

A meeting of the **OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING)** will be held in the **CIVIC SUITE, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN** on **THURSDAY, 10 FEBRUARY 2011** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

**Contact
(01480)**

APOLOGIES

1. MINUTES (Pages 1 - 8)

To approve as a correct record the Minutes of the meeting held on 13th January 2011.

**Mrs C Bulman
388234**

2. MEMBERS' INTERESTS

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

3. LOCAL GOVERNMENT ACT 2000 - FORWARD PLAN (Pages 9 - 12)

A copy of the current Forward Plan, which was published on 13th January 2011 is attached. Members are invited to note the Plan and to comment as appropriate on any items contained therein.

**Mrs H Taylor
388006**

4. BUDGET 2011/12 AND MEDIUM TERM PLAN 2012 TO 2016 (Pages 13 - 64)

To consider a report by the Head of Financial Services.

**S Couper
388103**

5. 2011/12 TREASURY MANAGEMENT STRATEGY (Pages 65 - 82)

To consider a report by the Head of Financial Services seeking approval of the Treasury Management Strategy for 2011/12 and the Treasury Management and Prudential Indicators for 2011/12.

**S Couper
388103**

6. CUSTOMER SERVICES

To consider a report by the Head of Customer Services (TO FOLLOW).

**J Barber
8105**

7. ASSET MANAGEMENT PLAN (Pages 83 - 90)

To consider a report by the Head of Law, Property and Governance providing an update on the National Performance Indicators in respect of the Council's property portfolio for 2009/10 and other related issues.

**K Phillips
388260**

8. WORK PLAN STUDIES REPORT (Pages 91 - 98)

To consider with the aid of a report by the Head of Democratic and Central Services on the Panel's programme of studies.

**Mrs C Bulman
388234**

9. OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) - PROGRESS (Pages 99 - 104)

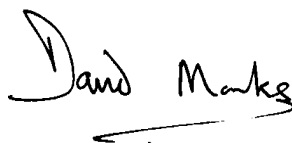
To consider a report by the Head of Democratic & Central Services on the Panel's programme of studies.

**Mrs C Bulman
388234**

10. SCRUTINY (Pages 105 - 108)

To scrutinise decisions taken since the last meeting as set out in the Decision Digest and to raise any other matters for scrutiny that fall within the remit of the Panel.

Dated this 2nd day of February 2011



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 Mrs C Bulman, Democratic Services Officer, Tel 01480 388234 / email Claire.Bulman@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 Committee/Panel.

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

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

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

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

Emergency Procedure

In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.

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Agenda Item 1

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) held in the CIVIC SUITE, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN on Thursday, 13 January 2011.

PRESENT: Councillor J D Ablewhite – Chairman.
Councillors J T Bell, E R Butler, Mrs J A Dew, S Greenall, N J Guyatt, M F Shellens and D M Tysoe.

Mr R Hall and Mrs H Roberts.

APOLOGY An Apology for absence from the meeting was submitted on behalf of Councillor G S E Thorpe.

IN ATTENDANCE: Councillors Mrs M Banerjee, P G Mitchell, Mrs D C Reynolds, T V Rogers, and J S Watt.

69. MINUTES

The Minutes of the meeting of the Panel held on 9th December 2011 were approved as a correct record and signed by the Chairman.

70. MEMBERS' INTERESTS

No interests were declared.

71. LOCAL GOVERNMENT ACT 2000 - FORWARD PLAN

The Panel considered and noted the current Forward Plan of key decisions (a copy of which is appended in the Minute Book) which had been prepared by the Leader of the Council for the period 1st January to 30th April 2011. Members were advised that the Budget and MTP, together with the Treasury Management Strategy and Prudential Indicators would be submitted to the Panel as a matter of course in February 2011. The Panel had already requested sight of the Asset Management Plan – Annual Report prior to its consideration by the Cabinet.

72. CUSTOMER SERVICES

(Councillor T V Rogers, Executive Councillor for Finance and Customer Services was in attendance for this item).

(Councillors Mrs M Banerjee, P G Mitchell, J S Watt were also in attendance as Ward Councillors for Yaxley and Farcet and Stilton).

The Chairman invited Mrs A Rees to present a petition containing 1,865 signatures objecting to proposals to close the Library and

Community Information Shop in Yaxley. The Petition had been prepared on behalf of Yaxley Parish Council and residents of Yaxley, Stilton, Farcet, Folksworth and surrounding villages and had been referred to the Panel from the Council meeting on 15th December 2010. A paper prepared by Mrs Rees in support of the Petition was circulated at the meeting (a copy of which is appended in the Minute Book).

As part of her presentation, Mrs Rees outlined the need for a community centre in the area, particularly in view of the area's distance from the District Council's main facilities. She drew attention to a recent incident when assistance provided at the facility had prevented a case of homelessness from arising and emphasised the use of the centre by the Constabulary, Age Concern and elderly residents within the area. Whilst she acknowledged that the District Council was facing significant budgetary pressures, she also indicated that the community would support the retention of the facility including the possibility of joint service provision through the library.

The Chairman then invited Mrs J Barber, Head of Customer Services and Ms M Greet, the Council's Customer Services Manager to outline the proposed changes in customer services. By way of introduction, the Head of Customer Services reminded the Panel that all Heads of Service had been asked to identify potential budgetary savings as part of the process for setting the Budget for 2011/12 and Medium Term Plan for the period 2012-16. The proposals for customer services had already been considered by the Social Well-Being Panel at their meeting earlier in the month.

The Head of Customer Services drew attention to costs associated with customer services, the most significant of which related to expenditure on staffing and premises. She explained that the Council currently operated five face to face facilities within the District, which compared to the two provided by South Cambridgeshire District Council, one of which was offered in partnership with the County Council. Members were advised that as part of the evaluation process, an exercise had been undertaken to identify the types of enquiries which were received at the different facilities and, as a result, the changes in St Neots had been scaled back.

Members' attention was drawn to the differences in the profile of customers who used facilities at Ramsey and Yaxley in comparison with St Neots and St Ives. The Head of Customer Services stated that whilst the lease on the premises remained, services provided by partners would continue at the centres. She also explained that discussions were ongoing with Peterborough City Council to provide a facility for the scanning and emailing of housing benefit documentation on behalf of the District Council from the City Centre's office. Members were advised that consideration had been given to the use of the leisure centres and other options to provide some of the existing services, however, these would not deliver the required level deliver the required level of savings.

The Council's Customer Services Manager outlined in detail the specific proposals for service changes within Customer Services. Members' attention was drawn to the current level of services used at each of the five Customer Service Centres, the proposals for

alternative methods of service provision, the likelihood that savings of £100,000 would be achieved per annum and the impact of the changes on District Council customers.

In discussing the content of the presentation, a Member commented that the Council proposals should seek to provide the best quality of service to customers as cost effectively as possible. Another Member suggested that it would be useful to devise a matrix to demonstrate the impact of the proposed service changes on customers with a view to achieving the required savings with the least possible impact. It was also suggested that Members should have been presented with a number of specific options for consideration before a decision was taken.

With regard to the proposals for Yaxley, comment was made that the current service had been successful and was of benefit to the local community. Members drew attention to the poor level of public transport in the area and they reiterated that the community centre provided a front line service within an area that needed it. It was also suggested that a number of residents in the area would prefer not to discuss problems over the telephone. In addition, disappointment was expressed in relation to the proposal to operate a scan and email service through Peterborough City Council as local residents paid their Council tax to Huntingdonshire District Council. Attention was drawn to the community services which were provided by the centre.

Whilst there was general acceptance of the need to reduce the cost of service provision and support for joint service provision through the libraries to save money on premises, it was reported that the future level of library provision was not yet known. It was suggested that the library service would welcome the additional footfall and would have available public access computers. Concessionary fares would be transferring to the County Council. It was, however suggested that any decision on this matter should be deferred until the future of the Cambridgeshire library service was known. Moreover, a question was raised whether any consideration had been given to securing alternative premises from the private sector if the library option did not materialise. In response, Members were advised that discussions had taken place with the Yaxley Doctor's surgery.

During discussion on alternative methods of service provision, a suggestion was made that a member of staff might be released from the Huntingdon Customer Services Centre to visit customer service locations each week to deal with District Council matters. Comments were also made in relation to the potential for an increase in demand for advice services in the current economic climate and on the general preference for some degree of human contact. In response, Members were advised that surgeries would continue to operate at each of the centres until the leases' expired. Partner services / voluntary organisations would also be able to continue to use the premises. Having regard to the fact that the majority of enquiries in Yaxley related to benefits claims, Members acknowledged the intention to continue to provide benefits surgeries. However, concerns were expressed about the availability of this service in the longer term once the premises lease had expired.

In response to a suggestion that the Council should look for

opportunities for shared services, the Head of Customer Services explained that officers had spent a considerable amount of time doing this and either potential partners were unwilling to proceed or the joint service would be more costly. In addition, the Government were currently working with the Post Office to establish a mechanism for the verification of benefits forms by 2013 and until the national scheme had been introduced this could not be pursued.

Having noted the intention of the Head of Customer Services to give further consideration to the issues the Panel had raised and in recognition of the need to establish a long term solution to the provision of customer services, it was

RESOLVED

that the Executive Councillor for Finance and Customer Services be requested to take into account the Panel's comments on the long term delivery of customer services during the decision making process on the future of the service, including alternative methods of delivery, the possibility of using a roving officer funded from the existing Customer Service Centre budget and delivery through libraries, the post office and other mechanisms.

73. ONE LEISURE FINANCE

(Councillor Mrs D C Reynolds, Executive Councillor for Leisure and Law, Property and Governance was in attendance for consideration of this item).

The Panel welcomed Councillor Mrs D C Reynolds, Executive Councillor for Leisure, Mr T Parker, Director of Commerce and Technology and Mr B Moynan, Huntingdon Centre Manager who were in attendance to discuss the financial performance of the Council's Leisure Centres. To support their presentation, detailed financial information including an analysis of activities on a centre by centre basis and details of central support charges were circulated (a copy of which is appended in the Minute Book).

By way of introduction, Mr B Moynan informed Members of One Leisures' financial situation including details of recent investment, the net outturn in recent years and the projected outturn for 2014/15. He then provided the net outturn on a centre by centre basis, together with income generated from admissions. Members were advised that substantial progress in increasing admissions and reducing the cost per head had been made at Huntingdon and more lately St Neots, however the absence of any major investment at Sawtry and Ramsey meant that these centres were not likely to make similar improvements. Attention was then drawn to the central support charges which totalled £1,268, 674 in 2010. Members commented on the level of these charges and the fact that the basis on which they had been compiled contained a level of subjectivity.

The Director of Commerce and Technology highlighted a number of issues relating to the operation of the five centres, which the centres would need to tackle in future months. These included staffing and pay levels. The cost of staff was highlighted as the biggest cost associated with running the service. In this regard and having noted that the leisure service had 230 Full Time Equivalent employees outside of Pathfinder House, the Panel were informed of a current proposal to change the remuneration scheme for variable hours staff. In addition, the Director of Commerce and Technology acknowledged that following the abolition of the Leisure Centre Management Committees, Member communications could be improved. The Panel's attention was also drawn to the particular socio-economic factors affecting the performance of the Sawtry and Ramsey facilities and the likely income from local schools.

In considering the information presented, a question was asked about the staffing levels at the Huntingdon centre. In response, Members were advised that the number of staff within the swimming pool was determined by Health and Safety requirements imposed by the Council. With regard to other issues highlighted within the presentation, comment was made that the cost of the creche facility was off setting the profits generated by the fitness suite and, therefore, a question was posed whether the facility should continue to be provided. Having noted that the cost of Badminton was now cheaper than in the 1990s, it was suggested that the pricing policy ought to be reviewed. Members were also informed that the St Ivo pool was the only swimming facility to generate a profit and that each centre had a different arrangement for allocating their energy charges and staffing costs.

Given the current economic conditions and rising fuel costs, the Panel queried how robust the energy and spending forecasts were within the report. In response and following a question on previous difficulties relating to irrecoverable VAT, the Director of Commerce and Technology explained that the Council had to comply with relevant legislation though facilities having Trust Status were treated differently, which might generate a small saving. Members requested that a draft business plan was drafted to assist them in a debate on the overall strategy for the service. A suggestion was also made that it would be useful for the budget to be presented in a similar way in 2012/13. In addition, the Executive Councillor for Leisure and Law, Property and Governance reported on the findings of research, which had established that when individual's disposable income was reduced, spending on leisure activities tended to be one of the last things they would forego.

Following further discussion on the level of management recharges allocated to the service, the Huntingdon Centre Manager re-iterated that without them the cost of the service was £0.8m. He explained that even if the Centres were to be put into Trust status, a level of management cost would still remain.

Having regard to the extent of the information provided and Members interest in giving further detailed consideration to the figures presented, it was RESOLVED

that Councillors J D Ablewhite, S Greenall, N J Guyatt and Mr R Hall be appointed to a working group together with representatives of the Social Well-Being Panel to review One Leisure's financial performance and make recommendations on the services' future strategic direction.

(Councillor Mrs J A Dew left the meeting at 9.00pm)

74. ECONOMIC IMPACT OF A14 UPGRADE

Pursuant to Minute No. 10/48, the Panel considered a report by the Head of Democratic and Central Services (a copy of which is appended in the Minute Book) providing information on the economic impact of the Government's decision not to proceed with plans to upgrade the A14. The report outlined a number of references to various sources of information on the subject produced by the Highways Agency and the East of England Development Agency. Attention was also drawn to a recent article in the Huntingdon News and Crier on the District Council's position and their intention to lobby for a cheaper version of the scheme.

Having noted the contents of the report, it was suggested that local Members of Parliament should be invited to discuss ways of lobbying the Government in support of the Council's position in place of schemes which remained within the Government's programme for improvements. Members also discussed the potential benefits of traffic management schemes.

Following a question about the viaduct at Huntingdon Rail Station, Members requested further information on its expected lifespan. Whereupon it was

RESOLVED

that the Local Members of Parliament for Huntingdon and North West, South and South East Cambridgeshire be invited to discuss an approach to lobbying the Government with a view to achieving the Council's aim of upgrading the A14 in a more cost effective way than previously planned.

75. OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) - PROGRESS

The Panel received and noted a report by the Head of Democratic and Central Services (a copy of which is appended in the Minute Book) reviewing progress of matters that had previously been discussed by the Panel.

76. WORK PLAN STUDIES REPORT

The Panel received and noted a report by the Head of Democratic and Central Services (a copy of which is appended in the Minute

Book) containing details of studies being undertaken by the Council's Overview and Scrutiny Panels.

77. SCRUTINY

The Panel received and noted the latest edition of the Council's Decision Digest.

Chairman

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FORWARD PLAN OF KEY DECISIONS

Prepared by Councillor I C Bates
Date of Publication: 13 January 2011
For Period: 1st February to 31 May 2011

Membership of the Cabinet is as follows:-

Councillor I C Bates	- Leader of the Council	4 Church End Hilton Huntingdon PE28 9NJ Tel: 01480 830250 E-mail: Ian.Bates@huntsdc.gov.uk
Councillor L M Simpson	- Deputy Leader of the Council with Special Responsibility for HQ/Accommodation	45 Devoke Close Stukeley Meadows Huntingdon Cambs PE29 6XE Tel: 01480 388946 E-mail: Mike.Simpson@huntsdc.gov.uk
Councillor K J Churchill	- Executive Councillor for Resources and Policy	51 Gordon Road Little Paxton St Neots PE19 6NJ Tel: 01480 352040 E-mail: Ken.Churchill@huntsdc.gov.uk
Councillor D B Dew	- Executive Councillor for Planning Strategy and Transport	4 Weir Road Hemingford Grey Huntingdon PE28 9EH Tel: 01480 469814 E-mail: Douglas.Dew@huntsdc.gov.uk
Councillor J A Gray	- Executive Councillor for Environment and Information Technology	Shufflewick Cottage Station Row Tilbrook PE28 OJY Tel: 01480 861941 E-mail: JG@novae.com

Councillor C R Hyams	- Executive Councillor for Operational and Countryside Services	22 Bluegate Godmanchester Huntingdon Cambs PE29 2EZ Tel: 01480 388968 E-mail: Colin.Hyams@huntsdc.gov.uk
Councillor A Hansard	- Executive Councillor for Housing and Public Health	78 Potton Road Eynesbury St Neots PE19 2NN Tel: 01480 388942 E-mail: Andrew.Hansard@huntsdc.gov.uk
Councillor Mrs D C Reynolds	- Executive Councillor for Leisure, Law, Property and Governance	17 Virginia Way St Ives PE27 6SQ Tel: 01480 388935 E-mail: Deborah.Reynolds@huntsdc.gov.uk
Councillor T V Rogers	- Executive Councillor for Finance and Customer Services	Honeysuckle Cottage 34 Meadow Lane Earith Huntingdon PE28 3QE Tel: 01487 840477 E-mail: Terence.Rogers@huntsdc.gov.uk

Any person who wishes to make representations to the decision maker about a decision which is to be made may do so by contacting Mrs Helen Taylor, Senior Democratic Services Officer on 01480 388008 or E-mail: Helen.Taylor@huntsdc.gov.uk not less than 14 days prior to the date when the decision is to be made.

The documents available may be obtained by contacting the relevant officer shown in this plan who will be responsible for preparing the final report to be submitted to the decision maker on the matter in relation to which the decision is to be made. Similarly any enquiries as to the subject or matter to be tabled for decision or on the availability of supporting information or documentation should be directed to the relevant officer.

Roy Reeves
Head of Administration

Notes:- (i) Additions/significant changes from the previous Forward are annotated ***

(ii) For information about how representations about the above decisions may be made please see the Council's Petitions Procedure at <http://www.huntsdc.gov.uk/NR/rdonlyres/3F6CFE28-C5F0-4BA0-9BF2-76EBAE06C89D/0/Petitionsleaflet.pdf> or telephone 01480 388006

Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Consultation	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
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Subject/Matter for Decision	Decision/recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Consultation	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Asset Management Plan - Annual Report	Cabinet	17 Feb 2011	Previous Cabinet Reports	Keith Phillips, Estates and Property Manager Tel No. 01480 388260 or e-mail Keith.Phillips@huntsdc.gov.uk		Mrs D C Reynolds	Economic Well-Being
One Leisure, St. Ives - Proposal for Development	Cabinet	17 Feb 2011	None	Simon Bell, General Manager, One Leisure Tel No. 01480 388049 or e-mail Simon.Bell@huntsdc.gov.uk		Mrs D C Reynolds	Social Well-Being
Local Transport Plan (LTP3)	Cabinet	17 Feb 2011	Draft Local Transport Plan	Paul Bland, Planning Service Manager (Policy) Tel No 01480 388430 or e-mail Paul.Bland@huntsdc.gov.uk	Endorse as Council policy	D B Dew	Environmental Well-Being
Open Space Strategy	Cabinet	17 Feb 2011	Open Space Strategy	Mr Howard Thackray, Policy and Strategic Services Manager Tel No 01480 388035 or e-mail Howard.Thackray@huntsdc.gov.uk	Planned with Town and Parish Councils	C Hyams	Social Well-Being
Budget and MTP	Cabinet	17 Feb 2011	Draft MTP previous year's budget report various annexes	Steve Couper, Head of Financial Services Tel No. 01480 388103 or e-mail Steve.Couper@huntsdc.gov.uk	Overview and Scrutiny (Economic Well-Being)	T V Rogers	Economic Well-Being
Treasury Management Strategy and Prudential Indicators	Cabinet	17 Feb 2011	Previous year's strategy	Steve Couper, Head of Financial Services Tel No. 01480 388103 or e-mail Steve.Couper@huntsdc.gov.uk	Overview and Scrutiny (Economic Well-Being)	T V Rogers	Economic Well-Being
Payment of Recycling Credits***	Cabinet	17 Mar 2011	None.	Sonia Hansen, Development and Community Manager Tel No. 01480 388630 or e-mail Sonia.Hansen@huntsdc.gov.uk		C Hyams	Environmental Well-Being

Subject/Matter for Decision	Decision/recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Consultation	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Home Improvement Agency Review - Future Delivery Model Consultation	Cabinet	17 Mar 2011	None	Steve Plant, Head of Housing Services Tel No. 01480 388240 or e-mail Steve.Plant@huntsdc.gov.uk		A Hansard	Social Well-Being
Contributions Community Infrastructure Levy Supplementary Planning Document	Cabinet	17 Mar 2011	Local Investment Framework	Paul Bland, Planning Service Manager (Policy) Tel No. 01480 388430 or e-mail Paul.Bland@huntsdc.gov.uk	Endorse as Council policy	D Dew	Environmental Well-Being

CABINET

17 FEBRUARY 2011

BUDGET 2011/12 AND MEDIUM TERM PLAN 2012 to 2016

(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 23 February in relation to the Council's Budget and Council Tax for 2011/12, Medium Term Plan for 2012/16 and associated matters.

2 BACKGROUND

- 2.1 Both the Financial Strategy in September and the Draft Budget in December were considered by Overview & Scrutiny and Cabinet before being approved by Council. Both reports highlighted a continuing high level of uncertainty on a number of issues, especially the impact on RSG of the new Comprehensive Spending Review.

3 OVERVIEW

Government funding reductions have now been confirmed. Our Revenue Support Grant will be reduced to £10.4m for 2011/12 (£0.7m less than predicted in December) and will be further reduced in subsequent years. An estimated £0.9m will be received for the New Homes Bonus

Since December, Executive Councillors, Overview & Scrutiny and officers have continued to investigate and refine the savings ideas that were set out in the draft budget. This has led to plans being amended to reduce the impact of the savings on our customers and the identification of some extra savings. Overall, the revised savings ideas incorporated into the budget are now more certain, particularly for next year, and result in a higher level of savings being achieved.

The budget is based on a zero increase in Council Tax for 2011/12. Total funding (net of savings) is £22.6m and is funded by £11.5M from various Government Grants, £7.4M from Council Tax and the deficit, of £3.6m, from revenue reserves.

Expenditure in future years is defined in total by the funds available to the Council. Whilst some figures are now clearer the overall position is dependent upon further government funding decisions, including a new allocation formula, and this Council's decision on future Council Tax increases.

Whilst the 2011/12 budget successfully balances the income available to the Council, including the use of reserves, with its spending plans this is not the case for future years. Planned expenditure will exceed forecast income and use of reserves by £0.8m in 2012/13. In addition, a number of the savings identified for future years remain the subject of consultation and debate. Should some of these savings proposals not be acceptable to the Council there will inevitably be a need to identify new and additional savings.

Overall Summary	Forecast	Budget	MTP			
	10/11 £M	11/12 £M	12/13 £M	13/14 £M	14/15 £M	15/16 £M
Net Spending before savings	23.5	25.6	26.4	27.4	28.7	29.5
Proposed Savings (Annex A)	-0.4	-3.0	-4.3	-5.5	-5.7	-6.6
Savings still required		0.0	-0.8	-1.0	-1.5	-2.0
Net Spending after Savings	23.1	22.6	21.3	21.0	21.5	20.9
Funded by:						
New Homes Grant		-0.9	-1.5	-2.1	-2.7	-3.4
Formula Grant (RSG)	-12.9	-10.4	-9.3	-9.2	-8.7	-8.9
Special Council Tax Grant		-0.2	-0.2	-0.2	-0.2	0.0
Council Tax	-7.2	-7.4	-7.6	-7.9	-8.1	-8.4
SHORTFALL Met from Reserves	3.0	3.6	2.7	1.6	1.7	0.3
<i>Council Tax</i>	<i>£124.17</i>	<i>£124.17</i>	<i>£127.27</i>	<i>£130.46</i>	<i>£133.72</i>	<i>£137.06</i>
<i>Increase</i>		<i>£0.00</i>	<i>£3.10</i>	<i>£3.18</i>	<i>£3.26</i>	<i>£3.34</i>
Remaining Reserves EOY	13.0	9.4	6.6	5.0	3.3	3.0

4 STARTING FROM THE DECEMBER DRAFT BUDGET

4.1 The table below summarises the draft budget and MTP approved at the December meeting of the Council. It serves as the base to highlight the further adjustments that are now proposed in funding, savings and other items that have now emerged.

DRAFT REPORT December 2010	Forecast	Budget	MTP			
	10/11 £M	11/12 £M	12/13 £M	13/14 £M	14/15 £M	15/16 £M
Net Spending before savings	24.5	25.2	26.4	27.5	28.4	29.1
Proposed savings	-0.4	-2.3	-3.9	-4.9	-5.9	-6.4
Savings still required		-0.5	-1.6	-2.6	-3.6	-4.3
Net Spending after Savings	24.1	22.4	20.9	20.0	19.0	18.3
Funded by:						
Government support	-12.9	-11.1	-10.5	-10.4	-9.7	-10.0
Special Grant		-0.2	-0.2	-0.2	-0.2	0.0
Council Tax	-7.2	-7.4	-7.6	-7.8	-8.1	-8.4
SHORTFALL Met from Reserves	3.9	3.7	2.7	1.6	1.0	0.0
<i>Council Tax</i>	<i>£124.17</i>	<i>£124.17</i>	<i>£127.27</i>	<i>£130.46</i>	<i>£133.72</i>	<i>£137.06</i>
<i>Increase</i>		<i>£0.00</i>	<i>£3.10</i>	<i>£3.18</i>	<i>£3.26</i>	<i>£3.34</i>
Remaining Reserves EOY	12.0	8.3	5.6	4.0	3.0	3.0

5 PROGRESS SINCE DECEMBER – SAVINGS

5.1 December Council highlighted that the proposed savings would be the subject of further discussions between officers and Executive Councillors to reflect the comments of Overview & Scrutiny and individual members.

5.2 As a result of these discussions and the refinement of certain calculations and assumptions a number of variations have been made at this stage. These are shown in the table below, and the Savings Table at Annex A incorporates them to give net figures. There are notes on some of the savings included as notes to the Controllable Budget at Annex D:

SAVINGS	BUDGET	MTP			
	2011/12	12/13	13/14	14/15	15/16
	£M	£M	£M	£M	£M
Savings Identified (December)	-2.280	-3.867	-4.906	-5.901	-6.442
Reduced pay award 2010	-0.156	-0.156	-0.156	-0.156	-0.156
Staff turnover savings – increased	-0.114	-0.114	-0.114	-0.114	-0.114
Homelessness Grant - increased	-0.085	-0.085			
Environmental Health Savings	-0.081	-0.008	-0.008	-0.008	-0.008
Community Grants Reductions	0.010		-0.060	0.015	0.015
Members Allowances	-0.030	-0.030	-0.030	-0.030	-0.030
Central Services savings	0.030	0.030	0.030	0.030	0.030
LGA Sub reduction	-0.002	-0.002	-0.002	-0.002	-0.002
Provincial Council Sub deletion	-0.012	-0.012	-0.012	-0.012	-0.012
Licensing efficiencies and income	-0.007	0.006	0.009	0.012	0.015
Document Centre savings	-0.033	-0.015		-0.010	
Countryside savings adjustment	0.012	0.064	0.064	0.064	0.064
Operations Division Reorganisation	-0.096				
Rephasing parking charges increase		-0.150	-0.300	0.200	
Extra Benefits Admin Grant	-0.011				
Rephase Call Centre Hours saving	0.020				
Rephase St Ives CSC savings	-0.028	0.007			
Rephase Ramsey CSC savings	-0.030	-0.042	0.003	0.008	0.008
Delete closure of St Neots CSC		0.055	0.055	0.055	0.055
Financial Services savings	-0.024	-0.030			
IMD Staff Savings	0.005	0.012	0.019	0.029	0.029
IMD Contract Savings	-0.035	0.005	-0.055	0.095	-0.020
IMD Desk Top Virtualisation	0.002	0.012	0.012	0.012	0.012
IMD Shared Services	-0.010	0.050	0.010		
IMD Infrastructure Savings		-0.015	-0.015	-0.015	-0.015
subtotal	-0.675	-0.418	-0.550	0.173	-0.129
Updated Identified Savings	-2.955	-4.285	-5.456	-5.728	-6.571

Negative figures represent more income or less expenditure

5.3 A number of the savings items are still being discussed and the following paragraphs comment on the latest position.

5.4 Senior Manager Reorganisation (£260k rising to £730k)

The voluntary redundancy has been agreed of the Chief Executive and two Heads of Service so the 2011/12 planned saving will be achieved. Further reductions will be required to achieve the saving proposed in subsequent years.

5.5 Pay and Allowances Review (£375k)

Proposals are not yet finalised but negotiations will need to progress promptly if the saving is to be achieved for next year.

5.6 CCTV (£300k)

The immediate savings for 2011/12 can be achieved whilst still maintaining a substantial CCTV service. Further investigation and discussion is taking place with the aim that savings can be made whilst still maintaining this service in future years.

5.7 Increase in Car Park Charges (rising to £500k)

It is felt that a large increase in 2014/15 would be too concentrated and so the proposal has been rephased to give smaller annual increases. There is no **extra** increase proposed in 2011/12 and 2014/15 because there is already an assumed inflationary increase built into the financial plan every three years. In total car park income is targeted to rise by:

2011/12	10%
2012/13	8%
2013/14	8%
2014/15	9%
2015/16	9%

5.8 Community Grants Reduction (rising to £294k)

The saving has been slightly rephased to reflect the contractual obligations on some grants. The bulk of grants are contracted until 2013 and these will be honoured. Whilst this saving provides for a substantial reduction of grants after this time, further discussion will take place before this approach is confirmed.

5.9 Customer Services and Call Centre (£173k rising to £314k)

There is some rephasing of the proposals (changes to the call centre will be delayed a year but staff savings in St Ives and Ramsey can be achieved in the budget year). The closure of the St Neots CSC is no longer proposed following further consideration of the volumes of use.

5.10 Special Reserve

The Special Reserve will be more than adequate to fund the level of voluntary redundancies that will be approved.

6. PROGRESS SINCE DECEMBER – FUNDING AND OTHER ITEMS

6.1 The table below shows the variations in funding and other items, whilst the paragraphs that follow explain the major changes:

FUNDING and OTHER CHANGES	BUDGET	MTP			
	2011/12	12/13	13/14	14/15	15/16
	£M	£M	£M	£M	£M
Proposed Variations					
New Homes Reward Grant	-0.940	-1.527	-2.129	-2.745	-3.377
RSG	0.680	1.165	1.154	1.084	1.112
Taxbase	-0.039	-0.038	-0.038	-0.037	-0.036
Homelessness increased bid	0.028				
Deferred Savings adjustment	0.335				
Total Variations	0.064	-0.400	-1.013	-1.698	-2.302

Negative figures represent more income or less expenditure

6.2 New Homes Reward Grant

The Government commenced a consultation on this new grant before Christmas. It is intended to reward Councils that support growth and does not replace S106 agreements or the Community Infrastructure Levy, which ensure that the costs of growth are generally met by developers.

It is based on giving grant equivalent to the national average Council Tax for 6 years for additional homes completed in the previous year. It will grow as each additional year is completed until year 7, when the 6 years of payment for year 1 will have been completed and it thus falls out of the calculation. It also gives an extra 25% supplement for social housing. In a growth area such as Huntingdonshire the sums will be significant as shown in the table above.

Part of the consultation revolves around how the grant will be allocated to the various local authorities. The Government have proposed that 80% goes to Districts and 20% to Counties. It is expected that Districts will propose that 100% goes to them as they make the relevant planning decisions, but that Counties will propose that they get a larger share.

It is not yet clear when confirmation of the scheme will be received.

6.3 Government Formula Grant (RSG)

The table below compares the assumptions in the Draft budget with what was announced on 13 December.

Government Grant * - % change in CASH TERMS	Budget	MTP			
	11/12	12/13	13/14	14/15	15/16
	£M	£M	£M	£M	£M
Draft Budget/MTP	-11%	-6%	-1%	-6%	+2.5%#
Proposed Grant Settlement	-14%	-11%	-1%	-6%	+2.5%#

*Grant includes Revenue Support Grant and NNDR which are in aggregate distributed in line with the grant formula. Adjusted for transfer of Concessionary Fares.

assumed that there will be an inflationary increase after this 4 year spending round.

Government Grant - Cash change	Budget	Budget	MTP			
	10/11	11/12	12/13	13/14	14/15	15/16
	£M	£M	£M	£M	£M	£M
Current Approved MTP (February)	-12.9	-12.4	-12.6	-12.6	-12.9	-13.3
Forecast (September)	-12.9	-11.7	-11.3	-10.7	-10.2	-9.7
Draft Budget/MTP (December)	-12.9	-11.1	-10.5	-10.4	-9.7	-10.0
This Report	-12.9	-10.4	-9.3	-9.2	-8.7	-8.9

minus signs represent income

The Government Grant Proposals have been even more front-ended than implied in the Comprehensive Spending Review (CSR). District Councils have fared badly as they have not had the protection that Counties have on some elements of social services and education.

The proposals have only been made for two years as the Government proposes to review the whole grant mechanism. This is not before time for two important reasons:

- the system is extremely opaque e.g. it is impossible to say what the impact of the grant changes relating to the transfer of Concessionary Fares has been.
- the over-reliance on complex protection arrangements for authorities that should gain or lose grant. e.g. the “true” loss of grant for Huntingdonshire after adjustment for the transfer of concessionary fares has been £3.3M (£12.6M down to £9.3M) which represents 27% in cash terms.

Officially the grant figures are only provisional at this stage but in previous years there have been only very minimal changes at the final stage. There are however, significant concerns being voiced by many authorities this year but this still may have little impact on the result.

6.4 Homelessness increased bid

A sum of £28k has been included to preserve the current levels of homelessness prevention given the continuing demand on this service.

6.5 Deferred Savings adjustment

The draft budget contained provision for some of the savings that will be achieved in the current year to be earmarked via a reserve to help meet an outstanding shortfall on the savings target in 2011/12. Assuming that the New Homes Reward Grant is

allocated at least 80% to Districts this will not now be necessary and those savings will simply be added to general revenue reserves.

6.6 Employer's Pension Contributions

The information from the independent actuary's revaluation of the pension fund has been received and it estimates that the fund is 70% funded. The current contribution level exceeds the underlying cost for ongoing service but is insufficient to bring the fund up to 100% funding in a reasonable time scale.

Given the Government's plans to review public sector pension schemes with a view to making them more affordable, the actuary is prepared to allow authorities to stabilise their current contribution levels for the next 3 years rather than insist they be increased.

Whilst this is a pragmatic approach, it is not a particularly prudent one and so it is proposed that the level of contribution contained in the draft budget be maintained pending the results and quantification of any changes to the pension scheme. However, the basis of this payment will be amended to 17.8% (which reflects the ongoing cost of the current scheme) on pay plus a lump sum towards covering the outstanding deficit. The table below illustrates the change:

Pension Contributions	Budget	Budget	MTP			
	10/11	11/12	12/13	13/14	14/15	15/16
Draft Budget/MTP (December)						
% of pay	20.4%	21.9%	23.4%	24.9%	26.4%	26.4%
cost		£3.9M	£4.2M	£4.6M	£5.0M	£5.2M
This Report						
% of pay		17.8%	17.8%	17.8%	17.8%	17.8%
cost		£3,254k	£3,344k	£3,486k	£3,635k	£3,790k
PLUS lump sum payments of		+£660k	+£896k	+£1,139k	+£1,378k	+£1,418k
Total Cost		= £3.9M	= £4.2M	= £4.6M	= £5.0M	= £5.2M

This is still less than the actuary's estimate of 17.8% plus £1.9M per year for 20 years which is what would be required if there were to be no changes to the scheme as a result of the Hutton review.

6.7 Other Changes

The tax base has also been increased to reflect the latest Council Tax data, as reported to Corporate Governance Panel in December.

Interest rates have been adjusted to reflect latest information, though it is clear that uncertainty will remain for some time to come.

The calculation of interest and inflation are both affected by the phasing of expenditure and savings.

7. PROPOSED BUDGET AND MTP

- 7.1 The plan is based on a zero Council Tax increase for next year which will result in a reward grant from the Government equivalent to a 2.5% tax increase but this will only continue for four years. It is anticipated that many other Councils will also have zero increases and it is expected to be proposed for the County Council, the Police Authority, the Fire Authority and all of the Cambridgeshire District. It is therefore likely that the only increases will be from Town and Parish Councils.
- 7.2 Whilst the previous paragraphs cover most of the changes from the draft budget position there are inevitably resultant impacts on the inflation calculations and interest as the levels of reserves change in any particular year. These items are also taken account of in the table below which summarises the overall position. Further detail and additional years are shown in Annex B.

Overall Summary	Forecast	Budget	MTP			
	10/11 £M	11/12 £M	12/13 £M	13/14 £M	14/15 £M	15/16 £M
Net Spending before savings	23.5	25.6	26.4	27.4	28.7	29.5
Proposed Savings (Annex A)	-0.4	-3.0	-4.3	-5.5	-5.7	-6.6
Savings still required		0.0	-0.8	-1.0	-1.5	-2.0
Net Spending after Savings	23.1	22.6	21.3	21.0	21.5	20.9
Funded by:						
New Homes Grant		-0.9	-1.5	-2.1	-2.7	-3.4
Formula Grant (RSG)	-12.9	-10.4	-9.3	-9.2	-8.7	-8.9
Special Council Tax Grant		-0.2	-0.2	-0.2	-0.2	0.0
Council Tax	-7.2	-7.4	-7.6	-7.9	-8.1	-8.4
SHORTFALL Met from Reserves	3.0	3.6	2.7	1.6	1.7	0.3
Council Tax	£124.17	£124.17	£127.27	£130.46	£133.72	£137.06
<i>Increase</i>		£0.00	£3.10	£3.18	£3.26	£3.34
Remaining Reserves EOY	13.0	9.4	6.6	5.0	3.3	3.0

- 7.3 Annex C gives fuller details of next years revenue budget, including all recharges, whilst Annex D shows the controllable budgets for Direct Services and Support Services with their MTP bids over the 5 year MTP. It also highlights those schemes where further approval is required before they can commence.

8. RISKS AND SENSITIVITY

- 8.1 The Financial Forecast, by its very nature, takes a long-term view and, within that time frame, many of its assumptions will turn out to be imprecise. At key stages of each year the plan will be updated. The current assumptions are shown in Annex E.

8.2 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 and when 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. The most significant risks relate to:

Most significant risks and unknowns	Timescale
Length and depth of recession – impact on interest rates, pay inflation, house building, Council income and expenditure.	Ongoing
Government grant totals for 2013/14 onwards	November 2012
Review of grant formula	November 2012
Pension changes from Hutton review	Possibly March or June 2011
Difficulty in delivering the savings already identified or the further spending targets inherent in this plan.	Ongoing

8.3 Reserves and the Robustness of the 2011/12 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 G and confirm that the budget is adequately robust and that the level of revenue reserves is currently above the minimum level required.

9. TOWN AND PARISH COUNCILS

9.1 There is an opportunity for Town and Parish Councils to reduce the impact on their area of some of the savings proposals contained in this budget. The Council will work constructively with any who wish to do this. The main opportunities probably relate to:

- Contributions to monitoring of CCTV
- Maintaining Parks services
- Mitigating increases in car park charges
- Mitigating reductions in grounds maintenance standards
- Taking over Community Grants
- Subsidising provision of Customer Service Centres
- Supporting Town Centre partnerships

10. DELIVERY OF SAVINGS

10.1 Officers will continue to work closely with Executive Councillors to ensure that all of the existing savings proposals are effectively reviewed and any proposed changes are formally reported.

10.2 Work will also commence on identifying proposals to meet the savings targets for future years so that there is adequate time for member debate before final decisions need to be made.

11. CONSULTATION AND COMMENTS

11.1 This report will be considered at a meeting of the Overview and Scrutiny (Economic Wellbeing) Panel on the 10 February and a consultation meeting with members of the business community on the same day. Comments from both meetings will be reported to Cabinet.

12. PRUDENTIAL CODE

12.1 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.

13. CONCLUSIONS

13.1 The Council approved the draft Budget, MTP and Financial Strategy figures in December but the need for further discussion on various savings proposals was highlighted.

13.2 The December figures have been amended for the items highlighted in sections 5 and 6 of this report. These include some significant revisions to the savings proposals, though other aspects, that affect subsequent years, are still being debated. A much worse grant settlement than expected was received but the estimated benefit from the New Homes Grant proposed by the Government is of significant benefit.

13.3 There is no increase in the Council Tax in 2011/12 which will result in the Council receiving a grant to cover the impact of a 2.5% rise for 4 years.

13.4 The main challenge is to finalise the position on the identified savings proposals, deliver those savings and commence the process for the additional savings required for the future.

13.5 The combination of sound budget practices, the success so far in identifying savings and significant revenue reserves means that the proposed 2011/12 budget is robust and that the Council is well-placed, **in the short term**, to deal with any unforeseen expenditure.

14. RECOMMENDATION

The Cabinet is asked to recommend to February Council:

- Approval of the proposed MTP, budget and Financial Plan (Annexs B, C, and D)
- No increase in Council Tax for 2011/12 i.e. Band D charge remains at £124.17.

ACCESS TO INFORMATION ACT 1985

Grant Settlement Information – Files in Financial Services

Working Papers - Files in Financial Services

Project Appraisals

2010/11 Revenue Budget and the 2011/15 MTP

Forecast Report

Draft Budget and MTP Report.

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ANNEXS

- A** Savings Financial Summary
- B** Overall Financial Summary to 2024/25
- C** Proposed Revenue Budget 2011/12– Full service costs basis
- D** Proposed Budget and MTP – Controllable Budget basis showing Direct Services and Support Services with their MTP bids over the 5 year MTP period. Those schemes, where further approval is required before they can commence, are highlighted.
- E** Financial Plan – Main assumptions
- F** Financial Plan - Sensitivity and Risks
- G** Reserves and the Robustness of the 2011/12 Budget

SAVINGS (cont.)		REVENUE						NET CAPITAL						CAPITAL GRANTS & CONTRIBUTIONS					
		2010	2011	2012	2013	2014	2015	2010	2011	2012	2013	2014	2015	2010	2011	2012	2013	2014	2015
Bid No.	Scheme	2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
#	IMD Staff savings		-17	-23	-36	-36	-101												
#	IMD Contract Savings		-35	-35	-110	-35	-75												
#	IMD Shared Service Income		-10	-15	-20	-30	-30												
	IMD Infrastructure Savings			-15	-15	-15	-15												
#	Town Centre Partnerships - reduced funding		-40	-80	-100	-100	-100												
#	District wide - E version only		-50	-50	-50	-50	-50												
951	Hunts. Matters - cease production	-8	-10	-10	-10	-10	-10												
968	Increased licensing income	-35	-35	-35	-35	-35	-35												
#	Licensing - efficiency and higher charges		-7	-14	-21	-28	-35												
#	Document Centre - efficiency and external work		-33	-40	-50	-60	-75												
825	Members Allowances Review	-2				-6	4												
	Members Allowances		-30	-30	-30	-30	-30												
	Subscriptions		-14	-14	-14	-14	-14												
#	Central Services - Reorganisation		-170	-220	-220	-270	-270												
853	Huntingdon Town Hall	-10																	
923	Extra Car Parking, Huntingdon Town Centre		20	-18	21	19	-62		-2,166	2,166							1,300		
976	ICT Replacements and Server Virtualisation	10	10	10	10	10	10	-27	58	-60	-60	-60							
380	Replacement Printing Equip.							-92		70									
895	Multi-functional Devices							-2	2	3	1	2							
948	Provision for Bin Replacements							-114	-101	-118	-157	-204	56						
886	Vehicle fleet replacements.							197	-217	-442	64	-101							
973	Housing Capital Grant (non-earmarked)							-64						64					
625	Huntingdon Bus Station							-890	190	150					-150	-150			
864	Crime and Disorder - Lighting improvements							-20	2				25						
365	Huntingdon Marina Improvements								-62										
854	Play Equipment & Safety Surface Renewal								-5	-48	-37	-33	-48						

SAVINGS (cont.)		REVENUE						NET CAPITAL						CAPITAL GRANTS & CONTRIBUTIONS					
		2010	2011	2012	2013	2014	2015	2010	2011	2012	2013	2014	2015	2010	2011	2012	2013	2014	2015
Bid No.	Scheme	2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
863	Community Facilities Grants								-69	-69	-69	-69	-69						
864	Crime and Disorder - Lighting improvements								-25	-24	-25	-25	-25						
867	Repairs Assistance								-90	-90	-90	-90	-90						
869	Social Housing Grant								-500	-500	-500	-500	-500						
865	CCTV - Camera replacements								-81	-81	-75	-82							
870	Local Transport Plan								-83	-83	-83	-89							
871	Safe Cycle Routes								-194	-93	-93	-95	-95						
872	St Neots Transport Strategy Phase 2								-90	-90	-80								
873	Accessibility Improvement /Signs in footpaths and car parks								-35	-30	-30	-30							
874	Huntingdon Transport Strategy								-90	-90	-90								
362	St Ives Transport Strategy								-80	-80	-80								
363	Ramsey Transport Strategy								-80	-41	-45								
899	Bus Shelters - extra provision								-41	-42	-42								
52	St Ives Town Centre 2 - Completion								-20	-425	-509								
876	Small Scale - District Wide Partnership								-79	-79	-80	-60		-10	-10	-10	-10	-10	
877	AJC Small scale improvements								-86	-86	-86	-86	-90						
878	Village Residential Areas								-57	-60	-60	-76			-10	-10	-10		
302	New Public Conveniences								-100						-150				
	total	-397	-2,955	-4,285	-5,456	-5,728	-6,571	-1,107	-3,939	-242	-2,226	-1,598	-836	54	-310	1,130	-20	-20	0

ANNEX B

FINANCIAL SUMMARY	FORECAST	BUDGET	MTP				FORECAST								
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
2009/10 BUDGET/MTP	24,848	23,660	23,127	22,278	21,342	21,811	22,408	23,021	23,651	24,099	24,765	25,449	26,153	26,875	27,818
Variations:															
Interest	-105	-298	-421	-374	-411	-544	-676	-796	-926	-1,058	-1,188	-1,320	-1,454	-1,586	-1,718
Provision for Loan Repayments	-61	158	365	506	656	782	830	866	998	1,098	1,153	1,183	1,186	1,121	1,065
Inflation	0	22	33	165	401	222	240	132	174	361	402	574	640	784	839
Unidentified Savings	0	1,000	1,849	3,239	4,595	4,688	5,166	4,938	4,847	4,867	4,934	4,799	4,870	4,899	4,818
MTP schemes	-1,533	-1,927	-3,605	-4,815	-5,130	-6,010	-6,175	-6,133	-6,097	-6,083	-6,129	-6,075	-6,094	-6,082	-6,082
total	-1,699	-1,045	-1,779	-1,280	111	-862	-615	-993	-1,003	-815	-827	-839	-852	-864	-1,078
NEW FORECAST	23,149	22,615	21,348	20,998	21,453	20,949	21,793	22,028	22,648	23,284	23,938	24,610	25,301	26,011	26,740
FUNDING															
Use of revenue reserves	-2,971	-3,606	-2,714	-1,604	-1,736	-300	0	0	0	0	0	0	0	0	0
Remaining revenue reserves EOY	12,960	9,354	6,640	5,036	3,300	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
New Homes Grant		-940	-1,527	-2,129	-2,745	-3,377	-4,025	-3,749	-3,843	-3,939	-4,037	-4,138	-4,241	-4,348	-4,456
Special Council Tax Grant		-184	-184	-184	-184	0	0	0	0	0	0	0	0	0	0
Formula Grant (RSG)	-12,939	-10,449	-9,296	-9,203	-8,651	-8,867	-9,089	-9,316	-9,549	-9,788	-10,032	-10,283	-10,540	-10,804	-11,074
Collection Fund Deficit (- surplus)	35	-53	0	0	0	0	0	0	0	0	0	0	0	0	0
Council Tax	-7,274	-7,383	-7,627	-7,878	-8,137	-8,404	-8,679	-8,963	-9,256	-9,557	-9,868	-10,189	-10,519	-10,860	-11,210
COUNCIL TAX LEVEL	£124.17	£124.17	£127.27	£130.46	£133.72	£137.06	£140.49	£144.00	£147.60	£151.29	£155.07	£158.95	£162.92	£166.99	£171.17
% increase		0.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
£ increase		£0.00	£3.10	£3.18	£3.26	£3.34	£3.43	£3.51	£3.60	£3.69	£3.78	£3.88	£3.97	£4.07	£4.17

Forecast Capital Spending	7,133	11,933	3,321	3,005	2,441	2,777	4,101	4,131	4,272	4,417	4,566	4,718	4,875	5,035	5,200
Accumulated "Borrowing" EOY net of MRP	17,717	28,618	30,512	31,838	32,300	32,825	34,463	35,923	37,206	38,335	39,347	40,254	41,075	41,865	42,604
Net Interest and Borrowing Costs															
- total	-61	589	1,316	1,893	2,454	2,790	3,059	3,344	3,730	4,087	4,407	4,710	4,995	5,226	5,480
- as % of total net spending	0%	3%	6%	9%	11%	13%	14%	15%	16%	18%	18%	19%	20%	20%	20%
Unidentified Spending Adjustments still required	0	0	-751	-961	-1,524	-1,975	-2,028	-2,632	-3,215	-3,759	-4,071	-4,535	-5,121	-5,381	-5,776

PROPOSED BUDGET – SERVICE BASIS

BUDGET SUMMARY	2010/11		2011/12
	Original	Forecast	Budget
	£000	£000	£000
Environmental Services			
Refuse Collection	3,372	3,257	3,253
Recycling	282	183	533
Drainage & Sewers	572	560	600
Public Conveniences	18	67	53
Environmental Health	2,545	2,317	2,214
Closed Churchyards	11	8	9
Street Cleaning & Litter	1,368	1,386	1,474
	8,168	7,778	8,136
Planning			
Development Control	1,197	1,310	1,193
Building Control	164	194	195
Planning Policy & Conservation	1,532	1,264	1,332
Economic Development	-601	-216	-364
Planning Delivery Grant	35	0	9
	2,327	2,552	2,365
Community Services			
Countryside	631	607	575
Tourism	142	113	100
Community Initiatives	799	993	1,019
Parks	1,746	1,716	1,825
Leisure Policy	468	460	391
Leisure Centres	2,887	2,714	2,856
Community Facilities	141	65	25
	6,814	6,668	6,791
Community Safety			
Community Safety	1,031	983	908
	1,031	983	908
Housing Services			
Housing Services	959	869	884
Private Housing Support	2,300	2,396	1,664
Homelessness	538	621	587
Housing Benefits	1,191	1,241	1,381
	4,988	5,127	4,516
Highways & Transportation			
Transportation Strategy	1,234	1,092	368
Public Transport	964	867	229
Highways Services	96	143	129
Car Parks	-526	-519	-608
Environmental Improvements	421	508	344
	2,189	2,091	462
Corporate Services			
Local Taxation & Benefits	1,228	1,150	1,271
Corporate Management	1,739	1,607	1,490
Democratic Services	1,432	1,455	1,434
Central Services	549	608	612
Non Distributed Costs	250	242	252
	5,198	5,062	5,059
Other Expenditure			
Contingency	-484	53	-90
Other Expenditure	-5,415	-6,729	-5,361
Investment Interest and Borrowing Costs	108	-341	-93
Unallocated Grants	-76	-95	-78
	-5,867	-7,112	-5,622
Council Total	24,848	23,149	22,615

The Service Based Budget includes direct expenditure plus the recharge of all support costs (e.g. HR, finance, legal and offices) plus depreciation on assets.

Note

Due to the nature of and/or the late stage in the process of some changes there will be a need to make some minor reallocations between service budgets for 2011/12 after the budget is approved. These relate to the allocation of support costs and inflation adjustments. The items particularly subject to such changes are shown with a ##

SERVICE BUDGET		2010/11		2011/12
		Budget	Forecast	Budget
		£000	£000	£000
Environmental Services				
Refuse Collection	Abandoned Vehicles	59	58	59
	Domestic Refuse	3,295	3,205	3,209
	Trade Refuse	18	-6	-15
		3,372	3,257	3,253
Recycling	Recycling	370	278	616
	Recycling Sites	-88	-95	-83
		282	183	533
Drainage & Sewers	Internal Drainage Boards	358	374	367
	Nightsoil Collection	10	10	11
	Watercourses	204	176	222
		572	560	600
Public Conveniences	Public Conveniences ##	18	67	53
		18	67	53
Environmental Health	Air Quality	109	111	141
	Animal Welfare	178	185	153
	Contaminated Land	175	177	142
	Health & Safety	243	239	239
	Energy Efficiency	405	385	374
	Environmental Health General	-4	-13	12
	Food Safety	483	443	471
	Health Promotion	48	25	31
	Licences	156	60	43
	Nuisances	335	301	254
	Pest Control	135	127	144
	Private Sector Housing	267	263	195
	Travellers	15	14	15
			2,545	2,317
Closed Churchyards	Closed Churchyards	11	8	9
		11	8	9
Street Cleaning & Litter	Littering	69	69	88
	Street Cleaning	1,299	1,317	1,386
		1,368	1,386	1,474
	Environmental Services	8,168	7,778	8,136
Planning				
Development Management	Advice	729	628	652
	Application Processing	222	413	265
	Enforcement	246	269	276
		1,197	1,310	1,193
Building Control	Promotion & Enforcement	235	207	216
	Applications	-71	-13	-21
		164	194	195
Planning Policy & Conservation	A14 Inquiry	153	4	0
	Conservation & Listed Buildings	136	151	156
	Local Plan	740	631	718
	Planning Projects/Implementation	305	268	250
	Trees	198	210	208
		1,532	1,264	1,332

SERVICE BUDGET		2010/11		2011/12
		Budget	Forecast	Budget
		£000	£000	£000
Economic Development	Business & Enterprise Support	260	305	308
	Markets	-50	-5	-44
	NNDR Discretionary Relief	29	47	29
	Property Development and Management	-1,068	-849	-964
	Town Centre Management	228	286	307
		-601	-216	-364
Planning Delivery Grant	Planning Grant Unallocated	35	0	9
	Planning	2,327	2,552	2,365
Community Services				
Countryside	Barford Road Pocket Park			
	Countryside Management	260	245	189
	Hinchingbrooke Country Park	222	269	244
	Paxton Pits	106	59	112
	Miscellaneous Countryside sites	43	34	30
		631	607	575
Tourism	Tourism	142	113	100
		142	113	100
Community Initiatives	Community Projects	99	155	170
	Community Initiatives Mgt	221	273	266
	Equal Opportunities	38	66	75
	Sustainable Communities	69	71	75
	Miscellaneous Grants	372	428	433
		799	993	1,019
Parks	Parks & Open Spaces	1,690	1,671	1,755
	Pavilions	53	43	68
	Unallocated Land Survey	3	2	2
		1,746	1,716	1,825
Leisure Policy	Arts Development ##	157	120	60
	Leisure Development	311	340	331
		468	460	391
Leisure Centres	One Leisure Huntingdon	562	588	621
	One Leisure Ramsey	445	359	405
	One Leisure Sawtry	497	457	460
	One Leisure St Ives	708	629	726
	One Leisure St Neots	666	631	627
	Leisure Centres Overall	9	50	17
		2,887	2,714	2,856
Community Facilities	Leisure Grants ##	120	44	4
	Priory Centre	21	21	21
		141	65	25
	Community Services	6,814	6,668	6,791

SERVICE BUDGET		2010/11		2011/12
		Budget	Forecast	Budget
		£000	£000	£000
Community Safety				
Community Safety	C C T V ##	701	683	558
	Community Safety	330	300	350
		1,031	983	908
	Community Safety	1,031	983	908
Housing Services				
Housing Services	Choice Based Lettings	105	45	23
	Housing Advice	255	310	311
	Housing Strategy	327	186	193
	Waiting List	235	256	274
	Other housing services	37	72	83
		959	869	884
Private Housing Support	Home Improvement Agency	84	95	106
	Housing Associations	783	890	356
	Housing Surveys	26	18	27
	Renovation/Improvement Grants	1,407	1,393	1,150
	Safer homes scheme	0	0	25
		2,300	2,396	1,664
Homelessness	Accommodation For Homeless	70	37	23
	Homelessness Management	311	365	312
	Homeless Prevention	56	118	148
	Hostel Support	101	101	104
		538	621	587
Housing Benefits	Housing Benefits Admin	1,127	1,361	1,512
	Rent Allowance Local Scheme	18	13	14
	Rent Allowance National Scheme	-53	-285	-285
	Temporary Accommodation Support	99	152	140
		1,191	1,241	1,381
	Housing Services	4,988	5,127	4,516
Highways & Transportation				
Transportation Strategy	Cycling	29	24	26
	Transportation Management	160	122	195
	Transport Schemes ##	1,045	946	147
		1,234	1,092	368
Public Transport	Bus Shelters	96	109	123
	Bus Stations	72	115	78
	Concessionary Fares ##	796	643	28
		964	867	229
Highways Services	Street naming	96	143	129
		96	143	129
Car Parks	Car Park Assets	116	93	120
	Car Park Management	-753	-634	-752
	Car Park Policy	111	22	24
		-526	-519	-608
Environmental Improvements	Management Schemes	83	85	96
		338	423	248
		421	508	344
	Highways & Transportation	2,189	2,091	462

SERVICE BUDGET		2010/11		2011/12
		Budget	Forecast	Budget
		£000	£000	£000
Corporate Services				
Local Taxation & Benefits	Council Tax	891	950	995
	Council Tax Benefits	339	215	288
	N N D R Administration	-2	-15	-12
		1,228	1,150	1,271
Corporate Management	Chief Executive & Management Team	800	707	641
	External Audit	153	146	158
	Public Accountability	669	641	574
	Treasury Management	117	113	117
		1,739	1,607	1,490
Democratic Services	Corporate Committees	538	552	522
	Member Allowances & Support	894	903	912
		1,432	1,455	1,434
Central Services	Elections	514	518	531
	Emergency Planning	70	86	90
	Land Charges	-35	4	-9
		549	608	612
Non Distributed Costs	Pensions	250	239	218
	ICT services to other organisations	0	3	34
		250	242	252
	Corporate Services	5,198	5,062	5,059
Other Expenditure				
Contingency	Efficiency Savings Contingency	-255	0	0
	Other Contingencies	-229	53	-90
		-484	53	-90
Other Expenditure	Capital Charges Reversed	-6,787	-6,960	-5,497
	MRP (Provision for repaying borrowing)	0	247	682
	Pensions Liabilities Reversed	1,229	0	0
	V A T Partial Exemption	143	0	0
	Items still to be allocated or recharged to Services ##	0	-66	-586
	Other Expenditure	0	50	40
		-5,415	-6,729	-5,361
Investment Interest and borrowing costs	Interest Paid	927	399	523
	Interest Received	-819	-740	-616
		108	-341	-93
Unallocated grants		-76	-95	-78
		-76	-95	-78
	Other Expenditure	-5,867	-7,112	-5,622
COUNCIL TOTAL		24,848	23,149	22,615

CONTROLLABLE BUDGET

The Controllable budget disaggregates the Service Budget so that each element is allocated to the Head of Service or, in a few cases, Chief Officer responsible for managing and controlling the spending. For example: Leisure Centres in the Service budget includes support services such as HR and accountancy whilst in the Controllable Budget these support service costs are shown under the Head of Service that controls them.

The Controllable Budget is the fundamental focus of budgetary control within the authority.

It shows the individual variations included in the MTP allocated to each budget area and colour codes those schemes where further approval is required before they can commence.

Approval required by:

	COMT and then Cabinet
	Service Director following consultation with Director of C&T and Executive Councillors for Service and Finance.
COMT	
	Head of Service

PROPOSED BUDGET – Controllable Format		REVENUE						NET CAPITAL							
		Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
		2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
		2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
CEO															
	Corporate Management	276	266	158	158	158	158	158							
	TOTAL	276	266	158	158	158	158	158							
		276	266	158	158	158	158	158							
CENTRAL SERVICES															
Director of Central Services															
	Management Units	176	177	184	184	184	184	184							
	TOTAL	176	177	184	184	184	184	184							
		176	177	184	184	184	184	184							
Head of Central & Democratic Services															
	Environmental Health (Licensing) ①	-212	-259	-267	-267	-267	-267	-267							
	MTP Variations														
968	Increased licensing income			-35	-35	-35	-35	-35							
#	Licensing - efficiency and higher charges			-7	-14	-21	-28	-35							
				-42	-49	-56	-63	-70							
	TOTAL	-212	-259	-267	-274	-281	-288	-295							
		-212	-259	-267	-274	-281	-288	-295							
	Democratic representation ②	601	536	534	534	534	534	534							
	MTP Variations														
825	Members Allowances Review			-5	-5	-5	-5	-1							
826	Electoral Administration Act				-8	-8	-8	-8							
##	Members Allowances 2011			-30	-30	-30	-30	-30							
##	LGA Sub			-2	-2	-2	-2	-2							
##	Provincial Council Sub			-12	-12	-12	-12	-12							
				-49	-57	-57	-57	-53							
	TOTAL	601	536	534	526	526	526	530							
		601	536	534	526	526	526	530							
	Central services (elections/land charges) ②	22	-2	10	10	10	10	10							
	MTP Variation														
824	Land Charges - Extra net cost			29	29	29	29	29							
885	District Elections - No elections every 4th year					-80									
				29	29	-51	29	29							
	TOTAL	22	-2	10	10	-70	10	10							
		22	-2	10	10	-70	10	10							

BUDGET - Controllable	REVENUE							NET CAPITAL						
	Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
	2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000

Document Centre ③	587	547	604	604	604	604	604							
MTP Variation														
380 Replacement Printing Equip.								230	138		70			208
894 Replacement Equipment Document Centre								29	6	78		30	54	
895 Multi-functional Devices								15	13	45	41	21	45	41
# Document Centre - efficiency and external work			-33	-40	-50	-60	-75							
			-33	-40	-50	-60	-75							
TOTAL	587	547	604	597	587	577	562	274	157	123	111	51	99	249
Management Units ④	854	817	688	688	688	688	688							
MTP Variations														
# Central Services - Reorganisation			-70	-70	-70	-70	-70							
			-70	-70	-70	-70	-70							
TOTAL	854	817	688	688	688	688	688							
Head of Law, Property and Governance														
Economic Development ①	-1,403	-1,412	-1,529	-1,529	-1,529	-1,529	-1,529							
MTP Variation														
239 New Industrial Units			-37	-65	-65	-65	-65	575	825					
509 Industrial Estate Repairs									10	16				
657 Creative Industries Centre, St Neots					-30	-6	-6							
Industrial Rents - shortfall			-60	-60	-60	-60	-60							
			-97	-125	-155	-131	-131							
TOTAL	-1,403	-1,412	-1,529	-1,557	-1,587	-1,563	-1,563	575	835	16				
Corporate Management	2	4	2	2	2	2	2							
TOTAL	2	4	2	2	2	2	2							
Management Units ②	520	500	449	449	449	449	449							
MTP Variations														
Central Services - Reorganisation			-80	-80	-80	-80	-80							
			-80	-80	-80	-80	-80							
TOTAL	520	500	449	449	449	449	449							
	-881	-908	-1,078	-1,106	-1,136	-1,112	-1,112	575	835	16				

BUDGET - Controllable	REVENUE							NET CAPITAL						
	Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
	2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000

Head of PPP														
Economic Development ①	146	144	108	108	108	108	108							
MTP Variation														
# Town Centre Partnerships - reduced funding			-40	-80	-100	-100	-100							
			-40	-80	-100	-100	-100							
TOTAL	146	144	108	68	48	48	48							
Tourism	43	45	45	45	45	45	45							
TOTAL	43	45	45	45	45	45	45							
Community initiatives	-2	20	36	36	36	36	36							
TOTAL	-2	20	36	36	36	36	36							
Corporate Management ②	120	109	59	59	59	59	59							
MTP Variations														
951 Hunts. Matters - cease production			-10	-10	-10	-10	-10							
# District wide - E version only			-50	-50	-50	-50	-50							
			-60	-60	-60	-60	-60							
TOTAL	120	109	59	59	59	59	59							
Non-Distributed Costs (pensions)	250	238	218	218	218	218	218							
MTP Variations														
Pensions Increase - Savings			-18	-18	-18	-18	-18							
			-18	-18	-18	-18	-18							
TOTAL	250	238	218	218	218	218	218							
Management Units ③	1,186	1,161	1,212	1,212	1,212	1,212	1,212							
MTP Variations														
Central Services - Reorganisation			-20	-70	-70	-120	-120							
			-20	-70	-70	-120	-120							
TOTAL	1,186	1,161	1,212	1,162	1,162	1,112	1,112							
Human Resources	200	200	202	202	202	202	202							
TOTAL	200	200	202	202	202	202	202							
	1,943	1,917	1,880	1,790	1,770	1,720	1,720							

BUDGET - Controllable	REVENUE							NET CAPITAL						
	Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
	2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000

DIRECTORATE OF ENVIRONMENTAL AND COMMUNITY SERVICES														
Director of Environmental & Community Services														
Management Units														
	172	172	178	178	178	178	178							
TOTAL	172	172	178	178	178	178	178							
	172	172	178	178	178	178	178							
Head of Housing Services														
Housing Services														
	30	-4	-5	-5	-5	-5	-5							
MTP Variations														
702 Mobile Home Park, Eynesbury			-10	-10	-10	-10	-10	-168						
			-10	-10	-10	-10	-10							
TOTAL	30	-4	-5	-5	-5	-5	-5	-168						
Private housing support ① ② ③														
		-11	29	29	29	29	29							
MTP Variation														
70 Housing Needs Survey			-5	-5	-5	-5	-5							
730 Housing Need Study			8	8	8	8	8							
866 Disabled Facilities Grants								1,000	1,000	800	800	800	800	950
867 Repairs Assistance								190	160	100	100	100	100	100
869 Social Housing Grant								500	547					
910 Safer Homes Scheme			25	25	25	25	25							
932 Decent Homes - Thermal Efficiency/H&S														
973 Housing Capital Grant (non-earmarked)									-64					
974 Decent Homes - Thermal Efficiency Imps.											64			
Mortgage Fall-out				1	2	3	3							
			28	29	30	31	21							
TOTAL		-11	29	30	31	32	22	1,690	1,643	900	964	900	900	1,050
Homelessness ④														
	220	241	173	173	173	173	173							
MTP Variations														
## Homelessness Grant			-85	-85										
Priority Needs Scheme-end of temp. savings			28	59	61	61	61							
			-57	-26	61	61	61							
TOTAL	220	241	173	204	291	291	291							

BUDGET - Controllable	REVENUE							NET CAPITAL						
	Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
	2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Management Units 5	1,120	1,078	1,095	1,095	1,095	1,095	1,095							
MTP Variations														
960 Transfer of some housing calls to call centre			-11	-11	-11	-11	-11							
# Housing staff efficiency savings			-45	-100	-100	-100	-100							
			-56	-111	-111	-111	-111							
TOTAL	1,120	1,078	1,095	1,040	1,040	1,040	1,040							
	1,370	1,304	1,292	1,269	1,357	1,358	1,348	1,522	1,643	900	964	900	900	1,050
Head of Environmental & Community Health Services														
Environmental Health	265	233	176	176	176	176	176							
MTP Variations														
911 House Condition Survey			-50	-50	-50	-50	5							
927 Air Quality Monitoring Equipment			20	-10	20	20	20	20	25		30			
			-30	-60	-30	-30	25							
TOTAL	265	233	176	146	176	176	231	20	25		30			
Community initiatives 1 2 3	405	416	409	409	409	409	409							
MTP Variation														
423 Community Information Project								11		11				
863 Community Facilities Grants			-14	-65	-308	-308	-308	37	40					
952 Loves Farm Community Centre										45	-45			
954 Ramsey Community Information Centre Ramsey Library Development			10	10	10	10	10	-10	110					
			-4	-55	-298	-298	-298							
TOTAL	405	416	409	358	115	115	115	38	150	56	-45			
Leisure policy	316	292	213	213	213	213	213							
MTP Variation														
845 Physical Activity Initiatives for Adults			-23	-23	-30	-32	-32							
Arts Development Service			-93	-93	-93	-93	-93							
			-116	-116	-123	-125	-125							
TOTAL	316	292	213	213	206	204	204							

BUDGET - Controllable	REVENUE							NET CAPITAL						
	Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
	2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000

	Community Safety ④	116	88	114	114	114	114	114							
	MTP Variations														
864	Lighting improvements								24	4					
	TOTAL	116	88	114	114	114	114	114	24	4					
	Management Units ⑤	1,603	1,537	1,517	1,517	1,517	1,517	1,517							
	MTP Variation														
#	Environmental Health staff savings			-201	-201	-201	-201	-201							
#	Environmental & Community Health savings					-75	-75	-75							
	TOTAL	1,603	1,537	1,517	1,517	1,442	1,442	1,442							
		2,705	2,566	2,429	2,348	2,053	2,051	2,106	82	179	56	-15			
	Head of Operations														
	Refuse collection & Recycling ①	1,991	1,832	2,188	2,188	2,188	2,188	2,188							
	MTP Variations														
650	Recycling Credits			-17	-17	-17	-17	-17							
948	Provision for Bin Replacements			175	175	175	175	175	144	30	31	33	38	48	340
969	Recycling Gate Fees			15	33	33	33	33							
971	Reduction in glass sales			34	40	40	40	40							
#	Increased charges for bulky waste			-20	-20	-20	-20	-20							
#	Reduce refuse collection by one round Wheeled Bins for New Properties				-100	-100	-100	-100							
	TOTAL	1,991	1,832	2,188	2,112	2,112	2,112	2,112	144	155	157	176	181	187	419
	Drainage and sewers	10	10	11	11	11	11	11							
	TOTAL	10	10	11	11	11	11	11							
	Street cleaning and litter ②	982	945	1,002	1,002	1,002	1,002	1,002							
	TOTAL	982	945	1,002	1,002	1,002	1,002	1,002							

BUDGET - Controllable	REVENUE							NET CAPITAL						
	Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
	2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000

Markets ③	-161	-138	-165	-165	-165	-165	-165							
MTP Variations														
965 Consultants			-5	-5	-5	-5	-5							
			-5	-5	-5	-5	-5							
TOTAL	-161	-138	-165	-165	-165	-165	-165							
CCTV ④	502	458	365	365	365	365	365							
MTP Variations														
865 CCTV - Camera replacements								81	159					
966 CCTV Van - remove satellite system			-8	-8	-8	-8	-8							
967 Reduction in CCTV Cameras			-15	-15	-15	-15	-15							
# Reduce CCTV to a basic service			-129	-172	-172	-172	-172							
# Mothball CCTV			-300	-300	-300	-300	-300							
			-152	-495	-495	-495	-495							
TOTAL	502	458	365	22	22	22	22	81	159					
Countryside ⑤	496	416	384	384	384	384	384							
MTP Variations														
807 Hinchingsbrooke Park - Café extension			-17	-17	-17	-17	-17							
855 St Neots Green Corridor (HGF)								102						
# Reduce staff and increase income			-101	-149	-199	-199	-199							
# Transfer Countryside to a trust			-118	-166	-216	-316	-316							
TOTAL	496	416	384	336	286	186	186		102					
Parks ⑥	4	-17	11	11	11	11	11							
MTP Variations														
365 Huntingdon Marina Improvements								62						
808 Huntingdon Riverside									41					
854 Play Equipment & Safety Surface Renewal								69	155	50	20	20	20	20
914 Pavilion Repairs and Renewals			8	8	8	8	8							
			8	8	8	8	8							
TOTAL	4	-17	11	11	11	11	11	131	196	50	20	20	20	20

BUDGET - Controllable		REVENUE							NET CAPITAL						
		Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
		2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
		2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	Car parks ⑦	-1,206	-1,085	-1,220	-1,220	-1,220	-1,220	-1,220							
	MTP Variations														
480	Implementation of car park strategy			-10	-20	-44	-68	-102							
924	Additional Car Park Charges (net)			10	10	10	10	10	31	31					
	Loss of Income due to VAT change			30	30	30	30	30							
	TOTAL	-1,206	-1,085	-1,220	-1,230	-1,254	-1,278	-1,312	31	31					
	Central services (emergency planning)	29	29	30	30	30	30	30							
	TOTAL	29	29	30	30	30	30	30							
	Management Units ⑧	1,594	1,469	1,423	1,423	1,423	1,423	1,423							
	MTP Variations														
#	Operations Division Reorganisation			-196	-250	-250	-250	-250							
	TOTAL	1,594	1,469	1,423	1,369	1,369	1,369	1,369							
	Grounds Maintenance ⑨	871	828	917	917	917	917	917							
	MTP Variations														
#	Reduced grounds maintenance standards				-150	-150	-150	-150							
	TOTAL	871	828	917	767	767	767	767							
	Other internal services ⑩														
	MTP Variations														
886	Vehicle fleet replacements.								218	415	551	807	921	908	1,059
	TOTAL								218	415	551	807	921	908	1,059
		5,112	4,747	4,946	4,265	4,191	4,067	4,033	605	1,058	758	1,003	1,122	1,115	1,498
	Head of Planning Services														
	Development Management ⑪	-996	-770	-948	-948	-948	-948	-948							
	MTP Variations														
904	CIL Preparations			5	-30	-30	-30	-30							
	TOTAL	-996	-770	-948	-983	-983	-983	-983							

BUDGET - Controllable	REVENUE							NET CAPITAL						
	Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
	2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000

Planning Policy and Conservation ②	655	396	418	418	418	418	418							
MTP Variations														
358 Ramsey Rural Renewal				-2	-5	-5	-5	43	63					
852 Corporate Commercial Property Advice			-15	-15	-15	-15	-15							
853 Huntingdon Town Hall			-10	-10	-10	-10	-10							
875 A14 Inquiry			-149	-149	-149	-149	-149							
903 LDF examinations					-200	-200	-200							
907 St Neots Extension - Suppl. Plan			-25	-25	-25	-25	-25							
908 H'don Town Centre - Retail Strategy			-30	-30	-30	-30	-30							
909 Great Fen Project - Governance							-20							
Parish Planning			7	7	7	7	7							
			-222	-224	-427	-447	-454							
TOTAL	655	396	418	416	213	193	186	43	63					
Economic Development ③	86	86	2	2	2	2	2							
MTP Variations														
224 Town Centre Developments									5	210	80			
401 Huntingdon Town Centre Development			-86	-86	-86	-86	-86		1	12				
703 Heart of Oxmoor								-1,829	-1,366		-169			
850 Huntingdon West Development (HGF)								9	4,723	-1,279	-430	-750	-1,800	
			-86	-86	-86	-86	-86							
TOTAL	86	86	2	2	2	2	2	-1,829	-1,351	4,945	-1,368	-430	-750	-1,800
Planning delivery grant	35		9	9	9	9	9							
TOTAL	35		9	9	9	9	9							
Transportation Strategy ④	93	81	95	95	95	95	95							
MTP Variation														
351 St Neots Pedestrian Bridges								537	530					
362 St Ives Transport Strategy								140	126					
363 Ramsey Transport Strategy								45	6					
870 Local Transport Plan								83	73					
871 Safe Cycle Routes								286	100					
872 St Neots Transport Strategy Phase 2								90	94					

BUDGET - Controllable		REVENUE							NET CAPITAL						
		Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
		2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
		2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
873	Accessibility Improvement - Signs								35	20					
874	Huntingdon Transport Strategy								80	52					
	TOTAL	93	81	95	95	95	95	95	1,296	1,001					
	Public transport incl. concessionary fares ⑤	747	610	10	10	10	10	10							
	MTP Variations														
818	Railway Stations - Improvements								26	20	26				
912	Concessionary Fares			-737	-737	-737	-737	-737							
	TOTAL	747	610	10	10	10	10	10	26	20	26				
	Car parks (policy)	89													
	MTP Variation														
923	Extra Car Parking, H'don Town Centre			20	150	150	57	-129	380	380	900	2,450			
#	Increase in car park charges				-150	-300	-300	-500							
	TOTAL	89		20	-20	-170	-263	-649	380	380	900	2,450			
	Management units ⑥	2,386	2,203	2,251	2,251	2,251	2,251	2,251							
	MTP Variations														
655	Electronic Document Imaging			17	21	21	21	21							
656	Planning Enforcement Monitoring Officer			23	27	27	27	27							
739	Proposed use of Planning Delivery Grant			-34	-107	-107	-107	-107							
#	Planning efficiencies			-48	-48	-48	-48	-48							
#	Transport efficiencies				-95	-95	-95	-95							
	Enforcement - staff savings			-77	-77	-77	-77	-77							
	TOTAL	2,386	2,203	2,251	2,091	2,091	2,091	2,091							
		3,095	2,606	1,837	1,620	1,267	1,154	761	-84	113	5,871	1,082	-430	-750	-1,800
	Head of Environmental Management														
	Drainage and sewers	415	416	425	425	425	425	425							
	TOTAL	415	416	425	425	425	425	425							

BUDGET - Controllable	REVENUE							NET CAPITAL						
	Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
	2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000

Public conveniences ①	25	20	20	20	20	20								
MTP Variations														
302 New Public Conveniences								100						
Transfer to other Councils			20	20	20	20	20							
			20	20	20	20	20							
TOTAL	25	20	20	20	20	20	20	100						
Environmental Health (energy efficiency)	149	121	83	83	83	83	83							
MTP Variations														
879 Environment Strategy Funding			-20	-20	-20	-20	-20	50	77	55	55	55	55	
880 Sustainable Homes Retrofit			-5	-15	-15	-15	-15	40	226	-485				
881 Climate Change Adaptation Study			-15	-15	-15	-15	-15							
882 Energy and Water Efficiency					-20	-20	-20							
915 St Neots ESCO Study			-50	-50	-50	-50	-50							
918 Building Efficiency Imps. (Salix Grant)			-25	-58	-77	-103	-129		45	55	58	77	78	62
918 Building Effic. Imps (Potential LC proportion)			25	46	38	51	65							
			-90	-112	-159	-172	-184							
TOTAL	149	121	83	61	14	1	-11	90	348	-375	113	132	133	62
Closed Churchyards	5	5	5	5	5	5	5							
TOTAL	5	5	5	5	5	5	5							
Building Control	-526	-489	-530	-530	-530	-530	-530							
TOTAL	-526	-489	-530	-530	-530	-530	-530							
Community initiatives	6	6	6	6	6	6	6							
TOTAL	6	6	6	6	6	6	6							
Public transport	87	131	101	101	101	101	101							
MTP Variations														
625 Huntingdon Bus Station								890		40				
899 Bus Shelters - extra provision			3	3	3	3	3	41	43					
			3	3	3	3	3							
TOTAL	87	131	101	101	101	101	101	931	43	40				

BUDGET - Controllable		REVENUE							NET CAPITAL						
		Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
		2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
		2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Highways Services (street naming)		34	38	45	45	45	45								
MTP Variations															
844	Street naming and numbering			10	10	10	10								
				10	10	10	10								
TOTAL		34	38	45	45	45	45								
Car parks (assets)		44	44	45	45	45	45								
MTP Variations															
166	St Neots - Cambridge Street Car Park							80	9	80					
461	Car Park Repairs									86	60	60	31		
TOTAL		44	44	45	45	45	45	80	9	166	60	60	31		
Environmental Improvements ②		41	129	42	42	42	42								
MTP Variations															
52	St Ives Town Centre 2 - Completion							10	12						
876	Small Scale - District Wide Partnership							79	78						
877	AJC Small scale improvements							86	86						
878	Village Residential Areas							57	74						
TOTAL		41	129	42	42	42	42	232	250						
Management units ③		1,618	1,670	1,698	1,698	1,698	1,698								
MTP Variations															
831	Technical Services Restructuring			-42	-81	-81	-81								
#	Small scale env. Imps. staff saving				-25	-50	-50								
				-42	-106	-131	-131								
TOTAL		1,618	1,670	1,698	1,634	1,609	1,609								
Offices ④		1,120	713	1,012	1,012	1,012	1,012								
MTP Variations															
890	Headquarters			70	70	70	70	-115	9	2	-1,810				
#	Rental of space in PFH				-75	-150	-150								
				70	-5	-80	-80								
TOTAL		1,120	713	1,012	937	862	862	-115	9	2	-1,810				

BUDGET - Controllable	REVENUE							NET CAPITAL						
	Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
	2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000

Pool Cars	19	19	19	19	19	19	19							
TOTAL	19	19	19	19	19	19	19							
	3,012	2,828	2,971	2,810	2,663	2,650	2,638	1,318	659	-167	-1,637	192	164	62
DIRECTORATE OF COMMERCE AND TECHNOLOGY														
Director of Commerce & Technology														
Management units	129	125	131	131	131	131	131							
TOTAL	129	125	131	131	131	131	131							
Head of Customer Services														
Economic Development (NDR relief)	29	47	29	29	29	29	29							
TOTAL	29	47	29	29	29	29	29							
Housing benefits	-632	-727	-592	-592	-592	-592	-592							
MTP Variations														
813 Reduction in Benefits Admin Grant			-21	36	36	36	36							
			-21	36	36	36	36							
TOTAL	-632	-727	-592	-535	-535	-535	-535							
Local Taxation & Benefits	-825	-988	-942	-942	-942	-942	-942							
TOTAL	-825	-988	-942	-942	-942	-942	-942							
Community initiatives ①	114	112	44	44	44	44	44							
MTP Variations														
916 Replacement. Scanning Eqpt. - Customer Services								33						
# Reduce Yaxley Customer Service Centre costs			-35	-35	-55	-55	-55							
# Reduce Ramsey Customer Service Centre costs			-30	-42	-42	-37	-37							
			-65	-77	-97	-92	-92							
TOTAL	114	112	44	32	12	17	17	33						

BUDGET - Controllable	REVENUE							NET CAPITAL						
	Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
	2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000

Call Centre ②	626	594	641	641	641	641	641							
MTP Variations														
# Reduce call centre hours				-20	-20	-20	-20							
# Reduce call centre system costs				-10	-30	-30	-30							
				-30	-50	-50	-50							
TOTAL	626	594	641	611	591	591	591							
Customer Service Centres ③	626	567	578	578	578	578	578							
MTP Variations														
# Reduce St Ives costs			-28	-28	-43	-43	-43							
# Reduce hours at Huntingdon					-7	-14	-14							
			-28	-28	-50	-57	-57							
TOTAL	626	567	578	578	556	549	549							
Management Units ④	2,234	2,262	2,204	2,204	2,204	2,204	2,204							
MTP Variations														
626 Wireless Working (Revs & Bens)										24				
# Customer Services - Staff savings			-80	-90	-115	-115	-115							
			-80	-90	-115	-115	-115							
TOTAL	2,234	2,262	2,204	2,194	2,169	2,169	2,169			24				
	2,172	1,867	1,962	1,967	1,880	1,878	1,878	33		24				
Head of Financial Services														
Environmental Improvements	5	5												
MTP Variations														
920 East of Sapley - Preliminary Costs			-5	-5	-5	-5	-5					-15		
			-5	-5	-5	-5	-5							
TOTAL	5	5										-15		
Corporate Management	207	195	209	209	209	209	209							
TOTAL	207	195	209	209	209	209	209							

BUDGET - Controllable	REVENUE							NET CAPITAL						
	Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
	2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Contingency	-486	53	-90	-90	-90	-90	-90							
MTP Variations														
Provision for extra specific grants deleted			250	250	250	250	250							
Temp. non-achievement of T/O allowance					-250	-250	-250							
			250	250										
TOTAL	-486	53	-90	-90	-340	-340	-340							
Interest and borrowing costs	93	-341	-93	-93	-93	-93	-93							
MTP Variations														
Interest			327	847	1,283	1,694	1,904							
			327	847	1,283	1,694	1,904							
TOTAL	93	-341	-93	427	863	1,274	1,484							
Other expenditure	209	360	251	251	251	251	251							
MTP Variations														
950 Doubtful Debts Provision			40	30	20	10								
VAT Partial Exemption			1	4	7	7	7	377	344	182	34	53	34	96
Variation in MRP			158	365	506	656	782							
			199	399	533	673	789							
TOTAL	209	360	251	450	584	724	840	377	344	182	34	53	34	96
Area based grant	-76	-95	-78	-78	-78	-78	-78							
TOTAL	-76	-95	-78	-78	-78	-78	-78							
Management units ①	1,230	1,188	1,189	1,189	1,189	1,189	1,189							
MTP Variations														
964 Internal Audit saving			-24	-24	-24	-24	-24							
# Internal Audit saving			-23	-23	-23	-23	-23							
# Further Financial Services savings			-24	-48	-48	-48	-48							
Procurement Support to ECDC			-7	-5	-5	-5	-5							
			-78	-100	-100	-100	-100							
TOTAL	1,230	1,188	1,189	1,167	1,167	1,167	1,167							
Insurance	390	380	395	395	395	395	395							
TOTAL	390	380	395	395	395	395	395							

BUDGET - Controllable		REVENUE							NET CAPITAL						
		Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
		2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
		2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Financial services		94	52	90	90	90	90								
TOTAL		94	52	90	90	90	90								
		1,666	1,797	1,873	2,570	2,891	3,442	3,768	377	344	182	19	53	34	96
Head of IMD															
Helpdesk ①		436	395	379	379	379	379	379							
MTP Variations															
495	Corporate EDM			-36	-36	-36	-36	-36	25	25					
600	Network and ICT Services			-38	-59	-59	-59	-59							
958	Help Desk Saving			-75	-75										
#	IMD Staff and Contract savings (part)				-6	-92	-17	-16							
	ICT Replacements (part)								122	122	122	122	122	122	117
				-149	-176	-187	-112	-111							
TOTAL		436	395	379	352	341	416	417	147	147	122	122	122	122	117
Network Services ①		624	591	634	634	634	634	634							
MTP Variations															
891	Business Systems			79	45	45	21	1	270	198	225	230	190	195	200
892	Government Connect			33	44	44	44	44	20	104	12				
970	Telephony and ICT Network Renewal														100
##	IMD Infrastructure savings				-15	-15	-15	-15							
#	IMD Staff and Contract savings (part)			21	21	20	20	-86							
	ICT Replacements (part)			10	10	10	10	10	185	158	188	70	70	70	70
				143	105	104	80	-46							
TOTAL		624	591	634	596	595	571	445	475	460	425	300	260	265	370
Web & Business Systems ①		232	305	254	254	254	254	254							
MTP Variations															
913	Web Advertising income shortfall			3											
#	IMD Shared Service Income			-10	-15	-20	-30	-30							
				-7	-15	-20	-30	-30							
TOTAL		232	305	254	246	241	231	231							

BUDGET - Controllable		REVENUE						NET CAPITAL							
		Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
		2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
		2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Systems ①		261	257	242	242	242	242								
MTP Variations															
#	IMD Staff and Contract Savings (part)			-23	-23	-24	-24								
				-23	-23	-24	-24								
TOTAL		261	257	242	242	241	241								
Business Analysis & Project Management ①		409	387	402	402	402	402								
MTP Variations															
494	Voice and data infrastructure								2						
634	Customer First			-34	-34	-34	-34	16	22						
842	Resourcelink – Recruitment Module							10	10						
893	VoIP Telephony for Leisure Centres							45	67						
900	Working Smarter			-20	-41	-41	-41	120	80	40					
				-54	-75	-75	-75								
TOTAL		409	387	402	381	381	381	191	181	40					
Management units ①		201	189	192	192	192	192								
TOTAL		201	189	192	192	192	192								
		2,163	2,124	2,103	2,009	1,991	2,032	1,907	813	788	587	422	382	387	487
General Manager, Leisure															
Leisure Centres ①		974	782	820	820	820	820								
MTP Variations															
22	CCTV Improvements							10	5	10					
857	St Neots LC Development			-110	-150	-184	-184	1,233	1,754	60					316
858	Huntingdon LC Development			-15	-26	-26	-26								
861	Future maintenance			-21	-63	-63	-63	52	940	676	382	382	382	522	
896	St Ivo LC – Football Improvements			-16	-16	-16	-16		-86						
897	St Ivo – Outdoor energy generation			12	12	12	12	127							
922	St Ivo LC Redevelopment				-397	-392	-407	2,700		2,500					
956	Replacement Fitness Equipment			-59	-59	-114	-114	190	200	400		275			
957	Reception Automation			-15	-15	-15	-15			60					
#	Leisure Savings			-90		-280	-390								
#	Transfer Leisure Centres to a Trust						-400								

BUDGET - Controllable	REVENUE							NET CAPITAL						
	Budget	F'Cast	Budget	MTP				Budget	F'Cast	Budget	MTP			
	2010	2010	2011	2012	2013	2014	2015	2010	2010	2011	2012	2013	2014	2015
	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Leisure Savings Target not yet identified			27	1	54	31	17							
			-287	-713	-1,024	-1,172	-1,701							
TOTAL	974	782	820	394	83	-65	-594	4,312	2,813	3,706	382	657	382	838
Management units ①	212	196	210	210	210	210	210							
TOTAL	212	196	210	210	210	210	210							
	1,186	978	1,030	604	293	145	-384	4,312	2,813	3,706	382	657	382	838
Non-Allocated Items														
Recharges to non-revenue accounts	-1,299	-1,057	-848	-848	-848	-848	-848							
MTP Variations														
Revenue staff charged to capital			50	50	50	50	50	100	100	50	50	50	50	50
Rule change re Capital Overheads			50	50	50	50	50	-117	-117	-117	-117	-117	-117	
TOTAL	-1,299	-1,057	-848	-848	-848	-848	-848	-17	-17	-67	-67	-67	-67	50
Other items ① ②	-1	1	-2											
MTP Variations														
# Reorganisation - Senior managers			-260	-400	-730	-730	-730							
# Pay & allowances Review			-375	-375	-300	-350	-350							
Capital Inflation											57	145	177	247
Revenue Inflation			725	1,495	2,636	3,477	4,165							
Recruitment at lower pay levels			-114	-114	-114	-114	-114							
Spending Adjustments still to be identified				-750	-961	-1,525	-1,976							
Schemes brought forward								700		1,200	1,500	500	500	500
Schemes carried forward								-700	-1,444	-1,256	-500	-500	-500	-500
Temporary Spending Adjustment (Recharges)			3	3	3	3	3							
919 E-Marketplace			-44	-69	-72	-72	-72		5					
Roundings				-3	-2	-2	-2							
			-65	-213	460	688	924							
TOTAL	-1	1	-2	-148	525	752	989		-1,439	-56	1,057	145	177	247
	-1,300	-1,056	-850	-996	-323	-96	141	-17	-1,456	-123	990	78	110	297
TOTAL BUDGET	24,848	23,149	22,615	21,348	20,998	21,453	20,949	9,810	7,133	11,933	3,321	3,005	2,441	2,777

NOTES TO ANNEX D

Head of Central & Democratic Services

① Licences income	Increased charges for certain licenses and efficiency savings are targeted to save £35k.
② Corporate Committees & Subscriptions, Member Allowances & Support, Elections	A member working group will be established to review a number of options in these budget areas.
③ Document Centre	Additional income from undertaking work/collaboration with other organisations and/or reduction in costs of design, printing and despatch are targeted to save £75k.
④ Management Units	Staff reductions and other savings are targeted to amount to £70k over the 4 year plan period

Head of Law, Property & Governance

① Property income	Review strategy and Portfolio to maintain income levels.
② Management Unit	Staff reductions and other savings are targeted to amount to £80k over the 4 year plan period

People, Performance & Partnership

① Economic Development	Halving, then stopping grant to Town Centre Partnerships, with subsequent reductions in employee time is targeted to save £100k. The council will be less able to support the vibrancy of town centres.
② Communications and Marketing	Moving District Wide to electronic only is targeted to save £50k and Hunts Matters will cease at a saving of £10k.
③ Management Units	Staff reductions and other savings are targeted to amount to £120k over the 4 year plan period

Head of Housing Services

① Disabled Facilities Grants (DFGs)	These grants are a statutory obligation and thus depend upon the level of demand.
② Housing Repairs assistance	The previous annual budget of £190k pa has been cut to £100k pa. This will reduce the number of unoccupied dwellings that can be brought back into use.
③ Social housing grants	The annual budget of £500k has been deleted from the plan.
④ Homelessness	No service level changes are proposed.

5 Management Units	Staff savings of £100k are targeted. A slower response time will result for some enquiries and specialist advice.
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Head of Environmental and Community Health Services

1 Arts Development	Proposals included in last year's budget, which have now been implemented, will reduce this budget to nil for the coming year, although two community schemes will be maintained.
2 Leisure Development	This matched funding will be reviewed when external grants come to an end in 2013.
3 Community Grants	Cuts in revenue grant funding will be phased in from 2012/13 which will leave around £75k pa after 2013/14. The previous capital budget of £60k to £70k pa has been deleted from the plan in favour of requesting towns and parishes to fund this work.
4 Community safety	The loss of external grants will see this service reduced by £50k.
5 Management Units	Savings of £276k pa are targeted. This will result in less health and safety advice being given and reduced capacity to investigate nuisance, noise, pollution and drainage incidents.

Head of Operations

1 Refuse/Recycling	Except for increased charges for the collection of bulky waste, generating £20k p.a., no service level changes are proposed in this area. Efficiency savings are targeted. A reduction of one collection round would save £100k. A procurement exercise is underway for the purchase of round scheduling software (an example of shared working with Cambridge City and East Cambridgeshire DC). It is also planned to absorb growth in housing numbers anticipated at 500 p.a.
2 Street Cleansing	No service level changes are proposed in this area.
3 Markets	A £5k saving on consultant fees is proposed.
4 CCTV	The budget is based on reducing CCTV staffing from April 2011 and providing a basic service during 2011/2. Options will be provided to Members for a decision to be made on whether the service should be "mothballed" from April 2012 which would give a saving of a further £300k per year. The CCTV van will be disposed of. The previous capital budget for lighting of £23k pa has been deleted from the plan. The previous capital budget for CCTV camera replacements of £80k pa has been deleted from the plan. This deletion is based upon the mothballing of all CCTV operations.
5 Countryside	Savings of £199k p.a. are proposed by reducing staff, ending the educational / events programme, reducing our commitment to maintenance and the Rights of Way programme and concentrating of income generating activities. Some of these responsibilities may be taken up by volunteer groups. Further savings of £100k p.a. are targeted from 2014. This is subject to identifying further responsibilities that can be taken up by volunteer groups and trusts.

⑥Parks	The previously planned capital project relating to Huntingdon Marina has been deleted from the plan. The previous capital budget of £60k to 70k p.a. for play equipment has been reduced to £50k for 2011/2 and £20k pa thereafter. This budget will be used on play areas which are deemed to be of significance for the district generally rather than the immediate locality. Towns and Parish Councils will be requested to fund the maintenance and development of smaller parks unless s106 funding is obtained.
⑦Car Parks	Car park fees are currently only budgeted to rise with inflation. A larger rise could be considered if off-street parking opportunities were managed in a manner consistent with any proposed rise. For this reason the plan assumes above inflation increases producing an additional £500k of income per year by 2015/16.
⑧Management Unit	Efficiencies of £250k are targeted in this area.
⑨Grounds Maintenance	A reduction of £150k is proposed. This is linked to restructuring and moving to a more integrated workforce throughout Operations. However, there will also be some reductions in service (i.e. reducing the number of grass cuts).
⑩Vehicle fleet	The timing of the capital purchase of replacement refuse and grounds maintenance vehicles has been reviewed. Rephasing these purchases has led to a reduction of £750k in capital expenditure over four years.

Head of Planning Services

①Development Management	The budget assumes the same level of income but this is dependent upon economic activity. Charges for planning advice, currently free, may generate £40k p.a. additional income.
②Planning Policy & Conservation	A one off addition to the budget to fund work on the A14 has now been deleted from the budget.
③Economic Development	A strategic capital project aimed at improving retailing and car parking in Huntingdon has recently been endorsed by the Cabinet.
④Transportation Strategy	Previous capital budgets totalling £300k for the local transport plans, safe cycling routes, St Neots and Ramsey transport strategies, accessibility improvements and signs have all been deleted from the plan.
⑤Public Transport	Concessionary Fares will transfer to the County Council in April 2011. Previous capital budgets for bus shelters and redevelopment of the Huntingdon Bus Station have all been deleted from the plan.
⑥Management Units	Reductions in planning policy and development management posts will immediately save £125k pa, whilst further reductions in support staff and transport schemes will save a further £95k pa from April 2012.

Head of Environmental Management Services

①Public conveniences	A small revenue budget is maintained pending discussions with Huntingdon Town Council. No capital expenditure is planned
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②Environmental improvements	The capital project relating to St Ives Town Centre (phase II) has been deleted from the plan. Previous capital budgets totalling £220k for small scale, village residential and AJC related projects have all been deleted from the plan.
③Management Units	Staff reductions will be introduced in line with the reduction in the capital programme. We will continue to pursue opportunities for sharing building control services. Revenue savings of £50k pa are targeted relating to environmental improvements.
④Offices	Staff reductions across the Council, and the introduction of hot desking following the promotion of home working and flexible working should release office space for letting. This may generate an income of £150k p.a.

Head of Customer Services

①Community Initiatives	Savings at Yaxley and Ramsey are targeted at £92k p.a.
②Call Centre	Reduce opening hours at the Call Centre by 2 hours each day (Open from 9am – 5pm) will save £20k pa Following the renegotiation of system support contracts, savings of £30k are expected.
③Customer Service Centres	Savings of £57k are targeted which include £43k pa from St Ives and £14k pa. from reducing opening hours at Huntingdon CSC by 30 minutes each day (Open from 9am – 4.30pm).
④Management Units	Efficiency savings of £115k are targeted some of which result from increasing benefits claims work over the internet.

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Head of Financial Services

①Management Units	Efficiency savings of £120,000 are identified of which £20k is shown as a “non-allocated” item below at this stage. Some is due to sharing our staff with other authorities.
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Head of IMD

①IMD Services	Staff reductions and other efficiency savings are targeted to rise to £180k within the plan period. This includes shared initiatives with other authorities. A further net saving will result from the virtualisation of desktop machines and a detailed business case will be completed by the end of March. Additional staff reductions will result from a reduction in the capital programme.
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Head of Leisure

①Leisure Services	<p>Staffing efficiencies of around £300k are targeted. This will involve reducing opening hours in some centres at some times.</p> <p>A redevelopment of the St Ives indoor centre along the lines of the improvements in Huntingdon and St Neots is being designed with a view to generating £400k additional income net of costs.</p> <p>Once the above changes have been introduced investigations will commence to transfer responsibility for running, maintaining and developing the leisure business to a trust.</p> <p>Substantial capital investment is required in St Ives if this centre is to improve its profitability. Investment is subject to a business plan demonstrating that the investment is entirely self funding.</p>
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Non-Allocated Items

①Other items	<p>Savings resulting from reductions in the number of senior staff and consequent reorganisations are expected to save £300k in the first 12 months. Over the course of the 4 year saving plan, further reductions in senior staffing are expected to bring this total to more than £700k per year. These savings are dependent upon further reorganisations and the development of more shared working.</p>
②Other items	<p>Over the period it is planned to negotiate a series of changes to pay, pay systems and allowances which are targeted to save £350k per year.</p>

MAIN BUDGET/MTP ASSUMPTIONS**Employer's Pension Contributions**

Pension Contributions	Budget	Budget	MTP			
	10/11	11/12	12/13	13/14	14/15	15/16
% of pay	20.4%	17.8%	17.8%	17.8%	17.8%	17.8%
PLUS lump sum payments of		+£660k	+£896k	+£1,139k	+£1,378k	+£1,418k

This is less than the actuary's estimate of 17.8% plus £1.9M per year for 20 years which is what would be required if there were to be no changes to the scheme as a result of the Hutton review.

Concessionary Fares

Concessionary Fares will be transferred to the County Council from April 2011.

New Homes Reward Grant

New Homes Reward Grant	BUDGET	MTP			
	2011/12	12/13	13/14	14/15	15/16
	£000	£000	£000	£000	£000
New Homes Reward Grant	940	1,527	2,129	2,745	3,377

Government General Grant

General Grant *	Budget	Budget	MTP			
	10/11	11/12	12/13	13/14	14/15	15/16
Variation		-14%	-11%	-1%	-6%	+2.5%#
Grant	£M	£M	£M	£M	£M	£M
	12.9	10.4	9.3	9.2	8.7	8.9

*Grant includes Revenue Support Grant and NNDR which are in aggregate distributed in line with the grant formula. Adjusted for transfer of Concessionary Fares to County Council from April 2011.

assumes that there will be an inflationary increase after this 4 year spending round.

Tax Base

Tax Base	Budget	Budget	MTP			
	10/11	11/12	12/13	13/14	14/15	15/16
Base	58,580	59,460	59,924	60,388	60,852	61,316
Increase %		1.5%	0.8%	0.8%	0.8%	0.8%

Inflation

The biggest item will always be pay inflation and this has been included at 1% for April 2011 and 2012 with 2.5% thereafter. This should not be taken as an assumption that the actual award will be at or even around these levels but simply a current estimation that general pay rises may be at these sorts of level. This has a significant impact on spending levels.

	From	010/11	11/12	12/13	13/14	14/15
	To	011/12	12/13	13/14	14/15	15/16
prices						
expenditure		2.5%	2.5%	2.5%	2.5%	2.5%
fees & charges		2.5%	2.5%	2.5%	2.5%	2.5%
electricity		-0.9%	3.7%	13.2%	6.0%	13.2%
gas		0.0%	0.0%	1.8%	3.4%	6.5%
fuel		2.9%	7.5%	7.5%	7.5%	7.5%

The electricity and gas inflation assumptions reflect the longer term contracts the Council has entered into.

Inflation on Capital Schemes

2.5% per year has been included in total within the plan.

Interest Rates

It has been assumed for the purpose of the forecast that in the short to mid term financing of capital expenditure will be on a temporary basis from internal reserves and short term borrowing given the much lower short term rates.

Interest Rates	Budget	MTP			
	11/12	12/13	13/14	14/15	15/16
Investments					
Already Fixed	4.45%	4.45%	4.85%		
Temporary	1.00%	2.75%	3.50%	4.25%	4.50%
Borrowing					
Already Fixed	3.91%	3.91%	3.91%	3.91%	3.91%
PWLB 40 year Maturity	5.33%	5.33%	5.33%	5.33%	5.33%
Mix of short and long	1.00%	2.75%	3.75%	4.79%	4.92%

Council Tax Level

No increase in April 2011 and 2.5% increase per year thereafter.
As a result a reward grant will be received from the Government for 4 years equivalent to a 2.5% increase.

Use of Revenue Reserves

£10M is estimated to be available to allow phasing of savings over the next few years. This will leave £3M reserves to cover ongoing fluctuations in spending.

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.

UNIDENTIFIED SAVINGS REQUIRED IN YEAR **	2011/12	2015/16	2024/25
	£000	£000	£000
	£M	£M	
Already required by MTP/Financial Plan		2.0	5.8
Increase in savings required: (- numbers mean reduced savings)			
Extra 1% pay award in 2011/12 and 2% in 2012/13	0.2	0.7	1.1
0.5% extra pay award per year from 2013/14 onwards		0.3	2.0
Extra 1% inflation per year 2011/12 onwards		0.2	0.5
1% higher interest rates 2011/12 onwards		0.1	0.2
1% extra employers pension contributions from 2014/15 .		0.1	0.2
1% cash decrease in Government Grant each year from 2013/14 onwards		0.3	1.2
5% (2.5% extra) Council Tax increase each year from 2013/14 onwards		-0.6	-3.8

** The examples give the impact in the designated year, but funding the impact of any increased costs before those points would increase the accumulated spending adjustments required.

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 until borrowing begins to grow over the Medium Term. In the short term any spare funds will be used to temporarily delay the need to borrow externally.

Risks

Risks and Unknowns	Timescale
Impact of St Ives Guided Bus	Spring 2011
Length and depth of recession – impact on interest rates, pay inflation, house building, Council income and expenditure.	Ongoing
Government grant totals for 2013/14 onwards	November 2012
Review of grant formula	November 2012
Pension changes from Hutton review	Possibly March or June 2011

Other risks include:

- assumption that any costs of demographic growth will be met from further efficiencies

- difficulty in delivering the savings already identified or the spending targets inherent in this plan.
- further high priority service developments or unavoidable spending requirements emerging.
- the possibility of further VAT refunds and receiving compound rather than simple interest on these and the refunds already agreed.
- the potential for costs relating to “orphan” contaminated land sites.
- the potential for the statutory Disabled Facilities Grants budget to be exceeded if occupational therapists reduce the backlog.
- recycling gate fees changing as a result of movement in economic indices.
- additional costs if Civil Parking Enforcement introduced
- turnover of staff remaining low and hence the turnover allowance in the staffing budget not being achieved (some provision has been made for 2 years).
- national and local recycling levels are currently at a lower level than previously. If this were to continue the Council would see a reduction in its income from recycling credits.
- potential for significant costs to be awarded against the Council if any planning appeals are lost.
- contingent liability relating to MMI (£488k).
- increased leisure centre competition with the private sector (income is around £5M per year).

RESERVES AND THE ROBUSTNESS OF THE 2011/12 BUDGET

The Local Government Act 2003 requires me, as the Council's Chief Financial Officer, to report on the robustness of the 2011/12 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 is expected to continue but the scale may fall due to the requirement for budget savings and the uncertain size and duration of the current recession.

The Internal Audit and Risk Manager considers 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 2011/12 budget has been prepared using the budget for 2010/11 as a base, and amending it for known changes, particularly:

- Inflation but only a 1% provision for pay awards – the most significant element. Also a saving of £375k on pay and allowances which reduces the net impact.
- The impact of MTP schemes
- Future interest rates.

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:

- Higher inflation or pay awards
- Further reductions in income due to the recession
- non-achievement of planned savings
- failure of a borrower
- an emergency (e.g. flooding)
- increased demands on housing services due to increased homelessness and/or applications for DFGs.

Reduced Income

A 1% loss of income from fees, rents and charges would amount to around £150k. The Council is budgeting to receive income of:

- Car Parks £1.8M
- Leisure Centres £6.1M
- Property £1.9M
- Planning and Building Control Fees £1.5M

Planned Savings

Many of the planned savings for 2011/12 have been confirmed as practical by the relevant manager.

Treasury Management

The maximum permitted with one counterparty is £8M but this is only possible

where £3M 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 £5M which is limited to bodies with the highest credit rating or Building Societies with more than £2 billion 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 £200k.

Interest Rates

A change in interest rates is not material.

Revenue Reserves

These are estimated to be £13m at April 2011 and reduce to £9.4m by March 2012 in order to support revenue spending. This is still significantly above what would be considered a safe minimum level when considering the 2011/12 budget in isolation but clearly not excessive given their planned use over the next few years.

Therefore, even if a number of unexpected additional costs emerged there would still be sufficient funding to cover the deficit for 2011/12.

Conclusion

Considering all these factors, I believe that the combination of a robust budget process and our current level of reserves should give Members no concerns over the Council's financial position for 2011/12.

However it remains critical that time is invested in planning the spending adjustments for future years to avoid the Council being rushed into sub-optimal decisions as its reserves are run down.

Terry Parker
Director of Commerce and Technology

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2011/12 TREASURY MANAGEMENT STRATEGY (Report by the Head of Financial Services)

1. INTRODUCTION

- 1.1 This 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) Treasury Management **Code** of Practice, which is required by the Council's Code of Financial Management.
- 1.2 The Department for Communities and Local Government (DCLG) issued new **Guidance** on local authority investments, which applied from April 2010. It reiterated the expectation in the existing 2004 guidance that Council approves an investment strategy before the start of each financial year.
- 1.3 The **Guidance** emphasises that priority must be given to the security (protecting the capital sums from loss) and liquidity of investments (keeping enough cash readily available) rather than the interest earned. The **Code** covers the same point by requiring the effective management and control of risk.
- 1.4 When the Government removed its limits on capital expenditure levels some years ago it introduced the concept of a Prudential Code which focussed attention on a set of indicators relating to capital expenditure, external debt and treasury management. Its purpose is to demonstrate that the Council's capital expenditure plans are affordable and it provides a set of limits, to be complied with, and indicators to be monitored during the relevant year. These Prudential Indicators are an annex to the Treasury Management Strategy.
- 1.5 The proposed Strategy (attached as Annex A) complies with the **Code** and the **Guidance**.
- 1.6 The Code requires the Council to nominate where the responsibility for scrutinising Treasury Management will be undertaken. It is proposed that this remains with the Economic Well-being Overview and Scrutiny Panel, as at present.
- 1.7 The member Treasury Management Advisory Group discussed the **Code** and **Guidance** and their comments have been incorporated in this Strategy. Overview and Scrutiny will consider the report on the 10 February and their comments will be available to the Cabinet. Council is then required to formally approve the Strategy and associated indicators.

2. RECOMMENDATION

- 2.1** Cabinet is requested to recommend to Council that it approves
- a) The Treasury Management Strategy for 2011/12
 - b) The Treasury Management and Prudential Indicators for 2011/12

BACKGROUND PAPERS:

Background files in Accountancy Section: Treasury Management Reports
Reports on the 2011/12 Budget and Medium Term Plan to Cabinet and Council

CIPFA's Treasury Management in the Public Services Code of Practice 2009

ODPM Guidance on Local Government Investments March 2004

CLG Guidance on Local Government Investments November 2009

Contact Officer:

Steve Couper Head of Financial Services (01480) 388103

TREASURY MANAGEMENT STRATEGY 2010/11

Treasury Management is:

- Ensuring the Council has sufficient cash to meet its day-to-day obligations
- Borrowing when necessary to fund capital expenditure, including borrowing in anticipation when rates are considered to be low
- Investing 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 Treasury Management will be carried out in Huntingdonshire. It meets the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Code of Practice (2009), as required by the Council's Code of Financial Management, and the Government's Guidance on Local Government Investments (2004) and draft guidance (2009)

BACKGROUND

The bank base rate fell to 0.5% in March 2009 and has remained at that level ever since; economists generally agree that it will inevitably rise but significantly disagree on by how much and how soon!

Against the background of low interest and reducing revenue and capital balances the Council has sought to maximise the returns from its investments whilst minimising the risks of investing with a borrower that is, or may become, unable to repay. It therefore adopted a strategy for 2010/11 that did not concentrate its investments with the Government's Debt Management Office which are effectively risk-free, as they are backed by the Government, but with a significantly below base interest rate, and instead concentrated on highly rated institutions and the larger Building Societies. At the same time investments in "liquidity accounts" which offer repayment the same day were maximised to further reduce risk.

The 2010/11 Strategy allowed for borrowing in anticipation of need to fund capital expenditure although that option has not so far been used this year.

CURRENT POSITION

The Council's position as at 31 December 2010 was:

INVESTMENTS	Principal Amount £m	Average Interest Rate %
Investments - maturing 2010/11	21	1.3
Investments - maturing later	10	4.4
Total	31	2.3
Short term Debt	0	
Long term Debt	10	3.9
Total	10	3.9
Net Investments	21	1.6

THE COUNCIL'S FINANCIAL STRATEGY

The table below, from the Council's Budget/MTP report, shows:

- how revenue reserves will fall to the basic level needed as a contingency against unexpected events,
- that capital reserves have effectively been used to fund capital expenditure,
- how borrowing will be required to meet 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 anticipation.

FORECAST	2010/11 ⑤ £M	2011/12 £M	2012/13 £M	2013/14 £M	2014/15 £M	2015/16 £M
Revenue Reserves	13.0	9.4	6.6	5.0	3.3	3.0
Provision for repaying loans	0.2	0.9	2.0	3.3	5.0	6.9
Earmarked Reserves ①	5.4	4.4	3.5	3.5	3.5	3.5
Total Reserves (EOY)	18.6	14.7	12.1	11.8	11.8	13.4
Planned Capital Expenditure	7.1	11.9	3.3	3.0	2.4	2.8
Funded from:						
new capital receipts	0.3	0.3	0.3	0.3	0.3	0.3
borrowing	6.8	11.6	3.0	2.7	2.1	2.4
Borrowing (accumulated)	18.0	29.6	32.6	35.3	37.4	39.8
To be funded from borrowing ⑥						
Already borrowed	10.0	10.0	10.0	10.0	10.0	10.0
"Must" borrow ②	0.0	14.9	15.5	13.5	15.6	16.4
"May" borrow ③	35.1	29.8	33.9	38.0	42.3	46.7
Budget ④						
Net Interest	-0.3	-0.1	0.2	0.6	0.8	0.9
Borrowing repayments	0.2	0.7	1.1	1.3	1.6	1.9

Notes

- ① includes specific earmarked reserves (e.g. S106 and R&R Funds)
- ② takes account of fact that the £5m of the 10M borrowed in anticipation is invested until December 2012 and £5M to December 2013.
- ③ 2010/11 based on 2010/11 budget and MTP. Remaining figures assume approval of 2011/12 budget and MTP. All exclude the £10M already borrowed.
- ④ Based on no further borrowing in anticipation
- ⑤ Forecast
- ⑥ Includes £11.2M funded from borrowing pre 2010/11.

BORROWING - 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 physically received from Council Tax payers. These cash flows will sometimes leave the Council with several million pounds to borrow or to invest overnight or for a few weeks pending the next payroll or precept date.

Authorities are permitted to borrow short term for this purpose and funds are obtained from whoever is quoting the lowest rate for the period required. If rates are particularly high on a particular day then the sum may be borrowed overnight to see if rates are lower the following day for the remainder of the period required.

BORROWING - CAPITAL

The amount and period of capital borrowing up until March 2012 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.

BORROWING – IN ANTICIPATION

Although further borrowing is not **required** until part way through 2011/12 to fund the Capital Programme, effective treasury management requires a view to be taken on whether long term rates are judged to be low, even if the funds have then to be invested until the money is required, as this could be the lowest overall cost for the Council. For example, if long term rates fell to 4% we would be likely to move towards our “may” borrow limits as soon as possible whilst if long term rates were 5.5% 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.

Such early borrowing is permitted 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 amounts included in our approved MTP. Hence, the current figure is £35.1M but this will reduce to £29.8M for next year once the new MTP is approved in February.

However since such amounts will need to be invested temporarily until spent, the Council faces the risks of loss of the invested sum if the wrong counterparty is chosen and that borrowing rates may fall in the intervening period. The counterparty risk is considered within the investment section below and a range of interest rate possibilities would be considered before borrowing to minimise the chance of adverse movements removing the anticipated benefit.

Rates for long term PWLB money have been relatively high for many months and the Government also increased them in the Comprehensive Spending Review by 0.65%. It is therefore unlikely that there will be any early borrowing particularly as the revenue budget would have to 'take the hit' of the borrowing rates being higher than the temporary investment rate in the short to medium term. However history has shown that violent fluctuations can happen and so there needs to be the freedom to act if circumstances significantly change.

As far as possible the Council's revenue reserves will be used to temporarily fund capital spending and thus delay long-term capital borrowing unless there is a significant change in the interest rate structure.

BORROWING - PROFILE

It is best practice to pool all funds and model future cash flow before determining the amounts that should be borrowed or invested and for how long. In doing this account will be taken of the provision that the Council is required to build up each to fund the repayment of debt.

The Council will be balancing two different aspects when deciding on the period it will borrow for.

- **Stability.** Avoid the risk of market movements affecting the borrowing cost adversely. To do this the logical option is to borrow the money for as long as needed.
- **Lowest Cost.** Minimise the overall cost of borrowing which, at the present time, might result in very short borrowing because of the very low interest rates available. However, future rates may rise significantly meaning that it was better to have paid more initially and borrowed longer.

The logical result is to spread the risk by borrowing for a range of periods. However, given the Council's current financial position it may be that, until interest rates have returned to normal relativities or there is sufficient certainty that they will do so, the Council should borrow from its own revenue reserves and or borrow short term for rates that are currently under 1%.

Much of our borrowing will tend to be from the Public Works Loans Board (PWLB) which is a Government Agency providing funds to local authorities at interest rates linked to the cost of central government borrowing. Commercial bodies have become more involved in lending to local authorities though their products are generally for shorter periods and often include embedded options. The most common is a LOBO, 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.

INVESTMENTS - CATEGORIES

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

Specified investments are expected to offer relatively high security and/or liquidity. They must be:

- in sterling (avoiding exchange rate fluctuations) **and**,
- due to be repaid within 12 months (minimising capital value fluctuations on gilts and CDs and minimising the period within which a counterparty might get into difficulty) **and**,
- **not** defined as capital expenditure in the capital finance regulations 2003 (e.g. corporate bonds and equities) **and**,
- with a body that is of high credit quality or it is made with the UK Government, or a local authority. (minimising the counterparty risk)

These include time-deposits for up to 1 year with building societies and banks which the Council deems to have a high credit quality (see below), but it should be noted that early repayment, before the due date is rarely possible and may require a release fee.

Non-specified investments include longer deposits and other types of investment e.g. corporate bonds and equities.

The Council may use:

- Time Deposits of longer than 12 months with banks and building societies
- Corporate Bonds, if returns are clearly better than time deposits, but such investments will only be made following a risk assessment and consultation on the proposed limits, procedures and credit ratings with the Treasury Management Advisory Group. Use would be limited to Bonds that could be held to maturity thus avoiding fluctuations in capital value.
- Money market funds – these diversify investors' cash over a wide range of highly rated organisations and maturity dates, while allowing the investor to retain instant access to their cash.

INVESTMENTS – HIGH CREDIT QUALITY

The term 'high credit quality' is used in the CLG guidance to encourage local authorities to monitor other measures of an institution's creditworthiness rather than just relying on credit ratings

CIPFA has issued guidance on possible sources of additional information in order to assess the credit worthiness of counterparties which are referred to below.

Whilst the Council will take some account of such additional information the main criteria for judging credit quality will be:

- Short term credit ratings (Definitions in Appendix A)
- Long-term credit ratings for any investment over 1 year.
- The top 25 Building Societies irrespective of any credit rating they may hold. Building societies have a much higher proportion of their funds covered by retail savings so are less at the risk of market volatility and their regulatory framework and insolvency regime means that the Council's deposits would be paid out before retail depositors. Experience in recent years includes a number of examples of the Government negotiating takeovers of weak societies by strong ones. A number do not bother with credit ratings because they all have an eligibility certificate under the UK Government Credit Guarantee Scheme
- Reacting immediately to same day notifications from our treasury management advisors (Sterling Consultancy Services) of changes to credit ratings or "rating" watch" warnings. This will often result in the counterparty being immediately removed from our list unless the content of the rating agency report shows this would be inappropriate.
- Reacting immediately to any informal comments from our advisors in relation to market concerns.
- Credit Default Swap prices obtained from our advisors.
- The credit rating of the country of the institution. For example the Council does not currently include banks in Ireland, Portugal and Greece on its counterparty list.

Financial statements and the financial press will not be systematically reviewed because the resources required are not available and it is expected that our advisors will make informal comments if they become aware of any significant items that affect our counterparty list. They also review our counterparty list every month.

INVESTMENTS – SPREADING THE RISK

Credit quality can never be absolutely guaranteed so to further mitigate risks there is a need to spread investments in a number of ways:

- By counterparty where this includes any institutions that are linked in the same group
- By Country

These limits need to be a practical balance between safety and administrative efficiency and need to cope with the uncertainty of the amount of borrowing in anticipation. A table is therefore included in Appendix B which shows the limits for different levels of forward borrowing.

INVESTMENTS – PERIODS

Once a time deposit is made there is no requirement for the borrower to repay until the end of the agreed period. Thus a borrower who has a high credit rating on the investment day could be in serious financial difficulties in the future. As a result significant use is made of liquidity accounts which currently

give an attractive interest rate but also allow repayment of our investment the same day.

INVESTMENTS IN-HOUSE MANAGEMENT

All funds managed by external fund managers have been returned and so all future investments will be managed in-house.

Taking account of the Credit Quality and Spreading the Risk sections above Appendix B outlines the criteria for making investments.

There may be limited occasions, based on detailed cash flow forecasts, where some investments of more than a year might be made that do not relate to borrowing in anticipation.

Risk of counterparty failure can also be minimised by shortening the period of any time deposit. At the current time, partly reflecting the current interest rate structure, time deposits are generally kept below one month. The criteria also differentiates the duration of investments based on credit rating – the maximum duration of investments with building societies with a rating of BBB+ or lower and with no credit rating, will be 6 months.

Advantage is also being taken of liquidity accounts which are offering competitive rates for money on call i.e. it can be called back the same or next day if there was any concern about the institution.

The Council will need to approve a prudential indicator for the 'authorised limit for external debt'; which combines:

- temporary borrowing for cash flow purposes (£20M)
- long-term borrowing to fund capital expenditure of £40M (up to the £30M "may borrow" limit plus the £10M already borrowed)
- an allowance for other long-term liabilities, such as finance leases (£5M).

A maximum of **£65M** is therefore recommended.

ADVISORS

The Council appointed Sterling Consultancy Services as Treasury Management Advisors in January 2008, however responsibility for final decision making remains with the Council and its officers

The Advisor carries out the following role:

- advice on investment decisions,
- notification of credit ratings and changes,
- general information on credit quality and informal comment on particular institutions,
- advice on borrowing and opportunities to borrow early
- economic data and interest rate forecasts
- advice and guidance on relevant policies, strategies and reports,

- accounting advice,
- reports on treasury performance,
- training courses.

The quality of the service is controlled by regular contact between the Advisors and officers. A retendering exercise will be undertaken to appoint Advisors from July 2011.

MANAGEMENT

The Head of Financial Services and his staff will manage and monitor investments and borrowing.

The Treasury Management Advisory Group (TMAG) consists of three members of the Cabinet. They are kept informed of relevant issues and consulted on any significant issues.

REPORTING AND SCRUTINY

The CIPFA Code requires that the body responsible for approving the budget also receives at least two reports during the year on treasury management. Therefore the Council will receive a six month report on the performance of the funds and an annual report on the performance for the year.

The Code also requires the Council to identify the body that will be responsible for the scrutiny of treasury management to ensure that it receives the appropriate focus. This is the Economic Well-being Overview & Scrutiny Panel.

TRAINING

The needs of the Council's treasury management staff for training are assessed every 6 months as part of the staff appraisal process and additionally when the responsibilities of individual staff change.

The Code requires that Members charged with the governance of Treasury Management and those responsible for scrutiny have the necessary skills relevant to their responsibilities. A Member training event will be arranged during 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 Treasury Management Advisory Group, where of any significance. All other changes to the strategy must be approved by the full Council.

TREASURY MANAGEMENT AND PRUDENTIAL INDICATORS

The Council's Treasury Management and 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

	Rating	Definition	Examples of counterparties
Short term (Fitch)	F1	Shares rated in this category have the most solid solvency levels and the highest stock liquidity and enterprise value in the market.	Royal Bank of Scotland/NatWest (F1+) Coventry Building Society
	F2	Shares rated in this category have very good solvency levels and stock liquidity and enterprise value in the market.	Co-operative Bank Skipton Building Society
	F3	Shares rated in this category have a combination of good or adequate solvency levels and stock liquidity and enterprise value in the market.	Newcastle Building Society
Long-term (Fitch)	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.	United Kingdom
	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.	HSBC Bank
	AA-	The institution is at the lower end of very high credit quality	RBS/NatWest Nationwide
	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.	Coventry Building Society
	A-	The institution is at the lower end of high credit quality	Skipton Building Society

**IN-HOUSE FUND MANAGEMENT
(IF NO FURTHER BORROWING IN ANTICIPATION)**

Duration of investments	No investment shall be longer than 5 years. Maximum duration for a Building Society with a rating of BBB+ or lower, or no credit rating, is 6 months																
Types of investments	Fixed term Deposits Deposits at call, two or seven day notice Corporate bonds Money market funds																
Credit Ratings	Excluding Building Societies Short term rating F1 by Fitch or equivalent) Long-term rating of AA- by Fitch or equivalent if the investment is longer than 1 year.																
Maximum limits per counterparty (group), country or non-specified category	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">F1+ or have a legal position that guarantees repayment for the period of the investment</td> <td style="text-align: right; padding: 2px;">£5M</td> </tr> <tr> <td style="padding: 2px;">F1</td> <td style="text-align: right; padding: 2px;">£4M</td> </tr> <tr> <td style="padding: 2px;">Building Society with assets over £2bn in top 25 (Currently 10)</td> <td style="text-align: right; padding: 2px;">£5M</td> </tr> <tr> <td style="padding: 2px;">Building Society with assets over £1bn if in top 25 (Currently 3)</td> <td style="text-align: right; padding: 2px;">£4M</td> </tr> <tr> <td style="padding: 2px;">Building Society with assets under £1bn in top 25</td> <td style="text-align: right; padding: 2px;">£3M</td> </tr> <tr> <td style="padding: 2px;">Liquidity (Call) Account with a credit rating of F1+ or with a legal position that guarantees repayment or a Building Society.</td> <td style="text-align: right; padding: 2px;">£5M</td> </tr> <tr> <td style="padding: 2px;">BUT total invest with counterparty/group shall not exceed</td> <td style="text-align: right; padding: 2px;">£8M</td> </tr> <tr> <td style="padding: 2px;">Money market fund AAA Credit rating</td> <td style="text-align: right; padding: 2px;">£4m</td> </tr> </table> <p>Limit for Non-specified investments</p> <ul style="list-style-type: none"> - £10M in time deposits more than one year - £5M in corporate bonds - £10M in total <p>Country limits</p> <ul style="list-style-type: none"> - UK - unlimited - £5M in a country outside the EU - £10M in a country within the EU (excluding UK) - £20M in EU countries combined (excluding UK) <p>These limits will be applied when considering any new investment from 23 February 2011. Lower limits may be set during the course of the year or 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	£5M	F1	£4M	Building Society with assets over £2bn in top 25 (Currently 10)	£5M	Building Society with assets over £1bn if in top 25 (Currently 3)	£4M	Building Society with assets under £1bn in top 25	£3M	Liquidity (Call) Account with a credit rating of F1+ or with a legal position that guarantees repayment or a Building Society.	£5M	BUT total invest with counterparty/group shall not exceed	£8M	Money market fund AAA Credit rating	£4m
F1+ or have a legal position that guarantees repayment for the period of the investment	£5M																
F1	£4M																
Building Society with assets over £2bn in top 25 (Currently 10)	£5M																
Building Society with assets over £1bn if in top 25 (Currently 3)	£4M																
Building Society with assets under £1bn in top 25	£3M																
Liquidity (Call) Account with a credit rating of F1+ or with a legal position that guarantees repayment or a Building Society.	£5M																
BUT total invest with counterparty/group shall not exceed	£8M																
Money market fund AAA Credit rating	£4m																
Benchmark	LGC 7 day rate																

INVESTMENT LIMITS FOR INCREASES IN BORROWING IN ANTICIPATION

	Level of Borrowing in Anticipation		Rating Constraints
	from	£5M	£11M
	to	£10M	£20M
SPECIFIED INVESTMENTS			
BUILDING SOCIETIES			
Assets over £2bn	£5M	£5M	
Assets over £1bn	£4M	£4M	
Rest of top 25 by assets	£3M	£3M	
BANKS & OTHER INSTITUTIONS			
F1+ or legal status	£5M	£5M	AA- if more than 1 year
F1	£4M	£4M	AA- if more than 1 year
LIQUIDITY ACCOUNTS			
Limit in liquidity account	£5M	£6M	F1+or legal status
Limit with any other investments in institution	£8M	£9M	
NON-SPECIFIED INVESTMENTS			
Time Deposits over 1 year in total	£20M	£30M	
Corporate Bonds in total	£5M	£8M	Not yet determined
Total	£20M	£30M	
TERRITORIAL LIMITS			
UK	Unlimited		
EU (excluding UK)	£20M	£20M	
EU Country (other than UK)	£10M	£10M	
Any other Country	£5M	£5M	

**CIPFA Prudential Code for Capital Finance in Local Authorities
Prudential Indicators and Treasury Management Indicators for 2011/12**

CAPITAL EXPENDITURE

1. Actual and Estimated Capital Expenditure

	2009/10 Actual £000	2010/11 Forecast £000	2011/12 Estimate £000	2012/13 Estimate £000	2013/14 Estimate £000
Gross	14.6	15.0	15.4	10.2	4.0
Net	11.6	7.1	11.9	3.3	3.0

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

The negative figures until 2010/11 reflect that the Authority was a net investor and that the net interest earned exceeded the small provision for the repayment of debt.

2009/10 Actual	2010/11 Forecast	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate
-10%	-0.3%	3.1%	7.1%	9.8%

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 changes to capital schemes (including their associated revenue implications) that are included in the budget/MTP.

The actual planned change in Council Tax is different because of the impact of significant non-capital variations, spending adjustments and the use of revenue reserves.

	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate
Increase	£1.72	-£6.88	-£0.62
Cumulative	£1.72	-£5.16	-£5.78

4. The capital financing requirement.

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

31/3/10 Actual £M	2010/11 Forecast £M	2011/12 Estimate £M	2012/13 Estimate £M	2013/14 Estimate £M	2014/15 Estimate £M	2015/16 Estimate £M
11.2	18.0	29.6	32.6	35.3	37.4	39.8

5. Net borrowing and the capital financing requirement

'In order to ensure that over the medium term, net borrowing will only be for a capital purpose, the Authority should make sure that net external borrowing (borrowing less investments) does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.'

As long as the Council's reserves are sufficient to cover any shortfall that might occur on the revenue budget there will be no borrowing for revenue purposes, other than in the short term.

Revenue reserves are forecast at the end of the year to be:

2011/12 £9.4M

2012/13 £6.6M

2013/14 £5.0M

This should be more than adequate to cover any potential problems as long as unidentified spending adjustments are found by targeted dates.

EXTERNAL DEBT

**6. The actual external borrowing at 31 March 2010
£10m**

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 £35.1m in 2010/11 (based on the 2010/11 Treasury Management Strategy) and up to an aggregate of £40m in 2011/12 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. There is a provision for financing capital from leases. The remainder of the limit relates to temporary debt for Cash Flow Purposes.

	2010/11 Limit £M	2011/12 Limit £M	2012/13 Estimate £M	2013/14 Estimate £M
Short term	20.0	20	20	20
Long Term	35.1	40	44	48
Other long-term liabilities (leases)	5.0	5	5	5
Total	60.1	65	69	73

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.

	2011/12 Limit £M	2012/13 Estimate £M	2013/14 Estimate £M
Short term	15	15	15
Long term	40	44	48
Other long-term liabilities (leases)	5	5	5
Total	60	64	68

9. Adoption of the CIPFA Code

The Council adopted the 2001 edition of the CIPFA *Treasury Management Code of Practice*. Council will now adopt the 2009 edition of the Code

TREASURY MANAGEMENT INDICATORS

10. Exposure to investments with fixed interest and variable interest as a percentage of total investments. This indicator is set to control the Council's exposure to interest rate risk. Investments of less than 12 months count as variable rate.

	2011/12 Limit	2012/13 Estimate	2013/14 Estimate
Upper limit on fixed rate exposure	100%	100%	100%
Upper limit on variable rate exposure	100%	100%	100%

11. Borrowing Repayment Profile

The proportion of 2011/12 borrowing that will mature in successive periods. This indicator is set to control the Council's exposure to refinancing risk

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. This is particularly relevant in the coming year if short term rates remain so low.

Cash flow borrowing	Upper limit	Lower limit
Under 12 months	100%	100%
Over 12 months	0%	0%

Funding capital schemes	Upper limit	Lower limit
Under 12 months	60%	0%
12 months and within 24 months	60%	0%
24 months and within 5 years	60%	0%
5 years and within 10 years	60%	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. The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments.

	2011/12 Estimate £M	2012/13 Estimate £M	2013/14 Estimate £M
Limit on investments over 364 days as at 31 March each year.	18.7	13.1	10.1

CABINET MEETING

17th February 2011

ASSET MANAGEMENT PLAN

(Report by the Head of Law, Property and Governance)

1. INTRODUCTION

The purpose of this report is to update Cabinet on the National Performance Indicators in respect of the Council's property portfolio for 2009/10. In addition related asset management issues are also drawn to the attention of Cabinet in section 4.

2. BACKGROUND

2.1 Information on property performance indicators, now called Performance Management Indicators (PMIs), has been produced on a regular basis since they were first introduced in 2002. For the year 2009/10, these are summarised in Appendix A together with a brief commentary including, where appropriate, comparison with other authorities using information from the IPF Asset Management Network (IPF). Section 3 highlights the main elements of these indicators.

2.2 Asset management was considered a key area of the use of resources assessment until the Comprehensive Area Assessments were ended by the current government. It is likely that some performance indicators relating to assets will be required.

2.3 For ease of collection of data and comparison purposes, figures for Castle Hill House and Centenary House have been used apart from for PMI 5A (Sufficiency, capacity and utilisation of offices) where these buildings have been excluded and the whole of Pathfinder House included.

3. OUTCOMES

3.1 The main changes between 2009 and 2010 and principal highlights are set out below. More detailed comments on the indicators are contained in appendix A.

- There has been a further increase to 49% in the number of operational properties in the good category (PMI 1A).
- The percentage of urgent repairs at 1% compares favourably with the IPF average of 10% (PMI 1B ii).
- The total cost of required maintenance at £46 per square metre is less than half the IPF average of £116 per square metre (PMI 1B iii).
- Planned repairs increased from 42% to 50% although this is below the IPF average of 56% (PMI 1D iii).

- Energy and water costs are above the IPF averages (PMI 2) mainly because of the types of buildings.
- The suitability of operational property in the top categories (95%) compares favourably with the IPF average of 70% (PMI 3).
- The number of accessibility surveys has risen to 40% of all operational properties but is still below the national average (PMI 4).
- The gross property costs at 3.1% are below the IPF average of 5.2% (PMI 6A)
- Capital schemes are generally managed well in terms of time and costs compared to national averages (PMI 7).

4. ASSET MANAGEMENT DEVELOPMENTS

4.1 Achievements during 2009/10 have included:

- Completion of the remaining buildings at Pathfinder House
- Extension to the Paxton Pits visitors centre
- Transfer of the new Ramsey Community Centre by the developer
- Disposal of land required for the new library at Ramsey
- Various leisure centre improvements throughout the district
- Commencement on site for the starter units scheme in St Ives

5. CONCLUSION

5.1 There has been a continued improvement over the previous year which demonstrates the Council's commitment to ensure that assets are provided and maintained in a fit and proper manner for the effective delivery of services.

5.2 The overall level of expenditure on repairs has generally been maintained and there is a further improvement in the percentage of planned maintenance rather than reactive repairs.

6. RECOMMENDATION

It is recommended that the report be received and the information in Appendix A be approved.

BACKGROUND INFORMATION

Estates Asset Management files. Report to Cabinet 21st January 2010

Contact Officer: K Phillips, Estates and Property Manager ☎ (01480) 388260

HUNTINGDONSHIRE DISTRICT COUNCIL
PROPERTY PERFORMANCE INDICATORS 2010

PMI 1 CONDITION AND REQUIRED MAINTENANCE

1A. % of gross internal floor space in condition categories A-D

	Operational		Non- operational		Total*
	31.3.09	31.3.10	31.3.09	31.3.10	31.3.10
A. Good	47	49	19	19	39
B. Satisfactory	52	50	81	79	60
C. Poor	1	1	0	2	1
D. Bad	0	0	0	0	0

* this combines the floor areas for both operational and non-operational property

	2009	2010
Operational Gross Internal Area (sq metres)	27,878	28,898
Non-Operational Gross Internal Area (sq m)	15,400	15,225

1B. Required maintenance by cost

(i) Total cost in priority levels 1-3:

	2008/09	2009/10
1. Urgent	£113,000	£20,000
2. Essential (2 years)	£1,698,000	£1,647,100
3. Desirable (3-5 years)	£2,226,000	£ 362,000
Total	£4,037,000	£2,029,100

(ii) As a % in priority Levels 1-3:

	Operational		Non-Operational		Combined
	31.3.09	31.3.10	31.3.09	31.3.10	31.3.10
1. Urgent	3	0	2	5	1
2. Essential	43	48	37	26	44
3. Desirable	54	52	61	69	55
	100	100	100	100	100

2008/09 2009/10

iii) Overall costs per square metre

£93 £46

1C.	Annual % change to total required maintenance:	-3%	-50%
1D.	(i) Total spend on maintenance:	£392,000	£434,100
	(ii) Total spend on maintenance per sq metre:	£9.06	£10.10
	(iii) Percentage of total maintenance: planned	42%	50%
	responsive	58%	50%

Comments on PMI 1 - Condition and Required Maintenance

1. The purpose of this indicator is to measure the condition of assets, changes in condition and the spend on maintenance. It applies to all property where the Council has a repairing obligation.
2. In PMI 1A there has been a continued improvement in operational properties over the previous year with an increase in category A (good) to 49% while category B (satisfactory) is at 50%. These compare favourably with IPF averages of 17% (A) and 58% (B). The changes mainly reflect the expenditure at the leisure centres.
3. Approximately 74 % of the required maintenance by cost (PMI 1B (i)) relates to the leisure centre and 18% to non operational properties. With regard to the overall costs per sq metre (PMI B (iii)), the figure of £46 compares favourably with the IPF average of £116.
4. With regard to PMI 1B (ii) the percentage for urgent repairs (1% for both operational and non operational properties) is well below the IPF average of 10%.
5. Information in PMI 1D relates to the total expenditure on maintenance and the split between planned and responsive repairs. The planned percentage has continued to rise and has now reached 50% which is below the IPF average of 56%. Under best practice the aim is to move towards a higher percentage spend on planned repairs.

PMI 2 ENVIRONMENTAL PROPERTY ISSUES

		2009	2010
2A	Energy costs per square metre	£23.41	£24.51
	Energy consumption kwh per square metre	417	477

2B	Water costs per square metre	£3.17	£3.15
	Water consumption by volume m3 per square m	*	*
2C	CO2 emissions in tonnes per square metre	0.12	0.12

* information has been collected on individual properties

Comments on PMI 2 A, B and C – Environmental Property Issues

- 1 These figures apply to all operational buildings which includes 7 leisure buildings with 5 swimming pools. Not surprisingly, therefore, energy costs are above the IPF average of £11.96 and water costs are above the IPF average of £1.69 per square metre. CO₂ emissions are above the IPF average of 0.06.
- 2 The purpose of these indicators is to encourage the efficient use of assets and to measure year on year improvements in energy efficiency. In June 2009, the Council adopted a Carbon Management Plan identifying projects and targets with the aspiration of delivering a 30% reduction in carbon emissions across its estate over a 5 year period up to 2012/13. There was small reduction in energy use in buildings during the year.
- 3 The next AMP report will be able to analyse figures for a full year following the PFH development and also take into account improvements at leisure centres. An assessment of the leisure centres has also taken place in 2010 with a view to seeking major savings in energy and water over a 2 year period.

PMI 3 SUITABILITY SURVEYS –OPERATIONAL PROPERTY

			2009	2010
3A	% of the portfolio by GIA	:	100	100
3B	Number of properties	:	39	42
3C	% graded satisfactory or above	:	95%	95%

Comments on PMI 3 A and B – Suitability Surveys

- 1 These surveys are required for all operational properties in order to determine whether buildings are fit for purpose. The assessments are based on the following criteria – location, accessibility, environment, health and safety, fixtures and fittings and image. The outcome of the annual desktop review is summarised below:

Score out of 30	2009	2010
1-6 Unsuitable	0	0
7-12 Poor	2	2
13-18 Satisfactory	11	12

19-24 Good	24	22
25-30 Very Good	3	6
Total	40	42

- The suitability assessments have been carried out for all Council operational properties and compare favourably with the IPF average of approximately 77%. The two buildings rated poor are the public conveniences in South Street, St Neots (now closed) and the Octagon storage depot in St Ives. Reviews will be carried out annually in order to reflect improvements undertaken during the year.

PMI 4 BUILDING ACCESSIBILITY SURVEYS –OPERATIONAL PROPERTY

Access audit undertaken: **2009** **2010**

4A % of the portfolio by GIA : 31% 40%

4B Number of properties : 12 13

Accessibility plan in place

4C % of portfolio : 31% 40%

4D Number of properties : 12 13

Comments on PMI 4 A, B, C and D – Building Accessibility Surveys

- These are required for all operational properties and the surveys have to be carried out by a competent person. An access audit is defined as “an examination of a building, its facilities or services reported on against predetermined criteria to assess its ease of use by disabled people”. After the audit an accessibility plan is drawn up to identify the actions necessary.
- While progress continues to be made, the percentage of properties with an access audit is below the IPF average of 82%. The Facilities Manager will be undertaking further assessments during the current year.

PM1 5 SUFFICIENCY (CAPACITY AND UTILISATION) –OFFICES

For financial year ending 31st March **2008/09** **2009/10**

5A.1 (a) Operational office property as a percentage of the total portfolio 18% 17%

(b) Office space per head of population 0.045 0.049

(per square metre)

5A.2	Net office space as a % of total floor space in operational buildings	80%	80%
5A.3 (a)	Number of offices shared with other public agencies	2	3
(b)	Percentage of office buildings shared	20%	43%
5B.1	Average floor space per office staff	Not assessed	
5B.2	Average floor space per workstation	Not assessed	
5B.3	Annual property cost per workstation	Not assessed	

Comments on PMI 5 A and B – Sufficiency (capacity and utilisation) Office Portfolio

- 1 The purpose of this indicator introduced in 2007 is to measure the capacity and utilisation of the office portfolio.
- 2 Information has been provided for PMI 5A but not yet for PMI 5B in view of the recent changes in office accommodation. It is intended to refine these in due course so that more accurate information will be available.
- 3 The calculation for PMI 5A.1 (a) has been amended to reflect a percentage of the total portfolio including non operational property.
- 4 The assessment for PMI 5A.2 is an estimate as no detailed calculations have been undertaken.

PM1 6 SPEND ON PROPERTY	2008/09	2009/10	
6A	Gross property costs of operational estate as a percentage of the gross revenue budget	3.2%	3.1%
6B	Gross property costs per square metre for operational property	£78	£79

Comments on PMI 6 A and B – Spend and Property

- 1 This indicator aims to measure the overall property costs and changes in costs over time.
- 2 The percentage figure is below the IPF average of 5.23%.

PM1 7 TIME AND COST PREDICTABILITY		2008/09	2009/10
7A	Time predictability, design	75%	78%
7B	Time predictability, post contract	75%	78%
7C	Cost predictability, design	87%	89%
7D	Cost predictability, post contract	87%	89%

Comments on PMI 7 A, B, C and D – Time and Cost Predictability

1. There were 9 applicable schemes in 2009/10 (8 schemes in 2008/09)
2. This indicator relates to all projects over £50k. The Council's performance compares favourably with the IPF averages of 72% (7A), 64% (7B), 64% (7C) and 68% (7D). This confirms that building contracts are generally managed within acceptable time and cost limits.

OVERVIEW AND SCRUTINY PANELS
(SOCIAL WELL-BEING)
(ENVIRONMENTAL WELL-BEING)
(ECONOMIC WELL-BEING)

1ST FEBRUARY 2011
8TH FEBRUARY 2011
10TH FEBRUARY 2011

WORK PLAN STUDIES
(Report by the Head of Democratic and Central Services)

1. INTRODUCTION

- 1.1 The purpose of this report is to allow Members of the Panel to review their programme of studies and to be informed of studies being undertaken by the other Overview and Scrutiny Panels.

2. STUDIES

- 2.1 The Council has a duty to improve the social, environmental and economic well-being of the District. This gives the Overview and Scrutiny Panels a wide remit to examine any issues that affect the District by conducting in-depth studies.
- 2.2 Studies are allocated according to the Council's service areas which have been identified as follows:-

Social Well-Being

Housing
Community
Leisure Centres
Operations (part)
Democratic and Central Services (part)
People, Performance and Partnerships (part)

Environmental Well-Being

Environmental and Technical Services
Planning Services
Environmental Health
Operations (part)

Economic Well-Being

Information Management
Finance
Customer Service and Call Centres
Revenues
Democratic and Central Services (part)
Law, Property and Governance
People, Performance and Partnerships (part)
HQ/Accommodation

- 2.3 Details of ongoing studies are set out in the attached Appendix.

2.4 Members are reminded that if they have a specific interest in any study area which is not being considered by their Panel there are opportunities for involvement in all the studies being undertaken.

3. RECOMMENDATION

3.1 The Panel is requested to note the progress of the studies selected.

BACKGROUND DOCUMENTS

Minutes and Reports from previous meetings of the Overview and Scrutiny Panels.

**Contact Officers: Miss H Ali, Democratic Services Officer
01480 388006**

**Mrs A Jerrom, Member Development Officer
01480 388009**

**Mrs C Bulman, Democratic Services Officer
01480 388234**

ONGOING STUDIES

STUDY	OBJECTIVES	PANEL	STATUS	TYPE
Visitor Development & Town Centre Vibrancy	To consider issues relating to Visitor Development & Town Centre Vibrancy.	Economic Well-Being	Further information requested on the cost of the tourism service and the benefits it brings to both the Council and to the District.	Whole Panel Study
Consultation Processes	To review the Council's current consultation processes with a view to determining whether the approach taken to consultation is suitable and consistent across the authority.	Social Well-Being	Working Group appointed to review the Council's guidance on consultation methodology and evaluate examples of previous consultations. Second meeting of the Working Group held on 18 th January 2011.	Working Group
Gypsy & Traveller Welfare	To examine existing gypsy and traveller sites in the District with a view to informing any future Planning policy on sites.	Social Well-Being	Report requested for submission to a future meeting. Following consultation with the Chairman, agreed that the study would only proceed if there is a Planning policy requirement.	To be determined.
Health Implications of the Night Time Economy	To follow up the previous study undertaken by the former Overview and Scrutiny (Service Support).	Social Well-Being	Social Well-Being Panel to consider whether to incorporate this study into their work programme. Further information to be submitted to a future Panel meeting.	To be determined.

Planning Conservation	To consider & evaluate the role of the Council's Planning Conservation Team in the preservation of Huntingdonshire's built heritage with particular reference to conservation areas and listed buildings.	Environmental Well-Being	Working Group meetings held on 29 th July, 5 th August, 2 nd September, 7 th and 22 nd October, 11 th and 18 th November, 6 th December, 21 st December 2010 and 5 th January 2011.	Working Group.
Leisure Centre Financial Performance and Employment Structure	To review the overall financial performance and monitoring arrangements. To consider the current / future business structure.	Economic Well-Being	Agreed to establish a joint working group with Overview & Scrutiny Panel (Social Well-Being).	Working Group
Cambridgeshire Local Investment Plan	To review the implications of the Investment Plan upon local housing, to include the potential shortfalls in the delivery of affordable housing within the District, identify what housing is due to come forward and to include reference to the underlying links between housing and planning.	Social Well-Being	Report to be considered at Panel's April 2011 meeting.	Whole Panel Study.
CCTV Provision within the District	To review the impact of the Council's proposal to cease the CCTV service with effect from April 2012.	Social Well-Being	Considered at Panel's January meeting. To be considered further under the Budget and MTP item at the Economic Well-Being Panel's meeting in February 2011.	Whole Panel Study.

Proposals to replace EEDA with LEPs.	To establish the implications of these proposals.	Economic Well-Being	Presentation given to December meeting. Update requested for future meeting.	Whole Panel Study.
Voluntary Sector	To be determined.	Social Well-Being	Request made by the Voluntary Sector to raise this item at a future Panel meeting. The matter was debated at the Council meeting in December 2010. The Chief Executive of the Hunts Forum of Voluntary Organisation will be addressing the Panel at its February 2011 meeting.	To be determined.
A14 improvements.	To review the implications to the local economy of the decision not to proceed with the A14 improvements.	Economic Well-Being	Members decided that they want to engage local MPs in a co-ordinated approach to lobbying the Government with a view to achieving the Council's aim of upgrading the A14 in a more cost effective way than previously planned.	Whole Panel Study.
Customer Service Centres	To review the impact of the Council's proposals to close the facilities at Ramsey, Yaxley, St Ives and St Neots.	Social Well-Being	Considered at Panel's January meeting. To be considered further under the Budget and MTP item at the Economic Well-Being Panel's meeting in February 2011.	To be determined.

The Use of Consultants	To review the criteria used in the appointment of consultants and assess the cost and value gained from using them.	Economic Well-Being	Further meeting to be arranged when additional information has been obtained.	Working Group.
The Financial Implications of the Council's Future Housing Responsibilities.	To be determined.	Economic Well-Being	Councillor M F Shellens to discuss with Chairman the possible terms of the study.	To be determined.
Tree Strategy	To form a strategy in conjunction with the Tree Officers for the retention and planting of trees.	Environmental Well-Being	Working Group meetings on 5 th and 24 th November 2010. The next meeting is scheduled to be held in January 2011.	Working Group.
Rural Crime	To be determined.	Social Well-Being Panel to nominate representative to participate in any future joint work as and when required.	Meeting of Safer and Stronger Communities Scrutiny Committee held on 13 th December 2010.	Joint Authority Working Group.

POSSIBLE FUTURE STUDIES

The Employees Performance Development Review Process	To review the current process.	Economic Well-Being	Outcome of Officer Review to be reported to the Panel when this is concluded. Work is expected to conclude in Spring 2011.	To be determined.
Land Use for Agricultural Purpose in the context of planning policies and its contribution to the local economy.	To review the lack of promotion and protection of land for this purpose.	Environmental Well-Being	Not being pursued as a study at the current time.	To be determined.
Rural Transport	To review the lack of transportation in rural areas.	Environmental Well-Being	Not being pursued as a study at the current time.	To be determined.

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Panel Date	Decision	Action	Response	Date For Future Action
15/07/10	<u>Grant Aid</u> Annual Report on organisations supported by grants through Service Level Agreements received by Panel.		Next report due July 2011.	07/07/11
13/05/09	<u>Customer Services Monitoring Report</u> This item was transferred over from the former Overview and Scrutiny Panel (Service Delivery). Quarterly performance reports to be circulated informally to the Panel twice per year and formally twice per year.	Report circulated at January 2011 Panel meeting.	Next report due July 2011.	07/07/11
19/05/10	<u>Corporate Plan Working Group</u> Councillors J Ablewhite and GSE Thorpe have been appointed to the Corporate Plan Working Group.	Quarterly performance reports to be submitted to all Overview and Scrutiny Panels.	Next report to be considered by the Panel in March 2011. The Working Group is meeting on 17 th February 2011 and are in the process of reviewing the Corporate Plan.	10/03/11
12/11/09	<u>Local Government Act 2000 – Forward Plan</u> Covert Surveillance Policy review	Received Presentation by Council's Solicitor and Fraud Manager on the operation of current policy (April 2010)	Policy to be reviewed in due course. Await return on Forward Plan.	TBC
09/09/10	Asset Management Plan – Annual Report		Item appears elsewhere on the agenda.	10/02/11

Panel Date	Decision	Action	Response	Date For Future Action
10/6/10	<p><u>Visitor Development & Town Centre Vibrancy</u></p> <p>Received a presentation by the Head of People, Performance & Partnerships and the Sustainable Economic Development Manager.</p> <p>Requested a further report outlining the cost of the service and the benefits it brings to both the Council and the District.</p>		<p>Report to be submitted to future meeting. Advised that in view of the secondment of the Economic Development Manager this would be deferred until after March 2011.</p>	14/04/11
15/07/10	<p><u>Scrutiny of Partnerships</u></p> <p>Agreed to consider the Economic Prosperity & Skills Performance Report at a future meeting.</p>		<p>To be deferred pending outcome of review of partnership options / arrangements for Huntingdonshire.</p>	SPRING 2011
03/06/10	<p><u>Proposed Amendments to the Huntingdonshire District Council Budget 2010/11</u></p> <p>Requested a further report on public perception and the effectiveness of District Wide and on ways of reducing the cost of its production.</p>		<p>Report to be presented to a future meeting. Advised by Head of People, Performance & Partnerships that this will be following the conclusion of the Budget process</p>	10/03/11

Panel Date	Decision	Action	Response	Date For Future Action
09/11/10	<p><u>Budget & Medium Term Plan</u></p> <p>Requested information on the CCTV Budget and on progress of discussions with partners.</p>		A report will be submitted to Social Well-Being Panel in due course. Request has been made to include the information referred to. Panel may also wish to consider the report at this time.	
	<p><u>Workplan Studies</u></p> <ol style="list-style-type: none"> 1. The employees Performance Development Review process 2. The Financial Implications of the Council's future housing responsibilities. 		<p>This is being considered as part of the project reviewing the pay structure which is expected to conclude in Spring 2011.</p> <p>Councillor M F Shellens to consult with the Chairman with regards to the terms of a future study.</p>	SPRING 2011
09/09/10 11/11/10	<p><u>Use of External Consultants</u></p> <p>Endorsed a recommendation to the Cabinet to reduce the amount the Council spends on employing external consultants by £1.5m in the current financial year.</p> <p>Agreed that the review should be undertaken by the Overview & Scrutiny Panel (Economic Well-Being) and appointed Councillors J D Ablewhite, G S E Thorpe, D M Tysoe, Mr R Hall and Mrs H Roberts to a working group for this purpose.</p>		<p>Report considered by Cabinet at their meeting on 21st October 2010. Agreed that the matter be referred back to the Corporate Plan Working Group for further review.</p> <p>Meetings held on 30th November, 16th December 2010 and 7th February 2011.</p>	

Panel Date	Decision	Action	Response	Date For Future Action
13/01/11	<p><u>A14 IMPROVEMENTS</u></p> <p>Members decided that they want to engage local MPs in a co-ordinated approach to lobbying the Government with a view to achieving the Council's aim of upgrading the A14 in a more cost effective way than previously planned. Request made for further explanation of life of Huntingdon Viaduct.</p>	<p>Information sought from Director of Environmental & Community Health Services.</p>	<p>Since the announcement cancelling the A14 scheme, public authorities, including this Council, wrote to the Secretary of State for Transport, Phillip Hammond, expressing how important it was to find an effective alternative solution. In response to some suggestions which appeared to be emanating from the Department that what was required was a new multi modal study, the letter to the Secretary of State, also made the point that progress was already being made with some other modes of transport and what was required was a study focussed on the road solution element. The letter proposed a Ministerial sponsored study to that effect.</p> <p>A holding response has been received (copy attached) and it is understood that a full response is imminent and expected to be positive.</p> <p>In preparation and anticipating of a positive response, Lead Members of relevant authorities have met and set up an Officer Task Group to scope out what we believe is required and to provide relevant input to any study brief and to the study itself.</p> <p>With regard to the specific request from O&S, all relevant local MPs have already been fully engaged with Council leaders in ongoing discussions with the Department of Transport. They have agreed the basis of the letter put forward to Phillip Hammond and will be kept briefed on progress.</p> <p>The Panel will also be advised as matters</p>	

Panel Date	Decision	Action	Response	Date For Future Action
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Decision Digest

Edition 111

Monthly summary of the decisions taken at meetings of the Council, Cabinet, Overview & Scrutiny and other Panels for the period 4th to 28th January 2011.

ECONOMIC IMPACT OF A14 UPGRADE

The Overview and Scrutiny Panel (Economic Well-Being) has considered a report on the implications for the District of the Government's decision not to proceed with improvements to the A14.

To take forward the issue, the Panel decided that they wanted to engage local MPs in a co-ordinated approach to lobbying the Government with a view to achieving the Council's aim of upgrading the A14 in a more cost effective way than previously planned

CUSTOMER SERVICES

A petition containing 1,865 signatories objecting to proposals to close the Library and Community Information Shop in Yaxley was presented to the Overview and Scrutiny Panel (Economic Well-Being). The petition had been prepared on behalf of Yaxley Parish Council and residents of Yaxley, Stilton, Farcet, Folksworth and surrounding villages and had been referred to the Panel from the Council meeting in December.

In addition, the Panel has received a presentation on proposals for service changes within Customer Services, which was also considered by the Overview and Scrutiny Panel (Social Well-Being). As part of this, both Panels have been advised of the likely savings which could be achieved from the proposals and the impact of such

changes on District Council customers. Each Customer Service Centre has been reviewed to take into account customer profiles at each locality and the level of local need.

Following a lengthy discussion, the Panel for Economic Well-Being has asked the Executive Councillor for Finance and Customer Services to take into account their proposals regarding options for the long term delivery of customer services during the decision making process on the future of the service including alternative methods of delivery, the possibility of using a roving officer funded from the existing Customer Service Centre budget and alternative delivery through libraries, the post office and other mechanisms.

The Panel for Social Well-Being has expressed concern at the impact of the proposals on the voluntary organisations that currently utilise existing premises and the Council's increased reliance on local libraries to deliver its services. The latter was considered in the context of the County Council's review of library services which was expected to result in the closure of some facilities across the County. Other matters that were discussed included the terms of the building leases for each of the Centres and the option of engaging with Peterborough City Council to provide housing and benefits services.

ONE LEISURE FINANCE & PERFORMANCE

The Overview & Scrutiny Panels (Economic & Social Well-Being) have received presentations on the finance and performance of the District Council's Leisure Centres. As part of this, attention was drawn to the level of investment made at each of the Centres, the impact that this has made on net outturn and the number of admissions for each Centre. Members have also been acquainted with the level of management and administration costs which remained outside of the control of the General Manager, One Leisure and noted details of issues that were currently being investigated with a view to achieving savings for the Council which included staffing levels and pay.

As part of their deliberations, the Panels have discussed the level of central support charges, staffing, and a variety of socio-economic factors.

The Social Well-Being Panel has discussed a number of matters including the feasibility of putting the Leisure Centres into a Trust, the likely decrease in income from local schools in the future, the practices employed by private sector operators of similar facilities, the level of expenditure on employees, the possibility of reducing Centre opening hours and the value of the business and its assets.

Following a lengthy discussion and in recognition of their wish to give further consideration to the figures, the Economic Well-Being Panel has agreed to establish a joint working party to review the figures further. Councillors J D Ablewhite, S Greenall, N J Guyatt and Mr R Hall have subsequently been appointed to serve on the Working Party and the Social Well-Being Panel will nominate Members at its February meeting.

DEVELOPMENT APPLICATIONS

At its January meeting, the Development Management Panel determined seven applications of which six were approved and one refused. The Head of Planning Services was authorised to determine an application for a new dwelling in Hemingford Abbots following the receipt of late amendments to the original plans.

In terms of those applications of wider interest to Members, the Panel refused an application for four wind turbines on land west of Bicton Industrial Park, Kimbolton and approved, subject to conditions prompted by representations made to the meeting, the proposed development of a four storey car park to provide 406 spaces and reconfiguration of the existing surface car park adjacent to Sainsbury's supermarket in Huntingdon town centre.

FINANCIAL MONITORING

The Head of Financial Services has drawn attention to the Cabinet's variations to the approved Capital Programme and spending variations in the revenue budget for the current year. It was noted that the expected outturn of revenue expenditure was now £23.1m which was £0.7m less than assumed in the draft 2011/12 budget. The reduction was mainly due to one-off items and service managers implementing saving plans ready for 2011/12. It will no longer be necessary to transfer savings to the savings reserve as the latest projections suggest that the necessary savings for 2011/12 are achievable.

SAFER HOMES SCHEME

In February 2010 the Council, Luminus and Age Concern established a Safer Homes Scheme in Huntingdonshire aimed at providing a service for older

and vulnerable households whereby small repair jobs are available free of charge or at low cost as a way of maintaining safety within their homes. Having been advised of the achievements of the scheme to date in supporting vulnerable people to live independently, the Cabinet has agreed to release the necessary funding for the continuation of the scheme from the Medium Term Plan.

HUNTINGDONSHIRE COMMUNITY SAFETY PARTNERSHIP VIEWS ON CCTV

The Overview and Scrutiny Panel (Social Well-Being) has noted the outcome of the Huntingdonshire Community Safety Partnership's discussions on the value of CCTV within the District. The Constabulary also noted the strong support for the retention of the service by Cambridgeshire Constabulary. The Constabulary also has indicated that they will be willing to engage in discussions with the Council with a view to preserving the service. Correspondence has also been received from St Ives Town Council requesting the Council to reconsider its budgetary proposals.

Of the matters discussed, the Panel has concluded that the service should be preserved, particularly in light of the level of investment already made to it by the Council. Further consideration of the proposals will be provided at the February meeting of the Overview and Scrutiny Panel (Economic Well-Being) when the final budget is due to be considered by Members.

HUNTINGDONSHIRE STRATEGIC PARTNERSHIP: HEALTH AND WELL-BEING THEMATIC GROUP

Members of the Overview and Scrutiny Panel (Social Well-Being) have received details of the Health and Well-

Being Thematic Group of the Huntingdonshire Strategic Partnership (HSP) including its objectives, terms of reference, membership and the current business under consideration. Discussion has taken place on the achievement of the Action Plan for the July-September 2010 period. Particular mention has been made of those areas where targets have not been achieved.

STUDY: CONSULTATION PROCESSES

The Overview and Scrutiny Panel (Social Well-Being) has been acquainted with the outcome of an initial meeting of the Consultation Processes Working Group. Councillor R J West has been appointed rapporteur for the Working Group.

CAMBRIDGESHIRE ADULTS WELL-BEING AND HEALTH SCRUTINY COMMITTEE

An update on matters currently being considered by the Cambridgeshire Adults Well-Being and Health Scrutiny Committee has been delivered to the Overview and Scrutiny Panel (Social Well-Being). The Hinchingsbrooke Hospital Working Group appointed by the Committee has met with Circle, the franchisee appointed to take over the management of Hinchingsbrooke Hospital to discuss their approach to running the Hospital.

CAMBRIDGESHIRE SAFER AND STRONGER COMMUNITIES SCRUTINY COMMITTEE

It was reported to Members of the Overview and Scrutiny Panel (Social Well-Being) that a meeting of the Cambridgeshire Safer and Stronger Communities Scrutiny Committee had been held, where consideration was given to whether the Committee should pursue rural crime as a topic for scrutiny. An invitation would be

extended to all Cambridgeshire authorities to nominate a representative to join a Working Group to investigate the role and effectiveness of the Rural Crime Action Team.

OVERVIEW AND SCRUTINY PANEL (SOCIAL WELL-BEING) – PROGRESS

With the agreement of the Overview and Scrutiny Panel (Economic Well-Being), the Panel for Social Well-Being has decided to transfer the study on the health implications of the night time economy to its work programme. Background information in this respect will be submitted to a future meeting.

LICENSING AND PROTECTION PANEL

The Panel has considered the following -

Designated Public Places Order

The Panel has supported the creation of a Designated Public Places Order for the Quayside and Warners Park area of St Ives. The Order which will give Police and PCSOs greater powers to control consumption of alcohol and related disorder in the area and will be finalised subject to the consideration of any representations made following the publication of a notice in the press.

Fees and Charges

Members have agreed to an increase of 7.5% in the majority of licensing fees and charges set by the Council for 2011/12. The increase is aimed at recovering the cost of providing the service and for this reason the cost of both the initial issue and the renewal of a sex establishment licence has risen to £2.5k. In view of the current level of fees, the cost of a street trading licence has been increased by 2.5%.

Police Reform and Social Responsibility Bill

The Panel has been advised of the proposed changes to the Bill which are considered to be both timely and relevant. The changes include provision for the licensing authority to take appropriate steps in order to promote the licensing objectives and the ability to suspend a licence for non payment of the annual fee.

Conditions for Sexual Entertainment Venues

The Panel has approved new and amended standard conditions applicable to the licensing of sex shops, sex cinemas and sexual entertainment venues. The conditions cover the operation of sex shops and sex cinemas and live performances at sexual entertainment venues.