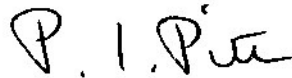


Date: 3 August 2009

Dear Sir/Madam

I hereby summon you to attend a meeting of the **HINCKLEY & BOSWORTH BOROUGH COUNCIL** in the Council Chamber at these offices on **TUESDAY, 11 AUGUST 2009 at 6.30 pm.**

Yours faithfully

A handwritten signature in black ink, appearing to read 'P. I. Pitt', written in a cursive style.

Pat Pitt (Mrs)
Corporate Governance Officer

AGENDA

1. Apologies
2. To be advised of any additional items of business which the Mayor decides by reason of special circumstances shall be taken as matters of urgency at this meeting.
3. To receive verbally from Members any disclosures which they are required to make in accordance with the Council's code of conduct or in pursuance of Section 106 of the Local Government Finance Act 1992. This is in addition to the need for such disclosure to be also given when the relevant matter is reached on the Agenda.
4. To receive such communications as the Mayor may decide to lay before the Council.
5. To receive petitions presented in accordance with Council Procedure Rule number 10.11.
6. To deal with questions under Council Procedure Rule number 11.1.
7. To receive for information only the minutes of the Scrutiny Commission meeting held on 18 June 2009 attached marked C15.

8. Presentations each lasting no more than 10 minutes in duration (including questions) will be received from :-

Youth Council	Show casing of work in form of Annual Report, which will be preceded by a 15 minute 'political speed dating' session with Members.
The Leader of the Council	A 'State of the Borough' presentation will include reference to achievements of the Council in the last year and ambitions for the future.
Chairman of the Scrutiny Commission	Annual report of the Commission attached marked C16.
Voluntary Sector	Annual report by Chief Officer, Voluntary Action, Hinckley and Bosworth attached marked C17.

9. To consider the following reports:-

- (a) Annual report on the Treasury Management Service and Actual Prudential Indicators 2008/09. Attached marked C18. (Pages 1 - 9).
- (b) Capital Programme 2009/10 – 2011/12. Attached marked C19. (Pages 10 - 28).
- (c) Proposed Revisions to the Hinckley and Bosworth Local Development Scheme. Attached marked C20. (Pages 29 - 39).
- (d) Members' IT provision. Attached marked C21. (Pages 40 - 41).

To: All Members of the **HINCKLEY & BOSWORTH BOROUGH COUNCIL**
(other recipients for information).

HINCKLEY & BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

18 JUNE 2009 AT 6.30 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile - Joint Vice-Chairman
Mr P Hall - Joint Vice-Chairman

Mrs S Francks, Mr DM Gould, Mrs A Hall, Mr C Ladkin, Mr K Morrell and Mrs BM Witherford.

Messrs DC Bill and SL Bray were in attendance as invitees to item 7 on the agenda.

Officers in attendance: Mr S Atkinson, Mr Michael Brymer, Mr B Cullen, Mr M Evans, Miss L Horton, Mr SD Jones, Mr S Kohli, Mr D Moore, Ms M O'Hagan, Miss R Owen and Mr TM Prowse.

38 **APOLOGIES AND SUBSTITUTIONS**

Apologies for absence were submitted on behalf of Mr CG Joyce and Mrs S Sprason.

39 **MINUTES (SC1)**

On the motion of Mr Hall, seconded by Mrs Witherford, it was

RESOLVED – the minutes of the meeting held on 7 May 2009 be confirmed and signed by the Chairman.

40 **DECLARATIONS OF INTEREST**

No interests were declared at this stage.

41 **EXTENDED SERVICES STRATEGY FOR CHILDREN AND YOUNG PEOPLE FOR HINCKLEY & BOSWORTH (SC2)**

The new Locality Extended Services for Children & Young People Strategy for Hinckley & Bosworth was presented to the Commission, which had been developed in liaison with a range of partnership organisations and presented through the Local Strategic Partnership and explained the local approach to improving outcomes and access to services for children and young people up to the age of 19.

Mr Gould arrived at 6.42pm.

Members asked how the service would be monitored and progress measured, and in response it was stated that the locality partnership had set up a performance framework. Members asked for a progress report in early 2010 to look at progress against outcomes.

RESOLVED –

- (i) the report be endorsed;
- (ii) a progress report be provided in March 2009.

42 QUESTION AND ANSWER SESSION WITH THE LEADER AND DEPUTY LEADER

The Leader and Deputy Leader of the Council were in attendance to answer questions posed by Members of the Scrutiny Commission with regard to the strategies and direction of the Administration.

Messrs Bill and Bray left the meeting at 7.35pm.

43 HRA CAPITAL PROGRAMME OVERSPEND 2007/08 COST OF INVESTIGATIONS AND MITIGATING MEASURES (SC7)

This report was prepared to follow up the Scrutiny Commission's review of the HRA overspend. It outlined costs of the investigation and mitigation measures put in place following identification of the overspend. It was explained that 'opportunity costs' referred to time spent on the issue by officers, which was additional work and did not take time away from other projects. The majority of work had been funded from other budgets and savings in the HRA revenue programme.

RESOLVED – the report be noted.

44 UPDATE OF CAPITAL PROJECTS (SC8)

Members were advised of progress made with regard to the Atkins Development, Council Offices relocation, Bus Station Development, Hinckley Club for Young People, the Leisure Centre and the sporting hub.

The Atkins Development

It was noted that the initial repairs had been completed and the building was now weathertight and it was anticipated that work on the car park would be brought forward and the car park would be opened to coincide with the Christmas Lights switch-on.

Council Offices

Officers reported that they hoped to move some staff into the top floor Goddard building as anchor tenants on a temporary basis, with capacity for 145 workstations. A longer term solution would then be needed, particularly when the current lease on Florence House expired.

Bus Station

It was stated that the development agreement for the bus station had been finalised and the design had been worked up in more detail. Pre-application events with residents and businesses would soon be taking place with a completion date for the entire project of 2014. Members felt that progress on plans for the bus station should be publicised more so the public were aware that progress was being made.

Hinckley Club for Young People

Members were reminded that planning permission had been granted on 5 May and after commencing the tender process discussions were now underway with the preferred contractor. It was explained that of the £5.7m budget, £4.5m would come from central government My Place funding with the remainder provided by the Borough Council.

Sporting Hub

Ambitious plans for a possible sporting hub alongside the A47 were shown with a wide range of facilities including an athletics track and velodrome, which were endorsed by Members.

Leisure Centre

Due to the re-assessment of the capital programme, it was explained that the decision had been taken to allocate a sum of £560,000 to maintaining and improving the current Leisure Centre, particularly to improve the customer facing areas. It was anticipated that works would commence in September/October 2009 and that the facility would remain open throughout.

RESOLVED – the report and progress made on projects be noted.

45 PERFORMANCE MANAGEMENT AND CORPORATE PLANNING FRAMEWORK (SC3)

Members were provided with the Council's end of year performance position for 2008/09. Members asked if the figures could be compared to the best performing authority in the country and look in more detail at their processes.

Mr Gould left the meeting at 8.26pm and returned at 8.29pm.

RESOLVED – the report be noted.

46 RISK MANAGEMENT FRAMEWORK – END OF YEAR REPORT 2008/09 (SC4)

The Scrutiny Commission was advised of progress made to manage strategic and operational risks and the development of the Council's risk management arrangements.

RESOLVED –

- (i) the Strategic Risk Register be endorsed as an accurate account of the current strategic risks facing the authority;
- (ii) the Risk Management Implementation Plan 2008/09 be endorsed.

47 STREET CLEANSING REVIEW (SC5)

Members were provided with the final report and proposals to improve the Street Cleansing Service. Members were informed that officers would engage with parishes to identify problem areas and to share rotas so they knew when streets in the parish were being cleaned.

A Member expressed concern with regard to the lack of cleanliness in some unadopted roads and asked if anything could be done about this. In response it was stated that the contract only covered public adopted roads. Members were supportive of the review's conclusions and proposals.

Mrs Francks left the meeting at 8.39pm and returned at 8.42pm.

RESOLVED – the findings of the review be endorsed.

48 EXTERNAL FUNDING FOR THE APPOINTMENT OF MASTERPLANNING CONSULTANTS (SC6)

Members were informed of the successful bids for funding towards the sustainable urban extensions for Barwell and Earl Shilton and the Masterplanning Consultant selection. It was explained that the Local Strategic Partnership maintained ownership of the project and key agencies were engaged. In response to a Member's concerns it was stated that the Barwell and Earl Shilton Scrutiny Group would monitor the project.

RESOLVED – the report be noted and recommendations be endorsed.

49 NHS INFORMATION PAPER (SC9)

Further to the Scrutiny Commission's input into the PCT's Community Healthcare review, Members were reminded that the NHS had agreed to now use the Scrutiny Commission as a consultee. An information paper was therefore presented to the Commission to spread awareness of a change to the continence product supply arrangements taking effect in October 2009.

50 OVERVIEW AND SCRUTINY ANNUAL REPORT 2008/09 AND WORK PROGRAMME 2009/10 (SC10)

Members received the draft Annual Report for 2008/09.

RESOLVED – the Annual Report be agreed.

With regard to the draft work programme for 2009/10, it was suggested that LAA2 targets for sport, review of Council Procedure Rules (Constitution), and equalities be included in the work programme. Possible reviews for the year were discussed, including older people, public transport, the GP referral scheme and parking. It was recommended that the topics of Older People and Public Transport should be the two priority areas for review.

RESOLVED – the work programme be agreed and the areas of Older People and Public Transport be reviewed.

51 FORWARD PLAN OF EXECUTIVE AND COUNCIL DECISIONS (SC11)

Members received the Forward Plan of Executive and Council decisions.

RESOLVED – the Forward Plan be noted.

52 MINUTES OF SELECT COMMITTEES

Minutes of the Finance & Audit Services Select Committee held on 29 April 2009 (SC12) were received.

(The meeting closed at 9.05 pm)



Hinckley & Bosworth
Borough Council

Overview and Scrutiny

ANNUAL REPORT
2008/2009

CONTENTS

1. Forward by the Scrutiny Chairman and Vice-Chairmen
2. Introduction to the role of Overview and Scrutiny
3. Achievements in Overview and Scrutiny
4. Select Committees and Panels
5. Future challenges for Overview and Scrutiny

FOREWORD by the Scrutiny Chairman and Vice-Chairmen



Councillor M Lay
Chairman of Scrutiny Commission



Councillor Mrs R Camamile
Vice Chairman of Scrutiny
Commission and Chairman of
Council Services Select
Committee



Councillor P Hall
Vice Chairman of Scrutiny
Commission and Chairman of
Finance and Audit Services Select
Committee

Welcome to Hinckley and Bosworth Borough Council's fifth Overview and Scrutiny Annual Report. We hope that our Annual Report will:

- raise the profile of scrutiny among councillors, officers and the public;
- provide a greater understanding of the role and benefit of scrutiny;
- provide awareness of the role of scrutiny in developing policy and improving performance;
- allow for more effective scrutiny of Executive decisions;

We have an effective overview and scrutiny function that contributes towards the work of the council and its vision. We manage and prioritise the work of overview and scrutiny function through the use of an annual work programme, this also allows the effective 'tracking' of previous decisions. We have received the Forward Plan at each meeting of the Scrutiny Commission, which has assisted us with monitoring the work of the Executive and in many cases has enabled us to be proactive during the policy development stage.

The scrutiny commission continues cross-party working and applies a 'critical friend' approach to scrutiny. An opposition member is chair and has been highly commended by the Centre for Public Scrutiny for his innovative and creative approach to chairing the commission. The Commission has a dedicated research budget and officer support.

We would like to take this opportunity to thank fellow Scrutiny Councillors, Executive members for their support and commitment. We would also like to thank officers for their support and hard work. We look forward to building further on our success in the coming year.

Councillor Matthew Lay

Chairman of Scrutiny Commission

Councillor Ruth Camamile

Vice Chairman of Scrutiny Commission and Chairman of Council Services Select Committee

Councillor Peter Hall

Vice Chairman of Scrutiny Commission and Chairman of Finance and Audit Services Select Committee

INTRODUCTION TO THE ROLE OF OVERVIEW AND SCRUTINY

The Role of Overview and Scrutiny

The objectives of the Council's Overview and Scrutiny function are to:

- provide 'critical friend' challenge to the Executive as well as external authorities and agencies;
- reflect the voice and concerns of our public and our communities;
- lead and own the scrutiny process on behalf of the public; and
- make an impact on the delivery of public services.

The above objectives are the "Successful Scrutiny Criteria" adopted as best practice by the Centre for Public Scrutiny and is used to report achievement in this report.

Further details of the role of scrutiny and the terms of reference for the Scrutiny Commission and the Select Committees are contained in Part 2 Article 6 of the Council's Constitution.

The Structure of Overview and Scrutiny

The Council appoints a Scrutiny Commission, made up of 15 non-executive councillors from all political groups, to ensure the smooth operation of overview and scrutiny and to ensure the Leader of the Council, Portfolio Holders and the Executive are held to account.

The Scrutiny Commission is supported in its role by two permanent select committees:

- Council Services; and
- Finance and Audit Services.

The Scrutiny Commission and Select Committees are also supported by working groups/task groups, during the past year these included:

- E-government Scrutiny Panel;
- Housing Task Group;
- Environment Scrutiny Group
- Barwell and Earl Shilton SUE Scrutiny Group
- LDF Scrutiny Working Group

ACHIEVEMENTS IN OVERVIEW AND SCRUTINY

In November 2005, the Scrutiny Commission reviewed progress of the Overview and Scrutiny Function and in line with best practice, the council's effective scrutiny criteria was refined in line with the principles of Centre for Public Scrutiny's effective scrutiny criteria. The following highlights our achievements under each Principle.

1. PROVIDE 'CRITICAL FRIEND' CHALLENGE TO THE EXECUTIVE AS WELL AS EXTERNAL AUTHORITIES AND AGENCIES

Our Achievements this year include:

- Held a **Question and Answer Session** with the Leader of the Council
- Monitored **annual and monthly capital and revenue outturn** reports the Statement of Accounts and Medium Term Financial Strategy;
- Considered the **General Fund Budget Strategy**, ensuring the Council maintains a strong financial position;
- Reviewed the **Housing Revenue Account Subsidy** and made recommendations
- Reviewed the Annual Tourism Report and requested a **Value for Money Report**
- Endorsed the **Climate Change Action Plan and established an associated Scrutiny Panel**
- Received a report on the proposed allocation of outstanding and new **Planning delivery grant funds**
- Established an Earl Shilton and Barwell Scrutiny Panel to look at the process of Urban Extension
- Received reports and commenced discussions for **joint scrutiny arrangements into discretionary travel**

2. REFLECT THE VOICE AND CONCERNS OF OUR PUBLIC AND OUR COMMUNITIES

Our Achievements this year include:

- Considered the implications arising from **Citizen's Panel consultation** results;
- Commissioned a **research project on income poverty in Hinckley & Bosworth and concluded a Borough Wide Anti Poverty Strategy**
- Consultation results of **Council Priorities and Budget Spend**
- Provided input to **the Local Development Framework** – core strategy development plan and Hinckley Town Centre action plan
- Conducted a review of the **Out of Hours Health Care Provision in the Borough and influenced the review**
- Influenced the **East Midlands Ambulance Service** delivery, improving ambulance provision in the Borough

3. LEAD AND OWN THE SCRUTINY PROCESS ON BEHALF OF THE PUBLIC

Our Achievements this year include:

- **Actively managed** the Overview and Scrutiny Function Work Programme
- Utilised the **£5,000 research and development** fund of the overview and scrutiny function.
- Carried out a **Rural Areas Review**
- Received a report on **the Leicestershire and Rutland Primary Care Trust Community Service Strategy**
- Agreed to act as formal consultee in the **Community Healthcare Review**
- Reviewed the **public consultation of the East Midlands Regional Plan**
- Prepared a procedure to address **Councillors' calls for action**
- Received reports and assisted in the **Beacon award for Community Safety**

4. MAKE AN IMPACT ON THE DELIVERY OF PUBLIC SERVICES

Our Achievements this year include:

- Undertook a focussed and detailed performance **scrutiny of key front line service areas**, including: Grounds Maintenance, Streetscene Services – VFM and service development; Housing repairs and capital and revenue budgets; Review of carparking and Neighbourhood Warden service; Planning and Enforcement appeals; Environmental Health Enforcement Policy and The Economic Regeneration Strategy
- Continued to monitor progress with the development of people management policies and strategies as the Council moves to full **Flexible Working**
- Reviewed **Performance against our stated objectives** in the Corporate Performance Plan and against our Best Value Performance Indicators;
- Considered the **Children and young people strategy incorporating the “hear by right” presentation.**
- Endorsed and congratulated the Council in **achieving Excellent in CPA** recategorisation
- Reviewed the process of **developer contributions** to maximise the impact on improving public facilities
- Reviewed and expressed concern and recommendations for the **Voluntary and Community Sector Consultation/Infrastructure**

SELECT COMMITTEES AND PANELS

COUNCIL SERVICES SELECT COMMITTEE

This year the Council Services Select Committee has delivered its planned work programme, which has enabled us to successfully follow up our recommendations and track improvements in performance.

We are keen to ensure that the Council's key services, which affect the quality of life of the Borough's residents, are continuing to improve and that an appropriate balance is struck between quality and cost.

Our Achievements this year include:

- Monitoring Sickness absence resulting in a dramatic reduction in the number of days per employee
- Proactively monitored and scrutinised the Performance Management Framework
- Received front line reports from Streetscene services, Environmental Health and Revenues and Benefits
- Actively monitored performance against the Corporate Objectives contained in the Corporate Plan with regard to Housing.
- Received reports and challenged major capital projects such as the Leisure Centre

FINANCE AND AUDIT SERVICES SELECT COMMITTEE

Finance and Audit Services Select Committee aims to constructively challenge and investigate the financial stability, probity in corporate governance and full consideration of risks, so that the Council is better placed to face future challenges.

During the year the Finance & Audit Services Select Committee has considered and reviewed a number of matters relating to the financial affairs of the Council.

As in previous years the Select Committee has provided "back-bench" input into the major financial processes of the Council considering the following matters:

- Statement of Accounts
- Review of Revenue and Capital Outturn
- Capital Programme
- Revenue Budget
- Council Tax proposals
- External Auditors ISA 260 letter
- Annual Audit and Inspection Letter
- Quarterly Budget Monitoring
- Prudential Indicators and Treasury Management Policy
- Investment Returns
- Internal Audit plan and reports

- Data Quality Assessments
- Risk Management Framework
- Corporate Governance Statement
- Budget adjustments
- Medium Term Financial Strategy

The Select Committee also received copies of all Internal Audit reports and reviewed the level of Internal Control Assurance that could be derived from each area under audit and monitored the recommendations.

The Select Committee also requested a number of reports on specific areas of concern including

- Housing revenue account
- Programmed works budget
- Sustainability and climate change activities and expenditure
- Succession Planning
- IT Contract Review and Strategy
- Remote Access Review
- Hinckley Town Centre regeneration support project
- Commercial Estates Review
- Allocation of support service costs

FUTURE CHALLENGES FOR OVERVIEW AND SCRUTINY

The Business of Overview and Scrutiny

There are a number of ways through which Overview and Scrutiny can carry out it's business, which can be constantly developed and utilised, these include:

- conducting research and other consultation to assist with the analysis of possible options;
- encouraging and enhancing community participation in the development of Council policy; and
- liaising with other organisations operating in the area, to ensure that the interests of local people are enhanced by collaborative working.

Scrutiny is not restricted in the way it carries out the above tasks:

- it may hold inquiries;
- appoint advisers and assessors;
- make site visits;
- conduct public surveys;
- hold public meetings; and
- commission research.

Call-in

The Council's Executive Portfolio Holders and Chief Officers are required to take decisions based on principles set out in Article 13 of the Council's Constitution. Scrutiny has a role monitoring these decisions and should a scrutiny body or an individual Councillor believe that these principles have not been followed then they have 7 working days from the publication of the decision to "call-in" that decision for further discussion by Scrutiny.

Scrutiny can review the decision, the advice given and the process used for making the decision, e.g. consultation, procedure etc. and if it believes that errors were made in the decision making process it can request that Executive reconsiders the decision or that the decision is considered by full Council.

Councillor Call For Action

This new initiative will enable the Commission to take on individual Ward issues to improve things for the public influencing the Executive and Partners to push solutions.

Overview and Scrutiny and Community Leadership

"Overview and Scrutiny is a key mechanism by which a Council can give life to its Community Leadership role and develop imaginative approaches to the use of the well-being power" (ODPM Development of Overview and Scrutiny in Local Government, September 2002). Scrutiny can engage partners and citizens in the work of the Council and find imaginative ways of researching and consulting.

In addition, Scrutiny is able to use these techniques to monitor and evaluate issues of local concern that fall outside the Council's powers. There are wide ranging provisions to engage with other public bodies, especially relating to health and public safety but also with the voluntary and private sectors. This power gives scrutiny a unique position in terms of being able to inform policy decisions and co-ordinate partnership working on projects, which are important to the Borough as a whole but responsibility for them falls to a wide range of organisations.

Engaging with the Public

The Overview and Scrutiny Function needs to improve its dialogue with the public to ensure that future scrutiny is focussed on the needs and views of the public.

Medium/Long term direction of Overview and Scrutiny

Just as the Council has to look to the medium and long term when planning its business, Overview and Scrutiny needs to be aware of future development and future direction.

The local government white paper has a range of proposals for strengthening overview and scrutiny including:

- to ensure more powerful local leaders are accountable
- more powers to scrutinise other public bodies and require them to attend,
- provide information and respond to recommendations
- encouragement to set up “area” Overview & Scrutiny Commissions
- encouragement to be more strategic & focus on Local Area Agreements

The scrutiny commission will consider its implications as part of its development.

DEVELOPING A WORK PROGRAMME

A structured, focussed and supported scrutiny process, which dovetails into the Council’s wider democratic, performance and financial management processes, provides for an evidence based approach to challenging and developing the Council’s long term vision and priorities.

It is important that officers and members see scrutiny as an integral part of the day job and not an unwelcome “bolt on” which they have no capacity to absorb. The Work Programme, contained as part of this Annual Report, will assist Heads of Service/managers with identifying when to provide reports and information to scrutiny and when to attend.

A work programme for Scrutiny is key to ensuring that Scrutiny’s work is:

- outcome focussed;
- prioritised accordingly;
- resourced properly; and
- project planned properly.

The Work Programme is designed to dovetail into the Annual Report.

The Work Programme must have regard to:-

- Cabinet Forward plan
- Best Value Review Programme
- Current local issues
- Corporate and Service Planning Framework
- Performance Management Framework
- Local Strategic Partnership themes
- The Plans of other organisations.

Time will need to be allocated for dealing with call-in. However, the Forward Plan is used to programme items for policy development and policy review.

The Work Programme has been designed to ensure it is:

- a living document and reviewed at each meeting;
- a management tool not a strait jacket;
- not restricted to just one year, although it is recognised that it is good practice to set out the forthcoming year in some detail, when reviews/work is identified for subsequent years there is provision for this to be included.

The Scrutiny Commission will need to use the Work Programme to decide how many task and finish panels are needed to deliver the programmed. For example, task and finish panels could review and monitor the development of new policies, or scrutinise projects which have missed/likely to miss a target, or decide in advance to track the progress of a small number of key projects.

The Scrutiny Commission this year agreed a set of questions to be considered prior to the adoption of a Work Programme:

- Which issues should be included in the Work Programme?
- How will implementation of the Council's Vision and Improvement Plan be monitored?
- How will Performance Information be received?
- What involvement will there be in the Corporate Planning/budget process?
- How will the Council scrutinise external bodies?
- How will we engage partners and members of the public in the scrutiny process?
- What work will be carried out by the Commission, select committees and task and finish panels and what resource implications will this have?

CONTACTS

Scrutiny Commission, its Panels and Select Committees are directly supported by Corporate & Scrutiny Services, which has responsibility for Scrutiny planning, improvement and research support as well as member development and committee support.

For more information concerning Scrutiny please contact

Louisa Horton
Head of Corporate and Scrutiny Services
Hinckley and Bosworth Borough Council
Council Offices, Argents Mead, Hinckley, Leics. LE10 1BZ
Tel: 01455 255753
Fax: 01455 635692
Email: louisa.horton@hinckley-bosworth.gov.uk

**ANNUAL REVIEW – THE VOLUNTARY SECTOR IN HINCKLEY AND
BOSWORTH – 2008 – 2009**

**REPORT BY THE CHIEF OFFICER, VOLUNTARY ACTION HINCKLEY AND
BOSWORTH**

Background

This is the second annual report to Hinckley and Bosworth Borough Council on behalf of the voluntary sector across the district. This report has therefore been prepared as part of the growing relationship between the council and the voluntary sector. There are 600 voluntary organisations and associations across the Borough who function in their field with the voluntary effort of countless volunteers. Some voluntary organisations employ staff but the vast majority survive from the goodwill of dedicated and committed volunteers – many of whom are unsung heroes and heroines for their years of unstinting service.

A regular glance at the local newspapers, for instance, shows how bereft those papers would be for copy and pictures were it not for the activities of the many and varied voluntary groups covered in the pages of those papers, week in and week out.

Voluntary groups cover the whole gamut of society and social activities – whether it is running the line at a football match, caring for the environment, working with young people, providing people with learning difficulties with social stimulus, conserving the heritage of the area, caring for older people, raising money, running successful community venues, organising major community events or preventing people from entering into drug and alcohol abuse and counselling those that do – the voluntary sector is a broad church. To encompass everything in one report would be impossible.

However, it is possible to give a flavour of what has been happening in the past year.

FUNDAMENTAL CHANGE

There has been a fundamental shift in the way that the voluntary sector is supported with the creation of a central support body, absorbing many functions of Voluntary Action Hinckley and Bosworth. These matters have been discussed and the arguments well rehearsed at both the Scrutiny Committee and at full Council.

On April 1st, Voluntary Action Leicester Shire – a part of Voluntary Action Leicester – took over a large slice of the work of supporting voluntary organisations and recruiting volunteers. It was the culmination of a process of change contemplated four years ago and a gruelling year of negotiation and consultation, after which it is fair to say that the local voluntary sector remains

sceptical about the efficacy of the changes, judging by comments they have made to VAH&B. The new body has to be given time to prove itself but many organisations fear that the systems are not working in their favour.

Some organisations are finding that when people make an enquiry of them through the volunteering website it is not as effective as having the support of a local volunteer centre. The presence of the new body for two hours per week in Hinckley, at the time of writing, remains to be proved and evaluated. One organisation canvassed for their views for this report stated that they “felt alone”.

Voluntary Action Hinckley and Bosworth is now designated as a Community Hub and there is a service level agreement with both County Council and District Council for delivery outcomes. One of the main functions will be to service a District Forum – a meeting, a caucus of voluntary organisations – which it is hoped the Council will embrace and will encourage partners on the Local Strategic Partnership to work closely with.

A number of voluntary organisations report on the effective contribution of their Council nominees to Trustee Boards but a system for report back from those nominees to the Council needs to be strengthened. This is another way in which the Council can hear of the work of the voluntary sector.

As ever, voluntary organisations are reporting that their financial situations are “precarious” or “bleak”. The need to raise funds remains an all absorbing and paramount priority, and it not an easy task. A number of organisations locally, with the support of VAH&B have successfully applied for grants from the Grassroots Foundation. For every success, however, there is a failure and a number of pivotal organisations like Hinckley and District Museum maintain their activities with very little turnover.

The Council themselves have supported a number of organisations recently but there have been others that once supported have not received on going financial support – i.e. Age Concern and the Civic Society. These organisations are fully conscious of the prevailing financial climate but do expect officers and members of the council to practice enlightened civic interest.

The council has proved it can be done! The support for the Young Peoples centre has meant working with a group whose last posted turnover with the Charity Commission was only £24.000 and now there is a multi million pound project that has been secured.

Voluntary organisations appreciate the support of the councillors and officers with whom they work. The Voluntary Sector has contributed enthusiastically and effectively with the significant partnerships – the Local Strategic Partnership, The Community Safety Partnership and the Locality Partnership. Hard work, time and effort has gone into supporting various initiatives associated with these partnerships, especially in the priority neighbourhoods of Bagworth and Thornton, Barwell and Earl Shilton.

CONCLUSION

A vibrant voluntary sector is the hallmark of a civilised society but voluntary organisations and volunteers do not operate in a vacuum. Hinckley and Bosworth Borough Council needs to give a lead to refreshing and renewing its bonds with the sector. After all, Hinckley and Bosworth is a Borough to be proud of exactly because there is a flourishing voluntary sector but it needs nurturing.

RECOMMENDATIONS

1. The Council works with the District Forum on a borough wide conference with the Voluntary Sector to look at common purpose. The last such conference was in November 2007.
2. Create space on the full council agenda for feedback from nominees to charities.

AUTHOR: Greg Drozdz, Chief Officer, Voluntary Action Hinckley and Bosworth. 01455 633002

COUNCIL - 11 AUGUST 2009

REPORT OF THE DIRECTOR OF FINANCE

ANNUAL REPORT ON THE TREASURY MANAGEMENT SERVICE AND ACTUAL PRUDENTIAL INDICATORS 2008/09

1. Purpose

The annual treasury report is a requirement of the Council's reporting procedures. It covers the treasury activity during 2008/09, and the actual Prudential Indicators for 2008/09.

The report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003.

2. Recommendations

That the Council

- Approve the actual 2008/09 prudential indicators within the report.
- Note the treasury management stewardship report for 2008/09.

3. Background

Introduction

This report summarises:

- the capital activity:
 - during the year;
 - what resources the Council applied to pay for this activity;
 - the resultant impact on the Council's indebtedness for capital purposes.
- the impact of this activity on the Council's underlying indebtedness (the CFR);
- the reporting of the required prudential indicators;
- overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
- a summary of interest rate movements in the year;
- the detailed debt activity; and
- the detailed investment activity.

The Council's Capital Expenditure and Financing 2008/09

The Council undertakes capital expenditure on long term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.);
- or

- If insufficient financing is available, or a decision is taken not to apply resources, the expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below also shows how this was financed.

£'000	2007/08 Actual	2008/09 Estimate	2008/09 Actual
Non-HRA capital expenditure	3,484	4,998	4,197
HRA capital expenditure	3,170	2,513	2,522
Total capital expenditure	6,654	7,511	6,719
Resourced by:			
Capital receipts	1,328	3,001	1,756
Capital grants	1,208	1800	1,930
Capital reserves	69	0	243
Revenue	1,934	2,036	1,996
Unfinanced capital expenditure	2,115	664	794

The Council's Overall Borrowing Need

The Council's underlying need to borrow is called the Capital Financing Requirement (CFR). This figure is a gauge for the Council's debt position. It represents 2008/09 and prior years' net capital expenditure which has not yet been paid for by revenue or other resources.

Part of the Council's treasury activities is to address this borrowing need, either through borrowing from external bodies, or utilising temporary cash resources within the Council.

The Non-HRA element of the CFR is reduced each year by a statutory revenue charge (called the Minimum Revenue Provision - MRP). The total CFR can also be reduced by:

- the application of additional capital resources (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

With effect from 1 April 2008 the CLG introduced new MRP Guidance which requires an MRP Policy to be approved by Members. The policy for 2008/09 was approved on 15 April 2008.

The Council's CFR for the year is shown below, and represents a key prudential indicator.

CFR (£m)	31 March 2008 Actual	31 March 2009 Original Indicator	31 March 2009 Actual
Opening balance	9,580	11,436	11,440
add unfinanced capital expenditure (as above)	2,115	664	794
less MRP	258	363	363
Closing balance	11,440	11,737	11,871

Treasury Position at 31 March 2009

Whilst the Council's gauge of its underlying need to borrow is the CFR, the Director of Finance and the treasury function can manage the Council's actual borrowing position by either:

- borrowing to the CFR; or
- choosing to utilise some temporary internal cash flow funds instead of borrowing (under-borrowing); or
- borrowing for future increases in the CFR (borrowing in advance of need).

It should be noted that the accounting practice required to be followed by the Council (the SoRP), changed from the 2007/08 accounts, and required financial instruments in the accounts (debt, investments, etc.) to be measured in a method compliant with national Financial Reporting Standards. The figures in this report are based on the principal amounts borrowed and invested and so may differ from those in the final accounts by items such as accrued interest.

During 2008/09 the Director of Finance managed the debt position to minimise the net cost of borrowing and in January 2009 repaid £2.5m of PWLB debt to reduce interest costs as investment returns had fallen below the cost of borrowing and therefore it was more economic to fund the Capital Financing Requirement from internal sources rather than external borrowing, and the treasury position at the 31 March 2009 compared with the previous year was:

Actual borrowing position £'000	31 March 2008		31 March 2009	
	Principal	Average Rate	Principal	Average Rate
Fixed Interest Rate Debt	5,800	4.64%	3,300	4.55%
Variable Interest Rate Debt	0	N/A	0	N/A
Total Debt	5,800	4.64%	3,300	4.55%
Capital Financing Requirement	11,440		11,871	
Over/(Under) borrowing	(5,640)		(8,571)	
Investment position	31 March 2008		31 March 2009	
	Principal	Average Rate	Principal	Average Rate
Fixed Interest Investments	10,126	5.7%	4,500	3.94%
Variable Interest Investments	0	N/A	0	N/A
Total Investments	10,126	5.7%	4,500	3.94%
Net borrowing position	(4,326)		(1,200)	

Prudential Indicators and Compliance Issues

Some of the prudential indicators provide either an overview or specific limits on treasury activity. These are shown below:

Net Borrowing and the CFR - In order to ensure that borrowing levels are prudent over the medium term the Council's external borrowing, net of investments, must only be for a capital purpose. Net borrowing should not therefore, except in the short term, have exceeded the CFR for 2008/09 plus the expected changes to the CFR over 2009/10 and 2010/11. The table below

highlights the Council's net borrowing position against the CFR. The Council has complied with this prudential indicator.

	31 March 2008 Actual	31 March 2009 Original Indicator	31 March 2009 Actual
Net borrowing position	(4,326)	1,439	(1,200)
CFR	11,440	11,527	11,871

The Authorised Limit - The Authorised Limit is the "Affordable Borrowing Limit" required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The table below demonstrates that during 2008/09 the Council has maintained gross borrowing within its Authorised Limit.

The Operational Boundary – The Operational Boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the Boundary is acceptable subject to the Authorised Limit not being breached.

Actual financing costs as a proportion of net revenue stream - This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2008/09 £'000
Original Indicator - Authorised Limit	15,691
Maximum gross borrowing position	5,800
Original Indicator - Operational Boundary	11,691
Average gross borrowing position	5,383
Financing costs as a proportion of net revenue stream	-5.06%

Economic Background for 2008/09

The 2008/09 financial year has featured one of the most testing and difficult economic and investment environments since the 1930s. It has featured a number of very significant changes in the performance of the UK as well as global economy. And beneath all of this has been the undercurrent of uncertainty and mistrust in the financial markets. This was not an easy backdrop in which to manage an investment portfolio.

The year opened on an uncertain note. The ongoing effects of the "credit crunch" which had started in 2007, prompted a bout of monetary policy easing in early April when the Bank of England cut its Bank Rate by 0.25% to 5%.

But inflation was rising sharply, courtesy of the strength of global commodity and food prices and the very steep rise in oil prices. The CPI inflation measure breached the 3% upper limit of the Governments' target range in April. The Bank was concerned that these external cost pressures could eventually transform into a domestic wage/price spiral and kick start a bout of damaging inflation.

Rates were left on hold through the summer months and there seemed to be some signs of a gradual return to slightly more normal conditions in the money

markets. But this was not to last. Mid-September saw a “sea change” in financial markets and economic policies. The collapse of US investment bank, Lehman Brothers, dealt a devastating blow to the markets. Liquidity dried up almost completely making it extremely difficult for banks to function normally. These developments culminated in the failure of the entire Icelandic banking system in early October.

The failure of the Icelandic banking system had a major impact on local authority investments. A number of local authorities had deposits with Icelandic institutions and these investments are still at risk. At this point in time recovery rates have not been fully disclosed by the respective institutions, although early indicators suggest a good, albeit not 100% recovery. This Council has no investments at risk in Icelandic Banks

The crisis in the financial markets deepened and threatened a complete ‘melt-down’ of the world financial system. This, together with evidence that economies had entered recession prompted a number of significant policy changes. In the UK these featured the following:

- a major rescue package totalling as much as £400bn to recapitalise the banking system
- a series of interest rate cuts down to 2% in early December
- a fiscal expansion package, including a 2.5% cut in VAT.

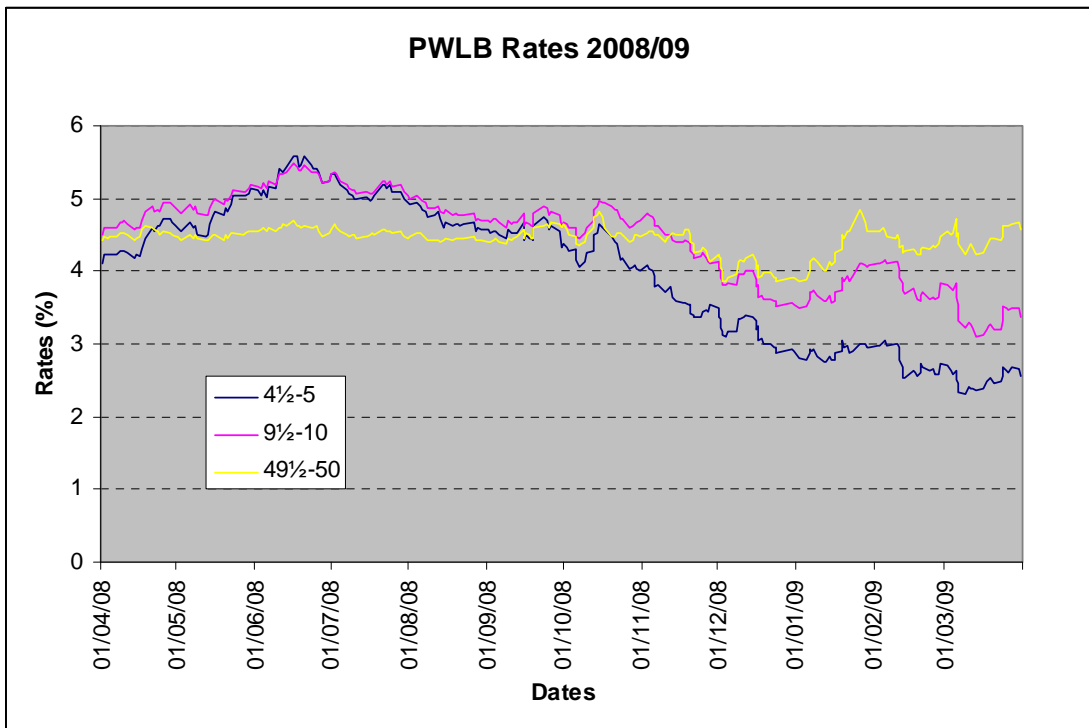
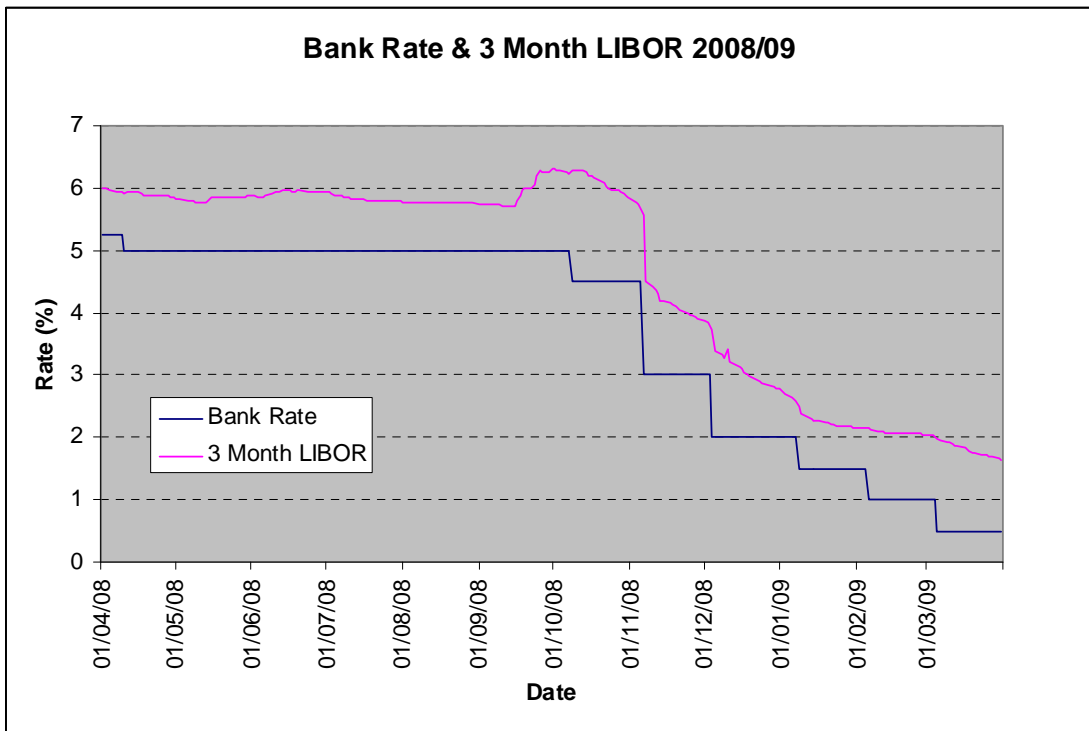
The New Year failed to herald a change in the fortunes of the banking sector. Central banks continued to ease monetary policies in an attempt to reduce borrowing rates and hence alleviate some of the cost pressures being experienced by financial institutions and, more to the point, the corporate and household sectors.

With official interest rates in the US already at close to zero at end-2008, the Bank of England was at the forefront of policy easing. Bank Rate was cut in successive monthly moves from 2% at the outset of the year to the historically low level of 0.5% in March. Thereafter, the Bank resorted to the quantitative easing of monetary policy via a mechanism of buying securities from investment institutions in exchange for cash. This commenced in early March and is expected ultimately to amount to £150bn.

Aside from Bank of England assistance, the central government launched the second phase of its support operations for the banking industry during the second half of January. This failed to allay fears that even more aid might have to be extended to the banking industry before the crisis is over. During the course of the quarter, two major banks, RBS and Lloyds Group, needed substantial cash injections; action that led the public sector to assume near-full ownership. In addition to this, the Dunfermline Building Society was rescued from bankruptcy.

The problems of the financial markets since late 2007 had clearly spread to other parts of the economy. Economic data confirmed that the UK was in deep recession and the latest Bank of England Inflation Report (published in mid-February) registered a marked change in official forecasts for 2009 and 2010. Economic activity was expected to decline sharply (GDP was forecast to contract by more than 4% in 2009) and inflation was projected to fall into negative territory

The generally uncertain backdrop to the UK and the financial markets prevented a marked easing in overall money market liquidity. While the situation did show some signs of improving as the financial year drew to a close, the margin between official interest rates and those quoted in the inter-bank market for periods longer than 1-month remained very wide.



The Strategy Agreed for 2008/09

The strategy provided for 2008/09 expected that if borrowing was to be undertaken then it would be at a time when the Director of Finance considered that it would be most beneficial in terms of periods and interest rates available at the time and taking into account future trends and investments would be maintained in such a manner as to maximise income subject to the overriding constraints of security and liquidity

Actual debt management activity during 2008/09

Repayment - On 28 January 2009 the Council repaid £2.5m at an average rate of 4.75% with breakage costs of £53,000 using investment balances

Summary of Debt Transactions – The overall position of the debt activity resulted in a fall in the average interest rate by 0.09%, representing a net General Fund savings of £2,970 p.a.

Investment Position

Investment Policy – The Council’s investment policy is governed by ODPM (now CLG) Guidance, which has been implemented in the annual investment strategy approved by Council on 15 April 2008. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

Resources – The Council’s longer term cash balances comprise primarily revenue and capital resources, although these will be influenced by cash flow considerations. The Council’s core cash resources comprised as follows, and meet the expectations of the budget:

Balance Sheet Resources (£000)	31 March 2008	31 March 2009
Balances	3,053	3,181
Earmarked reserves	3,209	2,806
Provisions	312	157
Usable capital receipts	7,580	5,922
Total	14,152	12,066

Investments Held by The Council - The Council maintained an average balance of £15.667m of internally managed funds. The internally managed funds received an average return of 5.4%. The comparable performance indicator is the average 7-day LIBID rate, which was 3.57%.

The Economic Background for 2008/09 set out the deterioration in economic conditions during this period. As a result of the deterioration, interest rates fell impacting adversely on investment returns. As a result of the economic situation, the security of banks was called into question, as shown by falling credit ratings for the majority of financial institutions. This increased counterparty credit risk resulted in the Council moving to a net investment position (i.e. repaying debt which reduced investments). As a result the expected principal balances were not as high as originally forecast.

Performance Indicators set for 2008/09

This service has set the following performance indicator

- *Investments – Internal returns above the 7 day LIBID rate*

As can be seen from the paragraph above the Council achieved an average rate of return on its investments of 5.4% as against a 7 day LIBID rate of 3.57%. The Council was helped to achieve this rate of return by the fact that in the early part of the year investments were made for the maximum period of time deemed reasonable given cashflow requirements with a number of “core” investments being made for 364 days which meant that the Council was insulated from the falls in interest rates for some time. As investments matured the impact of the increased counterparty risk was taken into account and investments were made for significantly shorter periods and with more creditworthy institutions, which will have a double impact in that shorter term investments normally yield lower returns and higher rated institutions also pay a lower rate of interest as their risk of default is lower and therefore the risk premium they have to pay is lower. It should be noted that whilst the credit ratings of banks and other financial

institutions have been lowered by the agencies over the last year or so the criteria that the Council has adopted to include counterparties on the approved list has remained the same so that a number of institutions have either been removed from the list altogether or have had their limits reduced as regards the amount the Council will lend to them or the period over which the loan will be made. The Council will only lend to institutions that have what is generally accepted to be high credit ratings or are known to be secure due to the regulatory framework they operate within.

Regulatory Framework, Risk and Performance

The Council's treasury management activities are regulated by a variety of professional codes and statutes and guidance:

- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
- The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing which may be undertaken (although no restrictions were made in 2007/08);
- Statutory Instrument (SI) 3146 2003, as amended, develops the controls and powers within the Act;
- The SI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities;
- The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services;
- Under the Act the ODPM (now DCLG) has issued Investment Guidance to structure and regulate the Council's investment activities.
- Under section 238(2) of the Local Government and Public Involvement in Health Act 2007 the Secretary of State has taken powers to issue guidance on accounting practices. Guidance on Minimum Revenue Provision was issued under this section on 8th November 2007.

The Council has complied with all of the above relevant statutory and regulatory requirements which limit the levels of risk associated with its treasury management activities. In particular its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means both that its capital expenditure is prudent, affordable and sustainable, and its treasury practices demonstrate a low risk approach.

4. FINANCIAL IMPLICATIONS

These are contained in the body of the report

5. LEGAL IMPLICATIONS

There are none

6. CORPORATE PLAN IMPLICATIONS

This report will provide input to all Corporate Aims

7. CONSULTATION

None

8. RISK IMPLICATIONS

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision/project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report/decision were identified from this assessment:

Management of Significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
None		

9. RURAL IMPLICATIONS

There are none

10. CORPORATE IMPLICATIONS

By submitting this report, the report author has taken the following into account:

- Community Safety Implications
- Environmental Implications
- ICT Implications
- Asset Management Implications
- Human Resources Implications

Background Papers: Civica Authority Financials Reports and Statement of Accounts Working Papers

Contact Officer: David Bunker ext 5609

Portfolio Holder: Cllr KWP Lynch

31C11aug09
29.7.09

COUNCIL – 11 AUGUST 2009

REPORT OF DIRECTOR OF FINANCE

RE: CAPITAL PROGRAMME 2009/2010 TO 2011/12

1.0 PURPOSE OF REPORT

1.1 To consider the Capital Programme for the years 2009/10 to 2011/12.

2.0 RECOMMENDATION

2.1 The attached programme (pages 6 to 12) be approved.

2.2 Note the financial implications contained in section 7.

2.3 In order to address the current funding implications as set out in section 7, Members and officers commence work as set out in section 6.4.

3.0 BACKGROUND

3.1 The attached revised programme is based on approved changes after the last report that was presented to council in February 09 and carry forward of projects from current commitments..

4.0 APPROVED CHANGES

4.1 Play builder Queens Park – New Play Area £50,000.

4.2 Earl Shilton Town Centre - Enhancement works following masterplanning £300,000.

4.3 A Capital project to upgrade Barwell Community House - £25,000.

4.4 Earmark £80,000 from the Planning Delivery Reserve to fund the Flexible working project.

The projects above are externally funded and will have no impact on Council resources.

5.0 ADDITIONAL REQUESTS

5.1 Following deferment of the Leisure Centre project additional capital works of £560,000 have been outlined. Funding has already been approved for £350,000. Council are requested to approve the additional resources of £210,000 as outlined in Appendix B.

- 5.2 Re-profile the Business Enterprise Centre Project at the Goddard building, based on the latest schedule of works and agreed spending profile with the funding body.
- 5.3 Re-alignment of the Greenfields Project based on late approval of EMDA grant and expected works.
- 5.4 Reduce the externally funded Decent Homes Capital Project by £100,000 and earmark this for a private sector stock condition survey.
- 5.5 Re-alignment of the HRA capital budgets based on expected programme of works in 2009/10 with no net impact on HRA Resources.
- 5.6 Deletion of the Bus Shelter Enhancements Project - £21,000.
- 5.7 Increase the HR Payroll system project by £2,000 to pay for an additional server (use £2,000 of the Bus Shelter Enhancements project to fund this, with the balance to fund the additional Leisure Centre Enhancements – see Appendix B).
- 5.8 Revise the Parish Community Initiatives Fund Project based on approved grant allocations for 2009/10.

6.0 CAPITAL RECEIPTS

- 6.1 The revised Capital Programme as set out in this report has a shortfall in receipts of £1.5m. This shortfall is due to a reduction in the net amount anticipated to be received from the sale of council dwellings and from the reduction in planned capital receipts from other land disposals.
- 6.2 The £1.5m reduction in funding assumes that the existing Stoke Road site will be sold to fund the existing programme once the Hinckley Club for Young People has relocated to their new site in August 2010. Additionally there is an assumption that the earmarked target from other sales will materialise by 2011/12.
- 6.3 Officers will continue to re-assess the Capital Programme on a quarterly basis and will continue to seek external funding to finance projects where ever possible. Ultimately, once the economic climate has improved, the Council will need to approve land assets for disposal.
- 6.4 To fund the existing capital programme members will have to decide on either / or :-
 - borrow at a cost of approximately 8 per cent (4 per cent set aside to repay debt and 4 per cent interest charge) at an annual on-going cost of £107,699 from 2011/12;
 - deletion of projects from the existing capital programme;
 - agree and approve additional land sales by 2011/12.

To ensure that a robust and affordable capital programme is approved these decisions will have to be finalised and approved by Council in February 2010.

6.5 The attachments are as follows:

Page 5	General Summary with estimated resources.
Page 6 to 12	Individual project costs in Sections 1 to 3 and Housing.
Page 13 to 18	Appendix A – brief description of projects
Page 19	Appendix B – Leisure Centre Funding

7.0 FINANCIAL IMPLICATIONS (IB)

7.1 Capital expenditure has revenue consequences, as it is either necessary to borrow or to reduce investments of cash to meet contract payments.

7.2 If no resources can be earmarked or additional capital receipts realised, the impact of the changes identified will result in additional borrowing of £1,346,242 by 2011/12. The impact on General Fund Revenue would be £17,740 in year 2009/10, £35,612 in year 2010/11 and £107,699 from year 2011/12 onwards.

7.3 Capital Resourcing and Borrowing implications arising from this report will be reflected within the Medium Term Financial Strategy and the Prudential Code (Treasury Management) report.

8.0 LEGAL IMPLICATIONS (AB)

8.1 Contained within the body of the report.

9.0 COPORATE PLAN IMPLICATIONS

9.1 The report provides a refresh of the Council's rolling Capital Programme. Any item included in the programme has to contribute to the achievement of the Council's vision, as set out in the Corporate Performance Plan.

10.0 CONSULTATION

10.1 Expenditure proposals contained within this report have been submitted after officer and member consultation. Appropriate consultation with relevant stakeholders takes place before commencement of individual projects.

11.0 RISK MANAGEMENT

Management of Significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
<p>If the schemes were not implemented this would impact on Service Delivery. It would also mean an inability to meet corporate plan objectives and have an impact on the reputation of the Council.</p> <p>The risk of external funding not being granted. This would result in additional borrowing costs in the short term if funding is delayed or long term if funding is withdrawn.</p>	<p>Projects are to be managed through an officer capital forum group and reported to SLB on a quarterly basis. Monthly financial monitoring statements are provided to project officers and the programme will now be reviewed twice a year.</p> <p>Six monthly review of capital programme would mean that it is easier to switch resources.</p>	<p>Individual Project Officers.</p> <p>Project Officer / Accountancy section</p>

- 11.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 11.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision/project have been identified, assessed and that controls are in place to manage them effectively.

12.0 RURAL IMPLICATIONS

- 12.1 The programme contains schemes, which will assist in rural development. Rural issues will be considered separately for each project.

13.0 CORPORATE IMPLICATIONS

- 13.1 The Council has an agreed corporate approach to project management. This approach has been developed in collaboration with the Leicestershire and Rutland Improvement Partnership. The corporate approach to project management ensures that a consistent and coherent approach is applied across the Council (and across the county).

Background Papers: Capital Estimates August 2009 , Civica Reports
Contact Officer: Ilyas Bham ext. 5924
Portfolio Holder: Cllr Keith Lynch

32C11aug09
31.7.09

CAPITAL ESTIMATES 2008-2009 to 2011-2012 SUMMARY

	TOTAL COST	ESTIMATE 2009-10	ESTIMATE 2010-11	ESTIMATE 2011-12
	£	£	£	
SECTION 1 (Leisure and Environment)	2,439,404	1,285,657	701,347	452,400
SECTION 2 (Planning)	2,469,608	2,122,346	313,576	33,686
SECTION 3 (Central Services)	5,179,096	2,124,016	2,326,080	729,000
Housing (General Fund)	1,222,050	297,350	462,350	462,350
Sub-Total General Fund	11,310,158	5,829,369	3,803,353	1,677,436
Housing Revenue Account	7,869,938	2,697,856	2,594,226	2,577,856
	19,180,096	8,527,225	6,397,579	4,255,292
POTENTIAL REGENERATION	5,703,116	3,472,107	1,329,923	901,086
NON REGENERATION	13,476,980	5,055,118	5,067,656	3,354,206
HBBC TOTAL	19,180,096	8,527,225	6,397,579	4,255,292
Resources : HRA Major Repairs Allowance	6,108,678	2,036,226	2,036,226	2,036,226
Resources : HRA Contribution	0	0	0	0
Resources : Capital Receipt (GF)	186,000	186,000	0	0
Resources : Capital Receipt (HRA)	0	0	0	0
Usable Capital Receipts Reserve	220,000	0	0	220,000
Supported Borrowing GF	319,800	106,600	106,600	106,600
Unsupported Borrowing GF	445,260	168,880	0	276,380
Additional Unsupported Borrowing	373,820	221,740	152,080	0
Unsupported Borrowing HRA	1,116,000	558,000	558,000	0
Contribution from PDG	80,000	80,000	0	0
Contribution from reserves	165,000	130,000	35,000	0
Future Capital Receipts	3,490,000	0	2,445,000	1,045,000
1 Capital Receipts Additional Required	972,422	1,567,672	(265,250)	(330,000)
	13,476,980	5,055,118	5,067,656	3,354,206

1 Assumes upfront use of capital receipts which need to be sold by 2011/12
This is in addition to the Stoke Road site and sales already identified through the Asset Disposals Group

SECTION 1

PROJECT	REGEN- ERATION	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012
LE1 Parish & Community Initiatives Grants Total Annual Expenditure(ALL HBBC)	R	298,120	98,120	100,000	100,000
LE2 Parks Major works (incl project officer) Total Annual Expenditure(ALL HBBC)	R	164,141	64,141	50,000	50,000
LE3 Swallows Green Total Annual Expenditure Less Contributions HBBC Element	R	9,525 (9,525) 0	9,525 (9,525) 0	0	0
LE4 Richmond Park Play Area Total Annual Expenditure(ALL HBBC)	R	168,386	168,386	0	0
LE5 Langdale Rec Total Annual Expenditure Less Big Lottery Total Annual Expenditure(ALL HBBC)	R	34,265 (8,055) 26,210	34,265 (8,055) 26,210	0	0
LE6 Hollycroft Park Total Annual Expenditure Less Breathing Spaces Grant Total Annual Expenditure(ALL HBBC)	R	52,189 (181) 52,008	52,189 (181) 52,008	0	0
LE7 Ashby Road Cemetery Extension Total Annual Expenditure Less Section 106 Total Annual Expenditure(ALL HBBC)	R	131,738 (59,860) 71,878	131,738 (59,860) 71,878	0	0
LE8 Burbage Common Total Annual Expenditure(ALL HBBC)	R	292,000		15,000	277,000
LE9 Memorial Safety Programme Total Annual Expenditure(ALL HBBC)	R	14,468	9,468	5,000	0
LE10 Clarendon Park Total Annual Expenditure	R	9,100	9,100	0	0
LE11 ST Marys Chuch Yard wall Total Annual Expenditure(ALL HBBC)		10,395	10,395	0	0

SECTION 1

PROJECT	REGEN- ERATION	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012
LE12	Recycling Development (Containers) Total Annual Expenditure(ALL HBBC)	61,086	61,086	0	0
LE13	Cemeteries Booking System Total Annual Expenditure(ALL HBBC)	6,344	6,344	0	0
LE14	Churchyard Repairs Total Annual Expenditure(ALL HBBC)	8,521	8,521	0	0
LE15	Hinckley Club for Young People Total Annual Expenditure(ALL HBBC)	1,091,747	635,000	431,347	25,400
LE16	Queens Park Total Annual Expenditure Less contribution HBBC Element	130,800 (25,800) 105,000	5,000 5,000	125,800 (25,800) 100,000	 0
LE17	Recycling containers for kitchen waste Total Annual Expenditure(ALL HBBC)	60,000	60,000	0	0
LE18	Waste Management Vehicle (Multi-occupancy) Total Annual Expenditure Less contribution HBBC Element	70,000 (70,000) 0	70,000 (70,000) 0	 0	 0
LE19	Queens Park Play Area Total Annual Expenditure Less contribution (Playbuilder Grant) HBBC Element	50,000 (50,000) 0	50,000 (50,000) 0	 0	 0
TOTAL GROSS EXPENDITURE		2,662,825	1,483,278	727,147	452,400
LESS TOTAL CONTRIBUTIONS		(223,421)	(197,621)	(25,800)	0
TOTAL HBBC ELEMENT		2,439,404	1,285,657	701,347	452,400
POTENTIAL REGENERATION		2,188,058	1,134,311	601,347	452,400
NON REGENERATION		251,346	151,346	100,000	0
HBBC TOTAL		2,439,404	1,285,657	701,347	452,400

SECTION 2

PROJECT	REGEN- ERATION	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012
P1	R	Borough Improvements			
Total Annual Expenditure		115,114	85,114	15,000	15,000
Less Private contribution		(23,300)	(23,300)	0	0
HBBC Element		91,814	61,814	15,000	15,000
P2		Car Park Resurfacing			
Total Annual Expenditure(ALL HBBC)		38,225	18,225	10,000	10,000
P3		Market Bosworth & Regent St Christmas Lights Infrastructure			
Total Annual Expenditure(ALL HBBC)		5,259	5,259	0	0
P4	R	Goddard Building Conversion			
Total Annual Expenditure		5,503,940	4,526,000	837,940	140,000
Less LSEP Contributions		(2,665,433)	(2,507,069)	(158,364)	
Less Other Contributions		(538,077)	(15,763)	(391,000)	(131,314)
HBBC ELEMENT		2,300,430	2,003,168	288,576	8,686
P5		Land Drainage / Water Courses - Safety Works			
Total Annual Expenditure(ALL HBBC)		2,880	2,880	0	0
P6		Bus Shelter Enhancements			
Total Annual Expenditure(ALL HBBC)		21,000	21,000	0	0
P7		Sustainable Energy Projects			
Total Annual Expenditure(ALL HBBC)		10,000	10,000	0	0
P8		Earl Shilton Town Centre Enhancements			
Total Annual Expenditure		300,000	300,000		
Less contributions		(300,000)	(300,000)		
HBBC ELEMENT		0	0	0	0
TOTAL GROSS EXPENDITURE		5,996,418	4,968,478	862,940	165,000
LESS TOTAL CONTRIBUTIONS		(3,226,810)	(2,846,132)	(549,364)	(131,314)
TOTAL HBBC ELEMENT		2,769,608	2,122,346	313,576	33,686
POTENTIAL REGENERATION		2,392,244	2,064,982	303,576	23,686
NON REGENERATION		77,364	57,364	10,000	10,000
HBBC TOTAL		2,469,608	2,122,346	313,576	33,686

SECTION 3

PROJECT	REGEN- ERATION	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012
ASSET MANAGEMENT					
CS1	Asset Management Enhancements				
	Total Annual Expenditure(ALL HBBC)	707,080	612,080	95,000	0
CS2	C C T V : Equipment Replacement				
	Total Annual Expenditure(ALL HBBC)	12,814	12,814	0	0
CS3	Web 2008/09				
	Total Annual Expenditure(ALL HBBC)	11,281	11,281	0	0
INFORMATION TECHNOLOGY					
CS4	General Renewals				
	Total Annual Expenditure(ALL HBBC)	42,000	14,000	14,000	14,000
CS5	Rolling Server Review				
	Total Annual Expenditure(ALL HBBC)	90,000	30,000	30,000	30,000
CS6	Financial System				
	Total Annual Expenditure(ALL HBBC)	24,822	24,822	0	0
CS7	Customer Services Project				
	Total Annual Expenditure(ALL HBBC)	37,189	37,189	0	0
CS8	Members IT				
	Total Annual Expenditure(ALL HBBC)	40,632	40,632	0	0
CS9	Flexible Working Project				
	Total Annual Expenditure(ALL HBBC)	1,000,000	380,000	620,000	0
CS10	Leisure Centre				
	Total Annual Expenditure(ALL HBBC)	3,000	3,000	0	0
CS11	GIS Upgrade				
	Total Annual Expenditure(ALL HBBC)	67,090	67,090	0	0
CS12	HR/Payroll				
	Total Annual Expenditure(ALL HBBC)	19,368	19,368	0	0

SECTION 3

PROJECT	REGEN- ERATION	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012
CS13	Greenfields Development				
	Total Annual Expenditure	5,500,000	1,300,000	2,830,000	1,370,000
	Less LSEP contribution	(2,750,000)	(650,000)	(1,415,000)	(685,000)
	HBBC Element	2,750,000	650,000	1,415,000	685,000
CS14	Restructure - Capital Costs				
	Total Annual Expenditure(ALL HBBC)	373,820	221,740	152,080	0
TOTAL GROSS EXPENDITURE		7,929,096	2,774,016	3,741,080	1,414,000
LESS TOTAL CONTRIBUTIONS		(2,750,000)	(650,000)	(1,415,000)	(685,000)
TOTAL HBBC ELEMENT		5,179,096	2,124,016	2,326,080	729,000
POTENTIAL REGENERATION		12,814	12,814	0	0
NON REGENERATION		5,166,282	2,111,202	2,326,080	729,000
HBBC TOTAL		5,179,096	2,124,016	2,326,080	729,000

GENERAL FUND HOUSING

PROJECT	REGEN-ERATION	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012
H 1 Major Works Assistance	R				
Total Annual Expenditure		570,000	190,000	190,000	190,000
Less Government Grant		(100,000)	(100,000)		
HBBC ELEMENT		470,000	90,000	190,000	190,000
H 2 Minor Works Assistance	R				
Total Annual Expenditure		270,000	90,000	90,000	90,000
Less Government Grant		(20,000)	(20,000)		
HBBC ELEMENT		250,000	70,000	90,000	90,000
H 3 Care & Repair Improvement Agency					
Total Annual Expenditure(ALL HBBC)		112,050	37,350	37,350	37,350
H 4 Disabled Facilities Grants	R				
Total Annual Expenditure		750,000	250,000	250,000	250,000
Less Government Grant		(360,000)	(150,000)	(105,000)	(105,000)
HBBC ELEMENT		390,000	100,000	145,000	145,000
H 5 Decent Homes Projects					
Total Annual Expenditure		434,051	434,051		
Less Contributions		(434,051)	(434,051)		
Total Annual Expenditure(ALL HBBC)		0	0	0	0
TOTAL GROSS EXPENDITURE		2,136,101	1,001,401	567,350	567,350
LESS TOTAL CONTRIBUTIONS		(914,051)	(704,051)	(105,000)	(105,000)
TOTAL HBBC ELEMENT		1,222,050	297,350	462,350	462,350
POTENTIAL REGENERATION		1,110,000	260,000	425,000	425,000
NON REGENERATION		112,050	37,350	37,350	37,350
HBBC TOTAL		1,222,050	297,350	462,350	462,350

HOUSING REVENUE ACCOUNT (CAPITAL PROJECTS)

PROJECT	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012
HRA PROJECTS				
Adaptations for Disabled People	1,071,444	357,148	357,148	357,148
Kitchen Improvements	744,318	248,106	248,106	248,106
Central Heating Replacement	847,866	282,622	282,622	282,622
Low Maintenance Doors	127,005	42,335	42,335	42,335
Electrical Testing / Upgrading	327,315	109,105	109,105	109,105
Major Void Enhancements	2,856,398	1,026,676	923,046	906,676
Programmed Enhancements	1,610,481	536,827	536,827	536,827
Single to Double Glazing	186,369	62,123	62,123	62,123
Re-roofing	98,742	32,914	32,914	32,914
	7,869,938	2,697,856	2,594,226	2,577,856
Barwell Community House	25,000	25,000	0	0
Less Contributions	(25,000)	(25,000)	0	0
Expenditure Barwell Community House (HBBC)	0	0	0	0
TOTAL GROSS EXPENDITURE	7,894,938	2,722,856	2,594,226	2,577,856
LESS TOTAL CONTRIBUTIONS	(25,000)	(25,000)	0	0
TOTAL HBBC ELEMENT	7,869,938	2,697,856	2,594,226	2,577,856
POTENTIAL REGENERATION	0	0	0	0
NON REGENERATION	7,869,938	2,697,856	2,594,226	2,577,856
HBBC TOTAL	7,869,938	2,697,856	2,594,226	2,577,856

	Approved Element
Approved - Asset Mangement Enhancements (Leisure Centre Element)	350,000
Required - Asset Mangement Enhancements (Leisure Centre Element)	560,000
Additional Requirement	210,000
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Asset Management Enhancement Savings	-9,014
Parish Community	-15,740
Bus Shelter Enhancements	-19,000
Leisure Centre Project	-76,675
Planning Delivery Grant Capital Funding	-80,000
Earmarked Funding	-200,429
<hr/>	
Additional Borrowing	9,571

Appendix B

Description of Projects

SECTION 1: Leisure and Environment

- LE1 Parish & Communities Initiatives Fund:** A grant scheme for applications from Parishes and Community organisations towards capital projects, which address deficits in the provision of leisure or cultural facilities. This will improve leisure facilities for local people, significantly add to the need for a Fair Deal for Rural Communities and improve local pride.
- LE2 Parks Major Works (incl. project officer):** Programme of works to refurbish / replace hard landscape features such as fencing, pathways, CCTV, walls, benches, bins in parks. This will remove the degradation that is both aesthetically intolerable and could lead to health and safety / insurance implications.
- LE3 Swallows Green:** Provide play equipment for infant and juniors and multi-games area for use by young people.
- LE4 Richmond Park Play Area:** Develop facilities for children and young people. For example, new children's play area and multi-games area.
- LE5 Langdale Rec:** Install new play area offering a range of equipment for children and young people.
- LE6 Hollycroft Park:** Historic park in need of restoration to original glory. Basic infrastructure is decaying and in need of investment. The park is of high value as an outdoor venue for the arts and community events. However, facilities including tennis courts, bowling green, pitch and putt course, bandstand, water feature, pathways and horticultural features are all in need of improvement.
- LE7 Ashby Rd Cemetery Extension:** There is a need for new burial land at Hinckley Cemetery.
- LE8 Burbage Common:** Visitor facilities at site need improvement to respond to needs of local people.
- LE9 Memorial Safety Programme:** Repair memorials of heritage and amenity value.
- LE10 Clarendon Park (Leisure Services project):** Provide multi-games area and other facilities for teenagers and young people as well as developing the site as a centre for football excellence.
- LE11 St. Marys Church Yard Wall:** St Mary's wall condemned as a dangerous structure by HBBC Building Control Officers. Continue with five-year repair programme with arboriculture works.
- LE12 Recycling Development:** Purchase of Recycling Receptacles to increase Borough recycling. Recently the collection of cardboard has been added to that of garden waste.

- LE13 Cemeteries Booking System:** Purchase new system to enable electronic bookings including memorial inspection data capture and search facilities for the deceased.
- LE14 Churchyard Repairs:** Repairs to retaining walls, pathways, fences, railings etc within closed churchyards. Project submitted after structures were identified as being in need of repair and as the result of surveys by a structural engineer.
- LE15 Hinckley Club for Young People:** Grant towards bespoke new youth club facility targeting children and young people from one of the priority neighbourhoods.
- LE16 Queens Park:** Refurbishment of Park to provide a neighbourhood / community park for this part of Hinckley. To include children's play area, facilities for young people, landscaping, paths, signage etc.
- LE17 Recycling Containers for Kitchen Waste:** Provision of recycling containers for households, and bring-sites at supermarket car parks and other agreed open spaces.
- LE18 Waste Management Vehicle:** Funding will purchase a new Recycling Vehicle dedicated to serve hard to reach properties such as apartments and single occupier type developments that currently cannot be accommodated on the current kerbside recycling service.
- LE19 Queens Park Play Area:** A new play facility at Queens Park that will replace the existing play area which is in need of modernisation.

SECTION 2: Planning

- P1 Borough Improvements:** The budget for this series of smaller scale environmental improvements across the Borough has been retained. Some projects stand alone. Others are contributions towards larger schemes.
- P2 Car Park Resurfacing:** This is required to ensure proper management of Council assets and to improve the town centre.
- P3 Market Bosworth & Regent St Christmas Lights Infrastructure:** Upgrade Christmas Lights infrastructure to meet with LCC and Health & Safety standards.
- P4 Goddard Building Conversion:** Conversion of Goddard Building into an Innovation Centre.
- P5 Land Drainage/Watercourses Safety Works:** Works to reduce the risk of flooding under the Land Drainage Act 1991 e.g. Mill Street Barwell and at council balancing lagoons and watercourses. e.g. Brookside Park.
- P6 Bus Shelter Enhancements:** Essential health and safety, maintenance and improvement works to be carried out on existing bus shelters in the District.
- P7 Sustainable Energy Projects:** This project will support community engagement in relation to sustainable energy in the borough. It will be used to 1) Support a Leicestershire based loan scheme available to homeowners to assist insulation of homes. 2) Funding to support the existing Energy Vision Loan Scheme run in conjunction with Care & Repair (West Leicestershire) Ltd.
- P8 Earl Shilton Town Centre Enhancements:** Growth point funding for the regeneration of the centre of Earl Shilton. Consultants will work closely with Planning Officers, County Council and other Stakeholders to produce a masterplan that is community-led.

SECTION 3: Central Services

- CS1 Asset Management Enhancement Schemes:** These schemes have evolved to tackle accumulated repairs and necessary improvements to provide substance to the Borough Council's Asset Management Plan. It is to ensure that the council's property portfolio is maintained to the required standards in order to provide and run efficient professional services.
- CS2 CCTV – Equipment Replacement:** Capital provision for the replacement of the monitoring equipment and mobile cameras followed by phase 1 of the replacement of the static cameras.
- CS3 Web 2008-09:** Further development work on HBBC web site.
- CS4 General Renewals:** Operational, ad hoc, and small scale technological renewals not covered by specific capital projects.
- CS5 Rolling Server Review:** To expand and support corporate server elements.
- CS6 Financial Systems:** The replacement of the existing financial package with one that supports e-commerce. The current package provides functionality relating to the General Ledger, Accounts Payable (Creditors), Accounts Receivable (Debtors) and Purchase Order Processing. The replacement package will provide the same functionality but allow many of the transactions to be dealt with electronically.
- CS7 Customer Services Project:** To create a Contact Centre and CRM system capable of realising defined service resolution targets, and which delivers a more effective service through the use of technology and re-engineering of current processes.
- CS8 Members IT:** Development of IT services for Members. Requirements will be addressed once member feedback has been received.
- CS9 Flexible Working Project:** The implementation of more flexible ways of working in order to achieve service improvements and efficiencies and to achieve a better work/life balance for individuals which will lead to retention of staff and reduced absenteeism.
- CS10 Leisure Centre:** To either provide a new leisure centre for the area or a complete refurbishment of the existing building.
- CS11 GIS Upgrade:** Creation of an intranet and internet based GIS system. The intranet system will allow all employees to access the wealth of GIS data currently available. This will include Mosaic social profiling data to aid decision-making. The purchase of this is also included within the project. The Internet GIS system will allow the public to search for services and report issues, including plotting incidents on a map to aid swifter response.
- CS12 HR/Payroll:** Procurement of integrated HR and Payroll system meeting the corporate aim of investment in people.

CS13 Greenfields Development: The development will encompass 35,000 square feet of industrial accommodation, which will include sustainable features such as timber cladding and grey water harvesting.

CS14 Restructure – Capital Costs: The Council has recently undertaken a review of its structure and a number of redundancies have taken place. A capitalisation direction will be sought from CLG to allow the authority to capitalise some or all of the costs involved.

HOUSING GENERAL FUND

- H1 Major Works Assistance:** Means tested grants to improve properties in line with the Government's statutory & 'decent homes' standard up to the value of 20k. They are available to owners who have owned and lived in their property for more than 3 years and are on means tested benefits in low value properties.
- H2 Minor Works Assistance:** Means tested grants to improve properties in line with the Government's statutory & 'decent homes' standard up to the value of 5k. They are available to owners who have owned and lived in their property for more than 3 years and are on means tested benefits in low value properties.
- H3 Care and Repair Improvement Agency:** This capital programme will fund our Home Improvement Agency, a not for profit, locally based organisation that assists vulnerable homeowners or private sector tenants who are older, disabled or on low income to repair, improve, maintain or adapt their home.
- H4 Disabled Facilities Grants:** The Government requires that disabled facilities grants are offered in certain prescribed circumstances, namely the adaptation of dwellings for people with a disability.
- H5 Decent Homes Project:** Specific Funding received for achieving private sector Decent Homes standard. The Housing Task Group approves allocation for this budget.

HOUSING REVENUE ACCOUNT CAPITAL PROJECTS

The Housing Revenue Account capital projects on Council dwellings are designed to provide and sustain good quality public sector housing that meets the tenants' needs. The HRA element aims to meet and sustain the Decent Homes standard and to provide affordable housing, as a continuation of HBBC's landlord function and responsibilities.

COUNCIL – 11 AUGUST 2009

REPORT OF THE DIRECTOR OF COMMUNITY AND PLANNING SERVICES

RE: PROPOSED REVISIONS TO THE HINCKLEY AND BOSWORTH LOCAL DEVELOPMENT SCHEME

1. PURPOSE OF REPORT

- 1.1 To present proposed revisions to the Hinckley and Bosworth Local Development Scheme (LDS) and obtain Members agreement prior to bringing forward a detailed LDS and notifying the Secretary of State of the Council's intentions to bring the LDS into effect.

2. RECOMMENDATION

- 2.1 It is recommended that Members
- i) Consider the implications of the two options proposed in the Report in respect of taking forward the Site Allocations Development Plan Document.
 - ii) Agree the proposal to revise the milestones relating to the Site Allocations Development Plan Document.
 - iii) Agree to the additional proposed changes to the Local Development Scheme to reflect progress to date and the introduction of the new Documents identified in the Report.
 - iv) Agree that following discussions with the Government Office for the East Midlands a detailed LDS be drawn up and reported to Council prior to undertaking submission to the Secretary of State.

3. BACKGROUND TO THE REPORT

- 3.1 The LDS was introduced by the Planning and Compulsory Purchase Act (2004) to provide an assessment of progress on local development documents contained within the Local Development Framework (LDF). All Local Planning Authorities are required to prepare a LDS, which sets out a 3 year rolling programme for the production of each document identified in the scheme. This will constitute the Councils LDF. The current LDS came into effect in January 2007 and it is now appropriate for it to be revised and rolled forward.

3.2 To date the Council has made several achievements in which the Hinckley and Bosworth LDS has brought into effect the following documents:

- Statement of Community Involvement (SCI) was adopted in November 2006.
- Burbage Village Design Statement Supplementary Planning Document (SPD) was adopted in June 2006.
- Shopping and Shop Fronts Supplementary Planning Document (SPD) was adopted in October 2007.
- Affordable Housing Supplementary Planning Document (SPD) was adopted in April 2008.
- Sustainable Design Supplementary Planning Document (SPD) was adopted in April 2008.
- Play and Open Space Developer Contributions Supplementary Planning Document (SPD) was adopted in September 2008.
- Hinckley Town Centre Strategic Transport Development Contributions (SPD) was adopted on 28th April 2009.

3.3 The Council has made progress on the following documents:

- Core Strategy Development Plan Document (DPD) has been through Examination in May 2009 and the Inspectors interim report is due at the end of August 2009. With an addendum report on affordable housing due in November / December 2009.
- Hinckley Town Centre Area Action Plan Development Plan Document (DPD) has already gone out for pre-submission consultation and will be submitted to the Secretary of State in late Summer 2009.
- Site Allocations and Generic Development Control Policies Development Plan Document (DPD) preferred options has been out for consultation after going through Council in January 2009. The eight week consultation period ended on 6th April 2009.
- Ratby Village Design Statement Supplementary Planning Document (SPD) preferred options was reported to Planning Committee in April and went out for consultation in June 2009

4. **REVIEW**

4.1 The following section of the report provides further details on the need for revising the LDS.

4.2 **Annual Monitoring Report**

4.2.1 In addition to the above documents the Council is required to prepare an Annual Monitoring Statement (AMR) which, amongst other requirements, highlights and reviews progress in preparing local development documents against the approved LDS. The AMR is submitted to Government at the end of each calendar year. In relation to progress reported on the LDS it was noted that all of the development plan documents have met their targets to date as have the majority of supplementary planning documents. However, three supplementary planning documents missed their milestones. Overall progress on plan making has been excellent. The Council is one of the first Authorities in the East Midlands to take its Core Strategy through examination in May 2009.

4.3 **Site Allocations**

4.3.1 The Site Allocations and Generic Development Control Policies Development Plan Documents have been merged to reduce the number of DPDs being consulted on in quick succession. It was originally intended for these two separate documents to begin preferred options consultation at the same time when the Core Strategy DPD and Hinckley Town Centre Area Action Plan DPD undertook submission consultation. Following consideration of this, it was determined that consulting on three important documents at once would cause confusion and consultation fatigue. There were also clear efficiency advantages in combining these two documents.

4.3.2 As members are aware consultation was completed in April 2009 for the Site Allocations and Generic Development Control Policies DPD. This has generated a considerable volume of responses in the order of 13,500 representations. The timescale for considering the response to this document is outlined in the current LDS, which anticipates redrafting of documents over the summer with submission programmed for September/October 2009.

4.4 **Earl Shilton and Barwell Sustainable Urban Extension Area Action Plan**

4.4.1 A brief for the production of an Earl Shilton and Barwell Sustainable Urban Extension Area Action Plan was formulated by the Borough Council in January 2009. To ensure the scheme is achieved the proposal to include an Area Action Plan within the LDS is critical due to the fact that Earl Shilton and Barwell are areas proposed for a significant amount of change. Preliminary studies have already been

carried out and a project timetable provided as part of a development brief. In compliance with the new PPS 12 (Local Spatial Planning) early consultation (front-loading) has accumulated into the Earl Shilton and Barwell pre-masterplanning engagement report. The key stages identified are provided in *Appendix 1*.

4.5 **Other Documents**

4.5.1 The Ratby Village Design Statement Supplementary Planning Document was reported to Planning Committee in April. The SPD was published for four weeks consultation on preferred options in June. Adoption is expected at the end of the year depending on community group commitments, officer work loads and design aspects.

4.5.2 Progress made on the Core Strategy provides the need for a Local Choice Policy Supplementary Planning Document. This document will be prepared to give further details on Policy 17 (Local Choice Policy) of the Core Strategy. This document will inform the viability of affordable housing by identifying rural exception sites in areas not previously identified for housing in development plan documents.

4.6 **New Regulations**

4.6.1 New planning guidance (revised PPS12) and accompanying regulations were published on 4 June 2008. These changes affect the preparation of all local development documents and the processes they follow through to adoption. This means the Local Development Scheme will need to be revised to accommodate these new requirements, which are explained as follows; the Town and Country Planning (Local Development) (England) (Amendment) Regulations 2008 removes the regulatory requirement to carry out the preferred options stage (old Regulation 26, deleted by amendment regulations) for development plan documents. When preparing development plan documents the new regulation 25 effectively merges the issues and options and preferred options stages.

4.6.2 In regards to regulatory changes on the publication and submission of a document, new regulation 27 has come into effect. Before a Council submits a development plan document to the Secretary of State, it must publish and make available the documents it proposes to submit. This is not a public consultation stage but represents the time period when formal representations on the soundness of the plan can be made. Any plan reaching this stage must be considered sound by the Council when it is published. The main change under new regulation 28 requires the Council to allow a minimum of six weeks in which to receive representations on the development plan document.

5. **PROPOSED CHANGES**

5.1 There is a need to revise the document by taking account of the issues raised above and to reflect progress, in particular, the following changes are proposed to the existing LDS:

- To reflect the combining of the Site Allocations and Generic Development Control Policies DPD.
- To reflect the revised consultation period on the preferred options (February – April 2009) for the Site Allocations and Generic Development Control Policies DPD.
- To reflect changes in regulations, the pre-submission representation dates will now be added to development plan documents.
- To reflect the revised consultation period on preferred options for the Ratby Village Design Statement (June 2009) and the estimated date of adoption at the end of the year.
- To reflect the deletion of the Market Bosworth Village Design Statement, since the main priorities for the Local Parish is to complete the Parish Plan.
- To reflect the Core Strategy submission (February 2009) and the pre-examination hearing (April 2009).
- To highlight the Hinckley Town Centre Area Action Plan submission date to the Secretary of State.
- The inclusion of the Earl Shilton and Barwell Sustainable Urban Extension Area Action Plan.
- To reflect changes in regulations, developing and consulting a spatial options document for the AAP (replaces issues and options).
- The inclusion of a Local Choice Policy Supplementary Planning Document.
- The inclusion of the Infrastructure Plan Supplementary Planning Document.

5.2 **Site Allocations and Generic Development Control DPD**

5.2.1 Members will be aware that consultation on this particular document has been undertaken. The public consultation has elicited over 13,000 responses.

- 5.2.2 The timeframe for responding to the preferred options is tight. For example the period proposed between the close of consultation on preferred options to submission covers 5 months. (The proposed Barwell and Earl Shilton AAP allows for 10 months to cover this activity). The current LDS has programmed submission consultation in September/October 2009 for the Site Allocations and Generic Development Control Policies DPD.
- 5.2.3 In revising the LDS there is an opportunity to revise the timelines relating to the programming of the Site Allocations Documents, however there are clear implications of amending the milestones.
- 5.2.4 Consequently two options are proposed below, together with the key implications of each option (amendments to the other documents outlined in this report are proposed to be taken on board in the case of both options proposed).
- 5.2.5 **Option 1 – To retain the milestones set out for the Site Allocations and Generic Development Control DPD as indicated in the current LDS.**
- 5.2.6 The significant implications for this approach relate to the financial inducements that will accrue from the Housing and Planning Delivery Grant (HPDG). Revision of the current LDS timescale will mean that the milestones for submission and adoption of the Site Allocations DPD will not be met if the progress of the document is delayed from the timetable set out in *Appendix 2* (i.e. submission consultation September/October 2009, examination May 2010 and adoption November 2010).
- 5.2.7 It is difficult to state the exact financial implications of not meeting the milestones laid out in the current LDS however, plan making is a significant part of HPDG. The benefits of revising the Site Allocations milestones are considered under option 2.
- 5.2.8 **Option 2 – Revising the LDS to provide new milestones that progresses the Site Allocations document.**
- 5.2.9 As stated above the financial implications are a significant concern in respect of proposing this option (officers are seeking to provide further information in respect of HPDG information and it is proposed a verbal update can be given at the meeting). Aside from the financial implications of revising the Site Allocation DPD milestones there are a number of issues members need to consider in respect of the LDF as follows:
- Representations received in the Preferred Option consultation period, which ran until 6th April, totalled 13,000 responses.

- This level of response will take a considerable period of time to allow officers to review each representation, provide individual responses and discuss proposals with statutory bodies. Whilst additional resources can be provided it is not clear that this task can be provided within the allocated time period. Further, meetings with external bodies will need to respect the resource levels of external partners in this process.
- The current timescale will not allow the full impact of the Inspectors Report into the Core Strategy to be taken into account in improving both direction and robustness of the Site Allocations and Generic Development Control Policies DPD. Indeed should the Core Strategy be found unsound or require further work the implications will not be known, or able to be taken into account in the production of the Site Allocations DPD. This at least will impact on the robustness and direction of the document, whilst in the worse case scenario could lead to resources and finances directed towards the DPD being aborted.
- There remains the potential to consider new options for future allocations arising from the consultation period these will have to be assessed in respect of impact.
- Should there be significant changes to proposed allocations in respect of land use policies, for example, proposed gypsy and traveller sites, housing or employment allocations, members should be aware that the current timelines do not allow provision for further consultation, other than that related to the six week submission period. (The Council is however not required to consider further consultation if it so wishes).
- A Sustainability Appraisal will need to be undertaken on the revised document. The Sustainability Appraisal, which is undertaken externally, takes around 6 weeks to complete. (This could be undertaken in advance of the document being presented to Council, however, this would further impact on the timescale available to undertake the necessary steps outlined above).
- Three further evidence bases are required to provide clear direction and robustness for the emerging Site Allocations DPD. Consultants have been appointed to carry out an employment land and premises study. In addition a brief has been prepared for engaging consultants to undertake the audit of greenspace provision within the Borough. A joint methodology has also been prepared to review the Green Wedges within the Borough, which is currently out for consultation. These reviews are likely to take up to 6 months to complete.

5.3 **Next steps**

5.3.1 Dependent on the outcome of this report, officers will need to do the following:

- Liaise with representatives from the Government Office for the East Midlands in respect of proposed changes to the LDS.
- Provide more detailed timelines for considering the key milestones relating to the progression of the Site Allocations and Generic Development Control DPD.
- Seek Council approval to enable the submission of a revised LDS to the Secretary of State (via the Government Office for the East Midlands).

6. **FINANCIAL IMPLICATIONS (DB)**

6.1 There are none arising directly from this report. However costs will be incurred during the adoption process, these will be the subject of a further report requesting a supplementary budget to be funded from the LDF Reserve.

6.2 Amendments to the Site Allocations DPD milestones as proposed will impact on the amount of HPDG received by the council. The level of impact is unclear at this stage.

7. **LEGAL IMPLICATIONS (AB)**

7.1 The legal implications are contained within the body of the report.

8. **CORPORATE PLAN IMPLCATIONS**

8.1 The report has implications on the following corporate aims:

- Thriving economy
- Strong and distinctive communities
- Decent, well managed and affordable housing

9. **CONSULTATION**

9.1 The revised LDS will be subject to consultation with the Government Office. The documents which make up the LDS are all subject to periods of public consultation.

10. **RISK IMPLICATIONS**

10.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

10.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision/project have been identified, assessed and that controls are in place to manage them effectively.

10.3 The following significant risks associated with this report/decision were identified from this assessment:

Management of Significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner

11. **RURAL IMPLICATIONS**

11.1 This document has borough wide implications.

12. **CORPORATE IMPLICATIONS**

- Community Safety Implications None relating to this document
- Environmental Implications None relating to this document
- ICT Implications None relating to this document
- Asset Management Implications None relating to this document
- Human Resources Implications None relating to this document
- Planning Implications Have been considered in this report

Background Papers: None

Contact Officers: Richard Palmer and Kevin Roeton on ext. 5695

Executive Member: Cllr. Stuart Bray

Appendix 1 – The projected timetable shows the key stages of the Earl Shilton and Barwell Sustainable Urban Extension Area Action Plan

See attached spreadsheet

Appendix 2 – Existing LDS timetable for LDF production

Year	2007												2008												2009												2010											
Month	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	
Development Plan Documents																																																
Core Strategy	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Site Allocations			1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Generic Development Control			1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Hinckley Area Action Plan	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Supplementary Planning Documents																																																
Shopping and Shop Fronts SPD	1	1	1	1	1	1	1	1	1	1	1	1																																				
Affordable Housing SPD			1	1	1	1	1	1	1	1	1	1																																				
Sustainable Design SPD			1	1	1	1	1	1	1	1	1	1																																				
Town Centre Strategic Development Contributions SPD			1	1	1	1	1	1	1	1	1	1																																				
Play & Open Space Developer Contributions SPD			1	1	1	1	1	1	1	1	1	1																																				
Ratby Village Design Statement																																																
Market Bosworth Village Design Statement																																																

- | | |
|---|---|
| 1 Commencement of document & preparation | 6 Analysis of Consultation Responses |
| 2 Consultation on Issues & Options & Initial Sustainability Appraisal | 7 Drafting of Submission Document |
| 3 Analysis of Issues & Option Consultation Responses | 8 Date for Submission to Secretary of State |
| 4 Drafting of Preferred Options | 9 Pre-Examination Hearing |
| 5 Consultation on Preferred Options & Sustainability Appraisal | 10 Commencement of Hearings |
| | 11 Proposed Date for Adoption |

COUNCIL – 11 AUGUST 2009

REPORT OF THE DIRECTOR OF FINANCE

RE: MEMBERS' IT PROVISION

1. PURPOSE OF REPORT

Following support of the Scrutiny Commission on 30 July 2009, this purpose of this report is to inform Members of the work of the ICT Scrutiny Panel and progress on the Laptop Project and further roll-out of the project and to seek support for electronic delivery of information to all Members from 2011.

2. RECOMMENDATION

- (i) Cross-party commitment be given for electronic delivery of information to Members following the next Borough Council elections in 2011;
- (ii) Progress on the laptop project and plans for roll-out of the project be noted.

3. BACKGROUND TO THE REPORT

- 3.1 Over the last two years the ICT Scrutiny Panel (previously E-Government) has been tasked with researching solutions for provision of Members' IT. Since January 2008 members of the Panel have trialled various methods of accessing agendas and information with regard to Council meetings. The next stage of the project will be to provide the Group Leaders and Deputies with IT equipment. Further to this stage it is recommended that the project then be rolled out to the remaining Members. Electronic delivery of information whilst encouraged will not be enforced on Members and those who do not wish to take part can continue receiving information under the current arrangements.
- 3.2 The Scrutiny Commission has supported the need to move towards paperless working for all Members in the future, and recommend that Council gives a cross-party commitment that regardless of the composition of the Council following the next Borough Council elections in 2011, from that time Members receive all information electronically.

4. FINANCIAL IMPLICATIONS [DB]

There are none arising directly from the report. Provision has been made in the Capital programme for the implementation of ICT facilities for Members in the sum of £60,000 split between 2008/09 and 2009/10 with £40,630 available in 2009/10.

5. LEGAL IMPLICATIONS [AB]

None.

6. **CORPORATE PLAN IMPLICATIONS**

This report and recommendations therein support the following aim:

- Cleaner and Greener Neighbourhoods: Reducing paper usage and waste;

7. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Lack of take-up by Members after purchase of equipment	Ensure equipment provided is fit for purpose and provided to those who are fully committed to its use.	Sanjiv Kohli

8. **RURAL IMPLICATIONS**

None.

9. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Voluntary Sector

Background papers: Previous minutes of the E-Government Scrutiny Panel and ICT Scrutiny Panel.

Contact Officer: Becky Owen, ext 5879