



# AGENDA

## CABINET

**MONDAY, 11 FEBRUARY 2008**

**11.00 AM**

**COUNCIL CHAMBER, COUNCIL OFFICES, ST PETERS HILL,  
GRANTHAM**

Duncan Kerr, Chief Executive

**MEMBERS:** Councillor Mrs. Linda Neal (Leader/ Portfolio: Strategic Partnerships), Councillor Ray Auger (Portfolio: Access & Engagement), Councillor Paul Carpenter (Deputy Leader & Portfolio: Corporate Governance & Housing), Councillor Mrs Frances Cartwright (Portfolio: Economic Development), Councillor John Smith (Portfolio: Healthy Environment) and Councillor Mrs Maureen Spencer-Gregson O.B.E. (Portfolio: Resources & Assets)

**Committee Support Officer:** Lena Shuttlewood 01476 406119  
e-mail: l.shuttlewood@southkesteven.gov.uk

**Members of the public are entitled to attend the meeting of the Cabinet at which key decisions will be taken on the issues listed on the following pages. Key decisions are marked \*.**

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South Kesteven District Council

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- 1. APOLOGIES**
- 2. MINUTES OF THE MEETING HELD ON 7TH JANUARY 2008 (ATTACHED)**
- 3. DECLARATIONS OF INTEREST (IF ANY)**

**CATEGORY A PRIORITY ISSUES:**

- 4. \*BUDGET 2008/2009 AND INDICATIVE BUDGET FOR 2009/10 AND 2010/11:**
  - Revenue Estimates 2008/09 and indicative budget 2009/10 to 2010/11
  - Capital estimates 2008/09 to 2010/2011
  - Fees and charges
  - Treasury Management Strategy
  - Priority plans

Report number CHFR88 by the Corporate Head, Finance & Resources.  
**(Attached)**

- 5. \*ICT STRATEGY 2008-12**

Report number POI 10 by the Access & Engagement Portfolio Holder.  
**(Attached)**

**CATEGORY B PRIORITY ISSUES:**

- 6. \*TENANT AND RESIDENT INVOLVEMENT STRATEGY AND COMPACT AGREEMENT**  
Report number TSE0028 by the Corporate Governance & Housing Portfolio Holder.  
**(Attached)**

**OTHER ISSUES:**

- 7. \*NEW LOOK PENSIONS SCHEME POLICY STATEMENT**  
Report number OD&HR95 by the Corporate Governance & Housing Portfolio Holder.  
**(Attached)**
- 8. DRAFT CODE OF CORPORATE GOVERNANCE**  
Report number CEX386 by the Chief Executive. **(Attached)**
- 9. MATTERS REFERRED TO CABINET BY THE COUNCIL, SCRUTINY COMMITTEE OR THE POLICY DEVELOPMENT GROUPS**

- 10. ITEMS RAISED BY CABINET MEMBERS INCLUDING REPORTS ON KEY AND NON KEY DECISIONS TAKEN UNDER DELEGATED POWERS.**
- 11. REPRESENTATIONS RECEIVED FROM MEMBERS OF THE PUBLIC ON MATTERS WITHIN THE FORWARD PLAN (IF ANY)**
- 12. REPRESENTATIONS RECEIVED FROM NON CABINET MEMBERS**
- 13. ANY OTHER BUSINESS WHICH THE CHAIRMAN, BY REASON OF SPECIAL CIRCUMSTANCES, DECIDES IS URGENT**



**MEETING OF THE CABINET**  
**7 JANUARY 2008 - 11.01 AM - 12.01 PM**

**PRESENT:**

**Councillor Ray Auger**  
**Councillor Paul Carpenter**  
**Councillor Mrs Frances Cartwright**  
**Councillor John Smith**  
**Councillor Mrs Maureen Spencer-Gregson O.B.E.**

**Councillor Mrs. Linda Neal - Chairman**

**Chief Executive**  
**Strategic Director (BA)**  
**Corporate Head, Finance and Resources**  
**Corporate Head, Healthy Environment**  
**Corporate Head, Sustainable Communities**  
**Service Manager, Legal (Monitoring Officer)**  
**Service Manager, Housing Solution**  
**Principal Lawyer**  
**Sustainable Waste Management Policy Officer**  
**Cabinet Support Officer**  
**Public Relations Officer**

**Non-Cabinet Members : Craft, Lovelock**

CO57. MINUTES

The minutes of the Cabinet meeting held on 3 December 2007 were approved as a correct record.

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## CO58. DECLARATIONS OF INTEREST (IF ANY)

No declarations of interest were made.

## CO59. \*DRY RECYCLABLES TENDER

### **DECISION:**

#### **The Cabinet:**

- 1) approves the key features of the draft specification contained in report number WCS25; and**
- 2) authorises the Corporate Head, Healthy Environment to advertise the contract in line with the key features identified in report number WCS25.**

Considerations/Reasons for decision:

- (1) Report number WCS25 by the Healthy Environment Portfolio Holder on a contract to provide an outlet to accept and process dry recyclable material;
- (2) The arrangement that the District Council had with Mid UK Recycling was due to expire in July 2008;
- (3) Because of the potential value of the contract, the OJEU (Official Journal of European Union) process had to be used;
- (4) The contract should be cost-effective, minimise associated environmental impacts and provide opportunities to promote re-use and recycling messages to the community;
- (5) The contractor would need, as a minimum, to accept the co-mingled dry recyclables currently collected;
- (6) A three year contract with the possibility of a further two-year extension would offer flexibility to the council in light of changes being made in the waste industry and waste policy in Lincolnshire;
- (7) Use of the EU electronic procurement process would reduce the time required for key stages to be completed.

Other options considered and assessed:

1. The council requires a contract to be in place for the receipt and processing of dry recyclable material. There are no suitable alternative methods available to procure this service.

## CO60. \*BUDGET REQUIREMENTS

### **DECISION:**

#### **General Fund**

##### **The Cabinet:**

- 1. notes the impact of the provisional 3 year Local Government Settlement for 2008/9, 2009/10 and 2010/11;**
- 2. sets a provisional target General Fund Budget Requirement of £15.783m for 2008/9, and an indicative target of £16.248m for 2009/10 and £16.767m for 2010/11 (inclusive of Special Expenses);**
- 3. requests public feedback from the local forum meetings in January and consultation contained within SK Today and the Council's website, in time for its consideration of the budget plans in February;**
- 4. agrees to review the target at decision 2 (above), at the Cabinet meeting in February, in light of the outcome of consultation and other updated information;**

#### **Housing Revenue Account**

##### **The Cabinet:**

- 5. recommends for consultation purposes the option 2 rent increase – that rents should increase in accordance with guideline rent but with a cap on individual rent increases, with no rents increase of more than "Rent + RPI (3.9%) + 0.5% + £2.00" and no rent being reduced, resulting in an average indicative rent increase of 7.79%;**
- 6. should recommend a review of the average rent increase recommendation to Council for budget purposes, in light of the final subsidy determination when produced;**
- 7. agrees to review the proposed rent increase at decision 5 (above), at the February Cabinet meeting, in light of consultation, together with proposals regarding garage rents and other service charges.**

#### **Capital Programme**

##### **The Cabinet:**

**8. agrees to receive detailed reports setting out recommendations for the Capital Programme for both the General Fund and Housing Revenue Account, at the February Cabinet Meeting**

Considerations/Reasons for decision:

- (1) Report number CHFR85 by the Corporate Head of Finance and Resources on the provisional three-year Local Government Finance Settlement for 2008/9 onwards, budget requirements, use of reserves, housing rent proposals for 2008/9 and other budget issues;
- (2) The proposed three-year Local Government Finance Settlement for 2008/9 to 2010/11 was announced on 6 December 2007. Consultation on this was due to close on 8 January 2008;
- (3) Formula grant for South Kesteven District Council was set at £9.882m (2008/9), £10.026m (2009/10) and £10.148m (2010/11);
- (4) Some specific grants that provided funding for local government were mainstreamed within the formula grant total;
- (5) Future planning delivery grant allocations would be linked to the delivery of housing performance. This would be payable in autumn 2008;
- (6) No Local Authority Business Growth Initiative (LABGI) funding would be available for 2008/9 until consultation on future funding had been completed;
- (7) The government reserved powers to cap local authority budget requirements where it judged authorities to have set excessive increases in council tax. Because of this, budget requirement has been based on a maximum increase in council tax of 4.95%;
- (8) As part of the consultation process, members had to formally ask residents' views on a cash standstill (0%), inflationary increase or a 4.95% increase in council tax;
- (9) The Council adopted an accounting policy that the working balance of the General Fund be maintained at between 4.4% to 5% of gross turnover or between 10% to 15% of net expenditure;
- (10) Report number CHFR62 to the Governance and Audit Committee, which provided an analysis of reserves and their proposed use;
- (11) The council's policy to keep in line with government guidance on rent re-structuring and guideline rent increases together with the draft HRA subsidy

determination, which proposes the removal of the Rental Constraint Allowance and a revised date for rent convergence of 2016/17;

- (12) The revised Medium Term Financial Strategy (MTFS) adopted in September 2007 and a review of the treasury management strategy, the fees and charging strategy and the capital strategy was undertaken during the last financial year;
- (13) Consideration of fees and charges undertaken by the Resources PDG.

Other options considered and assessed:

1. To increase rents to ensure rent convergence by 2016/17 based on guideline rent. This option would result in some rents being reduced in the next financial year but then require them to increase in future years to achieve convergence, whilst also resulting in an average increase of 10.53% and a maximum increase of 17.64% for some tenants, which is expected to have implications for the HRA through subsidy limitation, therefore, this option was not considered appropriate.
2. To increase rents using the previous 5% cap. This would be in line with the previous Rental Constraint Allowance Policy adopted by the Government in 2005/6 and 2006/7 but with a cap on individual rent increases so that no rent is increased by more than rent + RPI (3.9%) + 0.5% + £2.00. This option would not meet the aim of rent convergence by 2016/17 and would not mitigate the impact of the loss of the rental constraint allowance.
3. To increase rents to ensure rent convergence by 2011/12 based on the government's original aim for convergence and taking account of guideline rents for subsidy purposes. This option would result in some rents being reduced in the net financial year only to be increased in following years, whilst also resulting in an average increase of 11.04% and a maximum increase of 23.37% for some tenants, which is expected to have implications for the HRA through subsidy limitation.

#### CO61. GRANTHAM GROWTH POINT UPDATE

##### **DECISION:**

- 1. That the Cabinet considers the relative priority of**

**projects set out within the submitted Programme of Development document in the light of the level of the funding allocation announced, which would help to inform the discussion of the Grantham Growth Strategic Board which comprises member representation from both Lincolnshire County Council and South Kesteven District Council;**

- 2. That the Portfolio Holder for Economic Development be given delegated responsibility to represent the Cabinet at the Grantham Growth Strategic Board subject to providing feedback regarding any implications for this Council and seeking relevant approval where appropriate;**
- 3. The Cabinet agrees that once the prioritisation has been determined by the Strategic board work is undertaken to clarify the level of contribution and support that can be derived from alternative sources.**

Considerations/Reasons for decision

- (1) Report number SD18 by the Strategic Director and the Corporate Head, Sustainable Communities on the outcome of the Grantham Growth Point bid;
- (2) A bid for funding of £49m was submitted to government under the Growth Point initiative on 1 October 2007;
- (3) On 5 December 2007 the allocation for funding of new growth points was announced. Grantham had been allocated £1.77m capital funding and £179,000 revenue funding in 2008/9 with an indicative allocation of a further £3.29m in capital and £251,000 revenue over the following two years;
- (4) The Programme of Development for growth in Grantham was developed in partnership by SKDC and Lincolnshire County Council taking on board the views of local residents and the business community;
- (5) The Programme of Development document highlighted the main areas of development opportunity in Grantham;
- (6) Work was underway to establish where both private and other public funding sources could provide additional support to contribute towards the original development plans;
- (7) The district and county councils, through the Grantham Growth Strategic Board, would need to agree key priorities for inclusion in the revised Programme of Development for submission to the DCLG to gain confirmation of the indicative funding allocations in relation to years 2 and 3 of

the bid submission.

## CO62. HOUSING ALLOCATIONS POLICY

### **DECISION:**

#### **The Cabinet:**

- 1. Endorses the revised draft Housing Allocations Policy as set out in Appendix 1 of report number CHSC006 for public and stakeholder consultation in line with the statutory requirements of the Housing Act 1996; and**
- 2. Notes the attached timescale attached as appendix 2 of report number CHSC006, for implementation of the policy, associated new procedures (to be worked up by officers) and a choice based lettings scheme.**

Considerations/Reasons for decision:

- (1) Report number CHSC006 by the Communities Policy Development Group (PDG) proposing a draft of the revised Housing Allocation Policy (appended to the report) for endorsement by the Cabinet for public and stakeholder consultation;
- (2) Changes to the existing policy were required to comply with legislative and guidance requirements, to update the policy in line with good practice and to prepare for Choice Based Lettings by 2010, as required by government;
- (3) Work undertaken by a Communities PDG working group which led to the draft policy which was considered and amended by the Communities PDG;
- (4) The policy would allow “reasonable preference” to be given to the groups listed in the Housing Act 1996 incorporating the Homelessness Act 2002;
- (5) The existing Housing Allocations Policy did not take sufficient account of the growing importance of preventing homelessness;
- (6) The Code of Guidance for Allocations encouraged local authorities to adopt a simplified banding approach rather than the traditional points based system;
- (7) Policy objectives would be to create balanced communities, meeting housing needs in a way that promoted sustainable tenancies, simplicity and transparency of the prioritisation system and incorporating locality, suitability of area assessed against needs and

housing for key workers

(8) PDG recommendation for 007, appended to the report.

Other options considered and assessed:

The options discussed, considered and assessed by the working party and PDG are set out as in the report to and minutes of the Policy Development Group meeting held on 6 December 2007.

#### **C063. \*SAFEGUARDING POLICY FOR LOCAL HOUSING ALLOWANCES**

##### **DECISION:**

- 1. The Cabinet recommends to Council, the adoption of the Safeguard Policy which will take effect from 7 April 2008.**
- 2. That a letter be sent to the relevant government department about changes to the Housing Benefit Scheme under the requirements of the Welfare Reform Act 2007.**

Considerations/Reasons for decision:

- (1) Report number RB001 by the Resources and Assets Portfolio Holder on the implementation of a Safeguard Policy under the requirements of the Welfare Reform Act 2007 together with the attached draft policy and an initial equalities impact assessment;
- (2) The policy had to be implemented before 7 April 2008 when the Local Housing Allowance (LHA) becomes effective;
- (3) Existing customers would continue to receive Housing Benefit under current rules unless they changed address or had a break in their claim of one wee;
- (4) The aims of the scheme were to promote fairness, choice and transparency while empowering people to budget for and to pay their rent themselves;
- (5) The draft policy was developed by Lincolnshire Benefit Managers and it was proposed that this be adopted by all local authorities in Lincolnshire.
- (6) The new government policy could have a negative effect as Landlords could prefer to house tenants in arrears because rent would be paid directly to them.

Other options considered and assessed:

The Council is required by the Welfare Reform Act 2007 to

implement a Safeguard Policy before 7 April 2008.

CO64. \*LINCOLNSHIRE COUNTY HOMELESSNESS STRATEGY

**DECISION:**

**The Cabinet endorses the adoption of the Lincolnshire County Homelessness Strategy;**

Considerations/Reasons for decision:

- (1) Report number HST15 by the Corporate Governance and Housing Portfolio Holder on a joint strategic approach to address the requirements of the Homelessness Act 2002.
- (2) The Lincolnshire Homelessness Strategy 2008-12 appended to report HST15 and the attached initial equalities impact assessment;
- (3) The Lincolnshire County model is one that has been identified as best practice on cross sector planning;
- (4) The strategy was built around the contribution of many stakeholders and embraced national, regional and local influences including the Lincolnshire Supporting People Strategy and the Local Area Agreement;
- (5) As it relates to a statutory service for all the Lincolnshire districts, the strategy recognises that major financial input will not be a means to deliver its outcomes

Other options considered and assessed:

1. Individual authorities are able to identify their own homelessness strategies; national and regional agendas coupled with countywide influences such as Supporting People and Local Area Agreements and the existence of common stakeholders across all the districts mean that a joint approach and the sharing of best practice will provide better customers and councils alike.
2. Appendix 2 to the strategy outlines a range of options that are not to be pursued.

CO65. ITEMS RAISED BY CABINET MEMBERS INCLUDING REPORTS ON KEY AND NON KEY DECISIONS TAKEN UNDER DELEGATED POWERS.

**Councillor Mrs Maureen Spencer-Gregson**

Decision:

That approval is granted to award the Council's banking contract to National Westminster Bank for a period of five years (with an option to extend by a further two years) effective from 1st January 2008.

[07.01.08]

**DATE DECISIONS EFFECTIVE:**

Minute numbers 60 and 63, being policy framework proposals, stands referred to the next ordinary meeting of the Council on 24 January 2008. All other decisions as made on the 7 January 2008 can be implemented on 16 January unless subject to call-in by the Chairman of the Scrutiny Committee or five members of the Council.

**South Kesteven District Council, Council Offices, St. Peter's Hill,  
Grantham, Lincolnshire NG31 6PZ**

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## REPORT TO CABINET

REPORT OF: Corporate Head of Finance and Resources

REPORT NO.: CHFR88

DATE: 11 February 2008

<b>TITLE:</b>	<b>BUDGET 2008/09 and indicative budget for 2009/10 and 2010/11</b> <ul style="list-style-type: none"> <li>• Revenue Estimates 2008/09 and indicative budget 2009/10 to 2010/11</li> <li>• Capital Estimates 2008/09 to 2010/2011</li> <li>• Fees and Charges</li> <li>• Treasury Management Strategy</li> <li>• Priority Plans</li> </ul>	
<b>FORWARD PLAN ITEM:</b>	Yes	
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	14 September 2007	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	BUDGET POLICY FRAMEWORK DECISION	
<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	Assets and Finance Portfolio Holder Councillor Mrs Spencer-Gregson OBE	
<b>CORPORATE PRIORITY:</b>	Use of Resources Corporate Governance	
<b>CRIME AND DISORDER IMPLICATIONS:</b>	NONE	
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	This report is publicly available on the Council's web site <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a> via the local democracy link	
<b>INITIAL EQUALITY IMPACT ASSESSMENT</b>	<b>Carried out ?</b> Yes <b>To be circulated at the meeting</b>	<b>Full impact assessment required?</b> No
<b>BACKGROUND PAPERS:</b>	CHFR70 medium term financial strategy CHFR85 Budget Requirement 2008/2009	

1. INTRODUCTION

The purpose of this report is to present the Budget proposals for decision by Councillors in relation to:

- Revenue and Capital Expenditure together with the potential use of reserves

- Proposals regarding the setting of the Council Tax
- The Treasury Management Strategy for the Council
- The level of fees and charges,
- and provide advice to Councillors on the robustness of the Budget proposals and adequacy of balances and reserves as required by the Local Government Act 2003.

## 2. RECOMMENDATIONS

It is recommended that the Cabinet:

### General Fund Revenue Estimate

Make recommendations a to k to Council:

- to set a General Fund budget requirement of £15.783m for 2008/9 and an indicative target of £16.247m for 2009/10 and £16.766m for 2010/11 (inclusive of special expenses);;
- to set a Council Tax increase of 4.95% for 2008/9
- to approve the revised revenue base estimate for 2007/08; original base estimate for 2008/09; and indicative base estimates for 2009/10 and 2010/11 as detailed in the summary at Appendix A page 1;
- to approve the Treasury Management Strategy provided at Appendix B;
- to approve increases in Fees and Charges for 2008/09 (in accordance with the Council's Fees and Charges Strategy) and as set out in Appendix C
- to approve a revised joining fee of £20 for the Green Waste Collection Scheme applicable to new entrants with effect from 1<sup>st</sup> April 2008
- to agree that the earlier decision to give notice to Lincolnshire County Council to withdraw District Council support from the Dial A Ride project is not rescinded.
- to take into account in future years Special Expense Areas (SEAs) under/overspending balances when setting the level of the Council Tax for SEAs using a de-minimus level of 10% with effect from the Closure of Accounts for 2007/8.
- to create specific reserves for each of the SEAs to enable contributions to be made to the reserve at outturn and as part of the future council tax setting process to provide for asset renewal in future years.
- to approve the forecast balances of Revenue and Capital Reserves contained at Appendix A page 2;
- delegate to the Section 151 Officer, in agreement with the Portfolio Holder for Finance and Assets, agreement of the final Pension Pool contribution rate following attendance at a seminar to present the Actuary's valuation report.
- require the Service Manager for Building Control, in consultation with the Corporate Heads of Finance and Resources and Sustainable Communities, to undertake necessary actions to restore the breakeven position, over a rolling three year cycle, within the new financial year (2008/9)
- receive and consider, at the meeting, the analysis of the outcome of Budget Consultation

### Capital Programme

Make recommendations n. to p. to Council:

- to approve the revised Capital Programme for 2007/08 and Programme for 2008/09 to 2010/11 detailed at Appendix A page 10-13
- to authorise the funding proposals subject to an annual review of the financing options by the Corporate Head of Finance and Resources, in consultation with the Portfolio Holder, during the preparation of the Statement of Accounts to optimise the use of Council resources.

- p. to review the policy on the use of Housing Capital Receipts to enable them to be applied to finance the Council's overall capital programme in the most financially advantageous way for the Council as a whole and as recommended by the Corporate Head of Finance and Resources in consultation with the Portfolio Holder for Finance and Assets, subject to the view that in the longer term the capital resources made available to the Council as a housing authority are used for housing purposes.

#### Housing Revenue Account (HRA)

- q. to consider the outcome of consultation of Tenants on the rent increase proposals. Make recommendation r to t to Council:
- r. to set dwelling rent increases in accordance with Government guideline rent, but with a cap on individual rent increases, with no rent being increased by more than "Rent + RPI @ 3.91% + 0.5% + £2" and no rent being reduced resulting in an average increase of 7.79%, providing an average rent of £59.06.
- s. to set an increase in Garage rents of 4.1%.
- t. to increase service charges by 3.9% (RPI Sept 2007)
- u. to commission a review of the cost base and charging mechanism for service charges during 2008/9.

#### Priority Plans

- v. accept the Strategic Management team's recommendation that the Priority Plans attached at appendix D are recommended for approval by Council as part of the approval of the Budget proposals.

### 3. BACKGROUND

3.1 The 2008/09 Budget and indicative budgets for 2009/10 to 2010/11 have been drawn up to take account of the Council's various strategies and policies, in particular:

- The existing Corporate Plan and draft revised Corporate Plan
- The Council's priorities and Priority Plans
- The Medium Term Financial Strategy (MTFS) and draft revised MTFS
- Service Strategies and Plans

In addition the Budget has taken account of the impact of:

- The outcome of the Government's Comprehensive Spending Review 2007
- The three year Local Government Finance Settlement
- Budget Consultation
- Use of Resources Assessment.

The budget has been prepared on the basis of principle 4 of the Council's MTFS, "to maintain a sustainable Revenue Budget".

3.2 The Budget has continued to redirect resources to priority areas and has provided for new statutory functions, in particular the introduction of the National Bus Concessionary Fares Scheme.

3.3 The Budget also reflects that the devolvement of service budget management to Service Managers has been fully implemented during 2007/8.

3.4 The Budget format is the same as last year and continues to be presented based on Corporate Themes allocated to individual Corporate Heads to reflect responsibilities within the Council's officer structure. There have been minor

changes to reflect redistribution of service responsibilities which have occurred during 2007/8.

#### **4 ACCOUNTING REQUIREMENTS AND EXTERNAL FACTORS AFFECTING THE BUDGET**

##### **4.1 Capital Charges**

Where Services benefit from the use of assets, the Revenue expenditure includes a charge for the use of the capital in line with standard accounting practices. There is corresponding credit shown in the General Fund summary (Appendix A page 1). A rolling programme of valuations is undertaken by the valuer to the Council to keep the asset register up to date. Any change in the use of assets, or revised valuation, or additional Capital Expenditure will affect the capital charge made to the Revenue Budget.

##### **4.2 Prudential Code**

The Council complies with the Prudential Code for controlling Local Government Capital Finance. The key objectives of the code are to ensure that:

- Capital Investment Plans are affordable, prudent and sustainable
- All external borrowings and other long term liabilities are within prudent and sustainable levels
- Treasury Management decisions are taken in accordance with good practice and in a manner that supports prudence, affordability and sustainability
- The Local Authority is accountable for decisions made
- It supports local strategic planning, local asset management planning and proper option appraisal.

The Council's Current Financial Planning Systems demonstrate the affordability of the Capital Programme and the 2008/09 estimates have been prepared in the context of these plans and controls.

##### **4.3 Integrated Service and Financial Planning**

Service planning has focussed on linking the proposals for service delivery to the Council's vision and priorities. Priority Plans have been produced for the Council's category A priorities. These are attached at appendix D and Strategic Management Team is now recommending that these be recommended for approval by Council.

The priority plans have taken account of a current position statement to evaluate the needs for the future based on the following:

- Priority scope and definition
- Context
- Links to strategies
- Proposed outcomes, targets and assessment methods
- Measures of success and key actions
- Capital and Revenue requirements for the next three years
- People Resource implications
- ICT resource implications
- Risk Assessment
- Key components of communication
- Proposed Delivery methods
- Equality Assessment
- Related projects
- Related priorities.

Service planning has also had regard to the efficiency agenda, an assessment of the service development needs, performance indicators and an overall assessment of potential risks.

There have been a series Budget briefing and planning meetings involving Cabinet and Management Board, and Management Board and Service Managers. In addition, policy development work has been undertaken by a working group of the Resources Policy Development Group together with the Chairmen of the other Policy Development Groups, one specific area covered by this group is a review of the options for fees and charges which will be referred to in more detail later.

#### 4.3 Efficiency Agenda

The CSR07 announced public sector efficiency targets of 3% per annum for each of the three years within the spending review. Efficiency targets have been identified for each service area to reflect the national efficiency target and also to take account of the number of items of uncontrollable fixed cost estimated at £6.1m, which have been identified within the medium term financial strategy as effectively uncontrollable by the Council taking into account long term contracts, which are indexed linked to various indices (for example retail price index (RPI)) and items such as national business rates which are set by Government.

A Value for Money Strategy was approved by Cabinet in November 2007 (report SD17). It will be necessary, during the year, to develop an Efficiency strategy (as part of the revision of the Medium Term Financial Strategy) to identify how the Council will achieve the Government's efficiency gains target of 3% per annum for each of the next three years, taking account of the assumptions within the current budget.

The attached budget for 2008/9 incorporates service efficiencies and budget savings of £710k against a target of £750k, together with an assumed Salary vacancy factor of £250k, to reflect the budget savings achieved when filling staff vacancies.

#### 4.4 National Settlement and Three Year Budget Planning

The Secretary of State for Communities and Local Government announced the three year Local Government Finance Settlement for 2008/9 to 2010/11 on 24<sup>th</sup> January 2008 which included the final settlement for 2008/9 and provisional settlements for the following two years. This is the first time the Government has set out Formula Grant for three years; as a result the Council's provisional resource base from Formula Grant is now set for 2008/9 to 2010/11.

The Council's Medium Term Budget Strategy is currently being revised to reflect the settlement and the Council will need to move towards three year budgeting, as a result Service Managers have been asked to produce indicative budgets for 2009/10 and 2010/11. Further work will need to be undertaken by Service Managers to refine these budget forecasts in advance of the budget cycle for 2009/10.

Report CHFR85 "Budget Requirement" set out the key points of the provisional settlement the main elements of the final settlement are:

- No change in the National totals for 2008/9, but there has been an increase in the baseline used for damping of £36m to reflect the increase in public law family fees. The result of this is that the headline net Aggregate External Finance increase for 2008/9 goes down from 3.7% to 3.6% and the headline

formula grant increase from 3.6% to 3.5%. There is no increase in Aggregate External Finance (AEF) in 2008/9.

- Figures for the following years have been adjusted for some authorities for more up to date supported borrowing data and to correct data errors. This makes no difference to the headline increases, 4.4% in 2009/10 and 4.3% in 2010/11 for total AEF.
- No change to damping arrangements
- The floor for shire district councils remains at 1%, 0.5% and 0.5% for the three years respectively. These are paid for by scaling down the grant increases for those authorities above the floor.

The Final settlement for South Kesteven is summarised as follows:

	2008/9	2009/10	2010/11
Total Formula Grant	£9,881,342	£10,025,255	£10,147,091
Increase in Formula grant based on adjusted base	£188,702	£143,913	£121,836
% increase in Formula Grant	1.9%	1.5%	1.2%
Loss of Grant through Floor Damping impact	-£243,582	-£157,118	-£98,535

A more detailed analysis of the Formula and Specific Grant position is provided in section 12 of this report.

## 5. REVISED BASE ESTIMATE - 2007/08

5.1 Projected outturn on the General Fund for 2007/08 financial year is summarised in the following table:

### Comparison of original estimate and revised base for 2007/08

	Original estimate 2007/08 £k	Revised base 2007/08 £k	Variation £k
Corporate & Customer Services	2,267	2,198	(69)
Finance & Resources	4,501	4,687	186
Healthy Environment	6,842	6,464	(378)
Partnerships & Organisational Improvement	626	807	181
Sustainable Communities	3,271	3,307	36
Special Expense Areas	660	632	(28)
Salary Vacancy Factor*	(300)	0	300
LABGI funded One off approved expenditure	215	215	0
LABGI funded Invest to Save initiatives	250	250	0
Under allocation of Support Services	28	11	(17)
<b>Net Service Expenditure</b>	<b>18,360</b>	<b>18,571</b>	<b>211</b>

\* Salary vacancy factor savings have been shown within service areas for the revised base

5.2 The key reasons for the changes in Budget Expenditure on Services are mainly as a result of changes to the allocation of support charges and the transfer of cost centres to reflect responsibilities of Corporate Heads, further details are shown below:

- Corporate and Customer Services
  - Changes in allocations of support
  - Legal – Amended Salary projections to reflect staff vacancy and increase in income
  - Strategic Management - amendments to salary and premises costs
- Finance and Resources

- Transfer of Play Areas, Open Spaces, Cycle centres and cycle ways cost centres from Healthy Environment
- Transfer of CCTV and Emergency Planning cost centres to Partnerships and Organisational Improvement
- Changes in support allocation including an increase in supported travel support allocation as a result of preparatory work in relation to the introduction of the new national concessionary travel scheme and an increase in the support allocation to Leisure Procurement
- Increase in premises cost as a result of revaluation of Meres Leisure Centre and the Sports Stadium
- Amended income assumptions including an increase in income from miscellaneous properties and a decrease in income from Deepings Leisure Centre
- Healthy Environment
  - Transfer of Play areas, Open Spaces, Cycle centres and cycle ways cost centres to Finance and Resources
  - Amendments to support allocations including an increase in support allocation to Health Education and a decrease in support allocation to Hackney Carriage registration
  - Waste Management inclusion of one off costs related to twin bin roll out and vehicle maintenance not included in base budget
- Partnerships and Organisational Improvement
  - Transfer of CCTV and Emergency Planning cost centres from Finance and Resources
  - Transfer of Local Strategic Partnerships cost centre from Sustainable Communities
  - Amendment of support allocations
- Sustainable Communities
  - Transfer of Local Strategic Partnerships cost centre to Partnerships and Organisational Improvement
  - Provision for outcome of Judicial Review included within Development Control cost centre
  - Amendments to allocation of support costs including a reduction in allocation to Economic Development and increase in support allocation to the Helpline cost centre
  - Increase in expenditure on Dial a Ride
  - Increase in capital charges to the Helpline cost centre

5.3 Investment income is expected to be £144k more than the original estimate. The average interest rate assumed in the original estimate was 5.1%. Investment returns have been higher than expected as a result of the increased base rate of 5.6% and amended spend profile on the capital programme.

5.4 During the year active budget management has been undertaken, specifically monthly budget monitoring by Service Managers and Management Board with Financial Services support. This has resulted in the use of virement in accordance with the Council's financial regulations; these have been reflected in the revised estimate base for 2007/8 shown above.

## 6. ESTIMATES 2008/09

6.1 The Budget's assumptions used in compiling the 2008/09 estimates are set out below:

Inflation Factors	
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Salary Inflation for 2008/9	2.0%
Consumer Price Index (Dec 2007)	2.1%
Retail Price Index (Sept 2007 – for HRA subsidy purposes)	3.9%
Retail Price Index (Dec 2007)	4.0%
National Business Rate	3.9%
Utility Cost increase assumption	3.0%
Drainage Board Levies	3.6%
Audit Commission increase fee proposal	14.0%
Pension Fund revenue contribution	0%
Other Assumptions	
Interest Rates	5.2%
Salary Vacancy Factor	2.0%
Growth in numbers of Band D equivalent properties	1.4%

## 6.2 Analysis of changes to base budget and budget pressures

The budget proposes a net service expenditure of £18.042million broken down by Service themes as follows:

<b>Summary of Net Service Expenditure</b>				
	Revised base 2007/08 £'000	Estimated base 2008/09 £'000	Indicative base 2009/10 £'000	Indicative base 2010/11 £'000
Corporate and Customer Services	2,198	2,539	2,457	2,496
Finance and Resources	4,687	4,305	3,970	4,004
Healthy Environment	6,464	6,621	6,727	6,886
Partnerships & Organisational Improvement	807	932	913	928
Sustainable Communities	3,306	3,197	3,243	3,382
Special Expenses	632	654	681	729
Salary Vacancy Factor	0	(250)	(250)	(250)
LABGI funded One Off Expenditure	215	0	0	0
LABGI funded Invest to Save	250	0	0	0
Under allocation of Support Services	12	44	38	37
<b>Net Service Expenditure</b>	<b>18,571</b>	<b>18,042</b>	<b>17,779</b>	<b>18,212</b>

A balanced budget has been produced, however, current and future resources are tight reflecting the fact that the four main income streams for the Council: Government Grant, Specific grant, Fees and Charges and Council Tax are, and will continue to be constrained, at a time when ambitions and customer expectations are increasing.

In addition, the Council faces inflationary pressures, over which the Council has little or no control on items of expenditure such as Business rates, long term contracts linked to Retail Price Index and Drainage Board Levies. Around a third of the Council's net service expenditure is subject to these uncontrollable inflationary factors at a time when government efficiency targets are set at 3%. This has resulted in Service Managers being asked to find 4.6% efficiencies on their controllable costs to enable the Council to meet the overall efficiency target of 3%.

In particular there are a number of key issues addressed within the 2008/09 budget:

- The impact of the new **leisure management contract**. The selection of the Council's partner and contractual negotiations are currently being finalised. It is proposed that the new arrangements will be for a fifteen year period and will involve the transfer of the Council's Leisure Facilities to a Trust on a fifteen year lease. It is proposed that there will be a tri-party relationship between the

Council, the Leisure Trust and Contractor. The Trust and Contractor will manage the assets and the delivery of the management contract. For budgeting purposes it has been assumed that the Trust will be in operation from 1 October 2008, although if negotiations and legal issues are able to be resolved earlier they will be.

- The introduction of the **national concessionary travel scheme** which comes into effect 1 April 2008. The scheme extends the existing concessionary travel scheme to provide free off-peak local bus travel anywhere in England for the over 60's and qualifying disabled. Whilst there has been government funding for set up and towards the additional cost of administering the scheme, the budgets anticipate that the shortfall will require funding from the local council tax. The **additional** annual cost of reimbursement through the scheme has been estimated at £500k. The specific grant from Government has been set at £379k leaving a shortfall of £121k. These assumptions will be addressed later in the section on risks to the budget.
- **Salary inflation** has been assumed at 2%, the Government target for Public Sector Pay awards and will be subject to the outcome of the final pay settlement.
- **Triennial Revaluation of the Pension Fund** – the pension fund administered by Lincolnshire County Council is subject to formal review by the Actuary every 3 years. During 2007/8 the review was conducted by the Actuary Hymans Robertson and a draft report has been produced which shows a small improvement in the funding level of SKDC's sub fund from 78.9% (31.3.2004) to 84.1% (31.3.2007) equating to a deficit of £10.187m based on the Actuary's assumptions. The contribution rate currently being paid equates to 21.2% of payroll. The Council has to notify LCC ahead of the financial year of the employer's contribution rate the Council wishes to have based on the information in the Actuary's report. As it is likely there will be minimal change, and the final report has yet to be received, it is requested that agreement of the final rate be delegated to the Section 151 Officer (Corporate Head of Finance and Resources) in agreement with the Portfolio Holder for Finance and Assets following attendance at a seminar to present the Actuary's valuation.
- **Utility cost inflation** – at the time of preparing the budgets utility costs have been assumed at 3%. However the Council is currently re-negotiating its electricity tariff rates for 2008/09 and current projections show that the likely increase in costs is estimated to be 11% overall. Therefore the Council will need to identify energy efficiency measures to keep within existing budget levels.
- **Salary vacancy factor** efficiency savings these as assumed at £250k overall representing around 2% of overall salary budget
- Continued **investment In Category A priorities** which has been achieved through re-distribution of resources in line with the Council's prioritisation process, efficiency gains and investment from reserves for one off items and the proposed level of council tax.
- **Dial a Ride** – Provision for ongoing support for this project has not been included within the Budgets for 2008/9 in line with the earlier decision to give notice to Lincolnshire County Council to withdraw District Council support for the project. This has also taken account of the County Council's decision to roll out the Call Connect service within South Kesteven's district. The Call Connect service will qualify for Concessionary Fares for those qualifying residents. In November, the Scrutiny Committee agreed to set up a Transport Working Group of members to look at rural transport and the future of Dial A Ride, at the time of writing this report this group has not formally reported.

- Identified **efficiency savings** in all service areas have resulted in an overall efficiency gain of £710k. This level of saving will need to continue in 2009/10 and 2010/11 and to achieve this, further work will need to be undertaken by Members and Officers during 2008/9 to identify further efficiency opportunities in response to the Government's three year efficiency agenda to achieve 3% efficiency per annum.

#### 6.3 2008/09 Bids for Growth and Service Investment

There are a number of bids for growth and service investment identified within the Priority Plans attached at appendix D, which have been included in the proposed budget for 2008/09. The key items are summarised as:

##### Bids for growth in Base Budget

- Customer Services – Increase in permanent capacity £193k (2008/9), £209k (2009/10), and £222k (2010/11).
- Green waste service – Introduction of additional round to enable the continuation of the green bin roll-out to meet the waiting list demand. The additional revenue cost of providing a vehicle and crew is £180k which will be netted off by additional income in the first year from the joining fee resulting in a net cost in 2008/9 of £70k.
- Development Control – creation of a dedicated team to assess Major Planning applications £140k per annum with 2% associated pay inflation in future years

##### Bids for one off investment

- Use of Resources – One off investment in 2008/9 which it is proposed will be funded from the Council's Capacity building, priority setting and service improvement reserve.
  - Creation of a Corporate Invest to Save Budget of £150k to provide a resource for Services to bid for one off investment to achieve ongoing efficiencies. Applications will be subject to a completed business plan including anticipated outcomes and pay back projections. It is proposed that, as payback is achieved from the 2007/8 budget and proposed budget for 2008/9, this be set aside to provide an ongoing invest to save fund for future years.
  - Funding for technical support to progress Formal Market Testing options £80k
  - Temporary resource for Financial Services to further develop and improve year end and closure of accounts processes £20k
  - Lean systems pilot and knowledge transfer to enable officers to develop skills to undertake future Lean Systems reviews £50k
  - Corporate VFM training £10k
  - One-off provision for change in shared services agenda £20k
- Planning Policy – appointment of a temporary service manager to manage the service delivery until a permanent appointment is made £22k

#### 6.4 Special Expense Areas

Special Expense Areas make use of provisions under the Local Government Finance Act 1992 which provide for different amounts of council tax to be calculated for different parts eg parished and unparished areas, of the district, depending on what, if any, special items relate to those parts. A special item is an item which relates to only part of the district's area. Treating expenses as special expenses does not affect the overall amount that the council needs to raise through council tax across the whole of the district. It simply means that, compared with what would happen if

the expenses were not treated by the district council as special expenses, the council tax is:

- relatively lower for areas where the parish council performs the concurrent function; and
- relatively higher for areas where the district council performs the concurrent function.

A review of Special Expenses was undertaken during 2007/8 and the recommendations of the review are currently being implemented. Special Expenses will be under the management of one service manager with effect from 1<sup>st</sup> April to enable improved budgetary control. The historical lack of co-ordinated financial monitoring has resulted in variances at outturn and these amounts have historically been written off, or under or over-spending being written back to the General Fund annually at outturn. It is proposed that with effect from the closure of accounts for 2007/8:

- Under/overspending balances be taken into account in setting the level of the Council Tax for SEAs in the future using a de-minimus level of 10%
- Reserves are created for each of the SEAs to enable contributions to be made to the reserve at outturn and as part of the council tax setting process in future years to enable provision to be made for asset renewal to smooth the impact of this over time.

The district seeks to fully recover the net expenditure of the special expense areas and the proposed budget for 2008/9 has been prepared on the basis of full recovery of costs. It should be noted that increases in the special expense precepts count towards the overall council tax capping calculation for the district.

#### **6.5 Overall General Fund Position 2008/09**

The overall General Fund position for 2008/09 (Appendix A) may be summarised as follows; the total service expenditure (net of direct income) for 2008/09 is estimated at £18.042 million. Interest and investment income has been estimated at £613k based on the proposed use of Capital Resources whilst also taking into account expected movements in interest rates. Further details of the Council's investment strategy are contained in Appendix B to this report.

In preparing the Budget consideration of the use of reserves has been taken into account. It is proposed to use specific general fund revenue reserves as follows:-

	£k
• Pension - to cover former employee pension liabilities	65
• Building Control	22
• Capacity Building, Priority Setting & Service Improvement	200

The summary of the projected use of Reserves is attached to this report at Appendix A page 2. The Budget assumptions result in a net Budget requirement of £15.783 million (including special expense areas).

#### **6.6 Budget Monitoring**

Monthly monitoring and management of Service budgets will continue to be undertaken by Service Managers with dedicated and focussed support from Financial Services under the arrangements for devolved Service Budget Management. In addition, it is proposed to continue monthly financial reports to the Management Board and quarterly financial monitoring reports to Cabinet briefing and Resources Policy Development Group.

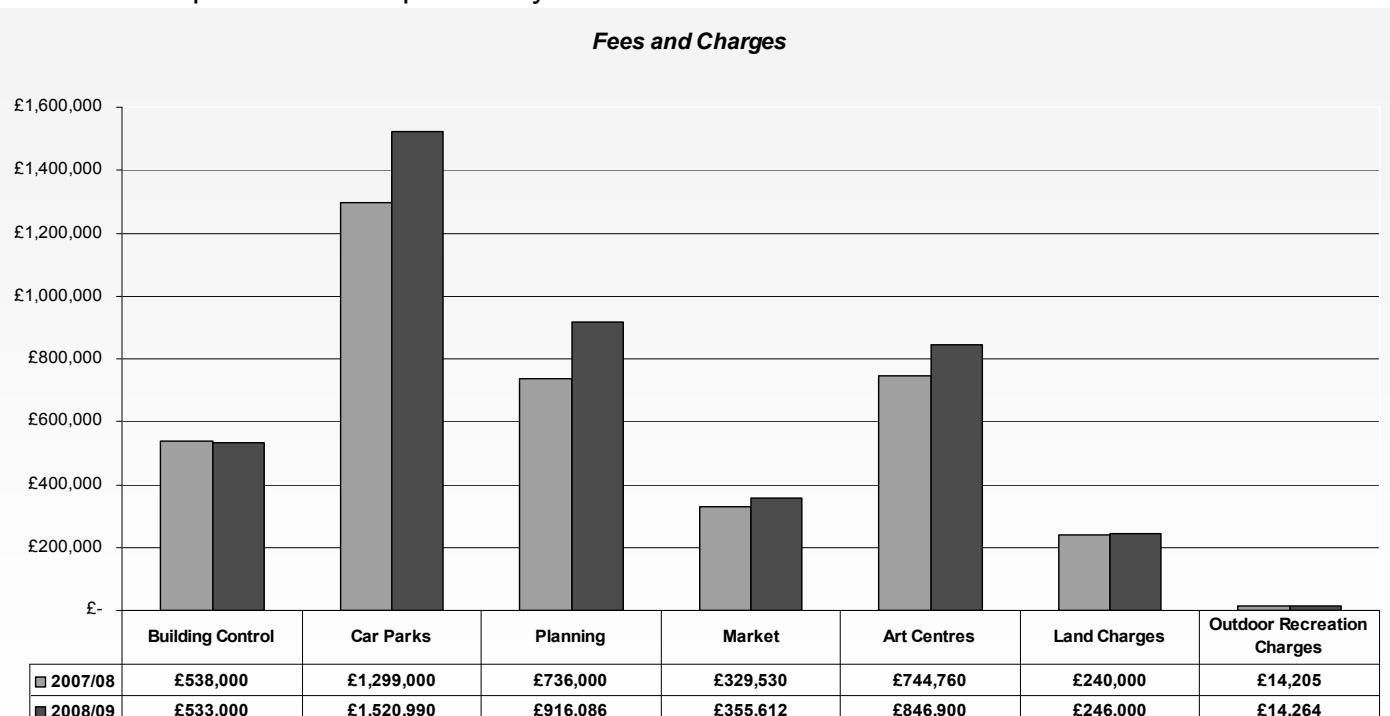
## 7 GENERAL FUND INCOME

### 7.1 Partnership Funding

The Council has historically accessed several partnership funding streams and during the year officers will continue to take advantage of any bidding and partnership opportunities that may arise in order to maximise resources available to the Council in accordance with Principle 6 of the Council's Medium Term Financial Strategy.

### 7.2 Fees and Charges

In accordance with Principle 11 of the Council's Medium Term Financial Strategy and the Fees and Charges Strategy, proposals for the level of fees and charges for 2008/09 are shown in detail within the Revenue estimates book and have been based on the proposals contained within report CHFR81. The chart below shows the level income received from the Council's main sources of fees and charges; this is compared with the previous year.



Council's services and the projected increase in income is as a result of the proposed increases to fees and charges to key services identified in detail in Appendix C. Whilst a number of the fees and charges are statutorily determined the Council should keep under review all fees and charges in line with the Council's strategy to protect this resource base.

It is proposed to increase the joining fee for the Green Waste Scheme to £20 with effect from April 2008. There has been some consultation at the Local Forums regarding the possibility of introducing an annual charge for the collection of Green Waste in future years, however, at this stage the Cabinet are not recommending this as it has been possible to accommodate the increase in service within the proposed budget for 2008/9. However, members will need to keep this under review in future years taking account of my commentary regarding the robustness of the budget and potential future risks.

During the Summer of 2007 the Government consulted on amendments to Statutory Development Control Fees, they have now agreed that subject to Parliamentary approval a draft Statutory Instrument will be put before both Houses in January 2008 to confirm the new fee levels as follows:

- a fee increase of 11% (that is, £15) for householder applications
- an overall 25% increase for other fees
- a new maximum fee of £250,000 (or £125,000 if an outline application) *for all except minerals and waste applications*, for which the maximum will go up 25% (to £65,000); and
- a new fee of £85 for 'requests for confirmation that a planning condition has been fulfilled' (or £25 where the request relates to householder development
- if approved they will come into effect from 6 April 2008; and
- Communities and Local Government will review the impact of the proposed increases, and will take a further look at planning fees next year;
- in this context, the Department will hold discussions with the Local Government Association and the development industry to identify other areas of common ground on how to ensure proper resourcing of the planning service. The Government will also continue discussions about whether there is further scope for future devolution of planning fee-setting.

The recently released Audit Commission report "Positively charged" recommends that Councils should undertake regular reviews of their approaches to charging. It is proposed that a Resources PDG working group is set up and takes account of this report and other sources to develop policy proposals on charges for the Cabinet as part of developing an action plan to deliver the Category Z priority – "Placing consultancy services onto a commercial basis".

### 7.3 Local Area Agreement (LAA)

During 2006/7 the County Council, the seven Lincolnshire Districts and other members of the Lincolnshire Strategic Partnership (LSP) negotiated with Government Office East Midlands regarding the development of a Local Area Agreement. The Local Area Agreement was set to be a three year agreement, based on local Sustainable Community Strategies, which set out the priorities for a local area agreed between Central Government, and the local areas, represented by the LSP.

However, the Government now require new Local Area Agreements to be negotiated for the period 2008/9 to 2010/11, the negotiations for this are ongoing and the formal submission of the LAA is required by early June 2008 with approval of the LAA by the Secretary of State for Communities and Local Government due by the end of June 2008.

There will be no pump-priming or specific grants available for LAAs although a number of specific grants have been merged into the new Area Based Grants, but these are not ring-fenced for spending on LAA.

The provisional Local Government Settlement identified an allocation of Cohesion Area Based Grant (ABG) for South Kesteven of £25k (2008/9), £49k (2009/10) and £75k (2010/11). No further confirmation or details of the grant have been received at the time of writing the report. Government guidance on Local Area Agreements define ABG as non ring fenced general grant, which local authorities and partners can use to work towards national indicators set and LAA targets. The guidance goes on to state that ABG maximise local flexibility over the use of the resource to deliver priorities.

As confirmation of the details of the Grant have not been received and the negotiations on the LAA are ongoing, the grant has not been included within the

budget proposals, Cabinet are recommended to review this position when further details are available.

#### 7.4 Government Grants

The Council receives funding from the Government by way of Formula Grant and Specific Grants, full details of these funding streams are provided in section 12.

### 8 CAPITAL PROGRAMME

8.1 The recommended Capital Programme (Appendix A page 10-13) provides a revised estimate for 2007/08 together with a further 3 year programme to 2010/11. It is proposed that in future years an additional year will be added to the programme to provide for a 5 year Capital Programme based on a revised estimate for the current financial year plus 4 further years.

8.2 The Programme has been compiled based on the Council's priorities, the Council's Asset Management Plan and in accordance with the Council's Capital Strategy and Capital Scoring mechanism. Bids for the Capital Programme have been assessed by members of the Capital Asset Management Group who have provided advice to the Portfolio Holder for Assets and Finance, in compiling the Programme. The Programme comprises of both General Fund and Housing Revenue Account (HRA) Schemes.

#### 8.3 Revised Programme 2007/08

A revised Capital Programme for 2007/08 was approved by Council in September 2007, with an additional update going to Council in January 2008, to update the Housing Revenue Account Capital Programme and for the additional purchase of a refuse vehicle, which had been written off in an accident earlier in the financial year.

As part of the preparation of the Capital programme for 2007/08 a review of the current programme has taken place and the following key issues should be noted for the general fund:

- Expenditure of £70k S106 monies at Allington to part finance the overall cost for an affordable housing scheme; This expenditure is now shown in the capital programme following a review of accounting practices
- Private Sector Renewal – transfer of £255k expenditure to revenue to comply with accounting practices, resulting in a reduction to the overall capital budget. The budget will continue to be applied to private sector renewal schemes.
- A small reduction in the cost of the wheelie bin procurement and freighter enhancement project;
- An increase in the budget for Wharf Road Stamford Car Park from £500k to £550k to reflect actual spend. This work has been financed by a grant from Department for the Environment, Food and Rural Affairs (DEFRA);
- Welham Street Car Park a reduction in the budget from £1,196k to £1,002k to reflect scheme savings;
- Three small budget adjustments on projects included in the Provision for Existing Assets to reflect final accounts:

- £2k for Toilet refurbishment at Stamford Arts Centre,
  - £7k on the changing rooms at Deepings Leisure Centre
  - £4k for the Gentleman's toilets at the Council Offices in Grantham;
- A transfer of £45k from the Provision for Existing Assets budget to a specific project for the purchase and fitting of replacement audio and voting equipment for the Council chamber
- Reduction in the Service Transformation budget of £120k (line 33). This has been slipped into future years programme (2009/10) and is now shown within the indicative schemes section, the project is referred to as Service Programme Transformation (Area Office Improvement Work) (shown at line 39) a budget of £180k in 2009/10 and £30k in 2010/11 ;

In 2007/08 the following schemes have been funded partially or completely by grants and other contributions to the Council (details are shown in the appendix):

- Langtoft playing field, a contribution of £6k;
- Wharf Road, Stamford a grant of £586k from Defra;
- Disabled facility grants contribution to the costs of £213k; and
- Private sector renewal grant of £76k.

#### 8.4 Programme 2008/09 to 2010/11

Key areas to note in relation to the 2007/8 programme include:

##### HRA

- Provision for continued investment in the Council's Housing Stock to achieve the decent homes standard. Members should note, at this point, that the full stock condition survey planned for 2007/8 will now be carried out during 2008/09, once the results of this have been analysed there is likely to be the need to revise the future year's Capital Programme to reflect priorities identified by the Survey. These will be reflected in revised capital programmes prepared during 2008/09 and future years.

##### General Fund

- The capital programme currently includes provision for the continued replacement of fleet vehicles as required to maintain the fleet of pool cars and small fleet vehicles in good working order. Members may recall that the Budget Report for 2007/8 proposed a review of the options for procuring fleet vehicles. This will commence shortly and the option appraisal will identify the cost benefits of the most appropriate use of the Council's resources to either purchase or lease vehicles. This review will look at the options for cars, vans and freighters it may be necessary to amend the capital programme following this review, as the programme only currently provides for new cars and vans and does not provide for fleet freighters.
- A provision of £750k was included within the 2007/8 capital programme for the Bourne core area town centre development spread over 3 years. Whilst pre-project work has been undertaken during 2007/8, there has not been capital expenditure on this scheme to date. Therefore, this provision has now been slipped to commence in 2008/9 (£400k in 2008/09, 200K in 2009/10 and £150k in 2010/11).

- A further provision of £2.250m has been included for allocation to other town centre projects over the next 3 years. This is in line with the Council's corporate priority for town centre development in Grantham and Bourne;
- £110k for the provision of play equipment at Stamford recreation ground. This will be fully funded by S106 contributions and other contributions from external bodies to the council;
- Further affordable housing schemes are to be provided in the Grantham area using S106 contributions totalling £200k during 2008/09;
- The Council plans to expand the green waste collection service. This will require the purchase of new wheeled bins (£50k of expenditure planned in 2008/09) and two refuse vehicles for the collection (£260k expenditure planned to be in 2009/10). This is in line with the Council's corporate priority for recycling;
- £150k for further health and safety work on the Grantham Canal to be carried out in 2008/09;
- £500k annual provision for existing assets in line with the Asset Management Plan. Currently £230k of this provision has been allocated to the following works:
  - Window replacements at the main council offices (phase 2) £100k;
  - Cemetery works (phases 2 and 3) £100k
  - £30k for automatic monitoring equipment for utilities
  - A provision of £270k remains for additional works which arise during the year, these will be subject to consideration when the Capital Programme is reviewed during 2008/9;
- £170k to update and renew the Lifeline equipment so the technology remains up to date and compatible with digital telephone lines; and
- Increased provision in future years for Disabled Facility Grants reflecting the increase in need for this service. It should be noted that Disabled Facility Grants are mandatory. There is some Government funding support via specified Capital Grant £213k for 2008/9 equivalent to 60% of the expenditure within agreed allocations. However, the provision within the Capital Programme of £500k has been based on expected need for this service but this exceeds the current Government allocation, as a result the balance of £57k will have to be fully supported by the District Council in 2008/9 and similar amounts in future years (based on an anticipated continued allocation of £213k specified capital grant).

The capital programme also contains indicative projects which are still being fully developed and have therefore, not yet been scored against the council's capital scoring matrix or approved by capital and asset management group and council members, although they have been included as indicative projects for financial planning purposes. These projects are shown on lines 38 to 44 for the General Fund Capital Programme.

#### Proposed method of financing the Capital Programme

8.5 The detailed Capital Programme contained within Appendix A also identifies the proposed method of financing the Capital Programme which will be reviewed by the Corporate Head of Finance and Resources when preparing the Statement of Accounts for each financial year to enable the most effective form of financing to be adopted by the Council.

8.6 When preparing the budget for 2007/8 it was anticipated that, based on projected capital spend and policies regarding the use of Capital Receipts, there would be an estimated need for unsupported borrowing during 2008/09. However, as a result of the delayed start of anticipated major spend in respect of town centre development and alternative planned use of the Useable Capital Receipts reserve (in line with comments in paragraph 8.8) and future projections for anticipated capital receipts it is now not anticipated that Unsupported Borrowing will be required until 2010/11. However, this will be kept under review by the Corporate Head of Finance and Resources when preparing the Statement of Accounts each year.

8.7 In the Budget report last year, an alternative to the Council's existing Policy on the use of Housing Capital Receipts was highlighted, but no formal resolution was made at that time as it was proposed that the Corporate Head of Finance and Resources would report back having reviewed options for the future following the production and audit of the Statement of Accounts for 2006/7. During the preparation of the budget for 2008/9 and preparation of the Treasury Management Strategy I have undertaken this review and my recommendations are set out in paragraph 8.8 and 8.9.

8.8 It is recommended that to avoid the need to enter into borrowing in the short-term the Council should review the existing policy regarding the use of Housing Capital Receipts. Historically the Council has adopted a policy of utilising Housing Capital Receipts for Housing purposes only, including supporting the provision of affordable housing. Although, interim arrangements were agreed to utilise Housing Receipts to finance overall Capital Programme until general fund receipts were secured from major disposals during 2007/8, negotiations on these sites are now being finalised, therefore it is an appropriate time to review this policy.

8.9 It is recommended that the Council resolve to amend the policy on the use of Housing Capital Receipts to enable them to be applied to finance the Council's overall capital programme in the most financially advantageous way for the Council as a whole to be recommended by the Corporate Head of Finance and Resources in consultation with the Portfolio holder for Finance and Assets. This would then allow the Council the maximum flexibility in determining the most appropriate method of financing the overall Capital Programme, as Housing Capital Receipts may be applied to the overall General Fund Capital Programme. Based on current projections this would result in unsupported borrowing not being required until 2010/11, unless unsupported borrowing provided the Council other financial benefits.

8.10 Forecast of Capital Receipts

In accordance with Principle 7 of the Council's Medium Term Financial Strategy "*to manage the Council's assets, reserves, balances of receipts to optimise financial returns for future investment in the Council's priorities for the benefit of the community*", estimates of the likely Capital Receipts to be generated during 2008/09 and subsequent years have been made based on the Council's Asset Management Plan. The likely level of receipts anticipated during 2008/09 is £3.449million (made up of £2.965million General fund and £0.484million HRA receipts) of which £2.599 million will be applied to finance the Capital Programme in 2008/09.

8.11 To ensure that the Council optimises its Capital Receipts and returns on existing assets it is essential that all assets are kept under review in line with the Capital Strategy, Asset Management Plan and Medium Term Financial Strategy. Therefore, it is proposed that the Cabinet will continue to be regularly briefed on the performance of assets and in particular non-operational assets. The briefing will identify any potential surplus assets that do not meet Council needs and may be considered for formal decision for disposal.

## 9 TREASURY MANAGEMENT AND INVESTMENT STRATEGY

9.1 In accordance with the requirements of Local Government Act 2003 a Treasury Management Strategy is provided within Appendix B. This appendix provides

- the reporting requirements of prudential indicators as required by the CIPFA Prudential Code for Capital Finance in Local Authorities (Annex A of Appendix B)
- the Treasury Strategy in accordance with CIPFA Code of Practice on Treasury Management (Annex B of Appendix B)
- the investment strategy in accordance with the Department of Communities and Local Government Investment Guidance (Annex C of Appendix B).

## 10 RESERVES AND PROVISIONS

The Local Government Act 2003 requires the Chief Financial Officer (section 151 officer) to report on the adequacy of financial reserves when consideration is given to the General Fund budget requirement for the year. Under the Local Government Finance Act 1988, all balances held by the Council are at the direct disposal of the General Fund with the exception of the Housing Revenue Account balance, the Collection Fund or any funds held in trust. A statement showing the forecast balances of revenue and capital reserves is provided at appendix A page 2 .

### Justification of balances

The **General Fund balance** comprises two elements: the working balance and an amount held as a contingency against unforeseen events. A working balance is required so that the council has sufficient funds available to meet its cash flow requirements. The forecast of revenue reserves reflects the Council's policy of maintaining the General Fund balance, at between 4% to 5% of gross turnover, or at between 10% to 15% of net expenditure, to provide adequate cover for any unanticipated expenditure or loss of income that may occur over the course of the financial year.

It is estimated that the General Fund balance will be £1.959m at 31<sup>st</sup> March 2008 which is equivalent to 10.5% of the estimate Service Expenditure for 2007/8. Whilst this will remain within the Council's approved policy, it will be towards the lower end of the range. Taking this factor into account and in the light of anticipated inflationary factors and associated risks identified in section 16, the budgets have provided for an increase in the General Fund balance of £200k in 2008/9, £100k in 2009/10 and £100k in 2010/11, providing for a general fund balance representing 11.9%, 12.7% and 12.9% of indicative estimates for Service Expenditure respectively. This will ensure that the Council adheres to its General Fund balance policy in future years.

The **Insurance Reserve** has been maintained at £500k. This reserve is held to meet potential and contingent liabilities arising from the high level of 'self insurance' used by the Council to reduce external premiums. The Council currently has a couple of outstanding insurance issues related to costs associated with judicial review of planning decisions and the insurance contract is also currently out to tender

so the balance on this reserve will be kept under review during the closure of accounts process to ensure that it remains adequate.

Whilst the Council does not currently operate a Pension policy with 'added years', the **Former Employee Pension reserve** provides for matching added years payments in respect of former employees when such a policy operated. The requirement to draw on this reserve will continue and a further contribution of £150k was made during the Closure of Accounts for 2006/7 to reflect the fact that the pension recipients are living longer than originally estimated. The balance as at 31<sup>st</sup> March 2008 is estimated to be £327k and £262k as at 31<sup>st</sup> March 2009 which is considered sufficient for the Council's needs in the short to medium term, although this will need to be kept under review and in particular as part of the budget process for 2011/12 when the balance is projected to reduce to £67k

A triennial valuation of the Pension fund has taken place in 2007/8, the results contained in the draft Actuary's report are summarised in paragraph 6.2 above. The **Current Employees Pension Reserve** is held to protect the Council from large changes in Council Tax resulting from unanticipated rises in employer's contribution rate following triennial valuations and also to finance potential one off capital costs of any future early retirements. The balance as at 31<sup>st</sup> March 2008 is estimated to be £1.482million which will be sufficient in the short to medium term, although this should be kept under review particularly in light of the comments made in paragraph 10.4 and the current volatility of the financial markets.

Any annual surpluses from the chargeable element of Building Control activities are set aside in the **Building Control reserve** and used to finance service improvements and offset any future deficits. The statement shows a modest surplus anticipated for 2007/8 of £10k giving an estimated balance as at 31<sup>st</sup> March 2008 of £286k with an anticipated deficit of £22k in 2008/9 reducing the estimated balance to £264k. It is recommended that a review of the Building Control Chargeable Account is undertaken by the Service Manager supported by the Financial Services team as the current revenue estimates project ongoing increasing deficits, but there is a requirement for the Building Control Chargeable Account to breakeven over a three year period, so actions need to be implemented during 2008/9 to improve the financial position. In the meantime, the Building Control Reserve provides sufficient cover to protect the General Fund from the impact of the current estimates.

The **Capacity building, priority setting and service improvement reserve** – the balance on this reserve was £1.557m. It is anticipated that £451k will be utilised to support investments in Council priorities and to improve services, subject to the outturn position which will be assessed during the preparation of the Statement of Accounts. The budget proposals for 2008/9 proposed to utilise a further £200k to support investment in Category A Priorities including one off investment related to the Use of Resources priority. This will result in an estimated balance of £906k as at 31<sup>st</sup> March 2009. It is anticipated that bids for one off growth to deliver the Council's priorities will be forthcoming in future financial years as the Council's priorities and associated plans are reviewed, therefore, it is anticipated that this reserve will need to be utilised to support these bids, it is proposed that in these instances applications to draw on the reserve will be assessed on the basis of the business case and fit with Corporate priorities.

**Capital Reserve** – It was anticipated that the £5.057million balance on the General Fund Capital Reserve would be fully utilised to finance the delivery of the Capital Programme during 2006/7 resulting in a nil balance as at 31<sup>st</sup> March 2007. However, as a result of the outturn position reported to Governance and Audit Committee in report CHFR62, the balance of the reserve as at 31<sup>st</sup> March 2007 was £2.249million. The

proposed financing of the Capital Programme for 2007/8 shows that it is anticipated this reserve will be fully utilised in the current financial year. At this stage there are no further contributions anticipated to the reserve, however, it is proposed that this be reviewed during the Closure of Accounts process and also in light of the awaited Government announcement on the third year of the existing Local Authority Business Growth Funding Initiative (2007/8).

**HRA Major Repairs Reserve (MRR)** – This is a mechanism whereby the Council is required to account for the resources provided through the Major Repairs Allowance, which is provided through Housing Revenue Account Subsidy and is available to fund capital. A contribution of £3.477million will be made to Major Repairs Allowance (MRA) but the current capital programme will require the use of £5.772million to finance it, leaving a projected balance as at 31<sup>st</sup> March, 2008 of £5.348million, subject to the final outturn position on the Capital Programme. It is anticipated the balance as at 31<sup>st</sup> March 2009 will be reduced to £1.671million after taking account of the notified amount of MRA due and the use of the reserve to finance proposed capital programme. Members will note that based on the submitted capital programme, it is anticipated that the Major Repairs Reserve will be fully utilised by 31<sup>st</sup> March 2010, at this stage it is anticipated that the Council will need to utilise the Useable Capital Receipts reserve or enter into borrowing to support the ongoing Housing Revenue Account capital programme.

**The Working balance on the HRA** – The submitted estimates show an anticipated surplus in the current financial year (taking account of a contribution from the MRR) as a result of revised profiling of expenditure but then show a projected deficit year on year on the HRA resulting in a reducing working balance in future years. The working balance on the HRA is projected to be £8.728million as at 31<sup>st</sup> March 2008, and the working balance is anticipated to increase to £9.059million at the end of 2008/9 and then it will decrease to £8.437m in 2009/10. A review of the Housing Revenue Account and its subsidy system has been announced by the Government and a report is due in spring 2009 it will be necessary to keep this situation under review and model the impact over the 30 year life of the business plan, prior to entering into future commitments.

**Useable Capital Receipts Reserve** – This reserve is utilised to finance the capital programme and the balance brought forward contains both receipts from the sale of General Fund assets and the sale of HRA properties under the Right to Buy. It is estimated that the balance will be £4.075million as at 31<sup>st</sup> March 2008 and £4.925million as at 31<sup>st</sup> March 2009,

Paragraphs 8.6 to 8.9 explain the historic use of Housing receipts and explain proposals for a revision of the existing policy to enable the increased flexibility in the financing of the overall capital programme to achieve the most financially advantageous method of financing for the Council. If this is approved unsupported borrowing would not be required until 2010/11.

To enable the greatest flexibility in using the Council's resources to finance the Capital Programme it is recommended that the Council authorise the funding proposals subject to an annual review of the financing options by the Corporate Head of Finance and Resources, in consultation with the Portfolio Holder, during the preparation of the Statement of Accounts.

## 11 COLLECTION FUND

All transactions associated with Council Tax are shown in the Collection Fund. The legislation requires a calculation to be made of the estimated surplus or deficit on the Collection Fund as at 31<sup>st</sup> March 2008 in order to distribute these amounts in 2008/9.

Any surplus or deficit arising from Council Tax transactions is shared between South Kesteven District Council, Lincolnshire County Council and Lincolnshire Police (the precepting bodies) in proportion to their demands on the Collection Fund.

The surplus on the Collection Fund at 31<sup>st</sup> March 2007 was £1.149m with amounts due for distribution in future years as follows:

	£k
Lincolnshire County Council	881
Lincolnshire Police	127
South Kesteven District Council	141
Total Surplus on Collection Fund	<u>1,149</u>

The amounts due to Lincolnshire County Council and Lincolnshire Police will be distributed, on a pro rata basis, utilising the precept mechanism. The budget shows that it is estimated South Kesteven's surplus will be applied during 2007/8 (£47k) and 2008/9 (£55k) the remaining small balance will be applied in future years. The surplus has occurred as a result of the tax base increasing at a faster rate than anticipated when preparing the budgets in previous years. The budgets for 2008/9 have been produced based on an anticipated increase in tax base of 1.4% rather than 1% as used in previous years.

Since 2004/5 Council billing authorities have had the powers to reduce the discount on second homes from 50% to a minimum of 10%, this has the effect of generating additional income, for the billing authority and the precepting authorities (the County Council and the Police Authority). In 2005/6 the discount was reduced to the minimum 10%. The County Council and the Police Authority agreed that the additional income would be spent within the district on agreed schemes of mutual benefit.

The amount due from the County Council is £74k for 2007/8 and it is estimated that the amount for 2008/9 will be £87k, this will be used to continue to the work of the Local Strategic Partnership including the employment of a Local Strategic Partnership Co-ordinator.

## 12 LOCAL GOVERNMENT FINANCE SETTLEMENT 2008/9 to 2010/11

Report CHFR85 presented details of the provisional Local Government Settlement for the three years 2008/9 to 2010/11. The final announcement was made on 24<sup>th</sup> January 2008.

### Formula Grant

Formula Grant is the name for the funding that the Council receives from the Government. The Government have made various adjustments to the 2007/8 Formula Grant base before calculating the Formula Grant for 2008/9. These are set out below:

Adjustments for 2007/8 Formula Grant base (announced in the Local Government Settlement)		
	£	£
<b>Formula Grant for 2007/8</b>		<b>9,626,145</b>
Waste Performance & Efficiency Grant (Formerly a specific grant now mainstreamed)	54,629	
Funding for Contaminated Land (as at 29.11.07)	989	
Local Government New Conduct Regime for Lower Tier Authorities	3,172	
Stray Dog Control (represents elements previously payable to Police)	7,705	

<b>Total Adjustments</b>		<b>66,495</b>
<b>Adjusted Formula Grant for 2007/8</b>		<b>9,692,640</b>

The Council's entitlement to Formula Grant is based on the following elements:

SKDC's Formula Grant from the Government			
	2008/9 £million	2009/10 £million	2010/11 £million
<b>Relative Needs</b> assessed by ascribing values to a range of demographic indices	3.260	3.290	3.325
<b>Relative Resource Amount</b> A deduction, calculated by assessing the authority's taxbase in relation to its population	(2.519)	(2.565)	(2.601)
<b>Central Allocation</b> Paid on a population based formula	9.384	9.457	9.522
<b>Floor Damping</b> Provides protection to those authorities whose entitlement would otherwise fall below increase announced by the Government (and paid for by reducing the entitlement of authorities whose increase is more than)	(0.244)	(0.157)	(0.099)
<b>FORMULA GRANT</b>	9.881	10.025	10.147
<b>% increase on Adjusted Base</b>	1.9%	1.5%	1.2%

The Medium Term Financial Strategy (MTFS) took a prudent approach and anticipated no change in the level of the Formula Grant for 2008/9 until the outcome of the Comprehensive Spending Review 2007 and the three year provisional allocation of Formula Grant was announced later in 2007. The MTFS will need to be amended to reflect the final settlement.

#### Specific Grants

Specific grants continue to provide an important source of funding for Local Government, the specific grants notified as payable to South Kesteven District Council are summarised overleaf.

Specific Grants payable to SKDC			
Description	2008/9 £k	2009/10 £k	2010/11 £k
Housing Benefit Administration Grant	734	716	To be announced
Homelessness	55	55	55
Concessionary Fares	379	387	398
Housing & Planning Delivery Grant	To be announced in Summer of each year & payable in Autumn of each year		
Local Authority Business Growth Initiative New Scheme	No allocation	To be announced following review of LABGI system	
Total Specific Grants (announced at time of writing report)	1,168	1,158	453

\*Note the allocation for the final year (2007/8) of the initial scheme has yet to be made

At the time of writing the report, the Council is still awaiting the announcement of the third year of a three year allocation for Local Authority Business Growth Initiative Grant relating to 2007/8. Advice from the Local Government Association is that, "while the statement (made by the DCLG during week commencing 14<sup>th</sup> January) suggests that a further announcement will be made shortly authorities would be wise not to allocate anticipated LABGI grant to any specific project". The LGA committed to continue to press the DCLG for an early resolution to year 3. In light of this no

provision has been made within the estimates for this grant currently, however, should an allocation of grant be received it is recommended that a contribution be made to the Capital Reserve to finance future capital investment to support the Council's priority for the Town Centre Development of Bourne and Grantham. An update will be provided once further notification is received

Report CHFR85 provided details of the proposals for the new Housing and Planning Delivery Grant (HPDG). The first allocation of HPDG is due to be announced in Summer 2008 and members will be updated following the announcement.

### **13. Budget Consultation**

13.1 The Council has been consulting on its budget proposals during January via the Local Forums, including a joint consultation meeting with Lincolnshire County Council held at Grantham. In addition, an online survey and survey in SKToday have been commenced. The Local Forum Consultation has also included the following options for Fees and Charges in future years:

- Charging for Sunday parking
- Charging for evening parking
- Charging for disabled car parking
- Charging for car parking in Bourne
- Increasing the one off joining fee for Green Waste to £20
- Charging an annual fee for Green Waste Collection of either £25 or £30

An analysis of the results of the Budget Consultation will be reported at the Cabinet meeting and subsequent Council meeting.

### **14. The District's basic amount of Council Tax 2008/9**

14.1 The calculation of the Council's basic amount of Council Tax is made by deducting from the Budget Requirement £15.783million (including special expense areas, but excluding parishes), the external support that will be received from the Government from Formula Grant £9.881million, together with a surplus of £55k on the Collection Fund.

14.1 The result is divided by the Council Tax Base of 45,237.7. The proposed band D Council Tax is £116.37 (excluding special expense areas and parishes), representing an increase of 4.95%.

14.2 The Government has reserved powers to cap local authority budget requirements where it judges authorities to have set excessive increases. Capping action was taken against 14 authorities in 2004/5, against 9 authorities in 2005/6 and against 2 authorities in 2006/7. The Government has made it clear to all local authorities that it expects that the average Council Tax increase in England to be substantially below 5% and that it will not hesitate to use its capping powers as necessary to protect council tax payers from excessive increases. No decisions have yet been made by the Government on capping principles for 2008/9. However, a letter from the Minister identified that it would be unwise for any authority to assume that capping principles set in previous years will be repeated. The letter goes on to state that the Government intends to take decisions on the principles after authorities have set their budgets, but that they are prepared to announce the principles in advance, if the circumstances suggest that this is necessary, Members will be updated on any change to this announcement.

14.3 Taking account of this announcement the budget requirement has been based on a maximum increase in Council Tax of 4.95% which is below the previous capping level of 5%, however, it should be noted that until the principles for capping are more

formally announced there may be a risk of considering a Council Tax increase at this level. It is anticipated the proposed level of increase will generate a yield of around £250k which is broadly equivalent to the level of Formula Grant that has been lost through the effect of damping. It should also be noted that the Council's Council Tax is currently at a low base being the 34<sup>th</sup> lowest in the country. Also in the annual survey of residents which took place in November 2007, 78% of respondents thought that the Council offers Value for Money in the provision of its services.

14.4 The cost of re-billing is currently being re-evaluated and an update will be provided in due course. A specialist at the Department of Communities and Local Government advised the Council last year that whilst Parish precepts are not taken into account when considering capping, special expense area precepts are. In addition, they advised that Council Tax levels should be kept down and therefore Ministers may consider the impact of parish precepts in the future.

## 15 Housing Revenue Account (HRA)

15.1 Housing Revenue Account Subsidy Determination - The HRA budget has been prepared taking account of the HRA subsidy determination issued on 15th January 2008. This is a one year settlement and confirms the draft determination issued in December which was reported in CHFR85.

15.2 The general formula for calculating the amount of Housing Revenue Account (HRA) subsidy payable to an authority for 2008-2009 is essentially unchanged from that used in 2007-2008 with the exception that the Rental Constraint Allowance has been removed.

15.3 The Management and Maintenance allowance has been increased by 2.32% for South Kesteven. An additional allowance of £4 per dwelling per year has been built into the Management allowance per dwelling to fund the production of Energy Performance Certificates for local authority stock. The Government's intention is that this is not a one-off allowance for 2008-2009 but rather that it will form a continuing constituent part of the allowance.

15.4 The Guideline rent for South Kesteven is £58.09 an increase of 5.68%, the average rent for 2008/9 for South Kesteven is £59.06, an increase of 7.79%. The rent inflation factor used for guideline rents and rent calculations is 3.9% (September RPI) as advised by the DCLG. The Rental Constraint Allowance introduced by the Government in 2006/7 and which was worth £342k to South Kesteven in 2007/8 through the subsidy system has been withdrawn. The Government has indicated that this will be replaced by a return to the caps and limits system to compensate for the loss of income by an adjustment to the Guideline Rent figure in the year following the loss ie 2009/10. It is the DCLG's intention to circulate a spreadsheet shortly which will allow authorities to reassure themselves that relative movements between constrained and unconstrained transitional rents will be accounted for in 2009-2010.

15.5 Taking account of all relevant factors, South Kesteven's total subsidy for 2008/9 will amount to a negative £5.831million, a decrease of £1.131million (24.06%) on 2007/8, (any change in subsidy, should be offset by an approximately equal and opposite change in expenditure or income should any of the base information change for example charges for capital).

15.6 The Council has also taken into account the target to achieve rent convergence by 2016/17 and the DCLG subsidy proposals that individual rents should not to be increased by more than 4.4% (3.9% RPI + 0.05%) plus £2 from 2007/8. Following

the Cabinet's decision in January to approve an indicative rent increase in accordance with Guideline rent increase of 5.68% or a maximum of 4.4% plus £2 in individual cases, the Tenant Compact has been consulted and have supported the proposal. This will result in an average indicative increase in rent of £7.79%.

15.7 Garage rents are set locally, but in past years have followed the guideline rent increase to avoid charge erosion. Thus, it is proposed to increase garage rents and all other service charges by 4.4% in line with the rental proposals used within the subsidy determination.

15.8 It is proposed to increase service charges by 3.9% (RPI) and undertake a review of the cost base and charging mechanism during 2008/9.

#### Analysis of HRA budget proposals

The proposed budget for 2008/9 provides for:

15.9 The 2007/8 budget provided for a full stock condition survey to be undertaken. However, this survey will now be completed during 2008/9, therefore the budgets for 2007/8 and 2008/9 have been adjusted accordingly. A review of the capital programme and revenue estimates for repair and maintenance will need to be undertaken in light of the results of the survey. However, based on current proposals it is estimated that the Major Repairs Reserve will be fully utilised by the end of 2009/10 at which time it is anticipated Useable Capital Receipts or borrowing will be required to support future improvements as referred to in paragraph 10.9 above.

15.10 Overall, the submitted estimates for cost of service show a deficit of £2.177m for 2008/9 with an on-going deficit of around £1m year on year. This results in a reduction on the HRA working balances in future years. A more detailed analysis is contained in paragraph 10.10 above. It will be necessary to keep this situation under review and modelling of the impact over the 30 year life of the business plan has commenced following a review and rebasing of the HRA estimates. It will be essential that prior to entering into any ongoing future commitments in future years the impact of the sustainability of the business plan of any proposals is fully evaluated.

15.11 It will also be necessary to keep under the review the proposals to reform the HRA subsidy system as proposals are developed and once the results are known fully evaluate the impact of these on both Revenue and Capital budgets and the longer term business plan.

#### 16 Statement by Chief Finance Officer

16.1 The purpose of this statement is to comply with the requirements of the Local Government Act 2003 whereby the Chief Finance Officer, in the Council's case the Corporate Head of Finance and Resources must report on:

- (a) the robustness of the estimates made for the purposes of the budget calculations, and
- (b) the adequacy of the proposed financial reserves.

16.2 In recommending the budget to the Council, the Cabinet must take account of the advice of the Corporate Head of Finance and Resources in respect of the above. For 2008/9 I can advise that the budget presented to the Council is robust in its formulation and the level of reserves is adequate for the organisation.

### 16.3 Risks to the budget

In formulating my opinion the following risks and factors have been taken into account.

a. **The Government will cap the level of Council Tax increase for Local Authorities.** The Government has reserve capping powers and has used them in 2004/5, 2005/6 and 2006/7. There is an indication from the Minister that it is expected that Council Tax increases will be kept substantially below 5%.

South Kesteven is a low taxing Council being 34<sup>th</sup> lowest in the country (based on 2007/08 council tax). The proposed increase of 4.95% for a band D inclusive of special expenses is below the Government's previous 5% cap threshold. Given no Government guidance on capping any resultant impact from capping measures would need to be found from balances. The cost of re-billing if capping did occur is currently being evaluated and will be reported in due course.

b. The estimates assume that **efficiency savings** of £710k be found during 2008/9. Careful monitoring will be required to ensure savings are forthcoming.

c. **National Concessionary Fares Scheme** – The budget assumptions have allowed for an increase in take up of the new National Concessionary Fares scheme. Historically the Council's own scheme was restricted to within District boarders, the national scheme allows cross boarder travel throughout England. Also the Authority where the journey starts is liable for the whole cost of the journey. Therefore, the cost of the scheme will be dependant upon travel patterns and behaviours of individuals which may arise out of the publicity and promotion of the new national scheme, as a result there is a risk that actual usage and take up may exceed the assumptions, this will be kept under review, particularly during the first quarter when new patterns will start to emerge.

d. **Leisure Trust assumptions** – At the time of writing the report the negotiations on the new Leisure Contract are ongoing therefore assumptions have been made regarding the potential impact of these negotiations. The assumptions are based on two key issues, likely contract price (as the Best and Final Offer has not yet been made) and the transfer of the leisure assets on a 15 year lease to a Leisure Trust with an assumed benefit from Mandatory Rate Relief. The budget assumptions have only reflected a six month impact to allow time to finalise negotiations and to legally complete the transactions.

e. **Car park income** – Car park income has been assumed to include an increase of 10p per price band and rise in users of Grantham Car Parking following the completion of the Welham Street Car Park. The income projections for all car parks will need to be kept under review as there are a number of factors which may affect these projections, including ongoing roadworks, the impact of take up of the new concessionary travel scheme and other car parks provided at retail sites within the towns.

f. **Planning fee income** – Planning fee income assumptions have taken into account the Government's statutory increase in planning fee income to take effect on 6<sup>th</sup> April 2008. However, factors which may affect these projections are the outcome of the Planning Bill and the influence of the National and Local economy. Therefore these income projections should also be kept under review.

g. **Building control account** – Earlier in the report I have highlighted that the Building Control Charging Account will need to be kept under review as there is a risk that based on current forward projections and recent trends that this account

will not meet the objective of breaking even over a three year period. Work will be undertaken during the first quarter to review options to achieve a break-even position over a rolling three years.

- h. Fuel and Utilities inflation** - Paragraph 5.1 has identified the budget assumptions in relation to inflation factors. Members will note that Utility cost increases have been assumed at 3%, although paragraph 6.2 has identified that negotiations on electricity tariffs are currently ongoing and projections show that the likely increase in costs is estimated to be 11% overall. It is felt that this can be contained within the proposed budget providing that the Council is able to identify energy efficiency measures, but fuel and utilities inflation should be kept under review to ensure this does not pose a significant risk in the future.
- i. The Capital programme** for 2008/9 continues to be maintained at the relatively high level established in 2006/7 and 2007/8 when compared to recent years. It will be necessary to actively review levels of capital receipts to ensure reliance on borrowing is minimised.
- j. Fees and charges** provide a significant income stream for the Council, these will need to continue to be kept under review, and an evaluation of impact of the recommendations contained in Audit Commission report "Positively charged" will be undertaken on the Council's Fees and Charge Strategy.
- k. The impact of the court judgement on the treatment of VAT on car parking income** continues to be monitored for future years Council Tax assessments.
- l. Reserves** – the Reserves statement attached at appendix A page 2 shows a total projected net use of £16,118million from 1<sup>st</sup> April 2007 to 31<sup>st</sup> March 2011 the period covered by the revised estimate for 2007/8 and the three year budgets for 2008/9 to 2010/11. This represents a 54.5% reduction in the level of overall reserves (combined General Fund and HRA) during the period. It is essential that the use of reserves is kept under review to ensure they can continue to be applied in a sustainable manner. Particular caution should be exercised where any potential use of the reserve is to grow base service budgets year on year. This has not been the case in preparing the current three year proposals for the General Fund. In addition, where investment is made on an ongoing basis to category A and B priorities any subsequent review of the level of priority should take account of the need to manage realignment of resources as required, to ensure that the prioritisation process remains sustainable.
- m. Indicative Budgets for future years** – The indicative General Fund budget requirement for future years has been based on an assumption that future Council Tax increases will continue at the current rate. If the principles of capping are varied from those of previous years a review of the base budget will need to be undertaken. Also the assumptions of Service Managers in compiling their budgets for 2009/10 and 2010/11 will need to be kept under review to ensure they remain sustainable, in light of the fact that the Government has set a three Formula Grant settlement (this has also taken into account in the indicative budget requirement) and therefore the likelihood of additional funding is likely to be restricted to specific grants yet to be announced or other external funding sources.
- n. The Housing Revenue Account** will require a review once the outcome of the review of the HRA subsidy and accounting system has been undertaken. The HRA should also be reviewed to assess the sustainability of any improvement

plans which may arise from the forthcoming Inspection of the Housing Landlord function. The impact of any proposals arising out of either the national review or the local Inspection will need be modelled over the 30 year life of the business plan, prior to entering into any ongoing future commitments

17 Comments of the Monitoring Officer

The budget forms part of the Council's Budgetary and Policy Framework. Members should have regard to the comments of the Corporate Head of Finance and Resources as the Council's Chief Financial Officer which are set out in section 15 when making their recommendations to Council in accordance with the Local Government Act 2003

18 Summary and Conclusion

18.1 Overall it has been possible to produce a balanced budget. However, current and future resources are tight. This particularly reflects the fact that the four main income streams for the Council:

- Government Grant,
- Specific grant,
- Fees and Charges and
- Council Tax

are, and will continue to be constrained, at a time when ambitions and customer expectations are increasing. The Council also faces budgetary pressures from pay, pensions and the efficiency agenda with a Government target of 3% per annum with effect from 2008/9. Members will also note that subject to the delivery of the projected Capital Programme in the current financial year the Council is planning to fully utilise its Capital Reserve. Overall the total General Fund and HRA reserves are projected to reduce by 54.5% over the three year period of the Local Government Settlement, this will not be able to be repeated in future years and will also have an impact on the Council's interest earning capacity in the future.

18.2 In addition, the outcome of the Local Government Settlement which provided for just a 1.9%, 1.5% and 1.2% increase in Formula Grant for each of the three years of the settlement respectively will need to reflected in a revision of the Medium Term Financial Strategy to enable the continued application and redirection of resources as required to provide a sustainable budget.

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**SUMMARY OF GENERAL FUND ESTIMATES**

**Appendix A**

	2007/08 Original Base	2007/08 Revised Base	2008/09 Estimate Base	2009/10 Estimate Base	2010/11 Estimate Base
	£'000	£'000	£'000	£'000	£'000
Corporate and Customer Services	2,267	2,198	2,539	2,457	2,496
Finance and Resources	4,501	4,687	4,305	3,970	4,004
Healthy Environment	6,842	6,464	6,621	6,727	6,886
Partnerships & Organisational Improvement	626	807	932	913	928
Special Expense Areas	660	632	654	681	729
Sustainable Communities	3,271	3,307	3,197	3,243	3,382
LABGI One-off approved expenditure (Council March 2007)	215	215	0	0	0
LABGI Invest to Save	250	250	0	0	0
Salary Vacancy Factor	(300)	0	(250)	(250)	(250)
Under/(over) allocation of Support Services	28	11	44	38	37
<b>TOTAL SERVICE COSTS</b>	<b>18,360</b>	<b>18,571</b>	<b>18,042</b>	<b>17,779</b>	<b>18,212</b>
Interest and Investment Income	(800)	(944)	(613)	(536)	(400)
Interest Payable	282	261	248	248	332
Pension Interest Cost and Expected Return on Pension Assets	200	200	250	250	250
Minimum Revenue Provision	236	215	208	277	344
Depreciation Charged to Revenue Accounts	(1,850)	(2,367)	(2,535)	(2,552)	(2,535)
Capital Grants Deferred	0	422	417	391	184
Financing of Capital Expenditure	400	420	103	642	646
Movement on Reserves					
-Pension Reserve	(250)	(250)	(250)	(250)	(250)
-Net Movement in General Fund Specific Reserves	(576)	(526)	(287)	(102)	(117)
-(Decrease)/Increase in General Fund Working Balance	(865)	(865)	200	100	100
<b>BUDGET REQUIREMENT - GENERAL FUND</b>	<b>15,137</b>	<b>15,137</b>	<b>15,783</b>	<b>16,247</b>	<b>16,766</b>
Formula Grant	(9,626)	(9,626)	(9,881)	(10,025)	(10,147)
Council Tax Collection Fund Surplus	(47)	(47)	(55)	0	0
<b>DISTRICT NET EXPENDITURE (EXC. PARISH PRECEPTS)</b>	<b>5,464</b>	<b>5,464</b>	<b>5,847</b>	<b>6,222</b>	<b>6,619</b>
SKDC Budget Requirement	4,919	4,919	5,264	5,602	5,961
Bourne Special Expense Area	21	21	22	24	25
Deepings Special Expense Area	12	12	12	13	13
Grantham Special Expense Area	370	370	398	423	450
Langtoft Special Expense Area	9	9	10	11	11
Stamford Special Expense Area	133	133	141	150	159
Parish Precepts	1,035	1,035	1,086	1,140	1,196
<b>GENERAL FUND EXPENDITURE/CALL ON COLLECTION FUND</b>	<b>6,499</b>	<b>6,499</b>	<b>6,933</b>	<b>7,362</b>	<b>7,815</b>

**RESERVES STATEMENT**

	Balance as at 31 March 2007 £'000	Transfer to Reserve in year £'000	Transfer from Reserve in year £'000	Balance as at 31 March 2008 £'000	Transfer to Reserve in year £'000	Transfer from Reserve in year £'000	Balance as at 31 March 2009 £'000	Movement on Reserve in year £'000	Balance as at 31 March 2010 £'000	Movement on Reserve in year £'000	Balance as at 31 March 2011 £'000	Movement on Reserve in year £'000	Balance as at 31 March 2012 £'000
<b>General Fund</b>													
<b>Capital Reserve</b>													
General Fund Capital Reserve	2,249	-	(2,249)	-	-	-	-	-	-	-	-	-	-
<b>Revenue Reserves</b>													
Insurance Reserve	500	-	-	500	-	-	500	-	500	-	500	-	500
Pensions Reserve - Former Employees	392	-	(65)	327	-	(65)	262	(65)	197	(65)	132	(65)	67
- Current Employees	1,502	-	(20)	1,482	-	-	1,482	-	1,482	-	1,482	-	1,482
Building Control	276	-	10	286	-	(22)	264	(37)	227	(52)	175	(67)	108
Capacity Building, Priority Setting and Service Improvements	1,557	-	(451)	1,106	-	(200)	906	-	906	-	906	-	906
	4,227	-	(526)	3,701	0	(287)	3,414	(102)	3,312	(117)	3,195	(132)	3,063
<b>Working Balance</b>	2,824	-	(865)	1,959	200	-	2,159	100	2,259	100	2,359	100	2,459
<b>Total General Fund Reserves</b>	<b>9,300</b>	-	<b>(3,640)</b>	<b>5,660</b>	<b>200</b>	<b>(287)</b>	<b>5,573</b>	<b>(2)</b>	<b>5,571</b>	<b>(17)</b>	<b>5,554</b>	<b>(32)</b>	<b>5,522</b>
<b>Net Movement in General Fund Specific Reserves</b>			<b>(3,640)</b>		<b>(87)</b>		<b>(2)</b>		<b>(17)</b>		<b>(32)</b>		
<b>Housing Revenue Account(HRA)</b>													
<b>Capital Reserve</b>													
Major Repairs Reserve	7,643	3,477	(5,772)	5,348	3,562	(7,239)	1,671	(1,671)	-	-	-	-	-
<b>Working Balance</b>													
Housing Revenue Account	7,863	865	0	8,728	331	0	9,059	(622)	8,437	-	1,046	7,391	-
<b>Total HRA Reserves</b>	<b>15,506</b>	<b>4,342</b>	<b>(5,772)</b>	<b>14,076</b>	<b>3,893</b>		<b>10,730</b>	<b>(2,293)</b>	<b>8,437</b>	<b>(1,046)</b>	<b>7,391</b>	<b>0</b>	<b>7,391</b>
<b>Other Capital Reserves</b>													
Useable Capital Receipts Reserve	4,757	671	(1,353)	4,075	3,449	(2,599)	4,925	(2,463)	2,462	(1,962)	500	0	500
<b>Total Other Capital Reserves</b>	<b>4,757</b>	<b>671</b>	<b>(1,353)</b>	<b>4,075</b>	<b>3,449</b>		<b>4,925</b>	<b>(2,463)</b>	<b>2,462</b>	<b>(1,962)</b>	<b>500</b>	<b>0</b>	<b>500</b>
<b>Total Reserves</b>	<b>29,563</b>	<b>5,013</b>	<b>(10,765)</b>	<b>23,811</b>	<b>7,542</b>		<b>21,228</b>	<b>(4,758)</b>	<b>16,470</b>	<b>(3,025)</b>	<b>13,445</b>	<b>(32)</b>	<b>13,413</b>

**CORPORATE AND CUSTOMER SERVICES - SUMMARY**

	Detail	2007/08 Original Base	2007/08 Revised Base	2008/09 Estimate Base	2009/10 Estimate Base	2010/11 Estimate Base
		£'000	£'000	£'000	£'000	£'000
<b><u>Front Line Services</u></b>						
Corporate Costs	1,291	952	1,318	1,204	1,217	
Democratic Representation	718	985	1,008	1,035	1,059	
Local Elections	114	108	52	54	54	
Non - District Elections	(2)	5	7	7	8	
Register of Electors	146	148	154	157	158	
<b><u>Support Services</u></b>						
Customer Services	966	967	1,105	1,158	1,198	
Democratic Services	215	212	218	222	228	
Human Resources and Diversity	268	268	278	284	289	
Legal Services	367	327	349	360	372	
Operational Management	480	470	470	481	490	
Strategic Management	595	631	555	559	570	
Recharged to Services	(2,891)	(2,875)	(2,975)	(3,064)	(3,147)	
<b>NET GENERAL FUND CHARGE</b>	<b>2,267</b>	<b>2,198</b>	<b>2,539</b>	<b>2,457</b>	<b>2,496</b>	

**FINANCE AND RESOURCES - SUMMARY**

	Detail	2007/08 Original Base	2007/08 Revised Base	2008/09 Estimate Base	2009/10 Estimate Base	2010/11 Estimate Base
		£'000	£'000	£'000	£'000	£'000
<b><u>Front Line Services</u></b>						
Awarded Watercourses & Sewer Dykes	34	29	29	30	30	30
Flood Prevention	122	117	121	123	125	125
Bourne Bus Station	9	19	20	21	21	24
Grantham Bus Station	43	51	57	59	60	60
Stamford Bus Station	17	21	24	27	27	29
Car Park Admin	9	(12)	(25)	(30)	(57)	
Bourne Car Parks	23	27	27	27	30	30
Grantham Car Parks	(244)	(238)	(279)	(271)	(332)	
Market Deeping Car Parks	7	8	9	9	10	10
Stamford Car Parks	(460)	(447)	(499)	(494)	(564)	
Closed Burial Grounds	56	53	54	56	57	57
Council Tax Collection & Benefits Admin	1,114	1,142	1,223	1,281	1,330	
Closed Circuit Television	443	0	0	0	0	0
Drainage Rates	546	546	566	588	612	
Emergency Planning	63	0	0	0	0	0
Footway Lighting	173	167	175	173	175	
Grantham Canal	3	17	28	18	19	19
Gypsy Caravan Site	(1)	(1)	0	0	0	
Industrial Estate Management	18	15	26	17	18	
Alma Park, Grantham	1	1	1	1	1	1
Graham Hill Way, Bourne	(31)	(30)	(29)	(35)	(39)	
Hollis Road, Grantham	(7)	(7)	(7)	(7)	(8)	
Mowbeck Way, Grantham	(17)	(16)	(16)	(17)	(20)	
Withambrook, Grantham	(21)	(29)	(23)	(26)	(29)	
Northfields, Market Deeping	(359)	(364)	(351)	(346)	(340)	
Bourne Leisure Centre	336	338	308	261	274	
Deeping Leisure Centres	177	213	190	158	173	
Stamford Leisure Centre	308	332	291	245	259	
Grantham Meres Leisure Centre	623	741	697	601	623	
Sports Stadium, Grantham	110	142	122	97	102	
Leisure Premises	(31)	(7)	(5)	(14)	(13)	
Leisure Procurement	122	198	67	0	0	
Miscellaneous Finance	4	3	1	1	1	
Miscellaneous Property	63	13	29	25	27	
Non Domestic Rate Collection	69	80	69	84	83	
Pension Costs	77	97	79	79	80	
Public Conveniences	176	143	150	155	161	
Street Furniture	27	27	27	27	27	
Supported Travel	850	903	754	661	686	
Treasury Management	49	54	48	48	45	
Play Areas and Open Spaces	0	325	331	322	328	
Cycle Centre and Cycleways	0	16	16	16	17	
<b><u>Support Services</u></b>						
Asset and Facilities Management	633	651	655	674	691	
Finance & Risk Management	1,102	1,229	1,266	1,133	1,142	
Procurement	62	50	44	44	44	
Revenue Services	496	477	475	496	499	
Recharged to Services	(2,293)	(2,407)	(2,440)	(2,347)	(2,376)	
<b>NET GENERAL FUND CHARGE</b>	<b>4,501</b>	<b>4,687</b>	<b>4,305</b>	<b>3,970</b>	<b>4,004</b>	

## HEALTHY ENVIRONMENT - SUMMARY

	Detail	2007/08 Original Base	2007/08 Revised Base	2008/09 Estimate Base	2009/10 Estimate Base	2010/11 Estimate Base
		£'000	£'000	£'000	£'000	£'000
<b><u>Front Line Services</u></b>						
Abandoned Vehicles	46	16	17	17	17	17
Air Pollution	70	61	81	66	72	
Animal Health and Welfare	1	(1)	(1)	(1)	(1)	
Arts Development	53	59	52	51	51	
Guildhall Arts Centre	408	391	437	440	456	
Stamford Arts Centre	551	556	580	547	583	
Community Activities	111	106	99	102	104	
Control of Dogs	57	41	45	40	40	
Corn Exchange, Bourne	151	147	138	144	154	
Cycle Centre and Cycleways	11	0	0	0	0	
Food Safety	195	211	233	234	210	
Grass cutting - Verges	46	40	43	47	50	
Health Education	75	109	143	135	142	
Infectious Disease Control	33	15	16	17	17	
Leisure Grants & Loans	1	(3)	(6)	(6)	(5)	
Liquor Licences	183	167	155	161	172	
Gambling Licences	22	13	10	11	12	
Hackney Carriage Registration	145	84	85	94	104	
Local Licences	9	19	11	13	15	
Night soil, Septic tank & Itinerant Travellers' control	3	2	2	3	3	
Noise Control	85	82	75	79	82	
Play Areas and Open Spaces	289	0	0	0	0	
Private Landlords	27	7	2	2	2	
Public Health	178	164	157	164	168	
Street Scene	1,106	1,089	1,080	1,081	1,108	
Tourism Administration	23	0	0	0	0	
Waste Management	2,955	3,079	3,156	3,274	3,318	
Water Quality	8	10	11	12	12	
<b><u>Support Services</u></b>						
Contract Monitoring	610	641	632	647	660	
Environmental Protection	464	451	478	491	501	
Healthy Communities	415	385	391	402	411	
Recharged to Services	(1,489)	(1,477)	(1,501)	(1,540)	(1,572)	
<b>NET GENERAL FUND CHARGE</b>	<b>6,842</b>	<b>6,464</b>	<b>6,621</b>	<b>6,727</b>	<b>6,886</b>	

**PARTNERSHIPS AND ORGANISATIONAL IMPROVEMENT - SUMMARY**

	Detail	2007/08 Original Base	2007/08 Revised Base	2008/09 Estimate Base	2009/10 Estimate Base	2010/11 Estimate Base
		£'000	£'000	£'000	£'000	£'000
<b><u>Front Line Services</u></b>						
Access Programme		221	0	0	0	0
Partnerships and Community Development		308	256	333	295	300
Welland Partnership		97	44	41	42	42
Local Strategic Partnership		0	84	81	80	80
Closed Circuit Television		0	365	425	443	451
Emergency Planning		0	58	52	53	55
<b><u>Support Services</u></b>						
Performance Management & Engagement		240	225	222	225	228
Service Transformation and Information Management		1,254	1,241	1,303	1,280	1,385
Access Programme		0	(1)	0	0	0
Communications		326	317	333	328	326
Recharged to Services		(1,820)	(1,782)	(1,858)	(1,833)	(1,939)
<b>NET GENERAL FUND CHARGE</b>		<b>626</b>	<b>807</b>	<b>932</b>	<b>913</b>	<b>928</b>

**SPECIAL EXPENSE AREAS - SUMMARY**

	Detail	2007/08 Original Base	2007/08 Revised Base	2008/09 Estimate Base	2009/10 Estimate Base	2010/11 Estimate Base
		£'000	£'000	£'000	£'000	£'000
	Bourne Special Expense Area	28	23	22	24	25
	Deepings Special Expense Area	11	12	12	13	13
	Grantham Special Expense Area	411	388	424	445	480
	Langtoft Special Expense Area	24	24	23	25	25
	Stamford Special Expense Area	186	185	173	174	186
	<b>NET GENERAL FUND CHARGE</b>	<b>660</b>	<b>632</b>	<b>654</b>	<b>681</b>	<b>729</b>
	(Required Savings)/Cost recovery	(49)	(6)	0	0	0
	Capital Charges Adjustment	(66)	(81)	(71)	(60)	(71)
	<b>CHARGED TO SPECIAL EXPENSE AREAS</b>	<b>545</b>	<b>545</b>	<b>583</b>	<b>621</b>	<b>658</b>

**SUSTAINABLE COMMUNITIES - SUMMARY**

	Detail	2007/08 Original Base	2007/08 Revised Base	2008/09 Estimate Base	2009/10 Estimate Base	2010/11 Estimate Base
		£'000	£'000	£'000	£'000	£'000
<b><u>Front Line Services</u></b>						
Building Control	199	140	185	204	224	
Community Development	94	33	0	0	0	
Conservation	35	29	30	31	32	
Development Control	520	585	518	524	538	
Economic Development	376	348	398	404	408	
Town Centre Management	446	448	461	475	497	
Bourne SW Development	133	133	0	0	0	
Bourne Fair	2	0	0	0	0	
Grantham Fair	(7)	(6)	(3)	(4)	(4)	
Stamford Fair	(5)	(5)	(1)	(2)	(3)	
Grants to Voluntary Associations	7	7	7	7	7	
Citizens Advice Bureau	61	61	62	64	65	
Helpline	87	221	257	264	282	
Historic Building Grants & Enhancements	0	0	0	0	0	
Housing Solutions	673	665	694	700	724	
Housing Standards	30	39	42	44	46	
Homelessness	90	38	28	28	28	
Private Sector Housing	50	88	90	92	95	
Land Charges	(69)	(34)	(26)	(23)	0	
Loans - Private Mortgages	1	1	1	1	1	
Market Admin	18	26	23	22	22	
Bourne Market	31	10	7	6	6	
Grantham Market	24	3	(3)	(6)	(6)	
Stamford Market	(30)	(52)	(50)	(51)	(52)	
Planning Policy	385	372	383	370	376	
Rural Transport	37	64	0	0	0	
Street Naming & Numbering	83	93	94	93	96	
 <b>NET GENERAL FUND CHARGE</b>	 <b>3,271</b>	 <b>3,307</b>	 <b>3,197</b>	 <b>3,243</b>	 <b>3,382</b>	

## HOUSING REVENUE ACCOUNT

	Detail	2007/08 Original Base	2007/08 Revised Base	2008/09 Estimate Base	2009/10 Estimate Base	2010/11 Estimate Base
		£'000	£'000	£'000	£'000	£'000
<b>INCOME</b>						
Dwelling Rents		(17,882)	(17,883)	(18,926)	(20,230)	(21,547)
Non Dwelling Rents		(255)	(255)	(278)	(289)	(302)
Charges for Services and Facilities		(1,183)	(1,239)	(1,288)	(1,338)	(1,389)
Other Income		(100)	(62)	(55)	(57)	(59)
<b>TOTAL INCOME</b>		<b>(19,420)</b>	<b>(19,439)</b>	<b>(20,547)</b>	<b>(21,914)</b>	<b>(23,297)</b>
<b>EXPENDITURE</b>						
Repair and Maintenance		6,179	6,100	7,059	6,322	6,400
Supervision and Management - General		3,216	3,102	3,326	3,158	3,230
Supervision and Management - Special		2,354	2,006	2,121	2,146	2,284
Housing Revenue Account Subsidy		4,730	4,700	5,831	6,528	7,269
HRA share of Corporate and Democratic Costs		200	236	200	193	200
Depreciation and Impairment of Fixed Assets		4,606	4,529	4,731	4,924	5,126
Debt Management Expenses		20	20	20	20	20
Transfer to General Fund in respect of Rent Rebates						
<b>TOTAL EXPENDITURE</b>		<b>21,305</b>	<b>20,693</b>	<b>23,288</b>	<b>23,291</b>	<b>24,529</b>
<b>NET COST OF HRA SERVICES</b>						
Interest Payable and Similar Charges		173	166	158	158	211
Interest and Investment Income		(471)	(1,042)	(722)	(482)	(397)
Pension Interest Costs and Expected Return on Assets						
<b>DEFICIT FOR THE YEAR ON THE HRA</b>		<b>1,587</b>	<b>378</b>	<b>2,177</b>	<b>1,053</b>	<b>1,046</b>
<b>MOVEMENT ON THE HRA BALANCE</b>						
Deficit for the Year		(1,587)	(378)	(2,177)	(1,053)	(1,046)
HRA Share of contributions from the Pension Reserve		0	0	0	0	0
Transfer from Major Repairs Reserve		1,129	1,243	2,508	431	0
<b>Housing Revenue Account balance at start of Year</b>		<b>6,502</b>	<b>7,863</b>	<b>8,728</b>	<b>9,059</b>	<b>8,437</b>
<b>Housing Revenue Account Balance at end of year</b>		<b>6,044</b>	<b>8,728</b>	<b>9,059</b>	<b>8,437</b>	<b>7,391</b>

**CAPITAL PROGRAMME - SUMMARY STATEMENT**

	Description	2007/2008 Estimate Base £'000	2007/2008 Revised Base £'000	2007/08 Revised Jan Base £'000	2008/2009 Estimate Base £'000	2009/2010 Estimate Base £'000	2010/2011 Estimate Base £'000
<b><u>HOUSING REVENUE ACCOUNT</u></b>							
1	Stock Improvements	5,990	6,915	5,665	7,054	6,071	4,887
2	Demolitions	30	10	10	25	25	25
3	IT Software	-	71	97	160	-	-
<b>4</b>	<b>TOTAL - HOUSING REVENUE ACCOUNT</b>	<b>6,020</b>	<b>6,996</b>	<b>5,772</b>	<b>7,239</b>	<b>6,096</b>	<b>4,912</b>
<b><u>OTHER SERVICES</u></b>							
5	Sustainable Communities	2,766	2,736	1,601	2,060	1,550	1,400
6	Healthy Environment	260	528	577	110	320	60
7	Finance and Resources	1,950	2,446	2,318	680	530	530
8	Partnerships and Organisational Improvement	120	414	294	100	75	60
9	Tenancy Services	110	110	110	280	110	110
10	Indicative Projects (Not yet evaluated)	-	-	-	45	790	3,205
<b>11</b>	<b>TOTAL - OTHER SERVICES</b>	<b>5,206</b>	<b>6,234</b>	<b>4,900</b>	<b>3,275</b>	<b>3,375</b>	<b>5,365</b>
<b>12</b>	<b>TOTAL - CAPITAL PROGRAMME</b>	<b>11,226</b>	<b>13,230</b>	<b>10,671</b>	<b>10,514</b>	<b>9,471</b>	<b>10,277</b>
<b><u>GENERAL FUND FINANCED BY:</u></b>							
13	Supported Borrowing	-	-	-	-	-	-
14	Unsupported Borrowing	1,034	-	-	-	-	2,835
15	Specific Reserve - Capital	2,696	1,647	2,249	-	-	-
16	Usable Capital Receipts	-	3,084	1,353	2,599	2,475	1,631
17	Capital Grants and Contributions	1,076	1,083				
	- Wharf Road, Stamford			583			
	- Langtoft Playing Fields - Tennis Courts			6			
	- Stamford Recreation Ground Secured Funding	-	-	-	73	-	-
	- Stamford Recreation Ground Unsecured Funding	-	-	-	37	-	-
	- New Housing Developments Grantham (S106 monies)	-	-	-	200	-	-
	- Disabled Facility Grant	-	-	213	213	213	213
	- Private Sector Renewal	-	-	76	-	-	-
18	Direct Revenue Financing	400	420				
	- IT Hardware Replacement Programme	-	-	-	50	45	40
	- Building Control Scanner	-	-	20	-	-	-
	- LABGI Contribution to Town Centre Development	-	-	400	-	-	-
	- Contribution from Revenue	-	-	-	103	642	646
<b>19</b>	<b>TOTAL - GF CAPITAL PROGRAMME</b>	<b>5,206</b>	<b>6,234</b>	<b>4,900</b>	<b>3,275</b>	<b>3,375</b>	<b>5,365</b>
<b><u>HRA FINANCED BY:</u></b>							
20	Major Repair Reserve	6,020	6,996	5,772	7,239	5,355	3,810
21	Usable Capital Receipts					741	1,102
<b>22</b>	<b>TOTAL - HRA CAPITAL PROGRAMME</b>	<b>6,020</b>	<b>6,996</b>	<b>5,772</b>	<b>7,239</b>	<b>6,096</b>	<b>4,912</b>
<b>23</b>	<b>TOTAL - CAPITAL PROGRAMME</b>	<b>11,226</b>	<b>13,230</b>	<b>10,672</b>	<b>10,514</b>	<b>9,471</b>	<b>10,277</b>

**CAPITAL PROGRAMME**  
**HOUSING INVESTMENT**

	Description	2007/2008 Estimate Base £'000	2007/2008 Revised Base £'000	2007/2008 Revised Jan Base £'000	2008/2009 Estimate Base £'000	2009/2010 Estimate Base £'000	2010/2011 Estimate Base £'000
<b><u>HOUSING REVENUE ACCOUNT</u></b>							
<b>Tenancy Services</b>							
<b>Repairs and Improvements</b>							
1	Upgrading Sheltered Housing Scheme	355	300	75	250	-	-
2	Structural Repairs	150	150	60	220	200	200
3	Passenger Lifts, Supported Housing Schemes	-	-	-	120	180	-
<b>Energy Efficiency Initiatives:</b>							
4	Windows	237	230	110	260	252	229
5	Central Heating	297	450	487	620	567	350
6	Heating and Ventilation	238	-	-	-	-	1,097
7	Insulation	-	-	-	-	-	-
<b>Refurbishment and Improvement:</b>							
6	Miscellaneous Residual Properties	136	250	174	141	145	160
7	Re-roofing	534	1,000	906	574	566	458
8	Re-wiring	202	955	765	208	214	458
9	Kitchen & Bathroom Refurbishments	3,451	3,000	2,651	4,269	3,655	1,644
10	Communal Doors	190	380	384	160	92	91
11	Disabled Adaptations	200	200	53	232	200	200
		5,990	6,915	5,665	7,054	6,071	4,887
<b>Demolition Works</b>							
12	Garages	30	10	10	25	25	25
		30	10	10	25	25	25
<b>IT Software</b>							
13	Total Repairs Module	-	71	71	-	-	-
14	Mobilisation of Craft Working	-	-	26	160	-	-
		-	71	97	160	-	-
15	<b>TOTAL - HOUSING INVESTMENT PROGRAMME</b>	<b>6,020</b>	<b>6,996</b>	<b>5,772</b>	<b>7,239</b>	<b>6,096</b>	<b>4,912</b>

**CAPITAL PROGRAMME**  
**OTHER SERVICES**

	Description	2007/2008 Estimate Base £'000	2007/2008 Revised Base £'000	2007/08 Revised Jan Base £'000	2008/2009 Estimate Base £'000	2009/2010 Estimate Base £'000	2010/2011 Estimate Base £'000
<b>SUSTAINABLE COMMUNITIES</b>							
1	Town Centre Development	1,000					
1	Town Centre Projects - Bourne Core Area		250	-	370	170	120
1	Town Centre Projects - Bourne Core Area (Consultancy/Advice)				30	30	30
2	Town Centre Projects - Unallocated/Provision		750	-	750	750	750
3	Stamford Recreation Ground Improvement Programme	-	-	-	110	-	-
4	Capital Grant						
4	Stamford Gateway	350	350	350	-	-	-
5	Economic Grant - Northfields Market Deeping	160	160	160	-	-	-
6	Building Control Scanner	-	20	20	-	-	-
7	Affordable Housing						
7	Aire Road	475	475	475	-	-	-
7	Allington	-	-	70	-	-	-
8	New Housing Developments Grantham (use of S106 monies)	-	-	-	200	-	-
9	Private Sector Renewal	331	281	76	100	100	100
10	Disabled Facilities Grant	450	450	450	500	500	400
		2,766	2,736	1,601	2,060	1,550	1,400
<b>HEALTHY ENVIRONMENT</b>							
11	Waste Management						
11	Wheelie Bin Procurement and Freight Enhancements (Phase 1)	200	468	465	-	-	-
12	Replacement Vehicle YE03 VDJ (Written-Off)	-	-	52	-	-	-
13	Expansion of Green Waste Collection Service - 2 Freighters	-	-	-		260	-
14	Expansion of Green Waste Collection Service - Wheeled Bins	-	-	-	50	-	-
15	Purchase of Vehicles						
15	Purchase of Pool Vehicles	60	60	60	60	60	60
		260	528	577	110	320	60
<b>FINANCE AND RESOURCES</b>							
16	Car Parking						
16	Wharf Road, Stamford	500	500	550	-	-	-
17	Welham Street Multi Storey, Grantham	950	1,196	1,002	-	-	-
18	Car Parking Provision	-	-	-	30	30	30
19	Langtoft Playing Fields - Tennis Courts	-	16	16	-	-	-
20	Restatement Works at Grantham Canal (Phase 1)	250	250	250	-	-	-
21	Restatement Works at Grantham Canal (Phase 2)	-	-	-	150	-	-
22	Provision for Existing Assets						
22	Committed						
22	Windows, Council Offices, Grantham	100	100	100	-	-	-
23	Windows, Council Offices, Grantham (Phase 2)	-	-	-	100	-	-
24	Refurbishment of Toilets, Stamford Arts Centre	41	30	32	-	-	-
25	Gentlemen's Toilets, Council Offices, Grantham	-	13	16	-	-	-
26	Cemetery Works (Phase 2 and 3)	-	100	100	100	-	-
27	Changing Rooms, Deepings Leisure Centre	-	113	120	-	-	-
28	Audio and Voting Equipment, Council Chamber	-	-	45	-	-	-
29	Automatic Monitoring for Utilities	-	-	-	30	-	-
30	Provision	109	128	87	270	500	500
		1,950	2,446	2,318	680	530	530
<b>PARTNERSHIPS AND ORGANISATIONAL IMPROVEMENT</b>							
31	Customer Services - Access to Self-Service Facilities	-	-	-	-	30	20
32	Website Content Management Software	-	-	-	50	-	-
33	Service Transformation Programme (formerly Modernisation)	120	414	294	-	-	-
34	IT Hardware Replacement Programme				50	45	40
		120	414	294	100	75	60
<b>TENANCY SERVICES</b>							
35	Purchase of Vehicles						
35	Care Services	30	30	30	30	30	30
36	Housing Maintenance	80	80	80	80	80	80
37	Lifeline Equipment	-	-	-	170	-	-
		110	110	110	280	110	110
<b>TOTAL APPROVED - OTHER SERVICES</b>		<b>5,206</b>	<b>6,234</b>	<b>4,900</b>	<b>3,230</b>	<b>2,585</b>	<b>2,160</b>

**CAPITAL PROGRAMME**  
**OTHER SERVICES**

	Description	2007/2008 Estimate Base £'000	2007/2008 Revised Base £'000	2007/08 Revised Jan Base £'000	2008/2009 Estimate Base £'000	2009/2010 Estimate Base £'000	2010/2011 Estimate Base £'000
<b>INDICATIVE PROJECTS (NOT YET EVALUATED)</b>							
<b>PARTNERSHIPS AND ORGANISATIONAL IMPROVEMENT</b>							
38	Replacement/Renewal of CCTV Equipment	-	-	-	-	40	-
39	Service Transformation Programme (Area Office Improvement Work)	-	-	-	-	180	30
<b>HEALTHY ENVIRONMENT</b>							
40	Replacement of Street Scene Fleet	-	-	-	-	-	3,000
<b>FINANCE AND RESOURCES</b>							
41	Alma Park Adoption	-	-	-	-	300	-
42	Lift Installation - Main Council Sites	-	-	-	-	-	150
43	Car Parking St Leonard's Street, Stamford	-	-	-	-	20	-
Provision for Existing Assets Committed							
44	Arts Centre Refurbishments - Stamford	-	-	-	45	-	-
45	Grantham Bus Station - Refurbishment	-	-	-	-	-	25
46	Heating Works, Council Offices, Grantham	-	-	-	-	250	-
<b>INDICATIVE PROJECTS (NOT YET EVALUATED)</b>							
<b>TOTAL GENERAL FUND CAPITAL PROGRAMME</b>							
		<b>5,206</b>	<b>6,234</b>	<b>4,900</b>	<b>3,275</b>	<b>3,375</b>	<b>5,365</b>

## Appendix B

### Treasury Management Strategy Report 2008/09

#### Recommendations

This report outlines the Council's prudential indicators for 2008/09 – 2010/11 and sets out the expected treasury operations for this period. It fulfils three key reports required by the Local Government Act 2003:

- The reporting of the prudential indicators as required by the CIPFA Prudential Code for Capital Finance in Local Authorities (Appendix A);
- The treasury strategy in accordance with the CIPFA Code of Practice on Treasury Management (Appendix B);
- The investment strategy (in accordance with the DCLG investment guidance) (Appendix C).

A summary report outlines the key requirements from these reports.

#### The Council is recommended to:

1. Adopt the Prudential Indicators and Limits for 2008/09 to 2010/11 contained within Annex A of the report.
2. Approve the Minimum Revenue Provision (MRP) Statement contained within Annex A which sets out Council's policy on MRP.
3. Approve the Treasury Management Strategy 2008/09, and the treasury Prudential Indicators contained within Annex B.
4. Approve the Investment Strategy 2008/09 contained in the treasury management strategy (Annex B), and the detailed criteria included in Annex B1.

#### Executive Summary

**Capital Expenditure** - The projected capital expenditure is expected to be:

Capital expenditure £m	2007/08 Revised £'000	2008/09 Estimated £'000	2009/10 Estimated £'000	2010/11 Estimated £'000
Non HRA	4,900	3,275	3,375	5,365
HRA	5,772	7,239	6,096	4,912
Total	10,672	10,514	9,471	10,277

**Debt Requirement** - Part of the capital expenditure programme will be financed directly (through Government Grants, capital receipts etc.), leaving a residue which will increase the Council's external borrowing requirement (its Capital Financing Requirement – CFR). The General Fund CFR is reduced each year by a statutory revenue charge for the repayment of debt (there is no requirement for an HRA charge).

Capital Financing Requirement £m	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
Non HRA	5,125	4,898	4,680	7,192
HRA	2,159	2,159	2,159	2,159
Total	7,284	7,057	6,839	9,351

Against this borrowing need (the CFR), the Council's expected external debt position for each year (the Operational Boundary), and the maximum amount it could borrow (the Authorised Limit) are:

£m	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
Authorised limit	18,000	18,000	18,000	20,000
Operational boundary	9,000	9,000	9,000	11,000

The impact of the new schemes being approved as part of this budgetary cycle on Council Tax and housing rents are expected to be (this reflects a revised position on the financing of the capital programme which assumes borrowing will not now be due until 2010/11) on :

Incremental impact of capital investment decisions (£) on:	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
Band D Council Tax	0.00	(2.67)	(2.56)	1.13
Housing rents levels	0.00	0.00	0.00	0.00

**Investments** – The resources applied to finance the capital spend above is one of the elements which influence the overall resources of the Council. The expected position of Council's year end resources (balances, capital receipts, etc.), is shown below supplemented with the expected cash flow position to provide an overall estimate of the year end investment position. The prudential indicator limiting longer term investments is also shown.

£m	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
Total resources	<b>23,811</b>	<b>21,228</b>	<b>16,470</b>	<b>13,445</b>
Working Capital	(1,560)	(1,560)	(1,560)	(1,560)
Total Investments	<b>22,251</b>	<b>19,668</b>	<b>14,910</b>	<b>11,882</b>
Principal sums invested > 364 days		£12m	£8m	£5m

## Appendix B - Annex A

### The Prudential Indicators 2007/08 – 2010/11

#### Introduction

1. The Local Government Act 2003 requires the Council to adopt the CIPFA Prudential Code and produce prudential indicators. This report revises the indicators for 2007/08, 2008/09 and 2009/10, and introduces new indicators for 2010/11. Each indicator either summarises the expected activity or introduces limits upon the activity, and reflects the outcome of the Council's underlying capital appraisal systems.
2. Within this overall prudential framework there is a clear impact on the Council's treasury management activity, either through borrowing or investment activity. As a consequence the treasury management strategy for 2008/09 is included as Annex B to complement the indicators, and this report includes the prudential indicators relating to the treasury activity.

#### The Capital Expenditure Plans

3. The Council's capital expenditure plans are summarised below and this forms the first of the prudential indicators. This expenditure can be paid for immediately (by resources such as capital receipts, capital grants etc.), but if these resources are insufficient any residual expenditure will form a borrowing need.
4. A certain level of capital expenditure will be grant supported by the Government; anything above this level will be unsupported and will need to be paid for from the Council's own resources. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although no control has yet been required.
5. The key risks to the plans are that the level of Government support has been estimated and is therefore subject to change. Similarly some of estimates for other sources of funding, such as capital receipts, may also be subject to change over this timescale.
6. The Council is asked to approve the summary capital expenditure projections below, service details are at Annex A1. This forms the first prudential indicator:

£m	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
<b>Capital Expenditure</b>				
Non-HRA	4,900	3,275	3,375	5,365
HRA	5,772	7,239	6,096	4,912
<b>Financed by:</b>				
Capital receipts	1,353	2,599	3,216	2,733
Capital grants	878	523	213	213
Capital reserves	8,021	7,239	5,355	3,810
Revenue	420	153	687	686
<b>Net financing need for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,835</b>

#### The Council's Borrowing Need (the Capital Financing Requirement)

7. The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total outstanding capital expenditure which has not yet been paid for from either revenue or capital

resources. It is essentially a measure of Council's underlying borrowing need. The capital expenditure above which has not immediately been paid for will increase the CFR.

8. The Council is required to pay off an element of the accumulated General Fund capital spend each year through a revenue charge (the Minimum Revenue Provision), although it is also allowed to undertake additional voluntary payments.
9. Draft CLG Regulations are currently issued for comment which, if implemented, will require full Council to approve **an MRP Statement**. This will need to be approved in advance of each year. Whilst the regulations will revoke current MRP requirements, councils are allowed to continue historical accounting practice. A variety of options are provided to councils to replace the existing Regulations, so long as there is a prudent provision. The timetable for implementation is very tight and so Members are asked to approve the following policy, based on the draft Regulations. Should the final regulations change this Statement, it will be re-submitted for approval.
10. The Council is recommended to approve the following MRP Statement:
11. For capital expenditure incurred before 1 April 2008 or which in the future will be Supported capital Expenditure, the MRP policy will be:
  - **Existing practice** - MRP will follow the existing practice outline in former CLG Regulations.
12. From 1 April 2008 for all unsupported borrowing the MRP policy will be:
  - **Asset Life Method** – MRP will be based on the estimated life of the assets, in accordance with the proposed regulations (this option must be applied for any expenditure capitalised under a Capitalisation Directive).
13. The Council is asked to approve the CFR projections below:

£m	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
<b>Capital Financing Requirement</b>				
CFR – Non Housing	5,125	4,898	4,680	7,192
CFR - Housing	2,159	2,159	2,159	2,159
<b>Total CFR</b>	<b>7,284</b>	<b>7,057</b>	<b>6,839</b>	<b>9,351</b>
<b>Movement in CFR</b>	<b>(236)</b>	<b>(227)</b>	<b>(218)</b>	<b>2,512</b>

<b>Movement in CFR represented by</b>				
Net financing need for the year (above)	-	-	-	2,835
MRP/VRP and other financing movements	(236)	(227)	(218)	(323)
<b>Movement in CFR</b>	<b>(236)</b>	<b>(227)</b>	<b>(218)</b>	<b>2,512</b>

### **The Use of the Council's resources and the Investment Position**

14. The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year end balances for each resource and anticipated day to day cash flow balances.

Year End Resources £m	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
Fund balances	5,660	5,573	5571	5,554
Capital receipts	4,075	4,925	2,462	500
HRA reserve	8,728	9,059	8,437	7,391
Major Repairs Reserve	5,348	1,671	0	0
<b>Total Core Funds</b>	<b>23,811</b>	<b>21,228</b>	<b>16,470</b>	<b>13,445</b>
Working Capital*	(1,560)	(1,560)	(1,560)	(1,560)
<b>Expected Investments</b>	<b>22,251</b>	<b>19,668</b>	<b>14,910</b>	<b>11,882</b>

\* Working capital balances shown are estimated year end; these may be higher mid year

### Limits to Borrowing Activity

15. Within the prudential indicators there are a number of key indicators to ensure the Council operates its activities within well defined limits
16. For the first of these the Council needs to ensure that its total borrowing net of any investments, does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2008/09 and the following two financial years. This allows some flexibility for limited early borrowing for future years.

£m	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
Gross Borrowing	(4,000)	(4,000)	(4,000)	(5,335)
Investments	22,251	19,668	14,910	11,882
Net Borrowing	18,251	15,668	10,910	5,886
CFR	7,284	7,057	6,839	9,351

17. The Corporate Head of Finance and Resources reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.
18. A further two prudential indicators control or anticipate the overall level of borrowing. These are:
19. **The Authorised Limit for External Debt** – This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.
20. **The Operational Boundary for External Debt** – This indicator is based on the expected maximum external debt during the course of the year; it is not a limit.
21. The Council is asked to approve the following Authorised Limit and Operational Boundary:

Authorised limit £m	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
Borrowing	18,000	18,000	18,000	20,000
Other long term liabilities	-	-	-	-
Total	18,000	18,000	18,000	20,000
Operational Boundary £m	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
Borrowing	9,000	9,000	9,000	11,000
Other long term liabilities	-	-	-	-
Total	9,000	9,000	9,000	11,000

### Affordability Prudential Indicators

22. The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the overall Council's finances. The Council is asked to approve the following indicators:

23. **Actual and Estimates of the ratio of financing costs to net revenue stream** – This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

%	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
Non-HRA	(4.51)%	(2.31)%	(1.77)%	(0.41)%
HRA	(4.23)%	(2.42)%	(1.39)%	(0.76)%

24. The estimates of financing costs include current commitments and the proposals in this budget report.

25. **Estimates of the incremental impact of capital investment decisions on the Council Tax** – This indicator identifies the revenue costs associated with **new schemes** introduced to the three year capital programme recommended in this budget report compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of government support, which are not published over a three year period.

26. **Incremental impact of capital investment decisions on the Band D Council Tax**

£	Proposed Budget 2008/09	Forward Projection 2009/10	Forward Projection 2010/11
<b>Council Tax - Band D</b>	(2.67)	(2.56)	1.13

27. **Estimates of the incremental impact of capital investment decisions on Housing Rent levels** – Similar to the Council tax calculation this indicator identifies the trend in the cost of proposed changes in the housing capital

programme recommended in this budget report compared to the Council's existing commitments and current plans, expressed as a discrete impact on weekly rent levels.

**28. Incremental impact of capital investment decisions Housing Rent levels**

£	Proposed Budget 2008/09	Forward Projection 2009/10	Forward Projection 2010/11
<b>Weekly Housing Rent levels</b>	0.00	0.00	0.00

29. This indicator shows the revenue impact on any newly approved schemes, although any discrete impact will be constrained by rent controls.

**Appendix B - Annex B**

**Treasury Management Strategy 2008/09 – 2010/11**

1. The treasury management service is an important part of the overall financial management of the Council's affairs. The prudential indicators in Annex A consider the affordability and impact of capital expenditure decisions, and set out the Council's overall capital framework. The treasury service considers the effective funding of these decisions. Together they form part of the process which ensures the Council meets balanced budget requirement under the Local Government Finance Act 1992. There are specific treasury prudential indicators included in this strategy which require approval.
2. The Council's treasury activities are strictly regulated by statutory requirements and a professional code of practice (the CIPFA Code of Practice on Treasury Management). This Council adopted the Code of Practice on Treasury Management on 23 June 2004, and as a result adopted a Treasury Management Policy Statement. This adoption meets the requirements of the first of the treasury prudential indicators.
3. The Constitution requires an annual strategy to be reported to Council outlining the expected treasury activity for the forthcoming 3 years. A key requirement of this report is to explain both the risks, and the management of the risks, associated with the treasury service. A further treasury report is produced after the year-end to report on actual activity for the year.
4. This strategy covers:
  - The Council's debt and investment projections;
  - The expected movement in interest rates;
  - The Council's borrowing and investment strategies;
  - Treasury performance indicators; and
  - Specific limits on treasury activities.

**Debt and Investment Projections 2008/09 – 2010/11**

5. The borrowing requirement comprises the expected movement in the CFR and any maturing debt which will need to be re-financed. The table below shows this effect on the treasury position over the next three years. It also highlights the expected change in investment balances.

£m	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
<b>External Debt</b>				
Debt at 1 April	(4,500)	(4,000)	(4,000)	(4,000)
Expected change in debt	500	-	-	(1,335)
Debt at 31 March	(4,000)	(4,000)	(4,000)	(5,335)
Operational Boundary	9,000	9,000	9,000	11,000
<b>Investments</b>				
Total Investments at 31 March	22,251	19,668	14,910	11,882
Investment change	(5,752)	(2,583)	(4,758)	(3,028)

6. The related impact of the above movements on the revenue budget are:

£m	2007/08 Revised	2008/09 Estimated	2009/10 Estimated	2010/11 Estimated
<b>Revenue Budgets</b>				
Interest on Borrowing	427	406	406	543
Related HRA Charge	(166)	(158)	(158)	(211)
Net General Fund Borrowing Cost	261	248	248	332
Investment income	(1,986)	(1,335)	(1,018)	(797)

### Expected Movement in Interest Rates

#### Medium-Term Rate Forecasts (averages – Source Butlers)

	Bank Rate	1-year LIBOR	5-year Gilt	20-yr Gilt	50-yr Gilt
2006/07	4.8	5.3	4.9	4.4	4.0
2007/08	5.6	6.0	5.3	4.9	4.5
2008/09	5.2	4.9	4.9	4.7	4.6
2009/10	4.9	4.9	4.8	4.7	4.6
2010/11	5.0	5.3	4.9	4.8	4.8
2011/12	5.2	5.5	5.3	5.2	5.1

\*PWLB borrowing is normally between 0.10% - 0.15% above the equivalent gilt yield

7. **Short Term Interest Rates** - The summer's dip in inflation drew to a close in October and the latest Bank of England Inflation Report suggests this key aggregate will rise further in the months ahead before returning to the 2% mid-target level by early 2009.
8. The end to aggressive discounting on the High Street, the rise in oil and petrol prices, and the upward trend in food costs have contributed to the rebound in inflation. While domestically-generated inflation will remain heavily influenced by the strength of economic activity and the growth in consumer spending, external factors are likely to be under upward pressure for the foreseeable future.
9. The main restraining influence in the UK will be the prospective decline in economic activity. Recent developments in the financial markets threaten to make the slow-down more pronounced than forecast earlier. The deceleration in economic activity in the US is expected to spread to the Euro-zone and this will undermine the chances of continued export-driven growth. On the domestic front, the effect of interest rate increases upon consumer activity and confidence is set to emerge more strongly in the New Year.
10. Higher rates, concern about the stability of asset prices (notably housing where prices are faltering) and news of weakening activity are all likely to undermine consumer confidence. This would weaken further if the problems of the financial markets were to worsen.
11. Lower activity is set to emerge in the months ahead. This, together with signs of a pronounced slow-down in personal spending will be seen as providing scope for the MPC to relax its current, tight monetary stance. But uncertainty about the path of activity and prices over the medium term suggests the authorities will tread a cautious path and will confine interest rate cuts to a relatively small number.
12. **Long-term interest rates** - have been driven lower by the strong demand for safe haven instruments at a time of crisis in the banking industry. Yields were

driven down to levels that were hard to justify purely on economic grounds. While they have subsequently rebounded, they are still below levels that can be called attractive on fundamental grounds.

13. The crisis in the financial markets is set to continue for a while longer. More banks are likely to announce large losses in business linked with asset-backed securities. This will promote persistent nervousness and ensure demand for safe haven instruments, notably government securities (gilts), remains strong. Yields are set to remain volatile in this environment and there may be times when they are driven down to levels not justified by fundamental economic analysis.
14. The longer term outlook is not as favourable. The US Federal Reserve's aggressive cuts in interest rates since mid-September were driven by reaction to a combination of factors, including the weakening of economic activity, some improvement in inflation performance and the crisis in the US property market. But the move was seen as heavy handed and a threat to the long-term outlook for inflation. The US economy continues to post a mixed performance and inflation is only just below the ceiling the central bank considers acceptable.

#### **Borrowing Strategy 2008/09 – 2010/11**

15. The uncertainty over future interest rates increases the risks associated with treasury activity. As a result the Council will take a cautious approach to its treasury strategy.
16. Long-term fixed interest rates are expected to be higher over the medium term. The Corporate Head of Finance and Resources, under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates at the time, taking into account the risks shown in the forecast above. It is likely that longer term fixed rates will be considered earlier if borrowing rates deteriorate.
17. With the likelihood of increasing interest rates debt restructuring is likely to take place later in the financial year or in future years, although the Corporate Head of Finance and Resources and treasury consultants will monitor prevailing rates for any opportunities during the year.
18. A key change in the options for borrowing and rescheduling occurred on 1 November 2007 when the PWLB changed its interest rate structure to a more sensitive pricing method and also increased the relative cost of repaying debt. This will prompt a more cautionary approach to both borrowing and rescheduling.

#### **Investment Counterparty and Liquidity Framework**

19. The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle the Council will ensure:
  - It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.
  - It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with

adequate security, and monitoring their security. This is set out in the Specified and Non-Specified investment sections below.

20. The Corporate Head of Finance and Resources will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. This criteria is separate to that which chooses Specified and Non-Specified investments as it selects which counterparties the Council will choose rather than defining what its investments are. The rating criteria use the lowest common denominator method of selecting counterparties and applying limits.
  - **Banks** – the Council will use only English and Scottish Clearing Banks and their subsidiaries. However, the Council's treasury management advisors have proposed that a review is undertaken concerning the bank listing for this Authority. For overseas, the Council will only use banks with a F1+ rating for short term and AA rating for long term.
  - **Building Societies** – the Council will only use the top 30 listed Building Societies.
  - **UK Government** (including gilts and the DMO)
  - **Local Authorities, Parish Councils etc**
  - **Supranational institutions**
19. The proposed criteria for Specified and Non-Specified investments are shown in Annex B1 for approval.
20. In the normal course of the council's cash flow operations it is expected that both Specified and Non-specified investments will be utilised for the control of liquidity as both categories allow for short term investments.
21. The use of longer term instruments (greater than one year from inception to repayment) will fall in the Non-specified investment category. These instruments will only be used where the Council's liquidity requirements are safeguarded. This will also be limited by the investment prudential indicator below.

#### **Investment Strategy 2008/09 – 2010/11**

22. Expectations on shorter-term interest rates, on which investment decisions are based, show a likelihood of the current 5.75% Bank Rate being the peak with the next fall in early 2008. The Council's investment decisions are based on comparisons between the rises priced into market rates against the Council's and advisers own forecasts. It is likely that investment decisions will be made for longer periods with fixed investments rates to lock in good value and security of return if opportunities arise, subject to over riding credit counterparty security. The Corporate Head of Finance and Resources, under delegated powers, will undertake the most appropriate form of investments depending on the prevailing interest rates at the time, taking into account the risks shown in the forecast above.

#### **Sensitivity to Interest Rate Movements**

23. Future Council accounts will be required to disclose the impact of risks on the Council's treasury management activity. Whilst most of the risks facing the treasury management service are addressed elsewhere in this report (credit risk, liquidity risk, market risk, maturity profile risk), the impact of interest rate risk is discussed but not quantified. The table below highlights the estimated impact of a 1% increase/decrease in all interest rates to treasury

management costs/income for next year. That element of the debt and investment portfolios which are of a longer term, fixed interest rate nature will not be affected by interest rate changes.

£m	2008/09 Estimated + 1%	2008/09 Estimated - 1%
<b>Revenue Budgets</b>		
Interest on Borrowing	406	406
Related HRA Charge	(158)	(158)
Net General Fund Borrowing Cost	248	248
Investment income	(1,348)	(1,322)

### Treasury Management Prudential Indicators and Limits on Activity

24. There are four further treasury prudential indicators. The purpose of these prudential indicators is to contain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates. However if these are set to be too restrictive they will impair the opportunities to reduce costs. The indicators are:

- Upper limits on variable interest rate exposure – This indicator identifies a maximum limit for variable interest rates based upon the debt position net of investments
- Upper limits on fixed interest rate exposure – Similar to the previous indicator this covers a maximum limit on fixed interest rates.
- Maturity structures of borrowing – These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.
- Total principal funds invested for greater than 364 days – These limits are set to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

25. The Council is asked to approve the following prudential indicators:

£m	2008/09	2009/10	2010/11
<b>Interest rate Exposures</b>			
	Upper	Upper	Upper
<b>Limits on fixed interest rates based on net debt</b>	7,000	7,000	9,500
<b>Limits on variable interest rates based on net debt</b>	2,000	2,000	3,000
<b>Limits on fixed interest rates:</b>			
• <b>Debt only</b>	100%	100%	100%
• <b>Investments only</b>	100%	100%	100%
<b>Limits on variable interest rates</b>			
• <b>Debt only</b>	30%	30%	30%
• <b>Investments only</b>	30%	30%	30%

<b>Maturity Structure of fixed interest rate borrowing 2008/09</b>		
	<b>Lower</b>	<b>Upper</b>
Under 12 months	0%	20%
12 months to 2 years	0%	20%
2 years to 5 years	0%	50%
5 years to 10 years	0%	75%
10 years and above	0%	100%
<b>Maximum principal sums invested &gt; 364 days</b>		
Principal sums invested > 364 days	£12m	£8m
		£5m

### **Performance Indicators**

26. The Code of Practice on Treasury Management requires the Council to set performance indicators to assess the adequacy of the treasury function over the year. These are distinct historic indicators, as opposed to the prudential indicators, which are predominantly forward looking. Examples of performance indicators often used for the treasury function are:

- Debt – Borrowing - Average rate of borrowing for the year compared to average available
- Debt – Average rate movement year on year
- Investments – Internal returns above the 7 day LIBID rate
- Investments – External fund managers - returns 110% above 7 day compounded LIBID.

The results of these indicators will be reported in the Treasury Annual Report for 2007/08.

## Appendix B - Annex C

### Treasury Management Practice (TMP) 1 (5) – Credit and Counterparty Risk Management

The Office of the Deputy Prime Minister (now CLG) issued Investment Guidance on 12<sup>th</sup> March 2004, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which are under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for Councils to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council has adopted the Code and will apply its principles to all investment activity. In accordance with the Code, the Corporate Head of Finance and Resources has produced its treasury management practices. This part, TMP 1(5), covering investment counterparty policy requires approval each year.

**Annual Investment Strategy** - The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of following:

- The strategy guidelines for decision making on investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Council is:

**Strategy Guidelines** – The main strategy guidelines are contained in the body of the treasury strategy statement.

**Specified Investments** – These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are low risk assets where the possibility of loss of principal or investment income is small. The Council's Loan Officer is restricted to placing funds with:

1. The NatWest Bank (the Council's Bank) either via their Deposit Dealing desk or a Special Interest Bearing Account (SIBA);
2. The Alliance and Leicester Bank;
3. HBOS Bank;
4. The Principality Building Society;

Amounts invested with any one institution shall not exceed £7m for periods of more than one month.

**Non-Specified Investments** – Non-specified investments are any other type of investment (i.e. not defined as Specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non specified investments would include any sterling investments with:

	<b>Non Specified Investment Category</b>	<b>Limit (£ or %)</b>
a.	<p><b>Supranational Bonds greater than 1 year to maturity</b></p> <p>(a) <b>Multilateral development bank bonds</b> - These are bonds defined as an international financial institution having as one of its objects economic development, either generally or in any region of the world (e.g. European Investment Bank etc.).</p> <p>(b) <b>A financial institution that is guaranteed by the United Kingdom Government</b> (e.g. The Guaranteed Export Finance Company {GEFCO})</p> <p>The security of interest and principal on maturity is on a par with the Government and so very secure, and these bonds usually provide returns above equivalent gilt edged securities. However the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.</p>	N/A
b.	<b>Gilt edged securities</b> with a maturity of greater than one year. These are Government bonds and so provide the highest security of interest and the repayment of principal on maturity. Similar to category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.	N/A
c.	<b>Building societies not meeting the basic security requirements under the specified investments.</b> The Council will include the top 30 building societies.	25%
d.	Any <b>bank or building society</b> that has a minimum long term credit rating of AA for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).	25%
e.	Any <b>non rated subsidiary</b> of a credit rated institution included in the specified investment category.	N/A
f.	<b>Share capital or loan capital</b> in a body corporate – The use of these instruments will be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. Revenue resources will not be invested in corporate bodies.	N/A

**The Monitoring of Investment Counterparties** - The credit rating of counterparties will be monitored regularly. The Council receives credit rating advice from its advisers, Butlers, on a daily basis and as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Corporate Head of Finance and Resources, and if required new counterparties which meet the criteria will be added to the list.

**Use of External Fund Managers** – It is the Council's policy to use external fund managers for part of its investment portfolio. The fund managers will use both specified and non-specified investment categories, and are contractually committed to keep to the Council's investment strategy. Currently the Council has an agreement with Tradition UK and Sterling International. The fund managers are required to adhere to the following:

- All investments restricted to sterling denominated instruments;
- Investments made with local authorities, the top 30 building societies, English and Scottish clearing banks (and their subsidiaries) and overseas banks. The placing of funds with overseas banks is restricted to institutions with a credit rating of F1+ (short term loans) and AA rating (long term loans);
- Amounts invested with anyone institution or group should not exceed 25% of the fund value or a maximum of £7m for periods of more than one month;
- Investments for periods exceeding 364days limited to 25% of fund held;
- Forward commitment investments limited to 25% of fund held; and
- Portfolio management is measured against the return provided by the 3 month sterling LIBID.

The performance of each manager is reviewed at least quarterly by the Corporate Head of Finance and Resources.

**BUILDING CONTROL CHARGES**

<b>SCHEDULE 1 - CHARGES FOR SMALL DOMESTIC DWELLINGS</b>									
	<b>Full Plans Applications (Using Form BR1)</b>						<b>Building Notice Applications (Using Form BR2)</b>		
	<b>Plan Charge</b>			<b>Inspection Charge</b>			<b>Building Notice Charge</b>		
<b>Number of Dwellings</b>	<b>Net Charge £</b>	<b>VAT £</b>	<b>Gross Charge £</b>	<b>Net Charge £</b>	<b>VAT £</b>	<b>Gross Charge £</b>	<b>Net Charge £</b>	<b>VAT £</b>	<b>Gross Charge £</b>
1	150.00	26.25	176.25	377.00	65.98	442.98	527.00	92.23	619.23
2	205.00	35.88	240.88	522.00	91.35	613.35	727.00	127.23	854.23
3	270.00	47.25	317.25	663.00	116.03	779.03	933.00	163.28	1,096.28
4	335.00	58.63	393.63	766.00	134.05	900.05	1,101.00	192.68	1,293.68
5	405.00	70.88	475.88	848.00	148.40	996.40	1,253.00	219.28	1,472.28
6	475.00	83.13	558.13	953.00	166.78	1,119.78	1,428.00	249.91	1,677.91
7	495.00	86.63	581.63	1,018.00	178.15	1,196.15	1,513.00	264.78	1,777.78
8	515.00	90.13	605.13	1,187.00	207.73	1,394.73	1,702.00	297.86	1,999.86
9	535.00	93.63	628.63	1,356.00	237.30	1,593.30	1,891.00	330.93	2,221.93
10	540.00	94.50	634.50	1,541.00	269.68	1,810.68	2,081.00	364.18	2,445.18
11	545.00	95.38	640.38	1,688.00	295.40	1,983.40	2,233.00	390.78	2,623.78
12	550.00	96.25	646.25	1,834.00	320.95	2,154.95	2,384.00	417.20	2,801.20
13	555.00	97.13	652.13	1,982.00	346.85	2,328.85	2,537.00	443.98	2,980.98
14	560.00	98.00	658.00	2,103.00	368.03	2,471.03	2,663.00	466.03	3,129.03
15	565.00	98.88	663.88	2,249.00	393.58	2,642.58	2,814.00	492.46	3,306.46
16	570.00	99.75	669.75	2,395.00	419.13	2,814.13	2,965.00	518.88	3,483.88
17	575.00	100.63	675.63	2,541.00	444.68	2,985.68	3,116.00	545.31	3,661.31
18	580.00	101.50	681.50	2,687.00	470.23	3,157.23	3,267.00	571.73	3,838.73
19	585.00	102.38	687.38	2,800.00	490.00	3,290.00	3,385.00	592.38	3,977.38
20	590.00	103.25	693.25	2,944.00	515.20	3,459.20	3,534.00	618.45	4,152.45
21	600.00	105.00	705.00	3,011.00	526.93	3,537.93	3,611.00	631.93	4,242.93
22	610.00	106.75	716.75	3,113.00	544.78	3,657.78	3,723.00	651.53	4,374.53
23	620.00	108.50	728.50	3,215.00	562.63	3,777.63	3,835.00	671.13	4,506.13
24	630.00	110.25	740.25	3,317.00	580.48	3,897.48	3,947.00	690.73	4,637.73
25	640.00	112.00	752.00	3,420.00	598.50	4,018.50	4,060.00	710.50	4,770.50
26	650.00	113.75	763.75	3,522.00	616.35	4,138.35	4,172.00	730.10	4,902.10
27	660.00	115.50	775.50	3,624.00	634.20	4,258.20	4,284.00	749.70	5,033.70
28	670.00	117.25	787.25	3,726.00	652.05	4,378.05	4,396.00	769.30	5,165.30
29	680.00	119.00	799.00	3,828.00	669.90	4,497.90	4,508.00	788.90	5,296.90
30	690.00	120.75	810.75	3,885.00	679.88	4,564.88	4,575.00	800.63	5,375.63
31	700.00	122.50	822.50	3,940.00	689.50	4,629.50	4,640.00	812.00	5,452.00
for each dwelling over 31 add	5.00	0.88	5.88	75.00	13.13	88.13	80.00	14.00	94.00

**SUSTAINABLE COMMUNITIES**

**BUILDING CONTROL CHARGES**

**SCHEDULE 2 - CHARGES FOR CERTAIN SMALL DOMESTIC BUILDINGS UP TO 40m<sup>2</sup>  
AND DOMESTIC EXTENSIONS UP TO 60m<sup>2</sup>**

	Full Plans Applications (Using Form BR1)						Building Notice Applications (Using Form BR2)		
	Plan Charge			Inspection Charge			Building Notice Charge		
Type of Work	Net Charge £	VAT £	Gross Charge £	Net Charge £	VAT £	Gross Charge £	Net Charge £	VAT £	Gross Charge £
Erection or extension of a detached or attached building which consists of a garage or carport or both having a total floor area not exceeding 40m <sup>2</sup> and intended to be used in common with an existing building and which is not an exempt building	120.00	21.00	141.00				120.00	21.00	141.00
Erection or extension of a detached or attached building which consists of a garage or carport or both having a total floor area exceeding 40m <sup>2</sup> but does not exceed 60m <sup>2</sup> in total and is intended to be used in common with an existing building and which is not an exempt building	120.00	21.00	141.00	138.19	24.18	162.37	258.19	45.18	303.37
Any extension of a dwelling (not listed below) the total floor area of which does not exceed 10m <sup>2</sup> including means of access and work in connection with that extension	120.00	21.00	141.00	138.19	24.18	162.37	258.19	45.18	303.37
Any extension of a dwelling (not listed below) the total floor area of which exceeds 10m <sup>2</sup> but does not exceed 40m <sup>2</sup> including means of access and work in connection with that extension	120.00	21.00	141.00	242.02	42.35	284.37	362.02	63.35	425.37
Any extension of a dwelling (not listed below) the total floor area of which exceeds 40m <sup>2</sup> but does not exceed 60m <sup>2</sup> including means of access and work in connection with that extension	120.00	21.00	141.00	370.29	64.80	435.09	490.29	85.80	576.09
Any extension or alteration consisting of the provision of one or more rooms in a roof space including means of access	120.00	21.00	141.00	242.02	42.35	284.37	362.02	63.35	425.37
Where building work is carried out to an existing dwelling and the work consists of replacement windows, rooflights, and or external doors	59.57	10.43	70.00	0.00	0.00	0.00	59.57	10.43	70.00
Any extension of a dwelling the total floor area of which exceeds 60m <sup>2</sup>	Please provide an estimate for the proposed work and calculate the fee using Schedule 3 overleaf								
Any alterations to a dwelling which are not in connection with an extension but form part of the same application	Please provide an estimate for the alterations part of the proposed work and calculate the fee using Schedule 3 overleaf and add this to the fee required under this schedule								
Where the work consists of domestic alterations only	Please provide an estimate for the proposed work and calculate the fee using Schedule 3 overleaf								

## SUSTAINABLE COMMUNITIES

### BUILDING CONTROL CHARGES

SCHEDULE 3 - CHARGES FOR ALL OTHER WORK									
	Full Plans Applications (Using Form BR1)						Building Notices Applications (Using Form BR2)		
	Plan Charge			Inspection Charge			Building Notice Charge		
Estimated cost of work £	Net Charge £	VAT £	Gross Charge £	Net Charge £	VAT £	Gross Charge £	Net Charge £	VAT £	Gross Charge £
0-2000	110.00	19.25	129.25	0.00	0.00	0.00	110.00	19.25	129.25
2001-5000	180.00	31.50	211.50	0.00	0.00	0.00	180.00	31.50	211.50
5001-6000	47.50	8.31	55.81	142.50	24.94	167.44	190.00	33.25	223.25
6001-7000	50.00	8.75	58.75	150.00	26.25	176.25	200.00	35.00	235.00
7001-8000	52.50	9.19	61.69	157.50	27.56	185.06	210.00	36.75	246.75
8001-9000	55.00	9.63	64.63	165.00	28.88	193.88	220.00	38.51	258.51
9001-10000	57.50	10.06	67.56	172.50	30.19	202.69	230.00	40.25	270.25
10001-11000	60.00	10.50	70.50	180.00	31.50	211.50	240.00	42.00	282.00
11001-12000	62.50	10.94	73.44	187.50	32.81	220.31	250.00	43.75	293.75
12001-13000	65.00	11.38	76.38	195.00	34.13	229.13	260.00	45.51	305.51
13001-14000	67.50	11.81	79.31	202.50	35.44	237.94	270.00	47.25	317.25
14001-15000	68.75	12.03	80.78	206.25	36.09	242.34	275.00	48.12	323.12
15001-16000	70.00	12.25	82.25	210.00	36.75	246.75	280.00	49.00	329.00
16001-17000	71.25	12.47	83.72	213.75	37.41	251.16	285.00	49.88	334.88
17001-18000	72.50	12.69	85.19	217.50	38.06	255.56	290.00	50.75	340.75
18001-19000	73.75	12.91	86.66	221.25	38.72	259.97	295.00	51.63	346.63
19001-20000	75.00	13.13	88.13	225.00	39.38	264.38	300.00	52.51	352.51
20001-21000	77.00	13.48	90.48	231.00	40.43	271.43	308.00	53.91	361.91
21001-22000	79.50	13.91	93.41	238.50	41.74	280.24	318.00	55.65	373.65
22001-23000	81.00	14.18	95.18	243.00	42.53	285.53	324.00	56.71	380.71
23001-24000	83.00	14.53	97.53	249.00	43.58	292.58	332.00	58.11	390.11
24001-25000	85.00	14.88	99.88	255.00	44.63	299.63	340.00	59.51	399.51
25001-26000	87.00	15.23	102.23	261.00	45.68	306.68	348.00	60.91	408.91
26001-27000	89.00	15.58	104.58	267.00	46.73	313.73	356.00	62.31	418.31
27001-28000	91.00	15.93	106.93	273.00	47.78	320.78	364.00	63.71	427.71
28001-29000	93.00	16.28	109.28	279.00	48.83	327.83	372.00	65.11	437.11
29001-30000	95.00	16.63	111.63	285.00	49.88	334.88	380.00	66.51	446.51
30001-31000	97.00	16.98	113.98	291.00	50.93	341.93	388.00	67.91	455.91
31001-32000	99.00	17.33	116.33	297.00	51.98	348.98	396.00	69.31	465.31
32001-33000	101.00	17.68	118.68	303.00	53.03	356.03	404.00	70.71	474.71
33001-34000	103.00	18.03	121.03	309.00	54.08	363.08	412.00	72.11	484.11
34001-35000	105.00	18.38	123.38	315.00	55.13	370.13	420.00	73.51	493.51
35001-36000	107.00	18.73	125.73	321.00	56.18	377.18	428.00	74.91	502.91
36001-37000	109.00	19.08	128.08	327.00	57.23	384.23	436.00	76.31	512.31
37001-38000	111.00	19.43	130.43	333.00	58.28	391.28	444.00	77.71	521.71
38001-39000	113.00	19.78	132.78	339.00	59.33	398.33	452.00	79.11	531.11
39001-40000	115.00	20.13	135.13	345.00	60.38	405.38	460.00	80.51	540.51
40001-41000	117.00	20.48	137.48	351.00	61.43	412.43	468.00	81.91	549.91
41001-42000	119.00	20.83	139.83	357.00	62.48	419.48	476.00	83.31	559.31
42001-43000	121.00	21.18	142.18	363.00	63.53	426.53	484.00	84.71	568.71
43001-44000	123.00	21.53	144.53	369.00	64.58	433.58	492.00	86.11	578.11
44001-45000	125.00	21.88	146.88	375.00	65.63	440.63	500.00	87.51	587.51
45001-46000	127.00	22.23	149.23	381.00	66.68	447.68	508.00	88.91	596.91
46001-47000	129.00	22.58	151.58	387.00	67.73	454.73	516.00	90.31	606.31
47001-48000	131.00	22.93	153.93	393.00	68.78	461.78	524.00	91.71	615.71
48001-49000	133.00	23.28	156.28	399.00	69.83	468.83	532.00	93.11	625.11
49001-50000	135.00	23.63	158.63	405.00	70.88	475.88	540.00	94.51	634.51

Where the estimated cost exceeds £50,000 please contact the Building Control Services Section to discuss the appropriate charges applicable to your particular project.

## SUSTAINABLE COMMUNITIES

### BUILDING CONTROL CHARGES

	Detail	Effective Date	2008/09	VAT
	<b>BUILDING CONTROL CHARGES</b>		£	
1	<u>Ordnance Survey Plans</u> Building Regs application site plans (2 no.) Building Regs application involving designated use under Fire Precautions Act (4 no.)	01/04/08 01/04/08	26.00 26.00	Zero rated Zero rated
2	<u>Plans and drawings produced in Dept. - Copies</u> Building Regulations Decision Notice: Application number provided Application number not provided Acknowledgement of Exempt Buildings	01/04/05 01/04/05 01/04/96	16.00 26.00 4.00	Inclusive Inclusive Inclusive

## SUSTAINABLE COMMUNITIES

### HELPLINE CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
<b>HELPLINE SERVICE PRIVATE AND PUBLIC SECTOR</b>					
1	<u>Purchase Costs</u> Helpline telephone Portal unit	01/02/95 01/02/95	202.10 158.63	202.10 158.63	0% 0% Inclusive Inclusive
2	<u>Monitoring Costs (per week)</u> Purchased Helpline or Portal unit Monitoring only Monitoring and Mobile Warden	01/04/08 01/04/08	1.41 4.11	1.45 4.23	3% 3% Inclusive Inclusive
3	<u>Rented Helpline (per week)</u> Monitoring only Monitoring and Mobile Warden	01/04/08 01/04/08	3.35 6.05	3.45 6.23	3% 3% Inclusive Inclusive
4	<u>Rented Portal unit (per week)</u> Monitoring only Monitoring and Mobile Warden	01/04/08 01/04/08	2.94 5.64	3.03 5.81	3% 3% Inclusive Inclusive
5	Daily call-out from the Care Centre	01/04/08	1.41	1.45	3% Inclusive
6	Responsive visit by Mobile Warden	01/04/08	10.28	10.59	3% Inclusive
7	Rental of Lifeline Fall Detector	01/04/05	0.53	0.55	3% Inclusive
8	<u>Council owned garages (48 weeks)</u> Council tenant Private tenant	01/04/06 01/04/06	6.49 7.62	6.76 7.94	4% 4% O/Scope Inclusive
9	<u>G.O.P.D Schemes - Guest bedroom charges</u> Bedroom with one single bed per night Bedroom with two single beds or a double Folding bed per night (50% discount for pensioners)	01/04/08 01/04/08 01/04/08	5.00 7.00 2.00	7.50 10.00 3.00	50% 43% 50% Inclusive

## FINANCE AND RESOURCES

### CAR PARK CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
	<b>CAR PARKS - GRANTHAM</b>		£	£	
1	SHORT STAY				
	Up to 1 hour	01/04/08	0.70	0.80	14% Inclusive
	Up to 2 hours	01/04/08	1.20	1.30	8% Inclusive
	Up to 3 hours	01/04/08	1.70	1.80	6% Inclusive
	Up to 4 hours	01/04/08	5.00	6.00	20% Inclusive
	Over 4 hours	01/04/08	7.00	8.00	14% Inclusive
2	LONG STAY				
	Up to 3 hours	01/04/08	1.50	1.60	7% Inclusive
	Up to 4 hours	01/04/08	2.00	2.10	5% Inclusive
	All Day	01/04/08	2.50	2.60	4% Inclusive
3	LONG STAY SEASON TICKETS (Monday to Friday)				
	Per Quarter	01/04/08	80.00	90.00	13% Inclusive
	Per 6 months	01/04/08	145.00	175.00	21% Inclusive
4	LONG STAY SEASON TICKETS (Monday to Saturday)				
	Per Quarter	01/04/08	95.00	110.00	16% Inclusive
	Per 6 months	01/04/08	170.00	210.00	24% Inclusive
5	EXCESS CHARGE NOTICES				
	Failure to display	01/04/08	60.00	80.00	33%
	Fine after discount for Payment in 7 Days	01/04/08	30.00	40.00	33%
	Parking for longer etc.	01/04/08	40.00	60.00	50%
	Fine after discount for Payment in 7 Days	01/04/08	20.00	30.00	50%

#### NOTES

SHORT STAY CAR PARKS  
Guildhall Street  
St Catherine's Road (Council Offices)  
Watergate  
Wharf Road (Multi-storey)

LONG STAY CAR PARKS  
Conduit Lane  
Welham Street (multi storey)

## FINANCE AND RESOURCES

### CAR PARK CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
	<b>CAR PARKS - STAMFORD</b>				
1	SHORT STAY				
	Up to 1 hour	01/04/08	0.70	0.80	14% Inclusive
	Up to 2 hours	01/04/08	1.20	1.30	8% Inclusive
	Up to 3 hours	01/04/08	1.70	1.80	6% Inclusive
	Up to 4 hours	01/04/08	5.00	6.00	20% Inclusive
	Over 4 hours	01/04/08	7.00	8.00	14% Inclusive
2	LONG STAY				
		01/04/08	1.50	1.60	7% Inclusive
	Up to 3 hours	01/04/08	2.00	2.10	5% Inclusive
	Up to 4 hours	01/04/08	2.50	2.60	4% Inclusive
	All Day				
3	COACH PARKING (ALL DAY)				
	Cattle Market	01/04/08	6.00	6.00	0% Inclusive
4	LONG STAY SEASON TICKETS (Monday to Friday)				
	Per Quarter	01/04/08	80.00	90.00	13% Inclusive
	Per 6 months	01/04/08	145.00	175.00	21% Inclusive
5	LONG STAY SEASON TICKETS (Monday to Saturday)				
	Per Quarter	01/04/08	95.00	110.00	16% Inclusive
	Per 6 months	01/04/08	170.00	210.00	24% Inclusive
6	EXCESS CHARGE NOTICES				
	Failure to display	01/04/08	60.00	80.00	33%
	Fine after discount for Payment in 7 Days	01/04/08	30.00	40.00	33%
	Parking for longer etc.	01/04/08	40.00	60.00	50%
	Fine after discount for Payment in 7 Days	01/04/08	20.00	30.00	50%

#### NOTES

##### SHORT STAY CAR PARKS

Bath Row  
North Street  
St Leonard's Street  
Scotgate

##### LONG STAY CAR PARKS

Cattle Market (and Coach Park)  
Wharf Road

## **SUSTAINABLE COMMUNITIES**

### **PLANNING CHARGES**

#### **Scale of Fees for Planning Applications (AP3) from 1 April 2005**

<b>A. OUTLINE APPLICATIONS</b> (residential, commercial and agricultural)	
1. Where the site area does not exceed 2.5 hectares.	£265 for each 0.1 hectare (or part thereof) of site area.
2. Where the site area exceeds 2.5 hectares.	£6,625 and an additional £80 for each 0.1 hectare (or part thereof) in excess of 2.5 hectares up to a maximum of £25,000.
<b>B. FULL APPLICATIONS AND RESERVED MATTERS</b>	
1. Extensions or alterations to a dwelling and works within the curtilage, eg domestic outbuildings, garages, fences, walls etc.	£135 per dwelling (where the applications relate to 2 or more dwelling houses, £265).
2. Erection of new dwellings (a) 50 or fewer (b) 51 or more	£265 for each dwelling £13,250 and an additional £80 for each dwelling in excess of 50, up to a maximum of £50,000.
3. Erection of buildings other than dwellings, glasshouses, or plant and machinery.	(a) Where no floor space is to be created, or works not creating more than 40 sq m. of additional floor space £135. (b) Works creating more than 40 sq m. but not exceeding 75 sq m. of additional floor space £265. (c) Works creating more than 75 sq m. but not exceeding 3750 sq m. of additional floor space £265 for each 75 sq m of that area (or part thereof). (d) Works creating more than 3750 sq m. of additional floor space, £13,250 and an additional £80 for each 75 sq m. (or part thereof) in excess of 3750 sq m. up to a maximum of £50,000.
4. Erection, on land for the purposes of agriculture, of buildings to be used for agricultural purposes (other than buildings in section 5 below).	(a) Where gross floor space created does not exceed 465 sq m., £50 (b) Where floor space created is between 465 sq m. and 540 sq m., £265 (c) Where floor space created is between 540 sq m. and 4215 sq m., £265 for the first 540 sq m. and an additional £265 for each 75 sq m. (or part thereof) in excess of 540 sq m. (d) Where the floor space created exceeds 4215 sq m., £13,250 and an additional £80 for each 75 sq m. (or part thereof) in excess of 4215 sq m. up to a maximum £50,000.
5. Erection of glasshouses on land used for the purposes of agriculture.	(a) Works creating floor space not exceeding 465 sq m., £50. (b) Works creating floor space exceeding 465 sq m. £1495.
6. The construction of car parks, service roads and other means of access on land used for the purpose of a single undertaking, where the development is required for a purpose incidental to the existing use of land.	£135.00
7. The erection, alteration or replacement of plant machinery.	(a) Where the site area does not exceed 5 hectares, £265 for each 0.1 hectare (or part thereof) of the site area. (b) Where the site area exceeds 5 hectares, £13,250, and an additional £80 for each 0.1 hectares (or part thereof) in excess of 5 hectares, up to a maximum of £50,000.
8. The carrying out of any operations associated with exploratory drilling for oil or natural gas.	(a) Where the site area does not exceed 7.5 hectares, £265 for each 0.1 hectare (or part thereof) of the site area. (b) Where the site area exceeds 7.5 hectares, £19,875 and an additional £80 for each 0.1 hectares (or part thereof) in excess of 7.5 hectares, up to a maximum of £50,000.

**At the time of publication it is intended, subject to Parliamentary approval, to bring in fee increases from the 1st April 2008.**

## **SUSTAINABLE COMMUNITIES**

### **PLANNING CHARGES**

#### **C. CHANGES OF USE (land and buildings)**

1. Change of use or subdivision of an existing single dwelling house.	(a) Where the change of use is to use as 50 or fewer dwelling houses, £265 for each additional dwelling. (b) Where the change of use is to use as more than 50 dwelling houses, £13,250 and an additional £80 for each dwelling house in excess of 50, up to a maximum of £50,000.
2. Change of use to one or more dwelling houses of any other building.	(a) Where the change of use is to use as 50 or fewer dwelling houses, £265 for each dwelling. (b) Where the change of use is to use as more than 50 dwelling houses, £13,250 and an additional £80 for each dwelling house in excess of 50, up to a maximum of £50,000.
3. The making of a material change in the use of a building or of land (other than a material change of use coming within any of the above categories).	£265

#### **D. CERTIFICATE OF LAWFULNESS**

1. For existing use.	Same fee as if a planning application was being submitted.
2. For proposed use.	Half the equivalent planning fee.

#### **E. OTHER OPERATIONS/APPLICATIONS**

1. For non-compliance with, or variation of conditions including retention of temporary buildings, continuation of temporary use etc.	£135.00
2. The carrying out of any other operations not coming within any of the above categories.	£135 for each 0.1 hectare (or part thereof) of the site area, up to maximum of £1,350.

#### **F. ADVERTISEMENTS**

1. Relating to a business on the premises or advance signs directing the public to a business.	£75.00
2. Other advertisements.	£265.00

#### **G. APPROVAL OF DETAILS**

1. Agricultural or forestry development.	£50.00
2. Demolition of buildings.	£50.00
3. Development by telecommunications code system operators.	£265.00

#### **H. CONCESSIONARY FEES AND EXEMPTIONS**

##### **1. NO FEE REQUIRED**

(a) Works to improve the disabled persons access to a public building or alterations to accommodate a registered disabled persons access, safety, health or comfort at that persons dwelling house.  
(b) Application requires because of the removal of permitted development rights by a condition, Article 4 direction or local development order.  
(c) Revised or fresh application for development (or advertisement) of the same character, description, site and applicant within 12 months of refusal or of the making of the earlier application if withdrawn, or within 12 months of expiry of the statutory 8 week period where the applicant has appealed to the Secretary of State on the grounds of non-determination.  
(d) Revised or fresh application for development of the same character, description, site and applicant within 12 months of receiving permission.

2. Applications by Parish Councils etc. (including advertisement applications)	Half the normal fee.
3. Alternative applications for one site	Highest of the fees applicable for each alternative and sum equal to half the rest.
4. Development crossing planning authority boundaries.	Only one fee paid to the authority having the larger site but calculated for the whole scheme to special ceiling.
5. Reserved matters where applicants earlier reserved matters applications have incurred total fees equalling that for a full application for the entire scheme.	£265.00

**This is only a summary of scales of fees, listing only the most common types of application.**

**At the time of publication it is intended, subject to Parliamentary approval, to bring in fee increases from the 1st April 2008.**

## **SUSTAINABLE COMMUNITIES**

### **PLANNING CHARGES**

	Detail	Effective Date	2008/09	VAT
	<b>£</b>			
<b>1</b>	<b>PLANNING CHARGES</b>			
1	<u>Ordnance Survey Plans</u>			
	Planning application site plans (5 no.)	01/04/08	26.00	Zero rated
	Advertisement consent site plans (4 no.)	01/04/08	26.00	Zero rated
	Listed Building consent site plans (7 no.)	01/04/08	28.00	Zero rated
	.....(9 no.)	01/04/08	32.00	Zero rated
	.....(11 no.)	01/04/08	36.00	Zero rated
2	<u>Charges in connection with land/property transactions</u>			
	Request for decision notices etc.*	01/04/01	10.00	Inclusive
	Detailed queries on consents involving search for relevant information*	01/04/08	25.00	Inclusive
	* stated charge plus relevant copying charges			
	Check involving site inspection*	01/04/01	20.00	Inclusive
	* stated charge plus mileage plus officer hourly rates			
	Weekly list of planning applications received (annual charge)	01/04/08	200.00	Inclusive

## SUSTAINABLE COMMUNITIES

### PLANNING CHARGES

	Detail	Effective Date	2008/09	VAT
			£	
<b>PLANNING CHARGES</b>				
1	<u>Plans and drawings produced in Dept. - Copies</u>			
	Planning application (form only)	01/04/08	1.00	Inclusive
	Listed Building Consent application (form only)	01/04/08	1.00	Inclusive
	Drawing submitted with applications (up to A2)	01/04/96	6.00	Inclusive
	Drawing submitted with applications (over A2)	01/04/08	12.00	Inclusive
	Planning Decision Notice (each)	01/04/96	4.00	Inclusive
	+ handling charge	01/04/08	10.00	Inclusive
	Tree Preservation Orders/Conservation areas	01/04/96	4.00	Inclusive
	Other documents per sheet (plans extra)	01/04/08	1.00	Inclusive
	South Kesteven Local Plan (collected)	01/04/96	25.00	Inclusive
	South Kesteven Local Plan (posted)	01/04/08	28.45	Inclusive
	Stamford shopfront design guide	01/03/94	2.50	Inclusive
	Grantham shopfront design guide	01/04/99	2.50	Inclusive
	South Kesteven fact file	01/04/99	30.00	Inclusive
	Review of flat conversions	01/04/95	2.00	Inclusive
	Schedule of housing commitments	01/01/01	25.00	Inclusive
2	<u>Census Data</u>			
	Standard tables (each table)	01/04/96	2.50	Inclusive
	Re-zoning of areas (each table)	01/04/96	5.00	Inclusive
3	<u>Plain paper copies</u>			
	A0	01/04/96	4.00	Inclusive
	A1	01/04/96	2.50	Inclusive
	A2	01/04/96	2.00	Inclusive
	A3	01/04/96	1.50	Inclusive
	A4	01/04/96	1.00	Inclusive

## SUSTAINABLE COMMUNITIES

### LAND CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
<b>LOCAL LAND CHARGE FEES</b>					
1	Registration of a Charge on Part II of Register	01/04/2008	67.00	73.00	9% O/Scope
2	Filing a Definitive Certificate of Lands Tribunal	03/11/03	2.50	2.50	0% O/Scope
3	Filing adjustment etc. for variation - cancellation of entry in Part II	03/11/03	7.00	7.00	0% O/Scope
4	Inspection of documents filed under Rule 10	03/11/03	2.50	2.50	0% O/Scope
5	Personal search - in whole/part of Register - each extra parcel of land	03/11/03 03/11/03	11.00 1.00	11.00 1.00	0% O/Scope
6	Official search (including issue of Certificate) - whole of register	03/11/03	6.00	6.00	0% O/Scope
7	Office copy of entry in Register	01/04/08	1.50	10.00	567% O/Scope
8	Con 29 Part I enquiries - one parcel of land - each additional parcel	01/04/08 01/04/08	67.00 10.50	73.00 11.50	9% O/Scope 10% O/Scope
9	Supplementary Part II enquiries - each printed enquiry except question 5 - Question 5 optional enquiry - Solicitor/Clients own enquiry - Question 22 common land	01/04/02 01/04/08 01/04/04 01/04/07	10.00 10.00 12.00 14.00	10.00 12.00 12.00 14.00	0% O/Scope 20% O/Scope 0% O/Scope 0% O/Scope
10	Enquiries by personal searchers (per item)	01/04/02	12.00	12.00	0% O/Scope

## SUSTAINABLE COMMUNITIES

### MARKET CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
<b>MARKETS - GRANTHAM</b>					
1	Standard Stall (3.05m x 1.22m)	01/04/08	20.50	20.50	0% Exempt
2	Pitch (3.05m x 3.05m)	01/04/08	19.00	19.00	0% Exempt
3	<u>Vehicles parked for storage</u> Cars and light vans Large vehicles	01/04/08 01/04/08	6.20 9.50	6.20 9.50	0% Exempt 0% Exempt
<b>MARKETS - STAMFORD</b>					
4	Standard Stall (3.05m x 1.22m)	01/04/08	21.50	21.50	0% Exempt
5	Pitch (3.05m x 3.05m)	01/04/08	19.50	19.50	0% Exempt
6	Craft Fair - Table	01/04/08	22.00	22.00	0% Exempt
7	Craft Fair - Stall	01/04/08	27.00	27.00	0% Exempt
8	<u>Vehicles parked for storage</u> Cars and light vans Large vehicles	01/04/08 01/04/08	6.20 9.50	6.20 9.50	0% Exempt 0% Exempt
<b>MARKETS - BOURNE</b>					
9	Standard Stall (3.05m x 1.22m)	01/04/08	16.00	16.00	0% Exempt
10	Pitch (3.05m x 3.05m)	01/04/08	15.00	15.00	0% Exempt
11	<u>Vehicles parked for storage</u> Cars and light vans Large vehicles	01/04/08 01/04/08	6.20 9.50	6.20 9.50	0% Exempt 0% Exempt
12	Hire of stall for private function	01/04/08	7.00	7.00	0% Exempt
13	<b>FOR ALL MARKETS</b> Farmers Markets - supply of stall cover in addition to standard stall charge	01/04/08	1.00	1.00	0% Exempt

## **SUSTAINABLE COMMUNITIES**

### **BUS CHARGES**

	Detail	Effective Date	2007/08	2008/09	VAT
	<b>BUS STATION - GRANTHAM</b>		£	£	
1	Per departure		0.24	0.24	0% Exempt
2	<u>Minimum Charge</u> 1-75 departures per annum		20.00	20.00	0% Exempt
	<b>BUS STATION - STAMFORD</b>				
3	Per departure		0.24	0.24	0% Exempt
4	<u>Minimum Charge</u> 1-75 departures per annum		20.00	20.00	0% Exempt
	<b>BUS STATION - BOURNE</b>				
5	Per departure		0.20	0.20	0% Exempt
6	<u>Minimum Charge</u> 1-75 departures per annum		20.00	20.00	0% Exempt

**SUSTAINABLE COMMUNITIES**

**CYCLE CENTRE CHARGES**

	Detail	Effective Date	2007/08	2008/09	VAT
	<b>PEDAL PARK ST CATHERINE'S ROAD GRANTHAM</b>		£	£	
1	<u>13 weeks charge</u>				
	Small locker	01/04/99	20.00	20.00	0% Inclusive
	Large locker	01/04/99	25.00	25.00	0% Inclusive
2	<u>26 weeks charge</u>				
	Small locker	01/04/99	35.00	35.00	0% Inclusive
	Large locker	01/04/99	44.00	44.00	0% Inclusive
3	<u>52 weeks charge</u>				
	Small locker	01/04/99	52.00	52.00	0% Inclusive
	Large locker	01/04/99	65.00	65.00	0% Inclusive
4	Deposit for entry key and locker key	01/04/99	5.00	5.00	0% Inclusive

**HEALTHY ENVIRONMENT****ART CENTRE CHARGES**

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
<b>ARTS CENTRES - GRANTHAM</b>					
1	<u>Annual membership</u>				
	Individual	01/04/08	15.00	15.00	0%
	Double	01/04/08	20.00	20.00	0%
2	<u>Theatre Hire</u>				
	Performances	01/04/08	209.10	250.00	20%
	Daytime dress rehearsals	01/04/08	151.19	155.00	3%
	Daytime rehearsals	01/04/08	102.50	105.00	2%
	Daytime setting up	01/04/08	102.50	105.00	2%
<b>ARTS CENTRES - STAMFORD</b>					
3	<u>Annual membership</u>				
	Individual	01/04/08	15.00	15.00	0%
	Double	01/04/08	20.00	20.00	0%
4	<u>Theatre Hire</u>				
	Performances	01/04/08	250.00	260.00	4%
	Dress rehearsals	01/04/08	150.00	155.00	3%
	Rehearsals	01/04/08	100.00	100.00	0%
	Setting up	01/04/08	100.00	100.00	0%
	Technical	01/04/08	100.00	100.00	0%
	Lecture/demonstrations	01/04/08	150.00	155.00	3%
	Technical surcharge per hire	01/04/07	40.00	40.00	0%

## HEALTHY ENVIRONMENT

### ART CENTRE CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
	£				
<b>1</b>	<b>ARTS CENTRES - GRANTHAM</b>				
1	<u>Casually let rooms (per hour)</u>				
	Ballroom - day rate	01/04/08	25.00	26.00	4% Exempt
	Ballroom - evening rate	01/04/08	45.00	45.00	0% Exempt
	Gallery	01/04/08	20.00	20.00	0% Exempt
	Function room - All day	01/04/08	350.00	360.00	3% Exempt
	Function room - Half day	01/04/08	175.00	180.00	3% Exempt
2	<u>Meeting rooms (per hour)</u>	01/04/08	16.50	18.50	12% Exempt
	<b>ARTS CENTRES - STAMFORD</b>				
3	<u>Casually let rooms</u>				
	Ballroom - day rate (per hour)	01/04/08	25.00	26.00	4% Exempt
	Ballroom - whole evening 6 to 11pm function	01/04/08	350.00	360.00	3% Exempt
	Ballroom - whole evening 6 to 11pm lecture	01/04/08	250.00	255.00	2% Exempt
	Function ballroom/Blue room/Anteroom - (all day)	01/04/08	650.00	670.00	3% Exempt
4	<u>Meeting rooms - per hour</u>				
	Blue Room/Rehearsal evening	01/04/08	17.50	18.00	3% Exempt
	Blue Room/Rehearsal daytime	01/04/08	14.50	15.00	3% Exempt
	Ireson Room evening	01/04/08	12.00	12.50	4% Exempt
	Ireson Room daytime	01/04/08	8.50	9.00	6% Exempt
	Additional cleaning charge for social functions	01/04/08	34.00	50.00	47% Inclusive

#### NOTES

Wedding Rate (all day) is defined as 9am - midnight  
 Day rate - 9am - 6pm  
 Evening rate - 6pm - 11pm

## HEALTHY ENVIRONMENT

	Detail	Effective Date	2007/08	2008/09	VAT	
			£	£		
1	<u>Stamford Pedestrian Precinct</u> Mobile Stall - per day	01/04/06	19.00	19.00	0%	O/Scope
2	Other than Stamford High Street:- Daily (payable monthly in advance) Per calendar month (payable in advance)	01/04/06 01/04/06	15.50 350.00	15.50 350.00	0% 0%	O/Scope O/Scope
3	<u>Garden Sacks (each)</u>	01/04/97	0.55	0.55	0%	O/Scope
4	<u>Domestic Refuse Collection</u> Bulk household items - first item - each additional item Fridge collection	01/04/03 01/04/03 01/04/03	10.00 5.00 10.00	10.00 5.00 10.00	0% 0% 0%	O/Scope O/Scope O/Scope
5	<u>Gypsy Caravan Site</u> Electricity (per unit) Double pitch (per week) Single pitch (per week)	01/04/08 01/04/08 01/04/08	0.08 22.50 19.50	0.11 25.95 22.60	38% 15% 16%	Inclusive Exempt Exempt
6	Consultancy services (hourly rate)	01/04/08	n/a	50.00		Inclusive

## HEALTHY ENVIRONMENT

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
	<b>ENQUIRIES IN CONNECTION WITH CONTAMINATED LAND</b>				
1	Enquiries	01/04/08	90.00	93.00	3% O/Scope
	<b>LICENCES</b>				
2	Small lotteries - Registration	01/09/07	35.00	40.00	14% O/Scope
3	Small lotteries - Renewal	01/09/07	17.50	20.00	14% O/Scope
4	<u>Hackney Carriage and Private Hire</u>				
	Driver's licence - annual	01/04/08	67.00	70.00	4% O/Scope
	Driver's licence - Replacement	NEW CHARGE		10.00	O/Scope
	Dual licence - supplementary charge	01/04/08	10.00	11.00	10% O/Scope
	Charge for CRB verification (if not part of licence application)	01/04/08	10.00	11.00	10% O/Scope
	Criminal Record Bureau Check	01/04/04	Reimbursement	Reimbursement	O/Scope
	Annual vehicle licence:				
	Private Hire	01/04/08	165.00	170.00	3% O/Scope
	Hackney Carriage	01/04/08	180.00	186.00	3% O/Scope
	Lost plate replacement fee	01/04/08	30.00	31.00	3% Inclusive
	Private Hire operators licence - annual	01/04/08	88.00	91.00	3% O/Scope
5	Monthly refund for unexpired months due to replacement of vehicle				
	Hackney Carriage	01/04/08	15.00	16.00	7% O/Scope
	Private Hire	01/04/08	13.75	15.00	9% O/Scope
6	One-off admin charge in respect of refund				
	Hackney Carriage	01/04/08	15.00	16.00	7% O/Scope
	Private Hire	01/04/08	13.75	15.00	9% O/Scope

## HEALTHY ENVIRONMENT

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
<b>ENVIRONMENTAL HEALTH &amp; LICENCING CHARGES</b>					
1	<u>Unsound Food</u> Voluntary Surrender Certificate	01/04/08	28.00	30.00	7% Inclusive
2	<u>Frozen Food Exports</u> Inspection and Certification Certification only	01/04/08 01/04/08	59.00 21.00	61.00 22.00	3% 5% Inclusive
3	<u>Licences</u> Animal Boarding Establishments Dog Breeding Establishments Pet Shops Riding Establishments Dangerous Wild Animals Sex Establishments	01/04/08 01/04/08 01/04/08 01/04/08 01/04/08 01/04/08	74.00 74.00 74.00 74.00 74.00 1,150.00	77.00 77.00 77.00 77.00 77.00 1,250.00	4% 4% 4% 4% 4% 9% O/Scope
4	<u>Control of dogs</u> Collecting and detaining stray dogs Kennelling charge Dog Fouling Penalty	01/04/96 01/04/08 01/04/02	25.00 11.00 50.00	25.00 12.00 50.00	0% 9% O/Scope 0% O/Scope
5	<u>Vehicle Salvage Operators</u> Application Renewal	01/04/08 01/04/08	64.00 54.00	67.00 56.00	5% 4% O/Scope
6	<u>Registration Fees</u> Acupuncture Tattooing Ear piercing Electrolysis	01/04/08 01/04/08 01/04/08 01/04/08	105.00 105.00 105.00 105.00	108.00 108.00 108.00 108.00	3% 3% 3% 3% O/Scope
7	<u>Sunday Trading Act 1994</u> Application for consent to load or unload before 9.00am	01/04/08	210.00	218.00	O/Scope

## HEALTHY ENVIRONMENT

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
<b>ENVIRONMENTAL HEALTH &amp; LICENCING CHARGES</b>					
<b>Premise Licences*</b>					
<b>New application and variation</b>					
Non-domestic RV					
0-£4300		100.00	100.00	0%	O/Scope
£4301-£33000		190.00	190.00	0%	O/Scope
£33001-£87000		315.00	315.00	0%	O/Scope
£87001-£125000		450.00	450.00	0%	O/Scope
£125001+		635.00	635.00	0%	O/Scope
<b>multipler applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises</b>					
Non-domestic RV					
0-£4300		n/a	n/a		O/Scope
£4301-£33000		n/a	n/a		O/Scope
£33001-£87000		n/a	n/a		O/Scope
£87001-£125000		900.00	900.00	0%	O/Scope
£125001+		1,905.00	1,905.00	0%	O/Scope
<b>Annual charge*</b>					
Non-domestic RV					
0-£4300		70.00	70.00	0%	O/Scope
£4301-£33000		180.00	180.00	0%	O/Scope
£33001-£87000		295.00	295.00	0%	O/Scope
£87001-£125000		320.00	320.00	0%	O/Scope
£125001+		350.00	350.00	0%	O/Scope
<b>multipler applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises</b>					
Non-domestic RV					
0-£4300		n/a	n/a		O/Scope
£4301-£33000		n/a	n/a		O/Scope
£33001-£87000		n/a	n/a		O/Scope
£87001-£125000		640.00	640.00	0%	O/Scope
£125001+		1,050.00	1,050.00	0%	O/Scope

### NOTES

Fees fixed by Government

- \* There are additional fees for premises licence applications, and the annual fee for exceptionally large scale events (5000+), unless certain conditions apply. Please refer to Regulation 4(4) and 4(5) of the Licensing Act 2003 (Fees) Regulations 2005

## HEALTHY ENVIRONMENT

### ENVIRONMENTAL HEALTH CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
	<b>POLLUTION PREVENTION AND CONTROL ACT 1999</b>		£	£	
	<b>AIR POLLUTION</b>				
	<b>FEES AND CHARGES SCHEME</b>				
1	<b>Initial application for permitting</b>	01/04/08	1,470.00	1,514.00	3% O/Scope
	<b>Where paid quarterly the total is increased by</b>	01/04/08	34.00	35.00	3% O/Scope
	<b>Additional fee for operating without a permit except:-</b>	01/04/08	1,058.00	1,090.00	3% O/Scope
	- where the process comprises one or more waste oil burning appliance under 0.4MW	01/04/08	138.00	142.00	3% O/Scope
	Additional fee for operating without a permit	01/04/08	63.00	65.00	3% O/Scope
	- where the process relates to the unloading of petrol into storage tanks at a service station	01/04/08	138.00	142.00	3% O/Scope
	Additional fee for operating without a permit	01/04/08	63.00	65.00	3% O/Scope
	- where the process relates to Dry Cleaners	01/04/08	138.00	142.00	3% O/Scope
	Additional fee for operating without a permit	01/04/08	63.00	65.00	3% O/Scope
	- mobile screening and crushing plant	01/04/08	1,470.00	1,514.00	3% O/Scope
	- for the third to seventh application	01/04/08	878.00	921.00	5% O/Scope
	- for the eighth and subsequent applications	01/04/08	445.00	549.00	23% O/Scope
2	<b>Substantial changes to authorisations (Schedule 7)</b>	01/04/08	936.00	964.00	3% O/Scope
	<b>except:-</b>				
	- where the process comprises one or more waste oil burning appliance under 0.4MW	01/04/08	91.00	94.00	3% O/Scope
	- where the charge is to implement an upgrading plan	01/04/08	135.00	141.00	4% O/Scope
	- where the process relates to the unloading of petrol into storage tanks at a service station	01/04/08	91.00	94.00	3% O/Scope
	- where the process relates to Dry Cleaners	01/04/08	91.00	94.00	3% O/Scope
	Transfer of a permit	01/04/08	150.00	155.00	3% O/Scope
	- in respect of a waste oil burner less than 0.4 MW	01/04/08	nil	nil	
	- where the process relates to Dry Cleaners	01/04/08	nil	nil	
	- where the process relates to the unloading of petrol into storage tanks at a service station	01/04/08	nil	nil	
	Partial transfer of a permit	01/04/08	444.00	457.00	3% O/Scope
	- in respect of a waste oil burner less than 0.4 MW	01/04/08	42.00	43.00	2% O/Scope
	- where the process relates to the unloading of petrol into storage tanks at a service station	01/04/08	42.00	43.00	2% O/Scope
	- where the process relates to Dry Cleaners	01/04/08	42.00	43.00	2% O/Scope
3	<b>Annual Subsistence Charge</b>				
	Standard Process LOW	01/04/08	690.00	706.00	2% O/Scope
	Standard Process MEDIUM	01/04/08	1,034.00	1,060.00	3% O/Scope
	Standard Process - HIGH	01/04/08	1,540.00	1,581.00	3% O/Scope
	<b>except:-</b>				
	oil burning appliance under 0.4MW	01/04/08	141.00	145.00	3% O/Scope
	- where the process relates to the unloading of petrol into storage tanks at a service station	01/04/08	141.00	145.00	3% O/Scope
	- where the process relates to Dry Cleaners	01/04/08	141.00	145.00	3% O/Scope
	- odourising of natural gas	01/04/08	343.00	345.00	1% O/Scope
	- mobile screening and crushing plant	01/04/08	921.00	949.00	3% O/Scope
	- for the third to seventh authorisation	01/04/08	549.00	565.00	3% O/Scope
	- for the eighth and subsequent authorisation	01/04/08	282.00	290.00	3% O/Scope
	Change due to implementation of upgrade plan	01/04/08	137.00	141.00	3% O/Scope

#### NOTES

The above fees are those set by DEFRA

## HEALTHY ENVIRONMENT

	Detail	Effective Date	2007/08	2008/09	VAT
	<b>POLLUTION PREVENTION AND CONTROL ACT 1999</b>		£	£	
	<b>AIR POLLUTION</b>				
	<b>FEES AND CHARGES SCHEME</b>				
4	<b>LA-IPPC</b>				
	Application (LA element)	01/04/08	2,995.00	3,085.00	3% O/Scope
	Additional fee for operating without a permit	01/04/08	1,058.00	1,090.00	3% O/Scope
	Annual subsistence LOW	01/04/08	1,196.00	1,232.00	3% O/Scope
	Annual subsistence MEDIUM	01/04/08	1,343.00	1,383.00	3% O/Scope
	Annual subsistence HIGH	01/04/08	1,987.00	2,047.00	3% O/Scope
	<u>except:-</u>				
	Substantial variation	01/04/08	1,218.00	1,255.00	3% O/Scope
	Transfer	01/04/08	210.00	216.00	3% O/Scope
	Partial transfer	01/04/08	621.00	640.00	3% O/Scope
	Surrender	01/04/08	621.00	640.00	3% O/Scope

### NOTES

The above fees are those currently proposed by DEFRA

## HEALTHY ENVIRONMENT

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
<b>ENVIRONMENTAL HEALTH &amp; LICENCING CHARGES</b>					
<b>Additional Fees</b>					
<b>Additional Premises Licence Fee</b>					
Number in attendance at any one time					
5000-9999			1,000.00	1,000.00	0% O/Scope
10000-14999			2,000.00	2,000.00	0% O/Scope
15000-19999			4,000.00	4,000.00	0% O/Scope
20000-29999			8,000.00	8,000.00	0% O/Scope
30000-39999			16,000.00	16,000.00	0% O/Scope
40000-49999			24,000.00	24,000.00	0% O/Scope
50000-59999			32,000.00	32,000.00	0% O/Scope
60000-69999			40,000.00	40,000.00	0% O/Scope
70000-79999			48,000.00	48,000.00	0% O/Scope
80000-89999			56,000.00	56,000.00	0% O/Scope
90000 and over			64,000.00	64,000.00	0% O/Scope
<b>Additional annual fee payable if applicable</b>					
Number in attendance at any one time					
5000-9999			500.00	500.00	0% O/Scope
10000-14999			1,000.00	1,000.00	0% O/Scope
15000-19999			2,000.00	2,000.00	0% O/Scope
20000-29999			4,000.00	4,000.00	0% O/Scope
30000-39999			8,000.00	8,000.00	0% O/Scope
40000-49999			12,000.00	12,000.00	0% O/Scope
50000-59999			16,000.00	16,000.00	0% O/Scope
60000-69999			20,000.00	20,000.00	0% O/Scope
70000-79999			24,000.00	24,000.00	0% O/Scope
80000-89999			28,000.00	28,000.00	0% O/Scope
90000 and over			32,000.00	32,000.00	0% O/Scope

### **NOTES**

Fees fixed by Government

## HEALTHY ENVIRONMENT

	Detail	2007/08	2008/09	VAT
		£	£	
<b>ENVIRONMENTAL HEALTH &amp; LICENCING CHARGES</b>				
<b>Other Fees</b>				
Application for the grant or renewal of a personal licence	37.00	37.00	0%	O/Scope
Temporary Event Licence	21.00	21.00	0%	O/Scope
Theft, loss etc of premises licence or summary	10.50	10.50	0%	O/Scope
Application for a provisional statement where premises being built etc	315.00	315.00	0%	O/Scope
Notification of change of name or address	10.50	10.50	0%	O/Scope
Application to vary licence to specify individual as premises supervisor	23.00	23.00	0%	O/Scope
Application for transfer of premises licence	23.00	23.00	0%	O/Scope
Interim authority notice following death etc of licence holder	23.00	23.00	0%	O/Scope
Theft, loss etc of certificate or summary	10.50	10.50	0%	O/Scope
Notification of change of name or alteration to club rules	10.50	10.50	0%	O/Scope
Change of relevant registered address of club	10.50	10.50	0%	O/Scope
Theft, loss etc of temporary event notice	10.50	10.50	0%	O/Scope
Theft, loss etc of personal licence	10.50	10.50	0%	O/Scope
Duty to notify change of name or address	10.50	10.50	0%	O/Scope
Right of freeholder etc to be notified of licensing matters	21.00	21.00	0%	O/Scope

### **NOTES**

Fees fixed by Government

## HEALTHY ENVIRONMENT

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
<b>ENVIRONMENTAL HEALTH &amp; LICENCING CHARGES</b>					
<b>Gambling Fees</b>					
1	<b>Bingo Premises License</b>				
	Fast Track Advance Application*	10/09/07	195.00		O/Scope
	Non - Fast Track Advance Application	10/09/07	500.00		O/Scope
	Application Fee for Provisional Status	10/09/07	500.00		O/Scope
	License for Provisional Statement Premises	10/09/07	400.00		O/Scope
	Application Fee New Premises	10/09/07	500.00		O/Scope
	Annual Fee	10/09/07	300.00		O/Scope
	Variation of Licence	10/09/07	500.00		O/Scope
	Transfer Fee	10/09/07	400.00		O/Scope
	Application For Reinstatement	10/09/07	400.00		O/Scope
2	<b>Adult Gaming Centre</b>				
	Fast Track Advance Application*	10/09/07	160.00		O/Scope
	Non - Fast Track Advance Application	10/09/07	500.00		O/Scope
	Application Fee for Provisional Status	10/09/07	400.00		O/Scope
	License for Provisional Statement Premises	10/09/07	400.00		O/Scope
	Application Fee New Premises	10/09/07	400.00		O/Scope
	Annual Fee	10/09/07	300.00		O/Scope
	Variation of Licence	10/09/07	400.00		O/Scope
	Transfer Fee	10/09/07	300.00		O/Scope
	Application For Reinstatement	10/09/07	400.00		O/Scope
3	<b>Family Entertainment Centre</b>				
	Fast Track Advance Application*	10/09/07	160.00		O/Scope
	Non - Fast Track Advance Application	10/09/07	500.00		O/Scope
	Application Fee for Provisional Status	10/09/07	400.00		O/Scope
	License for Provisional Statement Premises	10/09/07	400.00		O/Scope
	Application Fee New Premises	10/09/07	400.00		O/Scope
	Annual Fee	10/09/07	300.00		O/Scope
	Variation of Licence	10/09/07	400.00		O/Scope
	Transfer Fee	10/09/07	300.00		O/Scope
	Application For Reinstatement	10/09/07	400.00		O/Scope
4	<b>Betting Premises</b>				
	Fast Track Advance Application*	10/09/07	160.00		O/Scope
	Non - Fast Track Advance Application	10/09/07	500.00		O/Scope
	Application Fee for Provisional Status	10/09/07	400.00		O/Scope
	License for Provisional Statement Premises	10/09/07	400.00		O/Scope
	Application Fee New Premises	10/09/07	400.00		O/Scope
	Annual Fee	10/09/07	300.00		O/Scope
	Variation of Licence	10/09/07	400.00		O/Scope
	Transfer Fee	10/09/07	300.00		O/Scope
	Application For Reinstatement	10/09/07	400.00		O/Scope
5	<b>Miscellaneous</b>				
	Change of Circumstances	10/09/07	25.00		O/Scope
	Fee for copy of licence	10/09/07	15.00		O/Scope

Fast track applications only available for establishments who are able to transfer pre-legislative licenses to the new regime

Not available for new premises.

## HEALTHY ENVIRONMENT

### CORN EXCHANGE CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
<b>BOURNE CORN EXCHANGE</b>					
1	<u>Theatre Hire</u>				
	Performances	01/04/08	100.00	100.00	0%
	Dress rehearsals	01/04/08	75.00	75.00	0%
	Rehearsals	01/04/08	55.00	55.00	0%
	Set up charge (max. 8 hours)	01/04/08	55.00	60.00	9%
2	<u>Casually let rooms</u>				
	Main Hall - up to 2 hours	01/04/08	55.00	55.00	0%
	Main Hall - per hour thereafter	01/04/08	25.00	25.00	0%
	Main Hall - 6pm - Midnight	01/04/08		180.00	Exempt
	Main Hall - per hour after midnight	01/04/08	35.00	35.00	0%
	Main Hall - All day	01/04/08	350.00	360.00	3%
	Main Hall - All day + Kitchen	01/04/08	400.00	410.00	2%
	Function room - up to 2 hours	01/04/08	50.00	50.00	0%
	Function room - per hour thereafter	01/04/08	20.00	20.00	0%
	Function room - 6pm - Midnight	01/04/08		160.00	Exempt
	Function room - per hour after midnight	01/04/08	35.00	35.00	0%
	Function room - All day	01/04/08	275.00	285.00	4%
	Function room - All day + Kitchen	01/04/08	325.00	335.00	3%
	Meeting room 1 - minimum 2 hours	01/04/08	17.50	17.50	0%
	Meeting room 1 - per hour thereafter	01/04/08	6.50	6.50	0%
	Room set up charge - per hour	01/04/08	11.50	11.50	0%
	Room clear down charge - per hour	01/04/08	11.50	11.50	0%
	Kitchen (per day) maximum 12 hours	01/04/08	80.00	85.00	6%
	First Floor Lounge Bar - minimum 2 hours	01/04/08	25.00	25.00	0%
	First Floor Lounge Bar - per hour thereafter	01/04/08	8.00	12.00	50%
					Exempt

#### NOTES

All day is defined as 9am - midnight  
 Evening is defined as 6pm - midnight

**SUSTAINABLE COMMUNITIES**

**FAIR CHARGES**

	Detail	Effective Date	2007/08	2008/9	VAT
				£	
	<b>FAIR - GRANTHAM</b>				
1	Mid Lent Fair - 2008	01/03/08	9,603.72	10179.94	10% Exempt
	<b>FAIR - STAMFORD</b>				
2	Mid Lent Fair - 2008	01/03/08	13,680.98	14501.84	10% Exempt
	<b>FAIR - BOURNE</b>				
3	Charge per day	01/03/08	71.40	75.68	10% Exempt

## HEALTHY COMMUNITIES

### BOURNE LEISURE CENTRE CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
	<b><u>BOURNE LEISURE CENTRE</u></b>				
1	<u>Swimming pool</u>				
	Swimming - full rate	01/04/08	3.90	4.10	5% Inclusive
	Swimming - concession	01/04/08	2.40	2.50	4% Inclusive
	Under 5's	01/04/08	0.60	0.65	8% Inclusive
	Parent and toddler session	01/04/08	3.90	4.10	5% Inclusive
	Exclusive pool hire (per hour)	01/04/08	106.50	111.90	5% Inclusive
	LCC Schools (per individual)	01/04/08	0.50	0.55	10% Inclusive
2	<u>Main Hall (per hour)</u>				
	Sporting - full rate	01/04/08	43.25	45.45	5% Inclusive
	Commercial	01/04/08	Negotiable	Negotiable	Inclusive
	Badminton - full rate	01/04/08	10.80	11.35	5% Inclusive
	Cricket nets - full rate	01/04/08	43.25	45.45	5% Inclusive
	Table tennis - full rate per hour	01/04/08	5.20	5.45	5% Inclusive
	Trampoline - full rate per hour	01/04/08	10.80	11.35	5% Inclusive
3	<u>Fitness Room (per hour)</u>				
	Individual use - full rate	01/04/08	6.65	7.00	5% Inclusive
4	<u>Miscellaneous (per hour)</u>				
	Crèche (per child)	01/04/08	2.40	2.50	4% Inclusive
	Activity room/meeting room - full rate	01/04/08	18.50	19.45	5% Inclusive
	Spectator (per individual)	01/04/08	0.95	1.00	5% Inclusive
5	<u>Hire of equipment</u>				
	Table tennis bat/ball	01/04/08	1.70	1.80	6% Inclusive
	Badminton/tennis/squash racket	01/04/08	1.95	2.05	5% Inclusive

## HEALTHY COMMUNITIES

### BOURNE LEISURE CENTRE CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
	<b><u>BOURNE LEISURE CENTRE</u></b>				
6	<u>Outdoor pitches</u>				
	Per pitch (2 hours) - full rate	01/04/08	24.70	25.95	5% Inclusive
	Marking out	01/04/08	12.30	12.90	5% Inclusive
	Changing accommodation	01/04/08	12.30	12.90	5% Inclusive
7	<u>Membership</u>				
	Adult member	01/04/08	22.30	23.45	5% Inclusive
	Junior (U16)	01/04/08	11.15	11.70	5% Inclusive
	Club	01/04/08	44.55	46.80	5% Inclusive
	Concessionary	01/04/08	11.15	11.70	5% Inclusive
	Family membership	01/04/08	51.95	54.60	5% Inclusive
	Corporate membership	01/04/08	148.45	155.95	5% Inclusive
	<b>CONCESSIONARY RATES ARE AVAILABLE ON THESE ACTIVITIES AND ARE CHARGED AT 60% OF THE FULL PRICE LISTED.</b>				
	<b>THE LIST OF CHARGES IS NOT DEFINITIVE AND ARE NON-MEMBER RATES LOWER CHARGES ARE AVAILABLE FOR LEISURE CENTRE MEMBERS.</b>				
	<b>THE CHARGES SHOWN ARE THE MAXIMUM . THE CONTRACTOR IS NOT OBLIGED TO INCREASE THE CHARGES TO THIS LEVEL.</b>				

## HEALTHY COMMUNITIES

### DEEPINGS LEISURE CENTRE CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
<b>1</b>	<b><u>DEEPINGS LEISURE CENTRE</u></b>				
1	<u>Swimming pool</u>				
	Swimming - full rate	01/04/08	3.45	3.60	4% Inclusive
	Swimming - concession	01/04/08	2.05	2.15	5% Inclusive
	Under 5's	01/04/08	0.50	0.55	10% Inclusive
	Parent and toddler session	01/04/08	3.45	3.60	4% Inclusive
	Exclusive pool hire (per hour)	01/04/08	104.70	110.00	5% Inclusive
	LCC Schools (per individual)	01/04/08	0.50	0.55	10% Inclusive
2	<u>Main Hall (per hour)</u>				
	Sporting - full rate	01/04/08	43.85	46.05	5% Inclusive
	Commercial	01/04/08	Negotiable	Negotiable	Inclusive
	Badminton - full rate	01/04/08	10.95	11.50	5% Inclusive
	Climbing wall - full rate	01/04/08	10.95	11.50	5% Inclusive
	Roller skating - per person	01/04/08	3.30	3.45	5% Inclusive
	Cricket nets - full rate	01/04/08	43.85	46.05	5% Inclusive
	Table tennis - full rate per hour	01/04/08	5.50	5.80	5% Inclusive
	Trampoline - full rate per hour	01/04/08	10.95	11.50	5% Inclusive
3	<u>Squash Court (per 40 mins) - full rate</u>	01/04/08	7.00	7.35	5% Inclusive
4	<u>Second Hall (per hour)</u>				
	Sporting - full rate	01/04/08	21.95	23.05	5% Inclusive
	Commercial	01/04/08	Negotiable	Negotiable	Inclusive
5	<u>Fitness Room (per hour)</u>				
	Individual use - full rate	01/04/07	4.20	4.40	5% Inclusive
6	<u>Miscellaneous (per hour)</u>				
	Crèche (per child)	01/04/07	FREE	FREE	Inclusive
	Activity room/meeting room - full rate	01/04/07	12.05	12.65	5% Inclusive
	Sports bar - full rate	01/04/07	12.05	12.65	5% Inclusive
	Committee room - full rate	01/04/07	5.95	6.25	5% Inclusive
	Whole bar area - full rate	01/04/07	29.85	31.35	5% Inclusive
	Cafeteria bridge - full rate	01/04/07	12.05	12.65	5% Inclusive
	Spectator (per individual)	01/04/07	0.95	1.00	5% Inclusive

## HEALTHY COMMUNITIES

### DEEPINGS LEISURE CENTRE CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
	<b><u>DEEPINGS LEISURE CENTRE</u></b>		£	£	
7	<u>Hire of equipment</u>				
	Table tennis bat/ball	01/04/08	1.10	1.10	0% Inclusive
	Badminton/tennis/squash racket	01/04/08	1.65	1.70	3% Inclusive
8	<u>Synthetic Pitch(per hour)</u>				
	Full synthetic pitch - full rate	01/04/08	43.85	44.45	1% Inclusive
	Six-a-side - full rate	01/04/08	14.65	14.85	1% Inclusive
	Floodlights (full pitch) - full rate	01/04/08	16.45	16.65	1% Inclusive
	Floodlights (six-a-side) - full rate	01/04/08	5.50	5.55	1% Inclusive
9	<u>Outdoor Facilities (per hour)</u>				
	Floodlights - full rate	01/04/08	6.55	6.60	1% Inclusive
	Tennis court - full rate	01/04/08	10.95	11.10	1% Inclusive
	Netball - full rate	01/04/08	16.45	16.65	1% Inclusive
10	<u>Outdoor pitches</u>				
	Per pitch (2 hours) - full rate	01/04/08	27.55	27.90	1% Inclusive
	Marking out	01/04/08	13.80	13.95	1% Inclusive
	Changing accommodation	01/04/08	13.80	13.95	1% Inclusive
	<b>CONCESSIONARY RATES ARE AVAILABLE ON THESE ACTIVITIES AND ARE CHARGED AT 60% OF THE FULL PRICE LISTED</b>				

## HEALTHY COMMUNITIES

### MERES LEISURE CENTRE CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
	<b><u>THE GRANTHAM MERES LEISURE CENTRE</u></b>				
1	<u>Swimming pool</u>				
	Swimming - full rate	01/04/08	3.90	4.10	5% Inclusive
	Swimming - concession	01/04/08	2.40	2.50	4% Inclusive
	Under 5's	01/04/08	0.60	0.65	8% Inclusive
	Parent and toddler session	01/04/08	3.90	4.10	5% Inclusive
	Exclusive pool hire (per hour)	01/04/08	111.15	116.80	5% Inclusive
	LCC Schools (per individual)	01/04/08	0.50	0.55	10% Inclusive
2	<u>Main Hall (per hour)</u>				
	Sporting - full rate	01/04/08	64.80	68.10	5% Inclusive
	Commercial	01/04/08	Negotiable	Negotiable	Inclusive
	Badminton - full rate	01/04/08	10.80	11.35	5% Inclusive
	Climbing wall - full rate	01/04/08	7.00	7.35	5% Inclusive
	Table Tennis Centre Hall	01/04/08	43.25	45.45	5% Inclusive
	Table tennis - full rate per hour	01/04/08	5.20	5.45	5% Inclusive
	Trampoline - full rate per hour	01/04/08	10.80	11.35	5% Inclusive
3	<u>Second Hall (per hour)</u>				
	Sporting - full rate	01/04/08	27.80	29.20	5% Inclusive
	Commercial	01/04/08	Negotiable	Negotiable	Inclusive
4	<u>Fitness Room (per hour)</u>				
	Individual use - full rate	01/04/08	6.65	7.00	5% Inclusive
5	<u>Miscellaneous (per hour)</u>				
	Crèche (per child)	01/04/08	2.40	2.50	4% Inclusive
	Activity room/meeting room - full rate	01/04/08	13.10	13.75	5% Inclusive
	Sports bar - full rate	01/04/08	23.20	24.35	5% Inclusive
	Function room - full rate	01/04/08	13.10	13.75	5% Inclusive
	Spectator (per individual)	01/04/08	0.95	1.00	5% Inclusive
6	<u>Hire of equipment</u>				
	Table tennis bat/ball	01/04/08	1.70	1.80	6% Inclusive
	Badminton/tennis/squash racket	01/04/08	1.95	2.05	5% Inclusive

## HEALTHY COMMUNITIES

### MERES LEISURE CENTRE CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
	<b><u>THE GRANTHAM MERES LEISURE CENTRE</u></b>		£	£	
7	<u>Synthetic Pitch(per hour)</u>				
	Full synthetic pitch - full rate	01/04/08	42.20	44.35	5% Inclusive
	Six-a-side - full rate	01/04/08	14.05	14.75	5% Inclusive
	Floodlights (full pitch) - full rate	01/04/08	15.80	16.60	5% Inclusive
	Floodlights (six-a-side) - full rate	01/04/08	5.30	5.50	4% Inclusive
8	<u>Outdoor Facilities (per hour)</u>				
	Floodlights - full rate	01/04/08	6.35	6.65	5% Inclusive
	Tennis court - full rate	01/04/08	10.55	11.10	5% Inclusive
	Netball - full rate	01/04/08	15.80	16.60	5% Inclusive
9	<u>Membership</u>				
	Adult member	01/04/08	22.30	23.45	5% Inclusive
	Junior (U16)	01/04/08	11.15	11.70	5% Inclusive
	Club	01/04/08	44.55	46.80	5% Inclusive
	Concessionary	01/04/08	11.15	11.70	5% Inclusive
	Family membership	01/04/08	51.95	54.60	5% Inclusive
	Corporate membership	01/04/08	148.45	155.95	5% Inclusive
	<b>CONCESSIONARY RATES ARE AVAILABLE ON THESE ACTIVITIES AND ARE CHARGED AT 60% OF THE FULL PRICE LISTED.</b>				
	<b>THE LIST OF CHARGES IS NOT DEFINITIVE AND ARE NON-MEMBER RATES LOWER CHARGES ARE AVAILABLE FOR LEISURE CENTRE MEMBERS.</b>				
	<b>THE CHARGES SHOWN ARE THE MAXIMUM . THE CONTRACTOR IS NOT OBLIGED TO INCREASE THE CHARGES TO THIS LEVEL.</b>				

## **HEALTHY COMMUNITIES**

### **STAMFORD LEISURE CENTRE CHARGES**

	Detail	Effective Date	2007/08	2008/09	VAT
	<b><u>STAMFORD LEISURE CENTRE</u></b>		£	£	
1	<b>Swimming pool</b>				
	Swimming - full rate	01/04/08	3.90	4.10	5% Inclusive
	Swimming - concession	01/04/08	2.40	2.50	4% Inclusive
	Under 5's	01/04/08	0.60	0.65	8% Inclusive
	Parent and toddler session	01/04/08	3.90	4.10	5% Inclusive
	Exclusive pool hire (per hour)	01/04/08	106.50	111.90	5% Inclusive
	LCC Schools (per individual)	01/04/08	0.50	0.55	10% Inclusive
	Spectator (per individual)	01/04/08	0.95	1.00	5% Inclusive
2	<b>Membership</b>				
	Adult member	01/04/08	22.30	23.45	5% Inclusive
	Junior (U16)	01/04/08	11.15	11.70	5% Inclusive
	Club	01/04/08	44.55	46.80	5% Inclusive
	Concessionary	01/04/08	11.15	11.70	5% Inclusive
	Family membership	01/04/08	51.95	54.60	5% Inclusive
	Corporate membership	01/04/08	148.45	155.95	5% Inclusive
	<b>CONCESSIONARY RATES ARE AVAILABLE ON THESE ACTIVITIES AND ARE CHARGED AT 60% OF THE FULL PRICE LISTED.</b>				
	<b>THE LIST OF CHARGES IS NOT DEFINITIVE AND ARE NON-MEMBER RATES LOWER CHARGES ARE AVAILABLE FOR LEISURE CENTRE MEMBERS.</b>				
	<b>THE CHARGES SHOWN ARE THE MAXIMUM . THE CONTRACTOR IS NOT OBLIGED TO INCREASE THE CHARGES TO THIS LEVEL.</b>				

**HEALTHY COMMUNITIES**  
**SPORTS STADIUM CHARGES**

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
	<b>SOUTH KESTEVEN SPORTS STADIUM</b>				
1	<u>Track Hire</u>				
	Adult	01/04/08	38.25	40.20	5% Inclusive
	Concession	01/04/08	23.35	24.55	5% Inclusive
	Floodlights	01/04/08	26.60	27.95	5% Inclusive
	Commercial	01/04/08	Negotiable	Negotiable	Inclusive
	Non sporting/non commercial	01/04/08	41.55	43.65	5% Inclusive
2	<u>Individual use (per hour)</u>				
	Adult	01/04/08	3.40	3.55	4% Inclusive
	Concession	01/04/08	2.05	2.15	5% Inclusive
	Spectator (per individual)	01/04/08	0.95	1.00	5% Inclusive
	Hire of equipment (per booking)	01/04/08	18.30	19.25	5% Inclusive
	Setting up time - by SKDC	01/04/08	18.30	19.25	5% Inclusive
3	<u>Football pitch hire</u>				
	Pitch hire (up to 2 hours):				
	Adult	01/04/08	96.55	101.45	5% Inclusive
	Concession	01/04/08	57.90	60.85	5% Inclusive
	Floodlights (per match)	01/04/08	53.30	56.00	5% Inclusive
	Commercial (per hour)	01/04/08	Negotiable		Inclusive
4	<u>Individual room hire (per hour)</u>				
	P.A. room	01/04/08	12.05	12.65	5% Inclusive
	Fitness room	01/04/08	12.05	12.65	5% Inclusive
	Committee room	01/04/08	12.05	12.65	5% Inclusive
	<b>THE CHARGES SHOWN ARE THE MAXIMUM . THE CONTRACTOR IS NOT OBLIGED TO INCREASE THE CHARGES TO THIS LEVEL.</b>				

## SPECIAL EXPENSE AREA

### CEMETERY CHARGES

	Detail	Effective Date	2007/08	2008/09	VAT
			£	£	
1	<b>GRANTHAM CEMETERY</b> <b>TRADITIONAL BURIAL GROUND</b> Exclusive Right of Burial (Not exceeding 50 years) Standard grave space	01/04/08	390.00	405.00	4% O/Scope
2	<u>Interment</u> Person aged 16 years or over - single depth Person aged 16 years or over - double depth Child stillborn or below 16 years Each additional coffin space	01/04/08 01/04/08 01/04/05 01/04/05	400.00 445.00 190.00 150.00	415.00 460.00 190.00 150.00	4% O/Scope 3% O/Scope 0% O/Scope 0% O/Scope
3	<u>Erection of Memorials</u> Headstone (not exceeding 3 feet in height) Headstone (each additional 6 inches) Metal faced tablet Additional inscription	01/04/08 01/04/08 01/04/08 01/04/08	95.00 95.00 65.00 35.00	100.00 100.00 70.00 40.00	5% O/Scope 5% O/Scope 8% O/Scope 14% O/Scope
4	<b>WOODLAND BURIAL GROUND</b> All inclusive charge covering standard grave space, single depth interment, tree and plaque	01/04/08	920.00	950.00	3% O/Scope

## SPECIAL EXPENSE AREA

### OUTDOOR RECREATION AREAS

	Detail	Effective Date	2007/08	2008/09	VAT
	<b>OUTDOOR RECREATION</b>		£	£	
1	<u>Pitches - Football/Rugby/Cricket</u> Senior pitch letting (2 hrs) and marking out: Full rate Concession (under 16's, OAP's, students in full time education)	01/04/08	34.00	35.00	3% Inclusive
2	Junior pitch (ages 11-16) letting (2 hrs) and marking out: Full rate (price reduced as an incentive to usage)	01/04/08	15.00	15.50	3% Inclusive
3	Mini pitch letting (ages 8-11) (1 hr) and marking out: Full rate	01/04/08	5.00	5.10	2% Inclusive
4	<u>Changing accommodation</u> Full rate Concession	01/04/08	11.13	11.50	3% Inclusive
5	<u>Putting</u> Per person per round	01/04/08	1.05	1.10	5% Inclusive
6	<u>Tennis Court</u> Per Grass Court/Per Hour Concession Hard Courts	01/04/08	5.70	5.90	4% Inclusive
7	<u>Cricket</u> Per Match	01/04/08	34.00	35.00	3% Inclusive

#### NOTES

##### Grantham

Dysart Park - tennis

Harrowby Lane - football

Wyndham Park - tennis

##### Stamford

Empingham Road - football, rugby, cricket

Recreation Ground - putting, tennis

Uffington Road - football, cricket

##### Bourne

Recreation Road - football

## **CUSTOMER SERVICE PRIORITY ACTION PLAN (v8.0)**

<b>PRIORITY PLAN</b>	<b>Customer Service</b>			
<b>PRIORITY CATEGORY</b>	Category A			
<b>PRIORITY PORTFOLIO HOLDER</b>	Councillor Ray Auger (Access and Engagement)			
<b>PRIORITY LEAD OFFICER</b>	Corporate Head of Corporate and Customer Services, but requires corporate ownership.			
<b>PRIORITY PROJECT TEAM</b>				
The priority will be led by a Project Board of senior officers and members. The project structure will comprise a number of small teams that focus on specific work streams, composed of service specialists, process specialists, partners and other stakeholders.				
<b>PRIORITY SCOPE &amp; DEFINITION</b>	'Our aim is to give our customers brilliant service.' In order to achieve this, we will transform our organisation, such that we better understand customer needs, design services around those needs, offer choice in how such services are delivered and seek to consistently improve customer satisfaction. This will be sustained through ensuring that customer focus becomes the driving purpose of every one of our people.			
<b>CONTEXT</b>	Improvements in customer service are being driven by increasing customer expectations and a need to focus scarce resources on the things that matter.			
<b>LINKS TO OTHER STRATEGIES</b>	Corporate Plan; Corporate Improvement Plan; Lincolnshire Shared Services Partnership; Local Area Agreement; ICT Strategy; People Strategy; Medium Term Financial Strategy; Asset Management Plan; Value for Money Strategy; and Communications Strategy.			
<b>OUTCOMES</b>	<b>TARGETS</b>	<b>Assessment</b>		
Customer needs are understood and placed at the heart of everything we do.	We have a process where customer knowledge is used to inform service design (by June 2008). We have achieved the Cabinet Office Standard (by March 2010).	The process is established.  External assessment.		
Efficient services that satisfy customer needs.	80% of our customers are satisfied with the services we provide and rate them as offering value for money (ongoing).	Annual resident survey.		
Improved customer choice over access to services.	We have rolled out 3 new online services (by March 2009). Online transactions are increasing by 100% year on year (ongoing). 80% of our customers are satisfied with choice of access (ongoing). We have opened a joint community facility (by March 2008).	Website functionality audit.  Transaction volumes.  Annual resident survey.  Bourne or Stamford site is operational.		
Services delivered to the standards that customer expect.	We have implemented new standards (by July 2008). Customer expectations are increasing (ongoing).	Performance framework is in place.  Annual resident survey.		

<b>MEASURES OF SUCCESS/KEY ACTIONS</b>	<b>MEASURES OF SUCCESS</b>	<b>KEY ACTIONS</b>		
	<b>Customer Knowledge</b> 80% of our customers believe we recognise them as individuals and understand their needs and expectations.	Agree shared definitions of customers and profiles (May 2008). Establish integrated approach to customer knowledge (July 2008). Establish level of customer expectations (July 2008).		
	<b>Customer Experience</b> 80% of our customers believe we have designed services around their needs and which offer value for money.	Link customer knowledge into service design (June 2008). Complete systems thinking pilot (March 2008). Identify further priority services and rollout (June 2008).		
	<b>Customer Access</b> 80% of our customers believe we offer them a good level of access through personal, telephone, online and community channels.	Establish at least one partnership community facility (March 2009). Improve online transactional functionality (March 2009). Implement self-service customer migration campaign (April 2009).		
	<b>Customer Satisfaction</b> 80% of our customers are satisfied with the services we provide and believe we are improving services on an ongoing basis.	Create an appropriate performance framework (April 2008). Monitor performance and publicise results (Ongoing). Use performance framework to improve services (Ongoing).		
	<b>Customer Culture</b> 80% of customers believe we have a customer service culture across the organisation, which is recognised by external assessment.	Complete Stage 2 of 'Brilliance (March 2008). Develop ongoing customer service training programme (June 2008). Achieve Cabinet Office Standard for customer service (March 2010).		
<b>CAPITAL &amp; REVENUE REQUIREMENTS (3 YEARS)</b>		<b>YEAR 1 £k</b>	<b>YEAR 2 £k</b>	<b>YEAR 3 £k</b>
<b>Capital</b>				
<b>Revenue</b>		193	209	222
<b>PEOPLE RESOURCE IMPLICATIONS</b>	This priority has significant people resource implications. It will require changes to culture, structures, recruitment, retention, performance, rewards and skills.			
<b>ICT RESOURCE IMPLICATIONS</b>	Success depends on how we harness people and technology. We will improve data management, further integrate CRM with legacy systems, develop CRM, develop self-service technology and improve our performance management systems.			
<b>RISK ASSESSMENT</b>	A number of factors may constrain our ability to deliver. <ul style="list-style-type: none"> <li>• Financial resources allocated to other priorities.</li> <li>• Lack of common purpose across partners.</li> </ul>			

	<ul style="list-style-type: none"> <li>• Inability to recruit, retain and develop brilliant people.</li> <li>• Legal and regulatory constraints.</li> <li>• Customer culture is not embedded.</li> <li>• Managing customer expectations.</li> </ul>
<b>KEY COMPONENTS OF COMMUNICATION</b>	<p>External:</p> <ul style="list-style-type: none"> <li>• Expectation management.</li> <li>• Setting and managing expectations.</li> <li>• Key media: SKToday, Corporate Plan, Internet, Press.</li> </ul> <p>Internal:</p> <ul style="list-style-type: none"> <li>• Cultural and behavioural.</li> <li>• Communicating change, delivery and performance.</li> <li>• Key media: SKOOP, Core Brief, Intranet.</li> </ul>
<b>PROPOSED DELIVERY METHODS</b>	This priority can only be delivered by means of a structured approach that includes all stakeholders. It will require the establishment of a programme team and the provision of sufficient resources to implement the changes necessary.
<b>EQUALITY ASSESSMENT</b>	A priority that places the needs of our customers at its core is the strongest possible symbol of our intent to create an approach to service that is inclusive of all our customers.
<b>RELATED PROJECTS</b>	Brilliance; LSSP Customer Services workstream; Customer Service Centre Project; Website Review; and Corporate Improvement Plan.
<b>RELATED PRIORITIES</b>	Use of Resources and Communications.

## PRIORITY ACTION PLAN

<b>PRIORITY</b>	Recycling			
<b>PRIORITY CATEGORY</b>	Category A			
<b>PRIORITY PORTFOLIO HOLDER</b>	Healthy Environment lead with essential contributions across all service areas			
<b>PRIORITY LEAD OFFICER</b>	Corporate Head of Healthy Environment but requires corporate ownership from whole management board as it is a cross cutting priority			
<b>PRIORITY PROJECT TEAM</b>				
The priority project team will be drawn from representatives of the following groups, taking account of the cross cutting and corporate nature of the priority:				
<ul style="list-style-type: none"> <li>o Strategic Management Team</li> <li>o Operational Management Team</li> <li>o Assets and Facilities</li> <li>o Street Scene</li> <li>o Communications</li> <li>o Accountancy</li> </ul>				
<b>PRIORITY SCOPE &amp; DEFINITION</b>	The main feature of this priority is the achievement Council's ambitious aim to recycle 60% of household waste by 2011 together with the recycling of waste arising directly from Council operations/activities and trade waste recycling.			
<b>CONTEXT</b>	The Government set out how it intends to deal with waste in the Waste Strategy 2007 which includes targets to increase recycling and composting and divert more biodegradeable waste from biodegradable waste from landfill.			
<b>LINKS TO OTHER STRATEGIES</b>	Lincolnshire Waste Partnership – Municipal Waste Management Strategy Corporate Plan Sustainable Waste Strategy Waste Minimisation Strategy Medium Term Financial Strategy Asset Management Plan Capital Strategy ICT Strategy Human Resources (People) Strategy			
<b>OUTCOMES</b>	<b>TARGETS</b>	<b><i>Point of assessment /assessment measure</i></b>		
Reduction in weight of household waste deposited in landfill per head	Total residual waste sent to landfill per head of population 2007/08 – 208 Kg  2009/10 – 190Kg	Annual assessment using waste data flow information system – Management Board performance monitoring. (Target based on 1.7% waste growth)		

## PRIORITY ACTION PLAN

	20010/11 – 164 Kg	
Increase in percentage of combined recycling/composting rate of household waste	2007/8 - 50% 2009/10 - 55% 2010/11 – 60%	Annual assessment using waste data flow information system Management Board performance monitoring
Provision of on-street recycling facilities at appropriate locations	Assess the feasibility of providing on-street recycling facilities by September 2008 and if successful identify suitable locations across the district for extended provision early 2009/10	Project governance arrangements - final report to Management Board
Provision of adequate trade waste recycling facilities within the district	Assessment of the scope and capacity of trade waste recycling services across the district together with costed options to fill any substantial gaps by September 2008	Priority Project governance arrangements – final report to Management Board
Recycling of waste arising directly from Council activities	50% of waste arising from Council activities recycled by March 2008  80% of office waste arising from Council activities recycled by March 2009	Performance management framework
Zero waste communities	At least 1 village/community actively working towards zero residual waste by March 2011	Priority plan monitoring
<b>MEASURES OF SUCCESS/KEY ACTIONS</b>	Increase in percentage of combined recycling/composting rate of household waste	Extension of separate garden waste collection service across the district  Analysis of waste data to identify areas of low participation  Increasing awareness of recycling benefits/ opportunities in poorer performing areas, schools and community groups  Evaluation of "pay as you throw"

## PRIORITY ACTION PLAN

		pilot schemes  Development of a sustainable incentivisation scheme for households who demonstrate consistently high levels of recycling/low levels of waste arisings/head  Support the development of "zero waste" communities	
	Zero growth in waste arisings/head	Provision of advice on ways to re-use and recycle Partnership working with Lincs WMP	
	Completion and evaluation of a robust Pilot project incorporating the DEFRA guidance "Recycle on the go" by September 2008	Completed feasibility study, with identified revenue/capital implications for inclusion in 2009/10 budget	
	Introduction of recycling system for all Council buildings , including leisure centres by July 2008	Launch of recycling facilities and guidance to staff.  Usage monitoring	
<b>CAPITAL &amp; REVENUE REQUIREMENTS (3 YEARS)</b>	<b>2008/9 £ 172k</b>  Capital – 50K (additional green waste bins) Revenue – 70K (net of one-off income)	<b>2009/10 £307k</b>  Capital – 260k for two 32 tonne vehicles Rev £ 47K for extended green waste crew	<b>2010/11 £3,000k</b>  Capital Vehicle replacement programme £3million (currently not included in capital programme as this is subject to financial evaluation of options)
<b>PEOPLE RESOURCE IMPLICATIONS</b>	<ul style="list-style-type: none"> <li>o Key skills required for public communications, design and marketing of services</li> <li>o Training for operational staff involved in changes to service delivery</li> </ul>		
<b>ICT RESOURCE IMPLICATIONS</b>	<ul style="list-style-type: none"> <li>o Ensure that good quality , up to date information available on web site promoting key messages</li> </ul>		
<b>RISK ASSESSMENT</b>	<ul style="list-style-type: none"> <li>o Web site management arrangements</li> <li>o Competing education/promotional priorities for staff time</li> </ul>		

## PRIORITY ACTION PLAN

	<ul style="list-style-type: none"> <li>○ and revenue resources</li> <li>○ Review of fleet management strategy</li> </ul>
<b>KEY COMPONENTS OF COMMUNICATION</b>	<ul style="list-style-type: none"> <li>○ All communications to be coordinated through PR team</li> <li>○ Ensure that good quality , up to date information available on web site promoting key messages</li> <li>○ Proactive promotion of success ( internal and external) to ensure subject retains high public profile</li> </ul>
<b>PROPOSED DELIVERY METHODS</b>	<ul style="list-style-type: none"> <li>○ Through staff already engaged on waste strategy, education, enforcement</li> <li>○ Waste collection and street cleaning operations</li> <li>○ Assets and facilities team</li> </ul>
<b>EQUALITY ASSESSMENT</b>	<ul style="list-style-type: none"> <li>○ Equality impact assess – priority plan and action plan</li> <li>○ Equality impact assess – service and financial plans</li> </ul>
<b>RELATED PROJECTS</b>	<ul style="list-style-type: none"> <li>○</li> </ul>
<b>RELATED PRIORITIES</b>	<ul style="list-style-type: none"> <li>○ Climate Change</li> <li>○ Communications</li> <li>○ Use of Resources</li> </ul>

## PRIORITY ACTION PLAN

<b>PRIORITY</b>	<b>Grantham Growth Point</b>
<b>PRIORITY CATEGORY</b>	A
<b>PRIORITY PORTFOLIO HOLDER</b>	Cllr Frances Cartwright Cllr Paul Carpenter Cllr Maureen Spencer-Gregson
<b>PRIORITY LEAD OFFICER</b>	Teena Twelves
<b>PRIORITY PROJECT TEAM</b>	
Grantham Growth Point Strategic Board: Responsibility to oversee the overall strategic direction of the Grantham Growth Point programme.	
<p>South Kesteven DC, (voting member)            Lincolnshire County Council, (voting member)            Government Office for East Midlands,            English Partnerships,            East Midlands Development Agency,            British Waterways Board,            Housing Corporation</p>	
Grantham Growth Point Core Commissioning Group: Responsibility for the delivery of the programme and co-ordination of the individual project groups.	
<p>Officer representation from South Kesteven DC,            Officer representation from Lincolnshire County Council</p>	
South Kesteven District Council Internal Project Group: Ensuring all areas of the Council are fully informed about the Growth Point project. Will be made up of lead officers from the individual project groups, but will also act as an open forum for all service managers.	
<p>All SKDC services (in terms of future service provision)            All LCC services ( in terms of future service provision)</p>	
<b>PRIORITY SCOPE &amp; DEFINITION</b>	<p><b>Delivery of the GNGP Programme of Development (POD), including:</b></p> <p>Developing key development sites in the town to include</p> <ul style="list-style-type: none"> <li>- North West Quadrant ("Poplar Farm")</li> <li>- Southern Quadrant and southern relief road</li> <li>- Town centre sites (including the Canal Basin)</li> </ul> <p>Promoting local transport links including integrated green pathways; improving local services providing new community facilities in development areas ; improving the town centre's leisure, culture and retail offer; diversifying its employment base and attracting higher value, higher paid employment; and retaining the younger skilled residents</p>
<b>CONTEXT</b>	<p>The development of Grantham needs to be seen within the context of the Sustainable Communities Plan and the central government agenda of maximizing housing growth.</p> <p>The Housing Green Paper has set out the role of new growth points in meeting these growth targets. Complementary</p>

## PRIORITY ACTION PLAN

	<p>papers including the eco-towns prospectus have provided principles of sustainable development which must be included within the growth plans. This also achieves the Council's ambition for Grantham as a sub-regional centre (RSS).</p> <p>At a local level, the development of the Grantham Growth Point bid will be within the context of the "Green Triangle" of co-operation between Grantham, Newark and Lincoln.</p>	
<b>LINKS TO OTHER STRATEGIES</b>	<p>Local Development Framework  Economic Development Strategy 2003-2008 (to be updated)  Housing Strategy (to be updated)  LSP Community Plan  Local Area Agreement (Block 4)  LCC Economic Development Strategy  Lincolnshire Enterprise draft investment strategy  Grantham Town Centre issues and options document  Canal Basin Baseline Report and Preferred Options  Draft Grantham Transport Strategy (to be endorsed)  County education strategy  Health strategies  Police service strategies  Fire and rescue service strategies</p>	
<b>OUTCOMES</b>	<b>TARGETS</b>	<b><i>Point of assessment /assessment measure</i></b>
Governance structures agreed	By February 2008	Governance structures agreed by Strategic Board February 2008
Project Initiation Documents agreed for each workstream	By March 2008	Strategic Board meeting March 2008
Gap funding requirement identified	By March 2008	Strategic Board meeting March 2008
Business inclusion strategy agreed	By March 2008	Strategic Board meeting March 2008
Key site Supplementary Planning Documents agreed	By October 2009	Cabinet meeting October 2009
<b>MEASURES OF SUCCESS/KEY ACTIONS</b>	South Quadrant planning framework in place	Consultants engaged and Masterplan produced by 1 September 2008 SPD adopted by 31 March 2009
	South Quadrant planning application submitted	PA submitted by 30 June 2009
	North West Quadrant – negotiations with Network Rail concluded	30 September 2008 – agreement on ransom position secured
	North West Quadrant planning framework in	Consultants engaged and Masterplan produced by 30

## PRIORITY ACTION PLAN

	place	September 2008 SPD adopted by 31 December 2008	
	North West Quadrant planning application submitted	PA submitted by 30 September 2008	
	North West Quadrant planning application determined	31 March 2009	
	Town Centre planning framework in place	Approved by 31 December 2008 for all key sites	
	Town centre sites change ownership (Greyfriars)	Work in progress to acquire site(s) by 31 March 2009	
	Canal Basin masterplan produced	Report approved by 30 June 2008.	
	Relocation of existing businesses and Council depots	Proposals agreed and work in progress by March 2009	
	Tariff (roof tax) approach agreed for urban extension sites	Visit to Milton Keynes/Upton November 2007	
	Community Infrastructure Fund bid if required	Deadline to be confirmed by government	
	Affordable Housing partner selection	Summer 2008	
	Grantham Area Action Plan adopted	Late summer 2009 (subject to GOEM approval)	
<b>CAPITAL &amp; REVENUE REQUIREMENTS (3 YEARS)</b>	<b>YEAR 1 £k 2008/9</b>	<b>YEAR 2 £k 2009/10</b>	<b>YEAR 3 £k 2010/11</b>
	<b>Capital</b> Town Centre Provision £750k subject to evaluation through Capital Scoring	<b>Revenue</b> External legal advisors £50k (subject to growth point allocation)	<b>Revenue</b> External legal advisors £50k (subject to growth point allocation)
	Design and feasibility £100,000 (Subject to confirmation of allocation of growth Point funding)	<b>Capital</b> Town Centre Provision £750k subject to evaluation through Capital Scoring	<b>Capital</b> Strategic Land Acquisitions £750k subject to evaluation through Capital Scoring
		Design & feasibility work £100,000 (Subject to confirmation of allocation of growth Point funding)	

## PRIORITY ACTION PLAN

<b>PEOPLE RESOURCE IMPLICATIONS</b>	Grantham Growth point team through secondments and restructuring of existing posts Additions to Planning Policy team – LDF/planning Legal team – s106/tariff Finance team – S106/tariff Finance team – overall financial appraisal Assets and Facilities – depot relocation Waste and Amenities – depot relocation Business Support unit – administrative support ED team – business relocation Development control/building control teams – new housebuilding Communications – PR and marketing Housing solutions – housing allocation
<b>ICT RESOURCE IMPLICATIONS</b>	Maintenance of website Online consultation events Planning portal site
<b>RISK ASSESSMENT</b>	DCLG funding level RSS delays and impact upon LDF Failure to attract internal resource – planning professionals Housing market slump Railtrack issues Ransom strips CPO process Water infrastructure Judicial challenge – e.g. on CPO, on road building Tariff negotiations Land acquisition Introduction of planning gain supplement Community backlash – anti-growth campaign Poor media relations Worsening congestion Failure to attract business Change of political priorities/party in control Economic downturn
<b>KEY COMPONENTS OF COMMUNICATION</b>	Media – internal and external Website Local Area Forums Business sector communication strategy
<b>PROPOSED DELIVERY METHODS</b>	<b>Strategic Board</b> <b>Core Commissioning Group</b> <b>Project Groups:</b> South Quadrant North West Quadrant Town Centre and Canal Basin

## PRIORITY ACTION PLAN

	<p><b>Workstreams</b></p> <p>Communications Finance Sustainability (eco – dev) Transport Utilities Governance Affordable Housing Tariff Approach Open space and green infrastructure</p>
<b>EQUALITY ASSESSMENT</b>	Should bring benefits to whole of community, but will need to ensure that all groups are included in consultation and are assisted to have their points of view heard. Will bring benefits to rural hinterland.
<b>RELATED PROJECTS</b>	<p>LDF ED Strategy update Housing Strategy update LAA Community Strategy Delivery of Grantham Transport Strategy</p>
<b>RELATED PRIORITIES</b>	<p>Use of resources Better local neighbourhoods Communications Town centres (Bourne and Grantham)</p>

## PRIORITY ACTION PLAN

<b>PRIORITY</b>	Use of Resources
<b>PRIORITY CATEGORY</b>	Category A
<b>PRIORITY PORTFOLIO HOLDER</b>	Finance and Assets lead but requires corporate ownership from whole cabinet as it is a cross cutting priority
<b>PRIORITY LEAD OFFICER</b>	Corporate Head of Finance & Resources but requires corporate ownership from whole management board as it is a cross cutting priority
<b>PRIORITY PROJECT TEAM</b>	
<p>The priority project team will be drawn from representatives of the following groups, taking account of the cross cutting and corporate nature of the priority:</p> <ul style="list-style-type: none"> <li>○ Strategic Management Team</li> <li>○ Operational Management Team</li> <li>○ Finance and Resources Management Team</li> <li>○ Partnerships and Organisational Improvement</li> </ul>	
<b>PRIORITY SCOPE &amp; DEFINITION</b>	Brilliant management of what we have and own achieved by a Corporate Improvement programme to aim to achieve level 4 Phase 1 – to achieve level 3 at 2007/8 assessment in September 2008 (published in Jan 2009) Phase 2 – to achieve level 4 at 2008/9 assessment in September 2009 (published in Jan 2010)
<b>CONTEXT</b>	<p>Annual Use of Resources Assessment by Audit Commission</p> <p>5 Themes scored individual and overall on basis of 1 to 4 (1 being inadequate and 4 being Excellent/Beacon standard)</p> <p>Theme 1 – Financial Reporting Theme 2 – Financial Standing Theme 3 – Financial Management Theme 4 – Internal Control Theme 5 – Value for Money</p> <p>A consultation paper has been issued on the introduction on the Comprehensive Area Assessment. This includes a revision to the UoR assessment for 2009 assessment. It is proposed the new assessment will cover broader resource themes:</p> <p>Theme 1 – Managing money Theme 2 – Managing the business Theme 3 – Managing other resources</p> <p>For example, the new assessment will assess the effective use of technology and the impact of the use of resources on Climate Change.</p>
<b>LINKS TO OTHER STRATEGIES</b>	<p>Corporate Plan Medium Term Financial Strategy Asset Management Plan Capital Strategy Value for Money Strategy Market Testing Strategy ICT Strategy Human Resources (People) Strategy</p>

## PRIORITY ACTION PLAN

OUTCOMES	TARGETS	<b><i>Point of assessment /assessment measure</i></b>	
Working towards brilliance in all Use of Resources Themes resulting in excellent use of all Council resources – Money, People, Assets, and Information Technology; achieving Value for Money and being recognised for providing excellent Value for Money; Governance	Overall level 3 2008 assessment	Annual Use of Resources Assessment	
Achieving brilliance in the above	Overall level 4 – 2009 assessment	Annual Use of Resources Assessment	
Achieving Value for money and being recognised for providing VFM	50% of residents recognise the Council provides VFM 66% (2009) 75% (2010) staff recognise Council provides VFM	Survey of Residents 2009/10  Staff annual survey 2009 Staff annual survey 2010	
<b>MEASURES OF SUCCESS/KEY ACTIONS</b>	Improvement in annual Use of Resources assessment	Detailed corporate action plan accompanies this priority plan	
	Good standard of comments within Annual Audit Letter	Annual Audit Letter – published in Spring each year	
	Good standard of comments within Governance Report	Governance report – published in September each year – the report should also include an unqualified opinion on Annual Accounts	
	Improved scores in Service Inspections	Forthcoming inspections - Housing Inspection	
<b>CAPITAL &amp; REVENUE REQUIREMENTS (3 YEARS)</b>	<b>YEAR 1 £k</b> Capital – £0 Revenue Corporate Invest to save budget £150k Interim capacity Closure A/cs £20k VFM training £10k	<b>YEAR 2 £k</b> Capital - £0 Revenue Corporate – Use Pay back from Invest to Save from previous years to fund Invest to Save in year	<b>YEAR 3 £k</b> Capital -£0 Revenue Corporate - Use Pay back from Invest to Save from previous years to fund Invest to Save in year
<b>PEOPLE RESOURCE</b>	o Fully developed and embedded People Strategy		

## PRIORITY ACTION PLAN

<b>IMPLICATIONS</b>	<ul style="list-style-type: none"> <li>○ Corporate buy in and implementation.</li> <li>○ Programme ownership by Members and Officers</li> <li>○ Member development programme to include training in: understanding/interpreting/scrutinising financial information; risk management; assessing value for money; corporate governance</li> <li>○ Recruitment, retention and development of brilliant staff:</li> <li>○ Development areas: - financial and service planning; corporate governance; risk management; value for money</li> <li>○ Management board coaching and financial services support to enable the further development of Service Managers understanding of UoR</li> </ul>		
<b>ICT RESOURCE IMPLICATIONS</b>	<ul style="list-style-type: none"> <li>○ Fully developed and embedded Information Technology and Communications Strategy</li> <li>○ Assessment of appropriateness and fitness for purpose of core systems including opportunities for rationalisation, where there are multiple systems with similar functionality</li> <li>○ Programme to fully implement DIP/ERDMS</li> <li>○ ICT support to assist Service Managers in assessing future ICT needs</li> </ul>		
<b>RISK ASSESSMENT</b>	<ul style="list-style-type: none"> <li>○ Future proof action plan to ensure it remains fit for purpose in light of changing UoR requirements and increasing benchmark requirements</li> <li>○ Resource requirements based on current arrangements – need for review</li> <li>○ Corporate ownership of plan</li> <li>○ Ability to recruit, develop &amp; retain brilliant staff to deliver programme in key areas</li> <li>○ Need to ensure statutory deadlines are met &amp; work is done to high degree of accuracy with appropriate quality control mechanisms – particularly for financial reporting</li> </ul>	<b>Likelihood</b>	<b>Impact</b>
<b>KEY COMPONENTS OF COMMUNICATION</b>	<ul style="list-style-type: none"> <li>○ External communications – success stories and promote understanding of what Council tax actually buys you at a district level – promote understanding of level of VFM – communication mediums – Sktoday; press releases; radio features</li> <li>○ Internal communications – defining what UoR is, what it means – Staff briefings; workshops; intranet; posters</li> </ul>	High	High
<b>PROPOSED DELIVERY METHODS</b>	<ul style="list-style-type: none"> <li>○ Embed within Service and Financial planning</li> <li>○ Evaluate opportunities for shared services</li> </ul>	Medium	Medium

## PRIORITY ACTION PLAN

	<ul style="list-style-type: none"> <li>○ Evaluate opportunities for formal market testing</li> </ul>
<b>EQUALITY ASSESSMENT</b>	<ul style="list-style-type: none"> <li>○ Equality impact assess – priority plan and action plan</li> <li>○ Equality impact assess – service and financial plans</li> </ul>
<b>RELATED PROJECTS</b>	<ul style="list-style-type: none"> <li>○ Brilliance programme</li> <li>○ Corporate improvement programme</li> <li>○ Annual service and financial planning cycle</li> </ul>
<b>RELATED PRIORITIES</b>	<ul style="list-style-type: none"> <li>○ Communications</li> <li>○ Customer Services</li> <li>○ Public Asset Management</li> <li>○ Climate Change (new requirement in UoR assessment with effect from 2009)</li> <li>○ Housing Management (particularly in preparation for housing inspection – as the corporate themes within the inspection include VFM)</li> <li>○ Broad linkage to all priorities – as each priority should be able to demonstrate effective use of the Council's resources</li> </ul>

## **PRIORITY ACTION PLAN**

<b>PRIORITY</b>	<b>Bourne Town Centre</b>
<b>PRIORITY CATEGORY</b>	A
<b>PRIORITY PORTFOLIO HOLDER</b>	Cllr Frances Cartwright
<b>PRIORITY LEAD OFFICER</b>	Teena Twelves
<b>PRIORITY PROJECT TEAM</b>	
<p>Representatives from:</p> <p>Economic Development service</p> <p>Development Services</p> <p>Planning Policy</p> <p>Assets and Facilities</p> <p>Legal Service</p> <p>Finance</p> <p>PR &amp; Marketing</p>	
<p>External:</p> <p>LCC Highways</p> <p>EMDA</p> <p>Lincolnshire Enterprise</p> <p>English Partnerships</p> <p>GOEM</p> <p>Welland Sub-strategic Partnership</p> <p>Lincs County Council</p> <p>Local businesses</p> <p>Bourne TCMP</p>	
<b>PRIORITY SCOPE &amp; DEFINITION</b>	<p><b>"Improving the attractiveness and economic vitality of Bourne town centre"</b></p> <p>The Bourne Core Area project consists of the improvement of a town centre area of Bourne to include residential, retail and public open space development. The development when completed will improve the local retail mix, provide new sustainable housing in a central location, and retain businesses and employment opportunities in Bourne, which is affected by the Peterborough draw.</p> <p><b>Year 1 – 2008/9</b></p> <p>Development agreement</p> <p>Strategic land acquisition</p> <p>Marketing/CPO strategy</p> <p><b>Year 2 – 2009/10</b></p> <p>SPD</p> <p>Land acquisition by private treaty</p> <p>Site preparation</p> <p>Outline planning application</p> <p><b>Year 3 – 2010/11</b></p> <p>CPO decision</p> <p>Land purchase</p> <p>First phase of construction</p>

## PRIORITY ACTION PLAN

<b>CONTEXT</b>	Focus on economic growth Market town agenda Sub-national review for Economic Development EMDA 2020 vision Lincolnshire Enterprise Economic Strategy Welland Economic Strategy English Partnerships Town Centre Regeneration role	
<b>LINKS TO OTHER STRATEGIES</b>	EMDA 2020 vision Lincolnshire Enterprise Economic Strategy Welland Economic Strategy English Partnerships Town Centre Regeneration Regional Plan (RSS) Local Development Framework	
<b>OUTCOMES</b>	<b>TARGETS</b>	<b><i>Point of assessment /assessment measure</i></b>
Improved retail offer	<ul style="list-style-type: none"> <li>• New build / refurbished space for employment = 7525m<sup>2</sup> by 2011/12</li> <li>• New Community facilities = 1 by 2011</li> </ul>	
Additional housing growth	<ul style="list-style-type: none"> <li>• New build / refurbished space for housing = 4656m<sup>2</sup> by 2011/12</li> </ul>	
Improved use of town centre area	<ul style="list-style-type: none"> <li>• Brownfield land reclaimed and / or developed = 0.5ha by 2011/2</li> </ul>	
<b>MEASURES OF SUCCESS/KEY ACTIONS</b>	Development agreement signed	Confirmation of legal advice provider (Feb 08)  Negotiation with SKDC/preferred developer (Jul 08)  Final adoption by Cabinet (Nov 08)  Development of marketing and CPO strategy for agreement by Cabinet (Dec 08)
	Supplementary Planning	Preparation of document for

## PRIORITY ACTION PLAN

	Document adopted		adoption by Council
<b>CAPITAL &amp; REVENUE REQUIREMENTS (3 YEARS)</b>	<b>YEAR 1 £k Revenue</b> IN SERVICE BUDGET Development briefs £50k Developer competition £15k  <b>Capital</b> £370k Legal £30k	<b>YEAR 2 £k Revenue</b> IN SERVICE BUDGET Development briefs £35k Developer competition £15k  <b>Capital</b> £170k Legal £30k	<b>YEAR 3 £k Revenue</b> IN SERVICE BUDGET Devel comp £15k  <b>Capital</b> £120k Legal £30k
<b>PEOPLE RESOURCE IMPLICATIONS</b>	Officer time: ED DC/BC Planning Policy Assets and Facilities Legal Finance PR & Marketing		
<b>ICT RESOURCE IMPLICATIONS</b>	Invest SK website		
<b>RISK ASSESSMENT</b>	External funding not secured Partner buy-in not secured Delays on CPO Legal and financial advice not timely Change in political direction/priorities Development briefs highlight significant funding gaps Contamination on sites render non-viable Landowners seeking judicial review of CPO Delays in LDF allocation of employment land		
<b>KEY COMPONENTS OF COMMUNICATION</b>	PR and Marketing Meetings Consultation events (particularly with local business communities)		
<b>PROPOSED DELIVERY METHODS</b>	Private sector development		
<b>EQUALITY ASSESSMENT</b>	Should bring benefits to whole of community, but will need to ensure that all groups are included in consultation and are assisted to have their points of view heard. Will bring benefits to rural hinterland.		
<b>RELATED PROJECTS</b>			
<b>RELATED PRIORITIES</b>	Use of resources		

# Agenda Item 5

## REPORT TO CABINET

REPORT OF: PORTFOLIO HOLDER – ACCESS AND ENGAGEMENT

REPORT NO.: POI 10

DATE: 23<sup>rd</sup> January 2008

<b>TITLE:</b>	ICT Strategy 2008-12
<b>FORWARD PLAN ITEM:</b>	Yes
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	January 2007
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Key Decision

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	Cllr Ray Auger Access & Engagement	
<b>CORPORATE PRIORITY:</b>	Use of Resources and Customer Service	
<b>CRIME AND DISORDER IMPLICATIONS:</b>	None	
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	The ICT Strategy will be published on the Council's website and will be available for public inspection at the District Council's offices.	
<b>INITIAL EQUALITY IMPACT ASSESSMENT</b>	Carried out and appended to report? <b>No</b>	Full impact assessment required? <b>Yes</b>
<b>BACKGROUND PAPERS:</b>	Current ICT Strategy. Corporate Plan	

## **ICT Strategy 2008-12**

### **1. INTRODUCTION**

A review of the Council's ICT Strategy has been carried out and is now due for adoption by the Cabinet as a matter of local choice as provided for in the Council's constitution.

Consultation with stakeholders has taken place through the period of the preparation of the draft strategy. This has included the strategic management team and also the Engagement Policy Development Group.

### **2. RECOMMENDATIONS**

It is recommended that the Cabinet adopt the ICT Strategy as attached at Appendix A.

Delegate that any minor amendments to the strategy be made by the Strategic Director, in consultation with the Access & Engagement Portfolio Holder.

### **3. DETAILS OF REPORT**

The attached strategy covers the period 2008-2012, although the strategy will be reviewed annually to ensure that it remains fit for purpose.

This ICT strategy document fulfils a number of important objectives:

- Document current capacity as a baseline for moving forward
- Secure buy in from all council stakeholders for the development of ICT in the future
- Ensure that IT activities are in line with Service Section objectives and priorities and that these objectives 'join up' with wider government targets.
- Provide a framework for IT to support the priorities within the council as a whole
- Plan future developments
- Act as a useful reference point for new staff or external partners to help them understand the operations and infrastructure within IT
- Reduce and manage risk
- Identify and prioritise key areas where ICT can significantly improve service provision to service sections and citizens
- Increase efficiencies
- Support the change management process
- Secure management commitment for IT Section plans and activities
- Manage expectations within the Section and across the council
- Deliver an implementation timetable
- Business continuity and succession planning

### **4. OTHER OPTIONS CONSIDERED AND ASSESSED**

The importance of the ICT service for the Council implies that the production and implementation of the strategy is a key component in the delivery of brilliant

services to the public, therefore it is considered that there is no option other than to produce a strategy for adoption by the Cabinet.

## **5. COMMENTS OF DEPUTY SECTION 151 OFFICER**

The service manager has confirmed the financial implications arising from this strategy are incorporated into the proposed budgets for both capital and revenue for the next 3 financial years. These proposals can be found elsewhere on the agenda.

## **6. COMMENTS OF MONITORING OFFICER**

I fully support the contents and the need for an up to date ICT strategy to ensure it is fit for purpose. It is essential the ITC strategy sets a clear steer for all governance issues relating to IT use and in particular the protection and processing of personal data.

## **7. COMMENTS OF OTHER RELEVANT SERVICE MANAGER**

None

## **8. CONCLUSION/SUMMARY**

The production of the ICT Strategy has involved key stakeholders which has informed the development of the strategy.

## **9. CONTACT OFFICER**

**Andy Nix, Service Manager (Business Transformation and Information Management)**

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**Email : [a.nix@southkesteven.gov.uk](mailto:a.nix@southkesteven.gov.uk)**



# ICT Strategy

2008-12



*“Listening   Learning   Delivering”*



**South Kesteven District Council**  
STAMFORD • GRANTHAM • BOURNE • THE DEEPINGS

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## **1. Introduction**

### **Background**

South Kesteven District Council (SKDC) delivers a range of services to its customers and stakeholders in a manner that meets their needs. The outward looking vision of the Council is:

**"To provide brilliant customer service to our customers"**

The Council has identified three values that it will embrace :

- Listening  
Taking your views into account and demonstrating a real passion for customer service.
- Learning  
Being open and honest and learning from things that go well and do not go so well.
- Delivering  
Innovating and making a difference.

The purpose of the Information & Communications Technology (ICT) service is to support and contribute to delivering the Council's objectives and aspirations.

In order to get the best from its ICT investment the Council recognises that it needs a comprehensive, business-led ICT Strategy which will act as a framework and roadmap for the effective use and exploitation of ICT technologies and assets over the coming years.

The Council also sees that ICT will be one of the main drivers of change in the organisation as the council moves toward implementing the government's various efficiency and modernisation targets and has realised that it wishes to move away



from a traditional ICT support unit to a proactive Section seeking to provide a range of value-added business benefits through technology to its stakeholders.

This document replaces the original ICT strategy document released June 2005.

This strategy is purposely designed to be 'built for change' and will be refined, updated and changed as the council's needs develop in the coming years. This strategy will not capture every ICT related project which must be undertaken in order to enable the delivery of the IT Section and council's objectives. Rather, this document will act as a baseline and framework from which the IT Section will manage their efforts over the coming years.

### Context of Service

SKDC currently employs approximately 700 people of whom 450 or so are desk based employees.

The ICT resource is part of the Business Transformation and Information Management service which is under the Partnerships and Organisational Development Corporate area.

The service has been provided as an internal centralised support service.

### Objectives

This ICT strategy document fulfils a number of important objectives:

- Document current capacity as a baseline for moving forward
- Secure buy in from all council stakeholders for the development of ICT in the future
- Ensure that IT activities are in line with Service Section objectives and priorities and that these objectives 'join up' with wider government targets.
- Provide a framework for IT to support the priorities within the council as a whole
- Plan future developments
- Act as a useful reference point for new staff or external partners to help them understand the operations and infrastructure within IT



- Reduce and manage risk
- Identify and prioritise key areas where ICT can significantly improve service provision to service sections and citizens
- Increase efficiencies
- Support the change management process
- Secure management commitment for IT Section plans and activities
- Manage expectations within the Section and across the council
- Deliver an implementation timetable
- Business continuity and succession planning

### Relationships with other documents

The ICT Strategy document is a key document under the Council's Corporate Plan and also its Medium Term Financial Strategy. However there are clear links with a number of other key documents

- People Strategy
- Procurement Strategy
- Corporate Risk Register
- Priority Plans
- Service Plans

It is likely that the ICT strategy will also link to a number of documents that will directly contribute to the strategy for instance the ICT Security policy and ICT usage policy.

### Assumptions

The following assumptions have been made in the development of the ICT strategy:

- The Council remains committed to the ICT funding identified in the revenue and capital programme
- There is no fundamental change in the structure of Local Government



- We will continue to provide a centralised service to the organisation

### Ambitions

This document is designed to help the ICT service to achieve the following ambitions :

- We will maximise the council's IT investment by working in partnership with the service sections to ensure that they are making the optimum use of existing IT infrastructure.
- We will provide 'best in class' solutions to all service sections to provide a high quality service to South Kesteven citizens.
- We will continually invest in the council's IT staff to ensure that they can provide the level of service required by members, officers and citizens.
- We will empower users and service sections to deliver excellence to SKDC citizens.
- We will take a lead role in the council's strategic investment in IT to ensure that we meet our modernisation and service level targets.
- We will continuously improve access to information for officers, members, communities and citizens so that they can gain access to all the information and services they need.
- ICT services will advise service areas of information technology developments to stimulate and enable new opportunities for service delivery.
- The ICT function will be based upon a robust, secure and resilient technical infrastructure with an ongoing phased programme of technology refresh.
- All information held electronically by the authority will be secured in accordance with council IT Security policies.
- IT will continue to ensure that contracts with software suppliers include appropriate cover for software support and hardware maintenance. We will ensure that we implement new upgrades to all systems when appropriate to our service sections' needs.
- The council's network and application systems will be protected against intrusion by a secure resilient protection system that will ensure confidence in our services.
- In order to measure the progress towards delivery of the above there will be a set of key performance measures put in place.
- The ICT service will work to demonstrate its value for money in the delivery of the service.



**DRAFT**



## **2. Where are we now**

The IT Section's remit is to provide all of the authority's ICT requirements. This includes all internal systems from legacy applications, service applications through to desktop support and e-government and web solutions.

The IT Section is further responsible for making best use of technology to provide an excellent service and to proactively seek ICT solutions through partnership with all users.

SKDC server estate is modern and well maintained and based in the vast majority on Microsoft server operating system. The Council uses Active Directory for its directory service.

The desktop estate is similarly modern following recent refresh cycles. SKDC has approximately 400 desktop or laptop PCs. As a Microsoft house all desktops are running either Windows2000 or WindowsXP.

As a result of the e-government external funding the Council has made a strong investment in e-government software and hardware. This includes a corporate Customer Relationship Management (CRM) software and Electronic Document Records Management System (EDRMS).

The Council employs Voice over IP (VoIP) for its internal telephone requirements and has a well structured and unified network.

The three area offices and remote site at Alexander road have network links to the main site in Grantham.

The overall service area of Business Transformation and Information Management has 22 members of staff however not all as directly involved in the provision of the ICT function. Those that have at least some direct involvement are :

- ICT Services Manager
- ICT Support Team Leader
- Projects Team Leader
- Technical Projects Manager



- Software Team Leader
- Programmer Analysts
- Web Programmer
- Infrastructure Administrator – Reactive
- Infrastructure Administrator - Proactive
- Computer Services / LLPG Officer
- Support Desk Operator
- ICT Support Officers

The ICT function is in house with limited reliance on outsourcing or managed solutions. In house skills are used for programming development and projects using external consultants only where required.



### **3. Where do we want to go**

The key principles that underpin the delivery of the ICT service is that the Council requires an ICT service that is:

- Customer focussed
- Demonstrates Value for Money
- Drives standardisation
- Seen as an enabler for service areas
- A key requirement for partnership and shared services working
- Accessible by all stakeholders

The ICT Strategy is based on five key themes :

- Steady Ship
- Modernising and Innovating
- Standards
- Providing Value for Money
- ICT Governance

#### **Steady Ship**

One of the areas that are often overlooked in ICT Strategy documents is the business as usual part of the delivery of the service. The investment made in keeping a steady ship ensures that the ICT service is providing a solid, reliable, well managed infrastructure that its stakeholders can rely on to deliver their business needs.

This area covers the maintenance of the existing ICT systems and the associated desktop support provision.

#### **Modernising and Innovating**

The ICT services needs to identify new uses of ICT to help service areas to modernise its service delivery. The service needs to maximise the contribution that technology can make to the efficiency savings of the organisation



## **Providing Value for Money**

The ICT services needs to demonstrate to its stakeholders that it is providing value for money. Given the size of the ICT service from a budget and influence perspective the primary internal stakeholders need to be clear that the service is shaped to deliver service in the manner that they require. A key requirement in that service provision is the value for money evidence provided.

## **Standards**

The Council's ICT strategy recognises the use of external standards to validate the delivery of the ICT service and recommends that the service actively works towards identified standards.

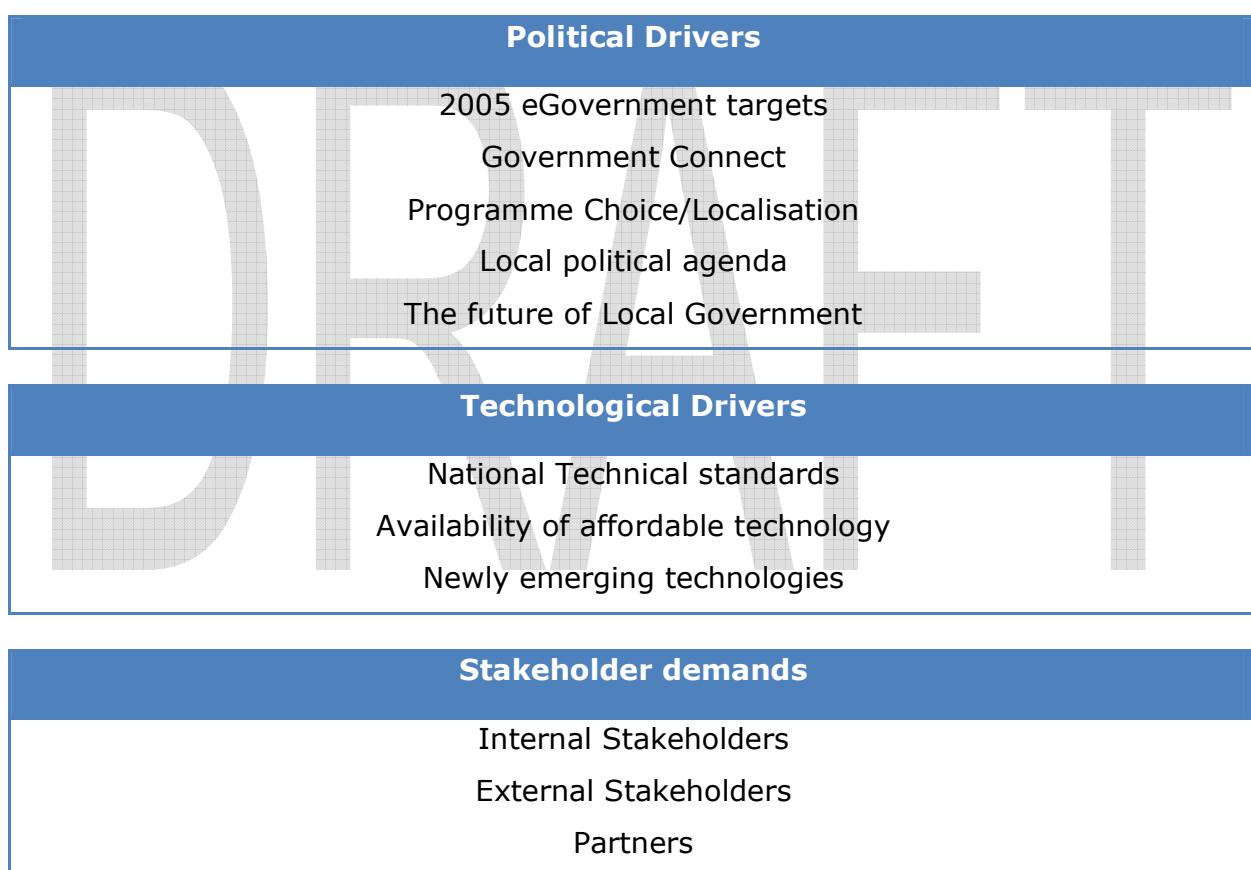
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## **Drivers for change**

Local government ICT is undergoing an unprecedented period of change. Recently, the eGovernment agenda has been the most visible driver for change. However there are a wide range of additional national and local drivers that will continue to impact the role and nature of ICT within local government.

A modern Local Authority ICT service must be able to respond efficiently and effectively to these drivers for change, both now and in the future. The National e-Service Delivery Standards (NeSDS) identified the following drivers for ICT :



**Economic Drivers**

Community/Social Drivers

Changing expectations of public services

Changing behaviours of Local Authorities

Emphasis on social inclusion

**Community/Social Drivers**

Changing expectations of public services

Changing behaviours of Local Authorities

Emphasis on social inclusion

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## 4. Key Theme 1 - Steady Ship

One of the areas that are often overlooked in ICT Strategy documents is the business as usual part of the delivery of the service. The investment made in keeping a steady ship ensures that the ICT service is providing a solid, reliable, well managed infrastructure that its stakeholders can rely on to deliver their business needs.

This area covers the maintenance of the existing ICT systems and the associated desktop support provision.

### Centralised Service

In order to deliver a joined up ICT service across all the service areas the council is committed to a centralised service provision. The scope of this centralisation includes :

- Helpdesk support calls
- ICT procurement for desktop equipment
- Procurement for all applications in consultation with ICT
- Implementation in consultation with ICT
- Core desktop and application support

Whilst the strategy will support the use of local business support units aligned to the corporate areas, the establishment of local IT support or administrators within these business units performing parts of the centralised service will not be permitted.

### Microsoft Technologies

The Council has invested a significant amount of resource in utilising Microsoft technologies and this investment can only be realised over the longer term. Strategically looking at areas such as Linux and open source software will not generally be recommended for corporate wide solutions although some niche solutions might be appropriate. Where any of these decisions are made the total cost of ownership will be taken into consideration such as implementation, support, training costs and be based on sound risk management approaches.



## **Help Desk**

SKDC IT will work towards a 100% of all IT related problems and queries are logged with the helpdesk.

In order to achieve this, the IT Section will invest time in creating a detailed knowledge base, which will be made available to first line support staff to empower them to resolve issues directly with the users in a more efficient way. This will mean that IT Support staff will no longer resolve ad-hoc queries in the absence of a case reference number and all users will be required to log a call with the helpdesk before resolution can begin.

As part of the Section's drive toward becoming a more proactive organisation, SKDC ICT will begin to carry out root cause analysis on a structured and regular basis to identify the causes of routine and recurring problems and implement proactive resolution techniques to address these.

The ICT Section will aim to have 70% of problems logged at the helpdesk resolved at the first response following fault logging.

The ICT Helpdesk will also look towards providing a more uniform standard of service to the remote offices and will, in general, seek to improve the use of remote tools to both diagnose and resolve problems for users.

## **Support Hours**

SKDC understands that as the organisation moves toward providing more flexible services to citizens, the support infrastructure will come under increasing pressure to deliver flexible solutions to the user community.

As such, the IT Section will continuously monitor the delivery of flexible support times as the council moves forward with its modernisation plans and will respond to the changing business needs as required.

The IT Section expect to be providing the following services :

- Minimum coverage on weekdays from 8:30am to 5:30pm
- Reacting to business requirements to extend these core hours
- Remote support for remote workers



## **Service Delivery Agreements**

In order to standardise the quality of service being provided to all service sections, the IT Section will implement service delivery agreements with each service Section.

This document will describe some performance management measures that might include :

- Agreement on setting problem priority and severity
- % problems resolved within agreed timescales
- % ICT projects delivered on time and within budget
- % downtime of servers
- % of problems fixed at the first response
- % of repeat callers to helpdesk with same problem
- % customer satisfaction targets

The IT Section will track performance against these standards and ensure that the quality of service consistently meets or exceeds these metrics. Regular reports will be provided to Service areas in order to enable continuous monitoring and evaluation.

The benefits of this approach will be to:

- Manage service sections' expectations
- Match priorities to IT response
- Formalise relationship between IT and service sections
- Encourage partnership working between IT and service sections
- Identify underperformance and provide a vehicle for resolution.

## **Common Environment**

SKDC recognises the potential benefits of having a common environment throughout the desktop estate. We believe that by moving towards a common environment, we can elicit the following business benefits:

Reduced costs through streamlining maintenance and support, less downtime and time spent resolving issues with aging equipment and ability to negotiate for better deals during procurement.

- Increased ability to resolve issues at first line of support
- Increased ability to manage and resolve issues remotely



- Improved customer satisfaction among stakeholders due to reduced turnaround times
- Strategic budgeting and control of IT resources
- Improved security
- Enhanced ability for IT to rollout new applications, versions and utilities
- Improved service delivery to remote locations including e-workers
- Facilitate sharing of PCs to support possible hot desking initiatives.

SKDC will work towards to achieve a common environment. In order to achieve this target, the IT Section will adopt a more formal approach to procurement to ensure that this can be achieved with the minimum possible investment by the council.

The central tenets of our common environment approach will be to:

- Standardise desktop and laptop hardware
- Standardise operating systems to ensure that no more than 2 OS versions exist at any one time
- Standardise Microsoft office versions across the council
- Standardise ghost images so that every desktop is the same
- Standardise applications deployed on each PC build

SKDC understands that this initiative may involve significant refresh of existing equipment in the first instance to improve the minimum standard across the network. SKDC IT will work closely with the finance Section to generate a solution which complies with budgetary constraints.



## Common Environment - Hardware

The table below describes the common environment that is supported from a hardware perspective.

### Preference

- OK – We would accept this as part of the ICT infrastructure
- Encourage – This is the preferred path
- Forbidden – No new equipment will be purchased and current installations only by exception

Category			Make	Preference
<b>Desktop</b>	Windows	Small	HP	OK
		Standard	HP	Encouraged
		Power User	HP	OK
	Other	Any	Any	Forbidden
<b>Tablet</b>	Windows		Motion	Encouraged
			HP	OK
			Other	Forbidden
<b>Laptop</b>	Windows	Small	HP	OK
		Standard	HP	Encouraged
		Power User	HP	OK
	Other	Any	Any	Forbidden
<b>Handheld</b>	Pocket PC	Standard	HP iPAQ	Encouraged
		Mobile Phone Enabled	Vodafone devices	OK
		Any other	Discouraged	



Category	Make	Preference
<b>Thin Client</b>	Diskless	Wyse

### Common Environment - Software

The table below describes the common environment that is supported from a software perspective.

Category			Support Status	Preference
<b>Client OS</b>	Windows	Vista	Unsupported	Discouraged
		XP Professional SP2	Supported	Encouraged
		2000 Professional	Supported	Discouraged
		Other	Unsupported	Forbidden
	Mac OS	Any	Unsupported	Forbidden
	Linux	Any	Unsupported	Forbidden
<b>Common Applications</b>	Browser	Internet Explorer 7	Supported	Encouraged
		Internet Explorer 6	Supported	OK
		Firefox	Supported	Discouraged
		Other	Unsupported	Forbidden
	Email	Outlook	Supported	Encouraged
		Other	Unsupported	Forbidden
Office Suite		Microsoft Office 2007	Unsupported	Discouraged
		Microsoft Office 2003	Supported	Encouraged



		Microsoft Office 97	Unsupported	Discouraged
.Net Framework	1.1	Supported	Encouraged	
	2.0	Supported	Encouraged	
	Other	Unsupported	Discouraged	
Java	1.4x	Supported	Encouraged	
	2	Supported	Encouraged	
	Other	Unsupported	Discouraged	

### Refresh Strategy

In order to support modernisation initiatives including Common Office Environment, SKDC will implement a formal refresh policy which will see regular and planned replacement of aging equipment and software. This is intended to support our objective of providing SKDC users with 'best in class' technology solutions.

The main benefits to the council of a standard approach to asset refresh will be:

- Reduced overhead of supporting hardware when support agreements have expired
- all new machines come with support and warranty included in the purchase price
- Improved ability to budget expenditure on IT equipment
- Increased ability to ensure best value in procurement by planning replacement on an annual basis
- Improved efficiencies through reduced time spent repairing aging equipment
- Reduced expenditure on short term fixes such as increased memory or new operating systems
- More equitable than the current ad hoc system
- User group will be aware in advance of when hardware renewal will take place



SKDC IT will initiate a project to assess the budget, operational and efficiency implications of formal refresh in some detail but in general terms, we intend to refresh equipment as follows:

- Desktops Every 4 years
- Laptops Every 4 years
- Printers Every 4 years
- Servers Every 5 years
- Office Applications Dependent on Desktop refresh

SKDC will also instigate a formal recycling policy for out dated hardware to ensure that we comply with legislation in this area.

### Data Connections

In order to provide the required service for end users the data connections between the main South Kesteven sites for internal communications and also to the internet for external communications need to be have high availability and high data throughput.

Further investment in this area is required especially to area offices as demand is most likely to rise in this area.

The current data connections are :

Location 1	Location 2	Type of Connection	Role	Review
<b>Grantham Council Offices</b> <b>NG31 6PZ</b>	Bourne PE10 9EA	Megastream	Area Office Data and phone	Yes
	Deepings PE6 8PA	Megastream	Area Office Data and phone	Yes
	Stamford PE9 2AZ	Megastream	Area Office Data and phone	Yes



Location 1	Location 2	Type of Connection	Role	Review
Grantham Alexander Road NG31 7AW			CCTV, DWO, Waste Data, CCTV feed and phone	No
NTL	Internet Feed 12Mb		Internet and Email external access	Yes

Data connections for the area offices will be reviewed to ensure that the type of connection is adequate for future requirements and the main internet feed will be reviewed to ensure that this offers the best value for money.

Other data connections are not required and will be phased out unless a business case exists for resilience and back up purposes.

### **Network Infrastructure**

The Council has made a significant investment in its network infrastructure and the ICT strategy seeks to build on this work to further consolidate and embed this infrastructure.

The use of ExtremeNetwork equipment is recommended and all other makes are discouraged. The converged network carrying both data and Voice Over IP (VOIP) is fundamentally the correct strategy and the strategy supports expansion to cover all other areas of the business.

### **IT Infrastructure**

Currently SKDC's network is protected by a Sidewinder firewall with failover. All client PCs are protected by Sophos AV software which is deployed centrally, updating on a daily basis. All mobile PCs are protected by F-Secure. A system will be introduced to deny access to remote computers in the event that anti virus software is not up to date.

### **Security**

Everyone using ICT system within the Council are bound by its security rules and security of the network and data remains the top priority for the delivery of the service.



In recognition of the threats to information security the council deploys a range of security tools to protect systems and information from unauthorised access, malicious attack and other threats. Security protection measures in place include: -

- A perimeter firewall
- Network security appliances
- Anti-virus protection
- Anti-spam protection
- Internet logging and associated restrictions
- Regular penetration testing both internally and externally

## **Risk Management**

The ICT service will take a proactive role in risk management and develop a comprehensive risk analysis of the service and will seek to ensure that all available contingencies are implemented to reduce the risk of a failure of the delivery of all or a part of the service.

## **In House Programming and Development**

The Council operates a mixed strategy for the management of back office applications. In some cases there is a limited in house cover for application support and support is provided directly from the supplier. In other cases in house expertise is used to both configure, program and interface applications. This is particular relevant to the key back office systems such as Council Tax and Benefits, CRM, Housing application and corporate website.

Benefits on in-house development include improved local knowledge of systems, more responsive service to end users, improved functionality for end users and more efficient use of systems.

Based on Microsoft technologies this ICT strategy identifies a migration of batch work activities, programming of code, web site programming in Microsoft C# with a recommendation to use XML for messaging.

The use of XML and the creation of web services for applications interfacing is recommended.



## **Security of Systems and Data**

The ICT Strategy identifies a key requirement to gain certification for security standards ISO27001 and to keep the security of data and processes as a key objective.

## **Disaster Recovery and Business Continuity**

ICT continues to be a key stakeholder in the recovery programme from a Disaster Recovery (DR) or a Business Continuity (BC) situation. The ICT strategy will require a DR contract in place to be able to deliver an effective solution to provide replacement hardware to allow server data to be restored.

More work is required in this area including a defined timetable of test scenarios.

It is likely that further solutions will be come available for DR and BC from either local or wider partnerships. These will be consider providing there is a clear business case and that in particular a full risk management analysis has been carried out to ensure the local provision for service is not compromised.

## **Email and Email Archiving**

Retention of email is becoming increasingly important to ensure that the council is compliant with all requests under the Freedom of Information Act.

In addition, we will implement formal email usage policies and procedures which will include auto archiving provision as standard by all users.

The IT Section has developed an Internet and Email usage and monitoring policy which will be updated with detailed guidelines on retention of email which will include guidelines for users who currently delete email. As part of this the council will categorise email content and set clear retention.

The IT Section will review backup procedures and storage capacity on the email server as part of the deployment although it is expected that current back up and restore facilities will accommodate all auto archived emails without major upgrade or changes.



## 5. Key Theme 2 - Modernising and Innovating

The ICT services needs to identify new uses of ICT to help service areas to modernise its service delivery. The service needs to maximise the contribution that technology can make to the efficiency savings of the organisation

### Flexible Working

We will provide solutions for flexible working of staff. Aligning to our use of resources it is expected that pressures on accommodation and offering flexible working in our people strategy ICT needs to be a key enabler in providing solutions.

This is likely to be examined in terms of home working, remote working, extended hours of working, hot desking and flexible office accommodation.

This will require work activities in relation to the ICT infrastructure, telephony and ICT support.

Existing access via technologies such as SSL VPN will be provided under a flexible working policy.

### Members

This ICT strategy will endeavour to provide an easy to use, reliable service to members. This will be based upon the provision of Council owned laptops installed at members homes with broadband access to allow access to key council systems such as intranet, email, council administration systems.

### Two Factor Authentication

Security best practice identifies that two factor authentication is a key building block to ensure that security is not compromised. A pilot and subsequent roll out will be carried out to deliver two factor authentication. Where possible this will take advantage of existing infrastructure in particular current door access methods and existing Remote Authentication Dial In User Service (RADIUS) server solutions.

One such method might be to smart enable the current door access cards with an embedded certificate identifying the user that is needed to access ICT equipment.

This ICT strategy recommends that two factor authentication methods are introduced for key workers especially those operating remotely and with access to key information systems.



## **Single Sign On**

The introduction of password complexity in order to meet the requirements of an ICT security policy can lead to increased management by system administrators. Single Sign On appliances can be used to mitigate the increased costs by developing a secure sign on solution that then manages subsequent log-ons to other systems.

The ICT strategy recommends that single sign on facilities are developed to build further work in the area of two factor authentication.

## **Printer Strategy**

As part of the modernising of the service to end users and to provide efficiency saving to the Council a new printer strategy will be introduced. This strategy will be based on providing Multi Function Printer (MFP) devices that can provide an improved end user experience at a lower cost to the authority.

## **Virtual Server Infrastructure**

As part of the drive towards effective use of resources the effective use of the accommodation, demands to reduce power consumption and a requirement for more environmentally friendly solutions it is likely that entering into a Virtual Machine (VM) environment is a recommended approach.

The ICT strategy document recommends that following a pilot and analysis of the suitability for a VM solution across the server estate that this is delivered during the lifetime of the ICT strategy.

## **Unified communications**

The investment made in the Voice Over IP and convergence of the telephone and computer is likely lead to a work package to deliver a unified communications. It is likely that products will be available for end users to use/view their email, instant messages, telephone and mobile communications all via one device on the desktop. This is likely to lead to increased efficiencies and costs saving to the Council and is therefore noted in this ICT strategy.

## **Knowledge and Information Management**

The development of knowledge and information management within the ICT service and in the wider context of the Council will be a key issue. This is a current area of weakness and the ICT strategy will be a driver to ensure that this gap is met.

Knowledge management is an emerging, interdisciplinary business model dealing with all aspects of knowledge within the context of the Council, including knowledge



creation, codification, sharing, and how these activities promote learning and innovation.

Some of the key components of knowledge management are :

- Generating new knowledge
- Accessing valuable knowledge from outside sources
- Using accessible knowledge in decision making
- Embedding knowledge in processes, products, and/or services
- Representing knowledge in documents, databases, and software
- Facilitating knowledge growth through culture and incentives
- Transferring existing knowledge into other parts of the organization
- Measuring the value of knowledge assets and/or impact of knowledge management

### CRM

Building on the strategic IT framework and also the investment in e-government the ICT strategy proposes that single entity view of the customer and the use of the CRM as the central hub of information is a key development area for the Council.

This is currently being provided by the CRM system being used in the customer service centre feeding information into the back office systems.

This will lead to key requirements in integration between systems and the CRM and a well defined flow of information. This will also include the requirements for integration to the LLPG index of property information.

The single entity view will also require that duplication of information is removed – for instance the multiple entry of ethnicity information on different systems.

### Geographical Information Systems (GIS)

Access to a GIS systems for all staff is a key area of work for the ICT service. The presentation of specific and relevant GIS content will be provided. This requires central management of the data held by individual service areas and procedures need developing to start sharing the information.



### **Electronic Document Management Systems (EDRMS)**

The corporate EDRMS system has now been implemented across a number of service areas. Its integration into back office applications is now a key enabler for further efficiency savings and increased quality and reliability of information.

### **Local Land and Property Gazetteer (LLPG)**

The development of a corporate LLPG database continues and the overall quality of the data is improving. Integration into back office systems such as the CRM, Flare and Mayrise have been achieved. The ICT strategy will roll this work out further.

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## 6. Key Theme 3 - Standards

### National e-Service Delivery Standards

The Council's ICT strategy recognises the National e-Service Delivery Standards (NeSDS) and these are detailed below. The ICT strategy document recommends that we achieve a status of progressing or above.

#### Self Assessment

It should be noted that many of the standards have only two states of minimum and excellent and a few have a middle progressing stage. An internal self assessment against the standard is shown below but is based on a more critical analysis of our position:

Area	Detail	Self Assessment Status
<b>ICT Strategy</b>	There is an agreed understanding of how ICT will be used to support the organisation	Progressing
<b>Business Engagement</b>	The ICT service manages its relationships with all stakeholders  Business change is actively managed alongside ICT implementation	Below Minimum  Progressing
<b>Governance</b>	ICT is subject to robust governance  There is a business case approach to ICT investment	Below Minimum  Below Minimum
<b>ICT Architecture Management</b>	The ICT service is in control of the current Technical Architecture  The Technical Architecture supports the delivery of priority outcomes	Excellent  Excellent
<b>Configuration, Development and Integration</b>	There is a rigorous and consistent approach to configuration, development and integration activity	Below Minimum



Area	Detail	Self Assessment Status
<b>Information Management</b>	The organisation has an information management strategy	Below Minimum
<b>Information Security</b>	The organisation is planning for compliance to ISO27001	Progressing
<b>Performance Management</b>	The organisation has an ICT performance management framework	Below Minimum
<b>Strategic Sourcing and Supplier Management</b>	There is a strategic approach to ICT sourcing  Supplier relationships are managed	Minimum  Minimum
<b>Programme and Project Management</b>	The organisation has a programme management capability  The organisation has a project management capability	Excellent  Progressing
<b>Skills Management</b>	All employees are given the opportunity to become confident and competent in using ICT  ICT staff development is managed	Minimum  Progressing
<b>Service Delivery</b>	There is a proactive service delivery model in place	Minimum
<b>Service Support</b>	There is a responsive service support model in place	Below Minimum



## ISO27001

A key achievement that is required to provide a robust service to end users is the accreditation for the ISO27001 security standard. The ICT strategy recommends that this work is started as a priority in order to embed policies and procedures into the service and service users.

An initial independent analysis by consultants identified the following strengths and weaknesses of the delivery of the service aspects of the ICT system.

Strengths	Weaknesses
Network Segmentation	Formal policies and procedures
Network security counter measures	Risk Assessment
Remote access and connection control	Management Review
Asset tracking and management	Records of Security Activities
Support tracking system	Document control
Controlled hosting environments	Information classification, labelling and handling
Physical security perimeter controls	Monitoring and alerting
Formal changes control procedure and records	Incident detection and management
Regular penetration testing	



## IT Policies and Procedures

There are a number ICT policies and procedures that need to be developed and embedded into the organisation. A gap analysis from an ISO27001 audit carried out October 2007 has identified the following policies and procedures that need to be in place for a successful accreditation. Some of these are currently in place.

Policies	Status
<b>Information Security Policy</b>	Currently in draft
<b>Acceptable Use Policy</b>	In place requires review
<b>Information Backup Policy</b>	Not available
<b>Access Control Policy</b>	Not available
<b>Clear Desk and Screen Policy</b>	Not available
<b>Network Services Policy</b>	Not available
<b>Mobile and Teleworking Policy</b>	Not available
<b>Cryptography Policy</b>	Not available

Procedures	Status
<b>Risk Methodology</b>	Currently in draft
<b>Document Control</b>	Not available
<b>Corrective Actions</b>	Not available
<b>New Information Systems Authorisation</b>	Not available
<b>Information labelling and handling</b>	Not available
<b>Work in secure areas</b>	Not available
<b>Change Management</b>	Not available
<b>Information Exchange</b>	Not available
<b>Interconnecting Systems</b>	Not available
<b>Monitoring System Use</b>	Not available
<b>User Access Management</b>	Not available
<b>Teleworking</b>	Not available
<b>Incident Management</b>	Not available
<b>Business Continuity</b>	Not available
<b>Intellectual Property</b>	Not available



### **Data Protection Act and Freedom of Information requirements**

The ICT Strategy supports the requirements of the Data Protection and Freedom of Information Acts. We will work with service areas to ensure that systems and policies are in place to meet the requirements and that ICT is an exemplar of best practice in this area.

A key requirement for this is the Information Security Policy which will specifically highlight this issue.

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## 7. Key Theme 4 - Providing Value for Money (VFM)

The ICT services needs to demonstrate to its stakeholders that it is providing value for money. Given the size of the ICT service from a budget and influence perspective the primary internal stakeholders need to be clear that the service is shaped to deliver service in the manner that they require. A key requirement in that service provision is the value for money evidence provided.

The public audit agencies, the National Audit Office, the Northern Ireland Audit Office, the Audit Commission for Local Authorities and the National Health Service in England, the Wales Audit Office and Audit Scotland have established a Public Audit Forum to provide a focus for developmental thinking in relation to public audit. The group has developed a set of indicators to establish the value for money for an ICT service.

The ICT Strategy will develop an evidence based report on the value for money for the ICT service and will be based on the primary and secondary indicators as described in the tables below.

### Primary Indicators

Summary list of indicators is shown in the table below:

Indicator	Description
<b>Primary Indicator 1</b>	Cost of the ICT function (i.e. spend on the ICT department or equivalent including employee costs and associated overheads) as a percentage of organisational running costs (expenditure)
<b>Primary Indicator 2</b>	ICT competence of user. The competencies are defined as follows: a) use electronic mail to send, receive, forward and delete e-mails including opening and attaching documents b) able to use search tools to find and retrieve information from the intranet / internet c) use standard office support products to compose letters and reports d) use standard office support products to produce presentations e) use standard office support products to develop Spreadsheets d) take responsibility for resolving basic applications queries through use of the help menu e) able to manage files and appropriately back-up work



Indicator	Description
	f) successfully completed ICT training relevant to your role
<b>Primary Indicator 3</b>	Organisational ICT spend (investment in ICT infrastructure and hardware across the organisation): a) as a percentage of organisational running costs (expenditure) b) per user
<b>Primary Indicator 4</b>	Percentage of incidents resolved within agreed service levels
<b>Primary Indicator 5</b>	Project governance and delivery index.
<b>Primary Indicator 6</b>	Percentage of the top five transactional based activities which are made via e-enabled channels.
<b>Primary Indicator 7</b>	<p>Commissioner and user satisfaction index - a composite indicator compiled from the responses to a set of statements by commissioners and users.</p> <p>Commissioner statements:</p> <ul style="list-style-type: none"> <li>• The ICT function effectively supports delivery of the organisation's strategic objectives.</li> <li>• The ICT function is proactive and innovative in providing technological solutions to meet business needs.</li> <li>• The ICT function manages the implementation, maintenance and enhancements of major business systems in a consistent, effective and timely manner.</li> <li>• The ICT function provides excellent value for money.</li> <li>• The ICT function has the capacity and capability to support major business transformation.</li> </ul> <p>User statements:</p> <ul style="list-style-type: none"> <li>• The ICT function responds within agreed service levels when I ask for help.</li> <li>• ICT systems are robust and reliable.</li> <li>• The support provided by ICT meets my needs effectively.</li> <li>• The organisation makes full use of ICT to improve services.</li> </ul>



Indicator	Description
	<ul style="list-style-type: none"> <li>• ICT systems provide me with the information I need when and where I need it.</li> </ul>
<b>Primary Indicator 8</b>	<p>Management practice indicator – the number of practices that have been adopted by the organisation out of a possible total of 10.</p> <p>1) Formal Service Level Agreements are in place with key internal customers governing business requirements, with regular service review meetings held at agreed intervals.</p> <p>2) There are formal procedures in place supporting the operation of the ICT function, based upon good practice guidance such as COBIT (Control Objectives for Information and Related Technology), ITIL (Infrastructure Library) and/or other sector specific guidance / methods.</p> <p>3) Information security management capability is in place with BS7799 / ISO 27001 accreditation already achieved.</p> <p>4) User satisfaction surveys are conducted at least biannually with results openly published, supported with improvement plans where necessary.</p> <p>5) A short survey is undertaken upon resolution of all reported incidents and the data is collated and analysed at least monthly and used to drive service improvements.</p> <p>6) The most senior officer in the organisation with a dedicated ICT role has a direct report to the Executive / Corporate Management Team of the organisation.</p> <p>7) The organisation has a designated individual with the role of Chief Information Officer who has a seat on the board.</p> <p>8) The organisation has assessed the ICT competence of end users within the last 12 months and put in place an appropriate training and development programme to address areas of weakness and delivery of this programme is monitored on a quarterly basis.</p> <p>9) A comprehensive professional development programme is in place for ICT staff which ensures that they receive at least five days of continuing professional development (relevant accredited training) per annum, covering technical, management and business focused training.</p> <p>10) Business continuity management processes are in place to recover business and ICT services in the timescales as specified by the business. These processes are tested at least annually and are</p>



<b>Indicator</b>	<b>Description</b>
reviewed on a regular basis to confirm appropriateness.	

## **Secondary Indicators**

Summary list of indicators is shown in the table below :

<b>Indicator</b>	<b>Description</b>
<b>Secondary Indicator 1</b>	Cost of providing support: a) Per user b) Per workstation
<b>Secondary Indicator 2</b>	Users per workstation
<b>Secondary Indicator 3</b>	Unavailability of ICT services to users.
<b>Secondary Indicator 4</b>	Average number of support calls per user
<b>Secondary Indicator 5</b>	Percentage of users who are able to access the network and systems remotely
<b>Secondary Indicator 6</b>	Acquisition costs per workstation

## **Benchmarking**

As part of the value for money assessment of the service we will also look to benchmark the service with our local partners in Lincolnshire and the Welland as well as our benchmarking family group.



## **8. Key Theme 5 - ICT Governance**

The Management Team provides the primary governance for the ICT Strategy. It is expected that a review of progress against the strategy will be presented to the management team every six months.

### **Responsibilities**

The management team's key responsibilities are to review the ICT strategy in particular against the Council's strategic priorities, objectives and targets:

- Oversee the development, review and implementation of ICT strategic documents
- Ensure that there is effective consultation and communication on ICT policy and strategy issues and that the results of this consultation are reflected in policy or strategy documentation
- Ensure rigorous business cases are being developed for major ICT development. This is to include authorise and prioritise the allocation of resources (funding and manpower) for ICT projects, ensure the appropriate level of annual funding for the Council's ICT infrastructure
- Promote the adoption of new working practices enabled by ICT implementations
- Ensure compliance with the published ICT strategies and policies

### **Project Management Methodology**

All ICT projects will be delivered using an in-house agreed Project Management technique. This ensures that projects are properly scoped, planned and executed and that all stakeholders are appropriately involved in agreeing project timelines, resourcing, priority and other key decisions.

### **ICT System Selection and Procurement**

In order to ensure compliance with current standards all requests for the procurement of all ICT equipment are required to be passed into the ICT service for approval before any implementation is approved. This scope include hardware, software, consumables and all other ICT related equipment.



## **Procurement of Major Systems**

In order to select and procure a major ICT system the following steps are followed:

1. A business case is presented to the ICT Service and where appropriate Capital Group to obtain approval to acquire the system
2. A full functional specification is drawn up by the service area requiring the new system
3. A full technical specification is drawn up for the system by the service area, aided by the ICT service
4. The functional and technical specification is signed off by ICT and the service area
5. The correct procurement option is selected and a procurement process started following the relevant procurement/contract procedures.

## **Data Ownership and Responsibilities**

Ownership and responsibility for all corporate data sets must be clearly defined.

Data owners are accountable for:-

- The integrity and quality of their data
- How the data can be used
- Who may access the information
- With whom the information may be shared

Data custodians (often the ICT Service) are responsible for:-

- Ensuring the availability of the data and systems on which they are held
- Ensuring data is routinely backed up
- Ensuring the data is secured against unauthorised access according to the standards set by the data owners

The ICT service will work with service areas to ensure that the requirements of the Data Protection and Freedom of Information Act are met in particular in relation to the IT systems, data use and data transfer.



## 9. Other Influences

### Partnerships and Shared Services

The Councils views partnership and shared services as a key method of releasing efficiency savings and improving the overall delivery of the service. During 2007 the Lincolnshire partnership identified options for the delivery of the ICT service as a shared service.

At the moment there is not enough detail to include this in the ICT strategy. However a detailed review of both funding and priorities would be required if this shared services was to be a higher priority for the Council.

### Funding

The provision of the funding to deliver the ICT strategy is both revenue and capital based.

The table below shows the main revenue budget for the provision of the ICT service (excluding telephone charges and Welland partnership costs).

Year	Revenue Budget
2007/08	£ 1,161,312
2008/09	£ 1,264,742
2009/10	£ 1,247,173
2010/11	£ 1,263,889

The associated capital program is shown below;

Year	Capital Budget
2007/08	£ 176,000
2008/09	£ 118,000

No further capital programme costs for 2009/10 and 2010/11 have been identified.



## **Training and Skills Requirements**

In order to deliver the ICT service identified in the ICT strategy investment is required in training and skills competencies within the service.

The industry accepted process is to ensure competencies using the IT Information Library (ITIL) course.

A key driver will be to ensure that all staff have ITIL training integrated into their appraisal process and meshed in to the service planning process.

**DRAFT**



## 10. Summary of Action Plan

The action plan below are the operational plans from the current service plan 2008/09.

Action	Timescale	Outcome and Measure of Success	Link to priority
<b>Analyse Internal Customer Survey Dec 2007</b>	Dec 2007	Customer survey data	<b>Customer Services</b>
<b>Analyse Internal Customer Survey Jan 2008</b>	Jan 2008	Customer survey data	<b>Customer Services</b>
<b>Analyse Internal Customer Survey Jan 2008</b>	Jan 2008	Customer survey data	<b>Customer Services</b>
<b>Repeat Internal Customer Survey Nov 2008</b>	Nov 2008	Customer survey data	<b>Customer Services</b>
<b>Complete all internal audit recommendations where accepted.</b>	April 2008	All actions closed	<b>Use of resources</b>
<b>ICT Strategy - Review of Impact Assessment</b>	April 2008	Impact Assessment complete	
<b>Homeworking -Review of Impact Assessment</b>	April 2008	Impact Assessment complete	



Action	Timescale	Outcome and Measure of Success	Link to priority
<b>ICT Usage -Review of Impact Assessment</b>	April 2008	Impact Assessment complete	
<b>Review any Lincolnshire Shared Services agreed performance indicators</b>	March 2008	Performance Management in place	<b>VFM - Use of resources</b>
<b>Implement a Service delivery document and associated service level agreement</b>	March 2008	Performance Management in place	<b>VFM - Use of resources</b>
<b>Review other sources of performance management e.g. SOCITM</b>	March 2008	Performance Management in place	<b>VFM - Use of resources</b>
<b>Establish approach to compare with best practice and establish Value for Money evidence</b>	June 2008	Evidence of best practice analysis and VFM	<b>VFM - Use of resources</b>
<b>Complete accreditation for ISO27001 security standards for improved risk management of service area</b>	Nov 2008	Certification	<b>Use of resources</b>



Action	Timescale	Outcome and Measure of Success	Link to priority
<b>Career progression for IT support staff</b>	March 2008	In place	<b>Use of resources</b>
<b>Succession planning for critical IT staff</b>	June 2008	Reduced Risk score	<b>Use of resources</b>
<b>Review disaster recovery (DR) contracts and test processes</b>	July 2008	DR contract reviewed and tested for IT service area	<b>Use of resources</b>
<b>Review Business continuity processes and test</b>	July 2008	BC embedded and tested for IT service area	<b>Use of resources</b>
<b>Lack of IT Skills risk - Training plan in all PDRs and sufficient budget cover</b>	March 2008	Full training plan for staff	<b>Use of resources</b>
<b>Full UPS and/or generator cover</b>	April 2008	Installed and working	<b>Use of resources</b>
<b>Integrate key systems with Active Directory to maximise investment.</b>	November 2008	Key systems integrated with Active Directory	<b>Use of resources</b>
<b>Integrate LLPG information across key back office applications</b>	March 2009	Key systems integrated with LLPG	<b>Use of resources</b>



Action	Timescale	Outcome and Measure of Success	Link to priority
<b>Support the organisations requirements for flexible remote working giving efficiency savings</b>	Ongoing	Remote working solutions available and high level of user satisfaction	<b>Use of resources</b>
<b>Completion of pilot project for implementation of Vista on desktops</b>	Dec 2008	Successful pilot	<b>Use of resources</b>
<b>Completion of pilot project for implementation of Office2007 on desktops</b>	Dec 2008	Successful pilot	<b>Use of resources</b>
<b>Complete printer consolidation</b>	July 2008	Successful implementation	<b>Use of resources</b>
<b>Carry out tender for best value for telephone call handling</b>	August 2008	New contract	<b>Use of resources</b>
<b>Carry out tender for best value for telephone management</b>	August 2008	New contract	<b>Use of resources</b>
<b>Website review and redesign</b>	June 2008	<b>New website with high satisfaction rating</b>	<b>Customer Services</b>



## 11. Risk Management

The risk management table below is from the current service plan 2008/09 and will be reviewed annually.

Source of Risk	Internal/ External	Impact 1- 4	Likeli- hood 1-4	Risk Score I x L	Controls in place	Actions Required
<b>Loss of key staff / continuity</b>	Internal	3	2	6	Documentation of key processes via ISO27001	<b>ISO27001 certification</b>
					Career progression for staff incentivisation	<b>Career progression for IT support staff</b>
					Cover for operations	<b>Succession planning for critical IT staff</b>
<b>Loss of hardware/systems due to disaster or viruses</b>	Internal	3	2	6	Disaster recovery plans in place	<b>Review DR contracts and test processes</b>
					Business continuity in place	<b>Review Business continuity processes and test</b>

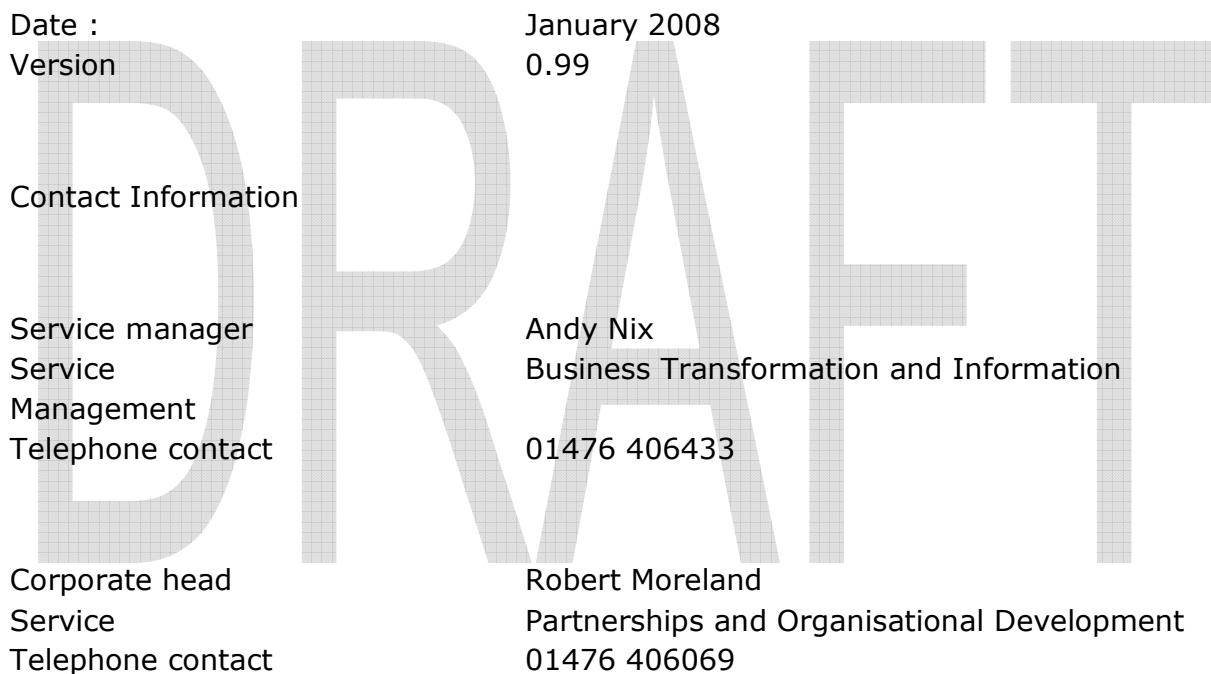


<b>Lack of IT skills</b>	Internal	2	2	4	Training of staff	<b>Training plan in all PDRs and sufficient budget cover</b>
<b>Over-commitment of key employees with certain skill sets due to too many large-scale projects running simultaneously</b>	Internal	3	3	9	Overall project planning via service planning process	<b>Overall service delivery project plan</b>
<b>IT infrastructure availability due to power cut</b>	Internal	3	4	12	<b>Limited UPS cover</b>	<b>Full UPS and/or generator cover</b>



## Glossary of Terms

Electronic Document Management Records System	EDRMS
Business Transformation and Information Management	BTIM
Customer Relationship Management Software	CRM



# Agenda Item 6

## REPORT TO CABINET

REPORT OF: Councillor PAUL CARPENTER, PORTFOLIO HOLDER FOR HOUSING

REPORT NO.: TSE0028

DATE: 11<sup>th</sup> FEBRUARY 2008

<b>TITLE:</b>	Tenant and Resident Involvement Strategy and Compact Agreement
<b>FORWARD PLAN ITEM:</b>	Yes – in forward plan for decision in February 2008.
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	1st September 2007 to 31st December 2007
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Key decision

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	Cllr Paul Carpenter, Portfolio Holder for Corporate Governance and Housing.	
<b>CORPORATE PRIORITY:</b>	Priority B – Housing Management	
<b>CRIME AND DISORDER IMPLICATIONS:</b>	No implications identified.	
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	This report is publicly available on the council's website at <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a> via the local democracy link.	
<b>INITIAL EQUALITY IMPACT ASSESSMENT</b>	<b>Carried out and appended to report?</b> An impact assessment will be carried out by the Tenancy Services Equality and Diversity Working Group.	<b>Full impact assessment required?</b> Dependent on outcome of initial assessment
<b>BACKGROUND PAPERS:</b>	None	

## **1. INTRODUCTION**

The area of tenant participation used to have a narrow focus but has now evolved into resident involvement involving whole communities. There is currently no Tenant and Resident Involvement Strategy to help us deliver this change in focus and the existing Compact Agreement requires updating to reflect the change in focus.

The shadow inspection of the housing landlord service identified the need to significantly strengthen our approach to involvement. The Strategy and Compact Agreement are also essential documents required by the Audit Commission.

## **2. RECOMMENDATIONS**

That Cabinet adopt the Tenant and Resident Involvement Strategy and Compact Agreement.

## **3. DETAILS OF REPORT**

Work on developing both documents started in June 2007 in conjunction with the Tenancy Services Service Improvement Plan to ensure that they are both realistic and deliverable.

Best practice has been researched from other beacon authorities and guidance issued by the Department for Communities and Local Government. Draft versions have been distributed to the District and Neighbourhood Groups for consultation and development.

Both documents were continually amended by the tenant groups and successive drafts were re-circulated. Representatives of all neighbourhood groups met for the final time on the 4<sup>th</sup> December 2007 to finalise the drafts accompanying this report.

The Strategy and Compact Agreement were then considered by the Housing Consultative Group on the 17<sup>th</sup> December 2007 and minor changes were agreed.

The Resources Policy Development Group will be considering the Strategy and Compact Agreement at its meeting on the 7<sup>th</sup> February 2008 and a verbal update will be provided at the Cabinet meeting.

#### **4. OTHER OPTIONS CONSIDERED AND ASSESSED**

When developing this Strategy and Compact Agreement all examples of best practice have been considered and included as appropriate.

The Housing Consultative Group considered the Strategy using the Value for Money framework assessment. The document was scored as follows -

- Developing the strategy scores an 'A' for effectiveness. This is because having an effective strategy is essential to the delivery of effective tenant and resident involvement.
- The score for efficiency is 'C' as having an up-to-date strategy is in line with good practice.
- The score for economy is 'E' as the strategy has not yet impacted on service economy and we have not yet carried out any work to assess the impact on our costs.

#### **5. COMMENTS OF SECTION 151 OFFICER**

The budget of £10,000 for the "compact clerk" is currently contained within the Housing Revenue Account Managed (General) Budget.

The Resources PDG will be reviewing the strategy at its meeting on the 7<sup>th</sup> February 2008 and they will be advised to recommend the inclusion of reference to an annual consultation on rents, through existing tenant consultation mechanisms.

#### **6. COMMENTS OF MONITORING OFFICER**

The definition of tenant is widely drafted in both documents to include all persons occupying a council residence. It is essential all occupants of Council dwellings are included in the terms of these documents. Each document makes it clear there is no intention to create additional tenants and that the definitions relate to both these documents alone.

It is clear both documents are required to facilitate better working relationships between the Council, its residents and those occupying council dwellings.

#### **7. COMMENTS OF OTHER RELEVANT SERVICE MANAGER**

None

## **8. CONCLUSION/SUMMARY**

The strategy highlights the range of new initiatives that we intend to introduce to increase the number and representation of tenants throughout the district.

The Compact Agreement clearly states the standards that all parties to this agreement will aim to achieve and explains how tenants can have a real say about the services that affect their homes, environment and quality of life.

Both documents are essential in the delivery of brilliant tenant and resident involvement over the period 2008-2011.

## **9. CONTACT OFFICER**

Jane Booth  
Service Manager , Tenancy and Neighbourhood Services  
01476 406631  
[j.booth@southkesteven.gov.uk](mailto:j.booth@southkesteven.gov.uk)

# **TENANT AND RESIDENT INVOLVEMENT STRATEGY**

**2008 - 2011**

# Contents

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## **Definitions and abbreviations used in this document**

**Tenant** – The council tenancy holder/s, leaseholder/s and any other member of their household. This definition of “Tenant” relates to this document only. It does not give household members any of the legal rights that tenants themselves have.

**Resident** – Anyone who’s main residence is within the district of South Kesteven.

**SKDC** - South Kesteven District Council

# **South Kesteven District Council**

## **Foreword**

*“Resident involvement is now central to government and local organisations’ approach to the delivery of housing services.”*

(Housing: Improving services through resident involvement, Audit Commission, 2004)

Tenancy Services is dedicated to providing opportunities for tenants to become involved in the management of their homes and their local communities. We will develop diverse, innovative structures that take account of individual needs, enabling effective participation by all tenants and residents.

South Kesteven District Council embraces the views of tenants and residents and will continue to offer opportunities for them to influence the way in which local services are delivered.

We believe that good tenant and resident involvement leads to decision making that truly reflects local needs, leading to improved and empowered communities.

SKDC have created a Resident Involvement Team tasked with delivering “Brilliant” involvement that delivers the services you want.

Tenancy Services Resident Involvement Strategy outlines its vision for involving all resident groups.

Let’s make a difference, together!

## **Resident Involvement in South Kesteven**

Tenancy Services is committed to involving its tenants in the management of their homes and communities.

Tenancy Services has based this strategy on the three following principles:

- To involve tenants in the management of their homes and review and develop the services they receive.
- Resident and groups will be supported and encouraged at a level and pace decided by themselves.
- To seek the views, promote and advance the interests of all residents within the district of South Kesteven on housing, communities and other matters that affect their quality of life.

Resident involvement is an active, continually changing process of developing new opportunities for involvement.

## **Aims and Objectives**

To increase the number of residents participating, to truly reflect the diverse population of South Kesteven, by introducing innovative ways in which to participate.

To encourage all resident to be actively involved in the decision making process, with Tenancy Services.

To provide involvement and participation opportunities at levels and times and that are accessible to all.

To provide clear and responsive consultation, using the feedback to continually develop our delivery of brilliant housing services.

South Kesteven District Council will ensure its employees promote involvement and participate in the process. This will be achieved through training, internal communication and the promotion of good practice to embed resident involvement in our activities.

Where complaints are received, we will use them as an opportunity to learn how and why things have gone wrong and take appropriate action to stop a recurrence.

## **Communication**

To encourage and enable good communication we will use the following methods:

**Telephone** – Conduct telephone surveys asking opinions and/or feedback on proposals.

**Email** – Email consultations, bulletins, flyers, invitations and other relevant information.

**Website** - South Kesteven District Council's website has a link to Resident Involvement so you can find out information first hand. This strategy is posted on the SKDC website. If there is anything you wish to know that is not currently on the website there is a feedback form you can fill in and we will contact you.

**Text Alert** – We will alert you to news, information, meetings and consultations posted on the website.

**Tenants Newsletter** – Tenancy Services funds a quarterly tenant's newsletter currently known as "Skyline". The newsletter is written in partnership with tenants and informs on housing issues. It also gives the various Neighbourhood Groups the opportunity to tell others what they are doing and to promote their activities.

**Tenants Hand Book** – The Tenant Handbook has a separate section which refers to Resident Involvement and describes how tenants can get involved and in what areas.

**District Association Meetings** – The District Association is the umbrella group consisting of tenant representatives from the Neighbourhood groups which are attended by SKDC officers.

**Neighbourhood Groups** - Neighbourhood Groups represent their local communities. All meetings are held locally at various times. Meetings will often have an invited SKDC officer and/or guest speaker which can be representatives from other appropriate organisations.

**Consultation Panel** - This panel consists of tenants who have agreed to receive and complete questionnaires, consultations and feedback forms.

**Neighbourhood Voice** - As a 'Neighbourhood Voice' you will play a

vital role in helping residents communicate with Tenancy Services and have an input into how your homes and neighbourhoods are managed. You will be a representative for your area and communicate directly with your local Neighbourhood Group and/or the Resident Involvement Team.

**Public Meetings** – Where appropriate, the Resident Involvement Team will arrange public meetings. These meetings will be held in suitable, accessible locations at convenient times to encourage as many people as possible to attend.

**Other Meetings** – Where appropriate or by request, other meetings can be arranged.

**Consultation Forms** - We will use these forms when we identify the need to consult with tenants and residents about proposals affecting their homes and communities.

**Individual Letters** – The Resident Involvement Team will send individual letters when an issue arises that may require your personal attention.

All communications will use clear and concise language, using plain English and be jargon free!

## **How to get involved**

If you want to become involved at any level, please contact the Resident Involvement Team who can advise you on your options.

If you agree, your details can be added to our secure, confidential database of residents ensuring you receive relevant information in the format you prefer.

If you would like to join in please contact the Resident Involvement Team on the number below.

**Tel - (01476) 406338**

**[residentinvolvement@southkesteven.gov.uk](mailto:residentinvolvement@southkesteven.gov.uk)**

## **Neighbourhood Groups**

South Kesteven District Council has a network of Neighbourhood Groups, set up by tenants and assisted by the Resident Involvement Team. A member of the Resident Involvement Team and/or a representative of the Council will usually attend meetings if invited to do so. Meetings are minuted and relevant issues given to the Council for action/response.

Neighbourhood Groups are bound by a Constitution, developed by both Tenancy Services and the tenant Chairs and Vice-Chairs of all the Neighbourhood Groups.

All members are unpaid volunteers, receiving out-of-pocket expenses and share an interest in helping their local community.

### **Support**

Tenancy Services promotes and encourages training, seminars and relevant courses to build greater understanding of resident involvement.

We provide a budget to meet the costs of training, travel and out of pocket expenses.

We also encourage you to attend exhibitions, seminars and visit other tenant and residents groups to see how they work, sharing best practice.

We will also provide a budget for Neighbourhood Groups to promote and develop their activities.

Resident Involvement Team will offer help and support as required. We can assist you with the production of letters, posters and leaflets etc.

## **Equal Opportunities**

South Kesteven District Council recognises the importance of equal opportunities. We will aim to implement and monitor our practices to ensure that nobody is treated less favourably on the grounds of sex, race, disability, ethnic origin, marital status, age, religion or belief, housing status, ability and sexual orientation.

All buildings used are compliant and accessible for disabled residents.

South Kesteven District Council will make every effort to ensure all areas of resident involvement are available to all.

All our literature will be easily understood, clear and accurate. Ensuring language barriers and disabilities do not restrict access to information.

In addition to different languages, Braille, large print and audio versions can be made available on request.

The website will be user friendly, up to date with relevant news, views and issues. Enabling users to access information and participate at a level and time convenient to them.

All complaints will be investigate thoroughly and fairly regardless of sex, race, disability, ethnic origin, marital status, age, religion or belief, housing status, ability and sexual orientation.

## The Future

We are committed to continually improving our services and opportunities for involvement. We will continue to use established methods, but will also try new ways of getting resident involved.

Some of the new developments that will start during 2008/20011 will be:

**Leaseholder Forum** – this group will provide an opportunity for leaseholders to be consulted on issues that affect them.

**Consultation Panel** - this panel will consist of tenants and residents who have agreed to receive and complete questionnaires, consultations and feedback forms. They will be consulted on various issues including the repairs service and the annual setting of rent.

**“Compact Chest” (£10,000 per year)** – an annual budget over and above the existing grant given to the District Association. To be spent on specific projects chosen by the members of the Neighbourhood Group.

**Resident Conference** – every SKDC tenant/resident be invited to the conferences promoting good practice, achievements and to encourage networking between residents.

**Website** - Resident Involvement Website with the ability to participate online, voting on issues, giving feedback, viewing policies, minutes and the calendar of events. With separate sections for your local areas.

**Diversity** – Improve the representation across the whole resident involvement structure, to reflect our diverse population.

**Estate Inspectors** – A “walk around” with Estate Officers, inspecting the quality of the housing service, estates and the environment, providing feedback and suggestions for improvement.

**Mystery Shoppers** - Develop a network of tenants, trained to inspect all areas of service delivery, from repairs, estate management to customer services, anonymously!

**Children and Young People** - Develop interaction with children and young people, visiting youth centres, schools and arranging other activities and days out.

**Youth Outreach Worker** – A partnership agreement to fund or part fund an outreach worker to engage young people, where their ideas, views and concerns could be gathered. Developing opportunities to enable young people to take part in the decision making process. The results would then be used to formulate a action plan to engage them.

**Garden Tool Loan/Hire Scheme** – A loan scheme to borrow/hire gardening equipment.

**Resident Involvement Calendar** – An annual calendar of events featuring all meetings, events and activities to be distributed to all council properties.

**District Resident Twinning** – Twinning with another tenant group from a similar sized, housing provider (Council, Housing Association or ALMO) with a proven record of quality and innovative service delivery.

## **Our commitment to you**

Tenancy Services provides a dedicated Resident Involvement Team. In addition, all our staff are aware of their role in making resident involvement work.

This will include, involving our tenants in the development and implementation of this strategy through open discussion steering the strategy development as new policies, procedures and practices emerge.

Providing sufficient support to make resident involvement happen, including: staff, equipment, support and general expenditure.

Ensure tenants and residents are empowered and able to participate fully in decision making, increasing satisfaction of tenants with opportunities for participation.

Develop systems to evaluate and demonstrate the effectiveness of resident involvement in improving the services offered by Tenancy Services.

All new tenants are given a resident involvement pack advising on opportunities to become involved.

This strategy has been developed in partnership with our tenants and will be regularly reviewed and evaluated.

This document links into other strategies and policies of South Kesteven District Council.

**If you would like to comment on this Strategy or any related topic, please contact the Resident Involvement Team.**

Email: [residentinvolvement@southkesteven.gov.uk](mailto:residentinvolvement@southkesteven.gov.uk)

Phone: 01476 40 63 38

**By Post:** Resident Involvement Team  
South Kesteven District Council  
The Council Offices  
St Peters Hill  
Grantham  
Lincs  
NG31 6PZ

# Empowering our Community

# **Compact Agreement**

**2008-2011**

An agreement between tenants and  
South Kesteven District Council

## **Introduction**

This compact agreement has been drawn up between South Kesteven District Council and its tenants.

A **Tenant** is defined as the tenancy holder/s, leaseholder/s and any other member of their household. This definition of “Tenant” relates to this document only. It does not give household members any of the legal rights that tenants themselves have.

It clearly states the standards that all parties to this agreement will aim to achieve and explains how tenants can have a real say about the services that affect their homes, environment and quality of life.

This agreement enables all tenants to have a real input in the decision making process.

This document represents a genuine commitment by the council to deliver the best possible service in accordance with the principles of value for money. However, excellent services are not seen as an end in themselves – they are simply a means to an end. We want to help create communities where people want to live.

## **Standards**

This Compact complies with the core standards set out in the Government’s revised National Framework for Tenant Participation Compacts issued in March 2005 and is based upon common aims agreed between Tenancy Services, tenants and tenant representatives.

## **Vision Statement**

Our vision is for tenants to be involved in decision making in all aspects of the Tenancy services.

Our vision is based upon three general principles:

- To involve tenants in the management of their homes and

review and develop the services they receive.

- Tenants and tenant groups will be supported and encouraged at a level and pace decided by themselves.
- To seek the views, promote and advance the interests of all tenants within the district of South Kesteven on housing, communities and other matters that affect their quality of life.

## **Relationship with Value for Money**

This agreement forms part of the 'Value for Money' process. In developing our District and Neighbourhood Groups, tenants and the council must challenge existing arrangements, compare with others, involve tenants and fully look at how Resident Involvement can be delivered most effectively.

## **The Codes of Conduct**

Tenant and Council officers will abide by the Code of Conduct for Council Staff and Members will abide by the National Code of Local Government Conduct.

Approved tenants representatives are regarded as agents of the Council whilst performing their duties.

## **The Role of the Council**

We recognise the valuable role tenants play and the vital contribution they make towards a continually improving service.

We will involve tenants in making decisions on matters by consensus. This involvement may be through formal or informal structures and processes, tailored to meet the needs of tenants.

We will ensure that tenants, members and officers realise and understand the arrangements for tenant involvement.

We will support and encourage the development of formal tenants groups within the District of South Kesteven. We will make sure that there are other less formal ways for tenants to be involved at a level that suits them.

We will make sure that these structures represent all tenants and that all have the chance to get involved.

We will, with tenants review and develop our strategies relating to tenant and resident involvement on a continual basis.

We will make sure that the Resident Involvement Team is properly resourced.

We will ensure that tenants, members and officers receive adequate training to more effectively assist in achieving our vision for tenant and resident involvement.

## **The Tenants' Role**

Tenants will work in partnership with the Council, to identify issues of concern, setting priorities and influencing how services and facilities can be improved.

## **The Elected Members' Role**

Members must work closely with tenants, and officers in implementing and monitoring the changes that this compact agreement will bring about.

## **Tenant and Resident Involvement Policies**

We will involve and consult with tenants on issues that affect them both individually and their neighbourhoods.

Tenants will be encouraged to participate in relevant areas of service delivery.

## **Monitoring and reviewing Council performance.**

### **Provision of Information**

We will ensure that tenants have access to high quality information about the services we provide. Timely and relevant information will be provided in plain language on:

Examples are-

- The Council's strategies and policies
- Housing management services
- Resident Involvement
- Capital works programme
- Performance information
- Best Value reviews

We will use a wide range of methods of communication for tenants as detailed in the Resident Involvement strategy.

We also recognise the special needs of our rural communities which in addition to the issues common to both urban and rural communities we will:

- Hold meetings at as many locations in the district as possible
- Develop and promote innovative ways of consulting with tenants in rural areas.

The Council and Neighbourhood Groups will ensure that information is accessible to all tenants who wish to receive it.

## **The Formation of Neighbourhood Groups**

The Council supports the formation of Neighbourhood Groups and will work with tenants to sustain existing groups.

All Neighbourhood Groups must operate democratically and be easily accessible. Groups must incorporate a written constitution, which defines its aims and objectives and a commitment to diversity and equal opportunities.

## **Opportunities for Involvement**

The Council will support, encourage and provide information to all tenants on how to become involved.

It will ensure that there is a range of opportunities and structures available to suit the needs and requirements of the tenants so they are able to choose what level of involvement they prefer.

## **Consultation**

We will consult with tenants on issues that affect their home or environment to seek their views.

We will consult in an open and honest manner within the timescale clearly identified. We will fully inform tenants about the outcome of any consultation.

## **Funding Resident Involvement**

The Council will provide adequate funding and resources to develop, encourage and sustain resident involvement in South Kesteven.

The Director of Tenancy Services will have overall responsibility for resident involvement.

## **Monitoring Resident Involvement**

We will, together with tenants monitor resident involvement ensuring it is effective and representative.

## **Statement of Intent**

This agreement will ensure that decisions taken by South Kesteven District Council will take full account of tenants views and their interests.

In signing this agreement we are showing our shared commitment to working in partnership, to achieving this vision under the guidance of these principles and to keep to the working practices shown in this agreement.

This Compact was adopted on the .....day of .....200.....

Signed by:

..... Date .....

**Mary Patrick**  
South Kesteven District Association Chair

..... Date.....

**Tony Campbell**  
Director of Tenancy Services

..... Date .....

**Cllr Paul Carpenter**  
Portfolio holder for Corporate Governance and Housing

# Agenda Item 7

## REPORT TO CABINET

REPORT OF: Councillor Paul Carpenter, Portfolio Holder HR & OD  
REPORT NO.:HR & OD 95  
DATE: 24<sup>th</sup> January 2008

<b>TITLE:</b>	<b>New look pension scheme policy statement</b>
<b>FORWARD PLAN ITEM:</b>	Yes
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	September 2006
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	<b>Policy Framework Proposal</b>

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	Paul Carpenter, Deputy Leader Portfolio holder for HR & OD	
<b>CORPORATE PRIORITY:</b>	Use of Resources	
<b>CRIME AND DISORDER IMPLICATIONS:</b>	N/A	
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	This report is publicly available from the council's website <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a> via the Local Democracy link	
<b>INITIAL EQUALITY IMPACT ASSESSMENT</b>	<b>Carried out and appended to report?</b>  <b>Yes</b>	<b>Full impact assessment required?</b>  <b>No</b>
<b>BACKGROUND PAPERS:</b>	SD 13 report to Council & appendix <a href="http://moderngovsvr/mgConvert2PDF.asp?ID=4523&amp;J=3">http://moderngovsvr/mgConvert2PDF.asp?ID=4523&amp;J=3</a> <a href="http://moderngovsvr/mgConvert2PDF.asp?ID=4525&amp;J=3">http://moderngovsvr/mgConvert2PDF.asp?ID=4525&amp;J=3</a> Statutory Instrument 2007 No. 1166	

## **1. INTRODUCTION**

The changes to the local government pension scheme have been anticipated for some time. The primary legislation to effect the changes was passed in April 2007 to come into effect on 1<sup>st</sup> April 2008. It changes the basis of the scheme as well as its practical operation. We are still awaiting the definitive guidance on the scheme, and this report and policy statement is based on the advice and guidance supplied by Local Government Employers (LGE) and the Department for communities and local government (DCLG) to date. It is likely that there will be amendments to the legislation. To enable the effective introduction of the scheme we are required to restate the Councils discretions alongside the scheme changes.

## **2. RECOMMENDATIONS**

- 2.1. The cabinet recommends to Council the adoption of the policy statement detailed in appendix 1 of this report.
- 2.2 The cabinet recommends to Council the adoption of the discretions detailed in section 3 of the policy statement and the requirement that they be formally notified to the pension scheme administrators.
- 2.3 The cabinet notes that the policy statement is subject to the outcomes of the consultation with the unions and a verbal update will be presented at the meeting.

## **3. DETAILS OF REPORT**

3.1 The new look pension scheme 2008 is significantly different to the scheme based on the 1997 regulations.

The major changes are:

- Eligibility to join the scheme is restricted to employees with an employment contract of over 3 months. Existing employees automatically move over to the new scheme.
- Employee contributions change from a flat rate of 6% to a range of contributions between 5.5% and 7.5%. The bands are based on income – so those on lower salaries pay lower contributions than those on higher incomes. There is no change to the definition of pensionable pay.
- Craft worker contributions (formerly at a flat rate of 5%) are on a phased programme so that they are integrated into the same income based bands over the next 3 years.
- The benefits payable on retirement are made on a different calculation base 60<sup>th</sup>s rather than 80<sup>th</sup>s. Existing employees who retire will receive pension benefits derived from 2 sets of calculations based on old scheme membership and new scheme membership.
- Lump sum pensions are not an automatic feature of the new scheme as they are in the current scheme. In the new scheme employees can elect to commute part of their pension to a lump sum if they wish on a 1:12 basis. The maximum allowed is 25% of the capital value of benefits.
- Benefits are calculated on an employee's final pay. In the 2008 scheme it now permits the best of the last three years pensionable pay to be used.
- Employees can remain in the scheme when aged over 65 and their benefits will be actuarially increased. They must draw their pension benefits before age 75.

- Voluntary early release of pension benefits will be subject to actuarial reduction (subject to the old rule is permitted with employer consent).
- Benefits paid on death in service are improved to beneficiaries.
- For employees permanently incapable of work through Illhealth there is the introduction of two tier Illhealth benefits based on the likelihood of gaining gainful employment.
- There is provision in the scheme for employees to buy additional scheme membership/ additional voluntary contributions.
- The earliest age at which benefits become payable rises from 50 to 55, with transitional arrangements in place for existing members until 2010.

3.2 All staff will be briefed on the new look pension scheme via nationally produced information and information provided by our scheme administrators at Lincolnshire County Council. There will be information provided for reference on the intranet. The intention is to deliver this information in March 2008 when the latest guidance has been received.

3.3 There are considerable practical and administrative issues to address to enable the implementation of the scheme for April 2008 and a project plan is being implemented.

#### **4. Changes to the new 2008 scheme.**

4.1 From the briefings and guidance received to date there are still parts of the new regulations that require amendment and / or further clarification. For example the regulations permit flexible retirees to draw all or part of their benefits. We are awaiting guidance as to how part payment is intended to operate.

4.2 The consultation on a possible 3<sup>rd</sup> tier Illhealth retirement has closed but as yet we have not received any indication as to whether this option will come to fruition. The proposal is that employees who are permanently incapable of doing their present job can retire and draw their benefits accrued to date, without enhancement, if it is judged by the specialist occupational health physician that they could obtain gainful employment soon after retirement from their existing employment. We have been led to believe that this may be introduced for the start of the new scheme.

4.3 Annual reviews of contribution bands are a feature of the scheme.

4.4 There will be a considerable impact on occupational health services in relation to Illhealth retirement certification.

#### **5. OTHER OPTIONS CONSIDERED AND ASSESSED**

This report and policy is to achieve legislative compliance.

#### **6. COMMENTS OF SECTION 151 OFFICER**

The attached policy statement incorporates the safeguards and improvements in administration implemented following the review of the Council's existing Pensions Policy under the old scheme, which were adopted following discussions with the Pension Scheme Administrators and District Audit. In particular, the fact that each application for early release of pension will be considered on its own merits

and will be evaluated on the basis of a business case, employment law and legal issues.

The report highlights that the Council has the option to either vary employees contribution bands during the year or adopt the same policy as the scheme administrators (Lincolnshire County Council) to review annually providing the scheme delivers the contribution rate required. The attached policy adopts the same approach as the County Council, the financial impact of this option should be minimal, however, this aspect of the policy should be kept under review to ensure that the scheme delivers the contribution rate required.

## **7. COMMENTS OF MONITORING OFFICER**

I am advised this policy has been introduced to update existing arrangements and introduce new requirements in accordance with The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 007 - statutory instrument 2007 No. 1166.

Further changes to the legislation are expected within the next year which will require further amendments to the policy. The policy will be kept under constant review.

## **8. COMMENTS OF OTHER RELEVANT SERVICE MANAGER**

## **9. CONCLUSION/SUMMARY**

The new look pension scheme commences in April 2008 and the statutory regulations prescribe its operation. This report and policy statement is to ensure that the council is compliant with the new regulations. The policy statement in appendix 1 has been reviewed by the Lincolnshire pension administrators as technically correct.

## **10. CONTACT OFFICER**

**JOYCE SLATER**

**SERVICE MANAGER HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT**

**Tel 01476 406133**

**Email [joyce.slater@southkesteven.gov.uk](mailto:joyce.slater@southkesteven.gov.uk)**

**SKDC Statement of Pensions Policy**  
**"New Look" scheme 2008**  
**January 2008****1. Introduction**

- 1.1 This policy applies to all employees who are members of the local government pension scheme. Employees must have a contract of employment for more than 3 months duration in order to be entitled to join the scheme.
- 1.2 It defines the discretions applied by this Council as required in the legislation. It also details the different retirement arrangements that are available within legislation and the pension regulations.
- 1.3 It reflects current regulations, practices and arrangements and is in accordance with decisions made by the Council on 26th October 2006 and the cabinet decision on 11<sup>th</sup> February 2008.
- 1.4 The policy notes that transitional arrangements are in place for what are known as "rule of 85" retirements as part of the transitional arrangements between the old scheme which closes on 31<sup>st</sup> March 2008 and this "new look" scheme to be introduced on 1<sup>st</sup> April 2008

**2. Principles**

- 2.1 The Council will treat each individual retirement case on its merits.
- 2.2 Decisions relating to retirement will be made following consideration of the relevant decision criteria, the business implications, financial implications, employment law considerations and legality of each case.
- 2.3 Each decision will be made free from discrimination on the grounds of gender, race, disability, age, religious belief, sexual orientation or any other personal criteria.
- 2.4 Employees will pay pension contributions according to the bands determined nationally. These bands are subject to review and may change. At the start of the scheme the bands are detailed in the following table and contributions are based on whole time equivalent pensionable pay.

BAND	RANGE	CONTRIBUTION RATE
1	£0 - £12,000	5.5%
2	£12,001-£14,000	5.8%
3	£14,001 -£18,000	5.9%
4	£18,000-£30,000	6.5%
5	£30,001-£40,000	6.8%
6	£40,001-£75,000	7.2%
7	£75,001 +	7.5%

2.5 Employees will be advised of their pension bands at the start of each financial year. The Council will adopt the same policy as the County Council in relation to the setting and review of bandings on an annual basis as long as the scheme delivers the required contribution rate.

2.6 Existing craft workers who pay contributions at the protected 5% contribution rate will be brought into line with all other scheme members from 1<sup>st</sup> April 2011 in accordance with a nationally agreed progression. Currently these are :

1 <sup>st</sup> April 2008	5.25%
1 <sup>st</sup> April 2009	5.5%
1 <sup>st</sup> April 2010	6.5%
1 <sup>st</sup> April 2011	Standard bands
NB if their correct contribution band would be less than 6.5% then the 2007 table should be followed	

2.7 Employees have the right to pay additional regular contributions of £250 per year or multiples thereof to a maximum of £5000 and these and / or AVC's are requested direct from the pension administrators who obtain calculations from the government actuary.

### **3. Discretions**

Under the Pension Regulations there is a requirement for employers to publish their discretionary provisions and deposit them with the pension scheme administrators. This part of the policy details those discretions.

#### **3.1 Discretion 1**

Since April 2006 there is no ceiling on the years of service that can count for pensionable service. Where employee contributions had been waived in the past, the service in question will be awarded to the individual without payment of the arrears of employee contributions. Employer contributions will have been paid anyway.

This discretion notes that it is no longer relevant to waive employee contributions and will adopt the discretion to award previously waived service without the employee being asked to pay previously waived contributions. This is in line with the County Council's policy.

#### **3.2 Discretion 2**

The addition of additional year's membership to a new employee within 6 months of commencing employment.

The Council does not adopt this discretion and notes that the County Council will be deleting the discretion.

### **3.3 Discretion 3**

This discretion could enable the Council to share the cost of an additional voluntary contribution with the employee. The Council will not adopt this discretion.

### **3.4 Discretion 4**

The granting of widowers benefits for service between 1 April 1972 and 6 April 1988. This policy has now been applied to all relevant cases administered in the Lincolnshire scheme and it has been proposed to remove the discretion from the list.

The Council agrees to the deletion of the discretion.

### **3.5 Discretion 5**

Employer consent retirement.

When an individual (whether an active member or a deferred member) exceeds the minimum age for the release of pension benefits on retirement (50 at present but increasing to 55 from 2010) they have the right to ask the employer to retire. The discretion will be adopted by the council and will apply the following criteria to its approach.

Each case will be assessed on the merits of its individual business case, which takes into account the following: Long term savings, affordability, skill retention, interests of efficiency and with no adverse effects on service delivery.

Efficiency is defined as "efficiency shall include but not be limited to both financial savings and or quantifiable quality improvements judged on a case by case basis". As a general principle the council requires a reduction in working hours of 33% or a significant reduction in grade for an efficiency to be considered material in flexible retirement requests.

### **3.6 Discretion 6**

The use and definition of compassionate grounds.

The Council will adopt the discretion to not reduce pension benefits or release benefits on compassionate grounds. The Council will rely on the County Council's definition of compassionate grounds in this discretion and assess individual cases on their own merits. The County Council's definition is currently:

"Situations of severe personal distress resulting from non financial circumstances affecting the individual or close relative (e.g. spouse, child, parent) leading to unavoidable financial hardship".

Confirmation by the Pension Fund Medical Practitioner would also be required, where relevant.

### **3.7 Discretion 7**

This allows the Council to augment an employee's pension membership up to a maximum of 10 years augmentation. The capital cost of the augmentation has to be paid, as a lump sum, into the pension fund. The Council will not apply this discretion.

### **3.8 Discretion 8**

This allows the Council to award additional pension membership up to £5000 per annum.

The Council will not adopt this discretion.

## **5. Retirement options**

There are many different retirement options available under the regulations. The decision about each retirement request must define the type of retirement as defined in this policy and in the regulations.

### **5.1 Procedure**

A formal process will determine each case on its merits, in accordance with this policy statement and the current pension regulations. Consideration of the request for retirement will be made by the following people:

- The relevant service manager, for the business case / implications/ efficiency proposals
- HR & OD for the employment law considerations
- S151 Officer for the financial implications
- Monitoring Officer for the lawfulness of each case
- The Chief Executive makes the final determination on the basis of the advice received and only at that point can any retirement proceed.

Notification of retirements must be made to the portfolio holder on a case by case basis by the Human Resources and Organisational Development Service Manager.

The Human Resources and Organisational Development Manager must make an annual report of all retirements to the Cabinet.

### **5.2 Normal retirement age**

The normal retirement age is defined as 65 for all employees born after 1st April 1956. There are transitional arrangements in place for employees born before that date.

### **5.3 Retirement at normal retirement age**

In accordance with the age discrimination regulations 2006, employees will be asked if they wish to consider working beyond normal retirement age. They will be asked for their preferences 6 months prior to their 65<sup>th</sup> birthday. The decision whether an employee can continue working beyond the age of 65 is made on a case by case basis and is subject to the employer giving their consent. The consent decision will be reviewed.

If an employee wishes to retire at age 65 they will receive their pension entitlement in full i.e. without actuarial reduction after their 65<sup>th</sup> birthday. Their pension and any retirement grant (lump sum) will be calculated on actual contributions. Retiring employees will find that their pension is made up of 2 calculations based on their scheme membership prior to 1<sup>st</sup> April 2008 and their scheme membership post 1<sup>st</sup> April 2008

The differences in calculations are as follows:

<b>Pre 1<sup>st</sup> April 2008 service under 1997 regulations, as amended</b>	<b>Post 1<sup>st</sup> April 2008 service under new 2008 scheme regulations, as amended.</b>
Final years pensionable salary divided by 80 multiplied by number of years and days pension scheme membership	Final years pensionable salary (or best of the last 3 years) divided by 60 multiplied by number of years and days pension scheme membership
Automatic tax free lump sum calculated as 3/80ths of final pensionable salary multiplied by number of years and days pension scheme membership	No automatic tax free lump sum. Pension is commutable at the rate of £1 of annual pension for a £12 lump sum, to a maximum of 25% of the capital value of accrued benefits at the date of retirement

## **5.4 Working beyond 65 and retirement after normal retirement date.**

If the Council consents to an employee continuing to work beyond age 65, the employee can continue to contribute to the pension scheme in accordance with regulation 17. Their employment will be reviewed in line with the consent given. In accordance with the pensions regulations they must draw their pension benefits before the day before their 75<sup>th</sup> birthday. Benefits payable after age 65 will have actuarial enhancement. Additional contributions to the pension scheme are "banked" and are paid out at the final retirement date.

## **5.5 Retirement between the age of 60 – 65**

Retirement between the age of 60 & 65, at the employee's request, does not require the consent of the employer. The normal procedure must still be used. The pension will have an actuarial reduction to take account of the early release before normal retirement age of 65.

## **5.6 Retirement between the age of 50 – 59**

When an employee who is a scheme member before 31<sup>st</sup>. March 2008 and wishes to draw benefit before 31<sup>st</sup> March 2010 requests retirement, the Council may consent to the retirement of an individual aged between 50 & 59 and the employees retirement benefits are subject to an actuarial reduction if they do not meet the 'Rule of 85' transitional arrangements. For new scheme members and for those employees wishing to seek a pension release under employer consent after 1<sup>st</sup> April 2010, the lower age limit will be 55.

## **5.7 Retirement in the interests of the efficiency of the service.**

Retirements that fall under this criteria (regulation 19) are where the consideration of the early retirement of the individual (aged 50, or from 1<sup>st</sup>. 2010, aged 55, is considered for an interest of efficiency pension release and is at the request of the employer.

Employer Consent to retirement on the grounds of the efficiency of the service has the effect that the benefits paid to the employee are unreduced and the Council takes the actuarial strain.

The Council has already defined interests of the efficiency of the service on 26<sup>th</sup> October 2006 as "efficiency shall include (but not be limited to) both financial savings and or quantifiable quality improvements judged on a case by case basis".

## **5.8 Redundancy**

Under regulation 19, any employee aged 50 who is made redundant is entitled to a release of pension. From 2010 employees must be aged 55 or over. These benefits are paid unreduced to the redundant post holder and the Council takes the actuarial strain. The Council's policy is to avoid redundancy situations wherever possible.

Compensation payments for the redundancy of employees aged over 50 continue at the statutory level for those whose redundancy effects a release of pension, in accordance with the Council's decision on compensatory payments made on 26<sup>th</sup> October 2006. If the redundancy does not effect a release of pension then the enhanced compensation arrangements apply (subject to further guidance being received).

### **5.9 Flexible retirement**

Regulation 18 permits flexible retirement from age 50, (or from age 55 from 1<sup>st</sup> April 2010).

The council will exercise the discretion to support flexible retirement. This option allows individuals to retire from their substantive post and continue in employment at a lower grade or with reduced hours.

Flexible retirement benefits are paid subject to an actuarial reduction.

Under the current regulations the employee can continue to accrue pension scheme membership benefits for the new role. When they fully retire and are no longer in employment the pension payments are recalculated.

The Council's policy is that any consent given for flexible retirement will only be given in the interests of the efficiency of the service. The Council has already defined interests of the efficiency of the service on 26<sup>th</sup> October 2006 as "efficiency shall include (but not be limited to) both financial savings and or quantifiable quality improvements judged on a case by case basis".

It will take into account service delivery / efficiency considerations, skill retention and the financial implications of the cost of early release in every case.

The scheme permits a partial release of benefit.

### **5.10 Transitional arrangements under the "rule of 85"**

The rule of 85 is satisfied if, at the time an individual starts to draw their pension, their pension scheme membership and their age add up to 85.

The rule of 85 has now been removed in respect of the benefits built up in the future. Members of the pension scheme as at 30<sup>th</sup> September 2006 and who meet the rule of 85 are protected up to 2016 & beyond that, they are on a sliding scale of actuarial reductions up to 31<sup>st</sup> March 2020. The rule of 85 is under review nationally.

The Council will consider each request to retire under the Rule of 85 transitional arrangements and will give its consent in accordance with the regulations and where the retirement can be shown to be in the interests of the efficiency of the service.

### **5.11 Ill health retirement**

The "new look" scheme introduces a 2 tier ill health benefits scheme for all employees with more than 2 years pension scheme membership.

Regulation 20 permits retirement on ill health grounds i.e. that the ill health or infirmity of mind or body renders the employee permanently incapable of discharging efficiently the duties of their current employment and that they have a reduced likelihood of obtaining gainful employment ( whether in local government or otherwise) before normal retirement age.

When permanent incapacity has been determined, the payment of benefit will accord with the relevant level.

### **Level 1.**

When an employee has their employment terminated because of permanent ill health and where the employee is unlikely to obtain gainful employment within a reasonable period of time but is likely to obtain gainful employment before age 65, the pension payable is based on accrued membership + 25% of the difference between leaving and age 65.

### **Level 2**

Where an employee has no reasonable prospect of obtaining gainful employment before age 65, the pensionable pay will be based on accrued membership + 100% of prospective membership between leaving and age 65.

Gainful employment is defined as "paid employment for no less than 30 hours per week for a period of not less than 12 months.

A release of pension on ill health grounds is made by specialists employed by the Councils Occupational Health advisers who must issue a certificate that details both permanent incapacity and the likelihood of being able to obtain other gainful employment in a reasonable time.

### **5.12 Retirement of the grounds of incapacity.**

When an employee suffers from ill health and when medical certification cannot be made, an employee can ask for employer consent to an early retirement. The Council may consent to the retirement of an individual under regulation 18 (flexible retirement) and the employees retirement benefits are subject to an actuarial reduction if they do not meet the 'Rule of 85' transitional arrangements. Each case will be considered on its own merits and in line with the policy on flexible retirement outlined above.

### **5.13 Retirement on compassionate grounds.**

The council will consider requests for retirement on compassionate grounds in accordance with regulation 30. The Council has adopted the County Council's definition, which is currently:

"Situations of severe personal distress resulting from non financial circumstances affecting the individual or close relative (e.g. spouse, child, parent) leading to unavoidable financial hardship". The normal request to retire procedure must be followed. If consent is given for a retirement on compassionate grounds the pension is not actuarially reduced.

## **6. Certificates of protection / deferment.**

These were a feature of the 1997 regulations but have been removed in the 2008 regulations. In its place is the provision that a person whose pensionable pay is reduced because they have chosen to continue on local government employment at a lower grade or with less responsibility than their previous post may choose to have their final pay calculated as the average of their annual pensionable pay in any 3 consecutive years ending 31<sup>st</sup> March within the last 10 years prior to retirement.

## **7. Appeal Procedure**

Individuals have the right to appeal to their employer against a decision to release a pension. They must submit their grounds for an appeal in accordance with the Councils grievance procedure.

Individuals who have had their pension released and who have a grievance relating to their actual pension payments must, in the first instance, appeal to an independent person appointed by the Council. This is someone who has not been involved in the pension release decision in any way and is usually a member of the strategic management team.

## INITIAL EQUALITY IMPACT ASSESSMENT PRO FORMA

Section: HROD	Names of those undertaking assessment: Jane Jenkinson, Joyce Slater, Mike Robinson	
Name of Policy to be assessed: New Look Pension Scheme 2008	Date of Assessment: 23 <sup>rd</sup> January 2008	Is this a new or existing policy?: NEW
<p>1. Briefly describe the aims, objectives and purpose of the policy: Clarify the Councils discretions and practical arrangements relating to the range of pension release options under the new 2008 regulations.</p>		
<p>2. What are the key performance indicators? BVPI ill-health retirements BVPI early retirements</p>		
<p>3. Who will be affected by this policy? Employees who are members of the local government pension scheme Future employees</p>		
<p>4. Who is intended to benefit from this policy and in what way As 3</p>		
<p>5. Are there any other organisations involved in the delivery of the service? Pension scheme administrators Occupational health service provider</p>		
<p>6. What outcomes are required from this policy and for whom? Statement of the councils discretions Statement of the procedure to enable a pension release Guidance on the application of the pension scheme specific to SKDC All stakeholders listed in 8</p>		
<p>7. What factors/forces could contribute/detract from the outcomes? Changes in the regulations &amp; related guidance</p>		
<p>8. Who are the main stakeholders in relation to the policy? Employees Pension fund administrators Occupational health Trade unions The Council – elected members S151 officer Monitoring officer Chief executive</p>		
<p>9. Who implements the policy, and who is responsible for the policy? Service manager Human resources and organizational development HR &amp; OD S151 officer Monitoring officer</p>		

Chief executive
10. Are there concerns that the policy <u>could</u> have a differential impact on different racial groups? If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this?  No because the criteria relate to pensionable service & financial viability
11. Are there concerns that the policy <u>could</u> have a differential impact on men and women? If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this?  Regulations base pension benefits on pensionable contributions. There is a difference in length of service between genders, but this is not attributable to this policy. Both genders have their benefits based on actual pay and pensionable contributions. Rule of 85 has been removed, which used to impact adversely on women who were less able to accrue high levels of service.
12. Are there concerns that the policy <u>could</u> have a differential impact on disabled people? If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this?  III health retirement options are more supportive of people with a disability than previous schemes.
13. Are there concerns that the policy could have a differential impact on the grounds of sexual orientation? If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this? No
14. Are there concerns that the policy <u>could</u> have a differential impact on the grounds of age? If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this? Yes. The regulations have different pension release options related to age.
15. Are there concerns that the policy <u>could</u> have a differential impact on the grounds of religious belief? If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this? No.
16. Are there concerns that the policy <u>could</u> have a differential impact on any other groups of people eg those with dependants/caring responsibilities, those with an offending past, those with learning difficulties, transgendered or transsexual people. If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this? No
17. Are there any obvious barriers to accessing the service eg language, physical access? No.
18. Where do you think improvements could be made? Receipt of guidance from Local Government employers and the pension fund administrators Eg flexible retirement III health retirement
19. Are there any unmet needs or requirements that can be identified that affect specific groups. If yes, please give details. No

20. Is there a complaints system? Yes grievance procedure & to an independent person appointed by the Council, normally a member of the strategic management team.
21. Do we monitor complaints by race, gender, disability, age, sexual orientation, religious belief? Yes
22. Do we have feedback from managers or frontline staff? N/A policy is purely driven by the new regulations
23. Is there any feedback from voluntary/community organisations? N/A
24. Is there any research or models of practice that may inform our view? No – policy has been reviewed by our pension administrators as technically correct
25. Could the differential impact identified in 8 – 16 amount to there being unlawful discrimination in respect of this policy? Potentially age but the challenge is to the pension legislation that defines the policy.
26. Could the differential impact identified in 8-16 amount to there being the potential for adverse impact in this policy?  No because the policy does not treat people differently other than as required by the regulations and because the determination of an early release of pension is determined by the efficiency considerations not personal attributes
27. Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group? Or any other reason? No
28. Should the policy proceed to a full impact assessment? No
29. Date on which Full assessment to be completed by N/A
Signed (Lead Officer): Joyce Slater... ..... Date: .....24 <sup>th</sup> January 2008 .....

## REPORT TO CABINET

**REPORT OF:** Chief Executive

**REPORT NO.:** CEX386

**DATE:** 11 February 2008

<b>TITLE:</b>	Draft Code of Corporate Governance	
<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	Corporate Governance, Councillor Linda Neal, Leader of the Council	
<b>CORPORATE PRIORITY:</b>	All	
<b>CRIME AND DISORDER IMPLICATIONS:</b>	None	
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	This report is available via the local democracy link on the council's website <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>	
<b>INITIAL EQUALITY IMPACT ASSESSMENT</b>	Carried out and appended to report?  Not Applicable	Full impact assessment required?  No
<b>BACKGROUND PAPERS:</b>	None	

### 1. INTRODUCTION

Under the Council's Statement of Internal Control, the authority is committed to the preparation of a Code of Corporate Governance. This Code is also a requirement under the Accounts and Audit Regulations 2006 which the authority will need to meet in April of this year.

### 2. RECOMMENDATIONS

That Cabinet give their views on the content of the Draft Code of Corporate Governance.

### 3. DETAILS OF REPORT

In preparing the Draft Code I have taken cognisance of the CIPFA/SOLACE framework which has been developed as a result of the Langlands Commission 2004.

The framework sets out 6 principles of Corporate Governance and I have reflected these within our draft Code however I have adopted the specific commitments under each principle to reflect the circumstances of the Council.

#### **4. COMMENTS OF SECTION 151 OFFICER**

Governance arrangements are vitally important to all tax payers and residents. Good governance is important to all involved in local government. Good governance leads to good management, good performance, good stewardship of public money, good public engagement and ultimately good outcomes for residents and service users.

I have been consulted throughout the process of preparing our action plan and Code of Governance and believe that they will provide a framework to promote the principles of good governance. The Audit and Governance Committee, being those charged with Governance, will need to review the Council's progress against the delivery of the action plan on an ongoing basis and report any material issues to Council

#### **5. COMMENTS OF MONITORING OFFICER**

The Monitoring Officer has been consulted throughout the process of producing the action plan and code. Such a code is essential to ensure the principles of good governance are recognised and followed.

Comprehensive Area Assessment will require the promotion and maintenance of high ethical standards. The introduction of the Code of Corporate Governance will assist with that.

The draft Code has been developed in accordance with guidance issued by CIPFA and SOLACE on the delivery of good governance in Local Government.

#### **6. CONCLUSION/SUMMARY**

The Code is presented to Cabinet for consultation. It will then be presented to Council for formal adoption.

For information, the full Corporate Governance Framework that we are required to have in place from April of this year also includes a Governance Statement which will include the detail, responsibility, level of assurance, description of our Governance Framework, description of Framework to maintain the effectiveness of these arrangements and an action plan. This Statement is required to be signed by the Leader and myself. Approval of the Statement will be undertaken by the Governance and Audit Committee in accordance with their delegated authority when they consider the Accounts at their meeting in June however it is my intention to present the full Statement to full Council in April so that they can be consulted on it.

#### **7. CONTACT OFFICER**

Duncan Kerr  
Chief Executive

## INITIAL EQUALITY IMPACT ASSESSMENT PRO FORMA

Section: Chief Executive	Names of those undertaking assessment: Duncan Kerr, Simon Collingwood, Hilary Lovell	
Name of Policy to be assessed: Draft Local Code of Governance	Date of Assessment: 29 <sup>th</sup> January 2008	Is this a new or existing policy?: New
1. Briefly describe the aims, objectives and purpose of the policy: To deliver high standards of governance as defined in the proposed code		
2. What are the key performance indicators? Satisfaction of residents overall (from residents' survey) Auditor judgements		
3. Who will be affected by this policy? Members, staff, all stakeholders, officers and residents		
4. Who is intended to benefit from this policy and in what way? All residents of the district will benefit from an effectively run organisation.		
5. Are there any other organisations involved in the delivery of the service? Contractors would be required to adhere to the principles in the code.		
6. What outcomes are required from this policy and for whom? Effective governance and service provision for the benefit of all residents, protection of reputation for the council and the staff		
7. What factors/forces could contribute/detract from the outcomes? Inappropriate behaviours, corruption, non-adherence to the code.		
8. Who are the main stakeholders in relation to the policy? As at 3 – and to include contractors and partners.		
9. Who implements the policy, and who is responsible for the policy? Council responsible, every member and officer responsible for implementation		
10. Are there concerns that the policy <u>could</u> have a differential impact on different racial groups? If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this? Requirement to engage (principle 6) needs to reflect the racial composition of the District. The definition of governance has therefore been redefined to address this. To ensure the principles are working they will be reviewed after 12 months.		
11. Are there concerns that the policy <u>could</u> have a differential impact on men and women? If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this? No		
12. Are there concerns that the policy <u>could</u> have a differential impact on disabled people? If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this? See comments at 10 above. This applies to disabled people as well.		
13. Are there concerns that the policy could have a differential impact on the grounds of sexual orientation? If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this? See comments at 10 above. This can apply on the grounds of sexual orientation.		

14. Are there concerns that the policy could have a differential impact on the grounds of age? If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this?

No

15. Are there concerns that the policy could have a differential impact on the grounds of religious belief? If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this?

See comments at 10 above. This can apply on the grounds of religious belief.

16. Are there concerns that the policy could have a differential impact on any other groups of people eg those with dependants/caring responsibilities, those with an offending past, those with learning difficulties, transgendered or transsexual people. If yes, please explain. What existing evidence (either presumed or otherwise) do you have for this?

Possibly difficulties in communicating the code to people with learning difficulties. A review of the principles after 12 months will highlight any issues.

17. Are there any obvious barriers to accessing the service eg language, physical access? Can be produced in various formats and languages if required. Code of governance will also be published on the website.

18. Where do you think improvements could be made?

19. Are there any unmet needs or requirements that can be identified that affect specific groups. If yes, please give details.

See 16 above.

20. Is there a complaints system?

Council's corporate complaints system

21. Do we monitor complaints by race, gender, disability, age, sexual orientation, religious belief?

Complaints procedure being reviewed – not currently monitoring by race, gender etc.

22. Do we have feedback from managers or frontline staff?

New policy

23. Is there any feedback from voluntary/community organisations?

New policy

24. Is there any research or models of practice that may inform our view?

CIPFA and SOLACE national guidelines which we have taken account of.

25. Could the differential impact identified in 8 – 16 amount to there being unlawful discrimination in respect of this policy?

No

26. Could the differential impact identified in 8-16 amount to there being the potential for adverse impact in this policy?

Could do but 12 month review will highlight this.

27. Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group? Or any other reason?

Yes

28. Should the policy proceed to a full impact assessment?

Not at this stage – to be looked at again once code has been in place for 12 months

29. Date on which Full assessment to be completed by

Signed (Lead Officer): .... Duncan Kerr.....

Date: .....29<sup>th</sup> January 2008.....

# **South Kesteven District Council**

## **Draft Local Code of Governance**

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Principle 1 – Vision, forward planning and performance

Principle 2 – Roles and responsibilities of members and officers

Principle 3 – Standards of conduct

Principle 4 – Scrutiny and risk management

Principle 5 – Developing capacity

Principle 6 – Engaging with local people and stakeholders

### **Local Code of Governance**

#### **Introduction**

Welcome to the first edition of the Council’s Local Code of Governance.

The Local Code of Governance has been developed from a framework document produced by CIPFA and SOLACE, but the content is very much the Council’s own. The six sections of the Code define how the Council complies with the six principles of good governance laid down by the independent commission on good governance in public services. These are:

- vision, forward planning and performance,
- roles and responsibilities of members and officers,
- standards of conduct,
- scrutiny and risk management,
- developing capacity,
- engaging with local people and stakeholders.

#### **What is “Governance”**

Sometimes there can appear to be an air of mystery about the subject of Governance which can hinder improvement. To avoid this it helps to be clear about the definition of the term, so we all know what we are talking about. South Kesteven defines governance as:

“Providing brilliant services by ensuring that the Council listens, learns and delivers the right things, in the right way, according to the needs of our customers and giving special consideration to those who may be vulnerable or hard to reach”.

## **How important is it?**

South Kesteven recognises that all democratic and public governance relies on high standards of probity. When conduct and behaviour are corrupt or improper it erodes confidence in the democratic system. The UK has a strong reputation for high standards in public life, however citizen expectations are always increasing and it is important for the future well-being of local government and democracy that these standards are not only maintained, but improved, in the future.

For individuals who contribute to the Council either as members or as staff strong corporate governance is also a means of safeguarding and protecting their own reputation.

## **How Does it work in practice?**

South Kesteven District Council, like every other local authority, operates through a governance framework which brings together an underlying set of legislative requirements, governance principles and management processes. Over the last few years, the Council has put considerable effort into codifying its principles and processes. Perhaps the clearest manifestation of this is the Council's constitution, published for the first time in May 2002 and reviewed regularly thereafter. No less effort has gone into the development of protocols for the Council's internal procedures, recently the financial regulations have been revised and a new code of members' conduct introduced.

The Local Code of Governance brings all these practices together into one document and makes them open and explicit. It identifies areas where further action is required to meet changing circumstances (for example the introduction of the Local Government Bill) and/or to ensure that we are following best practice in all aspects of governance.

The Code will be reviewed annually and will support the Annual Governance Statement that the Council is required to approve from April 2008. Training will be provided on both the code itself and on the corporate governance arrangements.

The Council cannot achieve its aim of providing brilliant services to our residents without bedrock of sound governance and the commitment of members and officers to maintaining those standards. We hope that, by making explicit the underlying principles and processes, the Code will assist members and officers to sustain high standards in the future.

## **Local Code of Governance**

### **We are committed to :**

#### **Principle 1 - Focusing on the purpose of the authority and on outcomes for the community through a clear vision.**

Leadership is exercised by clearly communicating the authority's purpose and vision and its intended outcomes for citizens and service users. We ensure that users receive a high quality of service whether directly, or in partnership or by commissioning. We also ensure that the authority makes the best use of resources and that taxpayers and service users receive excellent value for money.

In pursuance of this principle we will ensure:

1. that both its priorities and non-priorities are clear, evidenced-based, robust and understood by all staff and partners
2. that all of our priorities are accompanied by a plan setting out the key outcomes.
3. that its priorities align with, and contribute to, the Sustainable Community Strategy and the Lincolnshire Local Area Agreement.
4. that the allocation of resources is driven by the priorities
5. that our residents are involved in the setting of the priorities, and informed of the targets and progress being made through an annual report.
6. that our priorities are subject to an annual outcome review and refresh.
7. that the contribution that all services can make to our priorities is regularly reviewed through the preparation of service plans and the holding of Performance and Development Reviews.
8. when working in partnership, that there is a common vision underpinning the work of the partnership that is understood and agreed by all partners.
9. that the authority sets and articulates a clear vision for itself and its communities.

## **Principle 2 – Members, officers and other stakeholders working together to achieve a common purpose with clearly defined functions and roles**

Effective leadership requires clarity regarding the roles of executive and non-executive members and respect and recognition for the scrutiny function. In addition to this constructive working relationship between members and staff, with mutual respect for each of these respective roles, is vital. Finally the Council needs to ensure that residents understand their role and the levels of service they can expect. This is particularly important where the District Council operates alongside the County as well as Parish and Town Councils.

In pursuance of this principle we will ensure:

1. roles and responsibilities are defined in the constitution and kept under regular review.
2. the responsibilities delegated to particular members of the Executive (such as portfolio-holders) are explained, in an appropriate way, to residents.
3. decisions taken by officers under powers delegated to them by the Council are properly recorded.
4. a proper level of resources is provided to equip the scrutiny function to perform effectively.
5. time and resources are invested to help staff and members develop their respect and mutual understanding of the different roles they perform as part of “Team South Kesteven”.
6. customers are regularly asked for their views and these are used to set and review our service standards.
7. when working in partnership there is clarity about the legal status of the partnership, the roles and responsibilities of the partners and the extent of the authority to bind their organisation to partner decisions.
8. appropriate provision is made for the appointment of, and discharge of legal duties by, officers who hold statutory appointments (i.e. the Chief Executive, Section 151 Officer and Monitoring Officer)
9. officers and members respect each other’s roles, establish and maintain clear boundaries, and do not exert any improper influence.

**Principle 3 – Promoting the values of the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.**

High standards of conduct and effective governance can only be achieved if those who hold public office evidence the highest standards of behaviour and encourage others to do so by providing visible leadership by visibly embodying the Council's core values of listening, learning and delivering.

In pursuance of this principle we will ensure:

1. appropriate core values are developed and communicated in such a way that both staff and members understand what they mean and support them.
2. clear and robust codes of conduct for members are developed and reviewed
3. that at every staff appraisal adherence to these core values is considered.
4. staff and members in positions of responsibility are encouraged to consider the consequences of their behaviour through techniques such as 360 degree appraisals.
5. our people strategy makes these behaviours explicit.
6. that both the Standards and Governance and Audit Committees are properly resourced and effectively administered.
7. appropriate advice on conflicts of interest is provided by the monitoring officer.
8. members are not appointed to Committees, or to hold office, if they do not fully accept or agree with any functions or restrictions inherent in that particular role.
9. the organisational culture is regularly monitored through staff survey and prepare an action plan in the light of the findings.

**Principle 4 – Taking informed and transparent decisions which are subject to effective scrutiny and managing risk**

Informed decision-making is a fundamental part of good corporate governance. It requires Councils to be both rigorous in their examination of options but also open to consider representation and views from all sectors of the community and policy development groups. Complementing this, the Council needs to have robust knowledge of the community needs and the quality of the services it is providing or commissioning. Finally the Council has to robustly manage the risks associated with these activities and ensure that it uses (but does not exceed) the legal powers available.

In pursuance of this principle we will ensure:

- 1 proper resources are providing for an effective scrutiny function both of the Council itself and for the wider community.
- 2 all decision-making reports include advice from all statutory officers and fully examine and present alternative options in an open and transparent way.
- 3 resources are made available to ensure that appropriate professional expertise is obtained when Council staff do not have the requisite skills, experience or knowledge.
- 4 the Council conducts as much business as possible in the public domain (subject to the constraints of the Local Government Act)
- 5 the Council develops and maintains effective audit, standards and governance and audit committees, which are independent of the executive and scrutiny function.
- 6 reports to decision-making bodies comply with the standard template and include a formal justification for the proposed action to be taken, including explanations of technical matters together with an unambiguous recommendation.
- 7 a corporate risk register is maintained and regularly reviewed
- 8 major projects are managed in a consistent and appropriate way.
- 9 the Council adopts a pro-active approach to the use of legal provisions to protect, or improve services to our residents.

## **Principle 5 - Developing the capacity and capability of members and officers to be effective**

Ensuring that members and officers have the necessary skills to both operate a multi-million pound organisation that provides a multitude of different services often to highly dependent residents, and in addition, to govern the district by preparing it to meet the challenges of the future, is one of the most important aspects of governance. Setting and monitoring performance is one way of rising to this challenge.

In pursuance of this principle we will ensure:

1. our People Strategy commits us to developing a learning organisation and a culture of continuous improvement.
2. job roles are developed for all posts to which members are appointed
3. a formal, mandatory, training programme is provided for all members appointed to designated Committees.
4. every Councillor is given the opportunity to have an individual development interview to help him/her complete a personal development plan (PDP).
5. all staff have an annual performance development review.
6. all managers are assessed annually using a thorough competency scheme.
7. the development needs of the statutory officers are reviewed annually in their PDRs
8. we participate actively in leadership development and similar programmes.
9. the Cabinet, and all other Committees review their own performance on an annual basis.

**Principle 6 - Engaging with local people and other stakeholders to ensure robust local public accountability.**

Public authorities not only have to do things in the right way, but have to face the additional challenge of being seen to do things in the right way. This requires full engagement with local people through a process which is planned and resourced in a way that makes it equitable. The Council is a “people” business providing service to people by people. People are our most important, and our most expensive, asset so a planned approach to their development is required.

In pursuance of this principle we will ensure:

1. proper investment is made in communications so that residents can understand clearly the functions and performance of the Council
2. we work with other public sector partners to help residents understand our respective responsibilities and what we aim to achieve by working in partnership.
3. we engage in consultation in a meaningful way and through mechanisms which seek to capture the views of all residents
4. we regularly monitor staff morale and initiate appropriate actions
5. we produce an annual report on all scrutiny activities
6. we seek to improve the Council against the Equality Standard for Local Government.
7. we actively learn from both positive and negative customer comments.