

A meeting of **HUNTINGDONSHIRE DISTRICT COUNCIL** will be held in the **CIVIC SUITE, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN** on **WEDNESDAY, 26 FEBRUARY 2014** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

A G E N D A

	Time Allocation
PRAYER	2 minutes
The Bishop of Ely, the Right Reverend Stephen Conway will open the meeting with prayer.	
APOLOGIES	2 minutes
CHAIRMAN'S ANNOUNCEMENTS	10 minutes
1. MINUTES (Pages 1 - 10)	2 minutes
To approve as a correct record the Minutes of the meeting held on 18 December 2013.	
2. MEMBERS' INTERESTS	3 minutes
To receive from Members declarations as to disclosable pecuniary, non-disclosable pecuniary or non pecuniary interests in relation to any Agenda Item. See Notes below.	
3. MEDIUM TERM PLAN, BUDGET AND ASSOCIATED MATTERS (Pages 11 - 104)	60 minutes
To consider the Cabinet's recommendations on the Medium Term Plan for 2015 - 2019, the 2014/15 budget, related Prudential Indicators and the Treasury Management Strategy (see also the Report of the Cabinet held on 13th February 2014) and in accordance with Section 30 (2) of the Local Government Finance Act 1992, to approve resolutions as to the levels of Council Tax in 2014/15 for the various parts of Huntingdonshire District. A report by the Assistant Director (Finance and Resources) is enclosed (the tables and formal resolution referred to in Appendix D will follow).	
In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, the Council will be asked to resolve that a recorded vote be taken on the conclusion of debate on this item.	
4. PAY POLICY STATEMENT (Pages 105 - 106)	5 minutes
In compliance with the requirements of Section 38 of the Localism Act 2011, the Executive Leader, Councillor J D Ablewhite to present the Pay Policy Statement for 2014/15 to the Council for approval.	

5. PARISH REVIEW - BUCKDEN AND DIDDINGTON (Pages 107 - 110) **5 minutes**

The Executive Councillor for Strategic Economic Development and Legal, Councillor T D Sanderson to present a report by the Head of Legal and Democratic Services which proposes a grouping of the parishes of Buckden and Diddington.

6. GREEN PAPER ITEM - LOCAL PLAN UPDATE **10 minutes**

Councillor N J Guyatt to update the Council on the current position on the new Local Plan.

7. REPORTS OF THE CABINET, PANELS AND COMMITTEES **20 minutes**

(a) Cabinet (Pages 111 - 116)

(b) Overview & Scrutiny Panel (Economic Well-Being) (Pages 117 - 120)

(c) Overview & Scrutiny Panel (Environmental Well-Being) (Pages 121 - 124)

(d) Overview & Scrutiny Panel (Social Well-Being) (Pages 125 - 130)

(e) Development Management Panel (Pages 131 - 132)

(f) Employment Panel (Pages 133 - 136)

(g) Licensing and Protection Panel (Pages 137 - 138)

(h) Corporate Governance Panel (Pages 139 - 142)

8. ORAL QUESTIONS **30 minutes**

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

9. VARIATION TO THE MEMBERSHIP OF COMMITTEES AND PANELS, ETC

Group Leaders to report, if necessary.

Dated this 18 day of February 2014



Head of Paid Service

Notes

1. Disclosable Pecuniary Interests

- (1) *Members are required to declare any disclosable pecuniary interests and unless you have obtained dispensation, cannot discuss or vote on the matter at the meeting and must also leave the room whilst the matter is being debated or voted on.*
- (2) *A Member has a disclosable pecuniary interest if it -*
 - (a) *relates to you, or*
 - (b) *is an interest of -*
 - (i) *your spouse or civil partner; or*
 - (ii) *a person with whom you are living as husband and wife; or*
 - (iii) *a person with whom you are living as if you were civil partners*

and you are aware that the other person has the interest.
- (3) *Disclosable pecuniary interests includes -*
 - (a) *any employment or profession carried out for profit or gain;*
 - (b) *any financial benefit received by the Member in respect of expenses incurred carrying out his or her duties as a Member (except from the Council);*
 - (c) *any current contracts with the Council;*
 - (d) *any beneficial interest in land/property within the Council's area;*
 - (e) *any licence for a month or longer to occupy land in the Council's area;*
 - (f) *any tenancy where the Council is landlord and the Member (or person in (2)(b) above) has a beneficial interest; or*
 - (g) *a beneficial interest (above the specified level) in the shares of any body which has a place of business or land in the Council's area.*

Other Interests

- (4) *If a Member has a non-disclosable pecuniary interest or a non-pecuniary interest then you are required to declare that interest, but may remain to discuss and vote.*
- (5) *A Member has a non-disclosable pecuniary interest or a non-pecuniary interest where -*
 - (a) *a decision in relation to the business being considered might reasonably be regarded as affecting the well-being or financial standing of you or a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the council tax payers, rate payers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area, or*
 - (b) *it relates to or is likely to affect any of the descriptions referred to above, but in respect of a member of your family (other than specified in (2)(b) above) or a person with whom you have a close association*

and that interest is not a disclosable pecuniary interest.

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Agenda Item 1

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the COUNCIL held in the Civic Suite, Pathfinder House, St Mary's Street, Huntingdon PE29 3TN on Wednesday, 18 December 2013.

PRESENT: Councillor Mrs B E Boddington – Chairman.

Councillors J D Ablewhite, M G Baker,
K M Baker, Mrs M Banerjee, G J Bull,
E R Butler, R C Carter, S Cawley,
B S Chapman, K J Churchill, S J Criswell,
I J Curtis, J W Davies, D B Dew, R S Farrer,
R Fuller, D A Giles, J A Gray, S Greenall,
N J Guyatt, A Hansard, G J Harlock,
R Harrison, Mrs P A Jordan, Ms L Kadic,
S M Van De Kerkhove, Mrs P J Longford,
A J Mackender-Lawrence, P G Mitchell,
J P Morris, J W G Pethard, P D Reeve,
T D Sanderson, M F Shellens, R G Tuplin,
D M Tysoe and R J West.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors S Akthar, I C Bates, P L E Bucknell, Mrs L A Duffy, R B Howe, C R Hyams, P Kadewere, M C Oliver, T V Rogers, P K Ursell and A H Williams.

53. PRAYER

The Reverend A Milton, Team Rector of Huntingdon opened the meeting with prayer.

54. CHAIRMAN'S ANNOUNCEMENTS

(a) Christmas Events

Having informed the Council of all the Christmas events that she had attended in her capacity as Chairman, Councillor Mrs Boddington thanked all those who had contributed to the success of the Civic Carol Service held at All Saints Church in Huntingdon on 3rd December and for the contributions that had been made to her charities that evening.

(b) Presentations

In describing a number of presentations, the Chairman drew particular attention to two St John's Award ceremonies when Colonel D Bristow, the Lord Lieutenant's representative had presented a new award created under the Order of St John in recognition of individuals who had donated organs to those in poor health. The Chairman also was pleased to report that she had presented National Lottery Funding of £145,000 from the Sports England Community Sport Activation Fund to the Sport and Active Lifestyles Team to enable the Team to encourage wider participation in sport.

55. MINUTES

The Minutes of the meeting of the Council held on 9th December 2013 were approved as a correct record and signed by the Chairman.

56. MEMBERS' INTERESTS

Councillors R Fuller, N J Guyatt and M F Shellens declared a non-pecuniary interest in Minute No. 60(a) by virtue of their appointment as District Council representatives on Luminus Homes.

Councillor Mrs M Banerjee declared a non-pecuniary interest in Minute No. 60(a) by virtue of her appointment as a Board Member at Luminus Homes.

57. BUDGET UPDATE

By reference to a report by the Assistant Director (Finance and Resources) (a copy of which is appended in the Minute Book) and the Report of the meeting of the Cabinet held on 12th December 2013, Councillor J A Gray, Executive Councillor for Resources updated the Council on preparation of the draft budget 2014/15 and Medium Term Plan 2015/19.

The Executive Councillor prefaced his statement by stating that he would normally be in a position to discuss, with more certainty, the Council's draft budget for the new financial year. That he was not able to do so was due to the impact of the Government's Autumn Statement, presented on 5th December, which had varied significantly the level of savings required to be made by the Council by 2018/19. Although better news for local authorities, the Executive Councillor advised that the Council now would be required to achieve savings of £3.6m by 2018/19 which still was a considerable challenge.

Notwithstanding, the Executive Councillor urged the Council to treat the Chancellors' announcements with caution given the likelihood of further reductions in local government funding and the uncertainty around business rate relief and rules relating to Council Tax increases.

In this climate, the Executive Councillor was of the view that the Council had no alternative but to continue with the 'Facing the Future' exercise which he hoped, on its conclusion, would identify ways of achieving further savings to meet current and future spending pressures. The outcome of the Pay Review, expected in January 2014 would also clarify other costs.

Referring to a question raised by the Overview & Scrutiny Panel (Economic Well Being) in respect of contingency provision made within the MTP for redevelopment of RAF Wyton, the Executive Councillor confirmed that this Scheme was required to commence in 2014/15.

In conclusion, the Executive Councillor thanked the Chairmen and Members of the Overview & Scrutiny Panels for their contribution to

this exercise and the Democratic Services Team for their support.

A period of questions to the Executive Councillor followed. In response to a question from Councillor S M Van De Kerkhove regarding the pay review, Councillor Gray remarked that he was unable to advise how individual staff would be placed contractually if the outcome of the review was unfavourable and that it was inappropriate, in any event to predict the results which would emerge during January. In terms of the targeted revenue savings referred to in the Annex to the Report of the Cabinet, Councillor Gray suggested that these may/may not exceed expectations but were a starting point in identifying the overall savings required in the period.

On behalf of the Liberal Democrat Group, Councillor M F Shellens indicated his support for the approach and recommendations of the Cabinet as the basis for developing the final budget although he drew attention to unknown items such as the pay review that might significantly impact on the final outcome. Although concurring with Councillor Shellens that nationally the government deficit was improving, Councillor Gray was not confident that this improvement would extend to local government and was anxious that the Council should not find itself in a position where it relied on the New Homes Bonus. He hoped to achieve a balance whereby reliance by the Council on the NHB would reduce at the same time as the financial health of the organisation improved. Higher levels of reserves would also mitigate any reduction in NHB.

In response to questions from Councillor D A Giles, the Executive Councillor reaffirmed that it was not currently the Council's intention to raise car parking charges and that the potential to charge for the green bin collection could ultimately be one of the options considered by the Council on the conclusion of the 'Facing the Future' exercise. On the same theme, Councillor P D Reeve was of the view that whilst the Council had examined the potential for savings, it had not yet addressed the opportunity to generate revenue streams such as advertising on the website and vehicles/assets which have a public face and investing in hotels for those in need of bed and breakfast accommodation. In reply, the Executive Councillor reminded the questioner that the Overview & Scrutiny Panel (Economic Well Being) had considered the potential for income generation on a number of occasions and that this had subsequently been included in targeted savings (Bid No 1081). Regarding the next steps for the 'Facing the Future' exercise and in response to a question from Councillor M G Baker, the Executive Councillor advised that the suggested priority lists would be considered in the first instance by the Chairmen and Vice Chairmen of the Overview & Scrutiny Panels and categorised into those items which can be achieved quickly and simply, those that required further research and investigation and others which potentially could be politically sensitive and needed to be considered by the Cabinet informally before recommendations could be made to the Council. Having accepted Councillor Mrs M Banerjees' praise for the exercise, Councillor Gray admitted that it had also served to highlight areas of the Council's business which could be operated commercially to create an income.

Regarding the new multi storey car park in Huntingdon and in response to a question from Councillor R S Farrer, Councillor Gray

reaffirmed the Council's intention, in partnership with local businesses, to deliver a town centre where residents and visitors wished to spend their time. In support, the Executive Leader advised the Council that footfall in the District's towns had increased and that it was important to continue to work with private investors to create the right environment in the towns to encourage further visitors. He further contended that the Council would not have been able to attract private investment if the future success of the town centres was in any doubt.

Referring at this stage in the meeting to Item No 34 of the Report of the meeting of the Cabinet held on 12th December 2013 in relation to the Treasury Management Review of Performance, Councillor Gray thanked the Accountancy Manager and his team for their contribution to the performance of the Fund Managers and Councillor M F Shellens indicated his support for the level and direction of the activity undertaken in the first half of the year.

Whereupon, it was

RESOLVED

- (a) that the draft Budget and Medium Term Plan, appended to the report of the Assistant Director, Finance and Resources be approved as the basis for the redevelopment of the budget for 2014/15 and the revised Medium Term Plan 2015/2019; and
- (b) that the content of the report of the Assistant Director (Finance & Resources) on the outcome of the six months review of the performance of Treasury Management be noted.

58. POLLING DISTRICT AND PLACES REVIEW

Having regard to a Report by the Elections Working Group (a copy of which is appended in the Minute Book), the Chairman, Councillor N J Guyatt described the outcome of a review of polling districts and polling places required to be undertaken by the Working Group every four years in accordance with the Review of Polling Districts and Polling Places (Parliamentary Election) Regulations 2006. The aim of the review is to ensure that all electors have reasonable facilities for voting and that the polling places are accessible to all electors.

Specific attention was drawn to the comments received in response to consultation which had taken place for four weeks from October and to those locations where changes were proposed namely Diddington (due to the closure of the Village Hall), Ramsey (where the polling station was to be relocated from the Great Whyte to the library) and St Neots, Priory Park (where the polling District boundaries had been realigned) to enable residents at Chesterton Court to vote at the same place.

Having indicated that the Working Group would consider, given the extent of proposed development in St Ives, polling places in the town as a whole during the next review cycle and that it was for the Boundary Commission not the District Council to review the number

of Councillors representing each District Council ward, it was

RESOLVED

that the Schedule of Polling Districts and Polling Places 2013 as appended to the report now submitted be approved.

59. 'GREEN PAPER' ITEM - UPDATE ON THE LOCAL PLAN

The Executive Councillor for Planning & Housing Strategy, Councillor N J Guyatt updated the Council on progress of preparations for a new Local Plan to 2036. He opened his address by referring to the draft Cambridgeshire Long Term Transport Strategy and Action Plan which would be used as a mechanism to attract investment/make funding bids for major transport schemes in the County and Bedfordshire. This document was integral to the new Local Plan and would form part of the evidence base. He was hopeful that the Strategy would be finalised by March 2014.

Having been reminded of the main components of the Local Plan, the Council was advised of the stages that now had been completed and those key dates for the next parts of the process which ultimately should lead to adoption of a new Plan by Spring/Summer 2015.

In terms of approach, the Executive Councillor re emphasised how vital it was for the Council to identify site allocations for future development given recent experience in four Lincolnshire Districts where the Planning Inspector had deemed their plans to be unsound on the basis of their failure to identify adequate housing numbers.

The Executive Councillor closed by stating that the Council required a robust and up to date Local Plan and that he and the Planning Division would continue to work towards this end.

60. REPORTS OF THE CABINET, PANELS AND COMMITTEE

(a) Cabinet

Councillor J D Ablewhite, Executive Leader of the Council and Chairman of the Cabinet presented the Report of the meetings of the Cabinet held on 21st November and 12th December 2013.

.....

In connection with Item Nos 28 and 32 and in response to a question from Councillor K J Churchill, the Executive Leader assured Members that the Motion on Notice considered at the last meeting of the Council (Minute No 46 refers) had been dealt with correctly having regard to the knowledge of local ward Councillors in terms of availability of land in St Ives for any potential extra care facility and the Council's overall concern to address, without undue delay, the needs of the elderly and vulnerable in the town. The Executive Councillor also confirmed that those residents who might not qualify to return to the replacement facility at Langley Court would be allocated alternative accommodation in St Ives.

Accordingly, upon being put to the vote, the recommendation contained in Item No 28 was declared to be CARRIED.

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The Council received and noted the Annual Report of the Executive Leader containing details of each executive decision taken where the making of the decision was agreed as urgent and adequate notice had not been given as requested. The outcome of the Cabinet's deliberations on these items had been previously reported to Council.

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In connection with Item No. 33, it was noted that the recommendation had been considered previously under Minute No. 57.

.....

In connection with Item No. 34, it was noted that the recommendation had been considered previously under Minute No. 57.

.....

Whereupon, it was

RESOLVED

that, subject to the foregoing paragraphs, the Reports of the meetings of the Cabinet held on 21st November and 12th December 2013 be received and adopted.

(b) Overview and Scrutiny Panels - Social, Environmental and Economic Well-Being

On behalf of Panel Chairmen, Councillor S J Criswell presented the Report of the meetings of the Overview & Scrutiny Panels held on 5th, 7th, 12th, 14th, 19th, 20th & 28th November and 3rd & 4th December 2013.

.....

Councillor Criswell was of the view that the 'Facing the Future' exercise had been a valuable opportunity to consider ideas for potential savings and income generation. He thanked all Councillors who had attended the Panel meetings and indicated that he would be content to progress any further suggestions that Members might wish to contribute to the process. Councillor Criswell reminded the Council that copies of all templates had been made available to Members.

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Whereupon, it was

RESOLVED

that the Report of the meetings of the Overview and Scrutiny Panel held on 5th, 7th, 12th, 14th, 19th, 20th & 28th November and 3rd & 4th December 2013 be received and adopted.

(c) Overview and Scrutiny Panel (Economic Well-Being)

Councillor R Harrison presented the Report of the meeting of the Overview & Scrutiny Panel (Economic Well-Being) held on 5th December 2013.

.....

Whereupon, it was

RESOLVED

that the Report of the meeting of the Overview and Scrutiny Panel (Economic Well-Being) held on 5th December 2013 be received and adopted.

(d) Development Management Panel

Councillor D B Dew presented the Report of the meetings of the Development Management Panel held on 18th November and 9th December 2013.

.....

In connection with Item No 10 and in response to a question from Councillor P D Reeve as to the success of meetings Councillor Dew had held with the County Council, Councillor Dew advised that he had had a series of meetings with Officers involved in the CIL Regime but shortly would be meeting the Executive Councillor for Planning to seek to gain an understanding of the way in which the County Council responded to requests for observations on planning issues.

.....

Whereupon, it was

RESOLVED

that the Report of the meetings of the Development Management Panel held on 18th November and 9th December 2013 be received and adopted.

(e) Employment Panel

Councillor S Cawley presented the Report of the meeting of the Employment Panel held on 20th November 2013.

.....

In connection with Item No 13 and in response to a question from Councillor S Greenall, Councillor Cawley undertook to verify with the questioner the figures in relation to sickness absence referred to in the item.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Employment Panel held on 20th November 2013 be received and adopted.

(f) Standards Committee

Councillor A Hansard presented the Report of the meeting of the Standards Committee held on 5th December 2013.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Standards Committee held on 5th December 2013 be received and adopted.

(g) Corporate Governance Panel

Councillor E R Butler presented the Report of the meeting of the Corporate Governance Panel held on 27th November 2013.

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Upon being put to the vote, the recommendation contained in Item No 20 was declared to be CARRIED.

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Whereupon, it was

RESOLVED

that, subject to the foregoing paragraph, the Report of the meeting of the Corporate Governance Panel held on 27th November 2013 be received and adopted.

61. ORAL QUESTIONS

Given the extent of discussion under Minute No 57 ante, there were no further questions from Members.

62. VARIATION TO THE MEMBERSHIP OF COMMITTEES AND PANELS, ETC

There were no changes to report.

The meeting ended at 8.55pm.

Chairman

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HUNTINGDONSHIRE DISTRICT COUNCIL

Title:	Medium Term Plan, Budget and Associated Matters
Meeting/Date:	Council - 26 February 2014
Executive Portfolio:	Resources: Councillor J A Gray
Report by:	Assistant Director (Finance and Resources)
Wards affected:	All Wards

Executive Summary:

The Council is required to consider and approve:

- A Budget for 2014/15 and Medium Term Plan (MTP) for the period 2015 to 2019. (Appendix A as updated by Appendix B)
- The Treasury Management Strategy for 2014/15 (Appendix C)
- The formal resolution to determine the Council Tax for 2014/15 (Appendix D).

Recommendations:

- a) that the position on the 15% limit on Net Interest and Borrowing Costs be noted and the actions outlined in paragraph 8.6c of Appendix A to mitigate the impact, be endorsed.
- b) that there be no increase in Council Tax for 2014/15, i.e. the Band D charge will remain at £133.18;
- c) that, subject to appropriate adjustments to Appendix A to reflect the Council Tax Freeze Grant being added to the Grant base (as outlined in Appendix B), the proposed budget and Medium Term Plan be approved.
- d) that the 2014/15 Treasury Management Policy and Strategy (Appendix C) be approved.
- e) that the formal resolution on the Council Tax (Appendix D) be approved.

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1. PURPOSE

- 1.1 The purpose of this report is to allow Council to consider and decide upon the recommendations made by Cabinet in relation to the MTP, the 2014/15 budget and associated matters.
- 1.2 It also seeks Council's formal determination of the Council Tax for 2014/15.

2. BACKGROUND

- 2.1 On the 13th February the Cabinet discussed a report on the MTP and the 2014/15 budget (copy attached as Appendix A). The Cabinet took account of the comments from the Overview and Scrutiny Panel (Economic Well-Being) held on the 6th February and the consultation meeting with members of the local business community held on the 10th February 2014.
- 2.2 The Cabinet also considered an:
- Update Note (Appendix B), which confirmed that the Council Tax Freeze Grant will be permanently applied to the base rather than just for 2 years; and
 - The Council's Treasury Management Strategy for 2014/15, which is attached as Appendix C.
- 2.3 The recommendations of the Cabinet are included in the Report of the meeting elsewhere on this agenda.
- 2.4 The formal resolution for approving the Council Tax (Appendix D) will consist of two parts:
- Part One:** This will provide specific figures relating to this Council's income and expenditure.
- Part Two:** This will contain two tables. The first table will show the Council Tax that each council or authority is setting for 2014/15 for each property valuation band; the second table will aggregate these for each parish or town in the District so that the Council Tax can be identified.
- 2.5 These tables will be based on the assumption that the Council will support the proposals in the budget report for Huntingdonshire's Council Tax for 2014/15.
- 2.6 Some of the Precepts from the Major and Parish precepting authorities have not yet been received by the Council. Appendix D will therefore be circulated separately as soon as this information is available.

3. LEGAL IMPLICATIONS

- 3.1 The Council is required to set a balanced budget for 2014/15. Appendix A includes a report from the Assistant Director (Finance and Resources) confirming that he considers the budget is sufficiently robust and that there are adequate reserves.

LIST OF APPENDICES INCLUDED


- Appendix A – Cabinet report on the MTP and the 2014/15 budget.
Appendix B – Update Note in respect of Council Tax Freeze Grant.
Appendix C – Treasury Management Strategy 2014/15.
Appendix D – Formal Resolution for approving the 2014/15 Council Tax for Huntingdonshire District Council.

BACKGROUND PAPERS

Attached Appendices detail supporting background papers.

CONTACT OFFICER

Steve Couper, Assistant Director (Finance and Resources).

 01480 388103

**Public
Key Decision****HUNTINGDONSHIRE DISTRICT COUNCIL**

Title/Subject Matter:	Budget 2014/15 and Medium Term Plan 2015 to 2019
Meeting/Date:	Cabinet – 13 February 2014
Executive Portfolio:	Resources
Report by:	Assistant Director, Finance and Resources
Wards affected:	All

Executive Summary:

The purpose of this report is to allow the Cabinet to make its recommendations to Council on 26 February on the Council's Budget, Medium Term Plan and Council Tax level for 2014/15.

Although generally anticipated, this Council's Formula Grant fell by 24% for 2014/15.

The proposed top-slicing of New Homes Bonus did not take place, which significantly reduces the immediate pressure for savings.

The Government has offered a Council Tax Freeze Grant for 2014/15 of 1% for two years. The limit on Tax increases that would be permitted without a positive referendum result will not be announced until mid-February but it is rumoured that it will be less than 2%. The Minister has indicated that there will be no special arrangements for low taxing Districts like Huntingdonshire next year. In order to allow debate of all options the proposed budget is currently based on no Council Tax increase for 2014/15. Future Tax levels are based on 2% per year but allowance is made in the Risk Provision for a nil rise in 2015/16 in case the position mirrors what may emerge this year.

Savings continue to be successfully identified and delivered and this will result in forecast savings of £1.6M this year (£0.5M is as a result of projects being delayed until next year leaving a net benefit of £1.1M). This means that our reserves at the beginning of April will be £10M after using £0.6M from reserves to balance the budget.

Provision has been specifically made for the most significant or more certain risks.

A balance has been taken between progress on savings and the use of reserves in order to ensure that savings are properly targeted and effectively delivered to manage service impact. It also results in more comfortable reserve levels over the next few years when the greatest uncertainty on Government Funding levels is anticipated. Unidentified savings of £0.7M for 2015/16 rising to £2.1M in 18/19 are required and the Facing the Future exercise will form a base for identifying these.

The resulting Budget and MTP:

PROPOSED BUDGET/MTP	FORECAST	BUDGET	MTP			
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000	£000	£000
2013/14 BUDGET/MTP	22,764	22,198	22,755	23,046	24,227	25,141
Proposed variations	-1,638	-1,328	-2,366	-2,752	-3,364	-3,186
PROPOSED 2014/15	21,126	20,870	20,389	20,294	20,863	21,955
FUNDING						
Use of revenue reserves	-568	-1,005	-1,117	-437	-555	-776
Remaining revenue reserves EOY	10,032	9,027	7,910	7,473	6,918	6,142
New Homes Bonus	-2,905	-3,344	-4,013	-4,993	-5,628	-6,340
Council Tax Freeze Grant		-82	-82	0	0	0
Formula Grant (RSG)	-6,019	-4,562	-3,074	-2,400	-1,800	-1,500
Retained Business Rates	-4,052	-4,218	-4,245	-4,351	-4,460	-4,572
Collection Fund Deficit	-76	-21				
Council Tax	-7,506	-7,639	-7,858	-8,112	-8,420	-8,767
COUNCIL TAX LEVEL	£133.18	£133.18	£135.84	£138.56	£141.33	£144.16
% increase	3.63%	0.00%	2.00%	2.00%	2.00%	2.00%
£ increase	£4.67	£0.00	£2.66	£2.72	£2.77	£2.83
Unidentified Spending Adjustments still required						
Proposed MTP	0	0	-700	-1,300	-1,800	-2,100
Current MTP		-1,500	-1,856	-2,687	-2,637	-3,374

The Council's Chief Financial Officer considers that the budget for 2014/15, is sufficiently robust and that there are adequate reserves though he draws attention to:

- the need to make prompt progress with identifying the savings required for future years especially recognising the major and increasing reliance on New Homes Bonus which may be vulnerable to change.
- The importance of effective financial monitoring.

Recommendations:

That Cabinet recommend to February Council:

- Approval of the proposed Budget and MTP as shown in the Budget Tables in the Appendix to this report.
- Acceptance that the 15% limit on Net Interest and Borrowing Costs has been breached but that the actions described in Para. 8.6c be undertaken over the next year to mitigate the impact.
- A Council Tax level for 2014/15.

That Cabinet endorse, subject to Council approving the Budget,

- the additional approvals required for those MTP schemes highlighted in Appendix – Table 4.

1. PURPOSE

- 1.1 The purpose of this report is to allow the Cabinet to make its recommendations to Council on 26 February on the Council's Budget, Medium Term Plan and Council Tax level for 2014/15.

2. BACKGROUND

- 2.1 The budget/MTP approved in February 2013 was as shown below:

APPROVED 2013 BUDGET/MTP	BUDGET	MTP			
	2013/14	2014/15	2015/16	2016/17	2017/18
	£000	£000	£000	£000	£000
FORECAST	22,764	22,198	22,755	23,046	24,227
FUNDING					
Use of revenue reserves	-2,254	-2,084	-1,458	0	0
Remaining reserves EOY	8,542	6,458	5,000	5,000	5,000
New Homes Bonus	-2,905	-3,505	-4,489	-5,964	-6,832
Formula Grant (RSG)	-6,019	-4,600	-4,255	-3,936	-3,641
Retained Business Rates	-4,004	-4,127	-4,230	-4,336	-4,444
Collection Fund Deficit	-76				
Council Tax	-7,506	-7,882	-8,323	-8,810	-9,311
COUNCIL TAX LEVEL	£133.18	£137.85	£142.67	£147.67	£152.84
% increase	3.63%	3.51%	3.50%	3.50%	3.50%
£ increase	£4.67	£4.67	£4.82	£4.99	£5.17
Unidentified Spending Adjustments still required	0	-1,500	-1,856	-2,687	-2,637

- 2.2 In September a Forecast Report was presented to Council which took account of:

- the 2012/13 outturn
- reduced Formula Grant (RSG)
- a top slice of New Homes Bonus (NHB) to be transferred to the Local Enterprise Partnership (LEP)
- a list of targeted savings.

2.3 This gave the following position:

SEPTEMBER 2013 FORECAST	FORECAST	BUDGET	MTP			
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000	£000	£000
FORECAST	22,962	22,090	19,768	19,950	21,159	22,166
FUNDING						
Use of revenue reserves	-2,752	-2,386	-1,435			
Remaining reserves EOY	8,821	6,435	5,000	5,000	5,000	5,000
New Homes Bonus	-2,905	-3,505	-3,142	-4,175	-4,782	-5,182
Formula Grant (RSG)	-6,019	-4,500	-2,995	-2,995	-2,995	-2,995
Retained Business Rates	-3,704	-3,817	-3,913	-4,011	-4,111	-4,214
Collection Fund Deficit	-76					
Council Tax	-7,506	-7,882	-8,323	-8,810	-9,311	-9,816
COUNCIL TAX LEVEL	£133.18	£137.85	£142.67	£147.67	£152.84	£158.19
% increase	3.63%	3.51%	3.50%	3.50%	3.50%	3.5%
£ increase	£4.67	£4.67	£4.82	£4.99	£5.17	£5.35

Savings Required:						
a) Targetted		1,377	1,852	2,050	2,090	2,090
b) Unidentified		138	2,620	2,948	3,181	3,694

2.4 Due to the continued uncertainty in many areas it was decided not to produce a Draft Budget/MTP in December but only to provide an update to the Forecast Report. Before the report reached Council it had to be updated to reflect the very late notification of the draft local government finance settlement.

2.5 This gave the proposed reductions in Formula Grant for 2014/15 and 2015/16 but also the very good news that New Homes Bonus would not, after all, be top sliced this year. It resulted in the position below:

December 2013 Update REVENUE SAVINGS	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
From September Forecast Report					
Targetted	-1,377	-1,852	-2,050	-2,090	-2,090
Unidentified	-138	-1,273	-1,159	-1,131	-1,473
total	-1,515	-3,125	-3,209	-3,221	-3,563
% of Budget	6.4%	12.9%	12.9%	12.2%	12.7%
Identified so far (from above)	-719	-1,532	-1,702	-1,848	-1,794
Still required	-796	-1,593	-1,507	-1,373	-1,769
% of Budget	3.4%	6.6%	6.0%	5.2%	6.3%

3. SUBSEQUENT CHANGES IN SPENDING

3.1 The **savings** included in the original budget and those subsequently identified as "targetted" savings are being monitored and the latest forecast of their achievements in both value and timescale are included in the proposed MTP. The Facing The Future exercise has also

identified a significant number of potential savings in the “No significant service impact” category and many of these have also been included.

3.2 There have also been some **increased costs** identified. Examples include the latest forecasts of car parking income and the fact that the County Council have informed us that they will require us to pass the net surplus on on-street parking to them in future to fund their Transportation schemes.

3.3 The impact of the **Pension Fund Revaluation** has also been assessed. Whilst it requires further increases the MTP already included provision for much of this and because the new requirement is staggered it produces significant savings for 2014/15 (£589k) which reduces until additional funding of £156k per year is required from 2017/18. There is also a change to the regulations from April that makes all overtime pensionable with the added cost of contributions being £67k.

3.4 The table below summarises these changes:

SPENDING ADJUSTMENTS since the December Update Report	FORE CAST	BUDGET	MTP			
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000	£000	£000
Savings - Facing the Future	-100	-377	-496	-511	-476	-476
Savings - Other	-57	-121	-220	-166	-167	-172
Extra expenditure	151	123	129	136	147	150
Technical - Pensions	0	-522	-216	159	223	223
Technical - Reduction in Unidentified Savings	0	1,500	1,156	1,387	837	1,274
Technical - Other	-661	-133	-274	-538	-166	26
Risk Provision	-20	-1,078	-912	-1,516	-1,913	-2,415
Total	-687	-608	-833	-1,049	-1,515	-1,391

The **Appendix – Table 5** shows all the variations with those post the December report having a black highlight in the first column.

4. FUNDING

4.1 Information about the **Council Tax Freeze grant** has been received and the Council would receive £82k in 2014/15 and 2015/16 if it were to freeze or reduce its current Council Tax level of £133.18 for 2014/15. There have been suggestions that such grants would be built into the base so they would be permanent but the letter received from the government makes no reference to this and so the figures in this report just assume the two years.

4.2 Part of the draft settlement was the information on Retained Business Rates for 2014/15 and 2015/16. Members will recall that during this first year of the retention it has been very difficult to forecast the expected levels with any degree of precision due to the significant number of valuation appeals still awaiting determination. Successful appeals are usually backdated for a number of years making the result very volatile. During the latter part of the current year it has become clear that we may achieve the Government’s assumed base level. The approach taken in the proposed MTP is therefore to assume that the base line figures will be achieved but to include in the Risk Contingency a sum half way between the base line and the safety net level.

5. OUTSTANDING ITEMS

- 5.1 The following items are still outstanding and will require assumptions to be made in order to finalise the budget:

The limit for Council Tax increases without a positive referendum

The Government had signalled a limit of 2% but has now stated that the figure will not be released until the second week of February. There are strong rumours that the limit will be less than 2%. Obviously any reduction below 2% considerably weakens the argument for an increase even recognising the longer term impact on the base. This report is therefore based on a freeze for 2014/15 and section 7 below outlines the impact of alternative decisions.

Pay Review

The figures contained in the report to Cabinet's January meeting include some forecasts and two contingency elements.

Continued Uncertainty

Assumptions on Formula Grant post 2015/16 continue to show reductions but could be subject to significant change. The New Homes Bonus process could be amended as originally proposed this year or in some other way.

6. RISK PROVISION AND OTHER POTENTIAL RISKS

- 6.1 The Risk Provision included in the MTP is shown below:

Risk Provision in MTP	14/15	15/16	16/17	17/18	18/19
	£000	£000	£000	£000	£000
Formula Grant reduction due to New Homes Bonus		100	200	200	200
Reduced New Homes Bonus (long term empty properties)	0	60	70	80	90
Provision for demographic growth #	0	90	180	150	240
Zero tax rise in 2016/17 with 1% reward grant for 2 years		72	77	165	172
Pay Protection and Performance Pay	184	114	274	427	565
Homelessness	50	100	100	0	0
NNDR - Appeals (Half way between base level and safety net)		150	150	150	150
Repayment of land charge fees - assume half	86	0	0	0	0
	320	686	1,051	1,172	1,417

Cost of extra refuse round included in MTP for 2017/18 set-off

- 6.2 **Annex A** provides a list of other risks that could affect the Council during the MTP period for which no financial adjustment has been made. If they result in an increase in net cost, this will have to be met from revenue reserves until other savings can be achieved.

7. COUNCIL TAX INCREASES

- 7.1 Huntingdonshire continues to have a very low level of Council Tax. In the current year the Council's £133.18 charge (Band D) was 28th lowest of the 201 District Councils which have an average of £167 and a maximum of £316. Almost two thirds of Huntingdonshire's properties are in Bands A to C and so have a lower Tax level.

7.2 As referred to above the Government is encouraging authorities not to increase Council Tax for 2014/15 with the offer of a special grant approximating to 1% of 2013/14 Council Tax income for two years.

7.3 Last year Huntingdonshire was permitted to increase its Council Tax by almost £5 (3.63%) because it had one of the lowest 20% of Council Tax levels. It is not anticipated that this offer will be repeated. However, to cover every eventuality the following table compares the impact of a number of scenarios compared to the base assumption of no increase this year and effectively no increase in 2015/16 either. This is because provision is included in the Risk Contingency for the headline level of 2% not being attractive in the light of the combination of the Government's limitation rules and reward grants for 2015/16. 2% per year is assumed post 2015/16.

	2014/15	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000	£000
BASE OPTION					
Council Tax Increase	£0	2%	2%	2%	2%
After Risk Provision	£0	£0	2%	2%	2%
OPTION 1	£5	2%	2%	2%	2%
CHANGE IN SAVINGS NEEDED	-205	-285	-381	-481	-501
OPTION 2	2%	2%	2%	2%	2%
CHANGE IN SAVINGS NEEDED	-71	-147	-239	-334	-347
OPTION 3	1.5%	2%	2%	2%	2%
CHANGE IN SAVINGS NEEDED	-33	-108	-198	-291	-303
OPTION 4	1%	2%	2%	2%	2%
CHANGE IN SAVINGS NEEDED	5	-69	-158	-249	-259
OPTION 5	£0	2%	3.5%#	3.5%	3.5%
CHANGE IN SAVINGS NEEDED		-72	-196	-415	-564

+ = more required - = less required

Previous policy was a rise of 3.5% per year

7.4 It is assumed that £5 would only be considered if it was permitted by the Government. If it was not it would require a positive referendum result. This would be a very high risk without any guarantee of a return because a referendum would cost around £70k even if at the same time as the European Elections. If unsuccessful, rebilling would amount to a further £70k.

8. RESERVES OR SAVINGS

8.1 Once the net cost of services and the main funding elements have been determined or estimated there are only two ways left to balance the budget each year. One is to use our revenue reserves until they reach the minimum prudent level and the other is to identify further savings targets.

8.2 Whilst the Facing the Future savings exercise is progressing well there are still many months of work to be undertaken before all of the 460 items have been researched to the point of having definite savings levels and phasing. Given this situation it would not be prudent to assume an over-optimistic level of savings for 2015/16. However it would also be inappropriate to reduce reserve levels too quickly because, as mentioned previously, there are major uncertainties about future Government Funding to Local Authorities. It is clear that

further reductions will take place post 2015/16 and the scale of potential changes to the New Homes Bonus, which is an increasingly major element of the Council's funding, was highlighted earlier in the year.

8.3 Thus a mid-course has been taken involving both targeting savings and the use of reserves each year to give the following position.

PROPOSED BUDGET/MTP	FORECAST	BUDGET	MTP			
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000	£000	£000
2013/14 BUDGET/MTP	22,764	22,198	22,755	23,046	24,227	25,141
Proposed variations	-1,638	-1,328	-2,366	-2,752	-3,364	-3,186
PROPOSED 2014/15	21,126	20,870	20,389	20,294	20,863	21,955
FUNDING						
Use of revenue reserves	-568	-1,005	-1,117	-437	-555	-776
Remaining reserves EOY	10,032	9,027	7,910	7,473	6,918	6,142
New Homes Bonus	-2,905	-3,344	-4,013	-4,993	-5,628	-6,340
Council Tax Freeze Grant		-82	-82	0	0	0
Formula Grant (RSG)	-6,019	-4,562	-3,074	-2,400	-1,800	-1,500
Retained Business Rates	-4,052	-4,218	-4,245	-4,351	-4,460	-4,572
Collection Fund Deficit	-76	-21				
Council Tax	-7,506	-7,639	-7,858	-8,112	-8,420	-8,767
COUNCIL TAX LEVEL	£133.18	£133.18	£135.84	£138.56	£141.33	£144.16
% increase	3.63%	0.00%	2.00%	2.00%	2.00%	2.00%
£ increase	£4.67	£0.00	£2.66	£2.72	£2.77	£2.83
Unidentified Spending Adjustments still required						
Proposed MTP	0	0	-700	-1,300	-1,800	-2,100
Current MTP		-1,500	-1,856	-2,687	-2,637	-3,374

8.4 Last year Council agreed that an MTP with Interest and Borrowing Costs in excess of 15% of net expenditure would need specific consideration. The table below shows the position for the proposed MTP:

PROPOSED BUDGET/MTP	FORECAST	BUDGET	MTP			
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000	£000	£000
Forecast additional borrowing	11,041	3,823	2,111	3,545	3,614	3,069
Average borrowing in year net of Minimum Revenue Provision	31,883	37,945	39,104	39,857	41,103	41,798
Net Interest and Borrowing Costs						
- total	1,444	1,903	2,282	2,460	2,978	3,592
- as % of net spending	6.8%	9.1%	11.2%	12.1%	14.3%	16.4%
- value in excess of 15%						299

8.5 The 2018/19 forecast Net Interest and Borrowing Costs would have represented 14.3% of the current MTP's forecast of Net Spending of £25,141k. It is the fall in spending due to the savings targets that has increased the percentage to 16.4%.

8.6 Cabinet have three options:

- a) To insist that the 15% limit is maintained by reducing capital expenditure.

It may not be possible to reduce the capital programme sufficiently to achieve this given the fact that it is relatively low in historical terms and concentrates on those items that are necessary to preserve services (e.g. refuse freighters or IT equipment), preserve buildings (e.g. major maintenance) or is a statutory requirement (e.g. Disabled Facilities Grants). To save a revenue impact of £299k would require capital reductions of approximately £3M.

- b) To insist that the 15% limit is maintained by funding some of the schemes from revenue.

The revenue impact of achieving the limit by this method would be in the order of £3M though this would create savings of £300k per year thereafter. It is difficult to recommend considering such a move until the majority of the savings target is seen to be achievable.

- c) To agree to recommend the current MTP to Council.

The MTP proposal to increase the volume of margin-making loans to fund relevant projects with appropriate partners will lead to a reduction in the excess (£30M of loans with a 1% margin would cover the £299k). A careful review of the capital programme can also be programmed into the coming year to see if there are any possibilities of savings (this is certainly possible on the IT front if we have a shared service with LGSS due to their additional market leverage).

8.7 The following annexes showing the detail of the proposed Budget and MTP:

Appendix – Table 2

Overall Budget and MTP – Subjective analysis

Appendix – Table 3

Head of Service Budgets – Subjective and Objective analysis

8.8 **Appendix – Table 4** shows all the MTP variations from the 2013/14 approved budget level. This includes the variations included in last year's MTP together with the new variations this year shown in **Table 5**. All items can proceed on the decision of the relevant Head of Service except those that are highlighted as needing the additional levels of approval shown.

9. RESERVES AND THE ROBUSTNESS OF THE 2014/15 BUDGET

9.1 The Local Government Act 2003 requires the Assistant Director, Finance and Resources, 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 B** and confirm that the budget is adequately robust and that, in his view, the level of revenue reserves is currently above the minimum level required.

10. CONSULTATION AND COMMENTS

10.1 This report will be considered at a meeting of the Overview and Scrutiny (Economic Wellbeing) Panel on the 6 February and a consultation meeting with members of the business community on 10 February. Comments from both meetings will be reported to Cabinet.

11. PRUDENTIAL CODE

11.1 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.

ACCESS TO INFORMATION ACT 1985

Grant Settlement Information – Files in Financial Services

Working Papers - Files in Financial Services

Project Appraisals

2013/14 Revenue Budget and the 2014/18 MTP

Forecast Report

December 2013 Update Report

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☎ 01480 388103

ANNEXES

- A Risks for which no or limited provision has been made in the Risk Contingency
- B Chief Financial Officer's statement on robustness of budget and adequacy of reserves (including information about main assumptions and sensitivity analysis)

SEPARATE APPENDIX OF BUDGET TABLES

Table

- 1 Overall Summary
- 2 Overall Budget and MTP – Subjective analysis
- 3 Head of Service Budgets – Subjective and Objective analysis
- 4 All MTP variations from the 2013/14 base, highlighting those needing approval before commencement. i.e. previous years and current years approvals
- 5 All MTP changes to the current approved MTP (Those since the December update report have a black indicator in the first column.
- 6 Capital Programme

OTHER POTENTIAL RISKS

The most fundamental issue is the speed with which the UK economy will grow and its impact on Government funding of local authorities and the resources of Huntingdonshire residents. There are conflicting views on the scale and speed of this recovery and so it is difficult to forecast the impact on:

- Income from planning fees, building control fees and leisure charges.
- House building and hence New Homes Bonus (15% caution built in)
- More applicants for housing and council tax benefit
- Higher homelessness costs (£50k provision in 2014/15)
- Reductions in Government Grant (assumption made post 2015/16 but limited data to base this on)

Other issues include:

- Delivery of the items contained in identified savings
- Identification and consequent delivery of items to achieve the level of unidentified savings required in future years.
- Levels of pay awards, inflation and interest rates
- Results of Pay Review (reasonable estimate included with some contingency provision)
- Ability to maintain income levels
- Impact of variations in retained Business Rates (very volatile due to appeals)
- Change in Pension Fund contributions payable from April 2018 as a result of the three yearly revaluation.
- Impact of changes to the benefits systems on homelessness levels and the ability to collect Council Tax.
- High priority service developments not already in the MTP and any unavoidable spending requirements (e.g. planning appeals)
- The potential for costs relating to “orphan” contaminated land sites
- Repayment of past land charge fees (part provision in contingency)
- Low demand for sites in Huntingdon e.g. assumed sale of plot fronting St. Mary’s Street.

ANNEX B

RESERVES AND THE ROBUSTNESS OF THE 2014/15 BUDGET

The Local Government Act 2003 requires me, as the Council's Chief Financial Officer, to report on the robustness of the 2014/15 budget and the adequacy of reserves to assist you in making your decisions on the Budget and the level of Council Tax.

Robustness

The Council has tended in recent years to underspend its budget. This demonstrates that there is an element of prudent budgeting and that managers have taken a mature approach to budgetary control rather than simply spending any spare sums on low priority items. As budgets further tighten this opportunity will significantly diminish.

The Internal Audit and Risk Manager considers that our internal financial controls are working adequately. There is also a sound system of financial monitoring which has been developed further this year and will be further extended next year to ensure that any non-achievement of budgets is promptly recognised and reported. The process this year has been used to ensure that any necessary budget variations have fed into this budget/MTP process.

The 2014/15 budget has been prepared using the budget for 2013/14 as a base, and amending it for known changes, particularly:

- Inflation including a 1.5% provision for an April 2014 pay award. There will be no performance pay in 2014/15. Pay is by far the most significant inflation element.
- The impact of the 2012/13 outturn and forecast spending for 2013/14.
- Variations in existing budgets and MTP schemes together with new MTP proposals. A significant number of these reflect savings rather than extra costs.

There have been some proposals in previous MTPs that included an element of challenge which has not always turned out to be achievable. I am satisfied that adjustments have generally been made to remove or minimise any such levels of uncertainty.

There will always be some items that emerge after the budget has been prepared. These may be the non-achievement of an MTP item or some new unexpected item. These will first be met by any compensating savings that have emerged elsewhere in the budget but, if this is not possible, from reductions in service provision or the use of revenue reserves.

The most significant potential risks to the budget are:

- higher inflation
- further reductions in income
- non-achievement of planned savings
- failure of a borrower
- an emergency (e.g. flooding)
- increased demands on services (e.g. benefits or homelessness)
- Level of retained Business Rates

Tables at the end of this Annex show the key assumptions and the financial impact of changes over the MTP period but the figures quoted below are the potential impact on the 2014/15 budget.

Inflation

A 1% increase in pay would cost £200k

A 1% increase in general inflation (excluding pay), assuming no compensating increase in fees and charges was possible, would result in a net cost of approximately £175k.

An increase in interest rates of 1% would cost £96k.

Reduced Income

A 1% loss of income from fees, rents, charges and recharges would amount to around £178k. The largest areas susceptible to variation are:

- Car Parks £1.8M
- Leisure Centres £7.5M
- Property £2.0M
- Planning and Building Control Fees £1.9M

Non Achievement of Planned Savings

There is clearly no guarantee that all savings will be achieved within the timescales shown. In total the additional savings target over the current year's forecast is around £2.9M which includes significant sums relating to the new pension contribution levels and the pay review. However, it is also likely that some more of the items from the Facing the Future review will start to impact in 2014/15 and this will help counteract any difficulties with the items already included.

Failure of a Borrower

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. In most cases the limit is £5M which is restricted to bodies with the highest credit rating or Building Societies with more than £2 billion in assets.

An emergency

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).

Increased demands on services

The services most susceptible to increased demand that would have a significant revenue impact are homelessness and Council Tax Support.

Retained Business Rates

Since the introduction of this new element of funding for authorities in April 2013 it has become increasingly clear that the levels that the authority will be able to retain are very difficult to forecast. Whilst there are some opportunities for estimating when new buildings will be completed once they have started it is very difficult to judge when development will commence on allocated land even if planning permission has been granted.

It is even more difficult to estimate the results of appeals against the valuation set by the Valuation Office Agency. These appeals sometimes take years to finalise and are often backdated for a number of years, drastically adding to the volatility.

Other variations can result from property being burnt down (e.g. the public house/restaurant at Hartford Marina) or demolished.

The revenue impact is limited by the existence of a safety net which limits our loss to around £300k and a contingency has been included for half this sum.

Revenue Reserves

Theoretically, though it is extremely unlikely, all of the above items could occur next year in which case it is critical that the Council has sufficient reserves to fund unavoidable additional costs pending the introduction of compensating service savings.

Reserves are forecast to be £10.0m at April 2014 and reduce to £9.1m by March 2015 in order to support revenue spending. This is still significantly above what would be considered a safe minimum level when considering the 2014/15 budget in isolation but clearly not excessive given the future uncertainties on Government financial support and the need for further significant savings.

Therefore, even if a number of unexpected additional costs emerged there would still be sufficient funding to cover the deficit for 2014/15.

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 2014/15.

However, for future years, it remains critical that:

- Effective progress is made in identifying how the Unidentified Savings for future years will be achieved and where practicable these are brought on-stream as soon as possible recognising the major and increasing reliance on New Homes Bonus which may be vulnerable to change.
- That careful monitoring continues to take place recognising that there are certain key areas subject to volatility. These include income from fees and charges, homelessness, the level of housing completions that result in New Homes Bonus and the level of retained Business Rates.

Steve Couper
Assistant Director
Finance and Resources

ASSUMPTIONS

INFLATION	for	for	for	for	for
	Apr 2014	Apr 2015	Apr 2016	Apr 2017	Apr 2018
Pay award	1.5%	1.5%	1.5%	2.0%	2.0%
Prices	2.5%	2.5%	2.5%	2.5%	2.5%
electricity	0.0%	-0.5%	2.4%	8.9%	31.1%
gas	0.0%	0.0%	2.6%	5.1%	0.0%
fuel	0.1%	0.5%	1.0%	1.5%	1.5%
car park charges				10%	
planning fees				10%	

The cost of performance pay is allowed for in the Risk Provision for the Pay Review and assumes an average of one increment every 2 years starting from April 2015 for those employees not at the top of their grade.

INTEREST RATES	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019
	Temporary Borrowing	0.43%	0.43%	0.45%	0.85%
Temporary Investments	0.58%	0.58%	0.55%	0.95%	1.43%
PWLB 20 year borrowing	3.39%	3.64%	4.08%	4.25%	4.50%

SENSITIVITY

IMPACT OF CHANGES	Impact on saving requirement				
	14/15	15/16	16/17	17/18	18/19
	£M	£M	£M	£M	£M
Pay - 1% higher award each April starting 2014	199	386	581	794	1,018
Pensions – 1% higher employers' contribution from April 2018					142
Expenditure excluding pay - 1% higher inflation each year	175	352	531	712	894
Income – 1% higher assumption	-178	-359	-540	-724	-910
Interest Rates - 1% higher	96	115	131	145	160

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**BUDGET 2014/15
AND
MEDIUM TERM PLAN 2015/16 to 2018/19**

TABLES

- | | |
|----------|--|
| 1 | Overall Summary |
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| 3 | Head of Service Budgets – Subjective and Objective analysis |
| 4 | All MTP variations from the 2013/14 base, highlighting those needing approval before commencement i.e. previous years and current years approvals |
| 5 | All MTP changes to the current approved MTP
(Those since the December update report have a black indicator in the first column.) |
| 6 | Capital Programme showing external funding |

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PROPOSED BUDGET/MTP	FORECAST	BUDGET	MTP			
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000	£000	£000
2012/13 BUDGET/MTP	22,764	22,198	22,755	23,046	24,227	25,141
Proposed variations	-1,638	-1,328	-2,366	-2,752	-3,364	-3,186
NEW FORECAST	21,126	20,870	20,389	20,294	20,863	21,955
FUNDING						
Use of revenue reserves	-568	-1,005	-1,117	-437	-555	-776
Remaining revenue reserves EOY	10,032	9,027	7,910	7,473	6,918	6,142
New Homes Grant	-2,905	-3,344	-4,013	-4,993	-5,628	-6,340
Council Tax Freeze Grant		-82	-82	0	0	0
Formula Grant (RSG)	-6,019	-4,562	-3,074	-2,400	-1,800	-1,500
Retained Business Rates	-4,052	-4,218	-4,245	-4,351	-4,460	-4,572
Collection Fund Deficit	-76	-21				
Council Tax	-7,506	-7,639	-7,858	-8,112	-8,420	-8,767
COUNCIL TAX LEVEL	£133.18	£133.18	£135.84	£138.56	£141.33	£144.16
% increase	3.63%	0.00%	2.00%	2.00%	2.00%	2.00%
£ increase	£4.67	£0.00	£2.66	£2.72	£2.77	£2.83
Unidentified Spending Adjustments still required						
Proposed MTP	0	0	-700	-1,300	-1,800	-2,100
Current MTP		-1,500	-1,856	-2,687	-2,637	-3,374

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TABLE 2 - OVERALL BUDGET AND MTP - SUBJECTIVE ANALYSIS

Huntingdonshire District Council								
Subjective Analysis: Controllable Income & Expenditure								
ALL SERVICES	2013/14		2014/15	Medium Term Plan				
	Budget	Forecast	Budget	2015/16	2016/17	2017/18	2018/19	
	£000	£000	£000	£000	£000	£000	£000	
Employees	Salaries	18,186	17,362	17,567	17,296	17,248	17,371	17,398
	National Insurance & Pensions	4,082	3,901	4,061	4,044	4,044	4,424	4,426
	Overtime	368	293	373	375	375	375	375
	Bonus	225	223	224	224	224	224	224
	Hired Staff	460	692	490	475	445	445	347
	Allowances	75	70	86	86	86	86	86
	Childcare Admin Vouchers	5	5	5	5	5	5	5
	Commission On Sales	17	14	1	1	1	1	1
	Employee Insurance	120	100	103	103	103	103	103
	Long Service Awards	1	1	1	1	1	1	1
	Recruitment	27	29	27	27	27	27	27
	Termination	230	203	206	206	205	205	205
	Training	329	274	281	281	281	281	281
		24,125	23,167	23,425	23,124	23,045	23,548	23,479
Benefit & Transfer Payments	Benefits	35,801	35,928	37,377	37,311	37,311	37,311	37,311
	Grants Paid	1,476	1,711	1,219	1,135	1,085	1,085	1,085
	Irrecoverable V A T	149	145	137	137	137	137	137
	Precepts	390	390	399	399	399	399	399
	Profit Share Payable	0	6	6	6	6	6	6
		37,816	38,180	39,138	38,988	38,938	38,938	38,938
Buildings	Building Security	111	109	112	112	112	112	112
	Building Structure	688	693	703	703	703	703	703
	Energy	874	779	753	738	724	754	754
	Fixtures & Fittings	63	84	71	71	71	71	71
	Land	201	246	209	209	209	209	209
	Leases & Rents	279	242	270	230	230	216	230
	Property Taxes	1,056	1,046	1,084	1,084	1,084	1,084	1,084
	Water & Sewerage	162	156	163	163	163	163	163
		3,434	3,355	3,365	3,310	3,296	3,312	3,326
Supplies & Services	Advertising	188	165	184	184	184	184	184
	Equipment & Furniture	1,385	1,462	1,435	1,422	1,427	1,422	1,422
	Insurance (Service Related)	89	77	93	93	93	93	93
	Interest Paid	704	438	888	900	920	1,086	1,428
	Materials	746	730	719	719	719	719	719
	Members Expenses	393	386	392	392	392	392	392
	Postage	240	260	272	274	242	229	244
	General Supplies and Services	346	329	225	225	225	225	225
	Professional Services	2,072	1,926	2,078	1,841	1,779	1,683	1,687
	Public Consultation, Sunneys	94	76	53	53	53	53	53
	Subscriptions	38	32	38	38	38	38	38
	Treasury Related Services	163	186	175	175	175	175	175
	External Audit Fees	163	113	117	117	117	117	117
	Subsistence	6	7	6	6	6	6	6
	Telephones	278	249	259	255	255	255	267
		7,312	6,831	7,361	7,119	7,050	7,087	7,475
Transport	Car Allowances	330	258	307	307	307	307	307
	Vehicles & Plant	1,533	1,416	1,579	1,580	1,580	1,580	1,580
		1,863	1,674	1,886	1,887	1,887	1,887	1,887
Technical Adjustments	Renewals Fund Contribution	327	262	285	285	285	285	285
	Minimum Revenue Provision	1,255	1,118	1,623	1,992	2,158	2,509	2,784
	Pay Protection	320	0	187	119	279	431	570
	Contingencies	(148)	21	123	793	1,006	1,350	1,960
	Pension Contribution Lump Sum	1,139	1,139	789	1,135	1,510	1,574	1,574
	Unallocated Savings	0	0	0	(700)	(1,300)	(1,799)	(2,100)
		2,893	2,540	3,007	3,624	3,938	4,350	5,073
Total Service Expenditure		77,443	75,747	78,182	78,052	78,154	79,122	80,178
Reserve-Revenue Transfers	Renewals Fund Contrn Adjustment	0	(58)	0	0	0	0	0
		0	(58)	0	0	0	0	0
Income & Fees	Bad Debts Provision	262	75	81	81	81	81	81
	Charges & Fees	(10,834)	(10,424)	(11,367)	(11,788)	(12,000)	(12,250)	(12,275)
	Commuted Sums	(118)	(186)	(172)	(125)	(125)	(245)	(245)
	Costs Recovered	(2,634)	(2,681)	(2,771)	(2,717)	(2,689)	(2,684)	(2,684)
	Government Grants	(36,523)	(37,205)	(38,144)	(38,111)	(38,070)	(38,043)	(37,985)
	Interest Received	(446)	(272)	(594)	(642)	(696)	(749)	(752)
	Licence Fees	(359)	(376)	(343)	(343)	(343)	(343)	(343)
	Lottery Grant	(77)	(50)	0	0	0	0	0
	Private Grants	(18)	(16)	(17)	(17)	(17)	(17)	(17)
	Rent	(2,396)	(2,235)	(2,323)	(2,343)	(2,343)	(2,343)	(2,343)
	Sales	(1,033)	(970)	(1,053)	(1,053)	(1,053)	(1,053)	(1,053)
		(54,176)	(54,340)	(56,703)	(57,058)	(57,255)	(57,646)	(57,616)
Total Service Income		(54,176)	(54,398)	(56,703)	(57,058)	(57,255)	(57,646)	(57,616)
Total Net Service Budget		23,267	21,349	21,479	20,994	20,899	21,476	22,562
Less Technical Adjustments	Recharges Outside of Revenue	(503)	(651)	(609)	(605)	(605)	(610)	(607)
NEW FORECAST		22,764	20,698	20,870	20,389	20,294	20,866	21,955

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TABLE 3 - HEAD OF SERVICE BUDGETS – SUBJECTIVE AND OBJECTIVE ANALYSIS

Huntingdonshire District Council								
Subjective & Objective Analysis: Service Controllable Income & Expenditure								
Managing Director & Corporate Office		2013/14		2014/15	Medium Term Plan			
		Budget £000	Forecast £000	Budget £000	2015/16 Budget £000	2016/17 Budget £000	2017/18 Budget £000	2018/19 Budget £000
Subjective Analysis:								
Employees	Salaries	762	578	623	623	623	623	623
	National Insurance & Pensions	183	154	164	164	164	180	180
	Allowances	2	2	1	1	1	1	1
	Childcare Admin Vouchers	5	5	5	5	5	5	5
	Employee Insurance	27	0	0	0	0	0	0
	Long Service Awards	1	1	1	1	1	1	1
	Recruitment	20	20	21	21	21	21	21
	Pension Added Years	229	199	204	204	204	204	204
	Training	40	37	31	31	31	31	31
		1,269	996	1,050	1,050	1,050	1,066	1,066
Benefit & Transfer Payments	Grants Paid	3	3	3	3	3	3	3
	Irrecoverable V A T	31	31	28	28	28	28	28
	Profit Share Payable	0	6	6	6	6	6	6
		34	40	37	37	37	37	37
Buildings	Building Security	44	45	46	46	46	46	46
	Building Structure	60	70	62	62	62	62	62
	Energy	4	6	5	5	5	5	5
	Land	1	29	2	2	2	2	2
	Leases & Rents	171	140	151	151	151	151	151
	Property Taxes	25	35	30	30	30	30	30
	Water & Sewerage	0	1	0	0	0	0	0
	Total	305	326	296	296	296	296	296
Supplies & Services	Advertising	5	14	6	6	6	6	6
	Equipment & Furniture	68	46	64	53	53	53	53
	Materials	0	2	0	0	0	0	0
	Members Expenses	13	13	13	13	13	13	13
	Postage	15	15	3	3	3	3	3
	Printing & Stationery	12	11	9	7	7	7	7
	General Supplies and Services	1	2	1	1	1	1	1
	Professional Services	746	752	650	637	618	626	629
	Public Consultation, Surveys	38	24	0	0	0	0	0
	Subscriptions	13	13	13	13	13	13	13
	Subsistence	1	1	1	1	1	1	1
	Telephones	4	3	2	2	2	2	2
		916	896	762	736	717	725	728
Transport	Car Allowances	25	17	16	16	16	16	16
	Vehicles & Plant	8	8	8	8	8	8	8
		33	25	24	24	24	24	24
Technical Adjustments	Renewals Fund Contribution	93	93	96	96	96	96	96
		93	93	96	96	96	96	96
Total Service Expenditure		2,650	2,376	2,265	2,239	2,220	2,244	2,247
Reserve-Revenue Transfers	Renewals Fund Contn Adjustment	0	(23)	0	0	0	0	0
		0	(23)	0	0	0	0	0
Income & Fees	Charges & Fees	(57)	(60)	(62)	(62)	(62)	(62)	(62)
	Costs Recovered	(51)	(63)	(115)	(120)	(82)	(82)	(82)
	Rent	(1,939)	(1,838)	(1,901)	(1,921)	(1,921)	(1,921)	(1,921)
		(2,047)	(1,961)	(2,078)	(2,103)	(2,065)	(2,065)	(2,065)
Total Service Income		(2,047)	(1,984)	(2,078)	(2,103)	(2,065)	(2,065)	(2,065)
Net Service Budget		603	392	187	136	155	179	182
Objective Analysis:								
Direct Services	Community Initiatives	38	0	0	0	0	0	0
	Corporate Management	69	85	52	39	39	39	39
	Democratic Services	30	33	30	30	30	30	30
	Economic Development	113	123	95	95	95	95	95
	Economic Development Estates	(1,595)	(1,471)	(1,594)	(1,619)	(1,624)	(1,624)	(1,624)
	Non Distributed Costs	229	199	204	204	204	204	204
Internal Services (rechargeable)	Corp Office & Directors Mgmt Unit	365	206	186	186	186	190	190
	Corporate Office Mgmt Unit	676	622	624	624	667	679	679
	Payroll & HR	678	595	590	577	558	566	569
Net Service Budget		603	392	187	136	155	179	182

Huntingdonshire District Council
Subjective & Objective Analysis: Service Controllable Income & Expenditure

Head of Legal & Democratic Services		2013/14		2014/15	Medium Term Plan			
		Budget	Forecast	Budget	2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	Budget	Budget	Budget	Budget
Subjective Analysis:								
Employees	Salaries	1,063	1,006	1,078	1,057	1,047	1,014	1,071
	National Insurance & Pensions	253	243	257	257	257	280	280
	Overtime	11	5	11	11	11	11	11
	Bonus	0	5	0	0	0	0	0
	Hired Staff	14	14	14	14	14	14	14
	Allowances	8	8	8	8	8	8	8
	Training	23	21	19	19	19	19	19
		1,372	1,302	1,387	1,366	1,356	1,346	1,403
Buildings	Leases & Rents	0	0	14	14	14	0	14
		0	0	14	14	14	0	14
Supplies & Services	Advertising	1	0	0	0	0	0	0
	Equipment & Furniture	157	168	175	173	178	173	173
	Insurance (Service Related)	4	6	6	6	6	6	6
	Materials	47	46	42	42	42	42	42
	Members Allowances & Expenses	380	373	379	379	379	379	379
	Postage	73	92	132	134	102	89	104
	Printing & Stationery	142	143	165	165	165	150	165
	General Supplies and Services	4	4	1	1	1	1	1
	Professional Services	60	78	30	3	0	0	2
	Public Consultation, Surveys	21	21	21	21	19	19	21
	Telephones	22	21	21	21	21	21	21
		911	952	972	945	913	880	914
Transport	Car Allowances	28	22	26	26	26	26	26
	Vehicles & Plant	35	34	35	35	35	35	35
		63	56	61	61	61	61	61
Total Service Expenditure		2,346	2,310	2,434	2,386	2,344	2,287	2,392
Income & Fees	Charges & Fees	(252)	(356)	(297)	(308)	(308)	(366)	(366)
	Costs Recovered	(78)	(40)	(54)	(54)	(54)	(54)	(54)
	Government Grants	0	0	(22)	(13)	(17)	10	68
	Licence Fees	(359)	(354)	(343)	(343)	(343)	(343)	(343)
	Sales	0	(2)	(1)	(1)	(1)	(1)	(1)
		(689)	(752)	(717)	(719)	(723)	(754)	(696)
Total Service Income		(689)	(752)	(717)	(719)	(723)	(754)	(696)
Net Service Budget		1,657	1,558	1,717	1,667	1,621	1,533	1,696
Objective Analysis:								
Direct Services	Central Services	(67)	(138)	17	15	(26)	(137)	22
	Corporate Services Democratic	476	461	463	459	459	459	463
	Environmental Serv - Licensing	(304)	(302)	(286)	(286)	(286)	(286)	(286)
	Printing External Work	0	(14)	(14)	(14)	(14)	(14)	(14)
Internal Services (rechargeable)	Document Centre	486	523	493	470	465	470	470
	Legal & Democratic Management	1,066	1,028	1,044	1,023	1,023	1,041	1,041
Net Service Budget		1,657	1,558	1,717	1,667	1,621	1,533	1,696

Huntingdonshire District Council
Subjective & Objective Analysis: Service Controllable Income & Expenditure

Head of Environmental & Community Services		2013/14		2014/15	Medium Term Plan			
		Budget	Forecast	Budget	2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	£000	£000	£000	£000
Subjective Analysis:								
Employees	Salaries	1,347	1,249	1,287	1,252	1,219	1,219	1,219
	National Insurance & Pensions	337	305	324	324	324	354	355
	Overtime	11	15	11	11	11	11	11
	Hired Staff	0	8	0	0	0	0	0
	Allowances	10	3	10	10	10	10	10
	Recruitment	0	2	0	0	0	0	0
	Termination	0	2	0	0	0	0	0
	Training	24	36	23	23	23	23	23
		1,729	1,620	1,655	1,620	1,587	1,617	1,618
Benefit & Transfer Payments	Grants Paid	370	439	379	379	329	329	329
		370	439	379	379	329	329	329
Buildings	Building Structure	6	6	7	7	7	7	7
	Leases & Rents	17	20	11	11	11	11	11
		23	26	18	18	18	18	18
Supplies & Services	Advertising	23	14	19	19	19	19	19
	Equipment & Furniture	62	62	62	62	62	62	62
	Materials	7	7	7	7	7	7	7
	Postage	8	5	7	7	7	7	7
	Printing & Stationery	31	20	25	25	25	25	25
	Professional Services	87	90	139	136	106	75	74
	Public Consultation, Surveys	14	13	14	14	14	14	14
	Subscriptions	13	8	13	13	13	13	13
	Subsistence	3	3	3	3	3	3	3
	Telephones	10	8	6	6	6	6	6
		258	230	295	292	262	231	230
Transport	Car Allowances	64	47	64	64	64	64	64
	Vehicles & Plant	14	15	13	13	13	13	13
		78	62	77	77	77	77	77
Technical Adjustments	Renewals Fund Contribution	6	6	7	7	7	7	7
		6	6	7	7	7	7	7
Total Service Expenditure		2,464	2,383	2,431	2,393	2,280	2,279	2,279
Income & Fees	Charges & Fees	(151)	(148)	(214)	(218)	(188)	(156)	(156)
	Costs Recovered	(63)	(88)	(104)	(109)	(114)	(119)	(119)
	Licence Fees	0	(21)	0	0	0	0	0
	Lottery Grant	(77)	(50)	0	0	0	0	0
		(291)	(307)	(318)	(327)	(302)	(275)	(275)
Total Service Income		(291)	(307)	(318)	(327)	(302)	(275)	(275)
Net Service Budget		2,173	2,076	2,113	2,066	1,978	2,004	2,004
Objective Analysis:								
Direct Services	Community Initiatives	13	8	13	13	13	13	13
	Community Facilities	18	20	18	18	18	18	18
	Community Safety	324	380	327	322	267	262	262
	Leisure Policy	198	198	179	179	179	183	183
	Planning Policy	9	4	9	2	2	2	2
	Commercial Health	31	17	22	22	22	22	22
	Environmental Health	105	101	68	68	68	70	70
	Public Health	20	11	17	17	17	17	17
Internal Services (rechargeable)	ECHS Internal Services	34	24	26	26	26	26	26
	ECHS Management Units	1,409	1,307	1,422	1,387	1,354	1,379	1,379
	Service Administration	12	6	12	12	12	12	12
Net Service Budget		2,173	2,076	2,113	2,066	1,978	2,004	2,004

Huntingdonshire District Council
Subjective & Objective Analysis: Service Controllable Income & Expenditure

Head of Operations		2013/14		2014/15	Medium Term Plan			
		Budget £000	Forecast £000	Budget £000	2015/16 Budget £000	2016/17 Budget £000	2017/18 Budget £000	2018/19 Budget £000
Subjective Analysis:								
Employees	Salaries	3,631	3,574	3,519	3,519	3,519	3,639	3,639
	National Insurance & Pensions	869	860	918	918	918	1,001	1,003
	Overtime	243	177	247	247	247	247	247
	Bonus	224	219	224	224	224	224	224
	Hired Staff	386	399	393	393	393	393	393
	Allowances	24	22	24	24	24	24	24
	Recruitment	2	0	2	2	2	2	2
	Termination	0	2	0	0	0	0	0
	Training	57	59	56	56	56	56	56
			5,436	5,312	5,383	5,383	5,383	5,586
Benefit & Transfer Payments	Grants Paid	43	73	44	44	44	44	44
	Irrecoverable V A T	8	9	3	3	3	3	3
		51	82	47	47	47	47	47
Buildings	Building Security	3	2	2	2	2	2	2
	Building Structure	48	21	22	22	22	22	22
	Energy	54	41	45	45	45	45	45
	Land	29	49	57	57	57	57	57
	Leases & Rents	14	15	14	14	14	14	14
	Property Taxes	226	219	228	228	228	228	228
	Water & Sewerage	14	13	15	15	15	15	15
		388	360	383	383	383	383	383
Supplies & Services	Advertising	23	15	22	22	22	22	22
	Equipment & Furniture	225	229	232	232	232	232	232
	Materials	204	237	211	211	211	211	211
	Postage	2	8	6	6	6	6	6
	Printing & Stationery	18	26	18	18	18	18	18
	General Supplies and Services	199	170	73	73	73	73	73
	Professional Services	133	84	169	146	144	144	144
	Public Consultation, Surveys	4	1	4	4	4	4	4
	Subscriptions	5	5	5	5	5	5	5
	Treasury Related Services	64	64	65	65	65	65	65
Telephones	34	30	30	30	30	30	30	
		911	869	835	812	810	810	810
Transport	Car Allowances	40	33	39	39	39	39	39
	Vehicles & Plant	1,345	1,209	1,366	1,366	1,366	1,366	1,366
		1,385	1,242	1,405	1,405	1,405	1,405	1,405
Technical Adjustments	Renewals Fund Contribution	121	121	99	99	99	99	99
		121	121	99	99	99	99	99
Total Service Expenditure		8,292	7,986	8,152	8,129	8,127	8,330	8,332
Income & Fees	Charges & Fees	(2,599)	(2,386)	(2,595)	(2,790)	(2,977)	(3,164)	(3,164)
	Commuted Sums	(117)	(185)	(171)	(124)	(124)	(244)	(244)
	Costs Recovered	(982)	(881)	(894)	(894)	(894)	(894)	(894)
	Government Grants	(12)	(23)	(12)	(12)	(12)	(12)	(12)
	Private Grants	(18)	(16)	(17)	(17)	(17)	(17)	(17)
	Rent	(56)	(44)	(49)	(49)	(49)	(49)	(49)
	Sales	(136)	(116)	(139)	(139)	(139)	(139)	(139)
		(3,920)	(3,651)	(3,877)	(4,025)	(4,212)	(4,519)	(4,519)
Total Service Income		(3,920)	(3,687)	(3,877)	(4,025)	(4,212)	(4,519)	(4,519)
Net Service Budget		4,372	4,299	4,275	4,104	3,915	3,811	3,813
Objective Analysis:								
Direct Services	Abandoned Vehicles	2	2	2	2	2	2	2
	CCTV	227	278	141	118	116	118	118
	Countryside	357	351	357	357	357	244	244
	Car Parks	(1,288)	(1,069)	(1,131)	(1,240)	(1,427)	(1,611)	(1,611)
	Emergency Planning	33	9	11	11	11	11	11
	Grounds Maint Other Organisation	(93)	(93)	(95)	(95)	(95)	(95)	(95)
	Markets	(116)	(111)	(120)	(120)	(120)	(120)	(120)
	Parks	74	(7)	0	47	47	47	47
	Recycling	(35)	(112)	(47)	(133)	(133)	(125)	(125)
	Trade Waste	(31)	(31)	(31)	(31)	(31)	(31)	(31)
	Refuse Collection	2,131	2,168	2,176	2,176	2,176	2,319	2,319
	Street Cleaning & Litter	1,034	897	986	986	986	997	997
	Fleet Management	269	269	278	278	278	281	281
Internal Services (rechargeable)	Grounds Maintenance	772	770	787	787	787	797	798
	Operations Mgmt Budgets	1,036	978	961	961	961	977	978
Net Service Budget		4,372	4,299	4,275	4,104	3,915	3,811	3,813

Huntingdonshire District Council
Subjective & Objective Analysis: Service Controllable Income & Expenditure

Assistant Director (Environment, Growth & Planning)		2013/14		2014/15	Medium Term Plan			
		Budget	Forecast	Budget	2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	£000	£000	£000	£000
Subjective Analysis:								
Employees	Salaries	1,780	1,763	1,749	1,724	1,724	1,724	1,724
	National Insurance & Pensions	434	427	421	421	421	459	460
	Overtime	7	6	9	9	9	9	9
	Hired Staff	0	1	0	0	0	0	0
	Allowances	3	10	9	9	9	9	9
	Recruitment	0	4	0	0	0	0	0
	Training	18	12	14	14	14	14	14
		2,242	2,223	2,202	2,177	2,177	2,215	2,216
Benefit & Transfer Payments	Grants Paid	202	224	189	189	189	189	189
	Irrecoverable V A T	8	6	5	5	5	5	5
		210	230	194	194	194	194	194
Buildings	Building Structure	10	10	10	10	10	10	10
	Energy	19	19	19	19	19	19	19
	Land	1	1	1	1	1	1	1
	Property Taxes	2	0	0	0	0	0	0
	Water & Sewerage	15	15	16	16	16	16	16
		47	45	46	46	46	46	46
Supplies & Services	Advertising	7	7	7	7	7	7	7
	Equipment & Furniture	31	30	31	31	31	31	31
	Materials	10	10	10	10	10	10	10
	Postage	13	12	10	10	10	10	10
	Printing & Stationery	44	41	37	37	37	37	37
	General Supplies and Services	0	1	1	1	1	1	1
	Professional Services	649	535	575	317	268	193	193
	Subscriptions	2	0	0	0	0	0	0
	Subsistence	1	1	1	1	1	1	1
	Telephones	4	4	2	2	2	2	2
		761	641	674	416	367	292	292
Transport	Car Allowances	47	42	48	48	48	48	48
	Vehicles & Plant	6	6	6	6	6	6	6
		53	48	54	54	54	54	54
Technical Adjustments	Renewals Fund Contribution	11	(19)	12	12	12	12	12
		11	(19)	12	12	12	12	12
Total Service Expenditure		3,324	3,168	3,182	2,899	2,850	2,813	2,814
Income & Fees	Charges & Fees	(1,170)	(1,120)	(1,171)	(1,171)	(1,171)	(1,171)	(1,171)
	Costs Recovered	(187)	(258)	(204)	(240)	(260)	(260)	(260)
	Interest Received	(1)	0	0	0	0	0	0
	Rent	(88)	(89)	(99)	(99)	(99)	(99)	(99)
	Sales	(15)	(30)	(15)	(15)	(15)	(15)	(15)
		(1,461)	(1,497)	(1,489)	(1,525)	(1,545)	(1,545)	(1,545)
Total Service Income		(1,461)	(1,497)	(1,489)	(1,525)	(1,545)	(1,545)	(1,545)
Net Service Budget		1,863	1,671	1,693	1,374	1,305	1,268	1,269
Objective Analysis:								
Direct Services	Development Management	(1,109)	(1,107)	(1,163)	(1,274)	(1,294)	(1,294)	(1,294)
	Contributions To H R A	0	1	0	0	0	0	0
	Housing Services	(29)	(77)	(43)	(43)	(43)	(43)	(43)
	Car Parks Strategy	2	0	0	0	0	0	0
	Economic Development	93	15	91	5	5	5	5
	Planning Policy & Conservation	406	386	366	269	220	145	145
	Public Transport	11	11	11	11	11	11	11
	Private Housing Support	72	85	73	73	73	73	73
	Transportation Strategy	100	75	103	103	103	103	103
Internal Services	Head of Planning Int Services	3	3	3	3	3	3	3
	Head of Planning Mgmt Unit	2,314	2,279	2,252	2,227	2,227	2,265	2,266
Net Service Budget		1,863	1,671	1,693	1,374	1,305	1,268	1,269

Huntingdonshire District Council
Subjective & Objective Analysis: Service Controllable Income & Expenditure

Service Manager Environmental Management		2013/14		2014/15	Medium Term Plan			
		Budget	Forecast	Budget	2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	Budget £000	Budget £000	Budget £000	Budget £000
Subjective Analysis:								
Employees	Salaries	1,074	1,020	1,050	1,050	1,050	1,050	1,020
	National Insurance & Pensions	270	264	274	274	274	299	294
	Overtime	34	17	29	29	29	29	29
	Hired Staff	1	1	1	1	1	1	1
	Allowances	5	5	6	6	6	6	6
	Training	19	12	17	17	17	17	17
		1,403	1,319	1,377	1,377	1,377	1,402	1,367
Benefit & Transfer Payments	Irrecoverable V A T	8	11	8	8	8	8	8
	Precepts	390	390	399	399	399	399	399
		398	401	407	407	407	407	407
Buildings	Building Structure	289	304	317	317	317	317	317
	Energy	254	187	157	142	128	158	158
	Fixtures & Fittings	5	5	6	6	6	6	6
	Land	154	144	138	138	138	138	138
	Property Taxes	352	341	366	366	366	366	366
	Water & Sewerage	22	22	23	23	23	23	23
		1,076	1,003	1,007	992	978	1,008	1,008
Supplies & Services	Advertising	19	14	20	20	20	20	20
	Equipment & Furniture	71	41	39	39	39	39	39
	Materials	6	6	6	6	6	6	6
	Postage	10	4	9	9	9	9	9
	Printing & Stationery	21	12	18	18	18	18	18
	General Supplies and Services	47	47	48	48	48	48	48
	Professional Services	40	41	41	41	41	41	41
	Public Consultation, Surveys	4	4	4	4	4	4	4
	Subsistence	1	1	1	1	1	1	1
	Telephones	10	7	6	6	6	6	6
		229	177	192	192	192	192	192
Transport	Car Allowances	43	26	29	29	29	29	29
	Vehicles & Plant	28	28	29	29	29	29	29
		71	54	58	58	58	58	58
Technical Adjustments	Renewals Fund Contribution	69	35	46	46	46	46	46
		69	35	46	46	46	46	46
Total Service Expenditure		3,246	2,989	3,087	3,072	3,058	3,113	3,078
Income & Fees	Charges & Fees	(539)	(459)	(499)	(499)	(499)	(499)	(499)
	Commuted Sums	(1)	(1)	(1)	(1)	(1)	(1)	(1)
	Costs Recovered	(29)	(49)	(91)	(75)	(60)	(50)	(50)
	Rent	(98)	(88)	(84)	(84)	(84)	(84)	(84)
		(667)	(597)	(675)	(659)	(644)	(634)	(634)
Total Service Income		(667)	(597)	(675)	(659)	(644)	(634)	(634)
Net Service Budget		2,579	2,392	2,412	2,413	2,414	2,479	2,444
Objective Analysis:								
Direct Services	Building Control	(498)	(430)	(445)	(445)	(445)	(445)	(445)
	Car Parks	47	57	48	48	48	48	48
	Drainage & Sewers	457	457	469	469	469	469	469
	Environmental Projects	56	37	(36)	(35)	(34)	6	6
	Environmental Improvements	44	25	35	35	35	35	35
	Closed Churchyards	5	5	6	6	6	6	6
	Public Conveniences	21	16	21	21	21	21	21
	Public Transport	108	101	100	100	100	100	100
	Street Naming	42	22	11	11	11	11	11
Internal Services (rechargeable)	Building Control Mgmt Budgets	434	418	441	441	441	448	448
	Eastfield House & depots	211	181	214	214	214	214	214
	Environmental Mgmt-Mgmt Unit	913	816	857	857	857	873	838
	Pathfinder House	699	647	650	650	650	652	652
	Staff Restaurant	40	40	41	41	41	41	41
Net Service Budget		2,579	2,392	2,412	2,413	2,414	2,479	2,444

Huntingdonshire District Council								
Subjective & Objective Analysis: Service Controllable Income & Expenditure								
Head of Customer Services		2013/14		2014/15	Medium Term Plan			
		Budget	Forecast	Budget	2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	£000	£000	£000	£000
Subjective Analysis:								
Employees	Salaries	2,681	2,665	2,668	2,633	2,628	2,674	2,673
	National Insurance & Pensions	603	593	605	605	605	662	664
	Overtime	33	31	33	33	33	33	33
	Hired Staff	31	92	1	1	1	1	1
	Allowances	7	4	6	6	6	6	6
	Recruitment	0	1	0	0	0	0	0
	Training	44	16	41	41	41	41	41
		3,399	3,402	3,354	3,319	3,314	3,417	3,418
Benefit & Transfer Payments	Benefits	35,801	35,928	37,377	37,311	37,311	37,311	37,311
	Grants Paid	501	613	595	511	511	511	511
		36,302	36,541	37,972	37,822	37,822	37,822	37,822
Buildings	Building Structure	19	8	19	19	19	19	19
	Energy	2	2	2	2	2	2	2
	Leases & Rents	77	67	79	39	39	39	39
	Property Taxes	6	4	5	5	5	5	5
		104	81	105	65	65	65	65
Supplies & Services	Advertising	19	9	19	19	19	19	19
	Equipment & Furniture	114	178	131	131	131	131	131
	Insurance (Service Related)	2	1	2	2	2	2	2
	Materials	7	4	7	7	7	7	7
	Postage	98	113	96	96	96	96	96
	Printing & Stationery	85	68	70	70	70	70	70
	General Supplies and Services	16	16	18	18	18	18	18
	Professional Services	218	151	199	194	194	194	194
	Public Consultation, Surveys	9	12	9	9	9	9	9
	Subscriptions	2	0	1	1	1	1	1
	Treasury Related Services	6	3	6	6	6	6	6
	Telephones	28	20	23	23	23	23	35
		604	575	581	576	576	576	588
Transport	Car Allowances	45	33	47	47	47	47	47
	Vehicles & Plant	6	1	0	0	0	0	0
		51	34	47	47	47	47	47
Total Service Expenditure		40,460	40,633	42,059	41,829	41,824	41,927	41,940
Income & Fees	Bad Debts Provision	262	75	81	81	81	81	81
	Charges & Fees	(51)	(35)	(48)	(48)	(48)	(48)	(48)
	Costs Recovered	(1,243)	(1,200)	(1,307)	(1,223)	(1,223)	(1,223)	(1,223)
	Government Grants	(36,510)	(37,078)	(38,065)	(38,041)	(38,041)	(38,041)	(38,041)
		(37,542)	(38,238)	(39,339)	(39,231)	(39,231)	(39,231)	(39,231)
Total Service Income		(37,542)	(38,238)	(39,339)	(39,231)	(39,231)	(39,231)	(39,231)
Net Service Budget		2,918	2,395	2,720	2,598	2,593	2,696	2,709
Objective Analysis:								
Direct Services	Council Tax Support	(245)	(376)	(190)	(180)	(180)	(180)	(180)
	Economic Development	31	0	0	0	0	0	0
	Housing Benefits	(604)	(764)	(677)	(729)	(729)	(729)	(729)
	Homelessness	351	227	273	293	293	293	293
	Housing Services	17	18	18	18	18	18	18
	Local Tax Collection	(576)	(568)	(586)	(586)	(586)	(586)	(586)
Internal Services (rechargeable)	Internal Services: Customer Service	1,130	989	1,125	1,050	1,045	1,053	1,065
	Revenues Management Units	2,814	2,870	2,757	2,732	2,732	2,827	2,828
Net Service Budget		2,918	2,396	2,720	2,598	2,593	2,696	2,709

Huntingdonshire District Council
Subjective & Objective Analysis: Service Controllable Income & Expenditure

Service Manager Information Management		2013/14		2014/15	Medium Term Plan			
		Budget	Forecast	Budget	2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	Budget £000	Budget £000	Budget £000	Budget £000
Subjective Analysis:								
Employees	Salaries	1,149	974	1,015	860	860	850	850
	National Insurance & Pensions	299	265	286	270	270	300	301
	Overtime	6	7	6	8	8	8	8
	Hired Staff	(21)	142	29	14	(16)	(16)	(114)
	Allowances	1	1	1	1	1	1	1
	Training	23	23	24	24	24	24	24
		1,457	1,412	1,361	1,177	1,147	1,167	1,070
Supplies & Services	Advertising	2	2	2	2	2	2	2
	Equipment & Furniture	278	278	285	285	285	285	285
	Postage	1	1	1	1	1	1	1
	Printing & Stationery	3	3	3	3	3	3	3
	Professional Services	10	10	10	43	43	43	43
	Telephones	155	147	158	154	154	154	154
		449	441	459	488	488	488	488
Transport	Car Allowances	16	16	17	17	17	17	17
		16	16	17	17	17	17	17
Total Service Expenditure		1,922	1,869	1,837	1,682	1,652	1,672	1,575
Income & Fees	Charges & Fees	(34)	(34)	(35)	(35)	(35)	(55)	(55)
	Sales	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		(35)	(35)	(36)	(36)	(36)	(56)	(56)
Total Service Income		(35)	(35)	(36)	(36)	(36)	(56)	(56)
Net Service Budget		1,887	1,834	1,801	1,646	1,616	1,616	1,519
Objective Analysis:								
Direct Services	External Services: IMD	(31)	(31)	(31)	(31)	(31)	(51)	(51)
Internal Services (rechargeable)	Internal Services: IMD	1,918	1,865	1,832	1,677	1,647	1,667	1,570
Net Service Budget		1,887	1,834	1,801	1,646	1,616	1,616	1,519

Huntingdonshire District Council
Subjective & Objective Analysis: Service Controllable Income & Expenditure

General Manager One Leisure		2013/14		2014/15	Medium Term Plan			
		Budget	Forecast	Budget	2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	Budget	Budget	Budget	Budget
Subjective Analysis:								
Employees	Salaries	3,898	3,738	3,738	3,738	3,738	3,738	3,738
	National Insurance & Pensions	592	575	588	588	588	645	646
	Overtime	22	35	26	26	26	26	26
	Bonus	1	0	0	0	0	0	0
	Hired Staff	15	15	15	15	15	15	15
	Allowances	15	9	15	15	15	15	15
	Childcare Admin Vouchers	1	0	0	0	0	0	0
	Commission On Sales	17	14	1	1	1	1	1
	Employee Insurance	0	1	1	1	1	1	1
	Recruitment	4	3	3	3	3	3	3
Training	56	44	51	51	51	51	51	
		4,621	4,434	4,438	4,438	4,438	4,495	4,496
Benefit & Transfer Payments	Grants Paid	0	2	0	0	0	0	0
	Irrecoverable V A T	94	87	90	90	90	90	90
		94	89	90	90	90	90	90
Buildings	Building Security	11	11	11	11	11	11	11
	Building Structure	257	274	266	266	266	266	266
	Energy	541	525	526	526	526	526	526
	Fixtures & Fittings	57	79	66	66	66	66	66
	Land	16	22	11	11	11	11	11
	Leases & Rents	1	0	0	0	0	0	0
	Property Taxes	446	446	454	454	454	454	454
	Water & Sewerage	109	105	109	109	109	109	109
		1,438	1,462	1,443	1,443	1,443	1,443	1,443
Supplies & Services	Advertising	89	89	88	88	88	88	88
	Equipment & Furniture	313	364	345	345	345	345	345
	Materials	461	418	435	435	435	435	435
	Postage	10	7	6	6	6	6	6
	Printing & Stationery	59	54	56	56	56	56	56
	General Supplies and Services	79	89	83	83	83	83	83
	Professional Services	75	97	208	267	310	310	310
	Public Consultation, Surveys	4	1	1	1	1	1	1
	Subscriptions	0	0	0	0	0	0	0
	Treasury Related Services	37	46	47	47	47	47	47
	Subsistence	0	1	0	0	0	0	0
Telephones	12	9	10	10	10	10	10	
		1,139	1,175	1,279	1,338	1,381	1,381	1,381
Transport	Car Allowances	14	18	15	15	15	15	15
	Vehicles & Plant	13	13	13	14	14	14	14
		27	31	28	29	29	29	29
Technical Adjustments	Renewals Fund Contribution	26	25	26	26	26	26	26
		26	25	26	26	26	26	26
Total Service Expenditure		7,345	7,216	7,304	7,364	7,407	7,464	7,465
Income & Fees	Charges & Fees	(5,978)	(5,826)	(6,424)	(6,630)	(6,685)	(6,703)	(6,727)
	Costs Recovered	(2)	(13)	(2)	(2)	(2)	(2)	(2)
	Government Grants	0	(1)	0	0	0	0	0
	Rent	(216)	(177)	(191)	(191)	(191)	(191)	(191)
	Sales	(880)	(818)	(896)	(896)	(896)	(896)	(896)
		(7,076)	(6,835)	(7,513)	(7,719)	(7,774)	(7,792)	(7,816)
Total Service Income		(7,076)	(6,835)	(7,513)	(7,719)	(7,774)	(7,792)	(7,816)
Net Service Budget		269	381	(209)	(355)	(367)	(328)	(351)
Objective Analysis:								
Direct Services	One Leisure Sites (Recreation & Sport)	50	186	(430)	(576)	(588)	(554)	(577)
Internal Services (rechargeable)	One Leisure Management Units	219	195	221	221	221	226	226
Net Service Budget		269	381	(209)	(355)	(367)	(328)	(351)

Huntingdonshire District Council
Subjective & Objective Analysis: Service Controllable Income & Expenditure

Assistant Director (Financial & Resources) & Non Allocated Items		2013/14		2014/15	Medium Term Plan			
		Budget	Forecast	Budget	2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	Budget	Budget	Budget	Budget
Subjective Analysis:								
Employees	Salaries	802	793	844	844	844	844	844
	National Insurance & Pensions	241	218	223	223	223	244	244
	Overtime	1	0	1	1	1	1	1
	Hired Staff	35	20	36	36	36	36	36
	Allowances	0	5	5	5	5	5	5
	Employee Insurance	93	99	102	102	102	102	102
	Termination	1	0	1	1	0	0	0
	Training	25	14	6	6	6	6	6
		1,198	1,149	1,218	1,218	1,217	1,238	1,238
Benefit & Transfer Payments	Grants Paid	357	357	9	9	9	9	9
	Irrecoverable V A T	1	1	1	1	1	1	1
		358	358	10	10	10	10	10
Buildings	Building Security	52	52	53	53	53	53	53
		52	52	53	53	53	53	53
Supplies & Services	Equipment & Furniture	66	65	70	70	70	70	70
	Insurance (Service Related)	83	70	85	85	85	85	85
	Interest Paid	704	438	888	900	920	1,086	1,428
	Materials	4	0	0	0	0	0	0
	Postage	9	4	3	3	3	3	3
	Printing & Stationery	(7)	17	26	26	26	26	26
	Professional Services	54	86	58	58	58	58	58
	Subscriptions	3	6	6	6	6	6	6
	Treasury Related Services	56	73	57	57	57	57	57
	External Audit Fees	163	114	118	117	117	117	117
		1,135	873	1,311	1,322	1,342	1,508	1,850
Transport	Car Allowances	4	3	6	6	6	6	6
	Vehicles & Plant (Insurance)	80	103	111	111	111	111	111
		84	106	117	117	117	117	117
Technical Adjustments	Minimum Revenue Provision	1,255	1,118	1,623	1,992	2,158	2,509	2,784
	Pay Protection & Performance Pay	320	0	187	119	279	431	570
	Contingencies	(148)	21	123	793	1,006	1,350	1,960
	Pension Contribution Lump Sum	1,139	1,139	789	1,135	1,510	1,574	1,574
	Unallocated Savings	0	0	0	(700)	(1,300)	(1,799)	(2,100)
		2,566	2,278	2,722	3,339	3,653	4,065	4,788
Total Service Expenditure		5,393	4,816	5,431	6,059	6,392	6,991	8,056
Income & Fees	Charges & Fees	(2)	(2)	(22)	(27)	(27)	(27)	(27)
	Costs Recovered	0	(90)	0	0	0	0	0
	Government Grants	0	(102)	(45)	(45)	0	0	0
	Interest Received	(445)	(271)	(594)	(642)	(696)	(749)	(752)
	Sales	0	(2)	0	0	0	0	0
		(447)	(467)	(661)	(714)	(723)	(776)	(779)
Total Service Income		(447)	(467)	(661)	(714)	(723)	(776)	(779)
Net Service Budget		4,946	4,349	4,770	5,345	5,669	6,215	7,277
Objective Analysis:								
Direct Services	Risk Contingency	186	0	301	913	1,286	1,783	2,531
	Corporate Management	189	181	174	174	174	174	174
	Pensions Termination Benefits	1	0	1	1	0	0	0
	General Bad Debt Provision	21	21	11	1	1	1	1
	Minimum Revenue Provision	1,255	1,118	1,624	1,992	2,158	2,509	2,785
	Pension Contribution Lump Sum	1,139	1,139	789	1,135	1,510	1,574	1,574
	Grants To Towns & Parishes	357	357	9	9	9	9	9
	Investment Interest	268	174	303	267	233	346	685
	Other Exp: Grants	0	(102)	(45)	(45)	0	0	0
	Other Exp: Savings Budgets	0	0	0	(700)	(1,300)	(1,799)	(2,100)
Internal Services (rechargeable)	Internal Services: Financial Systems	64	51	54	54	54	54	54
	Audit Budget	572	510	625	625	625	628	628
	Head of Finance Mgmt Unit	124	140	102	97	97	100	100
	Accountancy Budgets	718	704	765	765	765	778	778
	Procurement	52	56	57	57	57	58	58
Net Service Budget		4,946	4,349	4,770	5,345	5,669	6,215	7,277

TABLE 4 - ALL MTP VARIATIONS FROM THE 2013/14 BASE

KEY

The highlighted items require further approval before commencement

Managing Director and then Cabinet
Head of Service following consultation with the Managing Director or relevant Corporate Director and the Executive Councillors for the Service and Resources
Managing Director

Bid No.	Scheme	REVENUE							NET CAPITAL						
		BASE	F'CAST	BUDGET	MTP				BASE	F'CAST	BUDGET	MTP			
		2013	2013	2014	2015	2016	2017	2018	2013	2013	2014	2015	2016	2017	2018
		2014	2014	2015	2016	2017	2018	2019	2014	2014	2015	2016	2017	2018	2019
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	BASE	22,187	22,187	22,187	22,187	22,187	22,187	22,188	0	0	0	0	0	0	0
	Managing Director and Corporate Office														
	HR & Payroll														
1001	Cover for Staff Side Representatives	50	10												
1008	HR & Payroll Outsourcing	17	17	5	-8	-21	-3								
1007	Pay Review	15	15												
1047	Review of HR Contracts					-6	-16	-16							
1050	Pensions Increase Saving		-30	-30	-30	-30	-30	-30							
	Economic Development (Estates)														
239	New Industrial Units	11	-1	-6	-6	-6	-6	-6							
1048	Re-alignment of Commercial Estates Budget		116	111	106	101	101	101							
1049	Invest to Save Proposal - Highlode (Ramsey)		-15	-23	-23	-23	-23	-23	263						
	Economic Development (Other)														
1046	Management/Equalities/Community Strategy Saving			-18	-18	-23	-23	-23							
1058	Funded Support for Local Enterprise Partnership		-20	-43	-43										
FF0008	Economic Development project savings			-20	-20	-20	-20	-20							
	Estates														
	Increased income from proactive management of commercial estate			-20	-20	-20	-20	-20							
	Corporate Management														
FF0009	COMT support costs & training saving			-29	-29	-29	-29	-29							
FF0010	Communications remove town centre kiosks				-13	-13	-13	-13							
	Corporate Office MU														
FF0011	Office costs saving			-28	-28	-23	-23	-23							

Bid No.	Scheme	REVENUE							NET CAPITAL							
		BASE	F'CAST	BUDGET	MTP				BASE	F'CAST	BUDGET	MTP				
		2013	2013	2014	2015	2016	2017	2018	2013	2013	2014	2015	2016	2017	2018	2018
		2014	2014	2015	2016	2017	2018	2019	2014	2014	2015	2016	2017	2018	2019	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Estates															
FF	Increased income from proactive management of commercial estate				-20	-20	-20	-20								
Head of Legal & Democratic Services																
	Environmental Health (Licensing)															
#	Licensing - efficiency and higher charges	-54	-54	-42	-42	-42	-42	-42								
SAVING	Regulatory Limitation on price increases			19	19	19	19	19								
	Licensing															
FF0015	Review attribution of costs			-6	-6	-6	-6	-6								
	Democratic Representation															
49	825 Members Allowances Review			4				4								
	826 Electoral Administration Act	-8	-8	-3	-5		-5	-5								
	885 District Council Elections - No elections every fourth year	-73	-73	-24	-15	-29	-137	22								
	1041 Individual Electoral Registration (IER)		8	3	5	18	20	20								
	1042 Members Allowances - Automatic Index Mechanism		-7	-7	-7	-7	-7	-7								
	1044 Overview & Scrutiny Panel - Budget Provision		-3	-3	-3	-3	-3	-3								
	Document Centre															
	380 Replacement Printing Equip.								70	25		178				
	894 Replacement Equipment Document Centre								46	12	33	9	33	28	12	
	895 Multi-functional Devices								80		80				80	
SAVING	Document Centre - efficiency and external work	-17	-17	-37	-57	-62	-62	-62								
	Legal & Democratic Mu															
1043	Legal & Democratic Budget Reduction		-22	-22	-22	-22	-22	-22								
	Strategic Review															
	Outsourced/Shared Legal Service			-17	-38	-38	-38	-38								

Bid No.	Scheme	REVENUE							NET CAPITAL						
		BASE	F'CAST	BUDGET	MTP				BASE	F'CAST	BUDGET	MTP			
		2013	2013	2014	2015	2016	2017	2018	2013	2013	2014	2015	2016	2017	2018
		2014	2014	2015	2016	2017	2018	2019	2014	2014	2015	2016	2017	2018	2019
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Central Services														
FF0015	Land Charges market service, review fees & costs			-13	-23	-23	-23	-23							
FF0016	Elections: efficiency savings & improved csot recovery			-2	-3	-3	-3	-3							
	Democratic Representation														
FF0017	Committee savings: reduced catering, charge/discontinue support for Town Centres			-5	-5	-5	-5	-5							
FF0018	Member support: training and office savings			-8	-8	-8	-8	-8							
	Document Centre														
FF0019	Reduction in cost of print - to be allocated across all relevant service budgets			-27	-30	-30	-30	-30							
FF0020	Office costs and post room savings			-10	-10	-10	-10	-10							
Head of Environmental and Community Services															
	Environmental Health														
1061	Deletion of Commercial Team Post				-35	-35	-35	-35							
SM	Review Pest Control Service			-38	-38	-38	-38	-38							
SM	Health & Safety Contract			-9	-9	-9	-9	-9							
	Planning Policy & Conservation														
953	Parish Planning				-7	-7	-7	-7							
	Community Initiatives														
952	Loves Farm Community Centre								60		37				
1060	Deletion of Arts Development Budget			-11	-11	-11	-11	-11							
1063	Reduction in Voluntary Grants					-50	-50	-50							
1065	Review of Community Development Service					-33	-33	-33							

Bid No.	Scheme	REVENUE							NET CAPITAL							
		BASE	F'CAST	BUDGET	MTP				BASE	F'CAST	BUDGET	MTP				
		2013	2013	2014	2015	2016	2017	2018	2013	2013	2014	2015	2016	2017	2018	2018
		2014	2014	2015	2016	2017	2018	2019	2014	2014	2015	2016	2017	2018	2019	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Leisure Policy and Development															
845	Physical Activity Initiatives for Adults	-7	-7	-9	-9	-9	-9	-9								
1064	Reduction to Leisure Development Budget			-7	-7	-7	-7	-7								
	Environmental & Community Health MU															
#	Environmental & Community Health savings	-65	-65	-65	-65	-65	-65	-65								
1062	ECHS Income Generation		-9	-19	-24	-29	-34	-34								
Head of Operations																
	Refuse and Recycling															
948	Provision for Bin Replacements								38	29	42	54	75	75	75	
650	Recycling Credits		53	53	53	53	53	53								
969	Recycling Gate Fees	-138	-149	-189	-275	-275	-275	-275								
979	Wheeled Bins for New Properties								143	107	255	135	130	110	55	
1030	Charge for second green bin	-101	-49	-106	-106	-106	-106	-106	20	32						
1031	Extra refuse round due to housing growth						120	120						158		
1052	Bulky refuse income and expenditure		20	20	20	20	20	20								
FF0025	Nightsoil service no longer required			-11	-11	-11	-11	-11								
	Street Cleaning and Litter															
1051	Street Cleaning Savings			-70	-70	-70	-70	-70								
FF0022	Withdraw graffiti removal & fly posting service			-3	-3	-3	-3	-3		-20						
FF0021	Fixed penalty notices for dog fouling & littering			-5	-5	-5	-5	-5								
	Community Safety															
865	CCTV - Camera replacements								41	77	45	45	43			
1023	Wireless CCTV			-50	-50	-50	-50	-50	250	290						
1056	CCTV Shared Service		48	-38	-61	-63	-63	-63			2	2	150	65	3	
	Central Services (Emergency Planning)															
1099	Emergency planning budget savings			-23	-23	-23	-23	-23								

Bid No.	Scheme	REVENUE							NET CAPITAL							
		BASE	F'CAST	BUDGET	MTP				BASE	F'CAST	BUDGET	MTP				
		2013	2013	2014	2015	2016	2017	2018	2013	2013	2014	2015	2016	2017	2018	2018
		2014	2014	2015	2016	2017	2018	2019	2014	2014	2015	2016	2017	2018	2019	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Countryside															
1024	Paxton Pits Developer Contribution															
1053	Flail Mower - Countryside		-12							12						
	Parks and Open Spaces															
854	Play Equipment & Safety Surface Renewal								45	45	40	40	20	20	21	
1054	Lower Parks Repairs & Renewal Fund Contribution			-25	-25	-25	-25	-25								
1097	S.106 Play Area Projects		-75	-47					75	47						
	Car Parks															
	Car Park Income	-154	-154	-172	-172	-173	-175	-175								
1055	Christmas Parking		13													
SAVING	Increase in Car Park Charges			16												
1103	Parking Budget Saving		-16	-16	-16	-16	-16	-16								
1112	Car parking volume reduction (new)		90	90	90	90	90	90								
1113	On street parking surplus applied to County transportation		58	29	29	29	29	29								
	Vehicles and Plant															
886	Vehicle fleet replacements.								1,124	1,221	1,079	715	720	889	408	
	In Cab Technology	5	5	5	5	5	5	5	70	70						
	Pool Cars															
1026	Pool Cars	-19	-19	-19	-19	-19	-19	-19		60					45	
	Operations Management															
1045	Ops Management and Admin Savings		-55	-88	-88	-88	-88	-88								
FF0023	Operations Management efficiency saving			-13	-26	-26	-26	-26								

Bid No.	Scheme	REVENUE							NET CAPITAL						
		BASE	F'CAST	BUDGET	MTP				BASE	F'CAST	BUDGET	MTP			
		2013 2014 £000	2013 2014 £000	2014 2015 £000	2015 2016 £000	2016 2017 £000	2017 2018 £000	2018 2019 £000	2013 2014 £000	2013 2014 £000	2014 2015 £000	2015 2016 £000	2016 2017 £000	2017 2018 £000	2018 2019 £000
Assistant Director (Environment, Growth and Planning)															
	Development Management														
904	Community Infrastructure Levy - Preparations	-92	-92	-143	-179	-199	-199	-199	23	23					
997	RAF Alconbury Development	75		75											
1068	CIL related staff reorganisation			-30	-30	-30	-30	-30							
1072	Wyton Airfield Development			50	75	75									
FF0003	Implement E-Consultation			-2	-2	-2	-2	-2							
SM FF	Recover Consultants Costs			-1	-1	-1	-1	-1							
	Planning Policy and Conservation														
358	Ramsey Rural Renewal		-5	-5	-5	-5	-5	-5	63						
903	Local Development Framework examinations	-19	-236	-54	-176	-225	-225	-225							
1073	Listed Building /Conservation Grants			-37	-37	-37	-37	-37							
1075	Planning & Housing Strategy Efficiency Saving		-17	-17	-17	-17	-17	-17							
	Economic Development														
224	Town Centre Developments	86		86					210	116		74	100		
401	Huntingdon Town Centre Development									10					
850	Huntingdon West Development (Housing Growth Fund)								473	450	941	-200	-55	-200	-200
998	St Neots Development	4	4												
	Car Parks														
923	Extra Car Parking, Huntingdon Town Centre	57	57	120	27	-159	-344	-344	3,973	4,760	-500	-500			
480	Car Park Strategy		10												
SAV132	Reduced Car Park Income due to "free after 3 PM scheme"		82												

Bid No.	Scheme	REVENUE							NET CAPITAL						
		BASE	F'CAST	BUDGET	MTP				BASE	F'CAST	BUDGET	MTP			
		2013	2013	2014	2015	2016	2017	2018	2013	2013	2014	2015	2016	2017	2018
		2014	2014	2015	2016	2017	2018	2019	2014	2014	2015	2016	2017	2018	2019
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Private Housing Support															
866	Disabled Facilities Grants								1,550	1,043	1,450	1,250	1,250	1,250	1,250
867	Repairs Assistance	10	20	10	10	10	10	10	100	170	100	100	100	100	100
869	Social Housing Grant								118	120					
932	Decent Homes - Thermal Efficiency and Category 1 H&S								50	25	10	10	10	10	10
1071	Integration of Housing Strategy with Planning Policy			-25	-50	-50	-50	-50							
1074	Two replacement static caravans		-30							30					
FF0001	Review Housing Renewal Assistance Policy										-25	-25	-25	-25	-25
FF0002	Mobile Home Park Income			-8	-8	-8	-8	-8							
Planning Management															
1070	Planning staff savings (existing vacancies)			-50	-50	-50	-50	-50							
1069	Selling planning expertise to other LA's			-20	-20	-20	-20	-20							
Service Manager Environmental Management															
Drainage & Sewers															
1009	Godmanchester Flood Alleviation Scheme								175	175					
Environmental Health (Energy Efficiency)															
879	Environment Strategy Funding							-35	55	58	105	55	55	55	
880	Sustainable Homes Retrofit								-415			-180	-235		
918	Building Efficiency Improvements (Salix Grant)	-52	-42	-50	-62	-77	-95	-95	77	50	50	62	77	37	
918A	Building Effic. Imps (Potential LC proportion)	52	42	34	41	52	70	70							
988	PV Panels EFH	-39	-39	-39	-39	-39	-39	-39							
1039	Environment Team Projects - Reduced Base Budget		-27	-42	-42	-42	-42	-42							
1040	Environment Team Projects - Budget Reduction		-20	-27	-27	-27	-27	-27							

Bid No.	Scheme	REVENUE							NET CAPITAL						
		BASE	F'CAST	BUDGET	MTP				BASE	F'CAST	BUDGET	MTP			
		2013	2013	2014	2015	2016	2017	2018	2013	2013	2014	2015	2016	2017	2018
		2014	2014	2015	2016	2017	2018	2019	2014	2014	2015	2016	2017	2018	2019
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
FF0005	DECC Communities Funding			-16											
FF0006	Referral Fees Action on Energy Scheme			-10	-10	-10									
FF0007	Mobilising Local Energy Investment Funding		-15	-15	-15										
FF0024	Energy Saving Equipment			-10	-20	-30									
	Public Transport														
1036	Reduced Bus Shelter and Env Imps R&R Budget		-20	-20	-20	-20	-20	-20							
1038	Street Naming and Numbering Savings		-20	-32	-32	-32	-32	-32							
	Car Parks														
461	Car Park Repairs										151				
	Environmental Improvements														
5703	Heart of Oxmoor								-1,366	-1,366					
	Offices														
890	Headquarters								-420		-300		-120		
986	Major repairs and replacements										50				
1012	Rental of space in PFH	-88	-63	-63	-63	-63	-63	-63							
1033	Reduced Facilities Management Costs		-85	-85	-85	-85	-85	-85							
FF0004	Energy & Water Use Audits			-2	-2	-2	-2	-2							
	Building Control														
1086	Building Control Income		60	60	60	60	60	60							
	Environmental Mgmt Management Budget														
1034	Reduction in Training Budget		-3	-3	-3	-3	-3	-3							
1035	Removal of charge to capital (legacy cost pursuant to Service)		15	15	15	15	15	15							
1037	Reduced Project & Assets Team Management Budget		-25	-25	-25	-25	-25	-25							

Bid No.	Scheme	REVENUE							NET CAPITAL							
		BASE	F'CAST	BUDGET	MTP				BASE	F'CAST	BUDGET	MTP				
		2013	2013	2014	2015	2016	2017	2018	2013	2013	2014	2015	2016	2017	2018	
		2014	2014	2015	2016	2017	2018	2019	2014	2014	2015	2016	2017	2018	2019	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Strategic Review															
	Outsourced/Shared Revs and Bens			-50	-75	-75	-25	-25								
	Service Manager IMD															
	Helpdesk and Network Services															
958	Help Desk Saving								75	75	75	75	75	75	75	
959	Network and ICT Services	-129	-129	-129	-59	-59	-59	-59								
#	IMD Staff savings	-19	-19	-19	-84	-84	-84	-84								
#	IMD Contract Savings				-40	-40	-40	-40								
970	Telephony and ICT Network Renewal											100	100			
976	ICT Replacements and Server Virtualisation	-275	-275	-275	-275	-275	-275	-275	258	258	57	57	277	57	57	57
1079	Mobile Phones (lower tariffs)		-5	-20	-20	-20	-20	-20								
	Strategic Review															
	Outsourced/Shared IT			-80	-170	-170	-180	-180								
	Web and Business Systems															
SAV117	IMD Shared Service Income	-20	-20	-20	-20	-20	-40	-40								
	Business Analysis and Project Management															
495	Corporate EDM															
891	Business Systems	-4	-4	-28	-28	-58	-58	-156	225	259	200	200	200	200	200	200
900	Working Smarter															
1002	Business Continuity Review	4	3	3	3	3	3	3								
1102	IMD Savings & Delivering Cust Serv Strategy		5	-20	-35	-35	-35	-35								
	General Manager, OneLeisure															
	Leisure Centres															
857	St Neots LC Development	-149	-149	-149	-149	-149	-149	-149								
861	Future maintenance		20						272	279	322	322	385	550	550	550
896	St Ivo LC - Football Improvements								-53			-53				
922	St Ivo LC Redevelopment	-350	-200	-541	-563	-561	-578	-578	1,000	1,358						

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Bid No.	Scheme	REVENUE							NET CAPITAL						
		BASE	F'CAST	BUDGET	MTP				BASE	F'CAST	BUDGET	MTP			
		2013	2013	2014	2015	2016	2017	2018	2013	2013	2014	2015	2016	2017	2018
		2014	2014	2015	2016	2017	2018	2019	2014	2014	2015	2016	2017	2018	2019
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
956	Replacement Fitness Equipment	-22	-4	-25	-50	-50	-50	-75	330	50	200	250			250
	Leisure Savings Target not yet identified	78	78	55	40	46	46	46							
	Leisure Savings	-190	-190	-300	-400	-400	-400	-400							
	Overperformance			-107	8	4	4	4							
	Estimated need to rephase target	-50	-50	-50	-50	-50	-50	-50							
1006	OLSI Replacement Tractor & Mower	-6	-6	-6	-6										
1029	One Leisure Savings Proposals		0	12	12	10	10	10							
922	One Leisure St Ives Redevelopment			75											
SM FF	Review Advantage Package			-25	-50	-70	-70	-70							
SM FF	One Leisure Card Annual Fee			-45	-45	-45	-45	-45							
SM FF	Reduce Use of External Contractors			-2	-2	-2	-2	-2							
Assistant Director (Finance and Resources)															
	Interest and Borrowing Costs														
	Interest	674	843	870	882	901	1068	1410							
	Other Expenditure														
	VAT Partial Exemption	6	7	-5	-5	-5	-5	-5	53	74	27	23	22	31	36
950	Doubtful Debts Provision	-20	-20	-30	-40	-40	-40	-40							
	Variation in MRP	273	136	641	1,011	1,176	1,527	1,802							
***	Pensions Fixed Sum	479	479	129	475	850	914	914							
1057	Huntingdonshire Regional College Loan		-72	-146	-149	-153	-156	-159		1,500					
1076	Saving in External Audit Fee		-50	-50	-50	-50	-50	-50							
1077	Insurance Premium Income		28	34	34	34	34	34							
1081	Advertising Opportunities			-20	-25	-25	-25	-25							
1082	Reduce training budgets			-20	-20	-20	-20	-20							
1083	Margin on Loans to RSL's etc			-21	-66	-116	-166	-166							
1085	No grants to towns/parishes re. Housing Support			-357	-357	-357	-357	-357							
1087	Group Life Insurance		-21	-21	-21	-21	-21	-21							
1101	Removal of Credit Interest Budget		6	6	6	6	6	6							
	NI increase: From "D" Rate to "A" Rate						380	388							

Bid No.	Scheme	REVENUE							NET CAPITAL						
		BASE	F'CAST	BUDGET	MTP				BASE	F'CAST	BUDGET	MTP			
		2013	2013	2014	2015	2016	2017	2018	2013	2013	2014	2015	2016	2017	2018
		2014	2014	2015	2016	2017	2018	2019	2014	2014	2015	2016	2017	2018	2019
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Non-Allocated Items															
	Recharges to Non-Revenue Accounts														
	Revenue staff charged to capital								50	50	50	50	50	50	
	Risk Provision														
	Formula Grant reduction due to New Homes Bonus				100	200	200	200							
	Reduced New Homes Bonus (long term empties)				60	70	80	90							
	Provision for demographic growth				90	180	150	240							
	Lower increase in car park charges	20													
	Lower Council Tax Rises				72	77	165	172							
	Protection and Performance Pay	320		184	114	274	427	565							
	Homelessness			50	100	100									
	NNDR Appeals (Half way to safety net)				150	150	150	150							
	Refund of Land Charges (assume half)			86											
	Other Items														
	Reorganisation - Senior managers	-345	-345	-395	-395	-395	-395	-395							
	Pay & allowances Review	-150	-150	-150	-150	-150	-150	-150							
	Capital Inflation										61	185	279	317	
	Revenue Inflation	407	407	691	935	944	1,319	1,823							
	Grant to Towns and Parishes (Loss of Taxbase)	357	357	357	357	357	357	357							
	Spending Adjustments still to be identified				-700	-1,300	-1,800	-2,101							
	20013/14 Forecast variations		-693												
	Removal of T/O allowance	250	250	250	250	250	250	250							
1098	Correction of contingency and internal recharges		-101	-21	-21	-21	-21	-21							
	Roundings	-1	-1	-6	-2	-2	-8	-6							
	TOTAL	22,764	21,127	20,870	20,389	20,294	20,863	21,955	8,863	11,900	4,623	2,511	3,845	3,914	3,369

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TABLE 5 - ALL MTP CHANGES TO THE CURRENT APPROVED MTP

KEY

Changes since December update report have a black indicator in the first column.

Line Colours

Rephasing
Saving
Net Nil
Transfers (net nil)
Extra Cost
Capital to Revenue
Revenue to Capital
Technical

CHANGES TO CURRENT MTP		REVENUE						NET CAPITAL					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
		2013	2014	2015	2016	2017	2018	2013	2014	2015	2016	2017	2018
Bid	Scheme	2014	2015	2016	2017	2018	2019	2014	2015	2016	2017	2018	2019
No.		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Managing Director and Corporate Office													
	HR & Payroll												
1001	Cover for Staff Side Representatives	-40	-25	-25	-25	-25	-25						
1047	Review of HR Contracts				-6	-16	-16						
1050	Pensions Increase Saving	-30	-30	-30	-30	-30	-30						
	Economic Development (Estates)												
239	New Industrial Units	-12	-12	-6	-6	-6	-6						
1048	Re-alignment of Commercial Estates Budget	116	111	106	101	101	101						
1049	Invest to Save Proposal - Highlode (Ramsey)	-15	-23	-23	-23	-23	-23	263					
	Economic Development (Other)												
1046	Management/Equalities/Community Strategy Saving		-18	-18	-23	-23	-23						
1058	Funded Support for Local Enterprise Partnership	-20	-43	-43									
FF0008	Economic Development project savings		-20	-20	-20	-20	-20						
	Estates												
	Increased income from proactive management of commercial estate		-20	-40	-50	-50	-50						
	Increased income from proactive management of commercial estate		0	20	30	30	30						
	Corporate Management												
FF0009	COMT support costs & training saving		-29	-29	-29	-29	-29						
FF0010	Communications remove town centre kiosks			-13	-13	-13	-13						
	Corporate Office MU												
FF0011	Office costs saving		-28	-28	-23	-23	-23						
	Estates												
FF????	Increased income from proactive management of commercial estate			-20	-20	-20	-20						

CHANGES TO CURRENT MTP		REVENUE						NET CAPITAL					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
		2013 2014	2014 2015	2015 2016	2016 2017	2017 2018	2018 2019	2013 2014	2014 2015	2015 2016	2016 2017	2017 2018	2018 2019
Bid	Scheme	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Head of Legal & Democratic Services													
	Environmental Health (Licensing)												
SAVING	Regulatory Limitation on price increases		19	19	19	19	19						
	Licensing												
FF0015	Review attribution of costs		-6	-6	-6	-6	-6						
	Democratic Representation												
825	Members Allowances Review						4						
885	District Elections		-34	-25	-29	-64	12						
1041	Individual Electoral Registration (IER)	8	3	5	18	20	20						
1042	Members Allowances - Automatic Index Mechanism	-7	-7	-7	-7	-7	-7						
1044	Overview & Scrutiny Panel - Budget Provision	-3	-3	-3	-3	-3	-3						
	Document Centre												
380	Replacement Printing Equip.							-45			-30		
894	Replacement Equipment Document Centre							-34	22	-12	2	25	12
895	Multi-functional Devices							-80	80			-80	80
SAVING	Document Centre - efficiency and external work		-10	-15	-20	-20	-20						
	Legal & Democratic Mu												
1043	Legal & Democratic Budget Reduction	-22	-22	-22	-22	-22	-22						
	Strategic Review												
	Outsourced/Shared Legal Service		-25	-25	-25	-25	-25						
	Outsourced/Shared Legal Service		8	-13	-13	-13	-13						
	Central Services												
FF0015	Land Charges market service, review fees & costs		-13	-23	-23	-23	-23						
FF0016	Elections: efficiency savings & improved csot recovery		-2	-3	-3	-3	-3						

CHANGES TO CURRENT MTP		REVENUE						NET CAPITAL					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
		2013	2014	2015	2016	2017	2018	2013	2014	2015	2016	2017	2018
Bid	Scheme	2014	2015	2016	2017	2018	2019	2014	2015	2016	2017	2018	2019
No.		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	Democratic Representation												
FF0017	Committee savings: reduced catering, charge/discontinue support for Town Centres		-5	-5	-5	-5	-5						
FF0018	Member support: training and office savings		-8	-8	-8	-8	-8						
	Document Centre												
FF0019	Reduction in cost of print - to be allocated across all relevant service budgets		-27	-30	-30	-30	-30						
FF0020	Office costs and post room savings		-10	-10	-10	-10	-10						
Head of Environmental and Community Services													
	Environmental Health												
1061	Deletion of Commercial Team Post			-35	-35	-35	-35						
SM FFF	Review Pest Control Service		-38	-38	-38	-38	-38						
SMFFF	Health & Safety Contract		-9	-9	-9	-9	-9						
911	Delete House Condition Survey			-55									
	Community Initiatives												
952	Loves Farm Community Centre							-60	37				
1060	Deletion of Arts Development Budget		-11	-11	-11	-11	-11						
1063	Reduction in Voluntary Grants				-50	-50	-50						
1065	Review of Community Development Service				-33	-33	-33						
	Leisure Policy and Development												
1064	Reduction to Leisure Development Budget		-7	-7	-7	-7	-7						
1106	DASH Sport England Lottery Fund	0	0	0	0								
	Environmental & Community Health MU												
1062	ECHS Income Generation	-9	-19	-24	-29	-34	-34						

CHANGES TO CURRENT MTP		REVENUE						NET CAPITAL					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
		2013	2014	2015	2016	2017	2018	2013	2014	2015	2016	2017	2018
Bid	Scheme	2014	2015	2016	2017	2018	2019	2014	2015	2016	2017	2018	2019
No.		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Head of Operations													
	Refuse and Recycling												
948	Provision for Bin Replacements							-9	-6	-6	0	0	75
650	Recycling Credits	53	53	53	53	53	53						
969	Recycling Gate Fees	-11	-9										
979	Wheeled Bins for New Properties	-3	-4	-10	-17	-28	-31	-36	255	135	130	110	55
979	Wheeled Bins for New Properties (variation to bid)	3	4	10	17	28	31						
1030	Charge for second green bin	52	52	52	52	52	52	12	-28				
1031	Extra refuse round due to housing growth											10	
1052	Bulky refuse income and expenditure	20	20	20	20	20	20						
FF0025	Nightsoil service no longer required		-11	-11	-11	-11	-11						
	Street Cleaning and Litter												
1051	Street Cleaning Savings		-70	-70	-70	-70	-70						
FF0022	Withdraw graffiti removal & fly posting service		-3	-3	-3	-3	-3	-20					
FF0021	Fixed penalty notices for dog fouling & littering		-5	-5	-5	-5	-5						
	Community Safety												
865	CCTV - Camera replacements							36	-36			-44	
1023	Wireless CCTV		30	30	30	30	30	40					
1056	CCTV Shared Service	48	-2	-60	-67	-70	-70		2	2	150	65	3
1056	CCTV Shared Service (variation to bid)		-36	-1	4	7	7						
	Central Services (Emergency Planning)												
1099	Emergency planning budget savings		-23	-23	-23	-23	-23						
	Countryside												
1053	Flail Mower - Countryside	-12						12					
	Parks and Open Spaces												
854EY	Play Equipment & Safety Surface Renewal												21
1054	Lower Parks Repairs & Renewal Fund Contribution		-25	-25	-25	-25	-25						
1097	S.106 Play Area Projects	-75	-47					75	47				

CHANGES TO CURRENT MTP		REVENUE						NET CAPITAL					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
		2013	2014	2015	2016	2017	2018	2013	2014	2015	2016	2017	2018
Bid	Scheme	2014	2015	2016	2017	2018	2019	2014	2015	2016	2017	2018	2019
No.		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	Car Parks												
1055	Christmas Parking	13											
SAVING	Increase in Car Park Charges		16										
1103	Parking Budget Saving	-16	-16	-16	-16	-16	-16						
1112	Car parking volume reduction	90	90	90	90	90	90						
1113	On street parking surplus to County	58	29	29	29	29	29						
	Vehicles and Plant												
886	Vehicle fleet replacements.							97	130	8	41	97	
886EY	Vehicle fleet replacements.												408
	Pool Cars												
1026	Pool Cars							60					
1026EY	Pool Cars												45
	Operations Management												
1045	Ops Management and Admin Savings	-55	-88	-88	-88	-88	-88						
FF0023	Operations Management efficiency saving		-13	-26	-26	-26	-26						
Assistant Director (Environment, Growth and Planning)													
	Development Management												
997	RAF Alconbury Development	-75	75										
1068	CIL related staff reorganisation		-30	-30	-30	-30	-30						
1072	Wyton Airfield Development		50	75	75								
FF0003	Implement E-Consultation		-2	-2	-2	-2	-2						
SM FF	Recover Consultants Costs		-1	-1	-1	-1	-1						

CHANGES TO CURRENT MTP		REVENUE						NET CAPITAL					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
		2013	2014	2015	2016	2017	2018	2013	2014	2015	2016	2017	2018
Bid	Scheme	2014	2015	2016	2017	2018	2019	2014	2015	2016	2017	2018	2019
No.		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	Planning Policy and Conservation												
358	Ramsey Rural Renewal	-5	-3					-63					
903	Local Development Framework (Plan Policies) examinations	-217	105	49									
1073	Listed Building /Conservation Grants		-8	-8	-8	-8	-8						
1075	Planning & Housing Strategy Efficiency Saving	-17	-17	-17	-17	-17	-17						
1073	Additional Listed Buildings (Conservation) Grants Reduction		-29	-29	-29	-29	-29						
	Economic Development												
224	Town Centre Developments	-86	86					-94	-80	74	100		
401	Huntingdon Town Centre Development							10					
850	Huntingdon West Development (Housing Growth Fund)							-23	941	-200	-55	-200	-200
	Car Parks												
923	Extra Car Parking, Huntingdon Town Centre		-10	-10	-10	-10	-10	787	500	-500			
480	Car Park Strategy	10											
SAV132	Reduced Car Park Income due to "free after 3 PM scheme"	82											
	Private Housing Support												
866	Disabled Facilities Grants							-507	200				1,250
867	Repairs Assistance	10						70					100
869	Social Housing Grant							2					
932	Decent Homes - Thermal Efficiency and Category 1 H&S							-25	-40	-40	-40	10	10
1071	Integration of Housing Strategy with Planning Policy		-25	-50	-50	-50	-50						
1074	Two replacement static caravans	-30						30					
FF0001	Review Housing Renewal Assistance Policy								-25	-25	-25	-25	-25
FF0002	Mobile Home Park Income		-8	-8	-8	-8	-8						
	Planning Management												
1070	Planning staff savings (existing vacancies)		-50	-50	-50	-50	-50						
1069	Selling planning expertise to other LA's		-20	-20	-20	-20	-20						

CHANGES TO CURRENT MTP		REVENUE						NET CAPITAL					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
		2013	2014	2015	2016	2017	2018	2013	2014	2015	2016	2017	2018
Bid	Scheme	2014	2015	2016	2017	2018	2019	2014	2015	2016	2017	2018	2019
No.		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Service Manager Environmental Management													
	Environmental Health (Energy Efficiency)												
879	Environment Strategy Funding							3	50				
880	Sustainable Homes Retrofit							415		-180	-235		
918	Building Efficiency Improvements (Salix Grant)	10	28	42	47	29	29	-27	-45	-36	5	37	
918A	Building Effic. Imps (Potential LC proportion)	-10	-28	-42	-47	-29	-29						
989	St Neots District Heating Scheme												
1039	Environment Team Projects - Reduced Base Budget	-27	-42	-42	-42	-42	-42						
1040	Environment Team Projects - Budget Reduction	-20	-27	-27	-27	-27	-27						
FF0005	DECC Communities Funding		-16										
FF0006	Referral Fees Action on Energy Scheme		-10	-10	-10								
FF0007	Mobilising Local Energy Investment Funding	-15	-15	-15									
FF0024	Energy Saving Equipment		-10	-20	-30								
	Public Transport												
1036	Reduced Bus Shelter and Env Imps R&R Budget	-20	-20	-20	-20	-20	-20						
1038	Street Naming and Numbering Savings	-20	-25	-25	-25	-25	-25						
1038	Street Naming and Numbering Savings		-7	-7	-7	-7	-7						
	Environmental Improvements												
1011	Chequers Court Public Realm												
	Offices												
890	Headquarters							420	-300	-120			
1012	Rental of space in PFH	25	25	25	25	25	25						
1033	Reduced Facilities Management Costs	-85	-85	-85	-85	-85	-85						
FF0004	Energy & Water Use Audits		-2	-2	-2	-2	-2						
	Building Control												
1086	Building Control Income	60	60	60	60	60	60						

CHANGES TO CURRENT MTP		REVENUE						NET CAPITAL					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
		2013	2014	2015	2016	2017	2018	2013	2014	2015	2016	2017	2018
Bid	Scheme	2014	2015	2016	2017	2018	2019	2014	2015	2016	2017	2018	2019
No.		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	Environmental Mgmt Management Budget												
1034	Reduction in Training Budget	-3	-3	-3	-3	-3	-3						
1035	Removal of charge to capital (legacy cost pursuant to Service)	15	15	15	15	15	15						
1037	Reduced Project & Assets Team Management Budget	-25	-25	-25	-25	-25	-25						
	Head of Customer Services												
	Local Taxation and Benefits												
1017	Council Tax support module							35					
1025	Cost of Post Office Payments	-10	-5	-5	-5	-5	-5						
1059	NNDR Discretionary Relief	-30	-30	-30	-30	-30	-30						
1100	Loss of Admin Subsidy		50	50	50	50	50						
1104	Lower Bad Debt Provision Contributions	-177	-177	-177	-177	-177	-177						
SM FF	Recovery of Council Tax Benefit Overpayments	-85	-10										
	Call Centre												
1066	New Call Centre Savings-Inc/Restructuring			-25	-25	-25	-25						
SM FF	Relocate Call Centre to PFH			-40	-40	-40	-40						
SM FF	Chanel Migration Strategy			-5	-10	-15	-15						
	Customer Service Centres												
SM FF	Chanel Migration Strategy			-5	-5	-5	-5						
	Housing Services												
SM FF	Efficiency Savings		-5	-5	-5	-5	-5						
	Homelessness												
1019	Homeless Accommodation - Cost Reduction Schemes		32										
	Strategic Review												
	Outsourced/Shared Revs and Bens		-50	-150	-150	-100	-100						
	Outsourced/Shared Revs and Bens			75	75	75	75						

CHANGES TO CURRENT MTP		REVENUE						NET CAPITAL					
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		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
Bid	Scheme	2013	2014	2015	2016	2017	2018	2013	2014	2015	2016	2017	2018
No.		2014	2015	2016	2017	2018	2019	2014	2015	2016	2017	2018	2019
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Service Manager IMD													
	Helpdesk and Network Services												
976	ICT Replacements and Server Virtualisation												57
1079	Mobile Phones (lower tariffs)	-5	-20	-20	-20	-20	-20						
	Strategic Review												
	Outsourced/Shared IT		-50	-100	-100	-100	-100						
	Outsourced/Shared IT		-30	-70	-70	-80	-80						
	Business Analysis and Project Management												
891	Business Systems							34	5	5	5	5	200
1002	Business Continuity Review	-1	-1	-1	-1	-1	-1						
1102	IMD Savings & Delivering Cust Serv Strategy	5	-20	-35	-35	-35	-35						
General Manager, OneLeisure													
	Leisure Centres												
857	St Neots LC Development			60	60	60	60			-250			
861	Future maintenance	20						7					550
896	St Ivo LC - Football Improvements							53		-53			
922	St Ivo LC Redevelopment	150						358					
956	Replacement Fitness Equipment	18	-3	32	32	32	7	-280	200				250
956	Replacement Fitness Equipment			-60	-60	-60	-60			250			
1029	One Leisure Savings Proposals	0	13	12	11	11	11						
1029	One Leisure Savings Proposals - £1,000 rounding adj		-1		-1	-1	-1						
922	One Leisure St Ives Redevelopment		75										
SM FF	Review Advantage Package		-25	-50	-70	-70	-70						
SM FF	One Leisure Card Annual Fee		-45	-45	-45	-45	-45						
SM FF	Reduce Use of External Contractors		-2	-2	-2	-2	-2						

CHANGES TO CURRENT MTP		REVENUE						NET CAPITAL					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
Bid	Scheme	2013	2014	2015	2016	2017	2018	2013	2014	2015	2016	2017	2018
No.		2014	2015	2016	2017	2018	2019	2014	2015	2016	2017	2018	2019
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Assistant Director (Finance and Resources)													
	Interest and Borrowing Costs												
	Interest		-148	-297	-456	-632	-817						
	Interest Variation	169	-25	-25	-110	-64	-44						
	Other Expenditure												
	VAT Partial Exemption	1	-11	-11	-11	-11	-11	21	-7	-73	22	31	36
	Variation in MRP		149	298	458	630	816						
	Variation in MRP	-138	20	23	-71	-112	-123						
	Pensions Fixed Sum		-589	-283	92	156	156						
1057	Huntingdonshire Regional College Loan	-15	-13	-12	-10	-9	-7						
1057	Huntingdonshire Regional College Loan	-57	-133	-137	-143	-147	-152	1,500					
1076	Saving in External Audit Fee	-50	-50	-50	-50	-50	-50						
1077	Insurance Premium Income	28	34	34	34	34	34						
1080	Identify & Remove spare budgets		-50	-50	-50	-50	-50						
1080	Identify & Remove spare budgets across the Council		50	50	50	50	50						
1081	Adverting Opportunities		-20	-25	-25	-25	-25						
1082	Reduce training budgets		-20	-20	-20	-20	-20						
1083	Margin on Loans to RSL's etc		-30	-75	-125	-175	-175						
1083	Margin on Loans to RSL's etc		9	9	9	9	9						
1084	Other emerging minor staffing adjustments		-25	-50	-75	-100	-100						
	Other emerging minor staffing adjustments		25	50	75	100	100						
1085	No grants to towns/parishes re. Housing Support		-357	-357	-357	-357	-357						
1087	Group Life Insurance	-21	-21	-21	-21	-21	-21						
1101	Removal of Credit Interest Budget	6	6	6	6	6	6						
	Outsourced/Shared Debtors		-25	-25	-25	-25	-25						
	Outsourced/Shared Debtors		25	25	25	25	25						
	Pension due on Overtime & Other Allowances		67	67	67	67	67						
	NI increase: From "D" Rate to "A" Rate					380	388						

CHANGES TO CURRENT MTP		REVENUE						NET CAPITAL					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
		2013 2014	2014 2015	2015 2016	2016 2017	2017 2018	2018 2019	2013 2014	2014 2015	2015 2016	2016 2017	2017 2018	2018 2019
Bid	Scheme	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
No.													
Non-Allocated Items													
	Risk Provision												
	Reduced New Homes Bonus (long term empties)		-50	-90	-230	-370	-510						
	Provision for demographic growth		-90	-90	-90	-90	-90						
	Lower increase in car park charges	-20	-20	-20	-20	-20	-20						
	Lower Council Tax Rises		-38	-16	-100	-110	-210						
	MMI Drawdown		-140										
	Protection and Performance Pay	-320	320										
	Protection and Performance Pay		-776	-846	-1,026	-1,173	-1,435						
	A14 Funding Contribution				-200	-200	-200						
	Homelessness		-50			-100	-100						
	NNDR Appeals (Half way to safety net)			150	150	150	150						
	Refund of Land Charges (assume half)		86										
	Other Items												
	Future Capital Provision (outturn prices)												3,222
1098	Correction of contingency and internal recharges	-101	-21	-21	-21	-21	-21						
	20013/14 Forecast	-693	0	0	0	0	0						
	Revenue Inflation	0	-118	-262	-348	-358	-185						
	Variation in Savings (2014/15 prices)	0	1,500	1,156	1,387	837	1,274						
	Capital Inflation							-68	-114	-91	-94	317	
	TOTAL	-1,638	-1,328	-2,366	-2,752	-3,364	-3,186	3,037	1,834	-1,135	-21	-53	22

TABLE 6 – CAPITAL PROGRAMME SHOWING EXTERNAL FUNDING

Bid No.	Scheme	NET CAPITAL							GRANTS AND CONTRIBUTIONS							
		BASE 2013	F'CAST 2013	MTP					BASE 2013	F'CAST 2013	MTP					
				2014	2015	2016	2017	2018			2014	2015	2016	2017	2018	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
Managing Director and Corporate Office																
	Economic Development (Estates)															
1049	Invest to Save Proposal - Highlode (Ramsey)		263													
Head of Legal & Democratic Services																
	Document Centre															
380	Replacement Printing Equip.	70	25			178										
894	Replacement Equipment Document Centre	46	12	33	9	33	28	12								
895	Multi-functional Devices	80		80				80								
Head of Environmental and Community Services																
	Community Initiatives															
952	Loves Farm Community Centre	60		37						405	405					
Head of Operations																
	Refuse and Recycling															
948	Provision for Bin Replacements	38	29	42	54	75	75	75								
979	Wheeled Bins for New Properties	143	107	255	135	130	110	55	3	4	10	17	28	31		
1030	Charge for second green bin	20	32													
1031	Extra refuse round due to housing growth						158									
	Street Cleaning and Litter															
FF0022	Withdraw graffiti removal & fly posting service			-20												
	Community Safety															
865	CCTV - Camera replacements	41	77	45	45	43										
1023	Wireless CCTV	250	290													
1056	CCTV Shared Service			2	2	150	65	3								
	Countryside															
1053	Flail Mower - Countryside			12												
	Parks and Open Spaces															
854	Play Equipment & Safety Surface Renewal	45	45	40	40	20	20									
854EY	Play Equipment & Safety Surface Renewal							21								
1097	S.106 Play Area Projects			75	47											

Bid No.	CAPITAL PROGRAMME Scheme	NET CAPITAL							GRANTS AND CONTRIBUTIONS						
		BASE 2013 £000	F'CAST 2013 £000	MTP					BASE 2013 £000	F'CAST 2013 £000	MTP				
				2014	2015	2016	2017	2018			2014	2015	2016	2017	2018
		2014 £000	2014 £000	2015 £000	2016 £000	2017 £000	2018 £000	2019 £000	2013 £000	2014 £000	2015 £000	2016 £000	2017 £000	2018 £000	2019 £000
	Vehicles and Plant														
886	Vehicle fleet replacements.	1,124	1,221	1,079	715	720	889	408							
	In Cab Technology	70	70												
	Pool Cars														
1026	Pool Cars		60					45							
Assistant Director (Environment, Growth and Planning)															
	Development Management														
904	Community Infrastructure Levy - Preparations	23	23												
	Planning Policy and Conservation														
358	Ramsey Rural Renewal	63													
	Economic Development														
224	Town Centre Developments	210	116		74	100									
401	Huntingdon Town Centre Development		10												
850	Huntingdon West Development (Housing Growth Fund)	473	450	941	-200	-55	-200	-200	5697	359	200	200	200	200	200
	Car Parks														
923	Extra Car Parking, Huntingdon Town Centre	3,973	4,760	-500	-500						500	500			
	Private Housing Support														
866	Disabled Facilities Grants	1,550	1,043	1,450	1,250	1,250	1,250	1,250	400	457	400	400	400	400	400
867	Repairs Assistance	100	170	100	100	100	100	100							
869	Social Housing Grant	118	120												
932	Decent Homes - Thermal Efficiency and Category 1 H&S	50	25	10	10	10	10	10							
1074	Two replacement static caravans		30												
FF0001	Review Housing Renewal Assistance Policy			-25	-25	-25	-25	-25							
Service Manager Environmental Management															
	Drainage & Sewers														
1009	Godmanchester Flood Alleviation Scheme	175	175												
	Environmental Health (Energy Efficiency)														
879	Environment Strategy Funding	55	58	105	55	55	55								
880	Sustainable Homes Retrofit	-415			-180	-235			415		180	235			
918	Building Efficiency Improvements (Salix Grant)	77	50	50	62	77	37								

Bid No.	CAPITAL PROGRAMME Scheme	NET CAPITAL							GRANTS AND CONTRIBUTIONS						
		BASE 2013 £000	F'CAST 2013 £000	MTP					BASE 2013 £000	F'CAST 2013 £000	MTP				
				2014 £000	2015 £000	2016 £000	2017 £000	2018 £000			2014 £000	2015 £000	2016 £000	2017 £000	2018 £000
		2014 £000	2014 £000	2015 £000	2016 £000	2017 £000	2018 £000	2019 £000	2014 £000	2014 £000	2015 £000	2016 £000	2017 £000	2018 £000	2019 £000
Assistant Director (Finance and Resources)															
	Other Expenditure														
1057	VAT Partial Exemption	53	74	27	23	22	31	36							
	Huntingdonshire Regional College Loan		1,500												
Non-Allocated Items															
	Recharges to Non-Revenue Accounts														
	Revenue staff charged to capital	50	50	50	50	50	50	50							
	Other Items														
	Capital Inflation				61	185	279	317							
	Schemes brought forward	500	500	500	500	500	500	500							
	Schemes carried forward	-500	-500	-500	-500	-500	-500	-500							
TOTAL		8,863	11,900	4,623	2,511	3,845	3,914	3,369	9,006	2,600	1,644	1,961	852	628	631

BUDGET UPDATE - COUNCIL TAX FREEZE GRANT

DCLG have now confirmed this will be added to the base rather than just being for 2 years. Hence this update to various tables. Numbers that have changed are highlighted in **yellow**.

There will also be a change to the tables in the Appendix from the consequential reduction in the risk contingency. Rather than replace these it is proposed to change the first recommendation to:

“Approval of the proposed Budget and MTP as shown in the Budget Tables in the Appendix to this report, **subject to the amendments shown in the Budget Update note and any detailed consequential amendments to the Tables**”.

PARA 7.3

	2014/15	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000	£000
BASE OPTION					
Council Tax Increase	£0	2%	2%	2%	2%
After Risk Provision	£0	£0	2%	2%	2%
OPTION 1	£5	2%	2%	2%	2%
CHANGE IN SAVINGS NEEDED	-205	-285	-305	-324	-343
OPTION 2	2%	2%	2%	2%	2%
CHANGE IN SAVINGS NEEDED	-71	-147	-163	-176	-189
OPTION 3	1.5%	2%	2%	2%	2%
CHANGE IN SAVINGS NEEDED	-33	-108	-122	-134	-145
OPTION 4	1%	2%	2%	2%	2%
CHANGE IN SAVINGS NEEDED	5	-69	-82	-92	-102
OPTION 5	£0	2%	3.5%#	3.5%	3.5%
CHANGE IN SAVINGS NEEDED		-72	-202	-339	-488
+ = more required - = less required					

PARA 8.3

PROPOSED BUDGET/MTP	FORECAST	BUDGET	MTP			
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000	£000	£000
2012/13 BUDGET/MTP	22,764	22,198	22,755	23,046	24,227	25,141
Proposed variations	-1,638	-1,328	-2,366	-2,752	-3,447	-3,272
NEW FORECAST	21,126	20,870	20,389	20,294	20,780	21,869
FUNDING						
Use of revenue reserves	-568	-1,005	-1,117	-355	-389	-608
<i>Remaining revenue reserves EOY</i>	10,032	9,027	7,910	7,555	7,166	6,558
New Homes Grant	-2,905	-3,344	-4,013	-4,993	-5,628	-6,340
Council Tax Freeze Grant		-82	-82	-82	-82	-82
Formula Grant (RSG)	-6,019	-4,562	-3,074	-2,400	-1,800	-1,500
Retained Business Rates	-4,052	-4,218	-4,245	-4,351	-4,460	-4,572
Collection Fund Deficit	-76	-21				
Council Tax	-7,506	-7,639	-7,858	-8,112	-8,420	-8,767
COUNCIL TAX LEVEL	£133.18	£133.18	£135.84	£138.56	£141.33	£144.16
% increase	3.63%	0.00%	2.00%	2.00%	2.00%	2.00%
£ increase	£4.67	£0.00	£2.66	£2.72	£2.77	£2.83
Unidentified Spending Adjustments still required						
Proposed MTP	0	0	-700	-1,300	-1,800	-2,100
Current MTP		-1,500	-1,856	-2,687	-2,637	-3,374

PARA 8.4

PROPOSED BUDGET/MTP	FORECAST	BUDGET	MTP			
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000	£000	£000
Forecast additional borrowing	11,041	3,823	2,111	3,545	3,614	3,069
Average borrowing in year net of Minimum Revenue Provision	31,883	37,945	39,104	39,857	41,103	41,798
Net Interest and Borrowing Costs						
- total	1,444	1,903	2,282	2,460	2,976	3,587
- as % of total net spending	6.8%	9.1%	11.2%	12.1%	14.3%	16.4%
- in excess of 15%						307

Public
Key Decision – No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title: 2014/15 Treasury Management Strategy

Meeting/Date: Cabinet - 13 February 2014

Executive Portfolio: Resources: Councillor J A Gray

Report by: Assistant Director (Finance and Resources)

Wards affected: All Wards

Executive Summary:

The Council is required by law to approve, on an annual basis a Treasury Management Strategy; this requirement is enshrined within relevant Codes of Practice issued by the Chartered Institute of Public Finance and Accountancy and other guidance issued by central government.

The aim of the Treasury Management Strategy is to manage the Council's investments, cash flows, banking, money market and capital market transactions within the requirements of an effective control environment but coupling this with the pursuit of optimum performance consistent with those risks.

The approval of the Treasury Management Strategy rests with Full Council, with oversight being undertaken by the Cabinet. To support the Cabinet, the Leader, Deputy Leader, Portfolio Holder for Resources and the Chairman of the Overview & Scrutiny Panel (Economic Well-Being), as well as relevant officers, attend the Treasury Management Advisory Group (TMAG). The role of TMAG is to comment on current and future Treasury Management activity.

Highlights of the 2014/15 Treasury Management Strategy include:

- The operation of the strategy within an economic climate that is showing moderate growth but where the likelihood is that interest rates will remain low into the medium term.
- An increase in net borrowing costs due to the Council no longer holding investments at advantageous rates of interests.
- The continuation of the Councils policy to:
 - take advantage of borrowing in advance of need, and
 - the provision of loans to organisations that meet either service objectives or to support local organisations in their development where risk is mitigated by appropriate financial security.
- The addition of Pooled Property Funds for longer term investing purposes.

Recommendations:

It is recommended that Overview and Scrutiny notes the report and recommends to Cabinet and then to Council the approval of:

- **The Treasury Management Policy, Annex B.**
- **The Treasury Management Strategy, Annex C.**

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1. PURPOSE

1.1 The aim of the Treasury Management Strategy is to provide strategic guidance on how the Council shall conduct its Treasury Management activity. The Strategy shall:

- Include relevant policies, objectives and treasury/prudential indicators; as well as illustrating its approach to risk management.
- Comply with the Code or Practice for Treasury Management and the Prudential Code for Capital Finance (as issued by the Chartered Institute of Public Finance and Accountancy, CIPFA) and reflect published Government advice.

1.2 The Strategy is a key element of the Councils Code of Financial Management, Annex A shows what is included in the Code of Financial Management in respect of Treasury Management.

2. TREASURY MANAGEMENT POLICY STATEMENT AND STRATEGY

2.1 The proposed Treasury Management Policy and 2014/15 Strategy are attached as Annexes B and C respectively.

2.2 The investment strategy is to invest any surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest. The Council's borrowing strategy permits borrowing for cash flow purposes and funding current and future capital expenditure over whatever periods are in the Council's best interests.

3. LEGAL IMPLICATIONS

3.1 No direct, material legal implications arise out of this report.

4. RESOURCE IMPLICATIONS

4.1 The resource implications are noted within this report.

5. REASONS FOR THE RECOMMENDED DECISIONS

5.1 **It is recommended that Overview and Scrutiny notes the report and recommends to Cabinet and then to Council the approval of:**

- **The Treasury Management Policy, Annex B.**
- **The Treasury Management Strategy, Annex C**

6. LIST OF APPENDICES INCLUDED

Annex A Code of Financial Management (extract)
Annex B Treasury Management Policy Statement
Annex C Treasury Management Strategy 2014/15

The Strategy also includes the following Appendices:

1. Definition of Credit Ratings
2. In-House Fund Management (if no further advance borrowing)
3. CIPFA Prudential Code for Capital Finance in Local Authorities; Prudential Indicators and Treasury Management Indicators for 2013/14

BACKGROUND PAPERS

Working papers in Financial Services

CONTACT OFFICERS

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Clive Mason, Accountancy Manager

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CODE OF FINANCIAL MANAGEMENT (EXTRACT)

Treasury Management

➤ Code of Practice

All Treasury Management activities will be undertaken in accordance with the Council's annual Treasury Management Strategy, which includes its policies, objectives, approach to risk management and its prudential indicators. The Strategy will comply with the Code of Practice for Treasury Management and the Prudential Cost for Capital Finance, but published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and reflect any published Government advice.

➤ Governance

- **The Council**
..... shall have overall responsibility for Treasury Management and will formally approve the annual Treasury Management Strategy and receive an annual and mid-year report on treasury management activities.
- **The Cabinet**
..... will be responsible for the implementation and regular monitoring of treasury management activity.
- **The Overview and Scrutiny (Economic Well-being) Panel**
..... will be responsible for the scrutiny of treasury management.
- **The Responsible Financial Officer**
..... will establish treasury management practices for the operation of the function which will ensure compliance with the Strategy and create appropriate systems of monitoring and control.
- **The Treasury Management Advisory Group (TMAG)**
..... will be a formal liaison group between members and those officers responsible for treasury management.

ANNEX B

TREASURY MANAGEMENT POLICY STATEMENT

Definition

The Council defines its treasury management activities as:

- the management of the Council's investments, cash flows, banking, money market and capital market transactions.
- the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks.

Risk management

The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

Value for money

The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

Borrowing policy

The Council needs to balance a number of elements in its borrowing policy for funding capital expenditure:

- Utilising a mixture of borrowing periods to reduce the overall impact of changes in interest rates.
- Creating certainty by fixing borrowing for longer periods.
- Minimising the long term cost of any borrowing.
- Ensuring that short term costs are as low as possible.
- Using the Council's own reserves on a temporary basis

Clearly some of these elements can give contradictory answers and the decision on each borrowing decision will need to be based on balancing these elements, taking account of existing borrowing.

The Council will set an affordable borrowing limit each year in compliance with the *Local Government Act 2003*, and will have regard to the *CIPFA Prudential Code for Capital Finance in Local Authorities* when setting that limit. It will also set limits on its exposure to changes in interest rates and limits on the maturity structure of its borrowing in the treasury management strategy report each year.

Investment policy

All investment decisions need to follow a risk assessment which takes account of the need to protect the principal sums invested from loss, ensuring adequate liquidity so that funds are available to fund expenditure when needed, and the generation of investment income to support the provision of local authority services. Adequate weighting must be given to data reflecting the security of the investment.

Loans to Organisations

The Council may make loans to:

- local organisations, if this will allow the organisation to provide services that will further the Council's own objectives, and
- organisations where no service benefits are involved, but with the objective of earning a margin on the amounts loaned.

In either case loans will only be made where all risks have been considered and appropriate safeguards are in place.

Governance

The Council will have regard to the Communities and Local Government Guidance on Local Government Investments and will approve an investment strategy each year as part of the treasury management strategy. The strategy will set criteria to determine suitable organisations with which cash may be invested, limits on the maximum duration of such investments and limits on the amount of cash that may be invested with any one organisation.

ANNEX C

TREASURY MANAGEMENT STRATEGY 2014/15

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 (2011) and the Government's Guidance on Local Government Investments (2010)

BACKGROUND

Growth: The flow of credit to households and businesses slowly improved but was still below pre-crisis levels. The fall in consumer price inflation from the high of 5.2% in September 2011 to 2.1% in November 2013 helped consumers. There was hope it might allow real wage increases (i.e. after inflation) to slowly turn positive, improve confidence and aid future consumer spending.

Stronger UK growth data in 2013 (0.4% in Q1, 0.7% in Q2 and 0.8% in Q3) alongside a pick-up in property prices, mainly stoked by government initiatives to boost mortgage lending, lead markets to price in an earlier rise in rates than warranted under Forward Guidance and the broader economic backdrop. Unemployment was 7.4% in the three months to October 2013. However, with jobs growth picking up slowly, many employees working shorter hours than they would like and benefit cuts set to gather pace, economic growth was likely to only be gradual.

Monetary Policy: There was no change to UK monetary policy with official interest rates and asset purchases maintained at 0.5% and £375bn respectively. On the probability of unemployment reaching the 7% threshold under the MPC's Forward Guidance, the November Inflation Report attached only a two-in-five chance to the rate having reached the 7% level by the end of 2014. The corresponding figures for the end of 2015 and 2016 were around three-in-five and two-in-three respectively. These forecasts brought forward market expectations of a bank rate rise, although the MPC repeatedly emphasised that the 7% threshold was not an automatic trigger for a rate rise.

A fragile economic recovery, subdued inflation and depressed bank lending resulted in the European Central Bank cutting the repo rate from 0.50% to 0.25%. ECB President Mario Draghi strengthened the Bank's pledge to keep interest rates low for as long as necessary and warned that it was too soon to say the euro region is out of danger.

In the US, following the clear momentum witnessed in its economy – despite the political impasse which resulted in a partial government shutdown during the quarter - the 'tapering' of asset purchases was announced by the Federal Reserve in December. Tapering will commence in January 2014 and with the Fed reducing its monthly purchases from \$85bn to \$75bn a month. Financial markets reacted in a predictably ebullient manner with risk assets such as equities rallying toward higher levels whilst government bond prices reversed, leading to higher yields.

INTEREST RATE FORECASTS

Markets are still pricing in an earlier rise in rates than warranted under the MPC's forward guidance and the broader economic backdrop. The Council's treasury management adviser, Arlingclose, believes that the projected path for short term interest rates remain flat and it could be the third or fourth quarter of 2016 before official UK interest rates rise. Although the MPC left its policy stance unchanged at its January meeting, there is an increasing view that its forward guidance regime may need adjusting given the reasonably rapid improvements in the labour market as it is unlikely to raise rates until there is a sustained period of strong growth.

For the purpose of the Council's Medium Term Plan the following interest rates have been assumed but it is recognised that all assumptions about the speed with which rates will begin to rise is problematic.

	2014/15	2015/16	2016/17	2017/18	2018/19
	%	%	%	%	%
Temporary investments	0.58	0.58	0.55	0.95	1.43
PWLB 20 year borrowing (EOY)	3.39	3.64	4.08	4.25	4.50
Temporary borrowing	0.43	0.43	0.45	0.85	1.33

Against the background of low interest rates 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 2013/14 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 2013/14 Strategy allowed for borrowing in anticipation of need to fund capital expenditure although that option has not so far been used this year. It is envisaged that a similar allowance is included in the 2014/15 Strategy.

CURRENT POSITION AND EXPECTED TREASURY PORTFOLIOS

The Council's position as at 31 December 2013 was:

INVESTMENTS & BORROWING		Principal Amount £m	Average Interest Rate %
Investments			
Short Term	- maturing by 31 st March 2014	7.4	0.45%
	- maturing 2013/14	3.0	0.38%
Long Term	- maturing later	1.6	3.40%
Total		12.0	0.83%
Borrowing			
Short term	- maturing by 31 st March 2014	0	0%
	- maturing 2013/14	0	0%
Long term	- maturing later	(11.5)	3.68%
Total		(11.5)	3.68%
Net Investments		£0.5m	2.23%

Expected changes in portfolio

According to current cash flow forecasts, net borrowing is expected to increase to £16.3m by 31st March 2014.

Budget implications

The budget for net interest in 2013/14 was £0.239m; the forecast outturn is £0.201m, a saving for £38,000. The small saving is attributable to a combination of low borrowing interest rates (especially between local authorities), delays in capital expenditure and higher than expected revenue reserves.

The budget for net interest in 2014/15 is £0.425m.

THE COUNCIL'S FINANCIAL STRATEGY

BORROWING STRATEGY

As noted above, the Council currently holds £11.5m of long-term loans; this is all borrowed from the Public Works Loans Board (PWLb).

Planned borrowing strategy for 2014/15 and future years

The table below shows the expected levels of reserves and the need for borrowing to fund capital expenditure over the MTP period.

	2014/ 2015 £m	2015/ 2016 £m	2016/ 2017 £m	2017/ 2018 £m	2018/ 2019 £m
Existing long term borrowing	11.5	11.5	11.5	11.5	11.5
<i>available long term</i>					
Revenue Reserves (EOY)	9.0	7.9	7.5	6.9	6.1
Provision for repaying loans (EOY)	4.4	6.4	8.6	11.1	13.9
Earmarked Reserves (EOY) ❶	1.9	1.6	1.6	1.6	1.6
<i>available on a year by year basis</i>	15.3	15.9	17.7	19.6	21.6
Cash Flow benefit average	13.2	13.2	13.2	13.2	13.2
<i>fluctuates from day to day</i>					
FUNDING REQUIRED					
Capital Expenditure					
Brought Forward	49.7	53.5	55.6	59.1	62.7
Capital Expenditure in Year	(3.8)	(2.1)	(3.5)	(3.6)	(3.1)
Carried Forward	(53.5)	(55.6)	(59.1)	(62.7)	(65.8)
Fixed Term Investment (EOY)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)
Total Required Funding	(55.0)	(57.1)	(60.6)	(64.2)	(67.3)
<i>Excluding Use of Reserves</i>					
MAY BORROW	(43.5)	(45.6)	(49.1)	(52.7)	(55.8)
<i>Including Use of Reserves</i>					
MUST BORROW	(28.2)	(29.7)	(31.4)	(33.1)	(34.2)
NEED FOR FURTHER BORROWING – FUNDING IN ADVANCE					
MAY BORROW A FURTHER	(10.8)	(11.6)	(11.4)	(11.3)	(11.8)
NEED FOR FURTHER BORROWING – LOANS TO ORGANISATIONS					
MAY BORROW A FURTHER	(50.0)	(75.0)	(75.0)	(75.0)	(75.0)

Notes

❶ includes specific earmarked reserves (e.g. Special Reserve, Repairs & Renewals Funds)

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 and Business Rate receipts will be different to the days the money is physically received from Council Tax and Business payers. These cash flows will sometimes leave the Council with several million pounds to borrow, or invest, either overnight or for a few weeks depending on the next precept date.

Authorities are permitted to borrow short term for this purpose and all borrowing decisions will be made on the most economically advantageous rates for the period that is required to be covered. 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.

Borrowing – No Funding Activity

The amount of capital borrowing up until March 2015 (i.e. up to an estimated £43.5M, “may borrow”) will be dependent upon the actual levels of revenue spending which will determine the level of the Council’s own reserves that can be used and the level of capital spending which will determine the total sum required. The period of borrowing will reflect the current and anticipated interest rate profile. If short term interest rates began to rise consideration would be given to whether long term rates were attractive enough to support long term borrowing. If rates remain low it is much more difficult to justify long term borrowing.

The “**MUST borrow**” amount represents the minimum amount that it is estimated that the Council will have to borrow if it uses its own reserves to fund part of the borrowing. The “**MAY borrow**” limit is based on using no internal funds for this purpose.

Borrowing – Funding in Advance

This additional limit is based on the agreement with our previous external auditors that it would be legitimate to borrow in advance to fund our 5 year published capital programme if market circumstances indicated that this was likely to be in the long term interests of the Council. This would require longer term borrowing rates to be at levels that appeared to be attractive when compared with rates that were expected over the remainder of that period. It would also need to take account of the difference between the borrowing rates and the currently, much lower, investment rates that would be received pending the use of the money for funding capital from sufficiently secure counterparties. A risk assessment will be carried out before undertaking any advance borrowing.

For example, if long term rates fell to 3.5% we would seriously consider increasing borrowing whilst if long term rates were 5.5% this would be extremely unlikely.

Currently low short-term rates reduce the likelihood of advance borrowing 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.

Borrowing – Loans to Organisations

The amounts shown are indicative at this stage and any such loans to organisations would be subject to separate approval by Cabinet.

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 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 adverse market movements affecting the cost of borrowing. 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 use its revenue reserves and/or borrow short term for rates that are currently under 1%.

Any long term 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 less involved since the financial crisis and their products were generally for shorter periods and often include embedded options. The most common was a "Lender's Option Borrower's Option" deal, better known as 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.

The Council will need to approve a prudential indicator for the 'authorised limit for external debt'. This will include forward funding of the MTP and Loans to Organisations but the three elements will be kept separate. With regard to 2014/15:

1. £85m No Forward Funding Activity
 - temporary borrowing for cash flow purposes (£25m)
 - long term existing borrowing (£10m)
 - borrowing to fund the forecast capital programme (£45m)
 - an allowance for other long-term liabilities, such as finance leases (£5m)
2. £11m Long term based on maximum borrowing in advance
3. £50m Long term borrowing to finance Long Term loans to Other Organisations: £50m

INVESTMENT STRATEGY

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. equities and corporate bonds though there is current consultation on removing bonds from the capital constraint)) **and**,
- with a body that the Council considers is of high credit quality or with the UK Government or a local authority. (minimising the counterparty risk), this includes Money Market Funds where the Council has set minimum criteria.

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.

No investment that counts as Capital expenditure will be undertaken, without Cabinet approval, as it effectively transfers revenue funds into capital when the investment is repaid which has significant impacts on the Council's financial flexibility.

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

The Council may use the following non-specified investments:

- Time Deposits of longer than 12 months with banks and building societies
- UK government bonds, supranational bank bonds
- loans to other local authorities and other organisations (further definition of the latter is shown below) over 12 months to maturity
- Corporate Bonds over 12 months to maturity, 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.
- Pooled Property Funds
This is a new investment opportunity for the Council for 2014/15. It is intended to be a longer term vehicle (i.e. 5 years or longer), although money can be withdrawn with 1 month's notice. These types of investments are not "credit rated" because the investment is not in "cash", it is in a non-liquidity asset. Before any money is invested, this will be discussed and agreed at TMAG.

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 credit worthiness 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. (Appendix A)
- The top 25 Building Societies by asset size irrespective of any credit rating they may hold subject to the comments below. 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 takeovers of weak societies by strong ones. However any Building Society with a rating of less than BBB will not be used and use will be suspended of Building Society with a "rating watch" warning pending consideration of further information of the potential impact.
- Reacting immediately to any "rating watch" warnings or informal comments from our advisors in relation to market concerns. Use of counterparties subject to such warnings/advice will be suspended pending consideration of further information of the potential impact.
- Credit Default Swap prices obtained from our advisors.
- The credit rating of the country of the institution. This must be AA or above (the exception being in respect of the domicile of Money Market Funds, see later section).

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.

Current account bank

Following a competitive tender exercise, in April 2010 the Royal Bank of Scotland Group (NatWest) was appointed to provide Banking Services in respect of the Council's current accounts. With a long term rating of "A" (January 2014) the bank is close to the bottom of the above credit rating criteria for this type of institution.

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, including 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.

The Council will register with a selection of money market funds with AAA ratings which also allow same-day withdrawal of funds. The domicile for some of these funds can be in a low rated country; however as it is stipulated that the fund itself has to be Triple A, this is acceptable.

These funds will be used as appropriate taking account of comparative security and yields. During 2013/14, the Council used the following money market funds:

- Public Sector Deposit Fund, operated by Church's, Charities and Local Authorities, and
- Ignis Liquidity Fund, operated by Ignis Asset Management.

If during 2014/15, where it becomes advantageous, further funds may be used.

INVESTMENTS - MANAGEMENT

Taking account of the Credit Quality and Spreading the Risk sections above, Appendix B outlines the criteria and limits 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 e.g. the maximum duration of investments with building societies with no rating will be 1 month.

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.

LOANS TO SUPPORT THE ACHIEVEMENT OF SERVICE OBJECTIVES

Opportunities will arise from time to time for the Council to further its objectives by making loans to local organisations or businesses. Such loans are considered to be investments as defined in this strategy. All such loans would require Cabinet approval and details of any risks pertaining to the loan would be included in the relevant Cabinet report. These loans would not be subject to the 5 year investment limit.

LOANS WITH SECURITY

The Localism Act potentially enables the Council to benefit from its low cost of borrowing to earn a margin by providing a loan to other bodies where no service

benefits are involved. This option will be investigated but would only be implemented following legal and external audit confirmation of the statutory power, including consideration of the impact of the state aid regulations, and where security of the investment can be made through a legal charge on an adequate value of asset(s) to protect the Council from the possibility of default. If it is proposed to make such a loan, the Cabinet report requesting approval will include appropriate legal and valuation advice. These loans would not be subject to the 5 year investment limit.

POLICY ON USING FINANCIAL DERIVATIVES

Local authorities have previously made use of financial derivatives embedded in loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. lenders option/borrowers option (LOBO) loans).

The Localism Bill 2011 includes a general power competence that removes the uncertain legal position over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment). The latest Code requires authorities to clearly detail their policy on the use of derivatives in the annual strategy.

The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. It is unlikely that the Council will utilise standalone financial derivatives.

Embedded derivatives will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy. The Council is only likely to make limited use of embedded derivatives e.g. LOBOs

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

ADVISORS

Arlingclose are the Council's appointed advisors. 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. It should be noted that having external advisors does not negate the responsibility for Treasury Management decisions from the Council and its officers

MANAGEMENT

The Responsible Financial Officer and his staff will manage and monitor investments and borrowing.

The Treasury Management Advisory Group consists of four members and relevant officers. Members are kept informed of relevant issues and consulted on any significant issues.

The Council uses a cash flow model which is updated daily to forecast future cash flow movements to determine the maximum length for which any investment or borrowing shall be considered. The length of any investment would take account of actual and forecast interest rates over the loan period to ensure it optimises the Council's position. At this time the Council is unlikely to invest for more than a year unless:

- further advance borrowing is undertaken, or
- "back-to-back" financing of a LoO loan (this would be subject to separate Cabinet approval).

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 Overview & Scrutiny (Economic Well-being) Panel.

TRAINING

The needs of the Council's treasury management staff for training are assessed every six 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. Member training will be provided as necessary.

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/or
- reduce or only minimally increase the level of risk, and/or
- supported by the Council's Treasury Management Advisors,

are delegated to the Responsible Financial Officer, after consultation with the Treasury Management Advisory Group. 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.

The indicators are based on allowing the ability to borrow in advance if this becomes attractive. If it does not, the Council is likely to be significantly within many of the limits.

DEFINITION OF CREDIT RATINGS

	Rating	Definition	Examples of counterparties
Short term (Fitch)	F1	Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.	Royal Bank of Scotland/NatWest (F1) Nationwide Building Society
	F2	Good intrinsic capacity for timely payment of financial commitments.	Leeds Building Society
	F3	The intrinsic capacity for timely payment of financial commitments is adequate.	Skipton Building Society
Long-term (Fitch)	AAA	Highest credit quality. 'AAA' ratings denote the lowest expectation of credit risk . They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.	Germany, Sweden, Switzerland, USA
	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.	United Kingdom AA+
	AA-		Standard Chartered Bank, HSBC Bank
	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 adverse business or economic conditions than is the case for higher ratings.	Nationwide Building Society
	A-		Leeds Building Society

The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories.

Appendix B

IN-HOUSE FUND MANAGEMENT (IF NO FURTHER ADVANCE BORROWING)

Duration of investments	No investment shall be longer than 5 years. Maximum duration for a Building Society with no rating is 1 month.																
Types of investments	Fixed term Deposits Deposits at call, two or seven day notice Corporate bonds Money market funds UK Government bonds and Supranational Bank bonds Loans to Organisations Pooled Property Funds																
Credit Ratings	<p>Building Societies All Building Societies with ratings of BBB or above. Building Societies with no ratings. (maximum duration 1 month)</p> <p>Money Market Funds AAA credit rating Pooled Property Funds (such funds are not credit rated as they are investments in non-liquid assets)</p> <p>Local Authorities or UK Government No rating required</p> <p>Non-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.</p> <p>Loans to Organisations These will not require a specific credit rating but will be subject to individual approval by Cabinet.</p>																
Maximum limits per counterparty (group), country or non-specified category	<table> <tr> <td>F1+ or have a legal position that guarantees repayment for the period of the investment</td> <td>£5M</td> </tr> <tr> <td>F1</td> <td>£4M</td> </tr> <tr> <td>Building Society with assets over £2bn in top 25 (Currently 10)</td> <td>£5M</td> </tr> <tr> <td>Building Society with assets over £1bn if in top 25 (Currently 3)</td> <td>£4M</td> </tr> <tr> <td>Building Society with assets under £1bn in top 25</td> <td>£3M</td> </tr> <tr> <td>Liquidity (Call) Account with a credit rating of F2 or with a legal position that guarantees repayment or a Building Society.</td> <td>£5M</td> </tr> <tr> <td>BUT total invested with counterparty/group shall not exceed</td> <td>£8M</td> </tr> <tr> <td>Money market fund AAA Credit rating</td> <td>£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 any other types. - £10M Pooled Property funds - £15M 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) - Country of Domicile for Money Market Funds – unlimited, providing the fund is AAA. <p>Except for Money Market Funds, no investment will be made in country with a sovereign rating of less than AA.</p> <p>These limits will be applied when considering any new investment from 27 February 2014. 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 counterparty.</p> <p>Loans to Organisations No limit in value or period.</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 F2 or with a legal position that guarantees repayment or a Building Society.	£5M	BUT total invested 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 F2 or with a legal position that guarantees repayment or a Building Society.	£5M																
BUT total invested with counterparty/group shall not exceed	£8M																
Money market fund AAA Credit rating	£4m																
Benchmark	LGC 7 day rate																

INVESTMENT LIMITS FOR INCREASES IN ADVANCE BORROWING

	Level of Borrowing in Anticipation		Rating Constraints
	from	£5M	£11M
	to	£10M	£20M
BUILDING SOCIETIES			
Assets over £2bn	£5M	£5M	
Assets over £1bn	£4M	£4M	
Rest of top 25 by assets	£3M	£3M	
BANKS & OTHER INSTITUTIONS			
F2+ or legal status	£5M	£5M	AA- if more than 1 year
F2	£4M	£4M	AA- if more than 1 year
LIQUIDITY ACCOUNTS			
Limit in liquidity account	£5M	£6M	F2 or legal status
Limit with any other investments in institution	£8M	£9M	
POOLED PROPERTY FUND			
	£10M	£10M	
NON-SPECIFIED INVESTMENTS			
Time Deposits over 1 year in total	£20M	£30M	
Corporate Bonds in total	£5M	£8M	Not yet determined
TERRITORIAL LIMITS			
UK	Unlimited		
EU (excluding UK)	£20M	£20M	
EU Country (other than UK)	£10M	£10M	
Any other Country	£5M	£5M	

Appendix C

CIPFA PRUDENTIAL CODE FOR CAPITAL FINANCE IN LOCAL AUTHORITIES PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT INDICATORS FOR 2013/14

The relevant Prudential and Treasury Management indicators that need to reflect the potential borrowing to finance funding in advance and loans to organisations have been amended. Where no requirement is shown, the indicator only reflects what is included in the Council's Medium Term Plan.

All decisions relating to loans to organisations will be subject to approval by the Cabinet. Where these decisions will affect the relevant prudential or treasury indicators noted below, other than Item 7: "the authorised limit for external debt, retrospective approval will sought of Council at either the mid-year or full year reporting periods.

PRUDENTIAL INDICATORS

1. Actual and Estimated Capital Expenditure

	2012/13 Actual £m	2013/14 Forecast £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
Gross	8.3	14.4	5.4	4.0	4.3
Net	6.5	11.9	3.8	2.1	3.5

Where it is determined that loans to organisations are for capital purposes, this will be treated as capital expenditure and would be in addition to the current capital programme.

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

2012/13 Actual	2013/14 Forecast	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
4%	7%	10%	13%	13%

Assuming no borrowing in advance or loans to organisations.

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 from the previously approved MTP due to capital schemes (including their associated revenue implications).

The actual change in Council Tax will be significantly different due to revenue variations, spending adjustments and the use of revenue reserves.

	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Variation	£1.08	£1.90	(£0.96)
Cumulative	£1.08	£2.98	£2.02

4. The capital financing requirement.

This represents the estimated need for the Authority to borrow to finance capital expenditure less the estimated provision for redemption of debt (the MRP).

	31/3/13 Actual £m	2013/14 Forecast £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
No Funding Activity	27.0	37.8	40.0	40.1	41.4	42.5	42.8

In addition, this strategy makes provision for loans which may need to be treated as capital expenditure:

Loans to Organisations	0.0	25.0	50.0	75.0	75.0	75.0	75.0
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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 year and any specific decisions to borrow in advance or make loans to organisations.

The Council will explain the degree of borrowing and investment in its half-year and annual reports together with the reason for the movements so that Members can be assured that there is no borrowing for revenue purposes other than in the short term (cash flow).

5a. Gross and Net Debt

This indicator is intended to highlight the level of advance borrowing by limiting the variation between gross debt (borrowing) and net debt (borrowing less investments). The more borrowing in advance the higher the gross debt but there is no change in net debt because the borrowed sums will be invested pending them being needed to finance capital expenditure. Thus net debt as a proportion of gross debt falls as borrowing in advance occurs.

Unfortunately the position is complicated by the significant variations that the Council has to contend with relating to day-to-day cash flow which can cause major fluctuations in this proportion.

Guidance has not been issued on the practical use of this indicator and so there seems little point in setting one this year.

To achieve the equivalent result all advance borrowing will be reported to the Treasury Management Advisory Group and highlighted in the mid-year and end of year reports.

6. The actual external long-term borrowing at 31 March 2013

£10m

(the current level of PWLB borrowing is £11.5m)

7. The authorised limit for external debt.

This is the maximum limit for borrowing and is based on a worst-case scenario. It reflects borrowing to fund capital rather than using reserves and the three elements (No activity, borrowing in advance and loans) will be controlled separately.

	2013/14 Limit £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
Short term	20	25	25	25
Long term	48	55	57	61
Other long-term liabilities (leases)	5	5	5	5
Total - No Funding Activity	73	85	87	91
Long Term based on the maximum borrowing in advance	14	11	12	11
Long term borrowing to finance Long Term Loans to Organisations	25	50	75	75

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.

	2013/14 Limit £m	2014/15 Limit £m	2015/16 Limit £m	2016/17 Limit £m
Short term	15	20	20	20
Long term	48	55	57	61
Other long-term liabilities (leases)	5	5	5	5
Total – No Funding Activity	68	80	82	86
Plus any long term borrowing in advance	14	11	12	11
Plus any long term borrowing to finance long term loans to organisations	25	50	75	75

9. Adoption of the CIPFA Code

The Council has adopted the 2011 edition of the CIPFA Treasury Management Code of Practice.

TREASURY MANAGEMENT INDICATORS

10. Exposure to interest rate risk as a proportion of net 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.

If the Council does not borrow in advance it is quite possible that all investments will be of less than a year's duration and hence count as "variable rate".

	2014/15		2015/16		2016/17		
	Limits		Limits		Limits		
	Max	Min	Max	Min	Max	Min	
Borrowing Longer than 1 year	Fixed	100%	75%	100%	75%	100%	75%
	Variable	25%	0%	25%	0%	25%	0%
Investments Longer than 1 year	Fixed	100%	100%	100%	100%	100%	100%
	Variable	0%	0%	0%	0%	0%	0%

11. Borrowing Repayment Profile

The proportion of borrowing in place during 2014/15 that will mature in successive periods. This indicator is set to control the Council's exposure to refinancing risk.

The Council has £11.5M long term borrowing but the uncertainty on whether any forward borrowing will take place and the potential for short term borrowing to be the most attractive option results in the limits set out below.

Funding capital schemes	Upper limit	Lower limit
Under 12 months	92%	0%
12 months and within 24 months	92%	0%
24 months and within 5 years	92%	0%
5 years and within 10 years	93%	1%
10 years and above	100%	7%

This may be affected by any Funding in Advance or Loans to Organisations.

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. These limits need to allow for borrowing in advance.

The uncertainty about borrowing in advance results in higher limits than would otherwise be required.

	2014/15 £m	2015/16 £m	2016/17 £m
Limit on investments over 364 days as at 31 March each year.	32.7	34.0	37.7

This may be affected by any Funding in Advance or Loans to Organisations.

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Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Pay Policy
Meeting/Date: Council - 26th February 2014
Executive Portfolio: Councillor J D Ablewhite, Executive Leader
Report by: LGSS HR Business Partner

1. INTRODUCTION

The Localism Act (Section 38 and 39) requires Huntingdonshire District Council to approve a pay policy statement by the 31st March for the coming financial year. LGSS prepare this on behalf of Huntingdonshire District Council and this is usually presented to Employment Panel and Council prior to the start of the financial year.

2. BACKGROUND

A pay policy statement was drafted and submitted to the Employment Panel on 12th February 2014. However, due to the proposed implementation of the Pay Review in April, the policy referred to a pay model and allowances that will be significantly changed or withdrawn from 1 April. In these circumstances, the Chief Officers' Management Team is of the view that the policy should be held in abeyance pending the outcome of staff appeals (on the outcome of the review) and until such time as the Pay Policy Statement can be redrafted to more accurately reflect the new pay model which will then be fixed and ready for implementation. It is, therefore, proposed that a copy of the finalised statement be issued to all Members of the Council via email prior to 1st April 2014.

3. RECOMMENDATION

Accordingly, the Council is **recommended to authorise the Managing Director and Head of Paid Service to communicate and publish the Pay Policy Statement 2014/15 by 1 April 2014 to ensure that the information published contains the final pay model and reward strategy for 2014 whilst also satisfying the requirements of the Localism Act 2011.**

Contact Officer: Lynsey Fulcher, HR Business Partner (LGSS)
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Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Order under Section 11, Local Government Act 1972

Meeting/Date: Council - 26th February 2014

Executive Portfolio: Strategic Economic Development & Legal –
Councillor T Sanderson

Report by: Head of Legal and Democratic Services

Ward affected: Buckden

Executive Summary:

Under Section 11 of the Local Government Act 1972, the parishes of Buckden and Diddington have formally applied to the District Council for an order grouping the parishes under a common parish council.

Recommendation:

The Council are recommended to make an Order under the Local Government Act 1972 to group the parishes of Buckden and Diddington under the common parish Council of Buckden Parish Council consisting of 15 councillors with effect from 22nd May 2014.

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1. WHAT IS THIS REPORT ABOUT

- 1.1 In accordance with Section 11 of the Local Government Act 1972 the former Chairman and Clerk of Diddington Parish Meeting has requested the District Council to make an order grouping the parish with the neighbouring parish of Buckden under a common parish council.

2. BACKGROUND

- 2.1 Section 11 of the Local Government Act 1972 states that the parish meeting of a parish may apply to the District Council for an order grouping the parish with a neighbouring parish under a common parish council.
- 2.2 The Chairman and Clerk of Diddington Parish Meeting stepped down from their roles with effect from 31st December 2013 resulting in the dissolution of the parish meeting. Every attempt was made to maintain the meeting but it was eventually deemed not practical to maintain it in its current format as there was no other local interest. As a result an approach was made by the parish of Diddington to Buckden Parish Council to group the parishes and the Parish Council formally resolved to vote in favour of the grouping at their meeting held on 12th November 2013.
- 2.3 Under Section 11 of the Local Government Act 1972 the Council may make an order for the grouping of these parishes. Arising from discussion with the parishes and owing to the size of the parish of Diddington, with an electorate of 55, it was deemed not necessary to allow for separate parish council representation on Buckden Parish Council. Therefore the membership of Buckden Parish Council will be maintained at 15 councillors to represent the electorate of Buckden and Diddington.
- 2.4 The next scheduled election of parish councillors in Buckden is 22nd May 2014 and this order will take effect from this date.

3. LEGAL IMPLICATIONS

- 3.1 No legal implications arise out of this report.

4. RESOURCE IMPLICATIONS

- 4.1 No resource implications arise out of this report.

5. REASONS FOR THE RECOMMENDED DECISIONS

- 5.1 As a result of a request from the parish of Diddington to group with Buckden Parish Council, the Council is recommended to make an Order under the Local Government Act 1972 to group the parishes of Buckden and Diddington under the common parish Council of Buckden Parish Council consisting of 15 councillors with effect from 22nd May 2014.

BACKGROUND PAPERS

Correspondence on File F&GP/E/4 held in the Office on the Head of Legal and Democratic Services
Local Government Act 1972

CONTACT OFFICER

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Cabinet

Report of the meetings held on 23rd January and 13th February 2014

Matters for Decision

36. BUDGET 2014/15 AND MEDIUM TERM PLAN 2015 TO 2019

Having regard to the views of the Overview and Scrutiny Panel (Economic Well-Being) (Item No.29 of their Report refers), the Cabinet has considered the content of the 2014/15 draft budget, the Medium Term Plan (MTP) for the period 2015/19 and the level of Council Tax for 2014/15. The details are contained in Appendix A to the report by the Assistant Director, Finance and Resources included as Agenda Item No. 3 on the Council agenda.

In discussing the Council Tax Freeze Grant, Executive Councillors were advised that the Council will receive £82k in 2014/15 and 2015/16 if it decides to freeze or reduce its current Council Tax level. It has been confirmed that the grant will now be permanently built into the base rather than just being awarded for 2 years.

With regard to the use of revenue reserves, the Cabinet noted that a balance has been taken between progress on savings and the use of reserves in order to ensure that savings are properly targeted and effectively delivered to manage service impact. It was reported that net interest and borrowing costs will increase to 16.4% in 2018/19. The Cabinet has reviewed the options available to them to keep within the limit of 15% set by the Council. Given the current financial circumstances, the potential for capital savings through the Facing the Future exercise and the beneficial impact of future margins on loans to other bodies, the Cabinet has concurred with the Panel that the 16.4% position should be accepted.

At the same time, Executive Councillors have discussed budget proposals put forward by the Liberal Democrat Group. In that respect, the Cabinet has noted that the future of the Cromwell Museum was already being considered by Huntingdon Town Council and that the issues associated with the pay review were being considered elsewhere. Members concluded that it would be appropriate to consider all the other issues as part of the Facing the Future exercise.

Having noted the comments arising from the consultation with the business community on expenditure proposals and in thanking the Panel for their input, the Cabinet

RECOMMEND

- (a) that, subject to appropriate adjustments to Appendix B to reflect the Council Tax Freeze Grant and the consequential reduction in the risk contingency, the proposed budget and Medium Term Plan appended to the report of the Assistant Director, Finance and Resources be approved;**
- (b) that the breach in the 15% limit on Net Interest and Borrowing Costs be noted and the actions outlined in paragraph 8.6c of the report, to mitigate the impact, be endorsed; and**
- (c) that there be no increase in Council Tax for 2014/15, i.e. Band D charge will remain at £133.18.**

Subject to Council approving the Budget, the Cabinet has also endorsed the additional approvals required for those MTP schemes highlighted in Table 4.

37. TREASURY MANAGEMENT STRATEGY 2014/15

Reproduced at Appendix C to the report at Agenda Item No.3 on the Council's agenda is the proposed Treasury Management Policy and Strategy for 2014/15. The Strategy, which complies with the Chartered Institute of Public Finance and Accountancy's Code of Practice, has clear objectives for the management of the Council's borrowing and investments. Having been satisfied that both documents meet the requirements of the Code of Practice and Government guidance, the Cabinet

RECOMMEND

that the Treasury Management Policy and Strategy appended at Appendix C to the report of the Assistant Director, Finance and Resources be approved.

Matters for Information

38. RENEWAL OF GREAT FEN PROJECT COLLABORATION AGREEMENT

Having regard to the views of the Overview and Scrutiny Panel (Environmental Well-Being) (Item No.23 of their Report refers), the Cabinet has approved the renewal of the Collaboration Agreement in respect of the Great Fen Project for a further five year fixed term. In discussing the Council's support for the Project, Members were advised that the Project's economic benefits were starting to be realised. The next key stage in its planned delivery will

include the construction of the main visitor facilities which will be fundamental in terms of maximising its local economic development potential. As an active partner, the Council will ensure that an appropriate emphasis is placed upon the delivery of tangible, economic, social and environmental benefits.

39. RECONNECTIONS POLICY FOR HOMELESSNESS PEOPLE WITH NO LOCAL CONNECTION

The Cabinet has approved the content of the Reconnections Policy for Homelessness People with No Local Connection. As part of their deliberations, the Cabinet had regard to the conclusions reached by **the Overview and Scrutiny Panel (Social Well-Being) on the matter (Item No.33 of their Report refers).**

The policy aims to assist any person who is sleeping rough and has no "local connection" to the District to return to the local area to which they do have a connection.

40. DISCHARGING A HOMELESSNESS DUTY THROUGH THE PRIVATE RENTED SECTOR

Having regard to the views of the Overview and Scrutiny Panel (Social Well-Being) (Item No.34 of their Report refers), the Cabinet has approved the content of a policy which explains how the Council will use the powers available to it to help a household into a private rented sector property after a full housing duty has been accepted under the homelessness legislation.

41. STREET NAMING AND NUMBERING – IMPLEMENTATION OF CHARGES

Under the provisions of the Public Health Act 1925, the District Council has to provide street names for new streets and numbering for new properties. The Act also gives the Council a duty to maintain and replace damaged, missing or illegible street name plates. In order to offset the cost of providing this service, the Cabinet has agreed a schedule of charges ranging from £50 for changing the name on an existing property to £250 for the renaming of an existing street. The charges will apply to all applications received after 1st April 2014 and will be reviewed in 12 months.

42. PAY REVIEW FRAMEWORK

(The following item was considered as an urgent item under paragraph 19 of Part 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012)

The Cabinet has approved a new pay model for all Council employees which will be implemented from 1st April 2014. The model will replace an existing scheme which is regarded as not being financially sustainable and inequitable leaving the Council at risk of equal pay claims. The Managing Director has been authorised, in

consultation with the Executive Leader, to implement the necessary changes to individual's pay and grading arrangements. The changes will impact on all 692 permanent employees of the Council with 42.3% enduring a pay reduction and 57.5% experiencing a neutral impact or an increase in salary. It was reported that staff will have the right of appeal against their grading and the Cabinet has approved an appeals procedure for those dissatisfied with the outcome of their job evaluation.

Members were advised that provision has been made for pay protection of 3 months full or 6 months half pay if the employee prefers. Although the latter will result in additional costs in the 2014/15 MTP, the new pay structure will result in savings in subsequent years rising to £452k by 2020/21.

The Cabinet has also approved the removal of Essential Car User Allowance for Senior Managers and attendance allowances for certain operations staff with effect from 1st April 2014. The proposals have been the subject of a formal consultation process with staff and negotiations with Staff Council representatives.

43. FINANCIAL MONITORING – REVENUE BUDGET 2013/14

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

With regard to the New Homes Bonus Scheme, Executive Councillors were advised that the bonus for 2015/16 will be based on the increase in houses in the year ending October 2014 and they were encouraged to note that the authority is already ahead of its profiled new-homes target.

Disappointment was expressed that only 58% of revenue savings within the 2013/14 Medium Term Plan have been achieved so far, with four schemes exceeding a variance of £20k. In that respect, Executive Councillors have stressed the importance of setting challenging, robust and but realistic targets.

44. FINANCIAL MONITORING - CAPITAL PROGRAMME 2013/14

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

45. HUNTINGDONSHIRE DISTRICT COUNCIL CORPORATE PLAN 2014-16

The Cabinet has noted details of the proposed vision, strategic themes and aims proposed for the replacement Corporate Plan along with the views of the Overview and Scrutiny Panels thereon (**Item Nos 28, 26 and 37 of the Economic Well-Being, Environmental Well-Being and Social Well-Being respectively refers**).

Having noted a timetable for preparing a performance framework to support the Plan, the Cabinet has requested that the recommendations of the Overview and Scrutiny Panels be incorporated into the final version

46. FACING THE FUTURE

(The following item was considered as a confidential item under paragraph 3 and 4 of Part 1 of Schedule 12A of the Local Government Act 1972).

Further to Item No. 21 of their Report to the meeting of the Council held on 25th September 2013, the Cabinet has considered the recommendations of the Overview and Scrutiny Chairmen and Vice-Chairmen on priorities for further work following the first phase of the Facing the Future process. **(Item No.25 of the Overview and Scrutiny Panel (Environmental Well-Being refers)**

The Cabinet referred to the complexities of researching some of the savings and recognised the level of work required to be undertaken by the Management Team and Executive Councillors to deliver savings in a timely fashion. Having thanked the Overview and Scrutiny Panels for their input, the Cabinet has agreed:

- ◆ that the list of suggestions be categorised into service areas and cascaded to Heads of Service to create an implementation plan, in consultation with the Executive Leader, Managing Director and Portfolio Holders;
- ◆ that priority be given to those which will result in “quick wins” or will give the best returns within the shortest timescale; and
- ◆ that those suggestions deemed to have most impact on services be held in abeyance until the financial impact of the items in list 1 and 2 have been fully investigated.

J D Ablewhite
Chairman

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Overview & Scrutiny Panel (Economic Well-Being)

**Report of the meetings held on 9th January and
6th February 2014**

Matters for Information

28. LOCAL GOVERNMENT SHARED SERVICES

The Panel welcomed Messrs Quentin Baker, Director of Law, Property and Governance, and Ian Farrar, Director of Information Technology Services, to its meeting in January to give a presentation on Local Government Shared Services. All Members of the Council had been invited to attend.

LGSS had been established in October 2010 as a shared services partnership jointly hosted by Cambridgeshire and Northamptonshire County Councils. It currently employs in the region of 1100 full time equivalent staff. During the presentation reference was made to LGSS' business scope and services, its customers and partners and the work which is going on to develop a business Case for sharing Information Technology (IT) and Legal Services with the District Council.

Arising from the presentation, the Panel has discussed the management and governance arrangements of LGSS, its five year strategic plan and its financial operating basis. Having been advised of the significant benefits which are obtained from economies of scale, the Panel has also discussed the size of the professional services offered by the LGSS Legal and IT divisions. As part of this, Members have questioned what effort is put into improving internal processes to deliver better returns and have been provided with specific examples of improved process within IT Services and in the revenues and benefits services at Norwich City Council. A breakdown of the ways that savings have been achieved has been requested.

The Panel has been assured that LGSS promotes sharing of best practice amongst its constituent organisations rather than impose its own practices on them. A number of specific examples have been provided to support this point. In terms of the business case for the potential sharing of IT and Legal Services, the Panel has been acquainted with the joint approach, which has been adopted to its development. Work is proceeding on the basis that it would be different from the HR, Payroll and Organisational Workforce

Development arrangements. It is expected that a detailed business case shortly will be submitted to Overview and Scrutiny, Cabinet and Council.

Members have examined the mechanisms under which LGSS could be held to account and the arrangements for withdrawing from the contract if either party wishes to do so. Detailed aspects of the way an agreement would operate have also been discussed.

Having been informed of the extent of LGSS' discussions with other Councils within the County about further potential agreements, Members have emphasised the benefits that would accrue to LGSS if it formed a partnership with Huntingdonshire District Council.

29. FACING THE FUTURE UPDATE

The Panel has received an update on the work being undertaken by the Overview and Scrutiny Panel Chairmen and Vice-Chairmen to prioritise the savings opportunities emerging from the Facing the Future programme. A report on the outcome of this exercise has been submitted to the Overview and Scrutiny Panel (Environmental Well-Being), Item No. 25 of their Report refers.

In response to a question as to whether the Council's Corporate Plan will need to be re-visited in light of the Facing the Future process, the Panel has been informed that work is underway to develop a new Corporate Plan, which will bring together the Authority's business and financial planning cycles.

30. HUNTINGDONSHIRE DISTRICT COUNCIL LEADERSHIP DIRECTION 2014-16

In conjunction with the Panels for Social and Environmental Well-Being, the Panel has reviewed the proposed vision, strategic themes and aims that will form the 2014 -16 Huntingdonshire District Council Corporate Plan. Members were pleased to note that the clear message underpinning the Corporate Plan is the need to provide value for money and to identify evident linkages between the Plan and the funding streams provided by the Government.

Having noted that work is underway to develop a framework through which the delivery of the themes and aims within the Plan will be measured, the Panel has examined each of the four strategic themes in turn. Members have suggested that the vision should incorporate the opportunity that Huntingdonshire offers within all of the areas within the Plan. They have also questioned whether sufficient effort is being made to enhance the local economies that already exist and emphasised the need to recognise the importance of the rural areas to the local economy. It has been recommended that it is clarified that one of the aims is to have the right planning policies in place.

Members have discussed the way forward and supported the intention to present performance information to elected Members to

enable the overview and scrutiny panels to monitor the performance of the Authority.

31. BUDGET 2014/15 AND MEDIUM TERM PLAN 2015 – 2019

The Panel has reviewed the Medium Term Plan (MTP) for 2015-19 and the Budget and the level of Council Tax for 2014/15, which appear as a separate item elsewhere on the Agenda for the Council meeting. In doing so, Members have examined in detail the budgetary information presented and have welcomed the new format in which this information has been made available.

With regard to the level of Council Tax, the majority of Panel Members have endorsed the view of Executive Councillors that the Authority should freeze its current level of Council Tax for the forthcoming year and accept the Government's Council Tax Freeze Grant. However, the Chairman has suggested that representations should be made to Government that the offer of the grant on a percentage basis rewards high spending local authorities and that alternative ways of distributing it should be used.

The Panel has noted that the reduction in forecast expenditure will now mean that the Authority's forecast Net Interest and Borrowing Costs will represent 16.4% of Net Spending in 2018/19. Having reviewed the options that are available to keep within the limit of 15%, the Panel has agreed that, in the current circumstances, the Cabinet should recommend the Council to approve the proposed MTP. However, Members have been pleased to note that a review of the capital programme will be incorporated into the forthcoming year with a view to making further savings. The Panel intends to continue to monitor this area and has established a working group to give further consideration to the question of the gross costs of capital.

In concluding their deliberations on this matter, the Panel has indicated that the Cabinet should recommend the Council to approve the proposed MTP, Budget and Financial Plan and freeze the level of Council Tax for 2014/15; that is, a Band D charge of £133.18. Members have emphasised that it will remain critical to identify the necessary savings for future years and that careful monitoring will need to continue to take place.

32. 2014/15 TREASURY MANAGEMENT STRATEGY

In accordance with its responsibility for scrutinising Treasury Management, the Panel has reviewed and endorsed the Treasury Management Policy and Strategy for 2014/15. It is a key element of the Council's Code of Financial Management and the aim of the Strategy is to provide strategic guidance on how the Council shall conduct its Treasury Management activities. The Strategy appears as a separate item elsewhere on the Agenda.

Other Matters of Interest

33. NOTICE OF KEY EXECUTIVE DECISIONS

The Panel has received current Notices of forthcoming Key Executive decisions, which have been prepared by the Executive Leader. In so doing, Members have confirmed which items they want to consider at their future meetings.

34. OVERVIEW & SCRUTINY PANEL (ECONOMIC WELL-BEING) – PROGRESS

The Panel has reviewed its programme of studies and has decided that communications, shared services and estates should be removed from their work programme. It has been agreed that the outcome of the audit on Electronic Document Management (EDM) should be incorporated into the work plan.

35. SCRUTINY

The Panel has received the latest editions of the Decision Digest at each of its meetings.

T V Rogers
Chairman

Overview & Scrutiny Panel (Environmental Well-Being)

**Report of the meetings held on 14th January and
11th February 2014**

Matters for Information

23. RENEWAL OF GREAT FEN PROJECT COLLABORATION AGREEMENT

The Panel has reviewed a proposal to renew the Great Fen Project Collaboration Agreement, which is due to expire in March 2014. The Project had been initiated in the 1990s and the District Council is one of the five founding Partners alongside the Environment Agency, Middle Level Commissioners, Natural England and the Wildlife Trust.

The role of the Steering Group in governing the work of the Project has been explained to the Panel. The Steering Group has a budget monitoring function that is undertaken on a quarterly basis. One of the benefits of being involved in the Project is that the Council has the ability to provide technical expertise and guidance on a number of Project related matters such as assisting with planning applications and providing advice on the design of the new Visitors Centre.

The Project has been able to demonstrate that it has produced a number of economic benefits for the area such as the creation of new agricultural jobs, enhanced levels of local contracting, increased volunteering opportunities and attracting rising numbers of visitor to the District.

The Council matches the funding provided by the other four founding Partners of the Project. The Council's contribution is used to fund the Great Fen Project Manager's post and to stage ad-hoc promotional/educational events. Peterborough City and Cambridgeshire County Councils are "observing Partners" on the Steering Group but it is hoped they both will become Project funders in the future.

The Visitor Centre will be developed during the life of the new agreement. The Centre will be owned by the Wildlife Trust and this means there will be no financial risk to the Council as a result of this development.

The Panel has expressed support for the renewal of the Agreement and placed on record its wish to continue to monitor the development of the Project as it develops.

24. HUNTINGDONSHIRE STRATEGIC PARTNERSHIP GROWTH AND INFRASTRUCTURE THEMATIC GROUP

The Panel has been acquainted with the work of the Huntingdonshire Strategic Partnership – Growth and Infrastructure Thematic Group. The Group's main role is to identify key infrastructure projects within the District and to recommend priorities for the allocation of Community Infrastructure Levy (CIL) funding to the Huntingdonshire Strategic Partnership Board and the Cabinet. To assist them with their work, the Group develops an Infrastructure Business Plan each year.

Members' attention has been drawn to the difficulties that have been encountered in securing a Town/Parish Council representative as a member of the Group. Whilst an approach has been made to the Cambridgeshire and Peterborough Association of Local Councils, it has not been possible to make an appointment and it remains a concern that whoever is appointed will not be able to represent the views of all the District's Towns and Parishes. As a way forward the Executive Councillor for Strategic Planning and Housing will be writing to all Towns and Parishes asking them to offer alternative solutions.

Whilst the Council is already receiving CIL funding, Members are mindful that the transition between CIL and Section 106 Agreements is having an effect on income levels. Greater receipts from CIL are expected in future years.

The Panel is satisfied that appropriate governance arrangements are in place and that a clear audit trail in respect of the bidding process for infrastructure work is in place.

25. FACING THE FUTURE – SUGGESTED PRIORITIES

(Part of the discussion on the following item was considered as a confidential item under paragraph 4 of Part 1 of Schedule 12A to the Local Government Act 1972.)

The Panel has received an update on the Facing the Future process at its January meeting and all Overview and Scrutiny Members have been invited to participate in the discussions at the February meeting on the Scrutiny Chairmen and Vice-Chairmen's recommended approach to managing the ideas for savings that have emerged through the Facing the Future process and priorities for further research.

Members have discussed the potential implications of the Council's approach to shared services and outsourcing and of individual savings suggestions. Some Members have questioned whether the Council should pursue options for shared services or outsourcing on the grounds that the Council would lose an element of control of transferred services. However, it has been recognised that this has to be weighed against the possible savings that might be achieved.

Decisions on shared services and outsourcing will not be taken without a detailed appraisal of all the Council's options.

The Panel has requested that reports on progress of the overall Facing the Future Project, the effect of the Project on the performance of the Council against the Corporate Plan and on individual savings proposals are submitted to the Overview and Scrutiny Panels as the Project proceeds. Subject to changes to the way some items should be treated, the lists of suggestions for savings have been approved for submission to the Cabinet.

26. CORPORATE PLAN

The Panel has endorsed the decision to incorporate reference to the people of Huntingdonshire as a key theme running throughout the new Corporate Plan. Having queried whether there might be a more appropriate way of describing the Council's approach to homelessness, the Panel has expressed support for the draft Corporate Plan and expressed an interest in receiving performance data in due course.

Other Matters of Interest

27. OVERVIEW AND SCRUTINY PANEL (ENVIRONMENTAL WELL-BEING) - PROGRESS

The Panel has reviewed its programme of studies at each of its meetings. Updates have been received on the work being carried out for the Tree Strategy and Design Principles for Future Development Working Groups. Members have also been acquainted with the latest position on the Landscape Sensitivity to Wind Turbine Development – Draft Revised Supplementary Planning Document, which will now be submitted to the Panel in April 2014.

Progress with the work of RECAP has been slow and the Executive Councillor for Environment has advised that there is a desire amongst Partners for the project to gain more momentum. A meeting to discuss how the work might be expedited was held on 7th February 2014.

Town and Parish Council representatives are encouraged to attend consultation meetings being held by the Cambridgeshire Future Transport Initiative. Finally, the Panel has removed Recycling in Flats from its work programme because residents of some flats' inability to recycle waste materials is the result of inadequate provision within their buildings. This is the responsibility of the landlord and it is largely a Ward matter.

28. WORK PLAN STUDIES

The Panel has received details of the studies being undertaken by the other Overview and Scrutiny Panels.

29. NOTICE OF KEY EXECUTIVE DECISIONS

The Panel has been acquainted with the Notice of Key Executive Decisions at its meetings. Clarification of the purpose of the Huntingdon West Masterplan document has been received. There is a possibility that the A14 item might be brought forward from April to March 2014, but this is largely dependent on the Highways Agency making a decision on the next stage of the consultation.

30. SCRUTINY

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

G J Bull
Chairman

Overview and Scrutiny Panel (Social Well-Being)

**Report of the meetings held on 7th January and
4th February 2014**

Matters for Information

31. REDESIGN OF MENTAL HEALTH SERVICES

Representatives of the Cambridgeshire and Peterborough Clinical Commissioning Group and of the Cambridgeshire NHS Foundation Trust have attended the Panel's January meeting to deliver an update on local mental health services following the redesign of the services across Cambridgeshire and Peterborough. The Panel has been acquainted with the objectives of the public consultation which took place in 2011/12 and with details of the adopted new service model. Information has been received on the Advice and Referral Centre which was launched locally in May 2013 together with data on the number of patients in Huntingdonshire accessing mental health services.

The Panel has received responses to questions, which had been submitted to the representatives present in advance of the meeting. With regard to the number of Huntingdonshire patients who are accessing acute services in Peterborough or Fulbourn in comparison to two years ago when Acer Ward was operational, it has been stated that demand for acute services has remained the same, though there has been a notable increase in the number of times the Huntingdonshire Crisis Team is being contacted.

On the question of the support and care services that are available to mental health patients who have been discharged into the community the Chief Executive of Cambridgeshire and Peterborough NHS Foundation Trust has explained that overall there has been a decrease in the number of Hospital admissions and that attempts are made to utilise primary care mental health services wherever possible.

In response to a question on the Hospital's transportation arrangements and the accessibility of acute wards, it has been established that £15,000 has been invested into the Cambridgeshire Community Car Scheme. No negative comments have been received from service users to date and the Trust has not received any complaints in this respect. In addition, regular contact with the service user group is maintained. The Panel will receive user group contact details to inform its scrutiny work.

Other matters that have been discussed include the extent to which the Clinical Commissioning Group commission services from the voluntary sector and the functions performed by the Advice and Referral Centre, which include the transfer of patients to and from acute and community services. Members have been acquainted with the challenges faced by the service to meet growing levels of demand whilst being mindful of increasing budgetary pressures, the number of Huntingdonshire patients currently admitted to acute facilities, the types of referrals made by GPs to the Advice and Referral Centre and performance statistics for the Centre in its first few months of operation within Huntingdonshire.

The representatives present will return to provide a further update to Members at a future meeting. Representatives of the service user group will be invited to address the Panel to enable Members to gain an understanding of local residents' experience of mental health services. This invitation will also be extended to Hunts Mind and various other relevant voluntary groups within the District.

32. PROCUREMENT OF OLDER PEOPLE'S PROGRAMME

The Panel has been acquainted with progress of the procurement exercise currently being undertaken by Cambridgeshire and Peterborough Clinical Commissioning Group (CCG) in respect of the Older Peoples Programme. An open competitive tendering process for a range of acute hospital unplanned care, community services, primary care, voluntary sector grants, older people's mental health services and end of life care had been launched in July 2013. Ten providers had been invited to submit outline solutions in August 2013 with five now taking part in the latest stage of the procurement process. Bids have been invited for the CCG area as a whole and by region.

A process of evaluation is currently taking place to review the outline submissions received with a view to short listing the bidders down to three providers. These will be invited to submit final solutions, which will be assessed to determine who will be awarded the contract. It is hoped that an announcement will be made in April/May 2014. A twelve week public consultation will then be launched, with the mobilisation phase commencing in late summer/early autumn. The contract will last for five years, with an option to extend it to seven years. Representatives of the CCG have acknowledged that the timescales are tight, particularly given that staff will have to transfer across to the new provider.

On the question of whether any elected Members will be involved in the procurement process, it is clear that such provision has not been made but local authority Officers from both the County and District Councils are assisting with the evaluation phase of the procurement process. Nevertheless, the view has been expressed that Members act as advocates for the public and their involvement would instil in them trust and confidence in the process. Given that bids could be submitted for various combinations of areas, it has been suggested

that there should be some local Member involvement, especially if the process results in arrangements for the Huntingdonshire area that are different from the others.

With regard to the quality of the services to be provided, it has been confirmed that the outcomes framework contains a number of quality indicators, which have been based on NHS quality standards. The Prospectus for the procurement will shortly be released for publication, with quality appearing as key criteria in determining who will be awarded the contract. The outcomes framework has been tested by a number of interested stakeholders, including patient user groups. However, the Panel has drawn attention to the fact that these groups are absent from the evaluation phase of the procurement process. In Members' view, these individuals would be able to contribute to the evaluation of service delivery.

The Panel has endorsed the concerns of the Cambridgeshire Adults, Well-Being and Health Overview and Scrutiny Committee over the timetable for the mobilisation of the contract. It is likely that the current timescales will change.

Other matters that have been discussed include the need to ensure that the successful bidder will meet local needs, the opportunity that exists to transform primary care services, the added social value that the procurement will bring to the community and the voluntary sector's role in the tendering process.

Given the Panel concerns over the tight timescales proposed and the absence of any elected Member representation, advice has been sought on the best way of providing feedback to Members on the procurement process.

33. RECONNECTIONS POLICY FOR HOMELESS PEOPLE WITH NO LOCAL CONNECTION

The Panel has considered the content of a Reconnections Policy which is intended to assist with the prevention of homelessness by reconnecting homeless people to the area with which they have a local connection. Cambridge City Council has its own policy in place and all Districts within the Cambridge sub-regional cluster are now adopting similar policies with a view to preventing rough sleeping within their areas. The policy formalises the practices already employed by the Council through its homeless prevention work. A recent audit of rough sleepers across the Cambridge sub-region has identified that Huntingdonshire has anywhere between 0-3 rough sleepers within the District at any one time.

The Panel has queried whether individuals might be reconnected against their interests. In response, Members have been advised that mechanisms are in place to protect certain categories of individuals, for example those who have been subjected to domestic violence, but that the justification for being treated this way is verified with the appropriate authorities.

34. DISCHARGING A HOMELESSNESS DUTY THROUGH THE PRIVATE RENTED SECTOR

Having received assurance that Regulations contain criteria that require accommodation to be suitable, safe and reasonable, the Panel has endorsed a policy which allows the Council to fulfil its “duty” to households accepted as homeless by making them an offer of suitable private rented sector accommodation. The power to do this has been introduced through the Localism Act 2011. It is unlikely that they will be used on a regular basis.

35. FACING THE FUTURE

The Panel has been acquainted with progress of the Facing the Future process. The Overview and Scrutiny Chairmen and Vice-Chairmen met on 18th December 2013 to review the complete list of potential savings and the priorities that they have been accorded. Further meetings were held on 9th and 16th January 2014, with the Council’s Chief Officer Management Team being present at the latter meeting. The priority listings have been considered by the Overview and Scrutiny Panel (Environmental Well-Being) and all Members were encouraged to attend. The final priority listings have been submitted to the Cabinet.

36. CLINICAL COMMISSIONING GROUP: FINANCE AND PERFORMANCE COMMITTEE REPORT

Representatives of the Cambridgeshire and Peterborough Clinical Commissioning Group (CCG) have reported to the Panel on the financial and operational performance of Hinchingsbrooke Hospital. They have drawn the Panel’s attention to the Hospital’s outturn position, which is reported as being £2.9m over the contract value agreed back in April 2013. The CCG is working closely with the Trust to improve this position but financial penalties have been imposed upon the Trust in areas where local and national standards have not been met, for example, Ambulance turnaround times and closer working practices with GPs. With regard to the performance levels achieved, some areas of the Hospital are experiencing increased levels of activity and a more robust plan will be put in place for the ensuing year.

The Accident and Emergency Department has been ranked as one of the top ten performing facilities across the Country and the best within the CCG area. Additional funding has been obtained from central Government to assist acute providers with additional pressures on the Accident and Emergency Department arising from poor weather conditions during the winter. This has enabled patients to be cared for in their own homes or within the community. The Hospital is meeting required standards for infection control with no outbreaks of MRSA or C Difficile having been reported within the last six months. In addition, the relevant standards are being met for treatment referrals. The “Choose and Book” system is an area of concern but it is minor in comparison to other performance indicators. In terms of nursing quality standards, there are issues around the provision of medical

staff, the completion of mandatory training as part of the appraisal system and local infection control issues. These are being addressed by the Trust.

The Panel has been acquainted with the challenges to be faced by the Hospital in the next financial year and the opportunities that exist. The CCG is forecasting a deficit for the year end but are ensuring that adequate planning and controls are in place to achieve a surplus outturn position by the end of 2014/15. It is the Hospital's vision to specialise in District General core services in areas such as urology and dermatology services. Consideration is also being given to developing further the reablement ward, which provides key services for frail and elderly patients.

Clarification has been received on a number of matters including the implications of the review of clinical thresholds and third sector commitments, the appointment of an external "turnaround team", the means by which diagnostic waiting times are verified and the circumstances which have resulted in the cancellation of operations. The Panel has commented on the need for local residents to take greater responsibility for their own health and discussed initiatives employed by Circle Healthcare to empower employees and boost staff morale. Matters concerning staff morale and the management of complaints will be addressed by the Hinchingsbrooke Hospital Working Group.

There is a need for closer working practices to be employed between GPs and consultants in their general care for patients and in terms of validation. This is regarded as being key to improving quality and the CCG acknowledges that this could be addressed through the commissioning process when awarding contracts to GPs.

Representatives of the CCG will return to the Panel in six months' time to deliver a further performance report.

37. CORPORATE PLAN

The Panel has reviewed the District Council's Corporate Plan 2014-16, which had previously been the subject of consultation with the Corporate Plan Working Group. The Plan might be refined in light of comments by the Overview and Scrutiny Panels before it is submitted to the Council. It is intended that it will come into effect from 1st April 2014 and will be complemented by a range of performance measures. Members have suggested that the Corporate Plan Working Group should be involved in devising the performance monitoring arrangements for the Plan and that the Working Group should have a role to play in monitoring the Council's performance. In the circumstances, the Panel has suggested that the Plan should include reference to monitoring.

Comment has been made on the need to ensure that decisions about the future delivery of Council services are informed by the Corporate Plan.

38. CAMBRIDGESHIRE ADULTS, WELLBEING AND HEALTH OVERVIEW AND SCRUTINY COMMITTEE

The Panel has been advised of matters currently being considered by the Cambridgeshire Adults, Wellbeing and Health Overview and Scrutiny Committee. These include the Adult Social Care, Older People and Mental Health Services Business Plans. The Commissioning of Older People's Services, Sheltered Housing at Langley Court and Langley Close, St Ives, East of England Ambulance Service Performance and Plans, Disabled Facilities Grants Top Up Policy and Learning Disability Out of County Placement Report are also part of the Committee's work programme.

Other Matters of Interest

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

The Panel has reviewed its work programme at each of its meetings. Brief updates have been received on the Voluntary Sector, Consultation Processes, Social Value and Joint Hinchingsbrooke Hospital Working Groups. The Elderly Patient Care and Consultation Processes Working Groups are to meet on 24th February and 17th March 2014 respectively.

40. WORK PLAN STUDIES

The Panel has received details of studies being undertaken by the other Overview and Scrutiny Panels.

41. NOTICE OF KEY EXECUTIVE DECISIONS

The Panel has been acquainted with the Notice of Key Executive Decisions at each of its meetings.

42. SCRUTINY

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

S J Criswell
Chairman

Development Management Panel

Report of the meeting held on 20th January 2014

Matters for Information

13. CHANGES TO THE DEVELOPMENT MANAGEMENT SERVICE IN RESPONSE TO CURRENT STAFF TURNOVER ISSUES

At the last meeting, the Panel reported on impending vacancies in the Development Management Service and the impact less dedicated Officer time would have on preparatory work for Panel meetings (Item No 10 refers). The Panel has now been advised of the action which has been taken to ensure continued delivery of the Service in the period pending appointment to the four posts due to become vacant before March 2014.

Amongst the arrangements that have been made, the Panel has agreed to extend its Scheme of Delegation for a temporary period until 31st July 2014. This variation will enable Development Management Officers to determine, within prescribed criteria, certain types of applications (such as householder developments, change of use, advertisements and listed building consents) in circumstances where the decision is in accordance with any objections or letters of support received.

The Panel has been reassured that its Chairman and the Executive Councillor for Planning and Housing Strategy will continue to keep the situation under review.

14. LEGISLATION RELATING TO REFUNDS OF PLANNING APPLICATION AND RESERVED MATTERS APPLICATION FEES WHEN SUCH AN APPLICATION IS NOT DETERMINED WITHIN 26 WEEKS

The Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) (Amendment) Regulations came into force on 1st October 2013. The Regulations require the repayment of any fee paid in respect of an application for planning permission or approval of reserved matters (received on or after the 1st October) if the local planning authority has failed to determine the application within 26 weeks of the date when a valid application was received. The requirement to repay the fee can be waived, however, when the applicant and the local planning authority has agreed, in writing, that the application can be determined within an extended period.

Although the majority of applications will be determined in less than 26 weeks, the Panel has noted that procedures will be put in place to manage a situation should the local planning authority be unable to determine a matter within the timescale through no fault of its own. If such circumstances arise, the Panel has noted that recommendations made in future reports to them might also seek approval to extend a period for determination or suggest that an application be approved/refused subject to the completion of a Section 106 Agreement within a prescribed timescale.

15. DEVELOPMENT APPLICATIONS

The Panel has determined nine development applications of which eight were approved and one refused. These related mainly to minor applications for new or replacement dwellings in various parts of the District.

D B Dew
Chairman

Employment Panel

Report of the meeting held on 12th February 2014

Matters for Information

17. ANNUAL REVIEW OF TERMS OF REFERENCE

The Panel has undertaken the annual review of their terms of reference and constitution. Members have no specific changes that they wish to recommend to Council.

18. STAFF COUNCIL

Representatives of the Staff Council were invited to address the Panel to raise awareness of a number of issues currently being experienced by District Council employees -

Attention was drawn to the concerns of staff in the IMD and Legal Divisions with regard to arrangements and negotiations for any transfer of staff to Local Government Shared Services under the Transfer of Undertakings Regulations (TUPE). In response, Members received an update on the current position with regard to the preparation of the draft business cases for the potential transfer of these services and noted that support in the form of workshops on the new 2014 Regulations were being put in place for affected staff.

The Panel also were made aware of concerns arising from the reorganisation of senior management. These concerns relate, in part, to the consequential impact of the restructuring on other staff within the organisation. In response, the Managing Director has undertaken to issue further briefing notes to explain what the next steps will be after the implementation date of 1 April 2014.

The Panel was pleased to note that a training session had been organised for Staff Council representatives with the East of England Local Government Association to help them better understand their responsibilities and duties with the intention that further training could be arranged in the near future.

19. LEAVE ARRANGEMENTS POLICY

The Panel has reviewed and endorsed the contents of a new policy for leave arrangements for the organisation. The policy has been developed to formalise existing practices, to combine annual leave with other leave arrangements and to give managers and employees clarity when dealing with requests for leave. It provides a framework

for managing the provision of leave fairly and in line with service needs.

20. DISABILITY AT WORK POLICY

Following a review of staff car parking arrangements by the Management Team, the Panel has endorsed a proposal to amend the Council's Dignity at Work Policy in relation to car parking. Whilst the Authority will continue to support employees with a disability or mobility issue to park near to the work base, these staff will now be required to pay for parking at work in line with all other Council employees.

21. WORKFORCE REPORT (QUARTER 3)

The Panel has received the quarterly report on Human Resource matters impacting on the performance of the organisation. On this occasion, the report has included the latest position and trends relating to:-

- ◆ employee numbers;
- ◆ salary costs;
- ◆ sickness absence reporting; and
- ◆ the Human Resources caseload.

Having noted that the new format of the report included the age profile of the Council's workforce, Members have asked whether this reflects the industry norm.

In terms of tackling sickness absence, the Panel was pleased to note that the average days sickness per FTE employee has reduced again in the last quarter to 7.9 days per annum and that this was also lower than the corresponding period in the previous year. Although the number of days lost per person in the last quarter had increased, this was still consistently lower than the same quarter in the preceding two years.

In an effort to streamline the options for reporting sickness and simplify the existing process and following a review of the categories used to record and classify sickness absence by LGSS, the Panel has endorsed a new set of categories for recording sickness absence with effect from 1 April 2014. These will continue to be reviewed over the next 12 months to ensure they meet the needs of the Authority.

Finally, the Panel has placed on record its recognition of, and gratitude for the excellent contributions made by Mr B Louth, Planning Division during his employment in the local government service and has conveyed its best wishes to him for a long and happy retirement.

22. LGSS PERFORMANCE

The Panel has considered the performance of LGSS Human Resources, Payroll and Organisational Workforce Development services across the key service measures agreed under the current

contract during the period. LGSS performance is measured in four areas namely:

- ◆ General Service Standards;
- ◆ HR Strategic and Advisory;
- ◆ Recruitment and Payroll; and
- ◆ Organisational workforce development.

The Panel has welcomed the new format of this report and have noted that the majority of service standards have either been delivered or exceeded. Having noted that strategic HR advice continued to be underutilised, it was anticipated that this resource might be in greater demand during the senior management reorganisation. Members have also noted that the number of requests for advice on case work have also declined within the last quarter which is a positive trend for the Authority.

In terms of LGSS' priorities for the next financial year, the Panel has noted, with the agreement of the Management Team, that the following HR Policies will be reviewed in 2014/15:-

- ◆ Subsistence and Travel;
- ◆ Appraisal / Performance Development;
- ◆ Use of Social Media;
- ◆ Recruitment;
- ◆ Flexible Working.

A comprehensive review of the use of variable hour contracts has also been requested.

To assist the Panel in monitoring performance levels and to create a balanced and impartial report, feedback from the LGSS Contract Manager and the views of District Council staff on each of these service areas also has been provided.

The Panel has discussed the ongoing issues with the recruitment element of the contract (there had been 63 complaints since the start of the contract, on a variety of matters). Members have been reassured that LGSS are confident that, following the implementation of the e-recruitment system in December, a number of these issues will be resolved. However in view of the continuing issues in this area, Members have requested a report to their next meeting on the recruitment element of the contract and the progress which has been made. The Panel will continue to monitor the other service areas and the issues raised by staff.

23. PAY POLICY

The Localism Act (Section 38 and 39) requires the Authority to approve a pay policy statement for the forthcoming financial year by 31st March each year. In previous years this has been presented to the Employment Panel for their comments, prior to it being adopted by the Council.

In recognition of the changes which will impact on the pay model following the implementation of the pay review this year and the need to ensure that the published information reflects the new arrangements, the Panel has requested the Council to authorise the Head of Paid Service, after consultation with the Chairman and Vice Chairman and the relevant Executive Councillor to approve the Pay Policy Statement for 2014/15 for publication by 1 April 2014. This item appears elsewhere on the Council Agenda.

24. PAY REVIEW PROJECT

The Panel has received an update on the progress being made on the Council's Pay Review Project since their last meeting. Members were informed that the project had moved into the final stage of implementation and that individual letters had now been issued to all staff detailing the outcome of the job evaluation process and information regarding the appeals procedure. Appeals are scheduled to start in the week commencing 24th February, with the implementation date for the new model fixed at 1st April 2014.

During a very full discussion on the subject, Staff Council representatives and a Member raised a series of issues which included the scale of the impact of the pay review on a large number of staff, matters associated with the appeals process and the potential for a reassessment of the protection package to affected employees. The Staff Council also highlighted the difficulties which they were facing in providing support to affected staff at this time. These and other points were responded to by the Executive Leader and the Managing Director. The Panel has thanked Staff Council representatives for their assistance during this difficult process.

25. PAY POLICY

Following the introduction of a new pay and grading framework and to ensure that the Council meets its obligations under the Localism Act, Equal Pay and other relevant employment legislation the Panel has endorsed, (subject to any substantive comments from a Member who felt that they were not in a position to comment fully at the meeting), the contents of a proposed new Pay Policy for the Authority. The policy which applies to all employees, sets out the key principles that must be adhered to in establishing employee pay levels and in approving pay related allowances. It also provides managers with guidance on the application of salaries and salary related payments.

Having been endorsed by the Panel, in accordance with the Localism Act and Code of Recommended Practice for Local Authorities on Data Transparency, a copy of the policy will be published on the Council's website.

S Cawley
Chairman

Licensing and Protection Panel

Report of the meeting held on 28th January 2014

Matters for Information

9. HACKNEY CARRIAGE AND PRIVATE HIRE LAW REFORMS

The Panel has been apprised of details of a government review into the law covering hackney carriage and private hire licensing.

The House of Commons Transport Select Committee had recommended a review of the law, which dates back to 1847 following a High Court challenge involving cross border leasing. The aim of the review carried out by the Law Commission, was to examine the legal framework relating to the regulation of taxis and private hire vehicles with a view to simplifying and modernising the legislation.

An interim statement setting out the key decisions, which include the introduction of minimum safety standards and conditions for both taxis and private hire services and national mandatory standards for private hire vehicles, was published in April 2013 following a four month consultation. The final report and draft Bill is expected in April 2014 and the timeline for the implementation of any changes will be dependent upon Parliament's decision on whether to reform the current laws and enact the Bill.

The Panel has been advised that a full assessment of the likely cost, revenue and resource implications involved in the transition to a new system will not be possible until more detail had been provided.

10. DRIVING STANDARDS AGENCY DRIVER TESTING

The Panel has been updated on current waiting times for Driving Standards Agency (DSA) private hire and hackney carriage driver tests following concerns by an operator that these were excessive.

The Panel approved the replacement of 'in house' testing with the nationally recognised DSA tests in 2012 and had been advised at a previous meeting that the DSA had put mechanisms in place to address such problems.

Consequently the Panel has been reassured that waiting times have now been reduced, allowing drivers to book tests at both Cambridge and Cardington (Bedford) centres within one week of application. No new complaints have been received and the Panel has asked that operators be informed of the positive outcome of their complaint at a meeting planned for February.

11. MOBILE HOMES ACT 2013

The Panel has authorised the Head of Environmental and Community Health Services to determine and issue licences, enforce the provisions of and initiate prosecutions under the Mobile Homes Act 2013, after consultation with the Chairman and Vice Chairman of the Panel when necessary.

The 2013 Act attempts to address problems with unscrupulous site owners and site conditions highlighted in a report by the Communities and Local Government Select Committee. It amends the outdated and ineffective Sites and Control of Development Act 1960 and the Caravan Sites Act 1968 which already fall within the remit of the Panel.

The majority of the Act, which came into effect on 26th May 2013, relates to pitch fees and selling or gifting homes and brings the licensing regime for mobile homes sites more closely in line with other local authority licensing regimes. Enforcement will commence on 1st April 2014 and appeals against compliance notices will be made to a residential property tribunal rather than the Magistrates' Court.

Members noted that guidance on the setting of fees has not yet been issued. However, it was estimated that income from annual licenses will be around £2k and the associated duties will be absorbed by existing staff.

12. THE FOOD SAFETY AND HYGIENE (ENGLAND) REGULATIONS 2013.

The Panel has been advised of the consolidation of the two national Statutory Instruments (SIs) covering food safety and food hygiene into the Food Safety and Hygiene (England) Regulations 2013.

The Regulations came into force on 31st December 2013 as an attempt on behalf of the Government to reduce the legislative burden on food businesses.

The Panel has updated its scheme of delegations, which already include the enabling Act, in response to the new Regulations and in so doing has authorised the Head of Environmental and Community Health Services to appoint authorised persons to enforce the provisions of the Regulations and initiate prosecutions after consultation with the Chairman and Vice Chairman of the Panel.

13. LICENSING AND PROTECTION APPLICATIONS SUB-GROUP.

The Panel has noted details of the three meetings of the Applications Sub-Group that took place on 1st and 23rd July and 22nd August 2013.

J W Davies
Chairman

Corporate Governance Panel

Report of the meeting held on 29th January 2014

Matters for Information

29. REVIEW OF FRAUD INVESTIGATION ACTIVITY

The Panel has reviewed the activities of the Corporate Fraud Team during 2012/13, including the type and number of investigations undertaken, the value of fraud identified and the cost of undertaking the work.

Members have been advised that the Team has received subsidy and grants from the DWP for the work undertaken during 2012/13 around benefit fraud and has acquired further income from awards of costs and financial penalties. The Team has also been approached by a number of neighbouring authorities to create a shared service for fraud prevention and the viability of such a service is being reviewed.

Members were reminded that the Department for Work and Pensions' (DWP) intends to launch a Single Fraud Investigation Service (SFIS) by 2015. This will take over all welfare fraud investigations, however the exact model to be adopted by the SFIS is unknown.

In congratulating the team for its efforts in uncovering fraudulent activity, the Panel has requested further information on fraud prevention and deterrent levels.

30. REVIEW OF FRAUD PROSECUTION POLICY

The Panel has endorsed changes to the Fraud Prosecution Policy and procedure which have been revised to reflect legislative changes arising from the Welfare Reform Act 2012 and the Council Tax Reduction Scheme. The changes introduce a more severe penalty regime for those committing fraud by increasing the levels of financial penalties for cases dealt with out of court and gives authorities the power to investigate fraud under the new Council Tax Reduction Scheme and to apply financial penalties and bring prosecution.

31. WHISTLEBLOWING CONCERNS RECEIVED

The Panel has noted a summary of the allegations received under the Council's Whistleblowing Policy during the period 1st November 2012 and 31st December 2013. In noting that the number of allegations received had fallen by 50% on the previous year, Members were advised that the authority continues to publicise the opportunity that

exists to report any potential fraud or act but that the loss of the District-Wide publication may have impacted on the numbers received.

32. NATIONAL FRAUD INITIATIVE

The Panel has received background information on the National Fraud Initiative and the work undertaken by the Council on the potentially fraudulent matches in data provided by the Audit Commission. This exercise is conducted by the Council every two years.

33. INTERNAL AUDIT OPINIONS

The Panel has received a report on the terminology associated with the annual internal audit opinion and internal audit reports. Members were advised that opinion levels and supporting definitions were regularly reviewed and that managers were required to achieve at least an “adequate” level of assurance across their systems and processes.

34. INTERNAL AUDIT INTERIM PROGRESS REPORT

The Panel was apprised of the work of the Internal Audit Service during the period 1st April to 31st December 2013, together with associated performance issues.

Disappointment was expressed that only 72% of audit actions have been introduced on time. Responsibility for these actions lies with service managers. Having been advised that managers both agree the action and the date for its introduction, the Panel felt that the target of 100% of actions introduced on time was achievable.

Disquiet continues to be expressed by Members that managers were still failing to respond to the six monthly establishment reports and, to address this, the Accountancy Manager suggested that the request for information be incorporated into the monthly budget monitoring process.

**35. EXTERNAL AUDITOR ISA260 REPORT:
2012/13 IMPLEMENTATION OF RECOMMENDATIONS**

The Panel has noted the significant progress made to implement the recommendations of the Council’s External Auditor, PricewaterhouseCoopers, following the audit of the 2012/13 Statement of Accounts. Members were advised that progress continues to be made to implement all the accepted recommendations by the end of June 2014.

36. WORK AND TRAINING PROGRAMME

In receiving details of their anticipated work programme for 2014/15, the Panel has approved a knowledge and skills framework for Audit Committee Members produced by the Chartered Institute of Public

Finance and Accountancy as the basis for a formal training programme. Areas covered by the framework include governance, financial management, risk management and external audit and counter fraud.

E R Butler
Chairman

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