parish of:-

Abbotsley	188
Abbots Ripton	127
Alconbury	553
Alconbury Weston	282
Alwalton	123
Barham & Woolley	27
Bluntisham	729
Brampton	1,795
Brington & Molesworth	109
Broughton	83
Buckden	1,148
Buckworth	50
Bury	603
Bythorn & Keyston	142
Catworth	142
Chesterton	58
Colne	339
Conington	73
Covington	42
Denton & Caldecote	24
Diddington	29
Earith	573
Easton	75
Ellington	237
Elton	294
Eynesbury Hardwicke	786
Farcet	580
Fenstanton	1,205
Folksworth & Washingley	347
Glatton	129
Godmanchester	2,280
Grafham	241

Great & Little Gidding	122
Great Gransden	454
Great Paxton	368
Great Staughton	317
Haddon	21
Hail Weston	236
Hamerton	40
Hemingford Abbots	327
Hemingford Grey	1,150
Hilton	445
Holme	238
Holywell-cum-Needingworth	971
Houghton & Wyton	1,178
Huntingdon	6,790
Kimbolton & Stonely	592
Kings Ripton	76
Leighton Bromswold	80
Little Paxton	1,144
Morborne	11
Offord Cluny	203
Offord D'Arcy	300
Old Hurst	94
Old Weston	86
Perry	265
Pidley-cum-Fenton	151
Ramsey	2,858
St Ives	5,681
St Neots	9,178
St Neots Rural	118
Sawtry	1,731
Sibson-cum-Stibbington	210
Somersham	1,383
Southoe & Midloe	158
Spaldwick	226
Steeple Gidding	12
Stilton	780
Stow Longa	59
Tetworth	20
The Stukeleys	794
Tilbrook	108
Toseland	37
Upton & Coppingford	85
Upwood & The Raveleys	411
Warboys	1,357
Waresley	125
Water Newton	42
Winwick	39
Wistow	215
Woodhurst	156
Woodwalton	84
Yaxley	2,885
Yelling	136
	<u>57,960</u>

19. REVIEW OF THE RISK MANAGEMENT STRATEGY

The Panel has endorsed the content of a revised Risk Management Strategy, which has been subject to a review undertaken by the Risk Management Group. The Panel has been assured that appropriate mechanisms are in place to consider the performance and governance arrangements of the Council's partnerships. An exercise also has been undertaken to ensure that associated risks are being flagged up by the Council's performance management system.

20. REVIEW OF THE ANTI-FRAUD AND CORRUPTION STRATEGY

The Panel has been acquainted with the outcome of a review of the Anti-Fraud and Corruption Strategy, which identified a number of recommended changes arising from fraud legislation. Subject to some minor alterations, the Panel has adopted the revised strategy.

21. WHISTLEBLOWING: ANNUAL REVIEW OF POLICY AND PROCEDURE

The Panel has been informed of the outcome of the annual review of the Whistleblowing Policy and Procedure and has endorsed the changes proposed. The Panel has also recommended that future reports should be considered at the same time as the annual Housing Benefit Fraud Investigation Activity report.

22. FEEDBACK PROCEDURE

Having been acquainted with the outcome of a review of the Council's complaints system, the Panel has approved a revised procedure for handling customer feedback. A general feedback procedure has now been established under the new system.

C J Stephens
Chairman

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Employment Panel

Report of the meeting of the Employment Panel held on 3rd February 2009

Matters for Determination

15. REVIEW OF CENTRAL SERVICES DIRECTORATE

(The following item was considered as a confidential item under Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972.)

Subject to Cabinet endorsing the necessary budgetary changes, the Panel has endorsed a new staffing structure for the Central Services Directorate. The revised structure reflects the outcome of a recent review of the Directorate following the appointment to the post of Director of Central Services and is intended to address a number of staffing matters, together with new opportunities which have arisen in terms of the structure and management of the Directorate.

In approving the proposals, the Panel has been pleased to note that the review had produced significant savings towards the Council's overall targets and the initial findings of the review of the Democratic Structure Working Group had been taken into consideration.

Having noted that the revised structure provides for the establishment and re-designation of a number of posts within the Directorate, including the deletion of the post of Head of Human Resources and Payroll Services, the Panel also has approved the procedures for appointment to these posts with immediate effect. At the same time, the Panel has agreed to formally delete from the Council's establishment the post of Head of Community Services which had been vacant for some time.

As part of the review consideration also has been given to the role of the Monitoring Officer on behalf of the District Council, which has been undertaken by the Head of Legal & Estates since the retirement of the former Director of Central Services. Having regard to the significant increase in workload associated with ethical standards in recent years and the need to ensure that the Council adequately resources and uses expertise and knowledge in the field to maintain its own reputation and to ensure that Town and Parish Councils have adequate training to reduce the likelihood of future complaints, the Panel

RECOMMEND

- (a) that the Head of Law, Property and Governance be formally appointed as the Council's Monitoring Officer; and**
- (b) that the Democratic Services Manager be formally appointed as Deputy Monitoring Officer.**

A copy of the report by the Director of Central Services and the revised structure is available on request from the Democratic Services Section.

Matters for Information

16. ANNUAL PAY AWARD 2009/10

(The following item was considered as a confidential item under Paragraph 4 of Part 1 of Schedule 12A of the Local Government Act 1972.)

Having regard to the Annual Pay Review prepared by Inbucon consultants and the outcome of negotiations with Employees Side representatives, the Panel has agreed an increase of 2.2% in salary scales for District Council employees with effect from 1st April 2009.

As part of this year's award, the Panel also has agreed to review the salaries of those members of staff on the lower salary scales. The exact terms of the review are yet to be determined.

17. HOME WORKING

The Panel has endorsed a Home Working Policy for the Council, which outlines the process and principles in relation to employees undertaking home working on both a frequent and full time basis.

The Policy is intended to address the issues which arose during the recent Home Working Pilot which formed one of several projects arising from the Council's Flexible Working Strategy and has been developed in conjunction with relevant services, managers and employees. Further reviews of the Policy will be undertaken when additional information regarding the management of and take up of the opportunity is forthcoming,

18. RECRUITMENT

The Panel has been provided with details of proposals which were being considered in relation to the process for filling vacant posts, together with the details of the circumstances in which external recruitment advisors are used in the recruitment to senior posts.

In so doing, the Panel has agreed that it would be premature to introduce any changes to recruitment procedures in advance of the review of the Council's People Strategy and other HR policies. However, the Panel has expressed some concerns about the current composition of the Council's Appointments Panel which is used for appointments to senior positions within the Council. Specifically comments were made about the need to establish a pool of Members from which the Appointments Panel could be constituted on an ad hoc basis, such that problems with availability could be avoided. The Panel has agreed that these comments should be included in the current review of the constitution by the Corporate Governance Panel.

Mrs B E Boddington
Chairman

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