



AGENDA

CABINET

MONDAY, 11 AUGUST 2008

11.00 AM

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

Ian Yates, Acting 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 JULY 2008.
(ATTACHED)**
- 3. DECLARATIONS OF INTEREST (IF ANY)**

CATEGORY A PRIORITY ISSUES:

- 4. *MEDIUM TERM FINANCIAL PLAN 2008/09 - 2010/11**

Report number CHFR113 by the Interim Corporate Head, Finance.
(Attached)

- 5. *REVISION OF THE CAPITAL PROGRAMME**

Report number CHFR112 by the Assets and Resources Portfolio Holder.
(Attached)

- 6. *AWARD OF DRY RECYCLABLES CONTRACT**

Report number SS006 by the Healthy Environment Portfolio Holder.
(Attached)

The appendices to report SS006 contain exempt information as defined in paragraph 3 of schedule 12A of the Local Government Act 1972 (as amended). This is because the information they contain is commercially sensitive.

OTHER ISSUES:

- 7. *LOCAL LIST OF INFORMATION FOR SUBMISSION WITH APPLICATIONS UNDER THE PLANNING ACTS**

Report number PLA713 by the Economic Development Portfolio Holder.
(Attached)

- 8. MATTERS REFERRED TO CABINET BY THE COUNCIL, SCRUTINY COMMITTEE OR THE POLICY DEVELOPMENT GROUPS**

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



MEETING OF THE CABINET **7 JULY 2008 - 11.05 AM - 11.10 AM**

PRESENT:

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

Councillor Mrs. Linda Neal - Chairman

Acting Chief Executive (BA)
Strategic Director (IY)
Interim Corporate Head of Finance and Resources
Monitoring Officer
Principal Democracy Officer
Cabinet Support Officer

Non-Cabinet Members :
Councillor Bob Adams

CO13. APOLOGIES

An apology for absence was received from Councillor Carpenter.

CO14. MINUTES

The minutes of the Cabinet meeting held on 2 June 2008 were confirmed as a correct record of the meeting.

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CO15. DECLARATIONS OF INTEREST (IF ANY)

No declarations of interest were made.

CO16. ANNUAL EFFICIENCY STATEMENT 2007/08 BACKWARD LOOK

Decision:

- 1. To note the achievements of actual savings identified compared with the three year target for the years 2005/06, 2006/07 and 2007/08.**

Considerations/Reasons for decision:

- (1) Report CHFR 111 submitted by the Service Manager, Finance and Risk Management (Acting S151 Officer).
- (2) The 2007/2008 financial year was the final year of the three year Gershon saving programme of which the council was expected to achieve a cumulative saving of £1,087,000 which was required to be split between Cashable (50%) and Non-cashable savings (50%).
- (3) Throughout the year there has been extensive work undertaken by the accountancy section with service areas in order to identify savings to meet our 2007/08 target.
- (4) Overall the Authority has achieved the efficiency savings set for 2007/08.
- (5) The final return to Government office will need to be made by 8th July 2008, and there is a requirement that the submission is approved by the Chief Executive, Leader of the Council and the Section 151 Officer.

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

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REPORT TO CABINET

REPORT OF: Interim Corporate Head of Finance

REPORT NO: CHFR113

DATE: 11th August 2008

TITLE:	Medium Term Financial Plan 2008/09 – 2010/11	
FORWARD PLAN ITEM:	Yes	
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	March 2008	
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Policy Framework Proposal	
COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	Cllr M Spencer-Gregson O.B.E. Assets and Resources Portfolio holder	
CORPORATE PRIORITY:	Effective Use of Resources	
CRIME AND DISORDER IMPLICATIONS:	None	
FREEDOM OF INFORMATION ACT IMPLICATIONS:	This report is available via the Local Democracy link on the Council's website www.southkesteven.gov.uk	
INITIAL EQUALITY IMPACT ASSESSMENT	Carried out and appended to report? Yes	Full impact assessment required? No
BACKGROUND PAPERS:	Report CHFR66 to Cabinet on 06.08.07 Report CHFR70 to Council on 06.09.07	

1. INTRODUCTION

The Medium Term Financial Plan (MTFP) brings together the Council's financial position and demonstrates how the revenue and capital financial resources are organised in order to deliver the Council's priorities.

The Council approved a MTFP for the Council for the five year period 2007/8 to 2011/12 at its meeting on 6 September 2007. The Plan at that time was based on a five year forecast. However given the fact that the grant settlement is for a three year period it is more appropriate for the plan to cover the same time period. However it is necessary to keep the Plan under constant review and provide members with an annual updated Plan each year to ensure it remains fit for purpose.

2. RECOMMENDATIONS

- A) The Cabinet recommends to Council the approval of the revised Medium Term Financial Plan for the period of 2008/09 to 2010/11, as attached.**
- B) The Cabinet notes that an annual review of the Plan will be undertaken to reflect the local and national economic climate and emerging issues.**
- C) Cabinet notes, that following publication, an updated Plan will need to take into consideration the findings of the newly revised HRA business forecast model.**

3. DETAILS OF REPORT

Key issues which have been addressed in the updated Plan are:

- Current economic factors
- Current spending pressures
- Sensitivity analysis of uncontrollable expenditure headings
- Government efficiency proposals
- The outturn position for 2007/08
- Opportunities for future income generation
- Details of the three year Government settlement

Summary of Plan

The long term financial planning of the Housing Revenue Account (HRA) will be undertaken to reflect both the updated HRA business plan and the outcome of stock condition survey. Opportunities for securing the long term financial sustainability of both the revenue and capital budget will need to be identified and incorporated into HRA service planning.

The Government has introduced an annual a 3% per annum cashable efficiency target for the public sector commencing in 2008/9 for a three year period. This target is one of the Local Area Agreement targets (NI179) and is 'non-designated' to the Council. However the Council will need to continue to embed its Value for Money (VFM) agenda and other initiatives throughout services in order to ensure resources are utilised efficiently and effectively.

There will be continuing pressure put on those expenditure headings that are classed as 'uncontrollable' i.e. the rise in cost is driven by external economic factors. These will need to be continually managed in order to identify potential budget pressures and options for reducing rising costs should be explored.

Fees and charges income should be kept under close review as this is a key source of the revenue stream for the Council. Key areas such as car parking are coming under threat as a result of other car park providers and changes in car parking behaviour and prudent and robust budgeting in respect of these income headings will need to be managed. At the time of writing the MTFP an updated Fees and Charges Strategy is being compiled to include the recent findings of the Audit Commission publication 'Positively Charged'.

4. OTHER OPTIONS CONSIDERED AND ASSESSED

The MTFS needs to be reviewed to ensure it remains fit for purpose.

5. COMMENTS OF SECTION 151 OFFICER

My comments are contained within the body of the report.

6. COMMENTS OF MONITORING OFFICER

As this strategy is part of the Council's Budget and Policy Framework, it is essential it is reviewed annually to ensure it remains fit for purpose.

7. COMMENTS OF OTHER RELEVANT SERVICE MANAGER

None

8. CONCLUSION/SUMMARY

The MTFP has been reviewed to take account of current economic factors; current spending pressures; the Government's efficiency target agenda; and the three year grant settlement.

9. CONTACT OFFICER

Interim Corporate Head of Finance (section 151 officer)

Richard Wyles

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01476 406210

INITIAL EQUALITY IMPACT ASSESSMENT PRO FORMA

Section: Financial Services & Risk Management	Names of those undertaking assessment: Richard Wyles Malcolm Gorringe	
Name of Policy to be assessed: Medium Term Financial Plan	Date of Assessment: 24 July 2008	Is this a new or existing policy?: Revision to existing strategy
<p>1. Briefly describe the aims, objectives and purpose of the policy: The aim of the plan is to provide a framework for medium term financial planning for the Authority</p>		
<p>2. What are the key performance indicators? The strategy provides key themes which will be monitored</p>		
<p>3. Who will be affected by this policy? All stakeholders</p>		
<p>4. Who is intended to benefit from this policy and in what way? The MTFP is designed to enable the Authority to deliver on specific service policies which have their own impact assessments</p>		
<p>5. Are there any other organisations involved in the delivery of the service? None</p>		
<p>6. What outcomes are required from this strategy and for whom? The plan provides a financial framework which need to be adhered to in order to provide and maintain robust financial planning</p>		
<p>7. What factors/forces could contribute/detract from the outcomes? External forces specifically the allocation of Government funding</p>		
<p>8. Who are the main stakeholders in relation to the policy? Council tax payers, rent payers, business rate payers, parish councils, partners, other local government partners</p>		
<p>9. Who implements the policy, and who is responsible for the policy? Council is responsible for setting the policy following advice and lead from the s151 officer</p>		
<p>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?</p>		

No	
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?	
No	
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?	
No	
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?	
None identified	
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? Corporate complaints system
21. Do we monitor complaints by race, gender, disability, age, sexual orientation, religious belief? N/a
22. Do we have feedback from managers or frontline staff? N/a
23. Is there any feedback from voluntary/community organisations? None
24. Is there any research or models of practice that may inform our view? N/a
25. Could the differential impact identified in 8 – 16 amount to there being unlawful discrimination in respect of this policy? N/a
26. Could the differential impact identified in 8-16 amount to there being the potential for adverse impact in this policy? N/A
27. Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group? Or any other reason? N/A
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): Richard Wyles
Date: 24 July 2008

SOUTH KESTEVEN DISTRICT COUNCIL

3 Year Medium Term Financial Plan (2008/09 to 2010/11)

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Executive Summary

The Medium Term Financial Plan (MTFP) brings together the Council's financial position and demonstrates how the revenue and capital financial resources are organised in order to deliver the Council's priorities. The Plan will be reviewed each year in order to take into account the year end position for the year just ended and to reflect emerging national and local issues that will impact on the medium term financial planning.

At the present time the Council is in a relatively strong financial position and has good financial management arrangements in place. However, these will need to be strengthened in order to respond positively to the challenges presented by the growing economic downturn and increasing demand for service improvements. Revenue and capital resources will need to continue to be carefully targeted at Council priorities. Against this background, the key messages emerging from this plan are:

- Linking with the Corporate Plan, Priority Plans and other key strategies are crucial.
- The national and local context plays an important part in shaping the way the Council manages its resources and money.
- A sustainable and balanced revenue budget will need to be maintained over the period covered by this plan.
- The Government expects to see annual Council Tax increases below 5% and will not hesitate in using its capping powers.
- A sustainable capital strategy will need to be maintained and kept under regular review in order to deliver the Council's capital programme.
- The financial viability of the Housing Revenue Account will need to be carefully managed over the next 3-5 years
- The current and projected level of reserves and balances are sufficient to meet the Council's needs and priorities over the next 3 years but the position will need to be reviewed annually.
- The current approach to setting fees and charges are being reviewed in light of the recent Audit Commission publication entitled "Positively Charged".
- The Council's approach to Value for Money will continue to be embedded across the organisation and will support the ongoing search for efficiency gains and deliver the Government's annual 3% cashable savings target within the LAA (Local Area Agreement).
- It is important to effectively manage the key risks and pressures identified in this plan as an integral part of the Council's corporate risk management process.
- The current economic climate will have a negative impact on the Council's projected investment interest forecast and will

- impact on fixed term contracts linked to inflationary RPI (retail price index), business rates, utility rates and salary forecasts.
- The Council's Asset Management Plan will need to be regularly reviewed in order to ensure the use of assets is maximised and reflects the delivery of the Council's priorities.
- The Climate Change and energy efficiency agenda will need to be incorporated into service planning and identification of resources needed to deliver this will be necessary.

Key Themes

In order to support the Council's vision and priorities the MTFP is underpinned by a number of key themes:

- 1** The Corporate Plan will be used to drive the allocation of resources. This will ensure that Council priorities are delivered without exposure to unnecessary risks by targeting the use of resources linked to corporate risk. Linkages with other key strategies such as People Strategy, ICT strategy and Treasury Management Strategy are also important.
- 2** The Council's resources (financial and otherwise) are managed effectively to provide efficiency, value for money, customer satisfaction and sustainable investment.
- 3** A sustainable Revenue Budget will be maintained, having regard to prudent estimates of government funding and opportunities for external funding.
- 4** A sustainable Capital Strategy will be maintained to support deliverable medium term capital programmes, having regard to asset utilisation and improved Treasury Management performance.
- 5** The long term financial planning of the Housing Revenue Account (HRA) will be undertaken to reflect both the updated HRA business plan and the outcome of the stock condition survey. Opportunities for securing the long term financial sustainability of both the revenue and capital budget will be identified and incorporated into HRA service planning.
- 6** The development and delivery of the annual budget will be supported by Members fully utilising policy development groups and scrutiny and underpinned by regular training. At officer level, the Management Teams will assume collective responsibility and there will be regular consultation with stakeholders and key partners.
- 7** Management processes will increasingly cover zero based and priority based budgeting, invest to save projects, sensitivity analysis of high/low spending areas and benchmarking/use of comparatives.

- 8** The General Fund working balance will continue to be maintained between 10% and 15% of net expenditure. This will provide adequate cover for any unanticipated expenditure or loss of income that may occur over the course of each financial year.
- 9** The Council budget consists of large amounts of uncontrollable costs which are related to both mandatory spending and levels of expenditure not directly under the control of the Council. These spending areas will need to be actively managed in order to ensure the Council can deliver its efficiencies and maintain a balanced budget.

Summary of Key Financial Issues

- Continuing pressure on budget headings that are driven by external economic factors such as:
 - Utility and fuel costs
 - Salary growth
 - Fees and charges income
 - External contracts
 - Business and drainage rates payable by the Authority
- The financial modelling and forecasting of the Housing Revenue Account will need to be fundamentally reviewed to prevent the Account being in a deficit position in the short term.
- Future investment in key services will need to be balanced and clear demonstration of customer improvements will need to be identified.
- The Value for Money (VFM) agenda will need to be embedded throughout the organisation in response to the national grant settlement and the local area VFM target.

Introduction

The ability to deliver and sustain South Kesteven District Council's Vision and Corporate Plan is dependent upon having the required resources to do so. The purpose of this plan is to translate the Council's strategic direction, core values and priority outcomes into financial terms whereupon, good financial management remains key to its delivery.

In recent years, the Council has developed a more strategic forward looking approach to budgeting underpinned by a more robust planning process, demonstrating the direction of resources towards priority services. Accordingly, this updated plan develops this approach and sets out the Medium Term Financial plan for the three year period commencing 2008/09. A three period is in line with the Government's 2007 Comprehensive Spending Review (CSR07) and 3 year grant settlements. It also acknowledges that financial forecasting beyond 3 years is difficult due to current adverse economic conditions and the volatility of interest rates and financial markets, etc. The position will be updated annually and will evolve and develop in response to the Council's priorities, national issues and the economic climate.

Against this challenging background, the Council has managed its financial resources prudently over many years and as a result is well placed to continue to deliver local priorities into the future.

The plan consolidates projections and emerging themes for the Council over the three year period. More specifically, in terms of the overarching policy and financial framework, it takes account of each of the following:

- ❖ Corporate Plan
- ❖ Capital Strategy
- ❖ Asset Management Plan
- ❖ Treasury Management Strategy
- ❖ Fees and Charges Strategy
- ❖ ICT Strategy
- ❖ Debt Management Strategy
- ❖ People Strategy
- ❖ Housing Revenue Account Business Plan
- ❖ Efficiency Strategy
- ❖ Financial Regulations
- ❖ The role of key partners and stakeholders in shaping this Plan

This plan has been reviewed to take account of the financial outturn position for 2007/8 and the approved Revenue and Capital Budgets for 2008/09.

Key Aims

In summary, the key aims of the MTFP are to:

- Identify the resources to deliver the Council's strategic priorities - all key decisions of the Council should relate back to the Corporate Plan and other related strategies
- Provide cost effective services, which demonstrate value for money – delivered through an agreed programme of efficiencies.
- Enable the Council to continually improve services through targeted investment to the priorities underpinned by financial prudence.
- Deliver a balanced sustainable budget in the longer term – by ensuring:
 - Opportunities and threats to both deliver priorities and manage the financial position are identified – so the Council always knows what it is facing
 - Expenditure does not exceed income and there is capacity for improvement and investment.
 - Proper and prudent financial parameters are placed on current and future spending plans - to ensure that the Council stays on track
- Continually improve the financial framework in order to provide a basis for sound financial management and control.

National and Local Context

Wider context - the following key elements are relevant to South Kesteven:

- The Government's spending and funding plans for the public sector and local government as set out in CSR07. This covers a 3 year timeline and in terms of Government funding provides greater security for the public sector in the short to medium term.
- Forecast inflation – despite rising costs and the growing risk of recession, the Government's target for inflation measured as the Consumer Price Index (CPI) and public sector pay increase remains at 2%. As at May 2008, the year on year increase in CPI was 3.3% so the Government has accepted that this may not be achieved over the period of the CSR07. Moreover, as at July 2008 many large employers are dealing with pay demands well in excess of the 2% threshold. In addition, many public sector bodies have external contracts where annual price increases are linked to the Retail Price Index (RPI) and these will come under increasing pressure. As a result, the Council will need to carefully review its assumptions about pay and non-pay inflation over the next 3 years.

- Forecast interest rates for borrowing and investment - Interest rates are of particular importance to the Council, in that they affect its performance on investments and borrowing.
- Although no specific guidance has been published the Government expects to see Council Tax increases below 5% in each of the three years of the CSR and this will be reflected in the grant settlement.
- The White Paper, 'Strong and Prosperous Communities' published in 2006 recommended that official recognition be given to the role of authorities in convening local partnerships, with LAAs being put on a statutory footing and a specific duty to cooperate placed on named partners.
- From 2009, Comprehensive Area Assessments (CAA) will replace Comprehensive Performance Assessments (CPA). This marks a significant change to the current assessment regime and will look at the public services in an area delivered by councils and their partners including private and voluntary sectors rather than focussing on services provided by local authorities. More importantly, it also aims to be more relevant to local people by focusing on issues that are important to their community, e.g. crime, community cohesion, a sustainable environment (e.g. climate change and energy efficiency) or public health issues.
- The Housing Green Paper published in July 2007 looks at policy initiatives such as localisation and increased influence of tenants in managing their homes. The paper also cautiously mentions the self-financing option for the HRA and the potential benefits and risks of a wider reform of the current HRA subsidy system.
- A recent white paper 'Communities in control: real people, real power' seeks to give people more say over their lives and in doing so give more power to local people and communities in a number of ways. These range from participatory budgeting, duty to promote democracy, duty to involve (coming into effect April 2009) and asset management/transfer proposals.

Local context – against this background, South Kesteven as a growing district and in common with most other authorities will face increasing resource challenges in the coming years and therefore, as an integral part of the budget process, the Council will be required to:

- Continue to improve and strengthen its financial planning and budgeting processes to ensure that the authority is prepared for the reduction, in real terms, of Government funding – 1% increase on average across all authorities compared with CPI and RPI both running in excess of 3%. This may affect the

continued improvement in the delivery of some Council services.

- Deliver savings and efficiencies to maintain reserves and balances at an adequate level and/or cover any projected budget gap that might emerge.
- In terms of delivering Value for Money, ensure that the authority has robust plans in place to meet the 3% per annum annual cashable efficiency savings target. This is an increase on the current regime, where a target of 2.5% has been set, with only half being cashable. There will not be a mandatory value for money target for each individual council, instead, efficiency savings across local government as a whole will be measured and monitored based on local value for money indicators. Targets will only exist where they are negotiated as one of the new LAA targets.
- Strengthen the way the authority operates through partnerships ensuring these work effectively and deliver positive outcomes in line with the revised performance framework for the LAA.
- Keep track of Government plans to continue to mainstream specific grants into Revenue Support Grant and Area Based Grant in order to address the consequences for resource/budget management.
- Review the impact of reduced funding from Local Authority Business Growth Incentive (LABGI) scheme over the period of CSR07 and consider the introduction of supplementary business rates for single tier authorities on local funding streams.
- Maximise the opportunity to secure Government and/or external funding to underpin partnership working within the revised LAA arena.
- Capitalise on the benefits of being an active member of the Lincolnshire Shared Services Partnership where the guiding principle of the partnership is one of local choice, but made in the context of maximising efficiency through standardisation of service specification where appropriate, e.g. procurement.
- Maintain flexibility in order to respond to a changing local government environment in response to rapid change, national constraints, new Government regulation and direction, etc.

Revenue Budget

Appendix A shows the 4 year Money Plan, i.e. the movement in budgets and funding over a 4 year period (2007/08 – 2010/11) and includes the outturn for 2007/08 (pre-audit) and the period covered by this plan.

Indicative budgets for the next 3 years are based on the following key assumptions:

Sensitivity Analysis

Within the revenue budget there are a number of expenditure headings which are influenced by external influences which will have a direct impact on the budget provision for the three year period. These expenditure items can be classified between controllable and uncontrollable. These headings are summarised as:

Salaries growth forecast

The three year budget forecast has been based on an inflationary increase of 2.5%. An increase of 0.5% will result in an additional £65K per annum (assuming a constant number of FTE's)

Maintenance Contracts

The grounds maintenance contract is annually increased (in accordance with the contract) in line with Retail Price Index. The budget has been based on annual inflation increase of 3%. An increase of 1% will result in an additional £10K per annum.

Utilities and Fuel

Currently there is significant growth in costs under both of these headings and the three year budget has been based on a forecast of an average increase of 3.5%. Should this increase to an average maximum of 12% an additional budget of £65K will be necessary.

Rates

These can be classified between non-domestic rates and drainage rates. In respect of drainage rates the budget forecast is based on an annual increase of 4%. An increase of 1% will result in an additional annual cost of £6K. However in respect of business rates the Council will benefit from the business rate savings in respect of the leisure centres following the implementation of Leisure Trust. This saving has been incorporated into the budget forecast for 2009/10 and 2010/11. The increase in RPI which will affect the business rates payable in respect of other assets which could result in an additional £30K per annum.

Fees and Charges

Fees and charges represent a significant and important income stream for the Council (£6.3m in 2007/08). At the time of compiling the MTFP the annual forecast in respect of the key areas of fees and charges income is £600K less than the 2008/09 budgeted income. The key areas contributing to the reduced forecast is in respect of car parking income, development control and building control. These areas will need to be closely monitored during the course of the year in order to mitigate the impact of the potential reduction in income.

Heading	2009/10 £'000	2010/11 £'000
Salaries	65	75
Maintenance Contract	10	20
Utilities and Fuel	65	90
Rates	36	50
Reduced Fees and charges income	590	650
Potential total future budget pressure	<u>766</u>	<u>885</u>

The Council has set an indicative budget for the three year period taking into consideration the three year grant settlement and an indicative Council Tax increase. The potential additional cost identified above will therefore need to be found from existing budget expenditure items in order to provide a balanced budget. The Council will not be able to utilise reserves and balances as this will not give longer term financial sustainability.

Council Tax

A maximum increase of 5% per annum in council tax income has been assumed throughout the 3 year period plus an annual increase of 1.40% in the council tax base, i.e. net increase in the number of properties. As a guide and using 2008/09, every 1% increase in council tax generates an additional £58k for the Council. Accordingly, the table¹ below sets out an indicative budget requirement to be funded from Council Tax (including Parish Precepts).

2007/8 Actual £m	2008/9 Budget £m	2009/10 Estimate £m	2010/11 Estimate £m
6.499	7.072	7.509	7.971
Annual Increase		£437K	£462K

Government Grants

In January 2008 the Government confirmed the amount of formula grant (Revenue Support and NDR) for SKDC in 2008/09 which had been announced in CSR07. It also specified the grant payable in the next 2 years.

¹ Assumes a maximum of 5% tax increase and 1.4% increase in tax base

Final settlement 2007/8 £m	Provisional Settlement 2008/9 £m	Provisional Settlement 2009/10 £m	Provisional Settlement 2010/11 £m
9.626	9.881	10.025	10.147
Annual Increase	255K	144K	122k

This shows a grant increase over the three year period of 1.45% and 1.2% respectively.

As part of CSR07 and the development of the new framework for Local Area Agreements (LAA), the Government has mainstreamed over £4bn of funding into the new *Area Based Grant (ABG)* over the 3 year period. The difference between ABG and formula grant is that ABG is allocated according to specific policy criteria rather than general formulae. For 2008/09, SKDC will receive £26k and in 2009/10 and 2010/11, £49k and £75k respectively.

The authority will continue to receive specific grants, for example in respect of housing benefit administration, concessionary fares, housing and planning delivery (currently awaiting details of allocation) and Local Authority Business Growth Incentive (LABGI). However it is known that there will be no allocation for 2008/09 as the scheme is being recalculated on a reduced amount basis.

Inflation - Pay & Prices

- A provision of 2.5% per year is included for staff pay increases. The actual amount of increase will depend on the national pay settlement.
- A provision of 3% has been included for non-pay, although for certain budgets, the increase will be less than 3%
- A number of the Council's contractual commitments are linked to the RPI; any significant movement by April of each year will result in an inflationary pressure where this is above 3%, e.g. *energy costs*. As at July 2008, fuel/utility costs are rising sharply (up to 20%) – the impact on contracts for gas and electricity and new contracts will need to be carefully considered

Pensions

Following a 'Triennial' Review of the Pension Fund as at March 2007, the contribution rate in 2008/09 is 21.2% of payroll. This takes account of the latest actuarial review and the effects of the changes in the pension scheme together with demographic changes. Based on the most recent triennial survey the contribution rates over the period of the MTFP have been assumed to continue at a similar level but will be reviewed at the next triennial revaluation due in March 2010. A pension reserve has been established to cover any significant increase in the contribution rate and one-off costs of early retirements not budgeted elsewhere.

Fees and Charges

The current Fees and Charges Strategy approved in 2006/07 is being revised and updated to include the findings and recommendations of the recent Audit Commission publication entitled "Positively Charged". In terms of the MTFP and longer term financial planning, whilst prudent assumptions about demand have been made, this is a potentially risky and volatile area that will need to be kept under close scrutiny.

Net Investment Income

This has been an important source of income for supporting the Council's service expenditure. The Council will continue to maximise income from investments (over £900k in 2007/08), having regard to use of reserves, asset sales, capital programme commitments and the latest economic projections.

The sensitivity of the General Fund to changes in interest rates is linked more markedly to investment rather than to the portfolio of borrowing – longer term borrowing tends to be on fixed rates. As an indication, a change in interest rates of +/- 0.5% would have an estimated impact of approximately £k in 2008/09. Interest rates assumed within the period of the MTFP are as follows:

	2008/09 %	2009/10 %	2010/11 %
Interest Rate	5.25	5.0	4.75

Debt Management

The Council is committed to reducing levels of debt and a more proactive approach to debt management and recovery action has been introduced, particularly in relation to aged debts. A Debt Management Policy has been compiled to ensure and consist approach to debt management across the key income recovery services.

Concessionary Fares

On 1st April 2008 a new national schemes was introduced with pass holders able to travel free of charge on local bus services within England. Each single pass holder journey will be paid for by the district in which the passenger gets on the bus. The Government has allocated additional resources as part of the grant settlement but as this is a new scheme it is not clear whether this will be sufficient to meet the actual costs incurred by the Council. Therefore the position will need to be kept under regular review. The grant award in respect of concessionary fares for the three year period is

	2008/09 £k	2009/10 £k	2010/11 £k
Grant	379	387	398
Annual Increase		2.1%	2.8%

Staff Turnover/Vacancy Factor

In line with recent policy, throughout the period covered by this Strategy, a vacancy/turnover rate of between 1.5% and 2% of the overall salary budget has been provided - £250k per annum.

External Funding Opportunities

The Council is committed to maximising the opportunity to secure additional Government and/or external funding to meet its corporate plan priorities and objectives. This includes S106 monies; housing and planning delivery grant etc.

Savings and Efficiencies

In response to the efficiency agenda and to ensure Value for Money is achieved, the Council is developing a robust benchmarking approach which will need to continue to be embedded across the organisation. A Value for Money Strategy was approved by Cabinet in November 2007 and this will support the ongoing search for efficiency gains and deliver the Government's 3% cashable target for CSR07. It will also focus on areas of spending where the Council has real control over budgets.

In light of the potential financial pressures and expenditure constraints, all options will be considered for generating efficiencies from the areas of expenditure which are potentially within the Council's direct control. The options for delivering efficiencies include:

- Lincolnshire Shared Services – the various work-streams should be evaluated to examine the level of efficiencies that may be achieved.
- Income generation/optimisation, e.g. by reviewing the level of fees and charges in non-discretionary areas.
- Business process re-engineering - with a particular emphasis on joined up working and the use of appropriate technology and to create new ways of working in the Council.
- Value for money reviews - to ensure that the limited resources are being used to the best effect, services reviews will be aimed at demonstrating that services are delivering an optimum balance between relatively low costs (economy), high productivity (efficiency), and successful outcomes (effectiveness).
- In-house provided services – the Council provides a number of frontline services together with a number of support services. All services will be benchmarked to evaluate value

for money and identify potential for efficiencies through market testing, where appropriate.

- Overheads – an examination of the Council’s overhead base to establish value for money and opportunities for achieving efficiencies.
- Asset disposal - with a view to generating greater investment income and reducing revenue-running costs (and releasing capital receipts to support the investment programme).
- Budget reviews – by ongoing fundamental budget reviews, challenging the allocation of resources based on priority, needs and output delivery and through active budget management.
- Sponsorship options – for example advertising.
- Formal Market Testing – The Council is committed to ensuring its service offer value for money for the customer and has identified services which, over a period of time, will be tested in the market place in terms of value and quality of service provision.

The Council has a successful track record in delivering savings and efficiencies and is committed to continuing to embed the culture of value for money throughout the organisation to ensure that this continues. The savings targets that have been assumed within the MTFP will contribute towards the efficiency target set in respect of the LAA.

Capital Budget

Appendix B sets out the 4 Year Money Plan, i.e. the Capital Programme over a 4 year period (2007/08 – 2010/11) and includes the outturn for 2007/08 (pre-audit) and the period covered by this Strategy. The Programme will be reviewed in September 2008. This needs to be considered in conjunction with the Council’s Corporate Plan and key priorities. Also, the Capital Strategy and Treasury Management Strategy that were reviewed and updated during 2006/07 and fully addresses the new system of capital finance controls set out in the Prudential Code for Capital Finance in Local Authorities (the Code). The Code of sets out a framework for self-regulation of capital spending, in effect allowing councils to invest in capital projects without any limit as long as they are affordable, prudent and sustainable. The Code allows the council to determine the appropriate level of capital investment to properly deliver quality public services, subject to affordability.

The Council is committed to enhancing its capital programme and the Prudential Code will be used to ensure the decisions made with regard to borrowing and investment reflect affordability, sustainability and value for money. Where appropriate, external advisors will again be used to assist in such reviews and this will involve consideration of the following issues:

- Balancing investment income against new borrowing
- Leasing versus buying outright
- Ensuring that the balance of investment between General Fund and Housing Revenue Account is well defined and analysis of the impact of changes of debt and investment structure on both funds.

The revised Capital Strategy sets out the Council's approach to capital investment and has resulted in the development of a medium term capital programme which is reviewed annually to provide a forward 3 year view. All capital schemes are appraised and scored when developing the medium term capital programme, however, it is essential that the process is flexible enough to deal with emerging or urgent schemes. Over the next 3-5 years, the Council will invest significantly in town centre development, disabled facilities grants, waste management and refurbishing/improving the Council's housing stock. Investment in the total programme is c£10m per annum

The capital programme for the General Fund is heavily reliant on useable capital receipts and prudential borrowing to fund the investment required to deliver its main aims and strategic priorities. The balance of funding is covered by capital grants (principally disabled facilities) and direct revenue financing. In the long term this package of investment may not be sustainable and other sources of funding may need to be sought to fund capital expenditure, including maximising the potential of asset sales, i.e. property and land that are not fully utilised or are surplus to requirements. In this connection, the Council has also reviewed its Asset Management Plan alongside the Capital Strategy on the basis of ensuring that financial returns for future investment in Council priorities are optimised for the benefit of the community.

The revenue implications of all capital schemes, including the corresponding reduction in investment income as a result of a reduction in capital resources, additional revenue running costs of any new assets and the cost of any unsupported borrowing have been taken account of and included within the MTFP.

The Capital Strategy will need to be kept under review to ensure it remains 'fit for purpose'. Over the period of the MTFP, more emphasis will be given to Member led capital monitoring in order to ensure that decisions made about capital spending are robust and sustainable for the Council.

Housing Revenue Account (HRA)

The HRA is a statutory ring-fenced account that relates to costs and income in respect of the Council's housing stock. The HRA budget and rent setting process is undertaken alongside the General Fund and certain elements of the process are carried out simultaneously.

Following a ballot of Council House Tenants the Council subsequently decided to retain the Council's Housing Stock and officers have been reviewing the Council's Housing Revenue Account business plan and developing proposals for the HRA's longer term sustainability, including achievement of the decent homes standard.

A review of the HRA and subsidy system has been announced by the Government and a report is expected in spring/summer 2009. In the meantime, it will be necessary to keep the position under review as part of the rolling 30 year business plan for the HRA.

At the time of writing the MTFP the Council is awaiting the updated business forecast model in respect of the HRA which will require the Council to take urgent action in order to ensure the financial stability of the HRA in both the short and medium term. In the interim, the financial viability of the HRA will be managed and maintained within government guidelines, including the target to achieve rent convergence by 2016/17. This will need to take account of the results of the full stock condition survey that will be undertaken during 2008/09.

Appendix C sets out the 4 Year Money Plan, i.e. the HRA over a 4 year period (2007/08 – 2010/11) and includes the outturn for 2007/08 (pre-audit) and the period covered by this Plan. This shows that with on-going deficits of between £1m and £2m per year, the HRA working balance will reduce to £6.9m by March 2011 and the balance on the Major Repairs Reserve will reduce to £475k by March 2011. This position will need to be closely monitored.

Reserves and Balances

The minimum prudent level of reserves that the Council should maintain is a matter of judgement. It is the Council's safety net for unforeseen circumstances and must last the lifetime of the Council unless contributions are made from future year's revenue budgets. CIPFA guidance does not set a statutory minimum level but it is up to local authorities themselves, taking into account all the relevant local circumstances, to make a professional judgement on what the appropriate level of reserves and balances should be.

Reserves can be held for three main purposes:

- A working balance to help cushion the impact of uneven cash flows and avoids unnecessary temporary borrowing – this forms part of general reserves.
- A contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves.
- A means of building up funds often referred to as earmarked reserves to meet known or predicted liabilities.

A schedule of reserves and the purposes for which they are held is attached at Appendix D. A review of the level of balances and

reserves was undertaken as part of the closure of accounts and preparation of Annual Statement of Accounts for 2007/8 together with a review during the preparation of the budgets for 2008/9.

The total reserves held as at 31st March 2008 is £28.8m as follows:

General Fund Reserves	£7.5m
Capital Reserves	£7.2m
Housing Revenue Account	£14.1m

Details of the level of reserves and current estimated movements on reserves from 2008/09 are contained in Appendix E. The level of individual reserves has been reviewed to take account of potential future use and particularly those, which are earmarked for specific purposes. A clear policy for the use of each reserve has also been developed.

In summary, the levels of reserves and balances recommended within this plan are believed to be sufficient to meet all of the Council's obligations and have been based on a detailed risk assessment. However, the position will be reviewed annually.

Risk Analysis

Inevitably, there are risks associated with the assumptions for both capital and revenue. In order to mitigate such risks, prudent assumptions have been made where appropriate. It will be necessary to review this Strategy annually to take account of the financial implications of new developments and changing circumstances and the consequential impact on medium and long term financial projections. In year budget monitoring is also crucial and the current approach is being improved and strengthened to include year end forecasting.

The Council is enhancing its approach to managing risk both at a strategic and operational level. Mechanisms are currently in place to manage strategic risks through a regular ongoing review of the Strategic Risk Register by the Management Board. In addition, the service planning incorporates a risk assessment to be completed as part of the service planning process. This is regularly reviewed during the course of the year and quarterly assurance statements are signed off by both Corporate Heads and Service Managers.

There is a need to ensure that the Council is not exposed to unnecessary risks by adopting a policy of targeting the use of resources linked to an assessment of corporate risk and ensuring that appropriate mechanisms are in place to monitor the effectiveness of this approach and ensure that it is being embedded. The mechanisms will include a greater emphasis on risk assessment in the preparation of requests for resources through the service planning and budget process.

A summary of the key risks and pressures facing the Council is set out in Appendix F. These will be managed as an integral part of the Council's core risk management process.

APPENDIX A

GENERAL FUND SUMMARY - 4 YEAR MONEY PLAN 2007/8 - 2010/11

	2007/08 Revised Base £'000	2007/08 Actual £'000	2008/09 Estimate Base £'000	2009/10 Estimate Base £'000	2010/11 Estimate Base £'000
Corporate and Customer Services	2,422	2,245	2,539	2,457	2,496
Finance and Resources	4,838	4,591	4,305	3,970	4,004
Healthy Environment	6,464	6,409	6,621	6,727	6,886
Partnerships & Organisational Improvement	838	712	932	913	928
Special Expense Areas	646	641	654	681	729
Sustainable Communities	3,307	3,347	3,197	3,243	3,382
Salary Vacancy Factor	0	0	(250)	(250)	(250)
Under/(over) allocation of Support Services	11	(32)	44	38	37
TOTAL SERVICE COSTS	18,526	17,913	18,042	17,779	18,212
Parish Precepts	1,035	1,035	1,253	1,316	1,381
Depreciation Charged to Revenue Accounts	(2,367)	(2,301)	(2,535)	(2,552)	(2,535)
Pension Interest Cost and Expected Return on Pension Assets	200	287	250	250	250
Interest and Investment Income	(944)	(1,210)	(613)	(536)	(400)
Interest Payable	261	267	248	248	332
NET OPERATING EXPENDITURE	16,711	15,991	16,645	16,505	17,240
Movement on Reserves					
-Pension Reserve	(250)	(220)	(250)	(250)	(250)
-Net Movement in General Fund Specific Reserves	(526)	(23)	(287)	(102)	(117)
Amortisation of Deferred Charges	-	(427)	-	-	-
Amortisation of Intangible Assets	-	(15)	-	-	-
Government Grants Deferred	-	454	417	391	184
Financing of Capital Expenditure	420	133	103	642	646
Minimum Revenue Provision	215	215	208	277	344
Revaluation Losses	-	(183)	-	-	-
AMOUNT TO BE MET FROM GOVERNMENT GRANT AND LOCAL TAXPAYERS	16,570	15,925	16,836	17,463	18,047
Council Tax Income	(6,499)	(6,499)	(7,072)	(7,509)	(7,971)
Formula Grant	(9,626)	(9,626)	(9,881)	(10,025)	(10,147)
Council Tax Collection Fund Surplus	(47)	(55)	(55)	(29)	(29)
NET BUDGET (SURPLUS) / DEFICIT	398	(255)	(172)	(100)	(100)
WORKING BALANCE SUMMARY					
Balance At Beginning of Year	2,824	2,000	2,255	2,427	2,527
(Reduction) / Increase in Working Balance	(398)	255	172	100	100
Balance At End Of Year	2,426	2,255	2,427	2,527	2,627
GF Balance as a % of Net Operating Expenditure - Target Between 10-15%	15%	14%	15%	15%	15%

APPENDIX B

CAPITAL PROGRAMME - 4 YEAR MONEY PLAN 2007/08 - 2010/11

	Description	2007/08 Revised Base £'000	2007/08 Outturn £'000	2008/2009 Estimate Base £'000	2009/2010 Estimate Base £'000	2010/2011 Estimate Base £'000
<u>HOUSING REVENUE ACCOUNT</u>						
1	Stock Improvements	5,665	5,282	7,054	6,071	4,887
2	Demolitions	10	-	25	25	25
3	IT Software	97	44	160	-	-
4	TOTAL - HOUSING REVENUE ACCOUNT	5,772	5,326	7,239	6,096	4,912
<u>OTHER SERVICES</u>						
5	Sustainable Communities	1,601	1,346	2,060	1,550	1,400
6	Healthy Environment	577	551	110	320	60
7	Finance and Resources	2,318	2,114	680	530	530
8	Partnerships and Organisational Improvement	294	149	100	75	60
9	Tenancy Services	110	-	280	110	110
10	Indicative Projects (Not yet evaluated)	-	-	45	790	3,205
11	TOTAL - OTHER SERVICES	4,900	4,160	3,275	3,375	5,365
12	TOTAL - CAPITAL PROGRAMME	10,671	9,486	10,514	9,471	10,277
<u>GENERAL FUND FINANCED BY:</u>						
13	Supported Borrowing	-	-	-	-	-
14	Unsupported Borrowing	-	-	-	-	2,835
15	Specific Reserve - Capital	2,249	2,249	-	-	-
16	Usable Capital Receipts	1,353	596	2,599	2,475	1,631
17	Capital Grants and Contributions					
	- Wharf Road, Stamford	583	555	-	-	-
	- Langtoft Playing Fields - Tennis Courts	6	6	-	-	-
	Wheelie Bin Enhancements	-	55	-	-	-
	Town Centre Projects (Warners Mill)	-	30	-	-	-
	- Stamford Recreation Ground Secured Funding	-	-	73	-	-
	- Stamford Recreation Ground Unsecured Funding	-	-	37	-	-
	- New Housing Developments Grantham (S106 monies)	-	70	200	-	-
	CCTV Dysart Road Grantham	-	17	-	-	-
	- Disabled Facility Grant	213	359	213	213	213
	- Private Sector Renewal	76	28	-	-	-
18	Direct Revenue Financing					
	- IT Hardware Replacement Programme	-	-	50	45	40
	- Building Control Scanner	20	20	-	-	-
	- LABGI Contribution to Town Centre Development	400	-	-	-	-
	- Contribution from Revenue	-	204	103	642	646
19	TOTAL - GF CAPITAL PROGRAMME	4,900	4,189	3,275	3,375	5,365
<u>HRA FINANCED BY:</u>						
20	Major Repair Reserve	5,772	5,297	7,239	5,355	3,810
21	Usable Capital Receipts	-	-	-	741	1,102
22	TOTAL - HRA CAPITAL PROGRAMME	5,772	5,297	7,239	6,096	4,912
23	TOTAL - CAPITAL PROGRAMME	10,672	9,486	10,514	9,471	10,277

APPENDIX B



HRA - 4 YEAR MONEY PLAN 2007/08 - 2010/11

	Detail	2007/08 Revised Base	2007/08 Actual	2008/09 Estimate Base	2009/10 Estimate Base	2010/11 Estimate Base
		£'000	£'000	£'000	£'000	£'000
INCOME						
1	Dwelling Rents	(17,883)	(17,664)	(18,926)	(20,230)	(21,547)
2	Non Dwelling Rents	(255)	(245)	(278)	(289)	(302)
3	Charges for Services and Facilities	(1,239)	(1,140)	(1,288)	(1,338)	(1,389)
4	Other Income	(62)	(127)	(55)	(57)	(59)
5	TOTAL INCOME	(19,439)	(19,176)	(20,547)	(21,914)	(23,297)
EXPENDITURE						
6	Repair and Maintenance	6,100	6,125	7,059	6,322	6,400
7	Supervision and Management - General	3,102	2,739	3,326	3,158	3,230
8	Supervision and Management - Special	2,006	1,837	2,121	2,146	2,284
9	Housing Revenue Account Subsidy	4,700	4,700	5,831	6,528	7,269
10	HRA share of Corporate and Democratic Costs	236	209	200	193	200
11	Depreciation and Impairment of Fixed Assets	4,529	4,366	4,731	4,924	5,126
12	Debt Management Expenses	20	9,419	20	20	20
13	Transfer to General Fund in respect of Rent Rebates	0	28	0	0	0
14	Increased Provision for Bad Debts	0	221	0	0	0
			126			
15	TOTAL EXPENDITURE	20,693	29,770	23,288	23,291	24,529
16	NET COST OF HRA SERVICES	1,254	10,594	2,741	1,377	1,232
17	Interest Payable and Similar Charges	166	177	158	158	211
18	Interest and Investment Income	(1,042)	(819)	(722)	(482)	(397)
19	Return on Pension Assets	0	(75)	0	0	0
20	Net Loss impact on sale of HRA Assets	0	688	0	0	0
21	DEFICIT FOR THE YEAR ON THE HRA	378	10,565	2,177	1,053	1,046
MOVEMENT ON THE HRA BALANCE						
22	(Deficit) / Surplus for the Year	(378)	(10,565)	(2,177)	(1,053)	(1,046)
23	Net charges made on Retirement Benefits (FRS17)	0	439	0	0	0
24	Employers contributions to Pension Fund	0	(552)	0	0	0
25	Net Loss impact on revaluation of HRA stock	0	9,419	0	0	0
26	Net Loss impact on sale of HRA assets	0	688	0	0	0
27	Transfer from Major Repairs Reserve	1,243	951	2,508	431	0
28	Housing Revenue Account balance at start of Year	7,863	7,863	8,243	8,574	7,952
29	Housing Revenue Account Balance at end of year	8,728	8,243	8,574	7,952	6,906

Appendix D

Schedule of Main Reserves

Category of earmarked reserve	Rationale
Insurance Reserve (Revenue)	A high level of 'Self-insurance' is a mechanism used by the Council to reduce external premiums. Sums are held in this earmarked reserve to meet potential and contingent liabilities.
Pension Reserve (Revenue)	Former Employees – This reserve provides for matching added years payments in respect of former employees. The Council does not currently operate a policy for added years and this reserve will reduce over time. Current Employees – This reserve is used to finance the capital costs of early retirement decisions taken by the Council and to help protect the Council from large changes in Council Tax resulting from unanticipated rises in the employer's contribution rate following the triennial valuation
Building Control (Revenue)	Annual surpluses from the chargeable element of Building control activities are set aside in this reserve and it is then used to finance service improvements and offset any future deficits
Capacity building, priority setting and service improvement reserve (Revenue)	This reserve has been created to finance stepped improvements required for delivery of the Council's priority services and support the creation of additional corporate capacity.
SEA (Special Expense Area) Reserve	To ensure that this money is spent entirely for the benefit of the specific area in which it was raised, the Council has set up Reserves to retain any underspend of precepts so that they may be used in future years.
Major Repairs Reserve (Capital)	This is the 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 expenditure on HRA assets.
General Fund (Capital reserve)	This reserve is earmarked to finance the Council's future capital programme
Useable Capital Receipts Reserve	Proceeds of fixed asset sales available to meet future capital investment.
Balances	
Housing Revenue Account (HRA)	The HRA is maintained in accordance with the Local Government and Housing Act 1989 which sets out the framework for "ring-fencing" the HRA. The account has to be self financing and there is a legal prohibition on cross subsidy to or from the General Fund
General Fund	Council has approved the policy of maintaining a General Fund working balance of between 4% to 5% of gross turnover or between 10% - 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
Collection Fund	The balance on the Collection Fund is available for financing the expenditure of Lincolnshire County Council, Lincolnshire Police Authority and SKDC

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
General Fund												
Capital Reserve												
General Fund Capital Reserve	2,249	1,013	(2,249)	1,013	-	-	1,013	-	1,013	-	1,013	-
Revenue Reserves												
Insurance Reserve	500	256	-	256	500	-	500	-	500	-	500	-
Pensions Reserve - Former Employees	392		(66)	326		(65)	261	(65)	196	(65)	131	(65)
- Current Employees	1,502		(21)	1,481			1,481	-	1,481	-	1,481	-
Building Control	276	38	(16)	298		(22)	276	(37)	239	(52)	187	(67)
SEA Reserve	0	16	0	16	0	0	16	0	16	0	16	0
Capacity Building, Priority Setting and Service Improvements	1,557	72	0	1,629		(200)	1,429		1,429		1,429	0
	4,227	382	(359)	4,250	0	(287)	3,963	(102)	3,861	(117)	3,744	(132)
Working Balance	2,824	619	(1,188)	2,255	172		2,427	100	2,527	100	2,627	100
Total General Fund Reserves	9,300	2,014	(3,796)	7,518	172	(287)	7,403	(2)	7,401	(17)	7,384	(32)
Net Movement in General Fund Specific Reserves				(1,782)		(115)		(2)		(17)		(32)
Housing Revenue Account(HRA)												
Capital Reserve												
Major Repairs Reserve	7,643	3,477	(5,297)	5,823	3,562	(7,239)	2,146	(1,671)	475	-	475	-
Working Balance												
Housing Revenue Account	7,863	381	0	8,244	331	0	8,575	(622)	7,953	-	1,046	6,907
Total HRA Reserves	15,506	3,858	(5,297)	14,067	3,893	(7,239)	10,721	(2,293)	8,428	(1,046)	7,382	0
Other Capital Reserves												
Useable Capital Receipts Reserve	4,757	2,443	0	7,200	3,449	(2,599)	8,050	(2,463)	5,587	(1,962)	3,625	0
Total Other Capital Reserves	4,757	2,443	0	7,200	3,449	(2,599)	8,050	(2,463)	5,587	(1,962)	3,625	0
Total Reserves	29,563	8,315	(9,093)	28,785	7,514	(10,125)	26,174	(4,758)	21,416	(3,025)	18,391	(32)

Balance
as at
31 March 2012
£'000

1,013

500
66
1,481
120
16

1,429

3,612

2,727

7,352

475

6,907

7,382

3,625

3,625

18,359

Appendix F

Summary of Key Risks

	Budget Item	Risk
REVENUE		
1	Pay Awards	Settlements exceed the 2.5 % percentage increase provided for in the budget from 2008/09.
2	Staff Turnover/ Vacancy Factor	Staff turnover/vacancies is less than that budgeted
3	General Inflation, Fuel & Energy Costs	Rising costs exceed budget provision. In view of the difficult economic conditions as at July 2008, this will need to be closely monitored
4	Contractual Commitments	RPI is above the rate assumed in calculating the contractual commitments in the budget
5	Council Tax and Business Rates Income	Failure to achieve collection rate targets
6	Investment Income/ Borrowing Costs	Available cash flow surpluses less than anticipated and/or falling interest rates – flip side is reduced borrowing costs. Needs to be closely monitored given levels of volatility in the financial markets
7	Income from Fees & Charges/ Rents:	Reduction in the usage of the service/activity levels, e.g. car parks, local land charges, planning fees, commercial rents
8	Leisure Trust	Impact of new contract on costs, performance, etc
9	Refuse Collection/Recycling/ Street Cleansing	The increase in property numbers and development of the Town results in additional costs pressures that have not been built into the budget
10	Concessionary Fares	Service is demand led - implications of new national statutory scheme – operators show a significant increase in usage and therefore costs for reimbursement.
11	Housing Benefits/Subsidy	Increase in payments that do not attract 100% subsidy i.e. overpayments and local authority errors; failure to comply with complex legislative requirements; and lack of audit trail to substantiate grant claim
12	Pensions	Insufficient allowance for pension costs increase + impact of next actuarial review in 2010/11
13	Repairs & Maintenance on Corporate Properties	Unplanned emergency maintenance is required on the Council's Corporate Properties
14	Bad Debt Provision	The Council's existing Bad Debt provision proves insufficient to meet any increase in the value of debts written off

15	White Paper- Strong & Prosperous Communities	Important financial issues include proposals relating to communities, neighbourhoods and place shaping and impact of the new performance management framework
16	General Fund Efficiency Savings Target	The annual 3% cashable efficiency savings target for the period 2008/09 – 2012/13 is not achieved
17	CSR07/Lyons Inquiry & Government Grants /Partnership Funding	Future changes to Local Government Finance resulting in grant reduction from 2011/12 (following current 3 year settlement). MTFP makes assumptions about HPDG and LABGI that may change
18	Council Tax Capping	Council Tax is capped below 5% resulting in re-billing costs, etc
19	Emergency Planning	Emergencies occur, e.g. floods incurring unplanned expenditure for the Council
20	ICT Strategy – Ongoing Change Programme	Growth in new technology resulting in regular upgrades & new /revised systems. May impact on invest to save projects
21	Housing Rents and Property Voids	More Council House disposals than anticipated and Governments revisions to their rent restructuring policy that have a detrimental effect on the Council's budget
22	HRA Repairs and Maintenance Costs	Assumed reductions in repairs and maintenance costs as a result of significant investment in the Council Housing Stock do not materialise
23	Housing Revenue Account Subsidy	Central Government revise the Subsidy rules
24	Value Added Tax (VAT)	Expenditure incurred by the Council on exempt VAT activities causes the 5% partial exemption allowances to be breached. Also the impact of the court judgement on the treatment of VAT on car parking income
25	Reserves & Balances	These fall below a sustainable level having regard to changing needs and priorities
CAPITAL		
26	External Funding	Loss of anticipated external resources to support the capital programme
27	Capital Expenditure	Slippage in the project; increased project costs; and failure of contractor i.e. contractor goes into liquidation
28	Capital Receipts	Shortfall in the actual amount of Capital Receipts (i.e. Council House Sales, other HRA assets, GF assets) against the targets set within the Capital Programme

29	Improvement Grants	Excessive demands for improvement grants
30	Government Funding – Supported Borrowing, Major Repairs Allowances	Central Government reduce funding for Supported Borrowing and Major Repairs Allowance below the levels that have been included in the HIP

Agenda Item 5

REPORT TO CABINET

REPORT OF: PORTFOLIO HOLDER – ASSETS AND RESOURCES

REPORT NO.: CHFR112

DATE: 11 August 2008

TITLE:	REVISION OF THE CAPITAL PROGRAMME FOR 2008/09
FORWARD PLAN ITEM:	YES
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	March 2008
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Budget Policy Framework

COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	Cllr Mrs Maureen Spencer-Gregson O.B.E.	
CORPORATE PRIORITY:	Effective Use of Resources	
CRIME AND DISORDER IMPLICATIONS:	None	
FREEDOM OF INFORMATION ACT IMPLICATIONS:	This report is publicly available on the Council's web site www.southkesteven.gov.uk via the local democracy link	
INITIAL EQUALITY IMPACT ASSESSMENT	Carried out and appended to report? Not Applicable	Full impact assessment required? No
BACKGROUND PAPERS:	CHFR91 Budget setting report 2008/09	

1. INTRODUCTION

The Council approved the capital programme for 2008/09 to 2010/11 at the budget setting meeting on 3 March 2008. As part of ensuring good financial planning a review of the capital programme is necessary to ensure it remains up to date and fully reflects the Council's spending programme.

This report represents a complete review of the capital programme for 2008/09. The housing capital programme for 2008/09 has been reviewed in light of current and up coming contractual commitments for completing work on the Council's housing stock in the remaining part of 2008/09. The general fund has also been reviewed to reflect slippage from the 2007/08 programme and new additional projects that have been scored by the Capital Assets and Management Group.

Currently there has been no amendment to the general fund or housing capital programme for future years. The Capital Asset Management Group has completed scoring of capital bids in accordance with the Council's capital scoring matrix. A full review of the capital programme for the financial year 2009/10 and the future years to 2011/12 will be undertaken at the time of setting the budget; this will be presented to Council in March 2009.

2. RECOMMENDATIONS

It is recommended that the Cabinet:

- Recommend to Council the approval of the revised housing capital programme as attached at appendix A.
- Recommend to Council the approval of the revised General Fund programme as attached at appendix B..
- Recommend to Council the approval of the revised Summary Financing Statement as shown at appendix C

3. DETAILS OF REPORT

HOUSING CAPITAL PROGRAMME

The revised housing capital programme is attached at appendix A. The programme for 2008/09 has been reviewed to take account of the expected outturn position. This includes: current officer and contractor capacity available to deliver the 2008/09 capital programme; programme slippage from 2007/08 into 2008/09; and the most to up date costing information.

The projected outturn for the housing capital programme is now revised to £7.512m to be completed in 2008/09. This is an overall increase in budget of £561k. This is made up of a number of under and over spends on the different projects underway.

The budget has been increased in the following areas:

- Upgrading sheltered housing scheme – delay in commencing contract resulting in programme slippage into 2008/09 of £50k
- Structural repairs – programme slippage into 2008/09 of £20k
- Re-roofing – programme slippage into 2008/09 of £14k
- Re-wiring – programme slippage into 2008/09 of £118k

- Kitchen and Bathroom refurbishments – an under spend of £167k has been carried forward into 2008/09 although there has been an overall programme reduction amounting to £449K. Therefore the forecasted outturn for this scheme is £3.987m.
- An additional amount of £300k in respect of DDA (Disability Discrimination Act) and fire assessment work in respect of sheltered housing complexes with communal facilities
- Total repairs module slippage of £42k
- Total Mobile module slippage of £11k

GENERAL FUND CAPITAL PROGRAMME

The revised General Fund capital programme is attached at appendix B. The programme for 2008/09 has been increased by £534k to £4.254m. The slippage from the 2007/08 programme is identified as:

- Stamford Gateway grant contribution – discussions are being held in order to finalise agreement for the release of the final payment. The balance of £80k has been moved into the 2008/09 programme.
- Economic grant Northfields Market Deeping – The Council has agreed a grant of £160k towards the development of Northfields Market Deeping. Due to ongoing works to the pumping station a sum of £125k will slip into 2008/09.
- Disabled Facilities Grant a variance of £81k under spend against programme.
- Cemetery works (phase 2 and 3) – due to a delay in the commencement of the works an amount of £68k has slipped into 2008/09
- Service transformation programme – due to delays in the delivery of the modernisation programme a sum of £172k has slipped into 2008/09. This amount will be spent in accordance with the non-key decision report POI007 (5 November 2007)
- Within the heading 'provision for existing assets' the following schemes have been identified for the current year:

Provision of new Guildhall Arts Centre seating for theatre	£15,000
Stone wall repairs to rear of Council Offices Grantham	£25,000
Carriageway reconstruction and resurfacing works at Alma	
Park Industrial Estate Grantham (unadopted roadway)	£190,000
Car park reconstruction and stone wall repairs at Stamford	
Arts Centre	£40,000

All of the items have been identified from the Asset Management Plan and have been identified as a priority in order to mitigate further additional cost to the Authority.

A number of inspections have been carried out to determine the condition of the highway at both Ruston Road and Isaac Newton Way (Alma Park Industrial Estate). The general condition of the carriageway at Ruston Road is fair with certain areas showing only minor signs of distress. However at Isaac Newton Way, both carriageway and footpaths are in a poor condition which has necessitated the proposed expenditure.

- Expansion of green waste collection service – the procurement of a further two vehicles has been brought forward from the 2009/10 financial year to the 2008/09 financial year. The budget provision has been increased from £260K to £300K to reflect the current market cost and to allow flexibility in respect of the type of waste vehicle to be procured.

It is proposed to fund the slippage from the Major Repairs Reserve in respect of the HRA and the usable capital receipts reserve in respect of the General Fund. This funding proposal is in accordance with CHFR91 Budget report approved by Council on 3 March 2008.

4. OTHER OPTIONS CONSIDERED AND ASSESSED

None

5. COMMENTS OF SECTION 151 OFFICER

My comments are contained within the body of the report.

6. COMMENTS OF MONITORING OFFICER

As part of the budget policy framework it is essential the recommendation for review of the capital programme is approved by full Council.

7. COMMENTS OF OTHER RELEVANT SERVICE MANAGER

None

8. CONCLUSION/SUMMARY

This report has provided members with an update on the progress of the delivery of the Capital Programme for 2008/09 and has also identified for approval some amendments to the programme to take account of the outturn position for 2007/08 and the current officer and contractor capacity to deliver the programme by the end of the financial year.

9. CONTACT OFFICER

Richard Wyles
Interim Corporate Head and Section 151 officer
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r.wyles@southkesteven.gov.uk

CAPITAL PROGRAMMES

APPENDIX A

HOUSING INVESTMENT PROGRAMME

	Description	2008/2009 Estimate Base £'000	2008/2009 07/08 Outturn Slippage £'000	2008/2009 Revised Base £'000	2009/2010 Estimate Base £'000	2010/2011 Estimate Base £'000
<u>HOUSING REVENUE ACCOUNT</u>						
Tenancy Services						
Repairs and Improvements						
1	Upgrading Sheltered Housing Scheme	250	50	300	-	-
2	Structural Repairs	220	20	240	200	200
3	Passenger Lifts, Supported Housing Schemes	120	-	120	180	-
Energy Efficiency Initiatives:						
4	Windows	260	-	260	252	229
5	Central Heating	620	-	620	567	350
6	Heating and Ventilation			-		
7	Insulation		-	-	-	1,097
Refurbishment and Improvement:						
8	Miscellaneous Residual Properties	141	-	141	145	160
9	Re-roofing	574	14	588	566	458
10	Re-wiring	208	118	326	214	458
11	Kitchen & Bathroom Refurbishments	4,269	-	3,987	3,655	1,644
12	Communal Doors	160	-	160	92	91
13	DDA compliance and fire risk assessment work	-	-	300	-	-
14	Disabled Adaptations	232	-	232	200	200
		7,054	202	7,274	6,071	4,887
Demolition Works						
15	Garages	25	-	25	25	25
		25	-	25	25	25
IT Software						
16	Total Repairs Module	-	42	42	-	-
17	Mobilisation of Craft Working	160	11	171	-	-
		160	53	213	-	-
18	TOTAL - HOUSING INVESTMENT PROGRAMME	7,239	255	7,512	6,096	4,912

CAPITAL PROGRAMMES

APPENDIX B

OTHER SERVICES

	Description	2008/2009 Estimate Base £'000	2007/2008 Slippage £'000	2008/2009 Revised Base £'000	2009/2010 Estimate Base £'000	2010/2011 Estimate Base £'000
SUSTAINABLE COMMUNITIES						
Town Centre Development						
1	Town Centre Projects - Bourne Core Area	370	-	370	170	120
2	Town Centre Projects - Bourne Core Area (Consultancy/Advice)	30	-	30	30	30
3	Town Centre Projects - Unallocated/Provision	750	-	750	750	750
4	Stamford Recreation Ground Improvement Programme	110	-	110	-	-
Capital Grant						
5	Stamford Gateway	-	80	80	-	-
6	Economic Grant - Northfields Market Deeping	-	125	125	-	-
7	New Housing Developments Grantham (use of S106 monies)	200	-	200	-	-
8	Private Sector Renewal	100	-	100	100	100
9	Regional Housing Grant	-	-	490		
10	Disabled Facilities Grant	500	81	581	500	400
		2,060	286	2,836	1,550	1,400
HEALTHY ENVIRONMENT						
Waste Management						
11	Expansion of Green Waste Collection Service - 2 Freighters	-	-	300	-	-
12	Expansion of Green Waste Collection Service - Wheeled Bins	50	-	50	-	-
Purchase of Vehicles						
13	Purchase of Pool Vehicles	60	-	60	60	60
		110	-	410	60	60
FINANCE AND RESOURCES						
Car Parking						
14	Car Parking Provision	30	-	30	30	30
15	Restatement Works at Grantham Canal (Phase 1)	-	-	-	-	-
16	Restatement Works at Grantham Canal (Phase 2)	150	-	150	-	-
Provision for Existing Assets						
17	Windows, Council Offices, Grantham (Phase 2)	100	-	100	-	-
18	Cemetery Works (Phase 2 and 3)	100	68	168	-	-
19	Automatic Monitoring for Utilities	30	-	30	-	-
20	Guildhall Arts Centre seating replacement			15		
21	Stone wall repair Council Offices Grantham			25		
22	Alma Park Road Grantham surface improvements			190		
23	Stamford Arts Centre - car park and stone wall repairs			40		
24	Provision	270	-	500	500	
		680	68	748	530	530
PARTNERSHIPS AND ORGANISATIONAL IMPROVEMENT						
25	Customer Services - Access to Self-Service Facilities	-	-	-	30	20
26	Website Content Management Software	50	-	50	-	-
27	Service Transformation Programme (formerly Modernisation)	-	172	172	-	-
28	IT Hardware Replacement Programme	50	-	50	45	40
		100	172	272	75	60
TENANCY SERVICES						
Purchase of Vehicles						
29	Care Services	30	-	30	30	30
30	Housing Maintenance	80	-	80	80	80
31	Lifeline Equipment	170	-	170	-	-
		280	-	280	110	110
32	TOTAL APPROVED - OTHER SERVICES	3,230	526	4,546	2,325	2,160

CAPITAL PROGRAMMESAPPENDIX BOTHER SERVICES

	Description	2008/2009 Estimate Base £'000	2008/2009 Total Base £'000	2009/2010 Estimate Base £'000	2010/2011 Estimate Base £'000
INDICATIVE PROJECTS (NOT YET EVALUATED)					
PARTNERSHIPS AND ORGANISATIONAL IMPROVEMENT					
33	Replacement/Renewal of CCTV Equipment	-	-	-	40
34	Service Transformation Programme (Area Office Improvement Work)	-	-	-	180
HEALTHY ENVIRONMENT					
35	Replacement of Street Scene Fleet	-	-	-	3,000
FINANCE AND RESOURCES					
36	Alma Park Adoption	-	-	-	300
37	Lift Installation - Main Council Sites	-	-	-	150
Car Parking					
38	St Leonard's Street, Stamford	-	-	-	20
Provision for Existing Assets					
39	Arts Centre Refurbishments - Stamford	45	-	45	-
40	Grantham Bus Station - Refurbishment	-	-	-	25
41	Heating Works, Council Offices, Grantham	-	-	-	250
42	INDICATIVE PROJECTS (NOT YET EVALUATED)	45	-	45	790
43	TOTAL GENERAL FUND CAPITAL PROGRAMME	3,275	526	4,591	3,115
					5,365

CAPITAL PROGRAMMES

APPENDIX C

SUMMARY FINANCING STATEMENT

	Description	2008/2009 Estimate Base £'000	2008/2009 07/08 Outturn Slippage £'000	2008/2009 Revised Base £'000	2009/2010 Estimate Base £'000	2010/2011 Estimate Base £'000
<u>HOUSING REVENUE ACCOUNT</u>						
1	Stock Improvements	7,054	202	7,274	6,071	4,887
2	Demolitions	25	-	25	25	25
3	IT Software	160	53	213	-	-
4	TOTAL - HOUSING REVENUE ACCOUNT	7,239	255	7,512	6,096	4,912
<u>OTHER SERVICES</u>						
5	Sustainable Communities	2,060	286	2,836	1,550	1,400
6	Healthy Environment	110	-	410	60	60
7	Finance and Resources	680	68	748	530	530
8	Partnerships and Organisational Improvement	100	172	272	75	60
9	Tenancy Services	280	-	280	110	110
10	Indicative Projects (Not yet evaluated)	45	-	45	790	3,205
11	TOTAL - OTHER SERVICES	3,275	526	4,591	3,115	5,365
12	TOTAL - CAPITAL PROGRAMME	10,514	781	12,103	9,211	10,277
<u>GENERAL FUND FINANCED BY:</u>						
13	Supported Borrowing	-	-	-	-	-
14	Unsupported Borrowing	-	-	-	-	2,835
15	Specific Reserve - Capital	-	-	-	-	-
16	Usable Capital Receipts	2,599	3,125	3,425	2,475	1,631
17	Capital Grants and Contributions					
	- Wharf Road, Stamford					
	- Langtoft Playing Fields - Tennis Courts					
	- Stamford Recreation Ground Secured Funding	73	73	73	-	-
	- Stamford Recreation Ground Unsecured Funding	37	37	37	-	-
	- New Housing Developments Grantham (S106 monies)	200	200	200	-	-
	- Disabled Facility Grant	213	213	213	213	213
	- Private Sector Renewal	-	-	-	-	-
	- Regional Housing Grant	-	-	490	-	-
18	Direct Revenue Financing					
	- IT Hardware Replacement Programme	50	50	50	45	40
	- Building Control Scanner	-	-	-	-	-
	- LABGI Contribution to Town Centre Development	-	-	-	-	-
	- Contribution from Revenue	103	103	103	642	646
19	TOTAL - GF CAPITAL PROGRAMME	3,275	3,801	4,591	3,375	5,365
<u>HRA FINANCED BY:</u>						
20	Major Repair Reserve	7,239	7,512	7,512	5,355	3,810
21	Usable Capital Receipts				741	1,102
22	TOTAL - HRA CAPITAL PROGRAMME	7,239	7,512	7,512	6,096	4,912
23	TOTAL - CAPITAL PROGRAMME	10,514	11,313	12,103	9,471	10,277

REPORT TO CABINET

REPORT OF: CABINET PORTFOLIO HOLDER –
HEALTHY ENVIRONMENT

REPORT NO.: SS006

DATE: 11 August 2008

TITLE:	Award of dry recyclables contract	
FORWARD PLAN ITEM:	Award of contract for the processing of dry recyclable materials	
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	August 2007	
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Key decision	
COUNCIL AIMS/ PORTFOLIO HOLDER NAME AND DESIGNATION:	John Smith – Portfolio Holder for Healthy Environment	
CORPORATE PRIORITY:	Recycling	
CRIME AND DISORDER IMPLICATIONS:	No identified crime and disorder implications	
FREEDOM OF INFORMATION ACT IMPLICATIONS:	This report is publicly available via the Local Democracy link on the Council's website: www.southkesteven.gov.uk Appendices A and B are exempt in accordance with paragraph 3 of schedule 12A of the local Government Act 1972 as amended due to containing commercially sensitive information about the tenderers involved.	
INITIAL EQUALITY IMPACT ASSESSMENT	Carried out and appended to report? Not Applicable	Full impact assessment required? No

BACKGROUND PAPERS:	Extension of the arrangements for the processing of dry recyclables (Non-key report SS003) WCS25 WCS26
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1. INTRODUCTION

With the increasing volume of materials being collected through the kerbside recycling scheme, it is even more pressing that the arrangements we have in place for their reprocessing are suitable for the long term development of the service. It is also essential that the provider of this contract is able to work with the Council to ensure that the customer continues to receive the same level of service.

With the existing arrangements in place until the end of this month, we have undertaken a full OJEU¹ tender process. The contract is to provide facilities for the Council to transfer recyclable materials, collected from the kerbside collection activities, to a contractor. The contractor is then responsible for the sorting and reprocessing of these materials for recycling. The contract is initially for a period of three years, with the possible extension to five years subject to negotiation.

This report details the outcome of the tendering and evaluation process, recommending the award of the contract.

2. RECOMMENDATION

It is recommended that Cabinet award the contract for the processing of dry recyclable materials collected by the Council's kerbside collection activities to Mid UK Recycling Limited for the initial term of three years from the date of commencement of the contract with potential to extend the term for a further two years.

3. DETAILS OF REPORT

3.1 The current arrangements

At present, all materials are delivered to Mid UK Recycling Limited under an extended arrangement. This will end at the end of August 2008².

Mid UK Recycling Limited operate two facilities for the receipt and transfer of materials – in Caythorpe (north of Grantham) and Market Deeping.

The Council pays Mid UK Recycling Limited a gate fee for the transfer of commingled materials to their sites. For this fee, they sort the materials and are responsible for making suitable arrangements for the reprocessing of all materials.

Currently a recycling credit is received from Lincolnshire County Council to cover the cost of the gate fee.

3.2 Need for new contract

To ensure that the Council continues to offer the best service possible for its customers, it is necessary to open the contract for competitive tender. The tender process ensures that the service is as advantageous to the customer in terms of the range of materials collected for recycling, and that it is at the lowest possible cost to them.

A competitive tender process ensures that the Council is legally compliant with current procurement regulations, and gets the best result for the Council.

3.3 Tender process

Taking into account the current cost of provision of this service (with provision for collecting 20,000 tonnes of recyclables per annum³) the Council is legally obliged to tender this contract following the Public Contact Regulations 2006.

Learning from previous tendering exercises, a project team of officers was formed involving legal, financial, procurement and service specific knowledge. This team met regularly to formulate the specification, terms and conditions and the evaluation criteria.

Following the initial pre-qualification stages, seven companies were shortlisted and invited to tender. Four of these companies submitted full tenders for evaluation. Exempt Appendix A lists the shortlisted companies, and highlights those that submitted responses.

3.4 Specification

The specification is integral to ensure that the contract delivers every aspect required by the Council. The project team spent time covering all key areas of the specification, considering different approaches to ensure that the service was adequate for our needs, was competitive, offered opportunity to external providers, and enabled shortlisted companies to show some flexibility and offer above the minimum requirements.

The project team, with the approval of Cabinet⁴, highlighted the following as key areas (in no particular order):

- Range of materials accepted as recyclable to be meet current collection criteria
- Facilities for the transfer of materials to the contractor to be fit for purpose
- The contractor to have considered the carbon footprint of their own operations and also to those of the council in delivering materials to their facilities
- Contingency planning to ensure continued service delivery to Council customers
- Commitment to education and promotion
- Health and Safety
- Environmental management
- Compliance with legal requirements, such as waste management licenses etc

- Contract monitoring and supervision

The tender process required the potential contractors to provide a service delivery plan. In this document potential contractors detailed their plans and/or intentions in these areas.

Each tenderer submitted a wide range of supporting documents relating to each of the areas listed above in addition to the requirements of the service delivery plan.

3.5 Evaluation process

From the specification an evaluation matrix was created, based on the OGC⁵ model, incorporating the agreed weighting of 60:40, price to non-price factors.

The scoring members of the project team received copies of all tender submissions, and each independently scored the non-price factors. The average and weighted score was then calculated. The project team reviewed the tender submissions for non-compliance with specification requirements requested as part of the tender process.

Members of the project team conducted an audit of the scores. It was essential to have this critical friend approach to the process to ensure that the decision was robust.

The price factor was analysed in depth with full support by the accountancy team. This analysis not only considered the gate fee, but also included the following aspects of the cost of awarding the contract:

- Vehicles requirements, including maintenance of vehicles
- Staff required
- Need for round reorganisation
- Cost of load rejection

Details of individual assessments are detailed in Exempt Appendix B.

It is vital that the assessment of the real cost of the service to the Council went beyond the tendered gate fee. The cost of the whole service was considered in as much detail as possible to ensure that any decision made was sustainable throughout the term of the contract.

3.6 Assumptions made for the determining of price factor

In order to provide a like-for-like price comparison of tender bids, the following assumptions were made:

- Vehicles would continue to collect the same number of bins per day
- Vehicles would achieve the same miles per gallon rate as they currently achieve
- The materials collected would not change in the first 12 months (changes to subsequent years would depend on the contract award and the results of rejection in the first 12 months of the new contract)

- 420kg of dry recyclable material would be collected per household per annum

3.6 Results of evaluation

Once all aspects of the tender evaluation had been completed, Mid UK Recycling Limited scored highest and therefore warranted the recommendation that they should be awarded the contract for the next three years.

4. OTHER OPTIONS CONSIDERED AND ASSESSED

4.1 Tender one

This tender was dismissed in the initial stages as it was not compliant with the specification. They proposed using unlicensed sites, which were unable to accept materials from the Council. Though they could apply for the required licenses, the time scale for this and the commencement of the contract were not compatible.

4.2 Tender two – Mid UK Recycling Limited

Each element of the specification was covered and the project team was able to determine each score from the information supplied.

In order to cost analyse the tender, the assumptions detailed in section 3.6 were made regarding the tender bid. In both the price and non-price factors, Mid UK Recycling Limited scored highest.

4.3 Tender three

This tender was dismissed in the first stages, as it did not provide any Health and Safety records for the proposed facility.

The proposal involved subcontracting the operation of the facility to a third party, and they provided no Health and Safety information for them. The Council takes its responsibilities very seriously in this regard, and had no assurance that the proposed facility would be compliant legislative requirements. As such it failed to comply with the specification.

4.4 Tender four

This tender was dismissed in the final stage.

Though their tenderer gate fee price was very low, the overall cost of the service was considerably higher than tender 2 based on the same assumptions specified in section 3.6 of this report. The main areas of cost were:

The location of the proposed site and the additional operational costs incurred

Their proposal directed all our vehicles to one site outside and south of the district. As such, there would be a considerable increase in the mileage between the kerbside collections and the facility.

An analysis of the location and the additional transport time involved was carried out and an additional five vehicles would be required to operate this contract, though only four would be required on a day-to-day basis, (the fifth would cover maintenance and other downtime). Therefore only staff to cover four of the vehicles was included in the overall cost analysis.

In order to make the most efficient use of the vehicles and staff, a reorganisation of the rounds would also be required. A one-off cost was added.

It is obvious that this tender would increase the fuel used by the fleet for this service, and this too was included in the calculations.

As the tender was evaluated in more detail, the project team raised concerns about their compliance with the specification regarding the range of materials collected as part of the co- mingled collection. This tender set strict limits on the composition of the materials accepted. As such calculations were made regarding the potential additional costs incurred in loads being rejected from the facility. These calculations were based on the tenderers own probability ratios submitted as part of their tender.

Additional considerations

Though a calculation regarding the additional fuel used was included as part of the financial assessment, it is not possible to accurately state the additional CO₂ emissions released by the council if using this contractor. With the substantial increase in mileage, it is clear that this would reflect a substantial increase in our CO₂ emissions.

5. COMMENTS OF SECTION 151 OFFICER

I can confirm a full financial evaluation has been undertaken in respect of the tenders received to fully evaluate the impact of the dry recyclables service. This evaluation has covered all aspects of providing the service including additional costs the Council would incur in respect of tender four. These additional costs are directly related to the requirement for the recycling materials to be transferred to a single site south of the district.

There is sufficient budget within the financial year to support the recommendation contained in the report.

6. COMMENTS OF MONITORING OFFICER

This report confirms the contract will be let in accordance with the Public Contract Regulations 2006 and the Council's Contact Procedure Rules. It also shows the tenders received have been evaluated in accordance with the criteria set down in the tender documentation sent to all potential tenderers.

7. COMMENTS OF ACTING ASSET AND FACILITIES MANAGER

I can confirm that Asset and Facilities have considered the evaluation process and are satisfied with compliance with the tender documentation and Contract Procedure Rules.

I am assured that there is sufficient linkage between the weightings in the tender assessment and the information requested in the tender documentation.

I am satisfied that the correct procurement process has been adhered to.

8. CONCLUSION/SUMMARY

That a comprehensive evaluation of all tender bids has been undertaken by the project team in accordance with the specification and that tender 2 offers the most economically advantageous option for the Council.

9. CONTACT OFFICER

Dawn Temple

Policy and business support Officer

Street Scene

Tel: 01476 406557

¹ Official Journal of European Union

² Refer to NKD report SS003 and Cabinet report WCS 26

³ Based on the anticipated collection rate for 2008/9

⁴ Cabinet report WCS 25

⁵ Office of Government Commerce

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

REPORT TO CABINET

REPORT OF: ECONOMIC PORTFOLIO HOLDER

REPORT NO.: PLA 713

DATE: 11th August 2008

TITLE:	ADOPTION OF LOCAL LIST OF INFORMATION REQUIRED TO BE SUBMITTED AS APPROPRIATE WITH AN APPLICATION UNDER THE PLANNING ACTS
FORWARD PLAN ITEM:	Yes
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	17 July 2008
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	KEY DECISION

COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	Cllr Frances Cartwright Economic Development Portfolio	
CORPORATE PRIORITY:	Key Priority: to enhance Development Control Performance and it a legal requirement of the Planning and Compensation Act 2004	
CRIME AND DISORDER IMPLICATIONS:	Minor	
FREEDOM OF INFORMATION ACT IMPLICATIONS:	This report is publicly available via the Local Democracy Link on the Council's website: www.southkesteven.gov.uk	
INITIAL EQUALITY IMPACT ASSESSMENT	Carried out and appended to report? No	Full impact assessment required? No

BACKGROUND PAPERS:	Planning and Compulsory Purchase Act 2004 DCLG circular advice 02/2008 Town & Country Planning (General Development Procedure) Order 1995 (as amended) Report to Development Control Committee on 1 July 2008
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1. INTRODUCTION

- 1.1 On 6 April 2008 a new National Planning Application form was introduced together with an amendment to the Town & Country Planning (General Development Procedure) Order 1995 (as amended) which set out the Statutory Requirements for plans and information to accompany a planning application.
- 1.2 These pieces of legislation set out for the first time the exact information required to support a planning application and crucially that an application is invalid if the required information is not attached.
- 1.3 It should be noted that the information is divided into two lists; the National List that sets out the mandatory requirements for all applications and a Local List that sets out optional information that a Local Planning Authority can request to support an application. These lists are set out in Appendix A attached to this report.
- 1.4 The Local List has no legal effect until it is published on the Council's website after adoption.

2. RECOMMENDATIONS

- 2.1 **That Cabinet recommends to Council:**
 - Adoption of the Local List which is attached to this report as Appendix A.
 - Delegate the correction of any typographical errors, amplifications or amendments within the list, but not additional items to it, to the Strategic Head of Sustainable Communities.

3 DETAILS OF REPORT

3.1 Background

- 3.1.1 The introduction of the National Single Application Form (1APP) for all applications made under the planning acts has been proposed by the government during the previous two years and was introduced on 6 April 2008. Access to this document is made via the Planning Portal which automatically directs the applicant to the correct form and inserts the Councils Logo onto the forms. The use of the Planning Portal and electronic forms is part of the Government's objectives to promote "E-Government".
- 3.1.2 The use of E-forms and an electronic submission results in the elimination of the applicant having to submit hard copy plans. This is viewed as a cost saving to the development industry and providing for the speedier transmission of information during the consultation process. This is seen as enhancing the performance of Local Planning Authorities and dovetails with the recent reports submitted to the Development Services Manager from consultants provided by the Planning Advisory Service.
- 3.1.3 The Lead Professional has liaised with the Head of Development Control at Boston Borough Council so that the drafting time has been shared between the two Authorities and is therefore a joint document.

4. Information

- 4.1.1 The Local List comprises matters taken from a "List" compiled by the Government and is not a list of matters considered suitable by Officers. Your Officers have considered whether there are any purely Local Matters that should be included and concluded that it was not necessary because, for example the marketing of redundant agricultural barns for commercial purposes before allowing residential use, could be included in the headings in the National List. The difference between matters included in the National List and those that are not is that the former matters when not submitted with the application render it invalid, whilst the latter if not submitted have to be requested using another Article in the General Development Procedure Order.
- 4.1.2 South Kesteven District Council and Boston Borough Council have, along with every other Local planning Authority, selected every matter on the list with the exception of issues relating to Minerals. This is because Local planning Authorities never determine Mineral applications and every other matter may be necessary for a particular application.
- 4.1.3 The Government's overarching concept is that an LPA should only ask for information necessary to determine an application. There is a mechanism to resolve disputes between parties if there is disagreement.
- 4.1.4 The drafting of the Lists together with their adoption is one of the tasks of the Improvement Plan Board for Development Control and adoption will enable the requirements to be notified to the Planning Portal. This is one of the elements that, together with electronic consultation will contribute to efficiency improvements in

Development Control.

4.2 Consultation

- 4.2.1 The Circular advocates 6 weeks consultation but this is not a legal requirement. Other Lincolnshire Authorities have undertaken the exercise and a selection of Planning Agents who attended a forum did not demur when told that this Council would not be consulting. A number agreed that it was a wasteful exercise.
- 4.2.2 Your Officers do not advocate consultation because it is considered that little response would be engendered and, in truth, little or no change would be made to the list. As stated the Local List has been extracted from the Government list with the same phraseology being used. It is considered that it could be a waste of Council resources.

4.3 Operation

- 4.3.1 It is considered that the contents of the List speak for themselves and therefore this report will confine itself to outline the proposed method of operation of the List.
- 4.3.2 The lists will be circulated to 150 developers who have made at least two planning applications to this Council prior to it being posted on the website.
- 4.3.2 Pre-application discussions will be undertaken between the developer and a planning officer. The Development Services Manager and Customer Services Manager have agreed alternate methods of communication to ensure that there is access to planning officers by developers. The usual methods of assisting persons whose 1st language is not English are available. Planning Officers will validate applications because their professional judgement is needed to determine whether an application is valid.
- 4.3.3 A valid application should mean that sufficient detail is included for consultees to be able to make meaningful judgement about the application. In this regard it is considered that this will enhance the Consultation Process with Parish Councils because more and clearer information is attached to an application form. It is also considered that the process can be undertaken in a more timely fashion because there will be fewer requests for additional information and that this will contribute to sustained performance in Development control.

5. COMMENTS OF SECTION 151 OFFICER

- 5.1 No direct financial implications arising from this report.

6. COMMENTS OF MONITORING OFFICER

- 6.1 The Planning and Compensation Act 2004 amends the Town and Country planning Act 1990 to introduce the requirement for a list as detailed in this report. The government has produced a national list of matters required, a locally produced list can add to those requirements but cannot detract. The local list should be compiled from a

recommended national list of additional information which the planning authority can require to validate an application. If a local list is not adopted, the statutory requirements of the national list would prevail.

The overall content of any local list will be at the discretion of the local planning authority.

Guidance recommends consultation on the contents of any local list. It is recommended to ensure the list is clear and transparent to local applicants.

7. COMMENTS OF OTHER RELEVANT SERVICE MANAGER

7.1 Comments of Planning Policy Manager

7.1.1 The adoption of this list is a necessary element of delivering the Development Management function at the council.

7.2 Comments of Economic Development Manager

7.2.1 Welcome the inclusion of strategic economic development and regeneration elements within the Local List which requires information to support applications for development in both Bourne and Grantham Town Centres as well as in other employment areas that the Council is promoting.

7.3 Comments of the Grantham Growth Point Project Officer

7.3.1 The Grantham Growth Point team welcomes the Local List and acknowledges its alignment and relationship to visioning work currently being undertaken for Grantham.

7.4 Comments of Local Strategic Partnership Co-ordinator

7.4.1 The Sustainable Communities Plan (SCP) is currently being prepared. It is essential that planning applications demonstrate the objectives of the LSP such as details of Community Involvement before submission of the scheme.

8. CONCLUSION

8.1 The adoption of the Local List will provide clarity to developers, enhance the consultation process and contribute to the sustained performance of Development Control.

9. CONTACT OFFICER

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m.shipman@southkesteven.gov.uk

SOUTH KESTEVEN DISTRICT COUNCIL / BOSTON BOROUGH COUNCIL

Planning Applications Requirements

IMPORTANT: You are strongly advised to read the guidance attached to the **part one** and **part 2** checklists before completing the **Validation Checklist** relevant to your application type

Contents

1. **Introduction and explanatory front sheet**
Pre-Application Discussion
Information Requirements
2. **Part One Checklist: Compulsory Requirements for Planning Applications**
3. **Part Two Checklist: Additional Information to address specific issues**

1.0 Introduction

- 1.1 There is a growing expectation for the development control service to consider a wider range of issues and consult with an increasingly interested community with more efficiency and effectiveness. Similarly planning authorities should be able to offer greater certainty to developers about what might be expected of them when they submit applications and be able to deliver decisions on time.
- 1.2 The purpose of this checklist is to provide potential applicants for planning permission with clear guidance on the form and content of information required for the submission of different types of planning applications. By providing checklists on the scope and extent of the information required applicants should have greater certainty of their responsibilities and the public and decision makers will be better informed about the development proposals leading to a more open, transparent, accessible and efficient service.
- 1.3 In 2006 Design and Access statements were required to accompany certain types of applications for planning permission. This requirement along with other mandatory information is included in the **Part One Checklist** below.
- 1.4 The **Part Two Checklist** attached sets out the additional information the Local Planning Authority may require from some applicants. This document is set out by the type of information required.
- 1.5 Where text is given in **blue** there is a link to a web based document or facility.

2 Pre-Application Discussion

- 2.1 For all but the most straightforward developments it is strongly recommended that contact be made with the Development Control Team before submitting an application. In the first instance this should be with a planning case officer who deals with the area where the site is located. Pre-application discussion will enable the information requirements of individual development applications to be assessed.

3 Information Requirements

- 3.1 All applications for planning permission must include the information indicated in the **Part One Checklist**. For information beyond this the **Part Two Checklist** describes what may be required.
- 3.2 Where an application is received that does not contain the information listed in the **Part One Checklist**, then the application will not be registered and the applicant informed in writing with a list of the requirements necessary to make the application valid.

3.3 Where an application does not include information listed in the **Part Two** Checklist but where the Council considers it should be provided then the application will not be registered. The applicant will be informed accordingly in writing and an explanation given as to what is required to ensure that the application is valid. In these circumstances applicants are able to submit to the Council a written justification why the requested information listed is not appropriate in a particular case. The Council will take account of any written justification and only **not** register applications where it can demonstrate that the additional information is necessary to determine the application.

Part One Checklist

Compulsory Information required to be submitted for Planning Applications

All applications for planning permission **must** include the following. Where this information is necessary for an outline application only or for a full application only this is indicated. It is often helpful to receive a copy of an application on a CD-rom when an application is being submitted, particularly for major* applications when an Environmental Impact Statement forms part of the submission. **NOTE: In order to ensure accurate scaling when dealing with electronic document ALL drawings MUST contain an accurate scale bar and an indication of the paper size.**

1. Application Forms

You are advised to submit your application online via the [Planning Portal](#). If you use the Portal, then this includes a fee calculator, location plan facility and ownership declaration.

Even if you don't want to submit your application online, it is best to complete the online form via the Planning Portal because you can type your information over several days (saving it in the process) and print it off at home for sending off to your local Council.

You can download "pdf" application forms from each of the Council web sites given below but unless you have special software you will not be able to type text into forms, they will have to be completed by hand (note that the only difference between the forms from one Council to another is the logo).

If you are submitting a 'hard copy' application form to the Council then four copies of the application form and three copies of each plan being submitted must be supplied.

Links to Application Forms

[Boston Borough Council](#)

South Kesteven District Council
<http://www.southkesteven.gov.uk/Planning>

2. Application Fee

The correct fee will be determined using the Town and Country Planning [Fees for Planning Applications] Regulations where a fee is necessary. Fee information can be obtained from each of the following web sites (all Councils charge the same fees):

[Boston Borough Council](#)

3. Location Plan

3 copies of a location plan based on an up to date Ordnance Survey Map at a scale of 1:1250 or 1:2500 must be provided.

The plans should wherever possible show at least two named roads and all surrounding buildings and have a clearly marked north point. The properties shown must be numbered or named to ensure that the exact location of the application site is clear.

The application site must be edged clearly with a red line [make sure this is a thick line and the application site is labelled if making an on line application – this is so the site can be clearly seen on black and white plans] and include all land necessary to carry out the proposed development [e.g. land required for access to the site from a public highway, visibility splays, landscape treatment, car parking and open areas around the buildings].

A thick blue line must be drawn around any other land owned by the applicant, close to or adjoining the application site.

4. Site Plan/Block Plan

This is mandatory for full applications for development involving new buildings, engineering works or extensions and changes of use. In an outline application a site plan or something similar would form a useful part of the Design and Access Statement. Three copies of the site plan are required and to a scale of 1:500 or 1:200 showing:

The direction of North;

The proposed development in relation to the site boundaries and other existing buildings on the site, with written dimensions including those to the boundaries;

All the buildings, roads and footpaths on land adjoining the site including access arrangements;

The position and spread of all trees within 15 metres of building works;

The extent and type of any hard surfacing; and

The boundary treatment including walls or fencing where this is proposed. Where applicants consider this requirement to be unnecessary they should include with their application a reasoned justification for its absence from the application details. In some cases a 1:100 scale site plan might be appropriate.

6. Floor Plans

For development involving new buildings, engineering works, alterations or extensions three copies of all drawings must be submitted drawn to a scale of 1:50 or 1:100 and should explain the proposal in detail. For large agricultural sheds, warehouses and industrial buildings where there is little detail to be shown 1:200 scale plans may be acceptable. Drawings must clearly show existing floor plans and proposed. Where existing buildings and or walls are to be demolished these should be clearly shown. In an outline application this information is also mandatory if any reserved matters are to be considered as part of the application.

7. Elevations

For development involving new buildings, engineering works or extensions three copies of all elevations must be submitted drawn to a scale of 1:50 or 1:100 and show clearly the proposed works in relation to those existing, if any.

Drawings must clearly show existing elevations, if any, and proposed and these should indicate the proposed building materials and the style, materials and finish of windows and doors. Where a proposed elevation adjoins or is close to another building, the drawings must clearly show the relationship between the buildings, and detail the positions of windows and doors on each property.

In an outline application this information is also mandatory if any reserved matters are to be considered as part of the application. This information will be expected to be included in the Design and Access Statement referred to below. You are advised to check closely that the plans and elevations present the same development.

8. Design and Access Statement

A design and access statement is required for all planning applications (including outline applications) other than those for changes of use (where no alterations to the look of the building or land is involved), domestic extensions and engineering and mineral operations.

The statement is required to explain:-

- i. The design principles and concepts that have been applied to aspects of the development including the amount, layout and scale of the development, its landscaping and its appearance.
- ii. The steps taken to appraise the context of the development and how the design takes that context into account in terms of the amount of development, its layout, scale, landscaping and appearance.
- iii. How local development plan policies and documents have been taken into account.

- iv. State what consultation has been undertaken on access and design issues and what account has been taken of the outcomes
- v. How specific issues which might affect access to the development have been addressed
- vi. How prospective users will be able to gain access to the development from the existing transport network
- vii. Why the main points of access to the site and the layout of access routes within the site have been chosen, and
- viii. How features which ensure good access to the development will be maintained.

All outline applications whether they propose any matters of detail or not will require a design and access statement. Where no matters of detail are proposed the statement should explain how the principle of the development proposal accords with the above criteria and how future detailed proposals could be arranged to comply with them. Where some matters of detail are proposed, in addition, the statement should explain how the details take account of these principles and how the remaining reserved matters shall be guided by them.

Government advice on design issues includes that in Planning Policy Guidance Note 1 "General Policy and Principles." The CABE document "Design and Access Statements: how to write, read and use them" can be found at www.cabe.org.uk

9. Environmental Statement

The Town and Country Planning (Environmental Impact Assessment) (England and Wales) Regulations 1999 apply to certain categories of development as defined in its Schedule 1 and Schedule 2. The Regulations require developers to prepare an Environmental Statement for Schedule 1 projects and some Schedule 2 projects to enable the local planning authority to give proper consideration to the likely environmental effects of a proposed development. The Regulations provide a checklist of matters to be considered for inclusion in the Environmental Statement and require the developer to describe the likely significant effects of the development on the environment and to set out the proposed mitigation measures. For most major developments screening opinions and scopings for an Environmental Statement should ideally have taken place long before an application is submitted but will in any event need to be carried out before validation can be carried out.

* **Definition of a major application:** Major developments (and larger scale and/or significant applications) are defined as proposals for developing housing of 10 or more units or on sites of 0.5 hectare or more and in the case of non-residential developments, proposals involving 1000m² or more of floorspace or sites of 1 hectare or more.

Part Two Checklist

Additional Information Required to Address Specific Issues

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4.25	Transport Assessment
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4.27	Draft Travel Plan
4.28	Planning Obligations
4.29	Affordable Housing Statement
4.30	Sustainability Statement
4.31	Sunlight/daylight Assessment
4.32	Photographs and photo montages

Part Two Checklist

Additional Information Required to Address Specific Issues

1. Background

The Part Two Checklist provides guidance on the information that may need to be provided with planning applications in addition to that required by relevant legislation and referred to in the Part One Checklist.

The Development Control Service endeavours to determine applications within 8 weeks of submission. For applications for Major Development it endeavours to determine them within 13 weeks. To ensure a full assessment is made of your application it is essential that all relevant information is provided, otherwise a decision may be delayed or even refused.

The need for information stems from a combination of the proposed development, site characteristics, the requirements of the Development Plan and Government guidance. It may be necessary to consult two different lists in the Appendices if joint applications are required, for example if a house is to be extended is a Listed Building then it will be necessary to include information required for a Listed Building Application and a Householder Application.

2. Development Plan Policies

The supporting information required should reflect the requirements of relevant policies of the Development Plan

Boston Borough Council

- [Adopted Borough Local Plan 1999](#) (please note that only some of the policies contained within this Plan have been 'saved')
- [Interim Plan 2006](#)

South Kesteven District Council

- [Adopted South Kesteven Local Plan 1995](#) (please note that only some of the policies contained within this Plan have been 'saved')
- [Interim Housing Policy 2006](#)
- [Backland Development SPG](#)
- [Garden Extensions SPG](#)
- [Bourne Core Area SPG](#)
- [Shop Front Guide for Grantham SPG](#)
- [Shop front Guide for Stamford SPG](#)

- Shop Front Design Guide for Bourne SPG
- Lincolnshire Design Guide for Residential Areas
- Rippingale Village Design Statement SPG
- Folkingham Village Design Statement SPG
- Harlaxton Village Design Guide (Adopted Position Statement)

3. Government Advice

Other material planning considerations include Planning Guidance provided by Central Government. Copies of Government Planning Policy Statements (PPS) notes and Circulars may be viewed at the Government web site www.communities.gov.uk

4. Additional Information Requirements

4.1 Supporting Planning Statement

All applications must include a statement that describes the issues raised by the development on the site and the surrounding area and refer to all relevant planning considerations including which policies from the Local Plan, government guidance, circulars or policy statements support the development.

4.2 Levels

Applications for any new build developments (excluding minor extensions) must provide information on the existing (including land immediately adjacent the application site) and proposed ground level (Ordnance Datum) and the proposed (ground) floor level. The drawings may take the form of contours or spot levels in addition to cross sections. In an outline application this information is also mandatory if any matters of detail are to be considered as part of the application. This information is likely to be important for the Design and Access Statement below.

If ground levels are proposed to be altered, then you must supply mitigation details to prevent surface water flooding of adjacent land.

4.3 Tree Survey

This must be submitted for all new built development (including extensions) where:

- semi mature / mature trees are present on or immediately adjacent to the site
- the trees on or immediately adjacent the site are protected by way of being with the Conservation Area or by way of being Tree Preservation Order Trees

A survey plotted at 1:200 scale over the proposed layout and should indicate any trees to be retained, felled or have surgery in order to facilitate development. It should specify the location, species size and crown spread of each tree on the site and on adjacent land.

For trees subject to protection by way of a tree preservation order or by virtue of being within a Conservation Area a full arboricultural assessment will be required. Survey information should be provided using BS5837: 2005, A Guide for Trees in Relation to Construction.

4.4 Landscape Proposals

Applications for full planning permission should include a landscape scheme where landscaping is proposed. Landscaping of a site is likely to be required where there are prominent road frontages on main roads, redevelopment sites and in areas of high townscape or landscape quality. This may include Conservation Areas or sites close to listed buildings. In these areas either a detailed landscape scheme should be submitted with the application, or a scheme that describes the landscape strategy and identifies the main areas and types of planting and hard surfaces on a site plan to 1:200 scale. Where the latter is submitted and accepted it will be necessary to submit and seek agreement to a detailed scheme at a later date. The scheme should also state how it is intended that the landscaping will be managed in the future.

Additional Landscape Guidance Note

Details of both hard and soft landscape proposals are required unless otherwise stated. Plans indicating the proposals should include the following, as appropriate:

- proposed finished ground levels or contours
- means of enclosure, eg fencing, boundary walls or hedging
- car parking layouts
- vehicle and pedestrian access routes and circulation areas
- hard surfacing materials

Soft landscaping details should include:

- plans showing location of existing and proposed shrubs and trees indicating which are to be kept and which will be removed
- schedule of plants showing:
 - species
 - size at time of planting
 - planting density
 - seed mixtures and sowing density
- implementation programme - this is the time and stage of the development when the planting/landscaping will be carried out

4.5 Flood Risk Assessment

A Flood Risk Assessment should be submitted where the development site or building may:

- be at risk of flooding;
- increase flooding elsewhere;
- hinder future access to water courses for maintenance purposes;
- cause loss of the natural flood plain;
- result in extensive culverting;
- affect the integrity of existing flood defences; or
- result in an increase in surface water run-off.

Further details can be found in the Government's Planning Policy Guidance Note 25 'Development and Flood Risk'. The Central Government web site www.communities.gov.uk will have details of all Planning Policy Guidance Notes.

An integral part of your flood risk assessment should be a scheme of mitigation and this must include where appropriate specific 'flood proofing' proposals. For advice on 'flood proofing' measures please see the Environment Agencies '[Preparing for Floods](#)' document.

Boston Borough Council

Please go to the [flood risk matrix](#) on the web site. This will inform you if your application needs to be accompanied by a flood risk assessment. It also contains a guide to the PPS 25 Sequential & Exception Tests.

South Kesteven District Council

Please go to the [flood risk matrix](#) on the web site. This will inform you if your application needs to be accompanied by a flood risk assessment. It also contains a guide to the PPS 25 Sequential & Exception Tests.

4.6 Land Stability Report

Where development is proposed on unstable or potentially unstable land a land stability report will be required. The report should establish the nature and extent of the instability [N.B. responsibility for safe development of land rests with the developer]. Further details can be found in the Government's Planning Policy Guidance Note 14 'Development on Unstable Land,' [PPG14]. The Central Government web site www.environment-agency.gov.uk will have details of all Planning Policy Guidance Notes.

4.7 Heritage Assessment

Boston Borough Council

A desk top archaeological assessment is required for:

- all major applications involving new buildings / extensions

- applications involving new buildings or extensions on or adjacent to scheduled ancient monuments.

Please note that desk top results may then lead on to a request for trial trenching to be undertaken.

Please contact Jenny Young at Heritage Lincolnshire, Cameron Street, Heckington, Sleaford LINCS Tel 01529 461499 email jenny@LINCSDERITAGE.ORG.

South Kesteven District Council

All major applications, or applications that impact known archaeological sites, should include evidence that pre-application advice has been sought regarding the archaeological significance of the development site, in accordance with PPG 16 *Archaeology and Planning* paragraphs 12 and 19.

Where the potential for archaeological remains has been identified, an applicant may need to commission an assessment of the archaeological significance of the site, and submit the results prior to the determination of the planning application, in accordance with PPG 16 *Archaeology and Planning* paragraphs 20 - 23.

For pre-application advice contact the Districts Planning Archaeologist at Heritage Lincolnshire, Cameron Street, Heckington, Sleaford, NG34 0RG. Tel: 01529 461499. Email: jenny.young@lincsheritage.org

4.8 Materials of external construction

Details of proposed external facing materials should be clearly indicated by annotation on the elevation drawings or on the application forms and chosen to respect existing buildings, the site and its surroundings. When deciding whether to specify the exact brick, tile etc, you should consider that there is a specific application to obtain written confirmation of the discharge or partial discharge of conditions and that a fee is payable. Balanced against this the advantage of specifying as this is often best left to be dealt with by way of condition.

4.9 External Lighting Schemes

Where it is intended to install external floodlighting (other than street lighting) full details should be included with the application. This should include the type of light fixing [e.g. wall mounted or free-standing columns] and the level of illumination and light spill (including vertically) in lux. The times of operation must also be clearly stated. A lighting impact statement is required where the site to be floodlit is adjacent to residential buildings in the countryside or on the edge of the countryside.

4.10 Assessment for the Treatment of Sewage and Surface Water Drainage

Boston Borough Council

Surface Water

All applications involving new buildings , extensions or the creation of hardstandings

- a) shall state the means of surface water disposal e.g. soakaways, direct connection to a watercourse or piped system, other SUD system (please specify the SUD type)
- b) shall (where the connection is to an existing system) state if the system owner / responsible authority has agreed to the connection.

For all Major developments involving new buildings or extensions a drainage strategy should be provided that takes into account climate change and sustainable drainage principles and explains the long term maintenance arrangements for the adoption of any proposed sustainable drainage infrastructure.

Foul Water

- Developments of less than 10 dwellings – The means of foul and surface water must be clearly stated. Foul schemes involving private treatment plants must state why connection to the mains system is not possible, where the plant is to be installed, the type of plant to be installed and where the effluent is to be discharged to (and whether this has been agreed with the owner of the watercourse).
- Major development – A statement indicating a) any foul water surcharging incidents in the local network in the last 2 years b) that the organisation adopting / receiving the foul water has agreed to the principle of the proposal

South Kesteven District Council

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connection to the mains system is not possible, where the plant is to be installed, the type of plant to be installed and where the effluent is to be discharged to (and whether this has been agreed with the owner of the watercourse).

- Major development – A statement indicating a) any foul water surcharging incidents in the local network in the last 2 years b) that the organisation adopting / receiving the foul water has agreed to the principle of the proposal

4.11 Structural Survey (Barn Conversions)

In most cases, before an application for barn conversion can be progressed it will be necessary for a full structural survey to be carried out to confirm that the proposed conversion work can be carried out without the need for demolition or substantial rebuilding. This survey should clearly set out the existing condition of the foundations, external walls and roof structure together with any conclusions and recommendations as to justified and appropriate repairs. The areas of the building that are to be rebuilt must be clearly shown on the submitted drawings. Furthermore detailed working drawings will be required to show both existing and proposed elevations, floor plans and materials to be used.

4.12 Economic Regeneration Statements

A supporting statement of any regeneration benefits from the proposal including details of any new jobs that would be created or supported; the relative floor-space totals for each use where known, any community benefits; and reference to any relevant regeneration strategies. The use of regeneration statements will be particularly beneficial for larger schemes for the development of previously used land. However there will be cases for the inclusion of a regeneration statement for smaller schemes where it can be demonstrated that significant benefits to the community will result. The regeneration benefits of a development may help to counterbalance some of the negative aspects of a proposal.

4.13 Wildlife Surveys / Ecology Assessments

A protected / BAP priority species survey is required for:

- a) Application sites (that are not comprehensively covered with existing buildings) of 0.5 hectare or more or for 10 or more dwellings.
- b) Application sites where protected animals are known to exist or use the site as a feeding ground
- c) Application sites on or adjacent to wildlife sites identified in development plans.
- d) Applications involving the conversion of rural buildings.

Surveys should explain how works will affect the species found and, ways of reducing this (mitigation). You may need a license for survey and mitigation work from Natural England or DEFRA.

Even if your new build development site does not currently accommodate protected or BAP priority species, you should submit a proposals that would be beneficial to protected / priority species.

Please see the [Lincolnshire Biodiversity Action Plan](#) for more information regarding the priority species/ habitat.

4.14 Justification for Development in a Conservation Area

The case that offers support and justification for carrying out development in a conservation area will be requested before an application is registered. This will be expected as part of the Design Statement referred to in the Part One Checklist. Applicants should include in the justification statement how the proposal accords with the Governments PPG15 “Planning and the Historic Environment” paragraphs 4.17 to 4.19 and 4.25 to 4.27 and the relevant development plan policies. Some Conservation Areas have appraisals that identify the essential characteristics of the area. Where an appraisal has been prepared, the statement must show how the appraisal has been used to inform the design of the scheme. Planning applications that involve substantial or complete demolition of unlisted buildings in a Conservation Area should be accompanied by an application for Conservation Area Consent.

4.15 Development Affecting the Setting of Listed Buildings

Where a development will affect the setting of a Listed Building the Design Statement required in the Part One Checklist should explain how the setting of the listed building is taken into account by the design. Assessment of the proposal under paragraphs 2.16 and 2.17 of PPG15 should be made in the statement.

Part Two Checklist requires that a Heritage Assessment is submitted with the application. An evidence based statement of significance of the features affected in the context of the proposed works and the remainder of the building shall be included in the accompanying document.

4.16 Statement of Community Involvement (SCI)

All major applications should be accompanied by a statement indicating if you have undertaken any pre-application (public consultation), what the results were from the consultation and how your scheme has been shaped by the comments received.

4.17 Pollution Statement

Applications involving development that could pollute the environment should demonstrate that the specific pollution is controlled to acceptable levels. The Council has a responsibility to ensure the appropriate siting of potentially polluting development as well as controlling other development in proximity to any sources of pollution.

4.18 Fume Extraction Equipment

All applications for restaurants, hot food takeaways and bars/pubs which sell hot food should include details of measures for fume extraction where they are in proximity to residential property. Residential property includes flats above neighbouring shops. The measures for fume extraction should include details of the mechanical equipment proposed, the location of any external pipework or flues.

4.19 Noise and Noise Sensitive Development.

The impact of noise can be a material consideration in the determination of planning applications. Wherever practicable noise sensitive developments [e.g. housing, hospitals or schools] should be separated from major sources of noise [e.g. general industry, road, rail and air transport]. It is equally important that new development involving noisy activities should wherever possible be sited away from noise sensitive uses. Where a proposal raises the issue of noise, early consultation with the Planning Case Officer or the Council's Environmental Health Officers should be undertaken to explore the measures that could be taken to control the source of or limit the exposure to noise. Planning Policy Guidance Note 24 'Planning and Noise' prepared by the Government contains guidance on this matter.

4.20 Air Quality Assessment

An Air Quality Assessment should be submitted where the proposal would result in an adverse impact in the declared Air Quality Management Area. In addition an assessment should also be made when sensitive development [e.g. residential use] is proposed close to land uses that may be a source of air pollution(eg, highly trafficked roads or some industrial uses). Air Quality Management Areas are located as follows.

Boston Borough Council

Haven Bridge
Bargate Bridge

South Kesteven District Council

Wharf Road, Grantham

4.21 Land Contamination

When considering planning applications local planning authorities are under a duty to take account of whether a site may be contaminated. Where relevant, developers are required to deal with contamination in a manner appropriate to the intended after use of the land. You should refer to the [Developing Contaminated Land Within Lincolnshire](#) document.

1. Where development is proposed on land that is or may be affected by contamination, an assessment of the risk should be carried out before the application is determined (PPS 23 Annex 2, Para 2.33).
2. Where development is proposed on land that is or may be affected by contamination, an assessment of the risk should be carried out before the application is determined (PPS 23 Annex 2, Para 2.33).
3. The possibility of contamination should be assumed when considering applications in relation to all land subject to or adjacent to previous industrial/commercial use (as outlined in Table 2.1 of PPS 23 Annex 2).
4. Where the proposed use would be particularly vulnerable (such as housing with gardens, schools, hospitals, children's play areas, nurseries or allotments), the LPA should require the applicant to provide with the application such information as is necessary to determine whether the proposed development can proceed. However, a balanced approach should be adopted, as it would be disproportionate to require every applicant to carry out a detailed and expensive site investigation. As such, it is considered that the minimum requirement that should be provided by an applicant is the report of a desk study and site walkover (known as a Phase I Environmental Assessment or Desk Study) (PPS 23 Annex 2, Para 2.42).

In the above situations, we also recommend that developers arrange pre-application discussions with the LPA, Environmental Health, Environment Agency & Building Control to help identify the likelihood, possible extent and nature of contamination, and its implications for the development being considered.

4.22 Affordable Housing Provision

Policies contained in the various plans that make up the development plan for the county require that a development of dwellings of a certain number or more or on a site in excess of a number of hectares be assessed for its suitability for affordable housing. Such development proposals must be supported by information about how the affordable housing generated by the proposed development will be secured. You are strongly advised to contact the Registered Social Landlords (RSLs) that operate in the local area. You should refer to the specific documents below for details on what is required:

Boston Borough Council

[Affordable Housing Policy 2007](#)

Locally operating RSLs include:

Eastern Shires (Andrew.Sweeney@eshagroup.co.uk Tel No. 01507 355224 or Andy.Parker@eshagroup.co.uk Tel: 01507 355225)

Flagship Housing (Anna-Maria.Shrubsall@flagship-housing.co.uk Tel 01205 318578)

Longhurst (nick.worboys@longhurst-group.org.uk Tel 01205 319710)

South Kesteven District Council

Saved Policies H8 & H9 in the South Kesteven Local Plan

<http://www.southkesteven.gov.uk/Planning>

The following RSL's are South Kesteven District Council's preferred partners.

Longhurst Housing Group, Leverett House, Gilbert Drive, Endeavour Park, Boston, Lincs PE21 7TQ

Mrs N Worboys - 01205 319710 (nick.worboys@longhurst-group.org.uk)

Accent Nene Ltd, Manor House, 57 Lincoln Road, Peterborough PE1 2RR

Mr A Redmond - 01733 295400 (a.redmond@nenehousing.org)

Muir Group Housing Association Ltd, Old Government House, Dee Hills Park, Chester CH3 5AR

Mr C Moorhouse - 01244 313613 (chris.moorhouse@muir.org.uk)

Nottingham Community Housing Association, 12/14 Pelham Road, Sherwood Rise, Nottingham, NG5 1AP

Mrs J Wilson - 01159 104444 (jayne.wilson@ncha.org.uk)

Minster Housing Association, Jubilee House, 92 Lincoln Road, Peterborough PE1 2SN

Steve Wilson - 01733 349800 (steve.wilson@minsterha.co.uk)

Circle Anglia Housing, Norwich

Mr G Norman – 01223 202710 (gary.norman@circleanglia.org)

Flagship Housing, Keswick Hall, Keswick, Norwich, Norfolk NRR 6TJ

Anna-Marie Shrubsall – 01205 318578 (Anna-Marie. Shrubsall@flagship-housing.co.uk)

Lincolnshire Rural Housing Association Ltd, Markime House, Poole's Lane, Spilsby PE23 5EY

Mr J Howes - 01790 754219 (john@lrha.co.uk)

LACE Housing Association Ltd, LACE House, 2 Olsen Rise, Lincoln, LN2 4UZ

Mr N Chambers - 01522 5144444 (nchambers@lacehousing.org)

4.23 Recreational and Amenity Open Space Provision in Residential Development

Policies contained in the development plans in the county require that a development of dwellings of a certain number or more or on a site in excess of a number of hectares provide public open space and sometimes play equipment. Early discussion with planning officers is encouraged to establish what this requirement will be.

Boston Borough Council

[Adopted Local Plan 1999](#).

South Kesteven District Council

Saved Policies REC3, REC4 & REC5 in the South Kesteven Local Plan

<http://www.southkesteven.gov.uk/Planning>

4.24 Evidence to Support Town Centre Uses

Where the gross floorspace of a retail and leisure application is in excess of 2,500 square metres an impact assessment would have to be undertaken even if the proposed site is located in an existing centre. Retail assessments are required for any planning application for a retail use in an edge or out-of-centre location. In accordance with the requirements set out in Planning Policy Statement (PPS) 6: 'Planning for Town Centres,' the assessment should demonstrate:

- The need for development;
- That the development is of an appropriate scale;
- That there are no more central sites for the development;
- That there are no unacceptable impacts on existing centres;
- That locations are accessible.

Where specified the policy tests above should be applied to the main town centre uses referred to in PPS6. These are as follows (see Paragraph 1.8 of PPS6):

- Retail (including warehouse clubs and factory outlet centres);
- Leisure, entertainment facilities, and the more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, night clubs, casinos, health and fitness centres, indoor bowling centres and bingo halls);
- Offices, both commercial and those of public bodies; and
- Arts, culture and tourism (theatres, museums, galleries and concert halls, hotels, and conference facilities)

Both quantitative and qualitative information relating to the need should be included and take into account recently completed development and outstanding permissions as part of the assessment. The level and nature of information required will be determined at pre-application stage, through pre-application advice and discussion.

4.25 Transport Assessment

To find out if you need to submit a Transport Assessment with your application please go to the [Transport and New Development Issues in Lincolnshire document](#).

A Transport Assessment will be required for all large developments including:

- 100 or more dwellings.
- 1000 sq.m. and above gross retail floor space.
- 2,500 sq.m. and above gross office floor space.
- 5,000 sq.m. and above gross industrial floor space, and
- 10,000 sq.m and above gross warehousing floor space.
- Leisure use developments.

The Council also reserves the right to request a Transport Assessment in other instances, for example where the location and/or nature of the development is of a particularly sensitive nature.

4.26 Parking Provision in New Developments

Most developments will lead to users having a need to park vehicles. A statement about how parking is to be accommodated may be required. Each area of housing or industrial development should be self sufficient in parking provision in order to minimise the impact of parked vehicles on the existing highway network. The statement should explain how the design ensures that parking is located in places well related to the property to which they are allocated and be designed to ensure that vehicles can be overlooked to enhance the security. Careful design of parking should minimise the potential for existing roads to be used as additional parking space, which could be detrimental to highway safety. The statement should say how the provisions of the adopted County Council's [policy](#) and general guidance in PPG 3 and PPG 13 are accommodated particularly to encourage more sustainable means of transport and reduce single occupancy car usage.

4.27 Draft Travel Plan

A Draft Travel Plan (TP) must be submitted in the following circumstances:

- All major developments comprising jobs, leisure and services

- Smaller developments comprising jobs, shopping, leisure and services which would generate significant amounts of travel in, or near to, air quality management areas, and in other locations where there are local initiatives or targets set out in the development plan or local transport plan for the reduction of road traffic, or the promotion of public transport, walking and cycling
- New and expanded school facilities which should be accompanied by a school TP which promotes safe cycle and walking routes, restricts parking and car access at and around schools, and includes on-site changing and cycle storage facilities
- Where a TP would help address a particular local traffic problem associated with a planning application, which might otherwise have to be refused on local traffic grounds.(However, unacceptable development should never be permitted because of the existence of a TP).

Source: [Transport and New Development Issues in Lincolnshire](#).

4.28 Planning Obligations

Where a development proposal is making provision for affordable housing, open space / play equipment, transport improvements, education / health facilities etc the application must include draft heads of terms for a Section 106 Agreement or unilateral undertaking. This should clearly set out what is being provided, on what terms and the trigger for the provision of the 'benefit'. Further advice is available in Circular 5/05 - Planning Obligations (see <http://www.communities.gov.uk/index.asp?id=1500145>)

4.29 Sustainability Statement

All 'major' developments (site of 0.5 hectare or more, 10 or more dwellings or creation of 1000 sq m of non domestic floorspace) should be accompanied by a Sustainability Statement. This should identify how the development will deliver the Government's Climate Change Programme and energy policies (and in doing so contribute to global sustainability) in respect of :

- securing the highest viable resource and energy efficiency and reduction in emissions;
- delivering sustainable transport for moving freight, public transport,
- cycling and walking; and, which overall, reduce the need to travel, especially by car;
- resilient to climate change in a way that are consistent with social cohesion and inclusion;
- conserving and enhance biodiversity, recognising that the distribution of habitats and species will be affected by climate change;

4.30 Sunlight/Daylight Assessment

These are required for all applications where there is a potential adverse impact upon the current level of sunlight/daylight enjoyed by adjoining properties and buildings. Further guidance is provided in the Building Research Establishments Guidelines on Lighting Assessments. www.bre.co.uk.

4.31 Photographs and Photo Montages

These should be provided for major developments and those new build developments within Conservation Areas. These provide useful background information and can help to show how large developments can be satisfactorily integrated into the street scene. Such information could form an integral part of the Design and Access Statement.

Validation Checklist

Outline Planning Application

(Note: **Conservation Areas** - In view of the sensitive nature of development within conservation areas it is essential that the full impact of a proposal is able to be fully evaluated at the outset. Accordingly outline applications may not be appropriate within such areas. *'Applicants for planning permission, should, as a minimum, provide a short written statement setting out the design principles adopted as well as illustrative material in plan and elevation.'* (Para. A4 of Annex A to PPG1)

Your application **MUST** include the following:
(Please refer to the Part 1 Checklists for more detailed information)

DOCUMENT	Yes/No
4 copies of the completed planning application forms, signed and dated. See Electronic Submission Requirements.	
1 copy of the Article 7 Certificate (Agricultural Holdings), signed and dated	
1 copy of the Article 7 Certificate (A,B,C,D) signed and dated	
3 copies of a site location plan	
3 copies of a block plan to a scale of not less than 1:200 (preferably 1:500)	
3 Copies of other plans necessary to describe the subject of the application	
A design and access statement	
Where you would like any reserved matter (access, appearance, landscaping, layout or scale) considered at this stage, 3 copies of relevant scaled plans/drawings or details	
The correct fee	

Additional details listed below which **may** be required are explained in more detail in the **Part 2 Checklist**.

PART 2 CHECKLIST

Document	Req'd? Y / N	Rec'd? Y / N
Where applicable, details of any assistance or advice sought from a planning officer prior to submitting your application - please indicate dates of any correspondence or discussion, reference number and name of officer		
Supporting planning statement		
Levels		
Tree Survey		
Landscape proposals		
Flood Risk Assessment		
Land Stability Report		
Heritage Assessment		
Materials of External Construction		
External Lighting Schemes		
Assessment for the treatment of foul sewage		
Structural Survey (barn conversions)		
Economic Regeneration Statements		
Wildlife Surveys		
Ecological Assessment		
Justification for development in a conservation area		
Development affecting the setting of listed buildings		
Statement of Community Involvement		

Document	Req'd? Y/ N	Rec'd Y / N
Pollution Statement		
Fume Extraction		
Noise and noise sensitive development		
Air quality assessment		
Land contamination report		
Affordable Housing Provision		
Recreational and amenity open space provision in residential development		
Evidence to accompany applications for Town Centre Uses		
Transport assessment		
Parking provision in new developments		
Draft Travel Plan		
Planning Obligations - Where it is known that Planning Gain will be an expectation of the application, enclose a copy of the draft unilateral undertaking to cover the matters concerned		
Affordable Housing Statement		
Sunlight/daylight Assessment		
Photographs and photo montages		

Validation Checklist

Application For Approval of Reserved Matters

It is expected that an application will include sufficient details to deal with the matter reserved in the Outline application and **MUST** therefore include the following:

DOCUMENT	Yes / No
3 Copies of a completed planning application form, signed and dated or letter containing sufficient information to enable the outline permission in respect of which it is made. See Electronic Submission Requirements	
3 copies of a site location plan	
3 copies of a block plan to a scale of not less than 1:200 (preferably 1:500)	
3 copies of existing floor plans at a scale of not less than 1:100	
3 copies of proposed floor plans at a scale of not less than 1:100	
3 copies of existing elevations to a scale of not less than 1:100	
3 copies of existing proposed elevations to a scale of not less than 1:100	
The correct planning fee	
Additional details listed below which may be required are explained in more detail in the Part 2 Checklist .	

PART 2 CHECKLIST

DOCUMENT	Req'd? Y / N	Rec'd Y / N
Where applicable, details of any assistance or advice sought from a planning officer prior to submitting your application - please indicate dates of any correspondence or discussion, reference number and name of office		
Design and Access Statement		
Planning Statement		
Levels		
Tree Survey		
Landscape proposals		
Flood risk assessment		
Land Stability Report		
Heritage Assessment		
Materials of External Construction		
External Lighting Schemes		
Assessment for the treatment of foul sewage and surface water drainage		
Structural Survey (barn conversions)		
Economic Regeneration Statements		
Wildlife Surveys		
Ecological Assessment		
Justification for development in a conservation area		
Development affecting the setting of listed buildings		

DOCUMENT	Req'd? Y / N	Rec'd? Y / N
Statement of Community Involvement		
Pollution Statement		
Fume Extraction		
Noise and noise sensitive development		
Air quality assessment		
Land contamination		
Affordable Housing Provision		
Recreational and amenity open space provision in residential development		
Evidence to accompany applications for Town Centre Uses		
Transport assessment		
Parking provision in new developments		
Draft Travel Plan		
Affordable Housing Statement		
Sustainability Statement		
Sunlight/daylight Assessment		
Photographs and photo montages		

Validation Checklist

Full Planning Application

It is expected that a full application will include all the details of new buildings, engineering works or extensions and your application **MUST** therefore include the following:

DOCUMENT	Yes / No
4 copies of the completed planning application forms, signed and dated. See Electronic Submission Requirements	
1 copy of the Article 7 Certificate (Agricultural Holdings), signed and dated	
1 copy of the Article 7 Certificate (A,B,C,D) signed and dated	
3 copies of a site location plan	
3 copies of a block plan to a scale of not less than 1:200 (preferably 1:500)	
3 copies of existing floor plans at a scale of not less than 1:100	
3 copies of proposed floor plans at a scale of not less than 1:100	
3 copies of existing elevations to a scale of not less than 1:100	
3 copies of existing proposed elevations to a scale of not less than 1:100	
A Design and Access Statement	
The correct planning fee	
Additional details listed below which may be required are explained in more detail in the Part 2 Checklist .	

PART 2 CHECKLIST

DOCUMENT	Req'd? Y / N	Rec'd Y / N
Where applicable, details of any assistance or advice sought from a planning officer prior to submitting your application - please indicate dates of any correspondence or discussion, reference number and name of office		
Supporting planning statement		
Levels		
Tree Survey		
Landscape proposals		
Flood risk assessment		
Land Stability Report		
Heritage Assessment		
Materials of External Construction		
External Lighting Schemes		
Assessment for the treatment of foul sewage and surface water drainage		
Structural Survey (barn conversions)		
Economic Regeneration Statements		
Wildlife Surveys		
Ecological Assessment		
Justification for development in a conservation area		
Development affecting the setting of listed buildings		
Statement of Community Involvement		
Pollution Statement		

DOCUMENT	Req'd? Y / N	Rec'd? Y / N
Fume Extraction		
Noise and noise sensitive development		
Air quality assessment		
Land contamination		
Affordable Housing Provision		
Recreational and amenity open space provision in residential development		
Evidence to accompany applications for Town Centre Uses		
Transport assessment		
Parking provision in new developments		
Draft Travel Plan		
Planning Obligations - Where it is known that Planning Gain will be an expectation of the application, enclose a copy of the draft unilateral undertaking to cover the matters concerned		
Affordable Housing Statement		
Sustainability Statement		
Sunlight/daylight Assessment		
Photographs and photo montages		

Validation Checklist

Full Planning Application for Change of Use With External Building Works

Applications for the change of use of a building or land which also involves external alterations (eg. construction of a flue, insertion of new windows) **MUST** therefore include the following:

DOCUMENT	YES/NO
4 copies of the completed planning application forms, signed and dated. See Electronic Submission Requirements.	
1 copy of the Article 7 Certificate (Agricultural Holdings), signed and dated	
1 copy of the Article 7 Certificate (A,B,C,D) signed and dated	
3 copies of a site location plan	
3 copies of a block plan to a scale of not less than 1:200 (preferably 1:500)	
3 copies of existing floor plans at a scale of not less than 1:100	
3 copies of proposed floor plans at a scale of not less than 1:100	
3 copies of existing elevations to a scale of not less than 1:100	
3 copies of proposed elevations to a scale of not less than 1:100	
A Design and Access Statement	
The correct planning fee	
Additional details listed below which may be required are explained in more detail in the Part 2 Checklist .	

PART 2 CHECKLIST

DOCUMENT	Req'd Y / N	Rec'd Y / N
Where applicable, details of any assistance or advice sought from a planning officer prior to submitting your application - please indicate dates of any correspondence or discussion, reference number and name of office		
Supporting planning statement		
Levels		
Tree Survey		
Landscape proposals		
Flood risk assessment		
Land Stability Report		
Heritage Assessment		
Materials of External Construction		
External Lighting Schemes		
Assessment for the treatment of foul sewage and surface water drainage		
Structural Survey (barn conversions)		
Economic Regeneration Statements		
Wildlife Surveys		
Ecological Assessment		
Justification for development in a conservation area		
Development affecting the setting of listed buildings		
Statement of Community Involvement		
Pollution Statement		

DOCUMENT	Req'd? Y / N	Rec'd? Y / N
Fume Extraction		
Noise and noise sensitive development		
Air quality assessment		
Land contamination		
Affordable Housing Provision		
Recreational and amenity open space provision in residential development		
Evidence to accompany applications for Town Centre Uses		
Transport assessment		
Parking provision in new developments		
Draft Travel Plan		
Planning Obligations - Where it is known that Planning Gain will be an expectation of the application, enclose a copy of the draft unilateral undertaking to cover the matters concerned		
Affordable Housing Statement		
Sustainability Statement		
Sunlight/daylight Assessment		
Photographs and photo montages		

Validation Checklist

Full Planning Application for Change of Use Without External Building Works

Your application **MUST** include the following:

DOCUMENT	YES/NO
4 copies of the completed planning application forms, signed and dated. See Electronic Submission Requirements.	
1 copy of the Article 7 Certificate (Agricultural Holdings), signed and dated	
1 copy of the Article 7 Certificate (A,B,C,D) signed and dated	
3 copies of a site location plan	
3 copies of a block plan of the site to a scale of not less than 1:500	
3 copies of existing floor plans to a scale not less than 1:100	
3 copies of proposed floor plans to a scale not less than 1:100	
The correct planning fee	
Additional details listed below which may be required are explained in more detail in the Part 2 Checklist .	

PART 2 CHECKLIST

DOCUMENT	Req'd? Y / N	Rec'd? Y / N
Where applicable, details of any assistance or advice sought from a planning officer prior to submitting your application - please indicate dates of any correspondence or discussion, reference number and name of office		
Evidence to accompany applications for Town Centre Uses		
Supporting planning statement		
Levels		
Tree Survey		
Landscape proposals		
Flood risk assessment		
Land Stability Report		
Heritage Assessment		
External Lighting Schemes		
Assessment for the treatment of foul sewage and surface water drainage		
Structural Survey		
Economic Regeneration Statements		
Justification for development in a conservation area		
Development affecting the setting of listed buildings		
Statement of Community Involvement		
Pollution Statement		
Fume Extraction		

DOCUMENT	Req'd? Y / N	Rec'd? Y / N
Noise and noise sensitive development		
Air quality assessment		
Land contamination		
Affordable Housing Provision		
Recreational and amenity open space provision in residential development		
Transport assessment		
Parking provision in new developments		
Draft Travel Plan		
Planning Obligations - Where it is known that Planning Gain will be an expectation of the application, enclose a copy of the draft unilateral undertaking to cover the matters concerned		
Affordable Housing Statement		
Sustainability Statement		
Photographs and photo montages		

Validation Checklist

Full Planning Application - Householder

Your application **MUST** include the following:

DOCUMENT	YES/NO
4 copies of the completed planning application forms, signed and dated. See Electronic Submission Requirements.	
1 copy of the Article 7 Certificate (Agricultural Holdings), signed and dated	
1 copy of the Article 7 Certificate (A,B,C,D) signed and dated	
3 copies of a site location plan	
3 copies of a block plan to a scale of not less than 1:200 (preferably 1:500)	
3 copies of existing floor plans at a scale of not less than 1:100	
3 copies of proposed floor plans at a scale of not less than 1:100	
3 copies of existing elevations to a scale of not less than 1:100	
3 copies of proposed elevations to a scale of not less than 1:100	
The correct planning fee	
Additional details listed below which may be required are explained in more detail in the Part 2 Checklist .	

PART 2 CHECKLIST

DOCUMENT	Req'd? Y / N	Rec'd? Y / N
Where applicable, details of any assistance or advice sought from a planning officer prior to submitting your application - please indicate dates of any correspondence or discussion, reference number and name of office		
Supporting planning statement		
Levels		
Tree Survey		
Landscape proposals		
Flood risk assessment		
Land Stability Report		
Heritage Assessment		
Materials of External Construction		
External Lighting Schemes		
Assessment for the treatment of foul sewage and surface water drainage		
Ecological Assessment		
Justification for development in a conservation area		
Noise and noise sensitive development		
Land contamination		
Parking provision in new developments		
Sunlight/daylight Assessment		
Photographs and photo montages		

DOCUMENT	Req'd? Y / N	Rec'd? Y / N
Development affecting the setting of listed buildings		

Validation Checklist

Listed Building and Conservation Area Consent Applications

Your application **MUST** include the following:

DOCUMENT	YES/NO
4 copies of the completed listed building/conservation area application forms, signed and dated. See Electronic Submission Requirements.	
1 copy of the completed Ownership Certificate (A, B, C or D), signed and dated	
3 copies of a site location plan	
3 copies of a block plan to a scale of not less than 1:200 (preferably 1:500)	
3 copies of existing elevations to a scale of not less than 1:100	
3 copies of proposed elevations to a scale of not less than 1:100	
3 copies of existing floor plans at a scale of not less than 1:100	
3 copies of proposed floor plans at a scale of not less than 1:100	
3 copies of sections through the building	
3 copies of detailed plans to a scale of not less than 1:20 to show all new doors, windows, shop fronts, panelling, fireplaces, plaster moulding and other decorative details.	
Supporting Planning Statement including reasoned justification for the proposed works which may include the submission of a structural survey or other analysis of the character or appearance of the conservation area	
A Design and Access Statement (unless the application only relates to interior works)	
Depending on the works proposed to be carried out, the following additional details listed below which may be required are explained in more detail in the Part 2 Checklist .:	

PART 2 CHECKLIST

DOCUMENT	Req'd? Y / N	Rec'd? Y / N
Where applicable, details of any assistance or advice sought from a planning officer prior to submitting your application - please indicate dates of any correspondence or discussion, reference number and name of officer		
Supporting planning statement		
Heritage Assessment		
Structural Survey of the building(s)		
Tree Survey		
3 sets of photographs - up to date photographs showing the whole building, the setting and/or the particular section of the building affected by the proposals		
All joinery and fine moulding detail sections to be at 1:1 scale		

Validation Checklist

Advertisement Consent

Your application **MUST** include the following:

DOCUMENT	YES/NO
4 copies of the completed application forms, signed and dated. See Electronic Submission Requirements.	
3 copies of a site location plan indicating at least two named roads, identifies the proposed position of the advertisements and shows the direction of north.	
3 copies of detailed drawings at a scale of not less than 1:100 to include for each advertisement: design including size, style and colour of lettering and symbols overall dimension of sign position on the land or building materials to be used including colour height above ground level extent of projection (where applicable) method of illumination including colour and luminosity (candelas) (where applicable)	
The correct planning fee	

Additional details listed below which **may** be required are explained in more detail in the **Part 2 Checklist**.

PART 2 CHECKLIST

DOCUMENT	Req'd? Y / N	Rec'd? Y / N
Where applicable, details of any assistance or advice sought from a planning officer prior to submitting your application - please indicate dates of any correspondence or discussion, reference number and name of officer		
Where an advertisement is free standing, 6 copies of a block plan to a scale of not less than 1:200		
Photomontages		
Supporting Statement		
Lighting Assessment		
3 copies of an elevational drawing showing the advertisement(s) in context with adjacent buildings		

Validation Checklist

Lawful Development Certificates

The burden of proof in a Lawful Development Certificate is firmly with the applicant and therefore sufficient and precise information should be provided. This must include the following:

DOCUMENT	Req'd Y / N
4 copies of the completed application forms, signed and dated	
The correct planning fee (this depend on whether the development is existing or proposed)	
3 copies of a site location plan	
Supporting Evidence (to include statement of gorunds on which the Certificate is sought)	
The correct planning fee	

Additional details listed below which **may** be required are explained in more detail in the **Part 2 Checklist**.

PART 2 CHECKLIST		
DOCUMENT	Req'd Y / N	Rec'd Y / N
Where applicable, details of any assistance or advice sought from a planning officer prior to submitting your application - please indicate dates of any correspondence or discussion, reference number and name of officer		
3 Copies of existing and proposed floor plans (for all applications involving the use of a building) to a scale not less than 1:100		
3 Copies of existing and proposed extensions (for all proposed building works) to a scale not less than 1:100		
Supporting Statement		
Photomontages		
Sworn affidavit(s) from people with personal knowledge of the existing use or works carried out		

Validation Checklist

Agricultural Prior Notification Procedure

Your application **MUST** include the following:

DOCUMENT	Req'd Y / N
1 copy of the completed notification forms, signed and dated	
1 copy of a site location plan	
4 copies of a block plan of the site so a scale of not less than 1:200	
The correct planning fee	

In addition to the information which must be submitted with your application, the following information will also be required where applicable:

PART 2 CHECKLIST		
DOCUMENT	Req'd? Y / N	Rec'd? Y / N
Where applicable, details of any assistance or advice sought from a planning officer prior to submitting your application - please indicate dates of any correspondence or discussion, reference number and name of officer		
3 copies of proposed elevations plans at a scale of not less an 1:100		
3 copies of existing elevations to a scale not less than 1:100		
3 copies of proposed floor plans at a scale of not less an 1:100		
3 copies of existing floor plans at a scale of not less an 1:100		
3 Copies of Proposed Site sections and finished floor / site levels		
3 Copies of Existing Site sections and finished floor / site levels		

Validation Checklist

Telecommunication Prior Notification Procedure

Your application **MUST** include the following:

DOCUMENT	Req'd Y / N
1 copy of the completed notification forms, signed and dated	
1 copy of a site location plan	
Evidence that the developer has given notice of the proposed development in accordance with A.3(1) of Part 24 of Schedule 2 to the General Permitted Development Order 1995	
Evidence that the developer has notified the CAA, The Secretary of State for Defence and the Aerodrome operator if within 3 Km of an aerodrome in accordance with A.3(2) of Part 24 of Schedule 2 to the General Permitted Development Order 1995	
The correct planning fee	
In addition to the requirements specified above, it is recommended that the following information is also submitted in order to assist with the processing of the application.	

PART 2 CHECKLIST

DOCUMENT	Req'd? Y / N	Rec'd? Y / N
A signed declaration that the equipment and installation fully complies with the ICNIRP requirements		
Site Type (micro or macro)		
Details of all relationships with a particular school or further education college if relevant		
Details of the proposed structure including the type of structure and its dimensions, height of existing building and details of the size of equipment housing and materials		
A statement explaining the reasons for the choice of the design		
Technical information including the frequency, modulation characteristics, power output and the height of the proposed antenna		
Technical justification - details about the purpose of the site and why the particular development is required		
Details of alternative sites rejected with a justification for rejecting them; This should include existing masts, structures and other buildings within the search area		
An explanation if no alternatives considered		
Visual Impact assessment where relevant		
Acoustic report where relevant		
Any other relevant additional information		

Validation Checklist

Applications for works to trees subject of a TPO

Your application **MUST** include the following:

DOCUMENT	YES/NO
A completed tree applicaton form, signed and dated (Note: All mandatory questions to be answered)	
For Works to TPO Trees: Sketch plan showing the location of all trees Full and clear specification of the works to be carried out Statement of reasons for the proposed works and shall include: Report by a tree professional if the reasons relate to health and/or safety Report by an engineer or surveyor, together with one from a tree professional if subsidence damage is alledged	
For proposed works to trees in a Conservation Area Sketch plan showing the location of all trees Full and clear specification of the works to be carried out	

In addition to the information which must be submitted with your application, the following information may also be required where applicable:

PART 2 CHECKLIST

DOCUMENT	Req'd? Y / N	Rec'd? Y / N
Where applicable, details of any assistance or advice sought from a planning officer prior to submitting your application - please indicate dates of any correspondence or discussion, reference number and name of officer		
Where the diagram at question 5 is not considered sufficient for the purpose, 4 copies of a plan (Ordnance Survey based at a scale of 1:1250 or 1:2500) sufficiently detailed to locate the property and accurately identify the trees within it. The precise location of all tree(s) should be shown and they should be numbered.		
A schedule of the trees, referenced to the plan, identifying the types of tree and an accurate and precise description of the intended works to each tree		
Supporting Statement stating reasons for the proposed works		
Colour photographs suitably referenced to a site plan		