

A meeting of the **CABINET** will be held in **CIVIC SUITE O.1A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, PE29 3TN** on **THURSDAY, 21 OCTOBER 2010** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

APOLOGIES


**Contact
(01480)**

1. MINUTES (Pages 1 - 6)

To approve as a correct record the Minutes of the meeting of the Cabinet held on 16th September 2010.

**Mrs H J Taylor
388008**

2. MEMBERS' INTERESTS

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

3. PERFORMANCE MANAGEMENT (Pages 7 - 12)

To consider the report of the Overview and Scrutiny Panels.

**Miss H Ali
388006**

4. CAPITAL PROGRAMME MONITORING 2010/11 BUDGET (Pages 13 - 16)

To consider a report from the Head of Financial Services outlining spending variations for 2010/11.

**S Couper
388103**

5. FINANCIAL MONITORING - REVENUE BUDGET 2010/11 (Pages 17 - 22)

To consider a report of the Head of Financial Services.

**S Couper
388103**

6. DEMOCRATIC STRUCTURE REVIEW - 12 MONTHS ON

To consider a report by the Democratic Structure Review Working Group reviewing the changes made by Council to the democratic structure – TO FOLLOW.

**R Reeves
388003**

7. EXECUTIVE LEADER AND CABINET FORM OF EXECUTIVE

To consider a report by the Head of Democratic and Central Services on the introduction of an Executive Leader and Cabinet arrangement and the consequential changes to the constitution – TO FOLLOW.

**R Reeves
388003**

8. EXCLUSION OF PRESS AND PUBLIC

To resolve:-

that the press and public be excluded from the meeting because the business to be transacted contains exempt information relating to terms proposed in the course of negotiation for the acquisition or disposal of property.

9. HUNTINGDON TOWN CENTRE RE-DEVELOPMENT

To consider a report by the Chief Officer Management Team – TO FOLLOW.

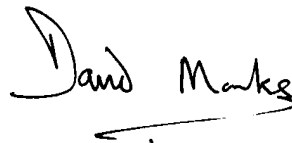
**M Sharpe
388300**

10. LANDING ADJOINING 4 KINGSBROOK, ST IVES (Pages 23 - 26)

To consider a report by the Head of Law, Property and Governance seeking the approval of terms for the disposal of Council-owned land at Kingsbrook, St Ives..

**K Phillips
388260**

Dated this 13 day of October 2010



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 H Taylor, Senior Democratic Services Officer, Tel No. 01480 388008/e-mail Helen.Taylor@huntsdc.gov.uk /e-mail: 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 Cabinet.

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 CABINET held in the Civic Suite 0.1A, the Pathfinder House, St Mary's Street, Huntingdon, PE29 3TN on Thursday, 16 September 2010.

PRESENT: Councillor L M Simpson – Vice – Chairman in the Chair.

Councillors K J Churchill, D B Dew, J A Gray, A Hansard, C R Hyams, Mrs D C Reynolds and T V Rogers.

APOLOGY: An apology for absence from the meeting was submitted on behalf of Councillor I C Bates.

33. MINUTES

The Minutes of the meeting of the Cabinet held on 22nd July 2010 were approved as a correct record and signed by the Chairman.

34. MEMBERS' INTERESTS

Councillor Churchill declared a personal interest in Minute No 37 by virtue of his membership of Cambridgeshire County Council.

35. FINANCIAL STRATEGY

(Councillor J A Gray took his seat at 7.10pm during discussions on this item)

By way of a report by the Head of Financial Services (a copy of which is appended in the Minute Book) the Cabinet were acquainted with the present position in relation to the Council's financial forecast for the period up to 2018/2019 together with the deliberations of the Overview and Scrutiny Panel (Economic Well-Being) thereon.

In considering the information contained in the report, Members have been informed of the need for sizeable reductions in the scale of spending and as a consequence potential changes to services. Members were further advised that the Council's financial position remains uncertain due to a number of factors including the level of reduction in government funding, the size of the Council's current deficit in relation to reducing revenue reserves and low Council Tax.

If no action were to be taken it was acknowledged that the total gap between income and expenditure could rise to over £8 million by the financial year 2014/15, Executive Councillors shared the view that radical decisions would need to be taken which would affect all services in some way and would change fundamentally the Council.

In discussing a timetable for preparing the budget and savings plans, Executive Councillors recognised the need to produce detailed objectives, consider the views of local residents, engage with Town and Parish Councils and involve the Overview and Scrutiny Panels and members generally in the process.

Having noted that the timetable for adoption and implementation of an updated Redundancy Policy and Voluntary Release Scheme and consequential technical issues relating to the Council's budget and accounts would be considered at next meeting of the Employment Panel, the Cabinet

RESOLVED

- (a) that the annuity basis for the calculation of Minimum Revenue Provision as set out in Annex C to the report now submitted be approved; and
- (b) that Council be requested to consider the contents of the report now submitted and the challenges that need to be addressed over the coming months.

36. PERFORMANCE MANAGEMENT

(At this stage of the meeting Councillor J A Gray left the meeting – 7.30pm)

The Cabinet received and noted a report by the Head of People, Performance and Partnerships, (a copy of which is appended in the Minute Book) which reviewed the Council's performance against the targets within the Corporate Plan. The report which included data and narrative on the achievement against targets for each of the Council's priority objectives had been considered also by the Overview and Scrutiny Panels whose comments were relayed to the Cabinet.

37. THE REVOCATION OF THE REGIONAL SPATIAL STRATEGY - IMPLICATIONS FOR THE ADOPTED HUNTINGDONSHIRE CORE STRATEGY 2009 AND THE JOINT CAMBRIDGESHIRE APPROACH TO STRATEGIC PLANNING

The Cabinet considered a report by the Head of Planning Services (a copy of which is appended in the Minute Book) regarding the recent revocation of the Regional Spatial Strategy and the implications for the Council's Adopted Core Strategy.

Members were reminded that on 6th July 2010, the Secretary of State for Communities and Local Government had announced that Regional Strategies would be revoked with immediate effect. The revocation statement had been accompanied by new national planning guidance which clarified the status of adopted Local Development Documents. The guidance strongly advocated that planning authorities should continue to prepare and bring forward appropriate development plan documents (DPDs) and confirmed that adopted DPDs would continue to provide the statutory planning framework. In that respect, Members noted that the adopted Huntingdonshire Core Strategy would remain as the Council's primary

planning policy document.

Whilst the guidance stressed that local councils were best placed to assess the needs of Gypsies and Travellers and having referred to a recent consultation exercise forming part of the Strategic Housing Land Availability Assessment (SHLAA), Members noted that no decision would be made on the possible location of any potential future sites until further clarification had been received from the Government regarding the applicable legislative framework.

In discussing the implications for the County, Executive Councillors were advised of the work undertaken by the Cambridgeshire Authorities to review the current strategic policy position. Having considered the contents of a joint statement which sets out the authorities current position and the effects of the recession on the delivery of key development sites, the Cabinet

RESOLVED

- (a) that the Government's revocation of the Regional Spatial Strategy, its intention with regard to the revision of policy and its clear guidance regarding the need for Local Planning authorities to continue to prepare appropriate Development Plan Documents be noted.
- (b) that the retention of the adopted Huntingdonshire Core Strategy 2009 as the Council's primary planning policy document, in accordance with Government's guidance, be noted; and
- (c) that the joint statement made by the Cambridgeshire authorities with regard to the interim planning policy position for the Cambridge Sub-Region be endorsed.

38. FORMAT OF THE COUNCIL'S EXECUTIVE - THE CHOICE OF EXECUTIVE LEADER OR ELECTED MAYOR

The Cabinet considered a report by the Head of Democratic and Central Services (a copy of which is appended in the Minute Book) concerning the choice of executive arrangements for the District Council.

By way of background, Members were advised that the Local Government and Public Involvement in Health Act 2007 had introduced significant changes to the Leader and Cabinet system and had narrowed the choice of executive arrangements open to local authorities to -

- ◆ an elected Mayor and Cabinet appointed by him; or
- ◆ an Executive Leader appointed by the Council from its membership and a Cabinet appointed by that Leader.

Having been advised of the outcome of a consultation exercise on the choice of Leader or Mayor, which indicated a clear preference for an Executive Leader and in noting the views of the Democratic Structure Working Party on the matter, the Cabinet

RECOMMEND

that Council approves the proposals for a change in governance arrangements to an Executive Leader and Cabinet Executive, as set out in Appendix B of the report now submitted and in accordance with the Local Government and Public Involvement in Health Act 2007.

39. SINGLE EQUALITY SCHEME

By way of a report by the Head of People, Performance and Partnerships (a copy of which is appended in the Minute Book) the Cabinet were updated on progress made to date on the delivery of actions and targets set out in the Corporate Equality Policy Action Plan.

Having considered the information contained in the report, the content of a Single Equality Scheme, which combines the Council's equality scheme and policy and statutory schemes into one document and streamlines performance monitoring, and the views of the Overview and Scrutiny Panel (Social Well-Being) on the matter, the Cabinet

RESOLVED

- (a) that the progress made with the Corporate Equality Action Plan be noted;
- (b) that the Single Equality Scheme and action plan as set out in the appendix to the report now submitted be approved; and
- (c) that the findings from the Equality Impact Assessments conducted in 2009/2010 summarised in appendix G be noted.

40. DEMOCRATIC STRUCTURE WORKING GROUP

A report by the Structure Review Working Group was submitted (a copy of which is appended in the Minute Book) summarising the findings of a review by the Group on the membership of the Employment Panel and a proposal to introduce the title of Honorary Aldermen and Alderwomen to past members of the Council and Honorary Freemen and Freewomen to local citizens.

In considering the Group's conclusions, Executive Councillors noted that the present arrangements for the Employment Panel and ELAG were cumbersome and offered reduced opportunity for constructive dialogue and concurred with the Group that they would benefit from a change in scheduling to introduce a period of 4 weeks between the meetings.

With regard to the introduction of honorary titles, the Cabinet were reminded that there was no formal recognition of the contribution that recipients have played in public service in Huntingdonshire. Having recognised the benefits of such awards, Executive Councillors saw no reason why they should not be introduced. Whereupon, it was

RESOLVED

that the contents of the report be noted and the recommendations of the Democratic Structure Review Working Group endorsed for submission to the Corporate Governance Panel.

Chairman

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PERFORMANCE MANAGEMENT (Report by the Overview and Scrutiny Panels)

1. INTRODUCTION

- 1.1 The Overview and Scrutiny Panels for Social Well-Being, Economic Well-Being and Environmental Well-Being met on 7th, 9th and 14th September 2010 respectively to consider a report by the Head of People, Performance and Partnerships on the Council's performance against its priority objectives. This report sets out the Panels' views on the performance levels achieved.

2. COMMENTS

- 2.1 The Overview and Scrutiny Panels have endorsed the comments of the Corporate Plan Working Group which are reflected in the following paragraphs.

Social Well-Being

- 2.2 The Social Well-Being Panel's attention has been drawn to the "number of admissions/participants in activities provided or promoted by the Council" at its Leisure Centres, which has not achieved the first quarter target. Whilst the report indicates that this is not an area requiring particular attention, Members have received clarification that no specific activities have been identified which give rise to any concern. Instead, the figure reported is attributable to the impact of the current recession and an increase in the target figure by 9%. Nevertheless some concern has been expressed by Members at the failure to achieve the quarterly target in light of the fact that significant capital investment has been made at each of the Leisure Centres.
- 2.3 In response to questions raised by the Corporate Plan Working Group, confirmation has been received that exercise classes for older people have not been relocated away from the St Ivo facility.
- 2.4 While welcoming the success of the launch of the One Leisure card campaign in attracting 90,000 card holders, Members queried why only 32,600 were regarded as "live" users. Members questioned the meaning of this term and whether any targeted marketing will be undertaken in the future. In response, Officers have confirmed that "live" users refer to the number of people with cards used at any of the Centres over the previous 6 months and that a recent e-mail data capture exercise will assist with future targeted marketing campaigns.
- 2.5 With regard to the retrospective loss of LPSA reward funding for projects undertaken by the Environmental and Community Health Services Division, it has been noted that alternative funding sources have been sought through the submission of a bid to the Lottery Fund.
- 2.6 Members have drawn attention to the fact that the target for the key measure relating to the "number of households living in temporary accommodation"

has not been achieved. The answer provided is that this is largely attributable to the impact of the ongoing recession.

- 2.7 Some concern has been expressed by Members of the Corporate Plan Working Group at the potential withdrawal of rent deposit loans and bonds and the likelihood of this increasing the number of homelessness cases and demand for temporary accommodation. Members have questioned whether there is any scope to use these methods to reduce the level of homelessness currently being experienced. Discussion then ensued on the number of empty homes within the District, for example at RAF Upwood, and Members have queried whether anything is being done by the Council to utilise these vacant homes as another source of accommodation. Whilst it is acknowledged that some of the vacant properties are privately owned, Members have questioned whether agreements could be reached for the use of such properties.
- 2.8 The Panel has received clarification from the Head of Planning Services of the definition of “alternative types of affordable housing provision”. Members have noted that this encompasses “The Community Right to Build”, a potential future Government initiative which has yet to come into force. Under such legislation, community organisations and other local interest groups will be able to deliver new local homes and facilities for their areas without the need to apply to the Council for planning permission.

Economic Well-Being

- 2.9 The Economic Well-Being Panel’s attention has been drawn to the key measure relating to “internal promotions as a percentage of all vacancies filled”. As a result of a question raised by the Corporate Plan Working Group, the Panel has been advised that eight fixed term posts have advertised over the reporting period.
- 2.9 The Panel has also endorsed the view of the Corporate Plan Working Group that the amber indicator recorded for the key measure relating to the “percentage of new employees still in post after 12 months” should in fact be regarded as a green as there was only a minimal difference of 3.3% between the target and actual figure and some of the employees who left would have been on fixed term contracts.
- 2.10 With regard to the Leisure Centres, Members have noted that profit margins on bars and catering are reported as being above or on target. They have been advised that, although there had previously been a fall in hospitality income of £65,000 as a result of the closure of the St Neots bars and catering operation, it has been possible to accrue savings on staff costs, in addition to reduced opening hours, better supplier prices and less wastage. This has enabled profit margins to remain on target.
- 2.10 The Economic Well-Being Panel has received clarification from the Head of People, Performance and Partnerships of the current position with regard to the submission of proposals to form a Local Enterprise Partnership, the outcome of which is expected to be known at the end of September.
- 2.11 The Panel has discussed the deliberations of the Corporate Plan Working Group on the Council’s use of external consultants. The Working Group has reiterated its intention to undertake further work on this subject with a view to satisfying themselves that the use of consultants is subject to appropriate

controls, management and justification. Having noted that expenditure on consultants had amounted to £1.8 million in the previous year and was likely to increase in the current year, that in order to contribute towards the savings that the Council needs to identify, the Economic Well-Being Panel recommend the Cabinet to reduce the amount that the Council spends on employing external consultants by £1.5m in the current financial year.

Environmental Well-Being

- 2.12 The Environmental Well-Being Panel has requested clarification as to the definition of 'Songbird funding' which has reportedly been downgraded which will result in broadband projects to complement BT roll-out needing to be reassessed.
- 2.13 In response to questions raised by the Corporate Plan Working Group, the Head of Planning Services has informed the Panel that because of the complex nature of the retail and development aspects of certain forthcoming planning applications, it will be necessary, in order to determine these applications and suitably protect community interests, to retain both specialist retail and legal advice. While the costs of retaining that advice will be partially off-set by the planning fee income received, it is likely that some additional costs will be incurred by the Council. However the significant, wider benefits of delivering an enhanced retail offer within Huntingdon and facilitating the long-sought after redevelopment of parts of the town centre are considered to justify any additional cost involved.
- 2.14 With regard to the failure to meet the target for the number of energy efficiency and renewable energy measures carried out as a result of District Council schemes and promotions, the Head of Environmental Management has explained that this was due to an unavoidable delay in appointing contractors for the Cosy Homes Insulation Scheme.

3. THE CORPORATE PLAN WORKING GROUP

- 3.1 Prior to the meetings of the Overview and Scrutiny Panels, the Corporate Plan Working Group met to discuss various outstanding and current scrutiny matters. These included receiving an update on the Overview and Scrutiny Panels' recommendation in respect of the Council's expenditure on consultants and the Council's future budget planning and performance management process. With regard to the former, Members have requested an update to be made available to Members at the next scheduled meeting of the Panel Chairmen and Vice-Chairmen in September.
- 3.2 Bearing in mind recent developments concerning the Council's Redundancy Policy and its implications for the Council's strategic and future development, the Working Group has stressed the need for a clear vision of the Council's service to be developed in advance of any proposed re-organisation. Members urge the Cabinet to bear this in mind when taking decisions on these matters and accordingly suggest that the Cabinet invite contributions from opposition groups, Members, employees and the public in the search for the necessary financial savings. A review of the Council's Corporate Plan involving the Overview and Scrutiny Panels will assist in developing a clearer vision of the future of Council services and assist in setting future employment levels.

- 3.3 In respect of the proposals for the Council's performance management process, the Working Group has suggested that in the context of the recent Government decision to abolish the Comprehensive Area Assessment, the Cabinet should review all internal and external performance indicators to ensure that they are appropriate to the service delivered by or in partnership with the Council and that they remain important to residents and businesses of Huntingdonshire. Members have concurred with a suggestion that the Working Group should be involved as part of the review process.

4. CONCLUSION

- 4.1 **All three Overview and Scrutiny Panels have expressed satisfaction with the performance levels that the Council has achieved. The Cabinet is invited**

- (a) **to consider the Panels' comments as part of its deliberations on the report by the Head of People, Performance and Partnerships;**
- (b) **to reduce the amount that the Council spends on employing external consultants by £1.5m in the current financial year;**
- (c) **to seek contributions from opposition groups, all Members, employees and the public in the search for the necessary financial savings;**
- (d) **to fully take into account the views expressed as a result of recommendation (c) above and review the Council's priorities, aims and objectives in the Corporate Plan with the Overview and Scrutiny Panels being involved in the review process;**
- (e) **to develop a clear vision of what services should be retained, delivered differently or withdrawn as a result of recommendation (d) above and use this as a guide in the application of the Council's Redundancy Policy; and**
- (f) **to review all internal and external performance indicators to ensure that they remain appropriate to services delivered by or in partnership with the Council and to involve the Corporate Plan Working Group in the review process.**

BACKGROUND INFORMATION

Corporate Plan Working Group Notes of the meeting held on 26th August 2010.

Minutes and Reports of the meetings of the Overview and Scrutiny Panel (Social Well-Being) on 7th September 2010, Overview and Scrutiny Panel (Economic Well-Being) on 9th September 2010 and the Overview and Scrutiny Panel (Environmental Well-Being) on 14th September 2010.

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

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

**Mrs J Walker, Trainee Democratic Services Officer
(01480) 387049**

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CABINET

21 OCTOBER 2010

**CAPITAL PROGRAMME MONITORING
2010/11 BUDGET
(Report by the Head of Financial Services)**

1. PURPOSE

1.1 This report highlights the variations from the 2010/11 Capital Programme approved in February 2010 including any member or officer decisions already taken in accordance with the Code of Financial Management.

2. MONITORING OF THE 2010/11 CAPITAL PROGRAMME

2.1 The Budget approved in February 2010 of £9.81m assumed schemes brought forward of £0.7m and a similar sum carried forward to 2010/11. The actual sum brought forward was £2.706m. The latest forecast is summarised below:-

Capital Programme	2010/11 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Approved Total Budget (February 2010)	17,629	7,819	9,810
Add brought forward from 2009/10	3,615	909	2,706
	21,244	8,728	12,516
Variations			
Cost (Annex A)	-2,058	-1,318	-740
Timing Changes (Annex B)	-4,823	-348	-4,475
Capital from Revenue (Annex A)	89	-184	273
Current Forecast	14,452	6,878	7,574

- 2.2 The revenue impact of the variations to the approved budget is to reduce the net revenue expenditure by £439k in 2010/11, with further decreases in the following years, as shown below.

Revenue Impact	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015
	£000	£000	£000	£000	£000
Timing Changes 2009/10 to 2010/11	-146				
Cost Variations	-3	-46	-59	-68	-70
Timing Changes 2010/11 to 2011/12	-18	-252			
Revenue/Capital Transfers	-272	17	22	25	26
TOTAL FORECAST VARIATION	-439	-281	-37	-43	-44

N.B. Based on an assumed average asset life of 15 years and forecast interest rates

3. CONCLUSION

- 3.1 There is a substantial amount of slippage estimated to be £4,475k net expenditure. The main item is the redevelopment at One Leisure St Ives (£2,500k) which has a consequential loss of revenue income.
- 3.2 The forecast cost variations includes reduced income: the expected contributions towards the Heart of Oxmoor project from Cambridgeshire County Council and Huntingdon Regional Council are not now expected in this financial year (£294k). There has been no interest from purchasers buying three mobile home units and therefore the sale income of £168k is unlikely; they are being rented at an annual income of £10k.

4. RECOMMENDATIONS

- 4.1 It is **RECOMMENDED** that Cabinet note the contents of this report.

BACKGROUND PAPERS

Capital programme and monitoring working papers.
Previous Cabinet reports on capital expenditure.

Contact Officer – Steve Couper ☎ 01480 388103

ANNEX A

Expected Cost Variations	2010/11 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
COST VARIATIONS			
Air Quality Monitoring Equipment	7	7	0
Alconbury / Alconbury Weston Flood Works	428	428	0
Wheeled Bins for Recycling	11	0	11
Mobile Home Park	0	-168	168
Sustainable Homes	75	75	0
Housing Private Sector Grants	-30	0	-30
Disabled Facilities Grants	-48	-48	0
Decent Homes Grant	-88	-24	-64
Crime and Disorder Lighting	-50	0	-50
Ramsey Library Development	0	-120	120
St Neots Green Corridor	130	130	0
One Leisure – St Ives – Outdoor Energy Generation	-127	0	-127
Play Equipment & Safety Surface Renewal	45	45	0
Headquarters	90	0	90
Replacement Printing Equipment	-106	0	-106
Multi-Functional Devices	-18	0	-18
Business Systems	-50	0	-50
ICT for New Accommodation	-31	0	-31
Government Connect	104	0	104
ICT Replacement	-175	0	-175
Vehicles and Plant	-35	0	-35
Heart of Oxmoor	0	-294	294
Creative Enterprise Centre St Neots	10	0	10
Huntingdon West Development	-1,400	-1,409	9
Huntingdon Bus Station	-860	0	-860
Perry Cycleway	60	60	0
	-2,058	-1,318	-740
CAPITAL/REVENUE VARIATIONS			
Wheeled Bins for Recycling	-13	0	-13
St Neots Green Corridor	102	0	102
Headquarters	0	-184	184
	89	-184	273
	-1,969	-1,502	-467

New item this time
No change from previous report
Adjusted value this time

ANNEX B

Timing Changes to 2011/12 and beyond	2010/11 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Building Efficiency Improvements (Salix Grant)	16	-29	45
Public Conveniences	-150	-150	0
Community Information Project	-11	0	-11
One Leisure – St Ives - Redevelopment	-2,500	0	-2,500
One Leisure – St Neots - Development	-60	0	-60
One Leisure – Ramsey – Fitness Equipment	-190	0	-190
One Leisure – CCTV Improvements	-10	0	-10
Play Equipment & Safety Surface Renewal	-39	0	-39
Replacement Printing Equipment	-70	0	-70
Multi-Functional Devices	-8	0	-8
Replacement Document Centre Equipment	-28	0	-28
Replacement Scanning Equipment – Customer Services	-33	0	-33
Working Smarter	-40	0	-40
Wireless Working (Benefits and Revenues)	-24	0	-24
Server Virtualisation and Network Storage	-27	0	-27
Town Centre Developments	-16	0	-16
Industrial Estate Repairs	-16	0	-16
Huntingdon Marina Improvements	-62	0	-62
Huntingdon Town Centre Development	13	0	13
Heart of Oxmoor	0	-169	169
St Neots Cambridge Road Car Park	-80	0	-80
Safe Cycle Routes	-194	0	-194
Ramsey Transport Strategy	-35	0	-35
Railway Stations Improvements	-26	0	-26
VAT Partial Exemption	-33	0	-33
Assumed additional deferment to later years	-1,200	0	-1,200
	-4,823	-348	-4,475

New item this time
No change from previous report
Adjusted value this time

FINANCIAL MONITORING – REVENUE BUDGET 2010/11 (Report by the Head of Financial Services)

1. Position as at July 2010

- 1.1 Cabinet received a report on 22 July 2010 which gave a first forecast of the revenue outturn based on the information then available. The forecast was £24,898k, £50k more than the approved budget. This included savings of £46k but increased expenditure brought forward from 2009/10 of £96k

2. Latest Position

- 2.1 The position has subsequently improved and it is now forecast that the outturn will be £23.9M, or £966k below the approved budget. Although this potentially reduces the contribution from the general reserve, £3.7M will still be required and this forecast will be taken into account in the draft budget report.

- 2.2 The variations are summarised in Annex A and the latest significant changes are:

- **Transfer of spending from revenue to capital (-£295k)**
Part of the accumulated repair and renewal funds can be returned to revenue as certain elements can be treated as capital expenditure. This relates to work at Pathfinder House and Paxton Pits
- **Interest and borrowing costs (-£161)**
It is forecast that interest will be £100k above budget and there will be a saving on borrowing costs of £61k
- **Saving from holding vacancies (-£193k)**
In the budget there was a provision of £155k for turnover allowance. This has been exceeded by £193k by managers holding vacancies to help achieve the future savings targets.
- **Income (-£99k)**
There is expected to be an overall increase in income from licence fees, recycling credits and grant for benefits subsidy, but this is partly offset by reduced glass recycling income.
- **Impact of Government Changes (£407k)**
In the report to Cabinet in July 2010, it was known that the Government would not be giving LABGI and planning and housing delivery grants so a provision for additional grants of £255k would not be achieved. In addition the area based grant has been cut (£18k), land charges income will reduce due to

changes in the regulations (£34k) and there will be a loss of LPSA grant relating to the Local Strategic Partnership, forecast to be £100k.

- **Slippage (-£315k)**

The forecast outturn assumes that £370k of expenditure will be deferred into 2010/11. £315k has already been identified – the A14 enquiry, local development framework and housing benefit salaries funded from extra grant

- **Other variations**

There is a significant value of other minor underspendings included in Annex A

2.4 There are some areas of spending where there is some uncertainty about the forecast outturn and therefore no adjustment has been made yet. In July 2010 it was forecast that there would be a saving of £70k on concessionary fares, it is now forecast that there will be no saving. However new figures from the County now indicate that there *may* be an underspend of £100k.

3. Amounts collected and debts written off

3.1 The position as at 30 September 2010 is shown in Annex B.

4 Recommendation

It is recommended that Cabinet note the report.

ACCESS TO INFORMATION ACT 1985

Source Documents:

1. Cabinet and Council Reports
2. Budgetary control files.

Contact Officers: Eleanor Smith, Accountancy Manager (01480 388157)
Steve Couper, Head of Financial Services (01480 388103)

Annex A

		Original budget £000	Cabinet Jul-10 £000	Cabinet Oct-10 £000
Approved budget		24,848	24,848	24,848
Delayed spending from 2009/10		274	370	370
Government changes	Non-achievement of £255k contingency for unbudgeted government grants		255	255
	LPSA			100
	Area based grant			18
	Land charges income			34
Savings	Reduced pay award		-151	-157
	Arts development savings			-39
	Planning enforcement - staff savings			-38
	Review of the Internal Audit Service			-24
	Delay in transfer of public conveniences		27	25
Supplementary estimate	NNDR		20	20
Income	Licence income			-35
	Recycling credits			-22
	Glass recycling income			34
	Recovery of election costs from CCC			-25
	Housing benefits and council tax subsidy			-56
	Delay in introducing car park charges at St Neots Riverside		48	55
	Increased car parking income in St Ives due to delay of guided bus		-40	-50
Other	Recycling gate fees		-192	-192
	Costs of planning appeals		100	50
	Internal drainage levy			15
	Customer Services Centre relief cover			-21
	Variations in staff costs			-67
	Offices - refund of NNDR			-34
	Vehicle maintenance			-30
	Telephone tariff change			-22
	IMD - Working Smarter			-21
	St Neots Sustainable Urban Extension			-20
	Operations Division overtime			30
	Huntingdon town centre - retail strategy support			-30
	Concessionary fares		-70	0
	Other			-120
Technical	Interest			-100
	Minimum revenue provision		-43	-61
	Transfer of revenue spending to capital			-295
	Turnover allowance holding vacancies			-193
	Increase in provision for doubtful debts			50
Total variations			-46	-966
Delayed spending to 2011/12		-274	-274	-370
Total		24,848	24,898	23,882

	Original budget £000	Cabinet Jul-10 £000	Cabinet Oct-10 £000
Financed by:			
Government support	-12,940	-12,940	-12,940
Collection fund adjustment	35	35	35
Council tax	-7,273	-7,273	-7,273
Reserves			
Use of delayed projects reserve	-274	-370	-370
Contribution to delayed projects reserve	274	274	370
General reserves	-4,670	-4,624	-3,704
Total reserves	-4,670	-4,720	-3,704
Total	-24,848	-24,898	-23,882

CONTINGENCIES INCLUDED IN THE BUDGET				
	Budget £000	Estimated outturn £000	Variation £000	
Turnover	-155	-302	-147	Managers are holding more vacancies
Government grants	-255	0	255	The Government will not be allocating LABGI and housing and planning delivery grant
Transfer of revenue to capital including employees	-100	-100	0	
Other	26	26	0	
	-484	-422	62	

Slippage		£000
A14 enquiry		-197
Local development framework		-100
Housing benefits staff costs funded from grant		-18
Schemes identified		-315
Deferred schemes to be identified		-55
Provision for schemes deferred to 2011/12		-370

AMOUNTS COLLECTED AND DEBTS WRITTEN OFF

Collected

The total amount of payments received, less customer refunds and transfers to other debts:

	April to June 2010	July to Sept 2010	Total
	£000	£000	£000
Type of Debt			
Council Tax	23,510	23,227	46,737
NNDR	18,595	15,272	33,867
Sundry Debtors	3,327	1,766	5,093
Excess Charges	48	49	97

Amounts written off

Whilst the amounts have been written-off in this financial year, much of the original debt would have been raised in previous financial years.

	Up to £5k			Over £5k			TOTAL
	April to June 2010	July to Sept 2010	Total	April to June 2010	July to Sept 2010	Total	Total
	£000	£000	£000	£000	£000	£000	£000
Type of Debt							
Council Tax	41.0	73.2	114.2	0.0	0.0	0	114.2
NNDR	21.3	25.9	47.2	37.1	18.9	56.0	103.2
Sundry Debtors	19.9	21.8	41.7	0.0	0.0	0.0	41.7
Excess Charges	7.6	2.8	10.4	0.0	0.0	0.0	10.4

Authority to write off debts

The Head of Customer Services is authorised to write-off debts of up to £5,000, or more after consultation with the Executive Councillor for Finance, if she is satisfied that the debts are irrecoverable or cannot be recovered without incurring disproportionate costs. The Head of Financial Services deputises in her absence.

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