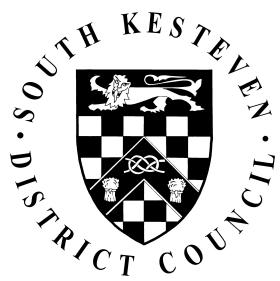


# AGENDA



## CABINET

**MONDAY, 3 AUGUST 2009**

**11.00 AM**

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

Beverly Agass, Interim 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 Mike Taylor (Portfolio: Resources and Assets)
Committee Support Officer:	Lena Shuttlewood 01476 40 61 19 e-mail: <a href="mailto:l.shuttlewood@southkesteven.gov.uk">l.shuttlewood@southkesteven.gov.uk</a>

**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 \*.**

**1. APOLOGIES**

**2. MINUTES**

Minutes of the meeting held on 6 July 2009. (**Enclosed**)

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<b>3. DECLARATIONS OF INTEREST (IF ANY)</b>
<b>4. *ANTI-SOCIAL BEHAVIOUR STRATEGY</b> Report number TSE0038 by the Housing and Organisational Development Portfolio Holder. <b>(Enclosure)</b>
<b>5. *APPROVAL OF BOURNE CORE AREA SITE ACQUISITION STRATEGY AND PRIORITY PURCHASE OF SITES (SUBJECT TO INDIVIDUAL NON KEY DECISIONS)</b> Report number AFM0098 by the Economic Development Portfolio Holder. <b>(Enclosure)</b>
<b>6. *MEDIUM TERM FINANCIAL PLAN 2009/10 - 2012/13</b> Report number CHFCS53 by the Assets and Resources Portfolio Holder. <b>(Enclosure)</b>
<b>7. NI79 VALUE FOR MONEY AND EFFICIENCY 2008/09 OUTTURN</b> Report number CHFCS56 by the Assets and Resources Portfolio Holder. <b>(Enclosure)</b>
<b>8. COUNCIL PERFORMANCE INDICATORS 2008/09 END OF YEAR REPORT</b> Report number POI37 by the Corporate Head, Performance and Organisational Improvement. <b>(Enclosure)</b>
<b>9. MATTERS REFERRED TO CABINET BY THE COUNCIL, SCRUTINY COMMITTEE OR THE POLICY DEVELOPMENT GROUPS</b>
<b>10. ITEMS RAISED BY CABINET MEMBERS INCLUDING REPORTS ON KEY AND NON KEY DECISIONS TAKEN UNDER DELEGATED POWERS.</b>
<b>11. REPRESENTATIONS RECEIVED FROM MEMBERS OF THE PUBLIC ON MATTERS WITHIN THE FORWARD PLAN (IF ANY)</b>
<b>12. REPRESENTATIONS RECEIVED FROM NON CABINET MEMBERS</b>
<b>13. ANY OTHER BUSINESS WHICH THE CHAIRMAN, BY REASON OF SPECIAL CIRCUMSTANCES, DECIDES IS URGENT</b>
<b>13. ANY OTHER BUSINESS WHICH THE CHAIRMAN, BY REASON OF SPECIAL CIRCUMSTANCES, DECIDES IS URGENT</b>

## Agenda Item 2



**MEETING OF THE CABINET**  
**6 JULY 2009 - 11.00 AM – 11.48 AM**

## PRESENT:

**Councillor Ray Auger**  
**Councillor Mrs Frances Cartwright**  
**Councillor John Smith**  
**Councillor Mike Taylor**

## **Councillor Mrs. Linda Neal - Chairman**

**Interim Chief Executive**  
**Service Manager, Economic Development and Town Centre Management**  
**Director of Tenancy Services**  
**Interim Strategic Director (TB)**  
**Strategic Director (IY)**  
**Service Manager, Human Resources and Organisational Development**  
**Corporate Head, Resources and Organisational Development**  
**Corporate Head, Partnerships and Improvements**  
**Monitoring Officer**  
**Corporate Head, Finance and Customer Services**  
**Service Manager, Healthy Communities**  
**Food and Health and Safety Officer**  
**Transport and Operations Manager**  
**Cabinet Support Officer**

## **Non-Cabinet Members :** Adams Craft



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#### **CO13. APOLOGIES**

An apology for absence was received from Councillor Paul Carpenter.

#### **CO14. MINUTES**

The minutes of the meeting held on the 1<sup>st</sup> June 2009 were approved as a correct record.

#### **CO15. DECLARATIONS OF INTEREST**

There were no declarations of interest.

#### **CO16. RENT INCREASE AMENDMENT**

##### **Decision:**

**To implement the revised rent increase in respect of Housing revenue Account properties, to a guideline rent increase of 3.1%, in line with the revised HRA subsidy determination approved by Council at its meeting on the 23 April 2009, with effect from 7 September 2009.**

Considerations / Reasons for decision:

- 1.) Report TSE37 by the Director of Tenancy Services.
- 2.) On 20 May 2009 the government confirmed that it would be proceeding with amended rent increase and following this a revised Housing Revenue Subsidy Determination was issued.
- 3.) Comments made at the meeting by the Portfolio Holder for Resources and Assets and the Portfolio Holder for Healthy Environment.
- 4.) The implementation of the revised increase will be effective from the 7<sup>th</sup> September, but all rents paid from the 1<sup>st</sup> April will be recalculated, therefore creating a full year impact for tenants.

Other options considered:

- 1.) The option of keeping to the original guideline rent increase was not supported by the Council meeting on 23 April 2009.

#### **CO17. UPDATED HR POLICY - REDUNDANCY**

##### **Decision:**

**To approve and adopt the updated Redundancy Policy Statement.**

Considerations / Reasons for decision:

- 1.) Report HR & OD 103 by the Service Manager, Human Resources and Organisational Development.

- 2.) It has been a priority to address this issue for reasons such as the length of time since the last review, legislative changes, and good practice advice.
- 3.) Feedback from a consultation with the trade unions who represent staff and those with whom a collective agreement applies.
- 4.) Feedback from a policy consultation group for local representatives

Other options considered:

Not updating the policy is not an option.

#### **CO18. \*DEEPINGS INCUBATION CENTRE**

##### **Decision:**

- 1.) To note the continued progress of the Deepings Incubation Centre project.**
- 2.) To grant funding of £300,000 from the capital budget as the South Kesteven District Council contribution towards the overall costs of the Deepings Incubation Centre project.**

Considerations / Reasons for decision:

- 1.) Report EDTC0082 by the Service Manager, Economic Development and Town Centre Management.
- 2.) Comments made at the meeting by the Portfolio Holder for Economic Development, in support of this project.
- 3.) The project meets with the Council's priority theme 'Good for Business'.
- 4.) The project will address low and slow economic growth by attracting and creating new business sectors that will provide high value jobs to increase wage.
- 5.) The project will enable development of new high value office accommodation for up to 50 businesses
- 6.) The Deepings Incubation Centre will provide a focal point to drive the growth of enterprise in the town and across the south of the District, providing a real alternative to Peterborough, and also complementing its offer.
- 7.) Funding already obtained for the project, from other sources.

Other options considered:

- 1.) South Kesteven District Council could undertake not to support the project, however this may mean that the project will not go ahead when clear demand has been shown.
- 2.) South Kesteven District Council could offer less funding, this may mean that certain aspects of the build may be reduced or cut lessening the likelihood of achieving the proposed objectives.
- 3.) South Kesteven District Council could contribute further funding in aiming to support the development of this incubation centre with further

facilities than those outlined.

## CO19. \*FLEET MANAGEMENT STRATEGY

### **Decision:**

**To adopt the Fleet Management Strategy contained within report SS09; subject to a satisfactory consultation being carried out and the figures in the report being verified.**

Considerations / Reasons for decision:

- 1.) Report SS09 by the Portfolio Holder, Healthy Environment.
- 2.) Comments received from the Communities PDG.
- 3.) Comments received from the Monitoring Officer with regard to appropriate consultation being carried out.
- 4.) Comments made by the Interim Chief Executive at the meeting with regard to the Monitoring Officer's comments contained within the report.
- 5.) The implementation of the strategy will contribute directly to the Council objectives set out in the Quality Organisation priority theme in terms of improved efficiency and reduced carbon emissions.

Other options considered:

- 1.) Consideration has been given to leasing vehicles as an alternative to purchase, but at this point in time outright purchase is the best option for the organisation.

## CO20. \*REVIEW OF RECYCLING BRING SITES

### **Decision:**

**To withdraw the recycling bring site service by the termination date of the existing contract.**

Considerations / Reasons for decision:

- 1.) Report SS08 by the Portfolio Holder for Healthy Environment.
- 2.) Comments received from a working group of the Communities PDG.
- 3.) Feedback received from a consultation of Parish/Town Councils, supermarkets and residents.
- 4.) Comments made by the Leader with regard to preparing for the future and trying to achieve the best value for money for council tax payers.
- 5.) The success of kerbside recycling collections and the plans in place to

promote increased use by the public.

6.) Comments made by other Members in attendance at the meeting.

Other options considered:

- 1.) Re-tender the service on a reduced number of sites providing appropriate facilities across the district.
- 2.) Reduce the number of sites as in 1.) and bring the service in- house.

#### **CO21. \*CORPORATE HEALTH & SAFETY POLICY**

##### **Decision:**

**To adopt the Corporate Health and Safety Policy.**

Considerations / Reasons for decision:

- 1.) Report ENV433 by the Portfolio Holder for Healthy Environment.
- 2.) Comments received from the Communities PDG.
- 3.) The achievement of good health and safety within the Council will contribute to the Quality Organisation priority theme, providing a safe and healthy working environment for both staff and all others affected by service activities.

Other options considered:

- 1.) The requirement to have an up to date safety policy in place is statutory. There are no viable alternative options.

#### **CO22. \*SUSTAINABLE COMMUNITIES ACT 2007 - FIRST INVITATION TO LOCAL AUTHORITIES TO SUBMIT PROPOSALS**

##### **Decision:**

**To submit the proposal on retaining 100% of council housing rent collected to the government by 31 July 2009.**

Considerations / Reasons for decision:

- 1.) Report POI39 by the Portfolio Holder for Access and Engagement.
- 2.) Cabinet was aware of the recent announcement by the Minister of State John Healey, but felt his proposals were still unclear. Therefore Cabinet felt it was still appropriate to submit this proposal for consideration.
- 3.) Feedback received from the Tenants Panel and Housing Consultative Group.
- 4.) Comments made by the Portfolio Holder for Access and Engagement

in support of this proposal.

## **CO23. \*MATERIALS CONTRACT**

### **Decision:**

**That the council may purchase the materials used by the Works team through the framework agreements set up by Procurement for Housing (PfH) and the Eastern Shires Purchasing Organisation (ESPO).**

Considerations / Reasons for decision:

- 1.) Report TSE0036 by the Portfolio Holder for Resources and Assets.
- 2.) Using the framework agreements set up by PfH and ESPO will enable the council to have the flexibility to use a range of suppliers rather than obtaining materials through a sole supplier.
- 3.) Purchasing materials through these framework agreements will enable the council to make savings on the materials budget of approximately 6%.
- 4.) Comments made by the Portfolio Holder for Resources and Assets with regard to value for money.

Other options considered:

- 1.) An alternative option is to tender for the materials supply contract independently; this would involve additional officer time and also does not allow the Council to take advantage of the bulk purchasing power that the framework agreements have in place.

## **DATE DECISIONS ARE EFFECTIVE**

Decisions CO13 – CO23 as made on the 6<sup>th</sup> July 2009 can be implemented on the 15<sup>th</sup> July 2009 unless subject to call-in by the Scrutiny Committee Chairman or any five members from the council from any political groups.

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

**Contact: Cabinet Support Officer - Jenni Gibson Tel: 01476 406152**  
**e-mail: [j.gibson@southkesteven.gov.uk](mailto:j.gibson@southkesteven.gov.uk)**

## REPORT TO CABINET

**REPORT OF:** Portfolio Holder, Housing and Organisational Development

**REPORT NO:** TSE0038

**DATE:** 3<sup>RD</sup> August 2009

<b>TITLE:</b>	Anti Social Behaviour Strategy	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Key decision	
<b>PORTFOLIO HOLDER: NAME AND DESIGNATION:</b>	Councillor Paul Carpenter Housing and Organisational Development Portfolio	
<b>CONTACT OFFICER:</b>	Jane Booth Service Manager, Tenancy & Neighbourhood Services 01476 406631 <a href="mailto:j.booth@southkesteven.gov.uk">j.booth@southkesteven.gov.uk</a>	
<b>INITIAL IMPACT ASSESSMENT:</b>  <b>Equality and Diversity</b>	Carried out and Referred to in paragraph (7) below: Yes	Full impact assessment Required: No
<b>FREEDOM OF INFORMATION ACT:</b>	This report is publicly available via the Local Democracy link on the Council's website: <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>	
<b>BACKGROUND PAPERS</b>	None	

### 1. RECOMMENDATIONS

That the Cabinet adopt the draft anti social behaviour strategy.

### 2. PURPOSE OF THE REPORT/DECISION REQUIRED

The new and improved anti social behaviour strategy for Tenancy Services has been revised to reflect legislative changes, the introduction of the RESPECT Standard, best practice and changes to officers working practices.

The strategy is central to the council's approach to maintaining and enhancing the quality of life for tenants and residents living in the council's properties. This accords with the council's 'quality living' priority theme.

### **3. DETAILS OF REPORT (SUMMARY – USE APPENDICES FOR DETAILED INFORMATION)**

There are currently two anti social behaviour policies/strategies. One relates to the housing service and the second is a corporate policy covering anti social behaviour as dealt with by the community safety team. The housing anti social behaviour policy was written and adopted in 2005 and are both due for review as part of a regular process. The corporate policy is to be reviewed by the end of this year.

A strategy specific to the landlord service has been developed as this is seen as best practice and was a recommendation of the Audit Commission inspection carried out in April 2008.

The attached strategy was drafted following a specific review of the service. Legislative changes and best practice have been researched from other beacon and 3 star authorities together with guidance issued by the Department for Communities and Local Government. All examples of best practice and suitable guidance have been considered and included as appropriate.

The strategy outlines the aims and objectives of the service and explains how tenancy services will tackle and deal with anti-social behaviour. It also includes what we expect of our tenants, preventative measures we will use and how we will monitor our performance.

There are clear linkages between the work carried out by the tenancy services team and the community safety team and the strategy reflects the importance of partnership working with many different agencies.

It has been the subject of consultation with staff, other agencies, tenants and key stakeholders and any suggested changes have been incorporated into the strategy. On the 8<sup>th</sup> June 2009 the strategy was approved by the Housing Consultative Group, which is a sub group on the Resources PDG.

### **4. OTHER OPTIONS CONSIDERED**

Not updating the strategy is not an option as the current one is no longer fit for purpose.

### **5. RESOURCE IMPLICATIONS**

The aims and objectives of the strategy will be met from existing resources.

### **6. RISK AND MITIGATION (INCLUDING HEALTH AND SAFETY AND DATA QUALITY)**

Tackling anti-social behaviour is a key activity in regenerating and sustaining our communities.

The adoption of this policy will ensure that all tenants and residents living on our

estates are aware that anti-social behaviour is not acceptable, will not be tolerated and that we will take firm action to deal with it. There are no significant risks identified.

## **7. ISSUES ARISING FROM EQUALITY IMPACT ASSESSMENT**

An equalities impact assessment has been carried out (copy attached). A full impact assessment is not required.

## **8. CRIME AND DISORDER IMPLICATIONS**

The strategy will help us in our obligation to reduce crime and disorder. There are no significant crime and disorder implications.

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

Any financial implications arising from the strategy will be met from existing resources.

## **10. COMMENTS OF MONITORING OFFICER**

The need for two strategies is noted, however, there is a need for consistency and link with both strategies. To avoid confusion, this strategy should be referred to as the Tenancy anti-social behaviour strategy or be given some other title indicating the strategy relates to that particular service alone and not to the community as a whole. The strategy has been completely rewritten. The strategy refers to the numerous options available to the Council to tackle alleged anti-social behaviour by tenants of the Council. A clear policy is needed to determine which option will be used for each case of anti-social behaviour.

. Consultation should be extensive and in accordance with the Constitution provisions relating to adoption by Council of policies to be considered as matters of local choice. The comments of the relevant Policy Development Group should have been reported to Cabinet for consideration.

The use of the Regulation of Investigatory Powers (RIPA) is often used in association with anti-social behaviour. Reference to the policy relating to the use of RIPA and its importance should be made in this policy.

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

Mark Jones- Service Manager – Partnerships and Community Safety Myself and Sandy Kavanagh (Community Safety Officer) are confident that the revisions made to this strategy are fully comprehensive. We are pleased that there is a focus on partnership working with an emphasis on community empowerment. This strategy compliments the Corporate ASB policy.

## **12. APPENDICES:**

- Anti social behaviour strategy
- Equality impact assessment



## Equality Impact Assessment

Section: <b>Tenancy Services</b>  <b>Tenancy and Neighbourhood Services (Estate Management)</b>		Officers undertaking assessment: <b>Kathryn Walker (Neighbourhood Services Team Leader)</b> <b>Rachel Clark (Senior Housing officer)</b> <b>Elaine Claridge (Research &amp; Information Officer)</b> <b>Amanda Bedford (Neighbourhood Services)</b>
Name of policy, procedure etc:  <b>Anti-Social Behaviour Strategy</b>	Date of Assessment:  <b>11<sup>th</sup> March 2009</b>	Is this a new or existing policy?  <b>New</b>
<b>Policy Aims</b>		
<p><b>Briefly outline the policy/procedure/service by putting it into context and describe its aims, objectives and purpose</b></p> <p>The strategy is central to the council's approach to maintaining and enhancing the quality of life for our residents. It stresses that the tenancy agreement is our strongest tool for dealing with nuisance and anti-social behaviour and describes how we will enforce the conditions of tenancy.</p> <p>The main aim and purpose of this strategy is to outline how tenancy services will tackle and deal with anti-social behaviour.</p> <p>We recognise that anti-social behaviour can seriously affect the quality of life of residents through fear of crime and the long term effects of harassment and victimisation. This in turn can damage the sustainability of communities and can adversely affect our ability to let properties on our estates. Tackling anti-social behaviour is a key activity in regenerating and sustaining our communities.</p> <p>Our approach makes it clear that anti-social behaviour is not acceptable and will not be tolerated, we will take firm action to deal with it. We will however try to change behaviour using a variety of approaches and interventions and also give support to those who are willing to change their behaviour.</p>		
<p><b>Aims</b></p> <p>The aim of the service is to prevent and act against anti-social behaviour relating to breaches of the tenancy agreement. This will ensure that people living on and around our estates have and respect the right to quiet enjoyment of their homes,</p>		

feel safe and secure, and live in a community where clear standards of behaviour are understood.

## **Objectives**

- **Prevention:** To reduce anti-social behaviour by identifying the causes and putting positive, joined-up solutions in place to prevent incidents in the first place or tackle them as soon as they happen.
- **Enforcement:** Demonstrate a commitment to tackling anti-social behaviour on our estates by delivering a rapid, robust and effective response and by using the full range of appropriate current legislative powers, which are targeted towards the more serious incidents of anti-social behaviour.
- **Rehabilitation:** Work with perpetrators of anti-social behaviour who want to change their behaviour by finding ways to help them to sustain their tenancy and keep to the tenancy agreement.

## **Who is intended to benefit from the policy?**

All residents including tenants and those residing with or visiting; leaseholders; stakeholders of South Kesteven District Council (such as shop owners and the Police); staff and Members. Other organisations & partners listed below will also benefit from the new policy:

- Police
- Fire Service
- Social Services
- Youth Offending Service
- Connexions
- Education Welfare
- Schools
- Youth Service
- Sure Start
- AddAction
- SKDC – Community Safety Team
- SKDC – Street Scene Team
- SKDC – Healthy Environment Team
- Local Doctors, Hospitals and Clinics

**Who implements the policy, and who is responsible for the policy?**

The neighbourhood team from Tenancy & Neighbourhood Services implement the policy – the Service Manager for Tenancy & Neighbourhood Services and the Director of Tenancy Services are responsible for it.

**Who are the main stakeholders in relation to the policy?**

Tenants, leaseholders and those agencies listed below.

**Are there any other organisations or partners involved in the delivery of the service? Who is the lead or accountable body?**

- Police
- Fire Service
- Social Services
- Youth Offending Service
- Connexions
- Education Welfare
- Schools
- Youth Service
- Sure Start
- AddAction
- SKDC – Community Safety Team
- SKDC – Street Scene Team
- SKDC – Healthy Environment Team
- Local Doctors, Hospitals and Clinics

When necessary we may ask other specialist agencies to help us deal with specific problems e.g. drugs, alcohol and mental health as people affected by these issues are often vulnerable and experience has shown they can also be victims of anti-social behaviour.

Lead Body: Tenancy Services, Neighbourhood Team

**Does the policy contribute to the achievement of the Council's Equality and Diversity Policy? Can any aspects of the policy contribute to inequality? Please explain your answer.**

Yes – by contributing to the **Corporate Equality Scheme**:

- By eliminating unlawful discrimination by tackling discrimination, harassment and bullying across all 6 strands of equality, race, age, gender

(including Transsexual and Transgender people), disability, Sexual Orientation and religion/belief.

- By working with perpetrators in order to try and break the cycle and re-occurrence of anti-social behaviour with a view to creating a sustainable tenancy. This includes working with other agencies and local communities in order to consider the impact to the communities' well being when rehabilitating perpetrators of anti-social behaviour.
- By increasing public involvement and empowerment in tackling anti-social behaviour:
  - Seeking feedback from customers and involving them in the development of our policies and procedures.
  - Ensuring customers are involved in monitoring and reviewing the delivery and performance of the anti-social behaviour service.

The policy also contributes to the **Tenancy Services Equality & Diversity Policy** by:

- Recognising that all citizens, from whatever background, should enjoy equal treatment in the provision of housing and its related services and should not feel threatened in their own home.
- Recognising that everyone should have an equal chance to live free from discrimination, harassment, bullying and prejudice
- Working with others to stamp out harassment and intimidation

There is no evidence to suggest that the Anti Social Behaviour Strategy would contribute to inequality. All anti social behaviour allegations are thoroughly investigated.

## **Evidence**

**What are the existing sources of evidence and mechanisms for gathering data?**

- Satisfaction surveys are sent out to both complainants and perpetrators.
- The Estate Management Working Group has recently been set up made up of a broad spectrum of tenants.
- Attendance at the Joint Agency Meetings and the Joint Agency Group

- The Anite Estate Management Module (IT database) allows us to gather data from post tenancy visits, occupancy checks to a property and any cases of anti social behaviour.

**What monitoring data is available on the number of people who use the service or are affected by the policy? Who holds this information?**

An anti social behaviour survey is sent out after each case is closed to the complainant and perpetrator(s) involved. This data is held by Tenancy Services and reported on quarterly.

As discussed above, The Anite Estate Management module holds information on and allows us to monitor all cases reported - from post tenancy visits, occupancy checks to a property and any cases of anti social behaviour.

In addition, information from the Tenant Census gives us a 73% demographic profile of tenants. It is possible to profile a majority of complainants and perpetrators to see if there are any trends. However, this is a reporting exercise yet to be carried out.

**If no monitoring has been undertaken, will this be done in the future? If so, specify what arrangements you intend to make. If you do not intend to do any monitoring, please provide your reason for this decision.**

Monitoring is already in place as detailed above

**What are the key performance indicators and targets attributed to the policy?**

The following performance indicators are also produced on a monthly basis:

- % of ASB cases successfully resolved per month
- Number of ASB cases opened by category per month
- Number of occupancy checks attempted per month
- % of occupancy checks successful per month
- Number of ASB complainants who receive monthly feedback on current cases
- % of void garages from the total stock

We will also use the tenants' magazine, Skyline, to inform tenants about our performance and plan to publish this information on the website.

**What consultation has been carried out with stakeholders and service users previously about the policy?**

All stakeholders have been invited to comment on the strategy  
Tenants have been consulted via the Estate Management Working Group and the Housing Consultative Group (consisting of Tenants, staff and councillors)

**Is there any evidence that different groups have different needs, experiences, issues and priorities in relation to the particular policy or function? Please explain your answer.**

Yes via the Tenant Census, post sign up survey we are aware of those people with visual impairments, learning difficulties, mental health issues, substance abuse, or no reading or writing skills have different needs. These tenants are given additional support including information in large print, audio and different languages.

People with poor literacy skills are offered tape recorders to verbally record diaries.

We would work closely with other agencies to ensure all residents have the correct support in place to help them to sustain their tenancy, for example a person with Touretts syndrome who may cause offence inadvertently to their neighbours

**Is there any informal feedback from managers, staff or voluntary organisations?**

Yes – staff involvement and feedback at the team meeting. More is on its way from stakeholders those involved in the Estate Management working group.

**Is there a complaints system? If yes, are complaints monitored by race, gender and disability as a minimum?**

Yes there is a system, but no, it is not currently monitored as above. This is under review at the moment.

**What further evidence is needed to understand the impact upon equality?**

Demographic profiling of victims and perpetrators of anti social behaviour is

needed to see if there are any particular groups being victimised or carrying out anti social behaviour.

## Impact

### **Does the data show different impacts upon different groups? What existing evidence is there for this?**

At this time there is no evidence to suggest different impacts upon different groups. We do have a demographic profile of tenants as detailed below and further work will be carried out with our ASB surveys.

The demographic profile of Complainants does not indicate that a particular group or groups are being targeted for antisocial behaviour. However about 36% of complainants have not filled in a Census form and therefore there are some gaps in our knowledge about their profile

**Race** As at April 2009 the current ethnicity of Tenants is predominantly white British at 80.1%. BME groups (including white Irish) 2.7% . We have no ethnicity information for 17.2%.

The profile of complainants indicates that 1.8% come from BME groups. However, we do not have the ethnicity for 31% of the complainants.

The profile of perpetrators indicates that 2% come from BME groups but we do not have the ethnicity for 49% of perpetrators.

In conclusion the information suggests that there is no evidence to support any particular racially motivated anti social behaviour is taking place. However due to the fact that many complainants and perpetrators have not completed the census we will need to continue to monitor these trends.

### **Gender**

**As at April 2009 the gender split of male to female tenants is as follows:**

**Male 39%      Female 61%**

The profile of complainants is 71% female and 29% male. In relation to the general profile of tenants the complainants are more heavily weighted towards women.

The profile of perpetrators shows that 31.5% were men and 68.5 were women

Given the ratio of the gender split perpetrators are fairly equal. However the majority of complaints are from female residents.

**Age**

As at April 2009 age groups of tenants is

Under 20 1% 20 – 29 11% 30 – 39 13% 40-49 13% 50 – 59 12%

60+ 44% we have no information for 6% of tenants

The profile of complainants is under 35 yrs 19.5% 35 – 64yrs 45% over 65yrs 21.5% unknown 14%

The profile of perpetrators is under 35yrs 45% 35-64 yrs 42% over 65yrs 7% and unknown 6%

This shows us that 35-64 years seems to be the most common complainants over the past year however perpetrators seem to be fairly even ranging from under 35 to 64 years.

**Religion**

Not known fully – but some data has been collated.

As at April 2009 the religion of tenants is as follows:

Christianity 52.5% Other religions (includes, Buddhism, Islam, Judaism, Sikhism, Pagan, Spiritualist) 0.5% No religion 9.4% Prefer not to say 8.6% We have no information for 29%

The profile of complainants is 45% Christianity, 9.5% No religion, 7.4% prefer not to say, 0.6% other religions 37.5% unknown. None of the complainants have identified a religion other than Christianity

The profile of perpetrators 24% Christianity, 9.5% No religion, 12% prefer not to say and 51.5% unknown

Due to the majority preferring not to give the information it is difficult to gather a full profile.

**Disability**

As at April 2009 those tenants who consider themselves to have a disability or long term illness (includes learning difficulties) is 36.5%. Those who do not regard themselves as having a disability is 63.5%

Then as above.

The profile of complainants indicates that 39.6% do not consider themselves to have a disability or long term illness and 28.4% do consider themselves to have a disability or long term illness. We do not know about 32% of the complainants

The profile of perpetrators indicates that 32.5% do not consider themselves to have a disability or long term illness, 16.5% do consider themselves to have a

disability or long term illness and 51% is unknown.

Again the information does not indicate any trend in this area

### **Sexual Orientation**

Because the majority have preferred not to tell us their sexual orientation, further consultation with lesbian, gay, bisexual and transgender groups will be necessary.

According to the limited statistics from government and Stonewall the LGB population in Britain is approximately 5-8%. It is fair to assume that this figure would be reflected amongst our tenant population.

### **Do these differences amount to an adverse impact?**

At this moment we cannot say but we will be putting measures in place to find out and will be consulting our service users.

**Are there concerns that the policy could have a differential impact on any other groups of people e.g. those with dependants/caring responsibilities, those with an offending past, those with learning difficulties, transgender or transsexual people.**

### **What existing evidence (either presumed or otherwise) do you have for this? Please explain your answer.**

We do not think that there would be a differential impact on any other group because we work closely with various groups including Social Services, Mind, Homelessness Forums, Shelter, and AddAction.

Transgender – no evidence either presumed or otherwise.

**Are there any factors that might account for differential impacts or non-achievement of the policies outcomes, such as barriers that prevent people from fully accessing the service? For example, communication difficulties, physical access, information not being accessible, use of language, childcare responsibilities?**

No – leadership, training and development would prevent such barriers in the first place (one good example would be the equality & diversity Grass Roots training completed by all the team) However, it may be that specialist staff training is needed on different diversity strands.

## Future Actions

### **Should the policy or function proceed to a Full Impact Assessment? (Please explain your reasoning)**

The policy does not need to progress to a Full Impact Assessment if the action plan outlined below is implemented.

#### **ACTION PLAN**

- Update strategy – already complete
- Involve staff at this stage and the working group. Do differences amount to adverse impact? Consider ASB demographic profile
- Review the strategy in 12 months time
- Consult all stakeholders and agencies

#### **Date Full Impact Assessment should commence**

- Not applicable because we are already monitoring and consulting with service users.

Review Date **April 2010**

Review Date

Review Date

Signed:

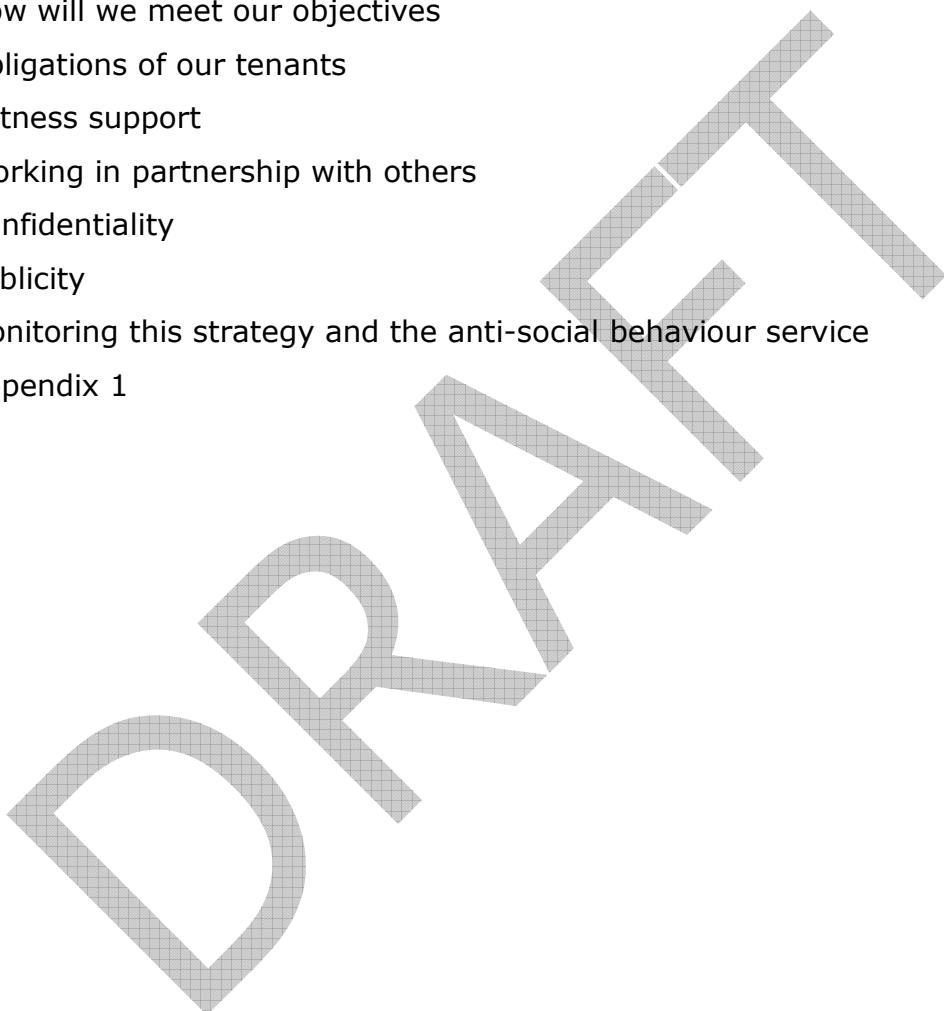
Date:

# **Tenancy Services**

## **Anti-social Behaviour Strategy**

**DRAFT**

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## **Introduction**

The main aim and purpose of this strategy is to outline how tenancy services will tackle and deal with anti-social behaviour. It explains how we will meet the aims and objectives of the service.

The strategy is central to the council's approach to maintaining and enhancing the quality of life for our residents. It stresses that the tenancy agreement is our strongest tool for dealing with nuisance and anti-social behaviour and describes how we will enforce the conditions of tenancy.

The strategy should be read in conjunction with Tenancy Services' Anti-Social Behaviour Summary of Policy and Procedures and the Tenancy Services' Anti-social Behaviour Procedure Manual.

We recognise that anti-social behaviour can seriously affect the quality of life of residents through fear of crime and the long term effects of harassment and victimisation. This in turn can damage the sustainability of communities and can adversely affect our ability to let properties on our estates. Tackling anti-social behaviour is a key activity in regenerating and sustaining our communities.

Our approach makes it clear that anti-social behaviour is not acceptable, will not be tolerated and that we will take firm action to deal with it. We will however try to change behaviour using a variety of approaches and interventions and also give support to those who are willing to change their behaviour.

## **Equalities Statement**

We will treat all customers fairly regardless of their gender, age, race, colour, nationality, ethnic or national origin, disability, marital status, sexual orientation, responsibility for dependants, religious or other beliefs, or any other reason which cannot be shown to be justified.

## **Operating context**

The anti-social behaviour service will deliver a strategy which reflects South Kesteven District Council's overall strategic vision:

### **"To provide brilliant services to our customers"**

To make sure we identify the most important issues and deal with them in the best way, we use a three step approach which we call 'listening, learning and delivering'. These key steps also represent our core values.

- Listening**

Taking your views into account and demonstrating a real passion for customer service.

- Learning**

Being open, honest and learning from things that go well and do not go so well.

- **Delivering**  
Innovating and making a difference

### **Definition of anti-social behaviour**

Anti-social behaviour is defined in the Crime and Disorder Act 1998 as:

*"Acting in a manner that caused or was likely to cause harassment, alarm or distress to one or more persons not of the same household"*

Some examples of anti-social behaviour are:

- Drug dealing/substance misuse
- Animal nuisance
- Abandoned vehicles
- Intimidation/harassment
- Criminal damage including graffiti
- Serious noise problems
- Verbal abuse
- Racial/Domestic abuse
- Parking in an ambulance bay

This is not an exhaustive list and there are other types of behaviour that are considered to be anti-social that we, or another agency, may be able to deal with.

### **Our aims**

The aim of the service is to prevent and act against anti-social behaviour relating to breaches of the tenancy agreement. This will ensure that people living on and around our estates have and respect, the right to quiet enjoyment of their homes, feel safe and secure, and live in a community where clear standards of behaviour are understood.

### **Our objectives**

Our key objectives for the anti-social behaviour service are:

**A) Prevention:** To reduce anti-social behaviour by identifying the causes and putting positive, joined-up solutions in place to prevent incidents in the first place or tackle them as soon as they happen.

<b>B) Enforcement:</b>	Demonstrate a commitment to tackling anti-social behaviour on our estates by delivering a rapid, robust and effective response, using the full range of appropriate current legislative powers, which are targeted towards the more serious incidents of anti-social behaviour. Please see appendix 1 for a list of the powers we will use.
<b>C) Rehabilitation:</b>	Work with perpetrators of anti-social behaviour who want to change their behaviour by finding ways to help them to sustain their tenancy and keep to the tenancy agreement.

### **How will we meet our aim and objectives?**

We will implement key improvements to meet both our customers' needs and our aims and objectives to tackle anti-social behaviour.

We will do this by:

- Taking a holistic, problem-solving approach to anti-social behaviour:
  - Placing the victims at the centre of the solution
  - Recognising the need to strengthen communities
  - Supporting witnesses
  - Dealing with perpetrators through rehabilitation as well as prosecution.
- Using various methods to prevent anti-social behaviour:
  - Using good neighbour agreements which all of our new tenants are encouraged to sign when taking on a tenancy
  - Using introductory tenancies to help us support new tenants through their first twelve months
  - Signed up to the Respect Standard
  - Using the developed a Service Level Agreement developed with the Lincolnshire Mediation Service
  - Continuing to build on diversionary activities as a preventative measure.
- Ensuring that the range of legislative enforcement tools are used:
  - Acceptable behaviour contracts
  - Anti-social behaviour orders
  - Injunctions
  - Tenancy demotions
  - Extensions of Introductory Tenancies
  - Possession actions.

- Working with perpetrators in order to try and break the cycle and re-occurrence of anti-social behaviour with a view to creating a sustainable tenancy. This includes working with other agencies and local communities in order to consider the impact to the communities' well being when rehabilitating perpetrators of anti-social behaviour
- Increasing public involvement and empowerment in tackling anti-social behaviour
  - Seeking feedback from customers and involving them in the development of our policies and procedures.
  - Ensuring customers are involved in monitoring and reviewing the delivery and performance of the anti-social behaviour service.
  - We will work with healthy communities and others in supporting diversionary activities for children and young people. Such as fair play football and dance.
- Supporting community partnerships and residents to produce and implement local anti-social behaviour strategies and support local people to take local action.
- Publicising action and initiatives.
- Developing our support arrangements for witnesses and victims.
- Developing our internal and external partnerships to promote responsible citizenship:
  - Supporting local community groups in schemes which combat illegal activities such as fly-tipping, vandalism and graffiti.
- Increasing public confidence in partnership measures to tackle anti-social behaviour. Continuing our partnership work with the Police Community Support Officers. PCSO's have a wide range of powers including on the spot fines for vehicle licensing offences and littering and dog mess. We work with Police, education and social services to develop Youth Inclusion Support Panels to provide support to vulnerable and at risk young people, following a comprehensive referral and assessment process.
- Providing cleaner and safer environments to reduce anti-social behaviour.
  - Ensuring our caretaking service continues to support the communal areas on our estates by cleaning blocks of flats, removing fly-tipping and graffiti.
  - Working with our tenants to educate them to have respect for the environment in which they live.
  - Working closely with the council's community safety team to ensure a joined-up approach is taken when dealing with anti-social behaviour across the South Kesteven District

- Working with our environmental protection and street scene teams to tackle environmental nuisance.

### **Obligations of our tenants**

We expect all our tenants to comply with the terms of their tenancy agreement.

Tenants are responsible for the behaviour of themselves, their friends, and relatives, and any other person living in or visiting the property (including children).

Usually, if tenancy conditions are broken we will inform the tenants and warn them. But, sometimes we may take immediate action, without warning, depending on the circumstances of the case.

### **Witness Support**

Witnesses are very important to us. In many cases action could not be taken without the help of people continuing to report nuisance. We understand that for victims of anti-social behaviour who are collecting evidence to help us then this can be a frightening and distressing time.

We will do all we can to support our witnesses throughout the process by:

- Taking complaints seriously
- Dealing with complaints as quickly as possible
- Discussing the action we are taking with witnesses
- Keeping witnesses informed throughout the case
- Giving hearsay evidence whenever possible. This means that an officer from tenancy services will give evidence on behalf of the person who has complained, without having to reveal their identity
- Working closely with other agencies to see what other help can be given, such as family support
- Providing information in the appropriate format and offering translation services where required – for example signing interpreters, induction loops, large print format, audio CD, language line and alternative language format

In the more serious cases we can take extra steps to make people feel safe and more secure in their home. This can include:

- Additional door security
- Window locks
- Spy holes
- Letterbox covers
- Security lights
- Installation of cameras
- Smoke alarms
- Connection to the council's helpline alarm system

## **Working in partnership with others**

We recognise that we cannot deal effectively with anti-social behaviour on our own. The key to success is to develop effective partnerships. We already work with a range of agencies and other teams within South Kesteven District Council such as:

- Police
- Fire Service
- Social Services
- Youth Offending Service
- 0-19 Universal Children's Services ( including – Connexions, Education Welfare, Youth Service, Sure Start, Barnados – leaving care support)
- Addaction
- SKDC – Community Safety Team
- SKDC – Street Scene Team
- SKDC – Healthy Environment Team
- Local Doctors, Hospitals and Clinics

When necessary we may ask other specialist agencies to help us deal with specific problems e.g. drug, alcohol and mental health as people affected by these issues are often vulnerable and experience has shown they can also be victims of anti-social behaviour.

## **Confidentiality**

Any information given to us will be treated in confidence. We will not discuss with any other tenant or neighbour, information unless those involved have agreed to this.

However, some information may be shared with agencies e.g., the police or fire service, if this is for the purpose of reducing crime and disorder. All information exchanged is shared in line with the Crime and Disorder Act 1998, the Data Protection Act 1998 and the Freedom of Information Act 2000.

## **Publicity**

Publicity is essential if local communities are to support us when tackling anti-social behaviour. We will always issue a press release of our successful court cases to the local media including the names of the perpetrators who caused the anti-social behaviour.

## **Monitoring this strategy**

The use of effective monitoring tools is important not only to help staff performance but also to assess whether we are dealing with anti-social behaviour effectively. To help us do this we use a housing management database to record all complaints of anti-social behaviour effectively and to track their progress.

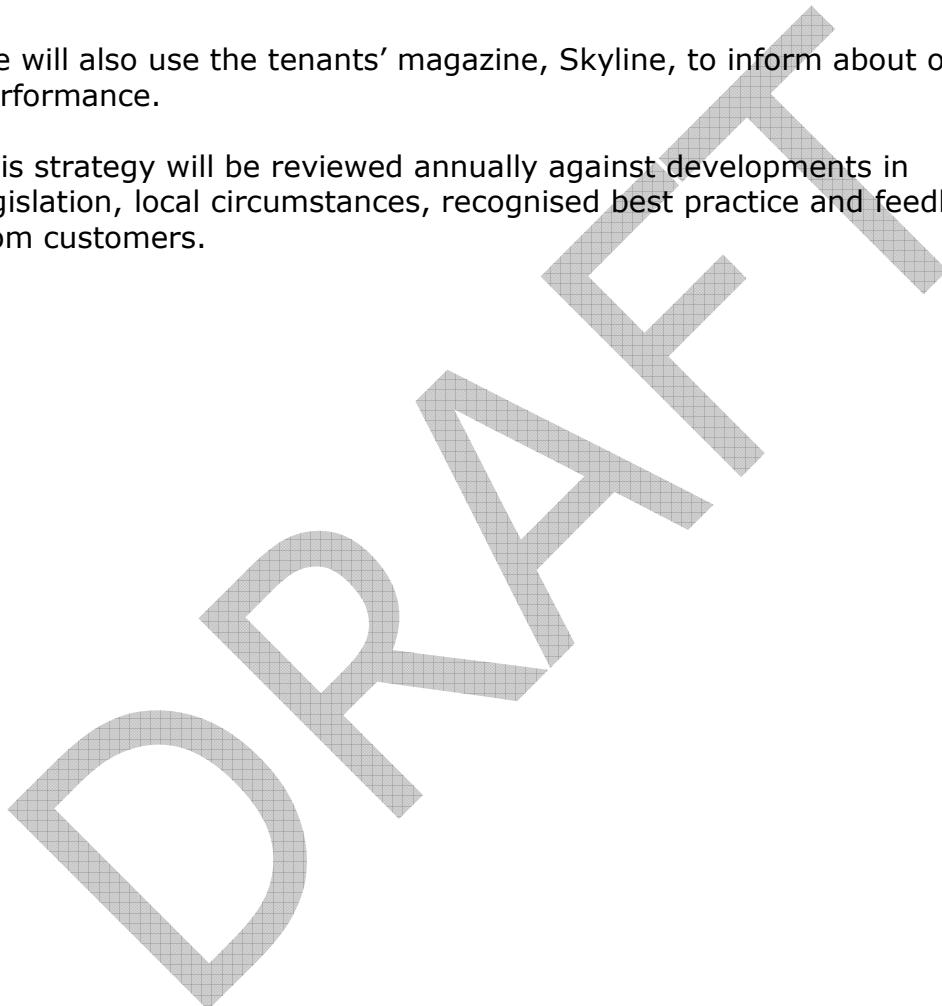
We also use customer satisfaction surveys to obtain the views of both complainants and perpetrators after a case is closed.

The following performance indicators are also produced on a monthly basis:

- % of ASB cases successfully resolved per month
- Number of ASB cases opened by category per month
- Number of occupancy checks attempted per month
- % of occupancy checks successful per month
- Number of ASB complainants who receive monthly feedback on current cases

We will also use the tenants' magazine, Skyline, to inform about our performance.

This strategy will be reviewed annually against developments in legislation, local circumstances, recognised best practice and feedback from customers.



## **Appendix 1 – tools available to tackle anti-social behaviour**

### **Non-legal action:**

#### **Mediation**

Mediation is a process in which an impartial third party - the mediator - helps people in dispute to work out an agreement. Mediators aim to get the people in dispute to meet face to face in a neutral setting and listen without taking sides - the aim is for the people in dispute to reach an agreement which everyone will accept and keep to.

Mediation can only work if everyone wants it to, and it works best if used before the issue becomes entrenched. The mediators cannot force people to resolve their conflicts and it is an entirely voluntary process.

#### **Warning letters**

Warning letters are sent to the perpetrator of anti social behaviour to outline their behaviour and ask for an improvement. The warning letter highlights each breach of tenancy and the consequences for failing to put an end to the anti social behaviour.

#### **Acceptable behaviour contracts**

An acceptable behaviour contract (ABC) is an individually written agreement between a perpetrator, the council and the police. An ABC normally lasts for six months and is an agreement identifying acts that the perpetrator will stop doing to put an end to anti social behaviour.

#### **Parenting contracts**

Parenting contracts are a supportive measure offering a structured and balanced way for agencies to work with parents on a voluntary basis to improve the behaviour of a child or young person up to 17 years old.

If an ABC is being considered for a young person, a parenting contract which reflects the ABC's requirements also needs to be considered.

#### **Family intervention projects (FIPS)**

Problem families can disrupt the quality of life of whole communities and make the lives of residents around them miserable. They also put themselves at risk of losing their home, their children or having enforcement action taken against them.

Family intervention projects work hard with families to stop this happening by challenging and helping them to change their behaviour. A single key worker is assigned to each family to challenge the root causes

of their behaviour by laying down ground rules and giving intensive support to each family member.

### **Positive projects for young people**

Various positive projects for young people are provided in partnership with the healthy communities team. These initiatives provide a diversion for challenging young people and encourage good behaviour and social cohesion.

### **Good neighbour agreements**

This is a voluntary agreement between landlord and tenants which:

- Reinforces the tenancy agreement
- Reassures tenants and residents that local anti-social behaviour concerns will be addressed
- Presents a statement of desirable or positive behaviour and what it means to be a good neighbour

### **Extensions to introductory tenancies**

All new tenancies granted by South Kesteven District Council are introductory tenancies lasting twelve months. If, during the first 9 months of the introductory period, there are concerns about rent arrears or anti-social behaviour, the tenancy can be extended by a further six months. Tenants have the right to request a review of this decision.

### **Legal action:**

#### **Injunctions**

An injunction is an Order of the Court, which either requires someone to do something or stops someone from doing something. Injunctions can have a power of arrest attached.

#### **Undertakings**

The same process applies for undertakings as injunctions. An undertaking has the same effect as an injunction, but the perpetrator does not have to admit to the allegations and the power of arrest is not attached to it.

#### **Notice to quit**

A notice to quit (NTQ) is a written document served by a landlord on a non-secure tenant or by the tenant on a landlord, which has the effect of bringing the contractual tenancy between them to an end.

The notice must be in writing, delivered at least 4 weeks before the notice period ends (or 1 month if rent is paid monthly) and must bring the tenancy to an end at the end of a full rent period.

## **Notice of seeking possession**

A notice of seeking possession is a legal warning served on secure tenants which acts as the bridge between previous informal action and taking legal action, giving the tenant an opportunity to amend their behaviour. It needs to inform the tenant what they have done wrong in enough detail for them to understand the implications of their actions and that their behaviour gives rise to grounds for possession.

## **Notice of possession proceedings**

A notice of proceedings for possession is served on introductory tenants. It must give notice that the landlord intends to apply for possession, must outline the grounds for this possession and allow the tenant the right to appeal.

## **Demoted tenancies**

A demotion order terminates the existing tenancy and replaces it with a demoted tenancy. This is a less secure type of tenancy, removes some of the rights of a secure tenancy and gives the tenant a serious warning that should their behaviour continue they run the risk of losing their home.

A demotion is useful where the landlord has concerns that if not checked the anti-social behaviour may escalate or they wish to give a strong warning to the tenant but also want to continue to work with them to change their behaviour.

## **Anti social behaviour orders**

An anti-social behaviour order (ASBO) is a community-based order, which can be obtained by the police or the local authority against an individual who acts in an anti-social manner. The minimum duration is two years. The purpose of an ASBO is to allow people to live free from fear and intimidation. They are used to target activities that ruin the lives of individuals, families or communities.

## **Parenting orders**

Parenting orders are a supportive measure designed to help parents and carers improve their parenting skills to prevent problems in their child's behaviour and steer them away from becoming involved in anti-social behaviour. A parenting order is not a punishment but a positive way of bolstering parental responsibility and helping parents develop skills so they can respond more effectively to their children's needs

If parents fail to comply with the terms of a parenting contract which is a voluntary agreement, parenting orders can be used to make the terms of the contract compulsory.

DRAFT

# Agenda Item 5

## REPORT TO CABINET

**REPORT OF:** Cllr Frances Cartwright – Economic Development Portfolio Holder

**REPORT NO:** AFM0098

**DATE:** 3<sup>rd</sup> August 2009

<b>TITLE:</b>	APPROVAL OF BOURNE CORE AREA SITE ACQUISITION STRATEGY & PRIORITY PURCHASE OF SITES (SUBJECT TO INDIVIDUAL NON KEY DECISIONS)	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	YES	
<b>PORTFOLIO HOLDER: NAME AND DESIGNATION:</b>	CLLR FRANCES CARTWRIGHT – ECONOMIC DEVELOPMENT	
<b>CONTACT OFFICER:</b>	P.Stokes/L.Banner in consultation with the Bourne Core Area Project Group	
<b>INITIAL IMPACT ASSESSMENT:</b>	Carried out and appended to the report: N/A	Full impact assessment Required: N/A
<b>Equality and Diversity</b>		
<b>FREEDOM OF INFORMATION ACT:</b>	This report is publicly available via the Local Democracy link on the Council's website: <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>	
<b>BACKGROUND PAPERS</b>	SKDC Asset Management Plan Bourne Town Centre Action Plan Previous non-key decisions	

### 1. RECOMMENDATIONS

That Cabinet approve the proposed specific Bourne Core Area Site Acquisition Strategy.

### 2. PURPOSE OF THE REPORT/DECISION REQUIRED

The Bourne Core Area project is a priority for South Kesteven District Council. The project has experienced delays primarily as a result of developer led projects and an uncertain economic climate. The Council remains heavily committed to this project and has increased its capital budget allocation to £1 million for each of the financial years 09/10 to 11/12 plus £125,000 to cover

fees over the next 3 years. It has also previously secured funding from Welland SSP to enable the acquisition of 3 key sites within the proposed development area.

This strategy allows possible strategic site purchase whilst the business case is being revised and updated.

The general process followed for site acquisition is in line with the Council's Asset Management Plan and links to the Capital Programme. The process is as follows:

- Strategic site identification including justification of acquisition;
- Market Research including price, condition of property etc.
- Financial appraisal;
- Discussion with owner;
- Valuation;
- Site investigations;
- Funding applications;
- Approval to purchase;
- Negotiation;
- Completion of sale;
- Recovery of external funding, monitoring & evaluation

### **3. STATE HOW THIS DECISION WILL CONTRIBUTE TO PRIORITY THEME**

This will contribute to priorities Good for Business and Quality Living.

### **4. DETAILS OF REPORT (SUMMARY – USE APPENDICES FOR DETAILED INFORMATION)**

A key decision within the framework of the land acquisition strategy is required in order to enable further sites within the development area to be acquired. The Bourne Core Area Site Acquisition Strategy has been developed and is appended to this report, which would enable individual sites which may become available to be purchased subject to individual non-key decisions and key decisions.

Effecting a clean site is crucial to the success of this project. Acquiring sites and conducting preliminary investigation of the site area have been recommended by developer and consultant contacts as the best way of securing a favourable and viable development.

The strategy reduces the uncertainties and consequent financial variables that would otherwise be imposed by any developer as a condition of development and facilitates the ultimate development cost to be refined ensuring a better return on investment. It also highlights areas which best consolidate the scheme and protect previous public sector investment.

## 5. OTHER OPTIONS CONSIDERED

### Sporadic site acquisition based upon properties for sale

This could create a fragmented site and prevent phased development. This would cause significant harm to the financial viability and full deliverability of any proposed scheme. This could potentially leave ransom sites within the development.

### No site acquisition

Developers will not engage seriously in a local authority led project where no significant site ownership is evident and no site acquisition strategy has been developed, without significant financial detriment to the project as a whole.

### Developer led site acquisition

This is not possible as the site is complex, under multiple ownerships and likely to require compulsory purchase orders. These can only be agreed through the involvement of the local authority.

## 6. RESOURCE IMPLICATIONS (INCLUDING FINANCIAL, PEOPLE)

### **Financial**

The capital programme includes £1million for each of the 3 financial years (09/10 to 11/12) period in respect of the Bourne Core Area project.

### **People**

Full consultation will be carried out with the Bourne Core Area Project Group, with respect to any acquisitions.

## 7. RISK AND MITIGATION (INCLUDING HEALTH AND SAFETY AND DATA QUALITY)

### **Risk**

There are two key risks as follows:

1. The ongoing risks of managing any financial burdens such as rentals, empty business rates, maintenance etc. This is mitigated as far as possible in whole life costing considerations prior to purchase;
2. The exit strategy encompassing a means of alternative use/disposal should the project not proceed to the desired outcomes.

### **Health and Safety**

Considerations are taken into account regarding the state of the buildings under contemplation, by way of general dilapidation surveys and in terms of maintenance for any potential tenants.

### **Data Quality**

Every effort is undertaken to ensure rigid data quality checks by way of site surveys and general valuation franking.

## **8. ISSUES ARISING FROM EQUALITY IMPACT ASSESSMENT**

Not applicable.

## **9. CRIME AND DISORDER IMPLICATIONS**

The Council will secure sites and ensure that vulnerability to vandalism is minimised and take into account implications of the authority's duty under Section 17 of the Crime and Disorder Act.

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

The capital programme includes £1million for each of the 3 financial years (09/10 to 11/12) period in respect of the Bourne Core Area project. The spending plan in respect of this financial provision has not yet been determined and will need to be subject to an updated business case. The proposed strategy identifies a number of criteria measures that will need to be considered as part of any land acquisition proposals. Specifically this will include: land valuations, planning considerations, whole life costing, alternative end uses, capital financing considerations and revenue implications. These will need to be incorporated into the business case for land acquisitions proposals.

## **11. COMMENTS OF MONITORING OFFICER**

The purpose of the strategy is to identify sites for acquisition within the Bourne Core Area. Further site acquisition should not take place until a clear up to date business case is identified in the current market with a clear end user. However it is recognised that various sites may become available in the meantime and the Council need to be in a position to proceed with purchase if the site becomes available and is strategic. Any purchase at this stage should only be made where there is a current use from which revenue can be obtained or the site will provide alternative use if the project does not proceed.

## **12. COMMENTS OF OTHER RELEVANT SERVICE MANAGERS**

### **Comments of Service Manager - Planning Policy**

The area of land to which the Bourne Core Area Site Acquisition Strategy relates is consistent with the area covered by Bourne Town Centre Redevelopment Supplementary Planning Guidance (SPG) following the recent adoption of a revised SPG boundary.

### **Comments of Service Manager – Economic Development and Town Centre Management**

The development of Bourne Core Area is key to creating a vibrant and economically prosperous, growing market town. The proposed development will create an improved retail offer, providing new retailers, new businesses and new jobs, as well as improving the public realm. The model proposed in acquiring the sites within the development is the most beneficial approach to delivering the project. This is a positive move for South Kesteven District Council to delivering an improved Bourne.

### **13. APPENDICES:**

**Appendix 1:** Land Acquisition Strategy for Bourne Core Area  
**Appendix 2:** Colour coded map relating to property within the Bourne Core Area

# **BOURNE CORE AREA**

## **LAND ACQUISITION STRATEGY**

### **1. INTRODUCTION**

Detailed below are elements of the site identified within the Supplementary Planning Guidance (SPG) area, which is colour coded in order to provide clarity upon which sites are already in South Kesteven District Council's ownership, together with those sites which are considered by the project group as potential strategic purchases in order to ensure that sites are acquired in a manner to best protect the Council's interest as described in the report.

The general process for site acquisitions will follow those set out in the Council's Asset Management Plan.

### **2. SITE IDENTIFICATION DETAILS**

Appended to this document is a plan showing the SPG boundary, which represents the proposed site and is also colour coded to encompass the details below.

The strategic sites have been identified as those clustered around the Council's current ownership, which would readily facilitate phased development or potentially be incorporated within any future plans in some way.

#### **2.1 Identification and approval for revised SPG area**

The area is 1.97 hectares and the boundary is highlighted in **red**.

There are 48 sites in total of which:

- 12 sites are under public ownership or adopted as publicly maintained;
- 36 sites are owned by 29 separate owners

Subject to site owner discussion and scheme approval, certain sites may ultimately be excluded or not required.

#### **2.2 Identification of South Kesteven District Council sites**

The sites currently owned by South Kesteven District Council are all highlighted in **yellow** on the attached plan. These sites are as follows:

- Warners Mill (23)
- Wherry's sites (14, 15, 21)
- Burghley Street Car Park (31)
- Wake House Car Park (3)

The total area owned by the Council is currently 0.61 hectares (31.0% of SPG area)

### **2.3 Other public / unidentified access sites**

The total area of other public and unidentified access sites is currently 0.15 hectares (7.8% of SPG area). These are all illustrated in **pink**. These sites are as follows:

Sites 34, 40, 46, 47 and 48

### **2.4 Identification of strategic sites where purchase / negotiation subject to contract under consideration by SKDC**

A number of strategic sites to the Council have been identified and these are highlighted in **blue**. This site is 0.69 hectares in size (34.8% of SPG area).

These sites are as follows:

- Site 36
- Site 35
- Site 13
- Site 35b
- Site 12
- Site 42
- Site 43
- Site 38
- Site 32
- Site 11
- Site 16
- Site 22
- Site 24
- Site 25
- Site 26
- Site 27
- Site 28
- Site 17
- Site 18
- Site 19
- Site 20
- Site 44

### **2.5 Remaining Sites**

The sites that are currently considered to be non-strategic are identified in **green** and these will be regularly reviewed. These sites are mainly located to the northern end of the proposed site. The remaining sites are fringe areas to the east and south and the total area for this is 0.52 Hectares (26.4% of SPG area).

### **3. GENERAL DETAILS**

#### **3.1 Strategic site acquisition**

Independent non-key decisions will be put forward to process the acquisition of individual sites. Consideration will be given to acquiring sites in blue, based around the following criteria:

- The willingness of the site owner to sell;
- Unfettered sites identified (e.g. contamination, restrictions & covenants);
- Obtain an approved District Valuer valuation;
- Capital financing considerations;
- Ability to generate a return on investment;
- Ability to generate a return on original input;
- Whole life costing and ability to produce an interim income;
- The site owners requirement and ability to relocate.

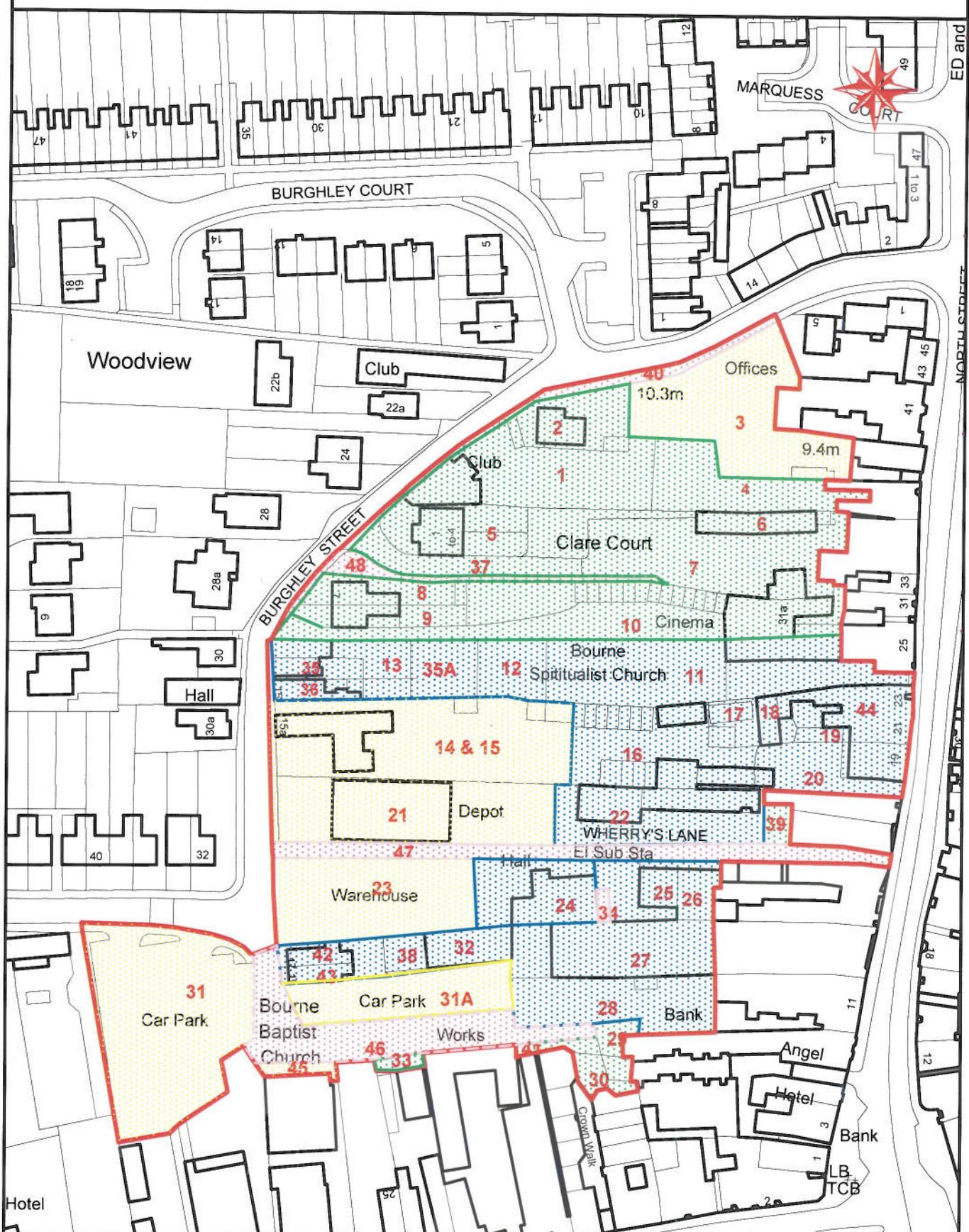
#### **3.3 Risk to Council - SKDC is unable to develop on the land we acquire.**

The land still has a market value and is in effect an investment and part of the Council's assets. The site can be on-sold, leased by section or in total. Assets purchased by other public funding would be returned as assets to that provider. Any leases entered into will be non-secured.

### **4. CONCLUSION**

This strategy represents a means of providing momentum to the Bourne Core Area Project.

APPENDIX 2 BOURNE CORE AREA SITE STRATEGY MAP - AN INDICATIVE MAP



## REPORT TO CABINET

REPORT OF: Resources and Assets Portfolio Holder

REPORT NO:CHFCS53

DATE: 3<sup>rd</sup> August 2009

<b>TITLE:</b>	Medium Term Financial Plan 2009/10 – 2012/13	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Policy Framework Proposal	
<b>PORTFOLIO HOLDER: NAME AND DESIGNATION:</b>	Councillor Mike Taylor Resources and Assets Portfolio Holder	
<b>CONTACT OFFICER:</b>	Richard Wyles – Corporate Head of Finance and Customer Services 01476 406210 Email: <a href="mailto:r.wyles@southkesteven.gov.uk">r.wyles@southkesteven.gov.uk</a>	
<b>INITIAL IMPACT ASSESSMENT:</b>	Carried out and Referred to in paragraph (7) below:	Full impact assessment Required:  N/A
<b>Equality and Diversity</b>		
<b>FREEDOM OF INFORMATION ACT:</b>	This report is publicly available via the Local Democracy link on the Council's website: <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>	
<b>BACKGROUND PAPERS</b>		

### 1. RECOMMENDATIONS

- A) The Cabinet recommends to Council the approval of the Medium Term Financial Plan for the period of 2009/10 to 2012/13, as attached.**
  
- B) The Cabinet requests the development of a resources and efficiency plan that identifies the actions needed to ensure a balanced and sustainable budget for 2011/12 and beyond.**

## **2. PURPOSE OF THE REPORT/DECISION REQUIRED**

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

The MTFP will be reviewed each year in order to take into account the final outturn position for the year and to take into consideration emerging financial issues from both a national and local perspective.

## **3. DETAILS OF REPORT (SUMMARY – USE APPENDICES FOR DETAILED INFORMATION)**

The MTFP spans four financial years which include the current financial year (2009/10) and the following three years. This period includes two years of the current grant settlement (CSR07) and two years of the anticipated grant settlement (CSR10). The latter two years of the plan are particularly difficult to predict at this time as there is great uncertainty surrounding the level of government grant that may be made available to Councils. It is highly likely and widely anticipated that the Government will reduce its public spending taking effect from 2011/12 and therefore the grant settlement could be significantly less, in real terms, than in previous years. The MTFP reflects this uncertainty and includes financial modelling for a 5% and a 10% reduction (£507K and £1.015M reduction respectively). In addition the Government has increased the amount of efficiency savings the public sector will be required to achieve which will place an additional financial pressure.

Due to the level of uncertainty and the significance of the financial implications the MTFP includes a number of scenarios in order to identify the potential financial impact the Authority could be facing. The areas included in the scenario planning are:

- Government grant settlement
- Transfer of concessionary travel service
- Council tax rises
- Fees and charges
- Utilities and fuel
- Pensions (employer contributions)
- Pay increases
- Public Protection service (shared service proposal)
- Efficiency savings

## Summary of Plan

### General Fund

The MTFP provides an update of the current financial year (2009/10) and identifies emerging issues that will need to be considered within the context of the current year's budget framework. Specifically these are in respect of continuing reductions in income received (compared with budget) and costs incurred in respect of leisure centre business rates as a result of the delay in the charitable establishment of the Leisure Trust. In respect of the latter, Council approved in June additional resources for the payment of 6 months business rates. However, should the Trust not be established then additional funds will need to be approved for the remainder of the financial year.

The MTFP then considers the financial years up to and including 2012/13. This future forecasting takes into consideration the next round of Government grant settlement period (commencing in 2011/12). This makes future prediction of the financial position of the Council extremely difficult due to the uncertainty of the grant settlement. The MTFP considers the areas that are particularly volatile and includes scenario planning and sensitivity analysis of the financial position. In summary the MTFP predicts a potential budget shortfall in 2011/12 of £1.8M and a budget gap of £2M in 2012/13 (based on current spending levels). The MTFP details how this forecast shortfall has been calculated and includes all of the assumptions. It then considers a range of options that will need to be considered in order to ensure a balanced budget is produced in 2011/12.

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.

### Housing Revenue Account

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 findings of the review of the HRA and subsidy system has been announced by the Government and a consultation process is now expected. 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.

Robust budget monitoring and control has been maintained throughout 2008/09 to ensure that the HRA remains financially sound in the medium term. This has focussed on the escalating cost of responsive repairs and maintenance. More recently, tenants have been appraised of the financial position of the HRA through consultation. In acknowledging that the Council cannot continue with its current approach of undertaking all categories of repair work, tenants have been consulted on a range of options for identifying alternative way of delivery the service and the current level of service delivery. The findings of this consultation will be considered by Council prior to its incorporation into the Tenancy conditions and the future budget headings.

#### **4. OTHER OPTIONS CONSIDERED**

The Council must approve the Medium Term Financial Plan

#### **5. RESOURCE IMPLICATIONS**

The MTFP identifies the resources of the Council for the medium term.

#### **6. RISK AND MITIGATION (INCLUDING HEALTH AND SAFETY AND DATA QUALITY)**

A risk analysis is included in the MTFP

#### **7. ISSUES ARISING FROM EQUALITY IMPACT ASSESSMENT**

None are specifically identified from the MTFP

#### **8. CRIME AND DISORDER IMPLICATIONS**

None are specifically identified from the MTFP

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

My comments are included in the report.

#### **10. 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.

**11. APPENDIX:** Medium Term Financial Plan

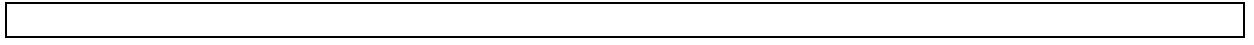


## INITIAL EQUALITY IMPACT ASSESSMENT PRO FORMA

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: 17 July 2009	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: 17 July 2009 .....



# **SOUTH KESTEVEN DISTRICT COUNCIL**

## **4 Year Medium Term Financial Plan (MTFP)** **(2009/10 to 2012/13)**

### **Contents**

#### **Overview**

**What is the MTFP?**

**What key factors & risks influence the Council's MTFP?**

**Developing the MTFP – How the Council will respond positively to the key issues and risks identified**

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**General Fund Revenue Budget**

**Capital Budget**

**Housing Revenue Account**

**Reserves & Balances**

**Risk Analysis**

#### **Appendices:**

- A 5 Year Revenue Money Plan (incorporating 4 Year MTFP)**
- B 5 Year Summary Capital Money Plan (incorporating 4 Year MTFP)**
- C 5 Year Summary HRA Money Plan**
- D Schedule of Reserves**
- E Movement in Reserves**
- F Risk Assessment**

## **WHAT IS THE MTFP?**

The Medium Term Financial Plan (MTFP) brings together the Council's financial position for both the General Fund and the Housing Revenue Account and demonstrates how revenue and capital financial resources are organised in order to deliver the Council's priorities. The Plan is reviewed each year in order to take into account the final outturn position for the year just ended (2008/09) and to reflect emerging national and local issues that will impact in the short to medium term. It is also reviewed each March prior to delivery of the Annual Budget and will evolve and develop in response to Council priorities, national issues and the economic climate.

This 4 year Plan covers the remainder of the current year (2009/10) and incorporates the last year (2010/11) of the Government's current 3 year Comprehensive Spending Review (CSR07) and the first two years of the next Comprehensive Spending Review (CSR10). It also acknowledges that in a global recession and during a period of deflation and relatively low interest rates, financial forecasting beyond 2010/11 is difficult. This heightens uncertainty surrounding future grant settlements and the impact of uncontrollable elements of the Council's budget.

The Plan is important for residents, stakeholders and partners because it provides them with an overview and understanding of the Council's financial position over the short to medium term. In addition, it provides important information on the Council's approach to delivering savings and efficiencies. This in turn provides members of the local community with details of expected outcomes from value for money work so that they can become more engaged.

This Plan consolidates projections and emerging themes for the Council over the four 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
- ❖ Sustainable Communities Strategy
- ❖ Asset Management Plan
- ❖ Treasury Management Strategy
- ❖ Fees and Charges Strategy
- ❖ ICT Strategy
- ❖ Fleet Management Strategy
- ❖ Debt Management Strategy
- ❖ People Strategy
- ❖ Value for Money Strategy
- ❖ Financial Regulations
- ❖ Carbon Management Plan

## **WHAT KEY FACTORS & RISKS INFLUENCE THE COUNCIL'S MTFP?**

The following are relevant to the Council:

- There is uncertainty over the Government's spending and funding plans for the public sector and local government. Whilst the current 3 year timeline for grant settlements provides greater security for the public sector in the short to medium term, there is likely to be a significant real terms reduction in government funding from 2011/12 in order to pay for increasing public sector borrowing. This will be reflected in the next Comprehensive Spending Review (CSR10). Some prominent bodies including the Institute of Fiscal Studies have forecast significant cuts in government funding for the 3 years from 2011/12 – up to 10%. In addition all Councils will also need to find an extra £5bn in efficiency savings from 2010/11 – on top of the £30bn already planned.
- The last 12-15 months has seen unprecedented times for the world financial markets and banking sector and this has impacted on the Council's Treasury Management Strategy. The TM strategy has been updated to reflect this uncertainty and promote a risk adverse approach. The strategy will be further reviewed during the current financial year to ensure the Council optimises risk and reward.
- The economy is experiencing a period of deflation but is forecast to return to an inflationary position during 2010. The Government's target for inflation measured as the Consumer Price Index (CPI) and public sector pay increase remains at 2%. As at May 2009, the year on year increase in RPI and CPI was -1.1% and +2.2% respectively. In addition, many public sector bodies have external contracts where annual reviews are linked to the Retail Price Index (RPI) and in a period of deflation these will come under increasing pressure to negotiate a reduction in costs.
- 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. As at June 2009, the Bank Rate was 0.5%; the lowest level on record. In addition, 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 will need to be well positioned to respond to rising unemployment in the community and support this by ensuring services are adequately resourced to deal with increasing workloads (e.g. increase in benefit applications and homelessness applications). In addition, some income

streams are suffering which is placing a greater financial burden on the Authority.

- Although no specific guidance has been published the Government expects to see Council Tax increases significantly below the capping level of 5%.
- 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 Local Area Agreements (LAA's) being put on a statutory footing and a specific duty to cooperate placed on named partners. The Government also expects Councils to work closer with the third sector due to the loss of voluntary donations/investment income and more people needing help and support.
- From 2009, Comprehensive Area Assessments (CAA) replaced Comprehensive Performance Assessments (CPA). This marks a significant change to the current assessment regime and looks 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 is also 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.
- In terms of delivering Value for Money, the Council will need to ensure that it has robust plans in place to meet the 3% or 4% (from 2010/11) per annum annual cashable efficiency savings target. 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.
- The Housing minister has recently announced the outcome of the review of Council housing finance arrangements. A consultation paper is now expected seeking views on the key proposals. These include the abolishment of the current housing subsidy system offset by a national adjustment of the housing debt between housing authorities. Other changes include the retention of rental income and any housing sale capital receipts. It is too early to speculate on the financial implications of these proposals for this Council but the outcome of the review will be incorporated into the budget setting process and the HRA business plan.
- 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

(effective from April 2009) and asset management/transfer proposals.

- The Council will face continuing pressure on those income and expenditure budget headings that are driven by external economic factors, including:
  - Utility and fuel costs
  - Salary growth
  - Fees and charges income
  - External contracts
  - Business and drainage rates payable by the Authority
  - Borrowing costs
  - Investment income
- The recession is placing additional pressure on some front line services (e.g. housing and council tax benefits) where residents are affected by unemployment, repossessions and managing increasing amounts of debt.

## **DEVELOPING THE MTFP – HOW THE COUNCIL WILL RESPOND POSITIVELY TO THE KEY ISSUES AND RISKS IDENTIFIED**

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 global credit crunch, economic downturn and increasing demand for service improvements. Against this background, the Council will ensure that revenue and capital resources are carefully targeted at Council priorities by:

- Continuing to improve and strengthen its financial planning and budgeting processes to ensure that the authority is prepared for the significant reduction, in real terms, of Government funding.
- Developing and maintaining sustainable revenue and capital budgets over the period covered by this plan.
- Actively managing aspects of the budget that consists of large amounts of uncontrollable costs in order to ensure the Council can deliver its efficiencies and maintain a balanced budget.
- Ensuring that management processes increasingly cover zero based and priority based budgeting, invest to save projects, sensitivity analysis of high/low spending areas and benchmarking/use of comparatives. We will also include comparisons of transaction/unit costs for high spending and priority areas although this requires some development.
- Carefully reviewing its assumptions about pay and non-pay inflation over the next 3 years.
- Carefully reviewing the level of future increases in Council Tax.

- Amending its treasury management strategy in order to respond positively to the changing economic climate.
- Annually reviewing the level of reserves and balances to ensure that they are sufficient to meet the Council's needs and priorities over the medium term
- Continuing to review the approach to setting fees and charges in order to ascertain the true cost of providing services.
- Continuing to embed the Council's approach to Value for Money across the organisation in order to support the ongoing search for efficiency gains and deliver the Government's annual 3% cashable savings target within the LAA. This increases to 4% from 2010/11.
- Regularly reviewing the Council's Asset Management Plan in order to ensure the use of assets is maximised and reflects the delivery of the Council's priorities.
- Incorporating the climate change and energy efficiency agenda into service planning and identifying the resources needed to deliver this together the financial benefits arising from this agenda.
- Ensuring that the development and delivery of the annual budget is actively supported by Members fully utilising policy development groups and scrutiny that is underpinned by regular training. Also, by the Management Team assuming collective responsibility and ensuring regular consultation with stakeholders and key partners.
- Strengthening 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. In particular, developing a greater understanding of the resources available to partners and how these can be used to deliver agreed priorities.
- Maximising the opportunity to secure Government and/or external funding to underpin partnership working within the revised LAA arena.
- Maximising 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.
- Ensuring that future investment in key services is balanced and clear demonstration of customer improvements is identified.
- Carefully managing the financial modelling and forecasting of the Housing Revenue Account over the short to medium term, having regard to both the updated HRA business plan and the outcome of the stock condition survey.

## **General Fund Revenue Budget**

Appendix A shows the 5 year Money Plan, i.e. the movement in budgets and funding over a 5 year period (2008/09 – 2012/13) and includes the outturn for 2008/09 (pre-audit) and the period covered by this Strategy.

The approved budget for 2009/10 and indicative budgets for 2010/11 and 2011/12 formed part of the Annual Budget & Council Tax Report to Council in March 2009. This includes the last year (2010/11) of the Government's current 3 year grant settlement contained within CSR07. The grant settlement for the next 3 years (CSR10) has yet to be announced so revised assumptions have been made about the level of Government funding for 2011/12 and 2012/13 – the last 2 years covered by this Plan.

### **Sensitivity Analysis**

Within the revenue budget there are a number of income and expenditure headings which are influenced by external factors which will have a direct impact on the budget provision. In light of the current recession and recent forecasts of Government borrowing and spending, some of the assumptions included in the March Budget report have been revised.

### **2009/10 (current year) – revised assumptions and financial implications.**

Since the March Budget Report, the following areas have been materially affected by the continuing economic downturn and other key factors:

Budget Area	Budget Implications +/-	Comments
Building Control & Development Control	Forecast reduced income -£190K	Continuation of downward trend of income resulting from economic climate
Land Charges	Forecast reduced income -£40K	Continuation of downward trend of income resulting from economic climate
Leisure Centres Business Rates	-£180K	Funded from capacity reserve – Report to Council 18th June 2009. This will meet the costs for only a 6 month period (April – September 09)

**3 years from April 2010/11 - the following is a summary of the key areas and new/revised assumptions.**

**Government Grants**

In January 2008 the Government confirmed the amount of formula grant for SKDC for the 3 year period 2008/09 to 2010/11. The assessment from 2011/12 is based on the Government's most recent forecast of public spending and funding and linked to the level of public debt.

<b>CSR07</b>			<b>CSR10</b>	
Year 1	Year 2	Year 3	Year 1	Year 2
Final settlement 2008/09 £m	Final Settlement 2009/10 £m	Provisional Settlement 2010/11 £m	Indicative Settlement 2011/12 £m	Indicative Settlement 2012/13 £m
9.881	10.025	10.147	9.640 – 5% reduction 9.132 – 10% reduction	9.640 9.132 Assume standstill position

As the above table illustrates, from 2011/12 the Council is anticipating a significant real terms reduction in Government funding as explained above. This could be as much as 10% (£1.015m); realistically however, the view is that, in addition to other pressures to improve and develop local services plus the increased efficiency savings target (4%), this would be extremely damaging for local authorities and the development of local communities. Therefore the financial modelling has been developed of a likely 5% reduction in grant from 2011/12.

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 2009/10 and 2010/11, SKDC will receive £49k and £75k respectively for community cohesion and £23k in each year for climate change. No announcement has been made for 2011/12.

In addition, the authority will continue to receive specific grants, for example in respect of housing benefit administration, homelessness, concessionary fares (see below) and housing and planning delivery. No Local Authority Business Growth Incentive (LABGI) grant has been assumed in any of the future budgets.

#### Concessionary Fares

On 1<sup>st</sup> April 2008 a new national scheme was introduced with pass holders able to travel off-peak free of charge on local bus services within England. Within Lincolnshire, a county wide partnership has been established but overall responsibility for administering concessionary travel and its associated costs remains with individual authorities.

To improve efficiency and effectiveness, the Department for Transport (DfT) has decided to consult on a range of options regarding the administrative arrangements (not the overall funding). Any change is likely to be featured in the next Comprehensive Spending Review (CSR10) and take effect from April 2011.

In terms of the funding implications, this could impact on both revenue support (RSG) grant and specific grant funding. It is suggested that based on best and worst case scenario and excluding specific grant funding (£379k in 2008/09), the Council could lose between £500k and £1.3m in RSG from 2011/12. The position will need to be carefully monitored during the summer/autumn of 2009. In terms of this MTFP, it would be prudent to adopt a mid-way position and provide for a real terms reduction in grant funding of £900k from 2011/12.

#### Council Tax

A maximum increase of 3% per annum in council tax income has been assumed throughout the 3 year period plus an annual increase of 1.1% in the council tax base, i.e. net increase in the number of properties. As a guide and using 2009/10, every 1% increase in council tax generates an additional £61k for the Council. Accordingly, the table below sets out an indicative budget requirement to be funded from Council Tax (excluding Parish Precepts).

2009/10 Actual £m	2010/11 Estimate £m	2011/12 Estimate £m	2012/13 Estimate £m
6.087	6.337	6.597	6.867
Annual Increase	£250K	£260K	£270K
% Increase (3% CTax increase + 1.1% increase in base)	4.1%	4.1%	4.1%

### Fees and Charges

The current Fees and Charges Strategy was updated and approved in 2008/09 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 risky and volatile area that will need to be kept under close scrutiny.

Fees and charges represent a significant and important income stream for the Council (£5.5m in 2009/10). During the next 3 years, the Council expects income to continue to be adversely affected by rising unemployment, recession and economic downturn. Some key areas of income such as development control and building control continue to show a downward forecast in 2009/10 and careful monitoring will need to continue to enable correct action to be implemented.

### 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 £1M in 2008/09), having regard to use of reserves, asset sales, capital programme commitments and the latest economic projections but significantly lower returns are expected from 2009/10 (budgeted income £132k).

The sensitivity of the General Fund to changes in interest rates is linked more markedly to investment rather than to the portfolio of borrowing due to its variable nature. Interest rates assumed over the next 4 years, including the current year, are as follows (based on information supplied by the Council's advisors):

	<b>2009/10 %</b>	<b>2010/11 %</b>	<b>2011/12 %</b>	<b>2012/13 %</b>
<b>Interest Rate</b>	1.0	1.5	2.5	4.5

### 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 (HPDG) etc. However in respect of the latter it must be borne in mind that the grant is based on housing market expansion and this will be strongly affected by the economic downturn.

### Salaries inflation forecast

The three year budget forecast has been based on an inflationary increase of 2% for 2010/11; 2% for 2011/12; and 3% for 2012/13. In light of the current RPI and inflation forecasts these increases will need to be reviewed downwards. The actual amount of increase will depend on the national pay settlement. An increase of 1% will result in an additional £140K 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 an inflation increase of 1% for 2010/11 and 2% for each of the following two years. An increase of 1% will result in an additional £10K per annum.

### Utilities and Fuel

The price of oil continues to be volatile which makes budgeting for this expenditure heading extremely difficult. Projections have been based on an increase of 10% for each of the 3 years of the budget. An increase of 1% will result in an additional £20K per annum.

### 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 5%. An increase of 1% will result in an additional annual cost of £6k. However, in respect of business rates it is anticipated that the Council will benefit from the business rate savings in respect of the leisure centres following the implementation of Leisure Trust. However as at July 2009, this has not been concluded although the saving has been incorporated into the budget forecast from 2010/11. In the event that the Trust is not formally given charitable status the revenue budgets will need to be increased to include the business rates. This will have a significant impact on the 2010/11 budgets (and going forward) of approximately £400K per annum.

### Pensions

Following a 'Triennial' Review of the Pension Fund as at March 2007, the contribution rate in 2009/10 remained at 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. Future contribution rates are likely to increase from April 2010 as a result of the continuing economic downturn and lower returns from investments. The precise impact will not be clear until the next triennial revaluation due in March 2010. It is anticipated that the pension reserve will be used to financially contribute towards any increase in employer contribution rates and one-off costs of early retirements.

### 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 revised Debt Management Policy has been approved to ensure and maintain a consistent approach to debt management across the key income recovery services. This will be a key area for review given the current economic climate.

### Staff Turnover/Vacancy Factor

In line with recent policy, throughout the period covered by this Strategy, a workforce efficiency target of 2% of the overall salary budget has been provided. This is in the region of £250k per annum. However if this target was increased to 3% to reflect a recruitment lag in the process then a further £100K per annum can be identified.

### 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, including the revised target from 2010 of 4%. It will also focus on areas of spending where the Council has real control over budgets.

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.

### Public Protection Shared Service

An outline business case has been prepared on a proposal to develop a shared service approach to delivering Environmental Health and Trading Standards services across the county from April 2010. The total annual expenditure on these services across Lincolnshire is £9.5m. The business case is focused on achieving 3 over-arching objectives: improve services to business; improve services to the public; and make efficiency savings.

The case considers a range of options that develop the seven district services, plus trading standards, from where they are now, into a fully integrated PPS service. As at July 2009, detailed

information on costs and savings are not available so it is difficult to assess the extent to which efficiency savings may be realised.

#### Choice Based Lettings (CBL)

In line with the Government's strategy from 2010/11, the additional cost of developing a sub-regional approach with Peterborough City Council and South Holland District Council is being reviewed. At the time of compiling the MTFP no decision has been taken in respect of the future service delivery proposals. However should there be an additional on-going financial implication in respect of a partnership arrangement then this will need to be considered within the context of the current budget pressures.

#### Fleet Management Strategy

The strategy makes provision for a targeted reduction £186k over 5 years in annual running costs, principally arising from the change in the fleet of pool cars. It is proposed to offset these savings against expenditure on carbon management initiatives.

#### Civil Parking Enforcement (CPE)

At the time of compiling the MTFP, work is continuing with Lincolnshire partners to progress the business model for the introduction of civil parking enforcement. There are a number of outstanding issues that will have a financial impact on the Council that will need to be resolved. These include:

- The arrangements for the distribution of any deficits arising from the Lincolnshire scheme
- The payback arrangements for the set up costs
- The administration model in respect of the fines issued
- The impact on car parking charges for off-street

Discussions are continuing and the outcome of the proposals will need to be considered to assess the financial impact on the Council.

### **Summary Budget Position**

- Despite on-going cost pressures and lower than expected income from fees and charges, a balanced budget has been achieved for the current year – 2009/10. The forecast budget position for the next 3 years is set out below, incorporating the issues and assumptions included above and in the financial model. This reveals a significant General Fund budget gap from 2011/12 that will need to be closed.

<b>GENERAL FUND BUDGET SUMMARY</b>	<b>2010/11 Indicative Base £'000s</b>	<b>2011/12 Indicative Base £'000s</b>	<b>2012/13 Indicative Base £'000s</b>
------------------------------------	---------------------------------------	---------------------------------------	---------------------------------------

<b>Net Budget Requirement per March Budget Report (2012/13 = 2011/12 + 2%)</b>	<b>16,581</b>	<b>16,952</b>	<b>17,291</b>
Revenue Support Grant (RSG) (5%)	(10,147)	(9,640)	(9,640)
Adjustment for Concessionary Travel element of RSG (mid range)	0	900	900
Net loss of Specific Concessionary Fares Grant	0	400	400
Council Tax (3% increase + 1.1% base increase)	(6,337)	(6,597)	(6867)
Adjustment for inflation on pay costs (1% increase)	(70)	(70)	70
Adjustment for inflation on non-pay costs	0	(50)	(50)
Reduction in income from Building & Development Control	50	50	50
Reduction in other income	50	50	50
Impact of Proposed Public Protection Shared Service	(100)	(200)	(200)
CBL – development of sub-regional approach	70	70	70
<b>BUDGET DEFICIT (SURPLUS)</b>	<b>97</b>	<b>1865</b>	<b>2074</b>
<b>Increase in Deficit</b>		<b>1768</b>	<b>209</b>

It is clear from the above table that the Council is potentially facing a significant budget shortfall in 2011/12 based on the assumptions given in the MTFP. It is also clear that there is a high level of uncertainty with respect of the key areas of finance (particularly the grant settlement) which results in a wide range of varying financial scenarios.

The best case scenario would be that the grant settlement for the 3 year grant settlement period (CSR10) is in line with inflation (or frozen at the 2010/11 level) and that the concessionary fares administration is retained at district level. This would mean that there would not be a budget gap of any significant size. However it is unlikely that this scenario will materialise at this time.

The worst case scenario is that the grant settlement is reduced by 10% (and not the 5% quoted above). This would add a further £500K to the forecast deficit figures thereby increasing it to £2.365m and £2.574m (2011/12 and 2012/13 respectively). (However, as stated above, in the event the charitable status is not

awarded in respect of the Leisure Trust then an additional £400K per annum will be required for business rates – this is not included in the figures at this time).

### Planning ahead

Robust plans will need to be developed during the current year in order to ensure the Council can deliver a balanced and sustainable budget for 2011/12. The Council has underspent on its revenue budgets for the last few years which would suggest that there is scope within the budget setting process to ensure budgets are accurately set in order to deliver the service objectives and the Council priorities. The list below includes a range of options the Council will need to consider in order to close the forecast budget deficit.

1. Fundamental budget reviews (revenue and capital) – ensuring the allocation of resources is based on priority needs and output delivery linked to customer expectations. The complete alignment of services to demonstrate their underpinning contribution to the Council priority themes. This review will be supported by community consultation (where appropriate)
2. The development and support of proactive budget management by service areas (underpinned by central Finance support).
3. Further roll-out and implementation of zero based budgeting in key service areas (high expenditure services)
4. The removal of non-specific contingency budgets and provisions from the revenue budgets. Fully costed (supported by business case) initiatives to be financed from revenue reserves
5. Reviewing and challenging staff vacancies prior to the recruitment process to ensure it is fully aligned to the Council's priorities. Consideration of fixed term appointments where appropriate.
6. Increase of salary vacancy factor from 2% to 3% by delaying recruitment (in non-service critical areas). This will generate savings of over £100K (based on current spending levels).
7. Detailed analysis of over and under-spending between years to understand the reason for significant variances. In particular, budgets that have tended to underspend in recent years.
8. Lean systems thinking – the Council is committed to the continuation of reviewing service processes in order to remove system waste and duplication thus improving the efficiency of the service and improving the customer experience. Introduction of efficiency targets (linked to financial savings) should be considered as part of all system reviews.

9. Efficiency review – Further development and delivery of an efficiency plan in order to meet the NI179 target. This will deliver £900k in efficiency savings and will ensure that the limited resources are being used to the best effect. Service 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).
10. Determining the financial separation of fixed and variable costs and the relationship between the costs of front line services and back office support functions. This information can be used to assist with the review of service subsidy levels, service reduction and alternative service delivery options.
11. Ensure grant opportunities are identified and incorporated into base budgets for future years thus avoiding the need to build the additional expenditure into the base budgets.
12. Review of indirect taxation opportunities (i.e. service user pays) through fees and charges review
13. Lincolnshire Improvement and Efficiency Programme – the various work-streams will be evaluated to examine the level of efficiencies that may be achieved, e.g. joint procurement.
14. Income generation/optimisation, e.g. by reviewing the level of fees and charges in non-discretionary areas.
15. In-house provided services – the Council provides a number of frontline services together with a number of support services. All services will continue to be benchmarked to evaluate value for money and identify potential for efficiencies through market testing, where appropriate.
16. Overheads – an examination of the Council’s overhead base to establish value for money and opportunities for achieving efficiencies.
17. Asset disposal and property management – with a view to generating greater investment income and reducing revenue-running costs (and releasing capital receipts to support the investment programme). The Council asset portfolio should be fundamentally reviewed to identify:
  - Contribution towards the priority themes
  - The operational costs of holding the asset
  - The maximisation of the income stream (or specified subsidy level)
  - The future use of the asset
  - Investment or surplus asset categorisation

This review should underpin and support the Council’s asset management plan

## **Capital Budget**

Appendix B sets out the 5 Year Money Plan, i.e. the Capital Programme over a 5 year period (2008/09 – 2012/13) and includes the outturn for 2008/09 (pre-audit) and the period covered by this

Strategy. The Programme will be reviewed in September 2009. This needs to be considered in conjunction with the Council's Corporate Plan priorities, Capital Strategy and Treasury Management Strategy that are aligned to the system of capital finance controls set out in the Prudential Code for Capital Finance in Local Authorities (the Code). The Code 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 delivering 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 at least 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 (two priority projects being Grantham Growth and Bourne Core Area), fleet procurement (particularly waste management vehicles) and refurbishing/improving the Council's housing stock. Investment in the total programme is between £8m and £9m per annum.

The capital programme for the General Fund is heavily reliant on useable capital receipts to fund the investment required to deliver its main aims and strategic priorities. The balance of funding is covered by capital grants (for example 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, particularly whole life costings and the corresponding reduction in investment income as a result of a reduction in capital resources 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, robust budget monitoring will be undertaken by the Council's Capital Assets Management Group in order to ensure that capital projects are delivered to the agreed timescale and within budget.

### **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 annually alongside the General Fund and certain elements of the process are carried out simultaneously.

Future annual budgets will need to take account of the outcome of the review of the business plan and the extent to which tenant aspirations can be afforded with the level of resources that can be provided by the HRA. 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 2023/24. This will need to take account of the results of the full stock condition survey that will be completed during 2009/10. The results of the stock condition survey will determine where limited resources will need to be targeted and having regard to the level of investment required it will be important to ensure that tenants are fully consulted on issues relating to affordability.

The Housing minister has recently announced the outcome of the review of Council housing finance arrangements. A consultation paper is now expected seeking views on the key proposals. These include the abolition of the current housing subsidy system offset by a national adjustment of the housing debt between housing authorities. Other changes include the retention of rental income and any housing sale capital receipts. It is too early to speculate on the financial implications of these proposals for this Council but the outcome of the review will be incorporated into the budget setting process and the HRA business plan.

In order to enhance system effectiveness and efficiency and thereby improve tenant experience, a number of service processes are being reviewed as part of the Council's commitment to service improvement. In addition, many of the initiatives outlined to ensure

a balanced General Fund budget will be applied to the HRA in order to ensure it breaks even year on year. This will help to release resources so they may be re-directed at priority areas.

Appendix C sets out the 5 Year Money Plan, i.e. the HRA over a 4 year period (2008/09 – 2012/13) and includes the outturn for 2008/09 (pre-audit) and the period covered by this Plan. This shows that a series of on-going deficits of between £1m and £2m per year has been replaced from 2010/11, with a near break even position. The HRA working balance will be maintained at £5.0m from March 2012 and the balance on the Major Repairs Reserve will reduce to less than £2m by March 2013. 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. 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 2008/9 together with a review during the preparation of the budgets for 2009/10.

The financial risks have been identified and an assessment of the estimated exposure and possible mitigation has been made in the context of the Council's overall approach to risk management and internal financial controls. This information has been used to determine the optimum level of reserve holdings needed to meet the requirements of a working balance and contingency. The conclusion of this risk assessment is that, currently, it is deemed prudent that General Fund reserves are maintained above 5% at £1.5m (8.5% of 2009/10 net operating expenditure) and that the Housing Revenue Account balance is maintained at 5.0m (21.9% of 2009/10 total expenditure).

The total reserves held as at 31<sup>st</sup> March 2009 is £25.3m as follows:

General Fund Reserves	£7.8m
Capital Reserves	£5.9m
Housing Revenue Account	£11.6m

Details of the level of reserves and current estimated movements on reserves from 2009/10 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 protocol for the use of each reserve has also been developed.

In summary, the levels of reserves and balances recommended within this strategy 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 and particularly in the current economic and financial climate 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.

SKDC 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 template incorporates a risk assessment to be completed by Service Managers. Further work is ongoing to embed risk management across the authority, with the creation of an operational risk group.

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 managed as an integral part of the Council's core risk management process.



## APPENDIX A - GENERAL FUND 4 YEAR MONEY PLAN

2009/10 to 2012/13

	2008/09 Outturn	2009/10 Estimate Base	2010/11 Indicative Base	2011/12 Indicative Base	2012/13 Indicative Base
	£'000	£'000	£'000	£'000	£'000
<b>BUDGET REQUIREMENT, INCLUDING BUDGET ASSUMPTIONS -</b>					
<b>Amount to be met from Government grants and Local Taxpayers</b>					
Formula Grant	<b>15,185</b>	<b>16,171</b>	<b>16,581</b>	<b>18,102</b>	<b>18,581</b>
Council Tax Collection Fund Surplus	(9,881)	(10,025)	(10,147)	(9,640)	(9,640)
	(93)	(59)	0	0	0
<b>NET EXPENDITURE (EXC. PARISH PRECEPTS)</b>	<b>5,211</b>	<b>6,087</b>	<b>6,434</b>	<b>8,462</b>	<b>8,941</b>
SKDC Budget Requirement	5,236	5,479	5,696	5,918	6,188
Bourne Special Expense Area	22	24	25	26	26
Deepings Special Expense Area	12	13	13	14	14
Grantham Special Expense Area	398	415	439	465	465
Langtoft Special Expense Area	10	10	11	12	12
Stamford Special Expense Area	141	146	154	162	162
<b>General Fund Expenditure</b>	<b>5,819</b>	<b>6,087</b>	<b>6,337</b>	<b>6,597</b>	<b>6,867</b>
<b>BUDGET SURPLUS/(DEFICIT)</b>	<b>608</b>	<b>(0)</b>	<b>(97)</b>	<b>(1,865)</b>	<b>(2,074)</b>

**APPENDIX B - CAPITAL 4 YEAR MONEY PLAN**

**2009/10 to 2012/13**

	Description	2008/2009 Revised Base Sept £'000	2009/2010 Revised June £'000	2010/2011 Estimate Base £'000	2011/2012 Estimate Base £'000	2012/2013 Estimate Base £'000
<b><u>HOUSING REVENUE ACCOUNT</u></b>						
1	Stock Improvements	7,274	4,156	5,399	5,100	5,100
2	Demolitions	25	-	-	-	-
3	IT Software	213	113	-	-	-
4	Purchase of Vehicles	-	362	26	166	-
<b>5</b>	<b>TOTAL - HOUSING REVENUE ACCOUNT</b>	<b>7,512</b>	<b>4,631</b>	<b>5,425</b>	<b>5,266</b>	<b>5,100</b>
<b><u>OTHER SERVICES</u></b>						
6	Sustainable Communities	2,836	2,954	1,650	2,630	1,630
7	Healthy Environment	410	435	928	698	-
8	Finance and Customer Services	-	320	-	-	-
9	Resources and Organisational Development	748	530	450	595	250
10	Partnerships and Organisational Improvement	272	50	50	50	50
11	Tenancy Services	280	-	-	-	-
12	Indicative Projects (Not yet evaluated)	-	300	175	-	-
<b>13</b>	<b>TOTAL - OTHER SERVICES</b>	<b>4,546</b>	<b>4,589</b>	<b>3,253</b>	<b>3,973</b>	<b>1,930</b>
<b>14</b>	<b>TOTAL - CAPITAL PROGRAMME</b>	<b>12,058</b>	<b>9,220</b>	<b>8,678</b>	<b>9,239</b>	<b>7,030</b>
<b><u>GENERAL FUND FINANCED BY:</u></b>						
15	Supported Borrowing	-	-	-	-	-
16	Unsupported Borrowing	-	-	-	-	-
17	Specific Reserve - Capital	-	2,051	-	-	895
18	Usable Capital Receipts	3,425	1,402	2,499	3,219	781
19	Capital Grants and Contributions					
	- Bourne Core Area	-	-	-	-	-
	- Stamford Recreation Ground Secured Funding	73	-	-	-	-
	- Stamford Recreation Ground Unsecured Funding	37	-	-	-	-
	- Housing Planning Delivery Grant	-	50	-	-	-
	- New Housing Developments Grantham (S106 monies)	200	-	-	-	-
	- Disabled Facility Grant	213	254	254	254	254
	- Regional Housing Grant	490	606	-	-	-
20	Direct Revenue Financing					
	- IT Hardware Replacement Programme	50	-	-	-	-
	- Grantham Christmas Lights	-	10	10	10	-
	- Contribution from Revenue	103	216	490	490	-
<b>21</b>	<b>TOTAL - GF CAPITAL PROGRAMME</b>	<b>4,591</b>	<b>4,589</b>	<b>3,253</b>	<b>3,973</b>	<b>1,930</b>
<b><u>HRA FINANCED BY:</u></b>						
22	Major Repair Reserve	7,512	4,469	5,263	5,266	5,100
23	Capital Grants (Ground Source Heat Pumps)	-	162	162	-	-
<b>24</b>	<b>TOTAL - HRA CAPITAL PROGRAMME</b>	<b>7,512</b>	<b>4,631</b>	<b>5,425</b>	<b>5,266</b>	<b>5,100</b>
<b>25</b>	<b>TOTAL - CAPITAL PROGRAMME</b>	<b>12,103</b>	<b>9,220</b>	<b>8,678</b>	<b>9,239</b>	<b>7,030</b>

**APPENDIX C - HRA 4 YEAR MONEY PLAN**

**2009/10 to 2012/13**

**HOUSING REVENUE ACCOUNT SUMMARY**

	2008/09 Outturn	2009/10 Estimate Base*	2010/11 Indicative Base	2011/12 Indicative Base	2012/13 Indicative Base
		£'000	£'000	£'000	£'000
<b>TOTAL INCOME</b>	(20,707)	(21,744)	(22,847)	(24,018)	(24,500)
<b>TOTAL EXPENDITURE</b>	51,794	23,530	23,110	23,917	24,650
<b>NET COST OF HRA SERVICES</b>	31,087	1,786	263	(101)	150
Return on Assets and Net loss on sale of HRA assets	610	0	0	0	0
Interest Payable and Similar Charges	173	158	123	97	100
Interest and Investment Income	(764)	(121)	(208)	(225)	(250)
<b>DEFICIT (SURPLUS) FOR THE YEAR ON THE HRA</b>	31,106	1,823	178	(229)	0
<b>MOVEMENT ON THE HRA BALANCE</b>					
(Deficit)/Surplus for the Year	(31,106)	(1,823)	(178)	229	0
Transfer from Major Repairs Reserve (Depn less MRA)	1,189	744	30	(7)	0
Other movements on the HRA balance	30,062	0	0	0	0
Revenue Contribution to Capital	0	0	0	(1,000)	0
<b>Housing Revenue Account balance at start of Year</b>	7,031	7,176	6,097	5,949	5,171
<b>Housing Revenue Account Balance at end of year</b>	7,176	6,097	5,949	5,171	5,171

\* This is based on the supplementary estimate report - CHFCS45 which includes Stock Condition Survey

## Appendix D

### Schedule of Main Reserves

<b>Category of earmarked reserve</b>	<b>Rationale</b>
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)	<b>Former Employees</b> – 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. <b>Current Employees</b> – 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.
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
<b>Balances</b>	
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



**APPENDIX E - Reserves Statement**

**2009/10 to 2012/13**

	Balance as at 31 March 2009 £'000	Transfer to Reserve in year £'000	Transfer from Reserve in year £'000	Balance as at 31 March 2010 £'000	Movement on Reserve in year £'000	Balance as at 31 March 2011 £'000	Movement on Reserve in year £'000	Balance as at 31 March 2012 £'000	Movement on Reserve in year £'000	Balance as at 31 March 2013 £'000
<b>General Fund</b>										
<b>Capital Reserve</b>										
General Fund Capital Reserve	2,946	-	(2,051)	895	-	895		895	(895)	-
<b>Revenue Reserves</b>										
Insurance Reserve	546	110	-	656	-	656	-	656	-	656
Pensions Reserve - Former Employees	314	-	(65)	249	(65)	184	(65)	119	-	119
- Current Employees	1,480	-	-	1,480	368	1,848	137	1,985	-	1,985
Building Control	218	-	(54)	164	2	166	9	175	-	175
SEA Reserve	28	25	-	53	32	85	45	130	-	130
Capacity Building, Priority Setting and Service Improvements	1,006	169	(251)	924	0	924	0	924	-	924
	3,592	304	(370)	3,526	337	3,863	126	3,989	0	3,989
<b>Working Balance</b>	<b>2,239</b>		<b>(322)</b>	<b>1,917</b>	<b>100</b>	<b>2,017</b>	<b>100</b>	<b>2,117</b>		<b>2,117</b>
<b>Total General Fund Reserves</b>	<b>8,777</b>	<b>304</b>	<b>(2,743)</b>	<b>6,338</b>	<b>437</b>	<b>6,775</b>	<b>226</b>	<b>7,001</b>	<b>(895)</b>	<b>6,106</b>
<b>Net Movement in General Fund Specific Reserves</b>			<b>(2,439)</b>		<b>437</b>		<b>226</b>		<b>(895)</b>	
<b>Housing Revenue Account(HRA)</b>										
<b>Capital Reserve</b>										
Major Repairs Reserve	6,173	3,628	(4,469)	5,332	(1,316)	4,016	(1,396)	2,620	308	2,928
<b>Working Balance</b>										
Housing Revenue Account	7,176	744	(1,823)	6,097	(148)	5,949	(778)	5,171	-	5,171
<b>Total HRA Reserves</b>	<b>13,349</b>	<b>4,372</b>	<b>(6,292)</b>	<b>11,429</b>	<b>(1,464)</b>	<b>9,965</b>	<b>(2,174)</b>	<b>7,791</b>	<b>308</b>	<b>8,099</b>
<b>Other Capital Reserves</b>										
Useable Capital Receipts Reserve	7,413	1,770	(1,402)	7,781	(1,799)	5,982	(2,519)	3,463	(781)	2,682
<b>Total Other Capital Reserves</b>	<b>7,413</b>	<b>1,770</b>	<b>(1,402)</b>	<b>7,781</b>	<b>(1,799)</b>	<b>5,982</b>	<b>(2,519)</b>	<b>3,463</b>	<b>(781)</b>	<b>2,682</b>
<b>Total Reserves</b>	<b>29,539</b>	<b>6,446</b>	<b>(10,437)</b>	<b>25,548</b>	<b>(2,826)</b>	<b>22,722</b>	<b>(4,467)</b>	<b>18,255</b>	<b>(1,368)</b>	<b>16,887</b>

## **Appendix F**

### **Summary of Key Risks**

	<b>Budget Item</b>	<b>Risk</b>
<b>REVENUE</b>		
1	Pay Awards	Settlements exceed the percentage increase provided for in the budget from 2009/10.
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 June 2009, 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, Business Rates and Rents Income	Failure to achieve collection rate targets which also has a negative cash flow impact
6	Investment Income/ Borrowing Costs	Movement in interest rates - needs to be closely monitored given levels of volatility in the financial markets
7	Income from Fees & Charges/commercial rents:	Further reduction in the usage of the service/activity levels, e.g. car parks, local land charges, planning fees, commercial rents
8	Leisure Trust	Further delay with charitable status award being given to the Leisure Trust resulting in additional revenue costs in respect of the business rates.
9	Refuse Collection/Recycling/ Street Cleansing	The increase in property numbers will result in additional costs pressures that have not been built into the budget
10	Concessionary Fares	Financial implications of the Government's review of administrative arrangements
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 Council assets	Unplanned emergency maintenance is required on the Council's assets
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

	<b>Budget Item</b>	<b>Risk</b>
16	General Fund Efficiency Savings Target	The annual cashable efficiency savings target is not achieved
17	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 3% (currently 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	Debt maturity and impact on GF and HRA	Maturing of borrowing will have a positive impact on the GF but a negative impact on the HRA (through a revised subsidy determination)
26	Reserves & Balances	These fall below a sustainable level having regard to changing needs and priorities
27	Additional service pressures	The Council may need to direct additional financial resources in order to meet increase in customer demand for accessing services
28	Concessionary Fares	Increase in usage resulting from number of passholders resulting in additional operator reimbursement costs. National judicial review of operators' reimbursement rates could impact on locally agreed rates.

<b>CAPITAL</b>		
	<b>Budget Item</b>	<b>Risk</b>
29	External Funding	Loss of anticipated external resources to support the capital programme
30	Capital Expenditure	Slippage in the project; increased project costs; and failure of contractor i.e. contractor goes into liquidation
31	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
32	Improvement Grants	Excessive demands for improvement grants
33	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
34	Stock condition survey	Results from SCS may result in significant financial implications for capital expenditure

## REPORT TO CABINET

REPORT OF: Assets and Resources Portfolio Holder

REPORT NO: CHFCS56

DATE: 3<sup>rd</sup> August 2009

<b>TITLE:</b>	NI179 Value for Money and Efficiency 2008-09 Outturn	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	n/a	
<b>PORTFOLIO HOLDER: NAME AND DESIGNATION:</b>	Councillor Mike Taylor Resources and Assets Portfolio Holder	
<b>CONTACT OFFICER:</b>	Richard Wyles – Corporate Head of Finance and Customer Services 01476 406210 Email: <a href="mailto:r.wyles@southkesteven.gov.uk">r.wyles@southkesteven.gov.uk</a>	
<b>INITIAL IMPACT ASSESSMENT:</b>	Carried out and Referred to in paragraph (7) below:  <b>Equality and Diversity</b>	Full impact assessment Required:  N/A
<b>FREEDOM OF INFORMATION ACT:</b>	This report is publicly available via the Local Democracy link on the Council's website: <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>	
<b>BACKGROUND PAPERS</b>		

### 1. RECOMMENDATION

Cabinet is asked to note the actual savings achieved compared with the target for 2008-09.

## 2. PURPOSE OF THE REPORT/DECISION REQUIRED

During the Comprehensive Spending Review 2004 (CSR04) the Gershon savings agenda was introduced which set an efficiency target of 7.5% over the three year spending period. Each year the Council was required to submit an Annual Efficiency Statement (AES) outlining how it had achieved its annual target. 2007-08 signalled the final year under the AES regime.

For CSR07 the Government looked to enhance the work that was undertaken in CSR04 and has revised the Value for Money targets and efficiency programme. It has introduced an annual 3% per annum cashable efficiency target for the public sector commencing in 2008-09 for a three year period. This target is one of the Local Area Agreement (LAA) targets (NI179) and is 'non-designated' to the Council. NI179 is defined as:

"the total net value of ongoing cash-releasing value for money gains that have impacted since the start of the 2008-09 Financial Year"

As part of the LAA, a County wide target has been set and each Lincolnshire authority has agreed to contribute towards this. Local targets have been agreed over the three year period and the monetary value of these for South Kesteven is £2.492m in total. This comprised of the following annual targets:

- 2008-09: £826,000
- 2009-10: £820,000
- 2010-11: £846,000

In accordance with guidance issued by Communities for Local Government these targets have been calculated based on cumulative 3% of the total General Fund Net Service Expenditure and total capital spend (including HRA) for 2007-08.

However, when the NI179 target was introduced the Government provided a number of options to calculate the local target in order for authorities to agree how much they would contribute to the LAA. For 2008-09 the target was calculated as above but using the average capital spend over CSR07 as this was the initial preferred measure by the LAA. Subsequently during the LAA refresh and after further discussions between authorities the above method has now been agreed which has resulted in a lower base of which to apply the cumulative 3% against. If the 2008-09 base had been restated it would have reduced the target down from £826,000 to £793,000.

It should be noted that while the HRA revenue costs have not been taken into account when calculating the baseline expenditure any efficiencies achieved within the HRA are eligible to be counted towards the annual target.

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

The 2008-09 financial year is the first year of the NI179 indicator and the local target for this year was £826,000. Following a review of the year the Council has identified actual efficiency savings of £826,000 and has therefore successfully achieved its first year target.

The savings achieved has been across both the General Fund and HRA revenue and capital programmes. The table below shows the efficiency gains secured during 2008-09:

<b>Efficiency Area</b>	<b>2008-09 Saving</b>
General Fund Revenue	£331k
HRA Revenue	£249k
Capital	£246K
<b>TOTAL</b>	<b>£826k</b>

There have been a number of initiatives undertaken across the Council which have delivered efficiencies, these include:

- Management fee savings from the set up of the new leisure services contract arrangements.
- Insurance contract renewal leading to reduced price whilst receiving the same level of cover.
- Additional income received in respect of helpline services provided but with no increase in costs.
- Employee cost savings within Sheltered Housing by delivering the same level of service with less staff through redesign in service operation for mobile wardens.
- Improved housing rent collection rates leading to a reduction in the level of arrears. This has been achieved through the reallocation of work areas to increase income recovery rates.
- Efficient management of schemes and contracts have led to a number of savings across the capital programme. These include areas such as; re-roofing programme, resurfacing works, vehicle procurement, canal works and remedial works.

Whilst these savings are predicted to be ongoing in 2009-10 the actual savings achieved will need to be recalculated during the year.

The reporting process for submitting efficiency savings is through the Data Interchange Hub in order for it to be declared as part of the LAA target.

The Council has successfully achieved its target for 2008-09 and is developing action plans for delivering its efficiency savings for 2009-10. 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 and savings are delivered.

#### **4. OTHER OPTIONS CONSIDERED**

N/A

#### **5. RESOURCE IMPLICATIONS**

N/A

#### **6. RISK AND MITIGATION (INCLUDING HEALTH AND SAFETY AND DATA QUALITY)**

N/A

#### **7. ISSUES ARISING FROM EQUALITY IMPACT ASSESSMENT**

N/A

#### **8. CRIME AND DISORDER IMPLICATIONS**

N/A

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

My comments are contained within the body of the report.

#### **10. COMMENTS OF MONITORING OFFICER**

It is essential Cabinet are informed of the efficiencies achieved under the target set by the national indicator 197. Not all savings achieved in the year 08/09 can be guaranteed for subsequent years.

#### **11. APPENDIX**

N/A

## REPORT TO CABINET

**REPORT OF: Corporate Head of Partnerships & Improvement**

**REPORT NO: POI37**

**DATE: 3<sup>rd</sup> August 2009**

<b>TITLE:</b>	<b>Council Performance Indicators 2008/09 End of Year Report</b>	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	N/A	
<b>PORTFOLIO HOLDER: NAME AND DESIGNATION:</b>	Cllr Ray Auger: Access and Engagement	
<b>CONTACT OFFICER:</b>	Sam Selby, Performance Management Officer, Performance Management & Engagement	
<b>INITIAL IMPACT ASSESSMENT:</b>	Not required	Full impact assessment Required: No
<b>Equality and Diversity</b>		
<b>FREEDOM OF INFORMATION ACT:</b>	This report is publicly available via the Local Democracy link on the Council's website: <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>	
<b>BACKGROUND PAPERS</b>	Please refer to report Council Performance Indicators Half Yearly Report (April-September) taken to Cabinet on 3 November 2008	

### 1. RECOMMENDATIONS

- 1.1 That the Cabinet notes the Council's year end performance for 2008/09 (April 2008 – March 2009) and the actions being taken to improve performance.
- 1.2 The Cabinet agree to refer the report to Scrutiny Committee for their consideration.

### 2. PURPOSE OF THE REPORT

Each year, as part of the Council's performance management arrangements the Cabinet agree with the Council's Management Team a number of strategic measures (83) to help manage performance, this list of indicators is drawn from both the national indicators (which central Government request us to collect) and local indicators developed by service managers. Many of them are used to measure progress against the Council's priorities and monthly performance reports are made to the Management Team and to Cabinet members. Each Performance measure is coded with a letter prefix

followed by a number - national indicators (Central Government measures) start with NI and local indicators start with SK.

This report summarises the Council's year end results for 2008/09 of the financial year (April 2008- March 2009) and is designed to help the Cabinet in its function of monitoring the performance of the Council and Cabinet Portfolio Holders. A six monthly progress report on these performance measures was considered by Cabinet on the 3<sup>rd</sup> November 2008.

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

The returns for the year end results have been compiled and compared with the previous year's results and their year-end targets. Where comparisons against targets can be made we managed to exceed or hit our targets on 60% (not including data only measures) of the performance measures, many of the performance measures (some 34) were new national indicators set by the Government so the year has been one of setting baselines in performance. A summary of the main performance issues from the year end (April – March 2009) is shown below and a detailed set of performance tables are attached for further reference.

There are a number of national indicators that have continued from the previous set of Best Value Performance Indicators (BVPI's). These nine national indicators have direct comparisons with BVPI's from 2007/08. The following tables give a brief analysis on how their performance has faired year on year.

<b>Outcome</b>	<b>Number of national indicators</b>
Performance improvement year on year	8
No change in performance	1
Performance down year on year	0

This table shows a breakdown by each of the 9 national indicators and their improvement year on year.

<b>Indicator Description</b>	<b>2008/09 Year end Outturn</b>	<b>2007/08 Year end Outturn</b>	<b>Change (% points)</b>
NI 191 Residual household waste per household	418kgs	452kgs	-7.5 %
NI 192 Percentage of household waste sent for reuse, recycling and composting (Previously BVPI 82a/b)	54.2%	51.3%	+2.9
NI 157a Processing of planning applications: Major applications (Previously BVPI 109a)	66.67%	38.64%	+28.03
NI 157b Processing of planning applications: Minor applications (Previously BVPI 109b)	75.45%	61.09%	+14.36
NI 157c Processing of planning applications: Other applications (Previously BVPI 109c)	91.47%	79.04%	+12.43

Indicator Description	2008/09 Year end Outturn	2007/08 Year end Outturn	Change (% points)
NI 158 % non-decent council homes (Previously BVPI 184a)	2%	2.2%	Reduction of 0.2
NI 5 Overall/general satisfaction with local area – Place Survey (this was last asked in the government survey carried out in 2006/07)	82.7%	78.7%	+4
NI 1 % of people who believe people from different backgrounds get on well together in their local area (this was last asked in the government survey carried out in 2006/07)	81%	77%	+4
NI 196 Improved street and environmental cleanliness – fly tipping (Previously BVPI 199d)	1	1	-

The new national indicators include a number which were obtained by the new 'Place Survey' (carried out by all English local authorities in the autumn 2008). The government published the final results at the end of June 2009 and although the attached table includes these Place Survey indicators a more detailed report on the full results will be presented to cabinet shortly.

### Main Findings from the Year End Performance

#### 3.3 Positive Performance

##### Recycling/Waste Management

- **NI 191** Residual household waste per household – the year end results have shown that the actual weight of waste being collected (418kgs) was less than the projected target of 426kgs per household .This information shows a welcome reduction in the overall amount of waste sent to landfill per household in comparison with the 2007/8 figure of 452kg. This local data is in line with national trends on waste. Levels of residual waste/household sent to landfill from South Kesteven are amongst the lowest in the country and are making a significant contribution to the achievement of national and county-wide objectives designed to minimise the environmental impact of waste disposal.
- **SK 207** Cost of waste collection per household – the year end results of £47.80 was less than the projected target of £49.58 per household. This is a reduction year on year of £1.68 per household. The provisional outturn shows a reduction in the cost of the service in comparison with 2007/8 and 2006/7. This is due to a combination of factors including :
  - the provision of collection services to an increased number of households with limited increase in operational resources
  - increase in recycling income as a result of substantial increases in performance

- a reduction in the number of vehicles leased
- staff reductions through restructure

## Planning

- **NI 157a** Processing of planning applications: Majors – actual 66.67% versus a target of 60%. This performance was 6.67% above the national target set by CLG, a significant increase on our performance in the previous year. Even though there is a significant improvement year on year the measure is performing below the upper quartile of 79.07% but above the bottom quartile of 62.96% (2007/08).
- **NI 157b** Processing of planning applications: Minors – actual 75.45% versus a target of 65%. This performance was 10.45% above the national target set by CLG, a significant increase on our performance in the previous year. Even though there is a significant improvement year on year the measure is performing below the upper quartile of 85.66% but above the bottom quartile of 71.62% (2007/08).
- **NI 157c** Processing of planning applications: Other – actual 91.47% versus a target of 80%. This performance was 11.47% above the national target set by CLG, a significant increase on performance in the previous year. Even though there is a significant improvement year on year the measure is performing just below the upper quartile of 91.82% (2007/08).

There has been focus on planning performance by the Improvement Board over this period. Continued monitoring of performance is necessary to maintain this and to progress to upper quartile levels. The Improvement Board will again meet monthly to give this renewed emphasis. All of these measures will need to maintain the continued improvement in performance to reach upper quartile. Challenging targets have been set for 2009/10 for each of these measures.

## Housing Solutions

- **NI 155** Number of affordable homes delivered – actual 289 versus a target of 150. Performance significantly exceeded target this year. This was primarily as a result of completions on local authority owned sites, and also off-the-shelf acquisitions from developers. Maintaining this level of performance is likely to be challenging going forward because SKDC contributions will cease (our land bank is close to being exhausted) and this will reduce practical opportunities and financial attractiveness of proposals to funders. There may however be opportunities from working with our public sector partners (e.g. County Council) who have land holdings in South Kesteven. The financial climate means that investment partners (i.e. Housing Associations) are constrained in what they are able to deliver without public subsidy.

Proposals are being considered for best approaches to maximize housing delivery in the current climate.

- **NI 156** Number of households living in temporary accommodation – actual 54 vs a target of 75. Positive action has resulted in this indicator returning at significantly lower than the Council's target figure. There has been a proactive approach taken to transferring tenants onto permanent accommodation from insecure tenancies. However our performance failed to meet the Local Area Agreement target of 10 households for this indicator, further work is required to meet this target during the next financial year.
- **NI 187(ii)** Tackling fuel poverty – % of people receiving income based benefits living in homes with a low energy efficiency rating: (ii) High energy efficiency – actual 29% vs a target of 15%. Performance has exceeded target; performance target was set based on information from a county wide survey of private sector housing condition – this is about to be updated with new information; additional grants will be made on the basis of needs as assessed; funding for the works comes mainly from the regional allocation so there is little impact on SKDC budgets and we have been successful in increasing the regional allocation.

### Use of Resources

- **NI 179** Value for money – actual £826,000 vs a target of £826,000. This target is one of the Local Area Agreement (LAA) targets and is 'non-designated' to the Council. As part of the LAA, a County wide target has been set and each Lincolnshire authority has agreed to contribute towards this. Local targets have been agreed over the three year period. For 2008-09 the target contribution for South Kesteven was £826k of which the Council has successfully achieved this.

## 3.4 Year on year Improvement but missed target

### Housing Management

- **SK 323** % rent collection & arrears recovery – actual 97.91% vs a target of 98.90%. Whilst our outturn has not met our target of 98.9% we have improved our performance against 2007/08 by 1.6%. We have also seen an improvement month by month over the year. Actions that have been put in place to help improve performance include:
  - New procedures in place between lettings and payments teams to ensure better communication on termination of tenancies and granting of new ones.
  - Officers now have the facilities to take payments over the phone using the MOTO system.

- Improved monitoring of both rent accounts and performance of the team which enables appropriate action to be taken swiftly.
- Entered into a service level agreement with the CAB to take specific referrals from the neighbourhood team for issues involving debt and/or rent arrears.
- Officers trained on money advice issues.
- **SK 184** % of total tenants with more than 7 weeks of rent arrears – 4.62% vs a target of 4.50%. The rent arrears PIs are very closely linked and measure different elements of overall arrears performance. The actions which have improved year on year performance against SK323 have also improved performance against this indicator from 5.98% in 2007/08 to 4.62% improvement of 1.36%.
- **SK 43** Average length of stay (days) in designated homeless units within SKDC stock (for completed occupancies) – actual 64.6 vs a target of 58 days, improvement year on year 2007/08 93 vs target of 60 days. Overall figure for year impacted by two specific cases where extended stays where necessary because:
  - 1) an applicant was committed to prison and we were not able in law to end the license agreement
  - 2) a homeless person case with high risk issues wherein finding suitable permanent accommodation took 8 months.

### 3.5 Under Performing against targets

#### Managing Sickness

- **SK144/08** The average working days lost due to sickness absence – actual 10.26 vs target of 8 days. This has increased since the end of 2007/8 from 9.98 days per employee to 10.26 days at the end of March 2009. Sickness levels especially of long term ill health (esp. acute illnesses like cancer, surgery) have been abnormally high, and return to work interviews, occupational health monitoring and planned return to work programmes have got staff back to work. Short term sickness absence was high in certain sections. While HR support has been focused on these sections with attendance interviews, team briefings, referrals and formal action taken including employment termination, we have not been able to sustain improvements month on month (HR capacity limitations have impacted on the levels of support available for high sickness services). Latest initiative is that Street scene are due pilot a nurse referral scheme.

#### Use of Resources

- **SK 208** % of Council tax collected – actual 98.2% vs a target of 98.6% down by 0.3% against 2007/08 performance of 98.5%. The actual outturn calculation was determined as part of the closedown of the accounts for 2008/09. The shortfall on the target collection rate was mainly due to the economic downturn, as reflected in national collection rates. The Lincolnshire re-billing in September 2008 also had a detrimental impact on performance.
- **SK209** % of NDR collected – actual 97.5% vs a target of 99.6%. Down by 1.1% against 2007/08 performance of 98.6%. The actual outturn calculation was determined as part of the closedown of the accounts for 2008/09. The drop in the collection rate for 2008/09 was due to the current economic downturn. A number of larger businesses in the district have carried forward significant arrears due to their inability to pay within the billing year.

### **Local Neighbourhood**

- **NI 16** Serious acquisitive crime rate (per 1000 population) – actual 9.61 vs a target 9.41. These figures represent an increase of 27 offences (2.19%) for 08-09. This crime category includes domestic burglary, theft from shops and theft from vehicles. Acquisitive crime has been identified as a priority for the South Lincolnshire community safety partnership which has agreed to:
  - Use Lincolnshire Police's fortnightly tasking process to engage partners and tackle acquisitive crime
  - Commit resources, where required, to tackle acquisitive crime
  - Reduce the rate of serious acquisitive crime
  - Work with public and private sector partners to effectively address acquisitive crime
The police are not intending to set a % or numerical reduction target for 09-10, the measure will be to reduce serious acquisitive crime.

### **4. RESOURCE IMPLICATIONS**

None to report

### **5. RISK AND MITIGATION (INCLUDING HEALTH AND SAFETY AND DATA QUALITY)**

Data Quality is an important part of the Corporate Area Assessment (CAA), this impacts on how we handle our data across the council at all levels not just within performance management.

As part of our current approach to managing the quality of performance information we ask all service managers to complete a year end sign off document for all measures. Service managers are asked to detail what checks they have completed to ensure that the performance data being reported is accurate. Once this document has been completed the data inputter, service manager and corporate head are asked to sign off the document and provide evidence to support this process, these are then forwarded to the Performance Management team.

## **6. ISSUES ARISING FROM EQUALITY IMPACT ASSESSMENT**

None to report.

## **7. CRIME AND DISORDER IMPLICATIONS**

Refer to NI 15, NI16 and NI20 within appendix 1 of this report.

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

From a financial perspective, Cabinet's attention is drawn to the outturn position of SK208 and SK209. These are of particular concern from a cash flow and financial corporate health perspective and work is underway to understand the underlining issues and ensure recovery assistance processes are robust. In respect of NI179 Cabinet is reminded that the amount of efficiencies increases on an annual basis and the Council will need robust plans in order to deliver these challenging targets.

## **9. COMMENTS OF MONITORING OFFICER**

While this report is for information purposes it is important to note that The Local Government and Public Involvement in Health Act 2007 has introduced the requirement to collect certain National Indicators, and the performance that they reveal will be open to scrutiny and evaluation under the new Corporate Area Assessment performance regime.

**Contact: Robert Moreland 01476 406069**  
**e-mail: r.moreland@southkesteven.gov.uk**

## Key to Performance Traffic Light Icons

PI Status	
	This PI is significantly below target.
	This PI is on target.

		PI Status	
	This PI is slightly below target.		This PI is a data-only PI as it has no target set for 2008/09 (measures are new for this year)

## Customer First

Traffic Light Icon	PI Code & Short Name	2008/09		Annual Target 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Note
		Result	LAA Target 2008/09		Result				
	SK139/08b % of customers who are seen within 10 minutes - Grantham CSC only (YTD)	64%		80%					During the year we improved our performance from seeing 53% of all customers in 10 minutes (April 2008) to seeing 72% within 10 minutes (Nov – March). Customer waiting times have also been affected by the redesigned benefits service following the lean review, with benefit claimants now being seen directly by a benefits assessor. The claimants are prepared to wait longer to see an assessor if it means that their claim is dealt with more quickly in the long run. If benefit claimants are excluded from the measure the CSC is managing to see all other customers within 10 minutes.
	SK136b % of calls answered within 28 seconds (YTD)	74%		85%					Call answering performance improved throughout the year from 51 % calls being answered in 28 seconds (April 08) to 83% in March 09. The centre dealt with a number of council wide service initiatives including travel passes and green waste last year. Work to improve demand forecasting and getting the right balance of staff dealing with customers on the phone and face to face continues.
	SK135b % of contacts offered that were abandoned (YTD)	8%		5%					We were not quite able to achieve our abandoned call target for 2008/9 of 5%. Call volumes were higher than anticipated with the centre dealing with a number of new council services such as travel and green waste in the Summer.
	SK26b % calls answered (lines in the CSC only) (YTD)	92%		95%	79%				As above

Traffic Light Icon	PI Code & Short Name	2008/09		LAA Target 2008/09	Annual 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Annual 2007/08	Note
		Value	Value			Value	Value				
	NI 14 Avoidable contact: the proportion of customer contact that is of low or no value to the customer	30.0%									This was a new national indicator for 2008/9 and we used 4 data sets to determine the 'score'. The result is calculated by taking the total number of avoidable contacts as a percentage of those contacts used within this snapshot. A more comprehensive system of capturing this indicator will be implemented in 2009/10.
	SK138b Average transaction time (seconds) (YTD)	223									This was a new local PI in 2008/9 which we trialed to determine its effectiveness. Transaction times remained very constant throughout the year and as such the measure has not really helped us in terms of improving the service. PI to be deleted in 09/10.
	SK137b Average call waiting time (seconds) (YTD)	38									This was a new local PI in 2008/9 which we trialed to determine its effectiveness. The measure has helped us in terms of improving the service. The volume of calls answered and in what service level gives us a better picture of the customer 'experience'. To be deleted in 2009/10 with phone answering measured by SK26 and SK136.

Traffic Light Icon	PI Code & Short Name	2008/09		Annual Target 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Note
		Result	LAA Target 2008/09		Result				
	SK209 % of Non-domestic Rates Collected	97.50%		99.60%	98.60%		99.36%	98.50%	The drop in the collection rate of 1% on the previous year was due to the economic downturn. A number of larger businesses in the district have carried forward significant arrears due to their inability to pay within the billing year.
	NI 172 Percentage of small businesses in an area showing employment growth	27.0%		2.0%					This was a new national indicator for 2008/9 and the method for calculating it was changed by the Office of National Statistics once we had set our target. It shows that just over 1 in 4 small businesses showed employment growth in the year. We now have a baseline of 27% to measure any changes in future years.
	NI 171 New business registration rate	45.0		41.0					This is the number of new businesses for every 10,000 people in the district. A new NI for 2008/9 and it sets a baseline to measure changes in future years.
	NI 151 Overall Employment rate (working-age)	79.1%							A new NI for 2008/9. It sets a baseline to measure changes in the future. We anticipate that because of the wider economic situation employment rates are likely to fall in 2009/10.

## Place Survey

Traffic Light Icon	PI Code & Short Name	2008/09		Annual Target 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Note
		Result	LAA Target 2008/09		Result	Result			
	NI 5 Overall/general satisfaction with local area	82.7%		81%					This measure has increased from 78.7% when it was last reported in 2006/07 as "overall satisfaction with local area as a place to live" from Government BVPI Residents Survey.
	NI 1 % of people who believe people from different backgrounds get on well together in their local area	81%	78%	78%					This measure has increased from 77% in 2006/7 when it was last asked in the national BVPI residents' survey. We met the LAA target.
	NI 4 QoL23 % of people who feel they can influence decisions in their locality	28.2%							These NIs are new for 2008/9 and have been obtained through the new national Place Survey. The results were finally published by the government at the end of June 2009 and a detailed report is being produced for cabinet shortly.
	NI 2 % of people who feel that they belong to their neighborhood	63.6%							As above
	NI 3 Civic participation in the local area	14.7%							As above
	NI 6 Participation in regular volunteering	26.1%							As above
	NI 27 Understanding of local concerns about anti-social behaviour and crime issues by the local council and police	21.3%							As above
	NI 37 Awareness of civil protection arrangements in the local area	16							As above
	NI 139 The extent to which older people receive the support they need to live independently at home	29							As above
	NI 140 Fair treatment by local services	75							As above

Traffic Light Icon	PI Code & Short Name	2008/09		LAA Target 2008/09	Annual 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Annual 2007/08	Note
		Value	Value			Value	Value				
	NI 17 Perceptions of anti-social behaviour	12.3%									As above
	NI 21 Dealing with local concerns about anti-social behaviour and crime issues by the local council and police	22.3%									As above
	NI 22 Perceptions of parents taking responsibility for the behaviour of their children in the area	36.9%									As above
	NI 23 Perceptions that people in the area treat one another with respect and consideration	24.1%									As above
	NI 41 Perceptions of drunk or rowdy behaviour as a problem	23.9%									As above
	NI 42 Perceptions of drug use or drug dealing as a problem	24.4%									As above
	NI 119 Self-reported measure of people's overall health and wellbeing	75.9%									As above
	NI 138 Satisfaction of people over 65 with both home and neighbourhood	87.7%									As above

Traffic Light Icon	PI Code & Short Name	2008/09		Annual Target 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Note
		Result	LAA Target 2008/09		Result	Result			
●	SK179 Plan-making: Milestones Met?	Not met		Met	Met				A delay by the Government Office in publishing their Regional Spatial Strategy led to our 'submission' version of the Core Strategy being delayed by two months. By agreement with government, we are now revising our timetable for producing the Local Development Framework which will take account of elections next year, and the need for additional evidence studies.
●	SK43 Average length of stay (days) in designated homeless units within SKDC stock (for completed occupancies)	64.6		58	93				We succeeded in reducing the time spent in homeless units by nearly 30 days though were not able to meet our target. This was largely due to two specific cases where extended stays were necessary because 1) an applicant was committed to prison and we were not able in law to end the license agreement and 2) a homeless person with high risk issues could not be found suitable permanent accommodation for some 8 months.
●	NI 16 Serious acquisitive crime rate	9.61		9.41					These figures represent an increase of 27 offences (2.19%) on 07-08. This crime category includes domestic burglary, theft from shops and theft from vehicles. It has been identified as a priority for the South Lincolnshire community safety partnership which has agreed to tackle this type of crime by: <ul style="list-style-type: none"> <li>• Using Lincolnshire Police's fortnightly tasking process to engage partners</li> <li>• Commit resources, where required crime</li> <li>• Working with public and private sector partners to effectively address acquisitive crime</li> </ul> The police are not intending to set a % or numerical reduction target for 09-10; the measure will be to reduce serious acquisitive crime.
⚠	SK208 % of Council Tax collected	98.20%		98.60%	98.50%	98.50%	96.55%		The shortfall on the target collection rate was mainly due to the economic downturn, which we expect to be reflected in national collection rates. The Lincolnshire re-billing in September 2008 also had a detrimental impact on performance.
⚠	SK194 Abandoned vehicles - % investigated within 24 hrs	85.30%		100.00%	96.70%	99.71%	87.94%		Of 128 vehicles (in comparison with 218 in 2007/08) reported as abandoned 19 were not inspected within the very tight 24hrs target but 100% were investigated within 25hrs of notification.

Traffic Light Icon	PI Code & Short Name	2008/09		Annual 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Annual 2007/08	Note
		Value	LAA Target 2008/09		Value					
	SK195 Abandoned Vehicles - % removed within 24 hours of required time	100.00%		100.00%	100.00%	100.00%	80.00%	11 vehicles were removed within the target time.		
	SK184 % of total tenants with more than 7 weeks of rent arrears	4.62%		4.50%	5.98%	3.54%	6.95%	The rent arrears PIs are very closely linked and measure different elements of overall arrears performance. The actions which have improved performance against SK323 below have also improved performance against this indicator from 5.98% in 2007/08 to 4.62%		
	SK323 % Rent collected by the local authority as a proportion of rents owed on Housing Revenue Account (HRA) dwellings	97.91%		98.90%	96.31%	98.63%	97.34%	Whilst we missed our target by 1% we did improve our performance on 2007/08 by 1.6%. Actions taken to help improve performance include:	<ul style="list-style-type: none"> <li>• New procedures in place between lettings and payments teams to ensure better communication on termination of tenancies and granting of new ones</li> <li>• Officers now have the facilities to take payments over the phone using the MOTO system.</li> <li>• Improved monitoring of both rent accounts and performance of the team which enables appropriate action to be taken swiftly</li> <li>• Entered into a service level agreement with the CAB to take specific referrals from the neighbourhood team for issues involving debt and/or rent arrears</li> <li>• Officers trained on money advice issues.</li> </ul>	
	NI 193 Percentage of municipal waste land filled	45.80%		45.00%				This result is very close to the target set and demonstrates continued support by the public for the twin bin system and green waste collection.		
	NI 192 Percentage of household waste sent for reuse, recycling and composting	54.20%		55.00%				This result is very close to the target set for 08/09 and demonstrates continued support by the public for the twin bin system and green waste collection. Resources are being focused on increasing public awareness of the wide range of materials that can be recycled to divert even more waste from landfill.		
	NI 158 (BV184a) % non-decent council homes	2.0%		2.0%	2.2%	9.0%	39.0%	This measures the proportion of the council's housing stock that is classed as 'non decent' and which needs to be improved to the 'decent' homes standard by 2010. During the year a further 7 properties were improved to this standard and works carried out to 201 homes to prevent them from becoming non decent after 2010.		

Traffic Light Icon	PI Code & Short Name	2008/09		Annual 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Annual 2007/08	Note
		Value	LAA Target 2008/09		Value					
	NI 196 (BV199d) Improved street and environmental cleanliness – fly tipping	1		3	1		1	3		In 08/09 we carried out 21 investigations, sent 101 warning letters, gave out 4 Fixed penalty notices for misrepresentation of waste, carried out 159 inspections on businesses regarding their trade waste, 1 stop and search exercise, issued one formal caution and completed 1 successful prosecution (which resulted in 80 hours of community service). The collective effect of this activity resulted in the Council achieving the highest level of achievement under this performance indicator.
	NI 170 Previously developed land that has been vacant or derelict for more than 5 years	0.00%		5.00%						There is currently no previously developed land that has been vacant or derelict for more than 5 years as recorded on the National Land Use Database.
	NI 191 Residual household waste per household (kgs)	418		426						This information shows a welcome reduction in the overall amount of waste sent to landfill per household in comparison with the 2007/8 figure of 452kg. This local data is in line with national trends on waste. Levels of residual waste/household sent to landfill from South Kesteven are amongst the lowest in the country and are making a significant contribution to the achievement of national and county-wide objectives designed to minimise the environmental impact of waste disposal.
	NI 154 Net additional homes provided	653		400						Whilst the outturn figure comfortably exceeded the target of 400 net additional units, performance against this indicator is dependant on activity in the housing market. The downturn in the housing market nationally began to impact during 08/09: which can be seen in a comparison with the previous year's performance of over 900 net additional units.
	NI 155 Number of affordable homes delivered (gross)	289		150						Our performance significantly exceeded our target this year which was primarily as a result of completions on LA owned sites, and also off-the-shelf acquisitions from developers. Maintaining this level of performance in 2009/10 will be challenging as our current land bank is used up. The

Traffic Light Icon	PI Code & Short Name	2008/09		Annual 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Annual 2007/08	Note
		Value	LAA Target 2008/09		Value					
Green	NI 156 Number of households living in temporary accommodation	54	10	75						financial climate means that investment partners (i.e. Housing Associations) are constrained in what they are able to deliver without public subsidy. Proposals are being considered on how to maximize housing delivery in the current climate.
Green	NI 159 Supply of ready to develop housing sites	153.0%		90.0%						Positive action has resulted in this indicator returning at significantly lower than the target figure There has been a proactive approach taken to transferring tenants onto permanent from insecure tenancies Further work is required to meet LAA benchmark figures during the next financial year.
Green	NI 195a Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Litter	2%		5%						Good performance is measured where the percentage is 100% or greater with 100% equaling 5 years housing land supply. The deliverable housing land supply in the District currently stands at over 7.5 years, equivalent to 153%. This will be updated following completion of the housing land supply statement for 2009 - 2014.
Green	NI 195b Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Detritus	3%		8%						This indicator was new for 2008/09 and is not a direct comparison with the previous BVPI199 results; however our performance for this year compares favorably to other high performing authorities and forms a baseline for assessment of subsequent performance.
Green	NI 195c Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Graffiti	0%		0%						This indicator was new for 2008/09 and is not a direct comparison with the previous BVPI199 results however the result achieved for this year compares favorably to other high performing authorities and forms a baseline for assessment of subsequent performance.
Green	NI 195d Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Fly-posting	0%		0%						This result is based on the inspection of selected areas of land throughout the year. Whilst a 0% result has been obtained from this assessment process the service is aware that low levels of graffiti incidents do exist. Street Scene staff are now equipped to deal with fly-posting/graffiti on council owned land and encouraged to address problems as they find them.
Green										This result is based on the inspection of selected areas of land throughout the year. Whilst a 0% result has been obtained from this assessment process the service is aware that a low level of incidents of fly-posting does exist. Street Scene staff are now equipped to deal with

Traffic Light Icon	PI Code & Short Name	2008/09		Annual 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Annual 2007/08	Note
		Value	LAA Target 2008/09		Value					
	NI 187(i) Tackling fuel poverty – % of people receiving income based benefits living in homes with a low energy efficiency rating:	11%	12%	12%						fly-posting/graffiti on council owned land and encouraged to address problems as they find them.
	NI 187(ii) Tackling fuel poverty – % of people receiving income based benefits living in homes with a low energy efficiency rating: (ii) High energy efficiency	29%		15%						Performance is just above target (aim is to reduce). Funding for the works comes mainly from the regional allocation so there is little impact on SKDC budgets and we have been successful in increasing the regional allocation.
	NI 186 Per capita reduction in CO2 emissions in the LA area	+ 3.27%								Performance has exceeded target; the target was set based on information from a County wide survey of private sector housing condition – this is about to be updated with new information; additional grants will be made on the basis of needs as assessed; funding for the works comes mainly from the regional allocation so there is little impact on SKDC budgets and we have been successful in increasing the regional allocation.
	NI 197 Improved Local Biodiversity – proportion of Local Sites where positive conservation management has been or is being implemented	88%								Data is collected direct from DEFRA website and is based on estimates for 2006/07 (their data is 2 years in arrears). In comparison with 2005/06 there has been a <i>decrease</i> in carbon dioxide emissions of 3.27%. We are working with Lincolnshire partners to develop a range of actions aimed at raising awareness in the community of the opportunities and benefits of reducing energy consumption, switching to more fuel efficient travel options and making more sustainable purchasing choices as part of a wider strategy to deal with climate change.
										While a full resurvey of sites identified as nature conservation interest has not been completed, 16 sites (10% of the sites to be surveyed) were selected by the Local Wildlife Sites (LWS) Panel to be surveyed. Of these 14 were considered to be in positive conservation management (88%). However, this percentage is likely to fall as the other sites are surveyed and assessed over the next couple of years.

Traffic Light Icon	PI Code & Short Name	2008/09		Annual 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Annual 2007/08	Note
		Value	LAA Target 2008/09		Value					
	NI 15 Serious violent crime rate	.30								A new NI for 2008/9 and a baseline achieved, to assess changes in future years. The community safety partnership have formed a theme group to address violent crime and substance misuse, an action plan will be developed and will include a range of measure to deal with serious violent crime.
	NI 20 Assault with injury crime rate	4.97								A new NI for 2008/9 and a baseline achieved, to assess changes in future years. The community safety partnership have formed a theme group to address this issue, an action plan will be developed and will include a range of measure to deal with assault with injury.

## Quality Organisation

Traffic Light Icon	PI Code & Short Name	2008/09		Annual Target 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Note
		Result	LAA Target 2008/09		Result				
●	SK144 Working Days Lost Due to Sickness Absence	10.26		8.00	9.98	8.32	10.60		Sickness levels especially of long term ill health ( esp. acute illnesses like cancer, surgery) were high last year, and we have worked with our Occupational health service to monitor and plan employees return to work programmes. Short term sickness absence was also high in certain sections like street scene, repairs and improvements and supported housing. HR support has been focused on these sections with attendance interviews, team briefings, referrals and formal action taken including employment termination. We are planning on piloting a nurse referral scheme in the Street scene service.
⚠	NI 188 Planning to Adapt to Climate Change	0	1	1					The authority has completed level 0 of this process based indicator together with a number of aspects of Level 1. <ul style="list-style-type: none"> <li>• Resources have been put in place to lead on carbon Management and climate change adaptation</li> <li>• Relevant document/policies have been identified and subject to a high level review</li> <li>• Plans are in place to complete Level 1 of the self assessment process</li> <li>• The Council signed the Nottingham Declaration</li> <li>• A Carbon Management Plan was adopted in 2008</li> </ul> High level analysis has been carried out of local vulnerabilities and opportunities to the changing climate as part of a county-wide approach to addressing this challenging agenda. Level 1 will be completed by September 2009 and plans are in place to complete level 2 by March 2010.
●	SK170 % capital profile programme delivered on time	85%		95%					Variations to contracts produced legitimate extension of time on a small number of schemes.
✓	SK171 % capital profile programme delivered within budget	100%		95%					This covers significant capital projects (over £100k) and careful monitoring by the Capital and Asset Management Group resulted in the successful delivery of this programme.
●	SK163 % of customers that think the council offers value for money	49%		80%					This question was asked as an extra question in the Place Survey. 49% of the sample size thought that the Council to a great deal or some extent provides good value for

Traffic Light Icon	PI Code & Short Name	2008/09		LAA Target 2008/09	Annual 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Annual 2007/08	Note
		Value	Value			Value	Value				
	SK165a % of customers that have used the website and were satisfied	27.93%			50%					money. The place survey also asked a similar question on the extent the district council provided value for money. 32% strongly or tended to agree. There were replies from 1308 residents.	
	SK165b % of customers that have used the website and were unsatisfied	57.16%			10%					These results were based on Govmetric survey completed by 2327 visitors to website. They relate to the users satisfaction with the particular page they were looking at rather than the site as a whole. 27.93% thought information was good, 14.91% average and 57.16% poor. We recognise that the website needs improving and a redesigned website which is easier to maintain and update is due to be launched in the autumn 2009.	
	SK165c % of customers that have used the website and were indifferent	14.91%			40%					As above	
	SK174 % of invoices paid on time	97.76%		99.50%	98.44%	97.01%	91.42%			This drop in performance has been caused by delays in some invoices being passed through for payment from service areas. Exchequer service staff are reinforcing the importance that invoices for local suppliers are processed in a prompt manner.	
	SK119 % of FOI Enquiries responded to within statutory 20 days	94.4%		99%	100%					198 FOIs were received in the year and all bar 11 were dealt with in the statutory 20 day period (4 extensions of time agreed, 6 over statutory time and 1 exemption considered). Due to the lack of resources, one service found it difficult to collate information in the time required but we are not aware of any complaint to the Information Commissioner being made following these delays.	

Traffic Light Icon	PI Code & Short Name	2008/09		LAA Target 2008/09	Annual 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Annual 2007/08	Note
		Value				Value					
⚠	SK94 % of non operational assets occupied	93.75%			95%	100%				Constant monitoring of lease term and reviewing issues with tenants as they arise has enabled relatively high occupancy to be maintained on an ongoing basis	
✓	NI 157a BV109a Processing of planning applications: Major applications	66.67%			60.00%	38.64%	79.07%	62.96%		Performance at 66.67% for year end was 6.67% above the national target, a significant increase on performance the previous year. There has been sustained challenge to planning performance through the Improvement Board over this period. Continued monitoring of performance is necessary to maintain this and to progress to upper quartile levels. The Improvement Board will again meet monthly to give this renewed emphasis	
✓	NI 157b BV109b Processing of planning applications: Minor applications	75.45%			65.00%	61.09%	83.66%	71.62%		Performance at 75.45% for year end was 10.45% above the national target, a significant increase on performance the previous year. There has been sustained challenge to planning performance through the Improvement Board over this period. Continued monitoring of performance is necessary to maintain this and to progress to upper quartile levels. The Improvement Board will again meet monthly to give this renewed emphasis	
✓	NI 157c BV109c Processing of planning applications: Other applications	91.47%			80.00%	79.04%	91.82%	84.00%		Performance at 91.47% for year end was 11.47% above the national target, a significant increase on performance the previous year. There has been sustained challenge to planning performance through the Improvement Board over this period. Continued monitoring of performance is necessary to maintain this and to progress to upper quartile levels. The Improvement Board will again meet monthly to give this renewed emphasis	
✓	SK182 % Planning appeals allowed	27.6%			30.0%	28.6%	26.7%	39.5%		This performance indicator is set nationally at 30%. Consistent high performance has seen SKDC in the upper quartile of authorities. This indicates that in the majority of appeals the planning inspector has agreed with the decision of the planning authority.	
✓	SK207 Cost of household waste collection	£47.80			£49.58	£49.48	£44.48	£58.18		The provisional outturn shows a reduction in the cost of the service in comparison with 2007/8 and 2006/7. This is due to a combination of factors including : <ul style="list-style-type: none"><li>• the provision of collection services to an increased number of households with limited increase in operational resources</li><li>• increase in recycling income as a result of substantial increases in performance</li><li>• a reduction in the number of vehicles leased</li></ul>	

Traffic Light Icon	PI Code & Short Name	2008/09		LAA Target 2008/09	Annual 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Annual 2007/08	Note
		Value	Value			Value	Value				
											• staff reductions through restructure
	NI 185 CO2 reduction from local authority operations	.0%			.0%						The 08/09 baseline figure for SKDC is 8,660 tonnes (CO2).The recorded figure covers all buildings and transport emissions (Gas, electricity, Diesel, petrol) from SKDC operations and building stock. This baseline forms part of the three year cycle, in which 20010/11 & 2011/12 reduction targets will be measured.
	NI 194a Air quality – % reduction in NOx through local authority's estate and operations	.0%			.0%						The 08/09 baseline figure for SKDC is 12,690 kg (NOx is made up of Nitrogen Di-Oxide and Nitrous Oxide). The recorded figure covers all buildings and transport emissions (Gas, electricity, Diesel, petrol) from SKDC operations and building stock. This baseline forms part of the three year cycle, in which 20010/11 & 2011/12 reduction targets will be measured.
	NI 179 Value for money – total net value of ongoing cash-releasing value for money gains that have impacted since the start of the 2008-09 financial year		826000		826000						This target is one of the Local Area Agreement (LAA) targets and is 'non-designated' to the Council.  As part of the LAA, a County wide target has been set and each Lincolnshire authority has agreed to contribute towards this. Local targets have been agreed over the three year period. For 2008-09 the target contribution for South Kesteven was £826k of which the Council has successfully achieved this.
	SK173 % of assets reviewed for utilization purposes	49%			39%						The target was achieved by mixing and matching large and small buildings in the review process.
	SK164 % of SKDC PR interpretation of negative media coverage	24%			25%						Results are based on analysis of articles in the local press and how they reflect on the organisation's reputation. Outturn is better than target.
	NI 194b Air quality – % reduction in primary PM10 emissions through local authority's estate and operations - Emissions of PM10	.0%			.0%						The 08/09 baseline figure for SKDC is as follows; PM10 emissions = 409 kg The recorded figure covers all buildings and transport emissions (Gas, electricity, Diesel, petrol) from SKDC operations and building stock. This baseline forms part of the three year cycle, in which 20010/11 & 2011/12 reduction targets will be measured.

Traffic Light Icon	PI Code & Short Name	2008/09		Annual 2008/09	2007/08		All England - TQ 2007/08	All England - BQ 2007/08	Annual 2007/08	Note
		Value	LAA Target 2008/09		Value					
	SK215 % of SKDC PR interpretation of positive/neutral media coverage	76%		75%						Results are based on analysis of articles in the local press and how they reflect on the organisations reputation. Outturn is better than target.
	SK216 % of PR articles that provide a FAIR representation on the facts relating to SKDC	100%		90%						Results are based on analysis of articles in the local press and how the press has fairly and accurately reflected the information that we have provided in those articles.
	SK159 % of staff that feel they are well informed about changes that directly effect their work	58.5%								This result is taken from the last set of staff briefings held in January 2008 and we will be reviewing how we capture this information for 2009/10.
	SK160 % of staff that feel they are informed about changes that affect the whole council	51%								This result is taken from the last set of staff briefings held in January 2008 and we will be reviewing how we capture this information for 2009/10.