

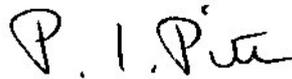
Date: 17 February 2010

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 **THURSDAY 25 FEBRUARY 2010 at 6.30 pm.**

PLEASE NOTE DAY OF MEETING

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 confirm the minutes of the meeting held on 26 January 2010. Attached marked C52.
3. 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.
4. 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.
5. To receive such communications as the Mayor may decide to lay before the Council.
6. To receive petitions presented in accordance with Council Procedure Rule number 10.11.

7. To deal with questions under Council Procedure Rule number 11.1.
8. Position Statement. The Leader of the Council will give a presentation.
9. To receive for information only the minutes of the Scrutiny Commission meeting held on 28 January 2010. Attached marked C53.
10. To consider the following reports:-
 - (a) General Fund Revenue Budget 2010/11. Attached marked C54. (Pages 1 - 17).
 - (b) Calculation of Council Tax for 2010/11. Attached marked C55. (Pages 18 - 22).
 - (c) Capital Programme 2009/10 – 2012/13. Attached marked C56. (Pages 23 - 40).
 - (d) Housing Revenue Account Estimates 2010/11. Attached marked C57. (Pages 41 - 47).
 - (e) Adoption of Hinckley and Bosworth Local Development Scheme. Attached marked C58. (Pages 48 - 52).
 - (f) Supplementary Estimates from Waste Services. Attached marked C59. (Pages 53 - 55).
 - (g) Constitution – Residual Issues. To follow marked C60.
11. Members are requested to note that a Council meeting will now be held on Tuesday 23 March 2010 in order that the Mayor can present the Citizen and Young Citizen of the Year and Local Sporting Alliance awards.
12. To consider the following motions from Mr. M.R. Lay, notice of which have been received in accordance with Council Procedure Rule 13.
 - a) “This Council notes with regret that the local ward members for Markfield and the Parish Council, were not given advance notice of a major housing application being considered by the planning department for Markfield. Local members were only made aware of the application by residents, who had received statutory consultation letters.

This application is contrary to the recently adopted Core Strategy and the developing Site Allocation Document and has caused much anger within the local community.

In future when planning applications are received by the planning department which feature more than 10 dwellings, local ward members and the Parish Council will be given advance notification before public consultation.”
 - b) “This Council notes with some concern the proposal by Leicestershire County Council to remove the subsidy it provides, towards the school bus running

from Markfield and Field Head to South Charnwood High School which is unique in its' location in open Countryside remote from Markfield. We would strongly urge the County Council to reconsider the proposal, that could well lead to the loss of a valuable service that may then no longer be viable for the operator without a subsidy but that currently provides safe transport along a route that otherwise would not be conducive to the safety and wellbeing of children should they have to walk or cycle along that route.

The route to South Charnwood High School from Markfield and Field Head is along unmade, narrow and unlit footpaths in the open countryside without any form of shelter along the route, fully exposed to the elements. The route extends in a harsh and exposed environment to over two miles from Markfield and three miles from parts of Field Head.

Parents strongly feel that the route raises significant health and safety concerns for children having to walk or cycle to school, particularly during winter months, on dark evenings and in inclement weather and that the potential loss of this valuable service, could impact negatively on the health and wellbeing of children attending South Charnwood High School.”

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

HINCKLEY AND BOSWORTH BOROUGH COUNCIL
26 JANUARY 2010 AT 6.30 P.M.

PRESENT: MR. K. NICHOLS - MAYOR
MRS. S. FRANCKS - DEPUTY MAYOR

Mr. J. G. Bannister, Mr. D. C. Bill, Mr. C. W. Boothby, Mr. J. C. Bown, Mr. S. L. Bray, Mrs R Camamile, Mr. M. B. Cartwright, Mr. D. S. Cope, Mr. W. J. Crooks, Mr. D. M. Gould, Mrs. A. Hall, Mr. P. A. S. Hall, Mr. D. W. Inman, Mr. C. G. Joyce, Mr. C. Ladkin, Mr. M. R. Lay, Mr. K. W. P. Lynch, Mr. R. Mayne, Ms. W. A. Moore, Mr. K. Morrell, Mr L. J. P. O'Shea, Mr. A. J. Smith, Mrs. S. Sprason, Mr. B. E. Sutton, Mr. R. Ward, Ms. B. M. Witherford and Mr. D. O. Wright.

Officers in attendance: Mr. S. J. Atkinson, Mr. A. Bottomley, Mr. B. Cullen, Mr. S. Kohli, Mrs. P. I. Pitt, Mr T. M. Prowse and Mrs. J. Puffett.

379 **PRAYER**

The Reverend John Hall offered prayer.

380 **APOLOGIES**

Apologies for absence were submitted on behalf of Mrs. M. Aldridge, Mr. P. R. Batty, Mr. P. S. Bessant, Dr. J. R. Moore and Mrs J. Richards.

381 **MINUTES (C45)**

On the motion of Mr. Crooks, seconded by Mr. Lay it was

RESOLVED - the minutes of the meeting held on 15 December 2009 be confirmed and signed by the Mayor.

382 **DECLARATIONS OF INTEREST**

In view of the various references to the County Council on this evening's agenda it was agreed to note that Mr. Bill, Mr. Bray, Mrs Camomile, Mr. Lynch and Mr. Wright were members of that Authority.

383 **MAYOR'S COMMUNICATIONS**

The Mayor referred to the recent production of Mother Goose at the Concordia Theatre, which had been attended by all but one of the civic representatives within the County.

Reference was made to a visit to two 100 year old ladies and the Mayor indicated that if anyone knew of others attaining this age he would be happy to visit them. It was pointed out that this Sunday would be the final service conducted by the Reverend Canon B. Davis before his retirement and it was agreed that the Chief Executive write to Reverend Davis on behalf of the Council to wish him well.

384 PETITIONS

In accordance with Council Procedure Rule 10.11 Mr. Smith presented a petition on behalf of Burbage residents objecting to a proposed housing development in Britannia Road. It was agreed that this be forwarded to Planning Officers.

385 QUESTIONS

(a) Question raised by Mrs. S. Sprason and addressed to Mr. S. L. Bray

“In a response to a question put to Cllr Bray on the 15th September 2009 I was assured that the traveller community did not receive preferential planning treatment. The unauthorised site at Copt Oak Road in Markfield was raised as an example, following a meeting with officers no action is being taken proving that in fact this authority does have a policy of positive discrimination towards the traveller community. Why was Cllr Bray unaware of this?”

Response from Mr. S.L. Bray

“I am somewhat puzzled by Councillor Sprason’s question. I thought that my answer on 15 September 2009 was clear.

I am aware that Councillor Sprason met with the Director of Community and Planning Services, who, I understand, explained in some detail this authority’s approach to enforcement generally and the specific issues in relation to travellers. To say that no action is being taken is quite clearly wrong and other Members will be aware of the enforcement action which has been taken in respect of several sites in the Borough.”

(b) Question raised by Mr. R. Ward and addressed to Mr. S. L. Bray

“Given public concern about the issue of what seems to be the ever increasing number of powers allowing various local authority workers to enter people’s homes without a warrant or police escort, would the Leader of the Council inform members how many employees of this council are authorised to enter private addresses in this manner and will he assure councillors that proper vetting and supervision is in place in respect of any employee of Hinckley and Bosworth Borough Council who discharges any powers of this type?”

Response from Mr. S.L. Bray

“As of 2 October 2009 there were 32 Council officers granted the power to enter private premises (not necessarily dwellings) without a warrant. The powers were not exercised between April 2008 and March 2009.

The powers would most likely be used by Environmental Health Officers although Planning Officers, Licensing Officers and Housing Officers also have powers under certain Acts.

All officers of the Council participate in Personal Development Appraisals on a regular basis, where their performance and training needs are discussed. Through this process, any concerns around the discharge of any enforcement duties are discussed and appropriate training organised.”

In response to a supplementary question from Mr. Ward, Mr. Bray indicated that only in exceptional circumstances (but generally with 24 hours notice) would officers (eg from environmental health) enter private properties without a warrant. Mr Bray agreed to arrange for all members to be circulated with further details as to instances, numbers etc, of officers authorised to enter private premises.

(c) Question raised by Mr. R. Ward and addressed to Mr. R. Maine

“With nearly every senior planning officer either having left or soon to be leaving the employment of the authority would the Chairman of the Planning Committee agree that to lose one senior planning officer may be regarded as unfortunate but losing four is careless to say the least?

What assurances is the Chairman able to give that the Council’s vital planning service is able to overcome the loss of so much invaluable experience and expertise particularly given the importance of the work currently being undertaken in respect of the Core Strategy and delivering the Local Development Framework?”

Response from Mr. R. Mayne

“Councillor Ward is fully aware of the current economic crisis facing the whole country and the reduced levels of development.

As a consequence, this authority has received less planning applications recently. I can confirm that one voluntary redundancy has been accepted from a Senior Planning Officer in response to this downturn in demand for the service.

Councillor Ward is also fully aware that the Council has approved a Senior Management Review which will be implemented from April 2010. That Review has resulted in one member of the Strategic Leadership Board leaving the authority with effect from 31 March 2010. At that point, the Planning Service will come under the management of one of the Deputy Chief Executives who is a qualified Town Planner.

It is also correct that two other Senior Planning Officers will have left the authority by the end of February 2010 to take up posts with other authorities. One of these posts has already been filled and the other will be recruited to in the near future.

In summary, I am satisfied that the steps already taken to manage the finances of this authority and, at the same time, provide the “vital planning service” are appropriate and that the officers appointed to the senior roles

will prove to be worthy successors to those who they replace and will be supported by the excellent staff within the planning service.

Finally, I have to question Councillor Ward's motive for bringing this item to Council. He is fully conversant with the position in this Council and must be aware of the pressures and uncertainty currently faced by officers. I do not consider that his question is conducive to maintaining the morale of our existing staff or building up the morale of incoming staff, who are, of course, vital to maintaining and improving on the excellent standards we have set for ourselves."

In response to a supplementary question from Mr. Ward Mr. Mayne indicated that at public meetings relating to the Local Development Framework the Head of Planning would be in attendance.

(d) Question raised by Mrs S. Sprason and addressed to Mr. D. C. Bill

"With regard to Anti-Social Behaviour being the responsibility of the Community Safety Team to tackle, would the leader inform this Council how many officers in the Community Safety Team have had training in Safeguarding Adults, Hate Crime, Case File Management, Evidence Gathering and How to complete forms in the years 2006, 2007, 2008 & 2009"?

Response from Mr. D.C. Bill

"May I thank Councillor Sprason for her question. A report into this issue and Community Safety as a whole is in the process of being prepared for a future Scrutiny Commission, of which Councillor Sprason is a member. I would not wish to pre-empt the Commission's deliberations by issuing a response regarding an area which is a limited, but important part of the reports scope."

In response to a supplementary question from Mrs. Sprason Mr. Bill stated that a comprehensive report would be taken to the Scrutiny Commission and that strenuous efforts were being made to rebuild the confidence of the residents of Barwell.

(e) Question raised by Mrs. S. Sprason and addressed to Mr. S.L. Bray

"The Leader of the Council was quoted in the local press saying "it is appalling that the main shopping street has been left untreated" Will the Leader inform this Council where the 10 tonnes of salt and the further 6 tonnes of grit given to this Authority free of charge by the County Council to keep the town centre, including Castle Street, clear of snow and ice was used?"

Response from Mr. S.L. Bray

"Castle Street is part of the public Highway and as such responsibility for gritting and maintenance is Leicestershire County Council and not Hinckley and Bosworth Borough Council so I suggest that Mrs Sprason directs her concerns to County Hall.

HBBC contacted LCC for additional salt for gritting purposes on receipt of complaints from residents. When this was (eventually) agreed to, HBBC provided its own frontline staff (free of charge) to provide gritting support in Hinckley Town Centre. This resource could have been used to deliver other critical frontline services (refuse / recycling collections) but because of the precarious weather conditions prioritised gritting of the Town Centre.”

In responding to a supplementary question from Mrs Sprason, Mr. Bray reiterated that gritting of a public highway was a County Council function.

386 LEADER 'S POSITION STATEMENT

In presenting this, the Leader highlighted:-

- The recent devastation in Haiti and the efforts being made by professionals and volunteers to assist in the rescue missions. The Council's website contained details for those wishing to make a donation to the cause.
- Recent issues considered by the Executive relating to the formation of an Older Person's Strategy, Final Draft Budget for 2010/11 and the Purchase of New Grounds Maintenance Equipment.
- The excellent efforts of staff in helping to deal with and maintain services during the severe weather conditions in early January.
- Continuing work by this Council and partners to reduce anti-social behaviour and protect vulnerable people within the community.
- The success of local sportsmen/women in the 2009 Leicester Mercury Sports Awards.

387 MINUTES OF SCRUTINY COMMISSION MEETING - 3 DECEMBER 2009 (C46)

Mr. Lay, in presenting these, referred to progress in developing a Credit Union and the possibility of extending such a facility borough-wide. Further, Mr. Lay highlighted progress against the Anti-Poverty Strategy and Action Plan and so far as housing issues were concerned referred to the Council's interaction with registered social landlords and the forthcoming review of affordable housing within the Local Development Framework.

388 MEDIUM TERM FINANCIAL STRATEGY 2009/10 TO 2012/13 (C47)

Copies of the presentation by the Executive Member for Finance were circulated to Members at the meeting. This Strategy, revised since last approved by Council in April 2009, had been fully scrutinised and endorsed by the Finance and Audit Services Select Committee, members of Scrutiny Commission and the Executive and was now presented to the Council for approval. Members were reminded that this robust document set out clearly the Council's financial position over a 4-year period.

In the light of possible significant reductions in Central Government funding through the Revenue Support Grant 3 different levels of funding support from Central Government had been assumed, ranging from a standstill best case position to an annual minus 5% worst case reduction in the financial settlement for each of the 3 years of the next Comprehensive Spending Review.

Messrs. Bray and Bown left the meeting at 7.20 pm, returning at 7.22 pm and 7.23 pm respectively.

Some concerns were raised as to the financial viability of the Greenfields project and particularly whether the tendered prices would be within the budgeted costs but the Executive Member for Finance assured that the prices would be within the budgeted amount and stressed in addition that this scheme would enhance well-being by the provision of quality sustainable development units. Concerns were also expressed regarding on-going revenue support to the Hinckley Club for Young People, which it was emphasised was a Borough resource and as part of the MyPlace agreement had been fully supported previously by Members.

For clarification the Executive Member for Finance explained that with regard to concessionary travel this Council might have to meet a shortfall of £215,000, being the difference between the assumed cost in 2010/11 of £965,000 and a grant of £750,000 (although the outcome of the recent consultation being undertaken by CLG was outstanding). Allowances for the effect of this on the base budget had been taken into account.

Messrs. Smith and Gould left the meeting at 7.50 pm, returning at 7.52 pm and 7.53 pm respectively. Mrs Sprason left at 7.53 pm, returning at 7.58 pm.

On the motion of Mr. Lynch, seconded by Mr. Bray and following a show of hands with 16 Members voting for the recommendation, 8 voting against and 3 abstaining it was

RESOLVED - the Medium Term Financial Strategy for the period 2009/10 to 2012/13 be approved.

389 STAFFING AND MANAGEMENT RESTRUCTURE 2009/10 AND 2010/11 (C48)

Mr. Boothby left the meeting at 8.00 pm.

Further to minute no. 204 of 15 September 2009 Members were reminded of the cost of the recent 2009/10 staffing restructure and the management restructure effective from 2010/11 and their approval sought for the funding of these from the General Fund and Housing Revenue Account Revenue Balances rather than through Capital Funding.

It was emphasised that approval was sought only to fund the net cost of the restructure from the General Fund and Housing Revenue Account Balances in 2009/10. From 2010/11 the cost of restructure would be funded from the on-going savings realised, which were monitored on a quarterly basis and would be implemented in the 2010/11 base budgets.

On the motion of Mr. Lynch, seconded by Mr. Bray it was

RESOLVED - approval be given to the cost of restructure being funded from the General Fund and Housing Revenue Account Revenue Balances, as appropriate, and as summarised in the report of the Director of Finance.

390 CONSTITUTION - RESIDUAL ISSUES (C49)

It was announced that this item had been withdrawn from this evening's agenda to allow for further consideration.

391 REPRESENTATION ON OUTSIDE BODIES

Mr. Crooks gave a brief outline of the workings of the Leicestershire Rural Partnership Group and the Local Government Association Rural Commission. It was agreed that a copy of this presentation be circulated to all Members.

The Council then received a copy of the Minutes of the Hinckley Highways Forum meeting held on 5 December 2009. It was agreed that in future copies of the minutes of meetings of that Forum be circulated to all Members of this Council.

392 CALENDAR OF MEETINGS - MAY 2010 TO MAY 2011 (C51)

It was moved by Mr. Bray, seconded by Mr. Bill and

RESOLVED - this be approved.

393 COUNCIL MEETING SCHEDULED FOR 9 MARCH 2010

Since there was a Council meeting scheduled for Thursday 25 February 2010 it was moved by Mr. Bray, seconded by Mr. Bill and

RESOLVED - the Council meeting scheduled for 9 March 2010 be cancelled.

394 MOTIONS IN ACCORDANCE WITH COUNCIL PROCEDURE RULE 13

At this juncture the Mayor drew Members' attention to a statement from David Sprason CC, Leicestershire County Council Cabinet Leader Member for Adult Social Care and Health relating to the public consultation on elderly person's homes, which was attached to this evening's Supplementary Agenda.

(a) Motion from Mr. D. M. Gould

"This Council deeply regrets the uncertainty that will now be felt by residents and their families caused by the proposal of the County Council to consider the selling off or closure of The Limes and Harvey House. On behalf of the communities affected it instructs its officers to draw attention to assurances given only two years ago, investments made in modernisation and the vital role played by these elderly people's homes in the community".

Mrs Francks left the meeting at 8.25 pm.

Whilst recognising the future need for fewer local authority homes with people choosing to remain in their own homes for longer Members were fully supportive of this Motion and generally of the view that The Limes and Harvey House should be kept open. Further, the point was made that representation to this end should be made during the forthcoming consultation period.

Mrs Francks returned to the meeting at 8.28 pm.

Messrs. Ladkin and O'Shea left the meeting at 8.31 pm and 8.32 pm respectively, both returning at 8.35 pm.

On a show of hands, with no-one voting against, it was agreed that the aforementioned motion from Mr. Gould, seconded by Mr. Wright, be supported.

(b) Motion from Mr. D. W. Inman

"In accordance with its strategy on poverty, this Council is concerned about the effect of the current difficult winter on older residents in the Borough whose incomes fall below the official poverty level of £164 a week.

To this end Council asks that:-

1. All Council officers and partners exercise extreme care to ensure that isolated pensioners do not suffer from hypothermia or other medical conditions made worse by the cold weather, due to lack of money to provide effective heating,
2. The Leader of the Council writes to the Government asking them to extend the heating allowances paid to older people so that those on low incomes as well as those on benefits may be better able to meet higher fuel bills,
3. The Council makes representations to all energy providers asking them to review all instances where older people are required to pay by pre-payment meters, to review all existing schemes for reducing energy payments for older people with a view to making such schemes more widely available, and to give more publicity to reduced payment scheme that are available for older people."

Members were fully supportive of this Motion, whilst being agreed that meters for energy consumption did not represent good value for money. Additionally it was suggested that the wording of the first strand of the motion should be expanded and that any alternative wording be agreed between Messrs. Inman and Sutton and the Chief Executive at the end of the meeting.

It was unanimously agreed that subject to the rewording of the first line of the Motion proposed by Mr. Inman and seconded by Mr. Bannister this be fully supported

The meeting closed at 8.50 pm

Subsequent to the meeting, and following agreement by Messrs. Inman, Sutton and the Chief Executive, the wording of the first clause of Motion (b) now reads as follows:-

“All Council Officers and Partners exercise extreme care and those in the community who have regular contact with isolated homes (such as postal and milk delivery workers) be encouraged to exercise the same care, to ensure that isolated pensioners do not suffer from hypothermia or other medical conditions made worse by the cold weather, due to lack of money in effective heating.”

HINCKLEY & BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

28 JANUARY 2010 AT 6.30 PM

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

Mr JG Bannister, Mr DM Gould, Mrs A Hall, Mr DW Inman, Mr CG Joyce, Mr C Ladkin, Mr K Morrell, Mrs S Sprason and Mr BE Sutton.

Officers in attendance: Mr S Atkinson, Mr C Bellavia, Mr B Cullen, Mr R Grantham, Miss L Horton, Mr S Kohli, Miss R Owen, Mr R Parkinson, Mr T Prowse, Mrs S Stacey and Mr S Wood.

395 **APOLOGIES AND SUBSTITUTIONS**

Apologies for absence were submitted on behalf of Mr Batty and Mrs Francks.

396 **MINUTES (SC54)**

On the motion of Mrs Camamile, seconded by Mr Bannister, it was

RESOLVED – the minutes of the meeting held on 3 December 2009 be confirmed and signed by the Chairman.

397 **DECLARATIONS OF INTEREST**

No interests were declared at this stage.

398 **COMMUNITY SAFETY PARTNERSHIP ANNUAL REPORT**

The Community Safety Manager gave a presentation on the performance of the Hinckley & Bosworth Community Safety Partnership, the success of the Safe Christmas campaign and challenges and priorities for 2010. In response to a Member's question it was agreed that information on comparisons with other partnerships would be sent to the Member.

A Member reminded the meeting of her question to Council earlier in the week regarding training for Community Safety Officers. In response it was reiterated that this would be included in a report to the next meeting of the Scrutiny Commission.

The Community Safety Manager was thanked for the report and his presentation.

RESOLVED – the performance and progress of the Community Safety Partnership be noted.

Mr Gould arrived at 6.46pm.

399 SCRUTINY REVIEW: REGISTERED SOCIAL LANDLORDS (SC55)

To assist with the forthcoming review, the Scrutiny Commission was presented with a report which provided performance information regarding Registered Social Landlords (RSLs) who were currently actively developing or managing stock within Hinckley & Bosworth. With regard to tenant satisfaction, it was noted that a survey of HBBC tenants had been undertaken in 2009 but confirmation was awaited from the Audit Commission to be able to publish the results.

It was agreed that all five housing associations for which data had been retrieved and included in the appendix to the report should be invited to the meeting of the Scrutiny Commission on either 4 March or 8 April 2010, and that they should be invited to make a presentation to include baseline information and key services to tenants. Questions would then be directed at the attendees covering the following areas:

1. Accountability to local community;
2. Partnership working;
3. Communication / consultation / Tenants Association / Community Involvement;
4. Rural expertise;
5. Rents;
6. Services (repairs and adaptations; response to anti-social behaviour).

RESOLVED – De Montfort Housing, Derwent Living, East Midlands Housing Group, Midland Heart and Orbit Group be invited to the Commission on 4 March or 8 April 2010 and that questions be prepared in the areas outlined above.

400 DISABLED ADAPTATIONS IN COUNCIL PROPERTIES (SC56)

In response to a request of the Commission, Members were presented with a report which advised of the position regarding disabled adaptations in Council properties in respect of the waiting list for adaptations. An example of the waiting list was given in that the wait for installation of level access showers was 11-12 months and that to reduce the wait to three months would require an additional £110,000. It was explained that referrals for adaptations were received from an Occupational Therapist as a result of an assessment and were only considered a priority if highlighted as such by the Occupational therapist. With regard to the contract for the adaptation work, it was reported that the current two-year contract had been procured in 2009.

In response to a Member's question it was explained that when an adapted property became void, the list of people awaiting adaptations was reviewed to offer the property to someone who was awaiting that adaptation, but often this was not successful as people didn't want to move to a new property. The next

stage was to look at the housing waiting list for someone awaiting a property with that adaptation. It was noted that sometimes when these avenues were unsuccessful, an adapted property was allocated to someone who did not require adaptations.

Officers outlined some ways of reducing the waiting time including offering an incentive such as assistance with removal costs to encourage people to move into an empty adapted property rather than awaiting an adaptation in their current property, however the cost attached to this would reduce the budget for adaptations. Another option would be not to put adaptations into family houses occupied by a single older person but to encourage them to move to a more suitable property, however officers felt that this would not be acceptable. The third option suggested was responding to Occupational Therapy referrals to clarify the need for the adaptation and to ensure that where doubt existed as to whether the need was genuine, this was re-assessed. It was agreed that Members be supplied with details on the cost of each type of adaptation.

With regard to Disabled Facilities Grants in private sector housing it was stated that this was the subject of county-wide focus and was currently a joint project. It was explained that the process for these was longer as there were more financial tests and altering private houses entailed different considerations to Council houses. With regard to charges put onto private properties that had received a grant, a Member asked if this charge was claimed back where relevant, and also how many level access showers were awaited in private properties. Officers agreed to provide this information.

It was felt that better joint working with Occupational Therapists should be explored. It was also suggested that providing an in-house adaptations service be investigated when the current contract ends. Members felt that performance in this area should be in the top quartile to reflect the performance levels across the authority and therefore more money for adaptations should be sought and cases should be prioritised by Occupational Health. Officers advised on the difficulties of setting such priorities against the Government priority of all homes meeting and maintaining 'Decent Homes' standards.

Mr Ladkin left the meeting at 7.46pm.

Concern was expressed that the priorities regarding housing repairs and adaptations should be reconsidered. Members asked that a report be brought to a future meeting on how the recommendations made at this meeting have been actioned.

RECOMMENDED –

- (i) action be take to ensure performance with regard to adaptations is in the top quartile;
- (ii) Occupational Health support be sought to enable prioritisation of cases awaiting adaptations;
- (iii) Solutions to reduce the waiting list continue to be sought;

- (iv) Consideration be given to tendering for an in-house adaptations service when the contract is re-tendered;
- (v) Consideration be given to opportunities to increase the budget and to prioritise this work within the Capital budget, taking into account other priorities;
- (vi) The Scrutiny Commission supports the work of the Joint Leicestershire project focussing on Disabled Facilities Grants;
- (vii) A report be brought to a future meeting of the Scrutiny Commission to provide an update on how recommendations made at this meeting have been actioned.

401 PLANNING AND ENFORCEMENT APPEAL DECISIONS (SC57)

The Scrutiny Commission was informed of Planning and Enforcement appeal determinations made contrary to the decision of the Local Planning Authority. It was noted that of the seven appeal decisions made by the Planning Inspectorate, three appeals had been dismissed, two allowed and two split decisions. Of the two decisions allowed, one was an officer decision (delegated), and one was a Member decision against officer recommendation.

RESOLVED – the report be noted.

402 DEVELOPER CONTRIBUTIONS (SC58)

Members were informed of the position in respect of the Section 106 contributions that had not been spent within the five year period, and those unspent between four and five years. Members were reassured that there was communication between service areas but officers agreed to check this and report back. In response to a Member's question it was confirmed that permission could be refused based on lack of contributions but that other factors such as community benefits needed to be considered in the decision.

RESOLVED – the report be noted.

Mr Bannister left the meeting at 8.05pm.

403 CARBON MANAGEMENT PLAN 2009-2014 (SC59)

The Scrutiny Commission was presented with the Carbon Management Plan 2009-2014 and was informed of the Carbon Management Programme. The need to consider ways of reducing carbon emissions in sheltered housing was highlighted.

RESOLVED – the Carbon Management Plan 2009-2014 be noted and the Executive decision on 20 January confirming the target for CO₂ reduction from Council activities as 20% of the 2008-09 baseline by 2013-14 be supported.

404 ANTI POVERTY STRATEGY & CREDIT UNION (SC60)

Members were provided with an update on the Anti Poverty Strategy and action plan since the last meeting. Members were pleased with the achievements and input into the strategy so far.

The Director of Finance updated the Commission on the establishment of the Credit Union, explaining that staff in Finance and Human Resources had received training to be able to deal with enquiries and process applications from Council employees and that there had already been some take-up of the services of Clockwise. He also reported that volunteers for the centre in Earl Shilton had been trained and the key position of Manager had been offered and a response was awaited. The lead time for the opening of the Centre in Earl Shilton would be two to three weeks from the Manager being appointed. It was requested that Members be invited to the opening of the Centre.

RESOLVED – the report be noted and the very positive progress be endorsed.

405 NHS NEW PATIENT RIGHTS CONSULTATION (SC61)

Members were informed of the consultation being conducted by the NHS and were asked to complete the consultation online where possible. It was agreed that feedback should be obtained from the PCT when completed.

406 OVERVIEW AND SCRUTINY WORK PROGRAMME 2009/10 (SC62)

Members received the Work Programme for 2009/10.

It was agreed that a working group chaired by Mrs Witherford be set up to look into Civic facilities. Members were asked to contact the Democratic Services Officer if they were interested in being a member of the group.

Members were informed that there would be a budget briefing on 23 February at 6.30pm which, whilst a request of the Commission, would be open to all Members.

It was agreed that a review be undertaken into gritting. The County Council had agreed to discuss this and suggested that a county-wide review could ensue.

RESOLVED – the work programme be agreed with the abovementioned additions and amendments.

407 FORWARD PLAN OF EXECUTIVE AND COUNCIL DECISIONS (SC63)

Members received the Forward Plan of Executive and Council decisions.

It was requested that the Housing Options report be brought to the Scrutiny Commission.

RESOLVED – the Forward Plan be noted and the abovementioned item be added to the Scrutiny Commission Work Programme.

408 MINUTES OF SELECT COMMITTEES

The minutes of the following meetings were received:

- (i) Finance & Audit Services Select Committee, 7 December 2009 (SC64);
- (ii) Council Services Select Committee, 19 November 2009 (SC65).

(The meeting closed at 8.35 pm)

COUNCIL – 25 FEBRUARY 2010

REPORT OF DIRECTOR OF FINANCE

RE: GENERAL FUND REVENUE BUDGET 2010/11

1.0 PURPOSE OF REPORT

To consider the General Fund Revenue Budget for 2010/11 and the Revised Budget for 2009/10. The General Fund Revenue Budgets have been prepared taking into account the Capital and HRA budgets. The Capital and HRA budgets are presented as separate reports but should be read in conjunction with this report.

2.0 RECOMMENDATIONS

- 2.1 The General Fund service expenditure shown in Table 1 (page 2) be approved.
- 2.2 The Special Expenses area expenditure shown in Table 2 (page 3) be approved.
- 2.3 The total General Fund service expenditure for the Council shown in Table 3 (page 4) be approved.
- 2.4 The proposed movement of General Fund Reserves as set out in Table 5 (page 12/13) be approved.

3.0 BACKGROUND TO THE REPORT

3.1 The General Fund Revenue Budget for 2010/11 has been drawn up in accordance with the principles set out in the Budget Strategy endorsed by Finance & Audit Services Select Committee on 3 August 2009 and in accordance with the Medium Term Financial Strategy. The key objectives can be summarised as follows:-

- i) To align expenditure on services to the Council's Corporate Performance Plan.
- ii) To identify corporate-wide pressures for 2010/11 (and future years) and to provide accordingly for such expenditure. These corporate pressures are set out in section 3.8.
- iii) To maintain acceptable levels of General Fund balances and reserves, To make provisions for know future funding and expenditure pressures as identified in the MTFS.

- iv) To maintain an acceptable level of balances in the Special Expenses area. Details are provided in paragraph 3.3.2. of this report.
- v) To keep the overall increase in average Band D Council Tax (including Special Expense areas) to below 5%. The General Fund budget presented in this report achieves this. Details are provided in section 6 of this report.

3.2 Budget Summary

The revised original budget for 2009/10 and the original budget for 2010/11 are set out in Table 1 below. (Please note that for 2009/10 a formal revised budget has not been prepared)

Table 1 - General Fund Revenue Budget (excluding Special Expenses Area)

	Original Estimate 2009/10 £	Revised Original Estimate 2009/10 £	Original Estimate 2010/11 £
Central Services	2,932,770	3,539,660	2,856,530
Leisure and Environment	7,332,280	7,353,000	7,060,610
Housing (General Fund)	1,183,480	956,380	1,048,850
Planning	2,030,710	1,533,450	1,629,040
Support Services	108,050	-11,530	468,230
Direct Service Organisations	236,980	4,270	-17,270
Salary Savings - Vacancies		-13,000	
Salary Savings Pay Award		-140,000	
Other Savings		-29,600	
Total service expenditure	13,824,270	13,192,630	13,045,990
<i>Less:</i>			
<i>Special Expenses Area</i>	<i>(582,910)</i>	<i>(571,400)</i>	<i>(561,050)</i>
<i>Capital Accounting Adjustment</i>	<i>(2,011,170)</i>	<i>(1,922,480)</i>	<i>(1,894,020)</i>
<i>Net external interest (received)/paid</i>	<i>(135,790)</i>	<i>(20,790)</i>	<i>7,540</i>
<i>FRS17 Adjustment</i>	<i>(34,030)</i>	<i>(34,030)</i>	<i>392,510</i>
<i>Transfer to/(from) balances</i>	<i>(268,490)</i>	<i>(148,680)</i>	<i>(16,990)</i>
<i>Transfer to reserves</i>	<i>55,170</i>	<i>735,580</i>	<i>91,260</i>
<i>Transfer from reserves</i>	<i>(276,000)</i>	<i>(352,900)</i>	<i>(140,330)</i>
<i>Transfer to/(from) pensions reserves</i>	<i>155,490</i>	<i>(151,390)</i>	<i>95,860</i>
HBBC Budget Requirement	10,726,540	10,726,540	11,020,770

3.3 Special Expense Area

3.3.1 This represents the cost of parks, cemeteries and poop scoop schemes in the non-parished area of Hinckley. Whilst the cost will only fall on the residents of this area, the net expenditure is built into the service totals of Table 1 and must be included in the Council's overall budget requirement for capping purposes.

The proposed budgets for the Special Expenses area have been compiled in accordance with the approved General Fund Strategy.

Table 2 - Special Expenses Budget

	Original Estimate 2009/10 £	Revised Estimate 2009/10 £	Original Estimate 2010/11 £
Expenditure	582,910	571,400	561,050
<i>Transfer to balances</i>	18,520	30,030	45,090
Net Expenditure	601,430	601,430	606,140

3.3.2 Balances in the Special Expenses Area at 31st March 2011 are estimated as follows:

	£
Estimated Balance at 1 st April 2010	89,200
Transfer to Balances	45,090

Estimated surplus at 31 st March 2011	134,290

A separate report was presented to the Special Expenses Area Committee on 25 January 2010 and the Committee supported the recommendations contained in this report.

3.4 Total Council Budget for 2010/11

The total overall budget for 2010/11 in the direct control of the Council is therefore:

Table 4 - Total Council Budget 2010/11

	Original Estimate 2009/10	Revised Estimate 2009/10	Original Estimate 2010/11
HBBC Budget Requirement (Table 1)	10,726,540	10,726,540	11,020,770
Special Expenses Budget Requirement (Table 2)	601,430	601,430	606,140
Total Council Controlled Budget Requirement	11,327,970	11,327,970	11,626,910

3.5 Revised Original Budget 2009/10

3.5.1 At Council on 26 February 2009, the total service expenditure totals and the Authority's net budget requirement for the 2009/10 year were approved. As part of setting the budget for the forthcoming 2010/11 year, a revised budget for the current 2009/10 has not been prepared as the original budget for 2009/10 has been revised during the year to take account of Supplementary Budgets and Virements that have been approved during the year. To date it has been agreed that a net amount of £286,000 will be added to General Fund Balances, £11,000 added to Special Expenses Balances and £77,000 taken from Earmarked Reserves to meet these changes in the budget. At its meeting on 24 June 2009 the Council agreed that £84,000 of the 2008/09 underspend should be carried forward to 2009/10 to allow for the completion of projects that were budgeted for in 2008/09 but not completed in that year. This was to be financed from General Fund Balances.

Significant Savings have arisen from

Impact of voluntary redundancies	£230,000
Reduction in working week July to Dec	£ 90,000

Further potential savings have been identified during the budget monitoring process and it is estimated that these will result in savings of £348,000 of which £140,000 relates to the impact of the 2009 Pay Award being significantly less than was anticipate (1% actual as opposed to 2.45% budgeted.) It is recommended that £68,000 of this saving relating to Groundcare be put in an earmarked reserve to partly cover the future costs of machinery and equipment replacement.

Significant additional costs have been incurred to the value of £481,000 of which £366,000 relate to the costs of the redundancies made this year and £115,000 relates to the impact of the reduced interest rates in 2009/10.

The council has been notified of a provisional allocation of Housing and Planning Delivery Grant of £582,000. It is recommended that this amount be transferred to Reserves with £185,000 being placed in the Local Plan Reserve to fund further work on the LDF with the balance being placed in the HPDG Reserve.

The net impact of all these changes is that £132,000 less than anticipated will be taken from General Fund Balances and net additional £604,000 will be transferred to Earmarked Reserves.

Due to the economic downturn the Council has experienced an increased workload in the Benefits Administration Team. In order to allow additional resources to be devoted to this area Central Government has allocated the Council an additional £74,580 Administration Grant in 2009/10. Of this amount it is estimated that £44,250 will be spent in 2009/10, this amount is included in the revised original column for 2009/10 in table 1 and approval is sought to transfer the remaining amount of £30,330 to Reserves to be spent in 2010/11

These adjustments have been built into the figures in table 1

3.6 Budget 2010/11

The 2010/11 General Fund revenue budget has been prepared following a robust budget process. This process is outlined below:-

3.6.1 **Budget Strategy**

The budget strategy for 2010/11 was presented to the Finance and Audit Select Committee on 3 August 2009 In brief, the strategy was as follows:-

Each service areas “base budget” for the year 2010/11 to be based on the 2009/10 original budget after adjusting for capital accounting and external interest received. Supplies and Services budgets were to be based on the 2009/10 original budget. Non-recurring items were deducted from the base and recurring growth bids approved in 2009/10 were included. The “target” for 2010/11 budget is the “base budget” plus inflationary increases, taking into account pay and price increases (see paragraph 3.6.4 below). Each service manager reviewed the budgets for deliverable savings and where commitments or discretionary growths increased the budget above the target then these have been evaluated separately by the Strategic Leadership Board (SLB), Finance & Audit Select Committee and Executive members.

3.6.2 **Consultation, Prioritisation and Resource Allocation**

The Council consulted with the people of Hinckley & Bosworth Borough Council by conducting surveys through the Citizen’s Panel.

The purpose of the Survey was to obtain the views of people living in the Borough as to whether they considered the top five and bottom five priorities that they identified in 2006 remained the same and also asked the panel to identify areas where they would like to see more or less money being spent.

Managers have been tasked with examining the budgets under their control and to identify potential reductions in Expenditure or additional sources of Income in order to close the gap in the budgets.

3.6.3 Links with Strategic and Service Objectives

Clarity about priorities has allowed the Council to shift resources to support these priorities.

Clarity of priorities has also enabled cross-party members to prioritise the projects included in the Capital Programme. Although the Capital Programme is the subject of a separate report, it is important to note that there are links between Capital and Revenue (e.g. interest from capital receipts, interest on borrowing, staffing costs etc). Therefore, the Revenue Budgets have been prepared in conjunction with the Capital Budgets and not in isolation.

Business Delivery Plans have been prepared to support the Council's priority objectives. These Plans give a guide to how the Council will deliver the priorities and further clarify the resources needed to support them. This enables the service planning process to feed into the budget process and provides a mechanism for considering and approving changes and enhancements to service levels. The Business Delivery Plans for 2010/11 will be presented to Executive for approval in April 2010.

3.6.4 Pay and Price Increases

In order to drive efficiency savings within the cost of supplies and services, a rate of 0% has been applied to the 2009/10 original budget. As the average Retail Price Index for 2009/10 and 2010/11 is anticipated to be around 2%, the application of 0% represents an effective saving on running costs of around 2% or around £62,500. In addition, it is envisaged that further efficiencies will be gained through the implementation of a more effective procurement strategy which is presently being developed by the Council's Procurement Manager.

For contracts, an inflation rate of 2% has been used, unless otherwise specified within the terms of the specific contract.

At just over £11m (including HRA : £1.4m) for 2010/11 the salaries and wages budget is a significant part of the total budget. For pay costs the 2010/11 estimates include an increase from 2009/10 levels of 1% for salaries and wages, reduced by 3.5% to allow for savings on vacancies.

Turnover of staff usually results in increased costs with advertising and use of temporary staff to cover key operational roles but inevitable delays in appointment arising from the Council's normal recruitment process will result in savings. In previous years a net saving close to 2% had been included in the salaries and wages estimate. On further consideration the net saving over the last three years has been closer to 3.5% and therefore a 3.5% saving has been applied for 2010/11, which is the same as that provided in 2009/10.

As usual, a full breakdown of the salary and wages figures by service areas will be supplied to members when final tax and spending decisions have been made.

The other significant change in the payroll budget is the increase in the employer's contributions for superannuation payments. The provision included in the 2010/11 budget and the implications for future years is dealt with in detail in paragraph 3.8.v. below.

3.7 Service Growths

The following Service Growths have been included in the budget

	£
Maintenance costs of Midland Trent HR/payroll system	7,740
E-tendering	1,500
Consultation bi-annual place survey	10,000
Annual Contribution to Prospect Leicestershire	17,860
Contribution to Multi-agency Travellers Unit	10,000
Contribution to Credit Union running costs	10,000

Total	57,100

3.8 Corporate Issues

In addition to service pressures, there are a number of corporate issues which have been addressed through the budget setting process and included in the base budget. These are fully detailed in the MTFs approved by Council on 26th January 2010 and the Budget Strategy. A summary of these items is provided below.

i) Concessionary Travel

Since April 2008 the Council has been providing travel concessions to eligible persons based on the national statutory scheme of free off-peak travel anywhere in England together with some enhancements including half fare travel at peak times within Leicestershire and to specified destinations outside the County and half fare travel on certain other modes of transport. 2008 also saw a change in the way the reimbursement to Public Transport Operators is calculated. Previously

this was based on a fixed sum reimbursement to put the operator back in the position they would have been in if the Concessionary Travel Scheme was not operating. Now the reimbursement is based on the actual number of journeys undertaken multiplied by an average fare and a reimbursement rate to take account of the generation of additional passengers using the concession.

Estimated costs for 2010/11 have increased over and above 2009/10 due in the main to additional use of the Concession and the impact of operators fare increases. It is estimated that the cost in 2009/10 will be contained within the budget provision made. Budgetary provision for 2009/10 and 2010/11 is £900,000 and £965,000 respectively.

A Special Grant is paid to authorities to meet the additional cost of country wide free travel. This grant is allocated to authorities on the basis of a formula that is not related to the actual costs of providing the service. A number of authorities contended that the grant paid to them was well below the cost of providing the service. The Department for Transport undertook some work to revisit the allocation and this resulted in HBBC being allocated an additional £231,000 for 2010/11. This allocation means that the Council will now have sufficient funding in place to support the Concessionary Travel until it's transfer to Leicestershire County Council in 2011/12.

ii) **Income Reductions**

A significant proportion of the Council's Expenditure is financed from Income from Fees and Charges.

During the 2009/10 the Council has seen a continued reduction in the income it has received from the following areas due to the decline in the economy and in particular due to the very tight credit conditions experienced during 2008 and 2009.

- Planning Application Fees
- Building Control Fees
- Local Search Fees (Land Charges)

The impact of this is estimated to be £48,000 in 2009/10.

These reductions are expected to continue into 2010/11 and the budget has been reduced by £75,000 from the 2009/10 Original.

iii) **Interest Rate**

The Base Rate is currently 0.5% (February 2009 1%). It is recognised that it is unlikely that the Base Rate will decrease any further and the next movement will be upwards, however there is a significant degree of uncertainty in the markets as to when this increase will occur but it is not expected to be in the short term. HBBC has a positive cash flow i.e. its

investments exceed its long-term and temporary loans. For the purpose of forecasts it is considered prudent to apply an average base rate of 1% for 2010/11. Reductions in interest rates have a significant impact on the Council's budget as its investment income has been significantly reduced. The impact of the net reduction in income is £115,000 in 2009/10 and £31,000 in 2010/11

iv) Benefit Payments

With a total budget for Council Tax Benefit and Housing Benefit of just under £15m a 1% variation can lead to an overspend (or underspend) of around £150,000. It was therefore considered prudent when agreeing the MTFS to set aside some funding as a contingency against an adverse variance. This reserve currently has a balance of £126,000. Because of the financial pressures no further contribution will be made to the Reserve in 2010/11 but the position will be kept under continued review and any in year under spends will be used to make further contributions to this reserve.

v) Local Development Framework (LDF)

The Local Development Framework consists of a series of statutory documents which set out the Council's spatial planning strategy for the local planning authority area. The requirement to produce this documentation is provided by the Planning and Compulsory Purchase Act 2004. This Act changes the approach to developing adopted policies used essentially to outline development plans across the Borough up until 2026 and to assess planning applications submitted to the Authority. Work on the LDF is ongoing and the timetable is laid out in the Local Development Scheme (originally published September 2004), a revised timetable for which was reported to Council in September 2009. An estimate of expenditure required to produce these documents has now been provided. Qualifying expenditure will be funded from the Local Plan Reserve.

The Core Strategy was subject to a Public Examination in May 2009. The costs for this will be incurred in 2009/10 and are likely to be in the region of £100,000. The Site Allocation DPD will be examined in 2011/12 with an Earl Shilton and Barwell Area Action Plan DPD likely to require examination in 2010/11. In addition, the Hinckley Town Centre Area Action Plan DPD is being produced for submission with examination in 2010/11. There are also commitments to fund evidence bases to support the LDF (Employment Land and Premises Study and Planning Policy Guidance 17 Study). The total costs of this process will be substantial and once established will be met from the Local Plan Reserve, which currently stands at £303,000.

At the present time, it is estimated that the costs of this process will be as follows:-

2009/10

Commitments for Evidence Base	£58,000
Core Strategy	£100,000
	<hr/>

£158,000

2010/11

Earl Shilton and Barwell Sustainable Urban Extension Area Action Plan	£60,000
Further external consultancy support to take Earl Shilton and Barwell Sustainable Urban Extension Area Action Plan to adoption	£100,000
Hinckley Town Centre Area Action Plan	£50,000
	<hr/>
	£210,000
	<hr/>

2011/12

Site Allocations DPD	£120,000
----------------------	----------

As stated above, the current balance in the Local Plan Reserve stands at £303,000. Thus, by 2011/12, there will be a shortfall of funding for the LDF in the region of £185,000 which will be addressed by a contribution from the 2009/10 HPDG award of £582,075.

vi) Pension Fund Contributions

The Leicestershire Pension Fund was revalued as at 31 March 2007 in accordance with Statutory Requirements and the Council is required to make an additional employers contribution in 2008/09 of £36,000 in respect of General Fund Services to meet the contribution rates required by the Actuary to ensure the long-term solvency of the Fund. This is over and above the additional contribution of £85,000 required to meet the contribution rates set by the Actuary in the 2004 valuation. However it should be noted that with the increase in 2008/09 contributions the Council is now meeting the contribution rates set by the Actuary in the 2007 valuation and there will now be no increase in the contribution rate of 16.4% until 2011/12. Contributions will however increase to take account of pay awards and other salary increases.

vii) Local Elections

The next Local Elections are scheduled to take place in 2011. It has been the practice of this Council to meet the cost of these elections in the year they take place. It is estimated that the cost of the next election will be of the order of £80,000 to £100,000. To increase the budget by this amount in one year will have a detrimental effect on the Council Tax and budget in that year. Therefore, an Elections Reserve has been created with an annual contribution of £25,000. A contribution for 2010/11 for this amount has been included in the budget and the balance in reserve will meet the full cost of the elections.

3.9 Efficiency Savings

The following savings, as detailed in the MTFs, have been included in the 2010/11 budget.

- 3.9.1 The application of a 0% increase in the supplies and services budget for 2010/11 will equate to a real cashable saving of 2% or around £62,500.
- 3.9.2 Other savings are detailed in section 7 of the MTFs approved by Council on 26th January 2010.

3.10 Local Authority Business Growth Incentive Scheme (LABGI)

LABGI is a scheme that recycles some of the impact of the growth of Business Rates in an area to the authorities within the area and is intended to encourage authorities to grant Planning permission to Commercial premises by allowing them to keep a proportion of the additional business rate income generated. A scheme ran from 2005/06 to 2007/08 but in the Comprehensive Spending Review for 2007 Central Government stated that the scheme as it stood would be discontinued and a much reduced scheme would be put in place for 2008/10 onwards. No funds were put aside in 2008/09 to fund the scheme and £50m and £100m identified for 2009/10 and 2010/11 respectively. A distribution formula has now been determined and the Council has received £46,200 in respect of LABGI in 2009/10 and this has been taken into account when determining the Revised Budget for that year. As the amount to be received is based on growth in Non Domestic Rateable Value in a sub region (for HBBC it is Leicestershire) and a number of the variables in the formula are currently unknown no provision for income from this source has been included in the Budget for 2010/11.

3.11 Housing and Planning Delivery Grant (HPDG)

The Department for Communities and Local Government make payments of HPDG to local authorities that meet certain performance targets for their Planning Service.

The Council has received notification that it is likely to receive £582,080 in 2009/10 in HPDG. The main reason for such a significant sum being received is that the Council submitted its Local Development Framework in 2009/10 and is rewarded for doing so. It is recommended that in the first instance that this money be transferred to Reserves and allocated at a later date although it is recommended that £185,000 be transferred to the LDF Reserve to meet costs that are likely to arise in future year (see 3.8(v) above). No provision has been made in 2010/11 in respect of new grant to be received in that year as there is uncertainty as to the amount that will be received.

3.12 Major Projects

Appropriate provision has been made in the budget for the Revenue consequences of the Council's Major Projects in the 2010/11 Budget . These projects are

- Goddard/Atkins Building
- Flexible Working
- Hinckley Club for Young People
- Bus Station site redevelopment

Details of these projects together with the capital and revenue amounts involved can be found in Section 7.9 on page 26 of the Medium Term Financial Strategy

4.0 THE FINANCE SETTLEMENT

- 4.1 The Council's budgets are highly sensitive to changes in the finance settlement. The outcome of the Spending Review 2007 will have a significant impact on the financial position of the Council for 2010/11. In summary the Finance Settlement for 2010/11 provides for £160,489 of growth or 2.2% in cash terms. Considerable amount of work has already taken place to identify further savings (beyond those already delivered under CSR04) for 2010/11. More work will be required during the period of this Strategy to identify areas for income/revenue generation and invest to save projects in order to meet the funding gap in 2010/11, 2011/12 and 2012/13.

5.0 CONTRIBUTION FROM THE COLLECTION FUND

The latest estimates of the Collection Fund Balance at 31 March 2010 shows that there is likely to be a small surplus on the fund amounting to £41,000. This amount is available to be placed in the Pensions Contributions Reserve to meet any significant increases in Employers Pension Contributions that may arise from future triennial valuations of the Pension Fund.

The policy is that any surplus on the Collection Fund in the future is used to support either the capital programme or minimise the impact of the triennial revaluation of the Pension Fund.

However, as stated in paragraph 3.8(v), the Council is now making contributions at the rates set by the Actuary in the 2007 valuation. Therefore there will no be increase in the rate until 2011/12 but given the present economic climate it is likely that the results of the 2010 valuation will require a significant increase in contributions so it would seem to be prudent to put some resources aside to meet future increases. Therefore the estimated Collection Fund Surplus of £41,000 has been transferred to the Earmarked Reserve

6.0 COUNCIL TAX

- 6.1 As Members are fully aware, the considerations of Council Tax income for this Council continue to be difficult and conflicting. On the one hand, the Council is faced with a period of extremely tight Central Government Finance Settlements (see paragraph 4) at the same time as it faces increased demands for its services coupled with increased costs. On the other hand the Council continues to be restricted in terms of continued expectations of the community

and threat of capping, by its own legacy of low Council Tax levels. HBBC has the **10th lowest Council Tax level** nationally and therefore continues to work from a low base to provide value for money services to the residents of the Borough.

Following the announcement of the Comprehensive Spending Review 2007 (CSR07) in December 2007, John Healey, Minister of Local Government, stated that “it would be unwise for any authority to assume that the capping principles set in previous years will be repeated. The onus is on all authorities to demonstrate leadership and deliver top quality services for their citizens. Authorities should be capable of innovating, managing change, and improving efficiency without having a disproportionate impact on their council tax payers..... The government expects the average council tax increase in England to be substantially below 5%. It is expected that these principles will apply in 2010/11.

The Council is therefore restricted by the amount that Council Tax can be increased and thus if service expenditure rises Council Tax cannot necessarily be increased to match it. Instead, alternative financing needs to be obtained or reductions in other areas of service made.

7.0 USE OF GENERAL FUND RESERVES AND BALANCES

7.1 The Council has the following policies:

- Maintain general balances at a minimum 10% of Hinckley & Bosworth Borough Council's budget requirement (a minimum of around £1.1m for 2009/10 and 2010/11. The proposals in this Budget Report meet this minimum level.
- All actual service under-spends for 2009/10 be transferred to general fund balances and not earmarked reserves. Where there is a specific critical need for an earmarked reserve a report will be prepared for Executive approval by the Director of Finance
- There is no direct contribution from revenue to capital.
- Any notional profit earned by the Direct Service Organisations will be transferred to general fund balances.

7.2. General Fund Balances

The projected movement of the General Fund Balances is as follows

Table 4

	Total	General	Special Expenses
	£'000	£'000	£'000
Balances at 1 April 2009	1,680	1,621	59

Amount Taken to (+) from (-) Balances 2009/10	-118	-148	30
Balances at 31 March 2010	1,562	1,473	89
Amount Taken to (+) from (-) Balances 2010/11	28	- 17	45
Balances at 31 March 2011	1,590	1,456	134

7.3 Table 5 provides a summary of general fund reserves together with estimated movements during the year.

Table 5

Reserve Movements 2009/10 Revised and 2010/11 Original

Specific Reserve	Balance as at 1/4/09	Movements In year		Balance as at 31/3/10	Movements in year		Balance as at 31/3/11
		In	Out		In	Out	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Commutation & Feasibility Reserve	448		-200	248			248
Benefits Reserve	126			126			126
Local Plans	303	185	-58	430			430
Historic Buildings	14			14			14
Land Charges	17			17			17
Disaster Recovery	118			118			118
Building Control	32	55		87	10		97
ICT Reserve	241			241			241
Grounds Maintenance Health & Safety	19		-19	0			0
Project Management/ Masterplan	343			343			343
Shared Services Reserve	74			74			74
Pensions Contributions	37	30		67	41		108
Waste Management	246			246			246
Development Control Fee Income	76		-76	0			0
Elections	25	25		50	25		75
Planning Delivery Grant	277	397		674			674
Flexible Working	110			110		-110	0
IFRS Capacity Support	20			20			20
Web Development	60			60			60
FOI training	3			3			3

New Performance Improvement	10			10			10
Corporate Services (1)	6			6			6
Home Energy Efficiency Training	11			11			11
Finance Capacity Fund	20			20			20
Priority Improvement Fund	70			70			70
Workforce Strategy	3			3			3
Grounds Maintenance Machinery	0	68	-68	0	25		25
Benefits Admin Grant Reserve	0	30		30		-30	0
Total GF Earmarked Reserves	2,709	790	-421	3,076	101	-140	3,039
Amounts transferred to ring fenced Reserves		55			10		
Reserves utilised to support the Capital Programme			-68				
Transfers to/from Reserves impacting on the General Fund balance as per Table 1		735	-353		90	-140	

The use of reserve during 2009/10 and for 2010/11 are attributable to the following:

2009/10

Commutation and Feasibility Reserve - £200,000

To meet part of cost of Minimum Revenue Provision (MRP) in 2009/10

Local Plans - £58,000

To fund work on the Local Development Framework (LDF) in 209/10

Grounds Maintenance Health & Safety - £19,000

To fund machinery purchases required under Health & Safety regulations

Development Control Fee Income - £76,000

To meet reduced income on Development Control Fees resulting from the economic downturn in development.

2010/11

Flexible Working - £110,000

To meet revenue implications of flexible working

Benefits Admin Grant - £24,000

To finance costs additional benefits Admin work in 2010/11 brought about by the economic downturn.

8.0 FINANCIAL IMPLICATIONS (SK)

As contained in the report.

9.0 LEGAL IMPLICATIONS

As contained in the report.

10.0 CORPORATE PLAN IMPLICATIONS

None.

11.0 CONSULTATION

Citizens Panel, Executive Members

12.0 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		

13.0 KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

The Budget sets out the Council's expenditure plans and takes into account rural and equality issues

14.0 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
- Planning Implications
- Voluntary Sector

Contact Officer : Sanjiv Kohli, Director of Finance, ext. 5607
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Executive Member : Councillor K.W.P. Lynch

8C25feb10

COUNCIL 25 FEBRUARY 2010

REPORT OF DIRECTOR OF FINANCE

RE: CALCULATION OF COUNCIL TAX FOR 2010/11

1 **PURPOSE OF REPORT**

In the earlier report (C54), Council has been asked to endorse the 2010/11 General Fund Revenue Budget. Council is now also asked to formally approve the Council Tax for the financial year 2010/11.

2 **RECOMMENDATIONS**

In accordance with Sections 32 to 36 of the Local Government Finance Act 1992 (as amended) it is recommended that for 2010/11:

The Council's budget requirement, as set out in the General Fund Revenue Budget 2010/11 (Report C54), excluding Special Expenses and Parish Councils be £11,020,770.

The Council's budget requirement as set out in the General Fund Revenue Budget 2010/11 (Report C54), including Special Expenses, be £11,626,910.

The Council's total net budget requirement including Special Expenses and Parish Councils be £13,046,554.

The contribution from Revenue Support Grant and Non Domestic Rates be £7,385,833.

A surplus of £41,536 on the Collection Fund will be transferred to an earmarked Reserve in accordance with Council policy in 2010/11

The Council Tax for Borough wide services, excluding Special Expenses and Parish Council precepts, for Band D be £96.02.

The Council Tax for Borough wide services and an average of Special Expenses Services for Band D be £112.35

The basic amount of Council Tax, being the tax relating to Borough wide services and an average of Special Expenses and Parish Council services for Band D, be £150.59

The total Council Tax, including amounts for the County Council, Police Authority, and Fire Authority and for each area and valuation band be approved (Attached as Appendix A).

The calculation of the estimated surplus on the Collection Fund be delegated to the Director of Finance. The surplus will be transferred in accordance with Council's Policy to the Pension Reserve.

3 BACKGROUND TO REPORT

The General Fund Revenue Budget for 2010/11 has been drawn up in accordance with the principles set out in the Budget Strategy agreed by Executive in October 2009 and in accordance with the Medium Term Financial Strategy to be approved at this meeting. The key objectives are summarised in the General Fund Revenue Budget 2010/11 (Report C54).

The full "Budget Book" has been issued separately. Members are requested to raise any specific questions directly with the Director of Finance, Accountancy Manager, or the relevant service manager.

In addition to the Borough wide element, the Borough Council, as billing authority, has to collect Council Tax elements on behalf of the County Council, the Police Authority, the Combined Fire Authority, Parish Councils and the Special Expenses Area. These other bodies issue precepts to the Borough Council specifying the amounts to be collected. These amounts are then paid over during the year in accordance with statutory timescales.

4 COUNCIL TAX 2010/11

The approved budgets for this Council result in an average increase in Council Tax excluding the Special Expenses area of Hinckley, of 2.4%.

The approved budgets for this Council result in an average increase in Council Tax including the Special Expenses area of Hinckley, of 2.0%.

Leicestershire County Council, Leicestershire Police Authority and Leicester, Leicestershire and Rutland Combined Fire Authority have approved their budgets for 2010/11 and their corresponding precepts to the Borough Council.

The County Council element of the Council Tax has increased by 2.5% compared with 2009/10, the Police element has increased by 2.7% and the Fire Authority element has increased by 3.0%.

The resulting Council Tax amount for each valuation band is as follows:

Valuation Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Leicestershire County Council	708.67	826.78	944.89	1,063.00	1,299.22	1,535.44	1,771.67	2,126.00
Leicestershire Police Authority	113.09	131.94	150.79	169.63	207.33	245.03	282.72	339.27
Combined Fire Authority	35.58	41.51	47.45	53.38	65.24	77.10	88.96	106.75

The 2010/11 Council Tax relating to Special Expenses items of expenditure for Band D is £59.82, an increase of 0% over 2009/10.

The average 2010/11 Council Tax relating to Parish Council items of expenditure for Band D is £52.60, an increase of 0.3% over 2009/10.

The average total amount of Council Tax due at Band D will be £1,436.60 for 2010/11, an increase of 2.4% over 2009/10.

The actual percentage increase for each taxpayer will vary depending on the area in which they live.

In summary, the average band D Council tax is made up as follows:

Precepting Authority	2010/11 Tax	2009/10 Tax	Increase
Leicestershire County Council	1,063.00	£1,037.07	2.5%
Combined Fire Authority	53.38	£51.82	3.0%
Leicestershire Police Authority	169.63	£165.21	2.7%
Hinckley & Bosworth Borough Council Including Special Expenses	£112.35	£110.13	2.0%
Parish Councils	£38.24	£38.11	0.3%
Total Council Tax	£1,436.60	£1,402.34	2.4%

5 **FINANCIAL IMPLICATIONS (DB)**

The Council Tax amounts above, when applied to the approved Council Tax Base, will provide sufficient income to meet the estimated Borough wide and Special Expenses area spending and Parish, County, Police and Fire precepts.

6 **LEGAL IMPLICATIONS (LH)**

These are contained within the body of the report.

7 **CORPORATE PLAN IMPLICATIONS**

None arising directly from this report

8 **CONSULTATION**

As part of the budget setting process for HBBC expenditure the following groups were consulted: -

Citizens Panel
Cabinet Members
Members of Opposition Groups

9 **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.

10 **KNOWING YOUR COMMUNITY – EQUALITY & RURAL IMPLICATIONS**

Precepts for parishes will fund expenditure on their services. Rural communities also benefit from services provided by other precepting authorities.

11 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: DCLG notification of contributions.
Notification of Leicestershire County Council precept.
Notification of Leicestershire Police Authority precept.
Notification of Leicester, Leicestershire and Rutland Combined
Fire Authority precept.
Notification of Parish Council precepts.

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Executive Member Cllr. K.W.P. Lynch

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APPENDIX A

COUNCIL TAX 2010/11

VALUATION BAND PROPORTION OF BAND D	A 6/9	B 7/9	C 8/9	D 9/9	E 11/9	F 13/9	G 15/9	H 18/9
	£p	£p	£p	£p	£p	£p	£p	£p
Parish								
HINCKLEY	961.23	1,121.44	1,281.64	1,441.85	1,762.26	2,082.67	2,403.08	2,883.70
BAGWORTH	962.05	1,122.40	1,282.74	1,443.08	1,763.76	2,084.45	2,405.13	2,886.16
BARLESTONE	963.67	1,124.29	1,284.90	1,445.51	1,766.73	2,087.96	2,409.18	2,891.02
BARWELL	960.27	1,120.32	1,280.36	1,440.41	1,760.50	2,080.59	2,400.68	2,880.82
BURBAGE	957.75	1,117.38	1,277.00	1,436.63	1,755.88	2,075.13	2,394.38	2,873.26
CADEBY	941.03	1,097.86	1,254.70	1,411.54	1,725.22	2,038.89	2,352.57	2,823.08
CARLTON	946.80	1,104.60	1,262.40	1,420.20	1,735.80	2,051.40	2,367.00	2,840.40
DESFORD	954.60	1,113.70	1,272.80	1,431.90	1,750.10	2,068.30	2,386.50	2,863.80
EARL SHILTON	956.47	1,115.89	1,275.30	1,434.71	1,753.53	2,072.36	2,391.18	2,869.42
GROBY	961.69	1,121.97	1,282.25	1,442.53	1,763.09	2,083.65	2,404.22	2,885.06
HIGHAM	949.34	1,107.56	1,265.79	1,424.01	1,740.46	2,056.90	2,373.35	2,848.02
MARKET BOSWORTH	953.13	1,111.98	1,270.84	1,429.69	1,747.40	2,065.11	2,382.82	2,859.38
MARKFIELD	954.03	1,113.04	1,272.04	1,431.05	1,749.06	2,067.07	2,385.08	2,862.10
NAILSTONE	946.15	1,103.85	1,261.54	1,419.23	1,734.61	2,050.00	2,365.38	2,838.46
NEWBOLD VERDON	959.70	1,119.65	1,279.60	1,439.55	1,759.45	2,079.35	2,399.25	2,879.10
OSBASTON	936.83	1,092.96	1,249.10	1,405.24	1,717.52	2,029.79	2,342.07	2,810.48
PECKLETON	949.62	1,107.89	1,266.16	1,424.43	1,740.97	2,057.51	2,374.05	2,848.86
RATBY	962.97	1,123.47	1,283.96	1,444.46	1,765.45	2,086.44	2,407.43	2,888.92
SHACKERSTONE	949.75	1,108.05	1,266.34	1,424.63	1,741.21	2,057.80	2,374.38	2,849.26
SHEEPY	949.23	1,107.44	1,265.64	1,423.85	1,740.26	2,056.67	2,373.08	2,847.70
STANTON-U-BARDON	946.98	1,104.81	1,262.64	1,420.47	1,736.13	2,051.79	2,367.45	2,840.94
STOKE GOLDING	949.43	1,107.66	1,265.90	1,424.14	1,740.62	2,057.09	2,373.57	2,848.28
SUTTON CHENEY	945.83	1,103.47	1,261.11	1,418.75	1,734.03	2,049.31	2,364.58	2,837.50
TWYCROSS	941.19	1,098.06	1,254.92	1,411.79	1,725.52	2,039.25	2,352.98	2,823.58
WITHERLEY	934.09	1,089.77	1,245.45	1,401.13	1,712.49	2,023.85	2,335.22	2,802.26

COUNCIL – 25 FEBRUARY 2010

REPORT OF DIRECTOR OF FINANCE RE: CAPITAL PROGRAMME 2009/2010 TO 2012/13

1.0 PURPOSE OF REPORT

1.1 To consider the Capital Programme for the years 2009/10 to 2012/13.

2.0 RECOMMENDATION

2.1 The attached programme (pages 6 to 12) be noted and recommended to Council for approval.

2.2 Note the financial implications contained in section 6.

3.0 BACKGROUND

3.1 The attached revised programme is based on approved changes after the last report that was presented to council in August 09 and includes expected schemes until 2012/13.

3.2 The Programme has been discussed and noted at Finance and Audit Services Select Committee on February 1st 2010.

3.3 Projects in the programme have been submitted by Project Officers and reflect outcomes from the Officers Capital Forum Group and SLB. Only requests that have been supported by SLB have been included within the programme.

3.4 Officers will continue to re-assess the Capital Programme on a quarterly basis and will continue to seek external funding to finance projects wherever possible. Ultimately, once the economic climate has improved, the Council will need to approve land assets for disposal.

3.5 Details for the forthcoming programme are attached 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

4.0 ADDITIONAL REQUESTS (Without Additional Impact on Resources)

4.1 Increase the Burbage Common capital project by £50,000 to reflect regional needs. The development will be accelerated by a year to take into account additional funding opportunities. Therefore this will result in a net saving of £100,000. – Project LE8.

- 4.2 Deletion of capital cost of restructure saving £373,820. These costs will now be funded though the General Fund Revenue Account. – Project CS14
- 4.3 Re-alignment of the Greenfields Project based on late approval of LSEP grant and expected works. – Project CS13
- 4.4 A net increase within the Housing Capital Programme of £130,000 to allow for two new properties to be built. This project is 50 per cent externally funded. – HRA Projects
- 4.5 Changes to the General Fund Housing (Disabled Facilities Grant) to reflect anticipated demand within 2009/10. Additional support for 2010/11 has been applied for. – Project H4
- 4.6 Additional Private Sector Decent Homes Support has recently been granted for 2010/11. This has been built into the capital programme. – Project H5
- 4.7 An update to the Council's Web Development Programme, with an additional £60,000 to be funded from earmarked reserves that have been set aside from previous years' efficiency savings. – Project CS3
- 4.8 After consideration of the capital programme SLB agreed an additional £40,000 to be considered for furniture for communal areas within Housing sites. It was recommended that this cost is met from HRA balances.
- 4.9 Revision of the Goddard Project based on the latest expenditure forecast, estimated income from North Warwickshire College and additional funding from the LSEP.

5.0 ADDITIONAL REQUESTS (Additional Impact on Resources)

- 5.1 SLB considered bids amounting to £713,000 over the life of this programme. Support was given for an annual budget for replacement of waste management receptacles (£52,500) and an increase in the Borough Improvements, Environmental Improvements budget (£20,000) and a new Energy Efficiency Project (£30,000)
- 5.2 At the meeting of the Executive on 19 November 2009 it was agreed that the sum of £350,000 would be included in the 2010/11 Programme to cover the demolition costs of the existing Argents Mead Council Offices.
- 5.3 Following the current supplier of hired grounds maintenance equipment going into administration it would be more economical to purchase new equipment costing £168,000 rather than hire. This will result in an additional £92,000 of borrowing, the balance being funded from revenue savings. This solution would result in an annual revenue saving of £24,800.
- 5.4 Due to an increase in demand, SLB agreed an additional £44,175 to be considered for Private Sector Disabled Facility Adaptations. This is a statutory function.

6.0 FINANCIAL IMPLICATIONS (IB)

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.

6.1 Capital Financing

The borrowing impact of the programme identified will result in additional borrowing of £1,445,967,792 by 2012/13.

This borrowing is a direct result of the £1,500,000 shortfall which was reported to Council in August 2009. Changes identified within this report have resulted in savings of £338,000 compared to August 2009 Council report. The programme assumes the application of £3,490,000 of capital receipts from the sale of the Stoke Road site and other sites identified by the Strategic Management Group.

If the programme is endorsed all current capital receipts will be committed. Additional receipts of £290,010 over and above the £3,490,000 will have to be found by 2012/13 to fund the programme.

The anticipated £5,000,000 capital receipt from the sale of part of the Argents Mead site when realised will reduce the impact of borrowing from 2012/13 onwards and will be used to fund the programme. The receipt will be essential to ensure that the Council has enough funding to secure a Capital Programme. If the receipt is not realised the Council will not have any earmarked funding available to fund the current Capital Programme in future years.

6.2 Revenue Implications

The impact on General Fund Revenue will be £60,308 in year 2009/10, £122,006 in year 2010/11 and £127,806 from year 2011/12 onwards.

Additionally there will also be an annual revenue saving of £24,000 over the next 5 years.

Implications arising from the move to the Atkins Building and Flexible Working are currently being finalised.

Implications arising from the programme have been built into revenue budgets and the updated Medium Term Financial Strategy.

7.0 LEGAL IMPLICATIONS (AB)

7.1 None arising directly from the report.

8.0 COPORATE PLAN IMPLICATIONS

8.1 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.

9.0 CONSULTATION

9.1 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.

10.0 RISK MANAGEMENT

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

Management of Significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
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.	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.	Individual Project Officers.
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.	Six monthly review of capital programme would mean that it is easier to switch resources.	Project Officer / Accountancy section

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.

11.0 KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

11.1 The programme contains schemes, which will assist in rural development. Equality and rural issues are considered separately for each project.

12.0 CORPORATE IMPLICATIONS

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

12.2 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
- Planning Implications
- Voluntary Sector

Background Papers: Capital Estimates 0910 - 1213, Civica Reports

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Executive Member: Cllr K..Lynch

11C25feb10

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:** 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 Waste Management Receptacles:** 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.
- LE20 Grounds Maintenance Machinery:** The purchase of machinery for the maintenance of HBBC green spaces.
- LE21 Wykin Park:** Creation of a community park with play area, multi-games area and new footpath.

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.
- P7 Sustainable Energy Projects:** Supply and installation of energy saving cover for main pool at Leisure Centre.
- 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:** Design / Masterplan 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.
- CS15 Energy Efficiency Measures:** Project to implement cost-effective measures in line with the requirements of the Carbon Management Programme.
- CS16 Demolition of existing Argents Mead Council Offices:** Demolition of existing office block to prepare site for redevelopment.

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.

To build 2 new council houses to secure decent, well-managed, affordable housing. A bid has been submitted to the HCA for 50% of the funding.

CAPITAL ESTIMATES 2008-2009 to 2012-2013 SUMMARY

	TOTAL COST	ESTIMATE 2009-10	ESTIMATE 2010-11	ESTIMATE 2011-12	ESTIMATE 2012-13
	£	£	£		
SECTION 1 (Leisure and Environment)	2,719,677	1,323,140	869,047	334,250	193,240
SECTION 2 (Planning)	2,772,748	818,408	1,864,340	45,000	45,000
SECTION 3 (Central Services)	5,289,276	1,285,862	3,230,414	729,000	44,000
Housing (General Fund)	1,728,575	341,525	462,350	462,350	462,350
Sub-Total General Fund	12,510,276	3,768,935	6,426,151	1,570,600	744,590
Housing Revenue Account	10,665,712	2,738,756	2,739,226	2,593,865	2,593,865
	23,175,988	6,507,691	9,165,377	4,164,465	3,338,455
POTENTIAL REGENERATION	5,678,539	2,126,652	2,995,887	556,000	0
NON REGENERATION	17,497,449	4,381,039	6,169,490	3,608,465	3,338,455
HBBC TOTAL	23,175,988	6,507,691	9,165,377	4,164,465	3,338,455
Resources : HRA Major Repairs Allowance	8,192,931	2,036,226	2,052,235	2,052,235	2,052,235
Resources : Capital Receipts	218,000	218,000	0	0	0
Resources : Capital Receipt (HRA)	96,608	21,000	3,608	0	72,000
Usable Capital Receipts Reserve	480,642	94,032	115,000	160,750	110,860
Supported Borrowing GF	426,400	106,600	106,600	106,600	106,600
Unsupported Borrowing GF	305,055	305,055	0	0	0
Unsupported Borrowing HRA	2,360,991	558,000	686,991	558,000	558,000
Contribution from reserves GF	363,000	273,000	85,000	5,000	0
Contribution from reserves HRA	40,900	40,900	0	0	0
Future Capital Receipts	3,490,000	125,000	2,562,870	653,380	148,750
Funding Needed Borrowing	1,232,912	603,226	557,186	72,500	0
Funding Needed Future Capital Receipts	290,010	0	0	0	290,010
	17,497,449	4,381,039	6,169,490	3,608,465	3,338,455

SECTION 1

PROJECT	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012	ESTIMATE 2012-2013
LE1 Parish & Community Initiatives Grants					
Total Annual Expenditure(ALL HBBC)	398,120	98,120	100,000	100,000	100,000
LE2 Parks Major works					
Total Annual Expenditure(ALL HBBC)	191,031	69,741	40,200	40,350	40,740
LE3 Swallows Green					
Total Annual Expenditure	9,525	9,525			
Less Contributions	(9,525)	(9,525)			
HBBC Element	0	0	0	0	0
LE4 Richmond Park Play Area					
Total Annual Expenditure(ALL HBBC)	165,686	101,686	64,000	0	0
LE5 Langdale Rec					
Total Annual Expenditure	30,380	30,380			
Less Big Lottery	(8,055)	(8,055)			
Total Annual Expenditure(ALL HBBC)	22,325	22,325	0	0	0
LE6 Hollycroft Park					
Total Annual Expenditure	52,189	52,189			
Less Breathing Spaces Grant	(181)	(181)			
Total Annual Expenditure(ALL HBBC)	52,008	52,008	0	0	0
LE7 Ashby Road Cemetery Extension					
Total Annual Expenditure	131,738	131,738			
Less Section 106	(59,860)	(59,860)			
Total Annual Expenditure(ALL HBBC)	71,878	71,878	0	0	0
LE8 Burbage Common					
Total Annual Expenditure	342,000		226,000	116,000	
Less Grant Playbuilder	(50,000)		(50,000)	0	
Less 6c's grant	(100,000)		(100,000)	0	
HBBC Element	192,000	0	76,000	116,000	0
LE9 Memorial Safety Programme					
Total Annual Expenditure(ALL HBBC)	14,468	9,468	5,000	0	0
LE10 Clarendon Park					
Total Annual Expenditure	14,468	14,468	0	0	0
LE21 Wykin Park					
Total Annual Expenditure	2,700	2,700			
HBBC Element	2,700	2,700	0	0	0
LE11 ST Marys Chuch Yard wall					
Total Annual Expenditure(ALL HBBC)	10,395	10,395	0	0	0
LE12 Waste Management Receptacles					
Total Annual Expenditure(ALL HBBC)	218,586	61,086	52,500	52,500	52,500

SECTION 1

PROJECT	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012	ESTIMATE 2012-2013
LE13 Cemeteries Booking System					
Total Annual Expenditure(ALL HBBC)	6,344	6,344	0	0	0
LE14 Churchyard Repairs					
Total Annual Expenditure(ALL HBBC)	2,921	2,921	0	0	0
LE15 Hinckley Club for Young People					
Total Annual Expenditure(ALL HBBC)	1,091,747	635,000	431,347	25,400	0
LE16 Queens Park					
Total Annual Expenditure	130,800	5,000	125,800		
Less contribution	(25,800)		(25,800)		
HBBC Element	105,000	5,000	100,000	0	0
LE17 Recycling containers for kitchen waste					
Total Annual Expenditure(ALL HBBC)	0	0	0	0	0
LE18 Waste Management Vehicle (Multi-occupancy)					
Total Annual Expenditure	70,000	70,000			
Less contribution	(70,000)	(70,000)			
HBBC Element	0	0	0	0	0
LE19 Queens Park Play Area					
Total Annual Expenditure	50,000	50,000			
Less contribution (Playbuilder Grant)	(50,000)	(50,000)			
HBBC Element	0	0	0	0	0
LE20 Grounds Maintenance Machinery					
Total Annual Expenditure(ALL HBBC)	160,000	160,000	0	0	0
TOTAL GROSS EXPENDITURE	3,093,098	1,520,761	1,044,847	334,250	193,240
LESS TOTAL CONTRIBUTIONS	(373,421)	(197,621)	(175,800)	0	0
TOTAL HBBC ELEMENT	2,719,677	1,323,140	869,047	334,250	193,240
POTENTIAL REGENERATION	1,904,341	1,071,794	716,547	116,000	0
NON REGENERATION	815,336	251,346	152,500	218,250	193,240
HBBC TOTAL	2,719,677	1,323,140	869,047	334,250	193,240

SECTION 2

PROJECT	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012	ESTIMATE 2012-2013
P1 Borough Improvements					
Total Annual Expenditure	235,114	85,114	50,000	50,000	50,000
Less Private contribution	(68,300)	(23,300)	(15,000)	(15,000)	(15,000)
HBBC Element	166,814	61,814	35,000	35,000	35,000
P2 Car Park Resurfacing					
Total Annual Expenditure(ALL HBBC)	48,225	18,225	10,000	10,000	10,000
P3 Market Bosworth & Regent St Christmas Lights Infrastructure					
Total Annual Expenditure(ALL HBBC)	5,259	5,259	0	0	0
P4 Goddard Building Conversion					
Total Annual Expenditure	5,663,306	3,843,966	1,819,340		
Less LSEP Contributions	(2,851,973)	(2,851,973)	0		
Other Contributions	(271,763)	(271,763)	0		
HBBC ELEMENT	2,539,570	720,230	1,819,340	0	0
P5 Land Drainage / Water Courses - Safety Works					
Total Annual Expenditure(ALL HBBC)	2,880	2,880	0	0	0
P7 Sustainable Energy Projects					
Total Annual Expenditure(ALL HBBC)	10,000	10,000	0	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	0
TOTAL GROSS EXPENDITURE	6,264,784	3,965,444	2,179,340	60,000	60,000
LESS TOTAL CONTRIBUTIONS	(3,492,036)	(3,147,036)	(315,000)	(15,000)	(15,000)
TOTAL HBBC ELEMENT	2,772,748	818,408	1,864,340	45,000	45,000
POTENTIAL REGENERATION	2,651,384	782,044	1,854,340	15,000	0
NON REGENERATION	121,364	36,364	10,000	30,000	45,000
HBBC TOTAL	2,772,748	818,408	1,864,340	45,000	45,000

SECTION 3

PROJECT	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012	ESTIMATE 2012-2013
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)	91,281	91,281	0	0
CS4	General Renewals				
	Total Annual Expenditure(ALL HBBC)	56,000	14,000	14,000	14,000
CS5	Rolling Server Review				
	Total Annual Expenditure(ALL HBBC)	120,000	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)	17,189	17,189	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	400,000	600,000	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	24,090	43,000	0
CS12	HR/Payroll				
	Total Annual Expenditure(ALL HBBC)	19,368	15,954	3,414	0

SECTION 3

PROJECT	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012	ESTIMATE 2012-2013
CS13	Greenfields Development				
	Total Annual Expenditure	5,500,000	3,894,000	1,370,000	
	Less LSEP contribution	(2,750,000)	(1,829,000)	(685,000)	
	HBBC Element	2,750,000	2,065,000	685,000	0
CS14	Restructure - Capital Costs				
	Total Annual Expenditure(ALL HBBC)	0	0	0	0
CS15	Energy Efficiency Measures				
	Total Annual Expenditure(ALL HBBC)	30,000	30,000	0	0
CS16	Demolition of Argents Mead Offices				
	Total Annual Expenditure(ALL HBBC)	350,000	350,000	0	0
	TOTAL GROSS EXPENDITURE	8,039,276	5,059,414	1,414,000	44,000
	LESS TOTAL CONTRIBUTIONS	(2,750,000)	(1,829,000)	(685,000)	0
	TOTAL HBBC ELEMENT	5,289,276	3,230,414	729,000	44,000
	POTENTIAL REGENERATION	12,814	0	0	0
	NON REGENERATION	5,276,462	3,230,414	729,000	44,000
	HBBC TOTAL	5,289,276	3,230,414	729,000	44,000

GENERAL FUND HOUSING

PROJECT	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012	ESTIMATE 2012-2013
H 1 Major Works Assistance					
Total Annual Expenditure	631,517	61,517	190,000	190,000	190,000
Less Government Grant	(61,517)	(61,517)	0	0	0
HBBC ELEMENT	570,000	0	190,000	190,000	190,000
H 2 Minor Works Assistance					
Total Annual Expenditure	321,696	51,696	90,000	90,000	90,000
Less Government Grant	(27,328)	(27,328)	0	0	0
HBBC ELEMENT	294,368	24,368	90,000	90,000	90,000
H 3 Care & Repair Improvement Agency					
Total Annual Expenditure(ALL HBBC)	149,400	37,350	37,350	37,350	37,350
H 4 Disabled Facilities Grants					
Total Annual Expenditure	1,287,499	537,499	250,000	250,000	250,000
less 08/09 Unused Grant and repayments	(59,401)	(59,401)	0	0	0
Less Government Grant	(513,291)	(198,291)	(105,000)	(105,000)	(105,000)
HBBC ELEMENT	714,807	279,807	145,000	145,000	145,000
H 5 Decent Homes Projects					
Total Annual Expenditure	525,257	525,257	0	0	0
Less Contributions	(525,257)	(525,257)	0	0	0
Total Annual Expenditure(ALL HBBC)	0	0	0	0	0
TOTAL GROSS EXPENDITURE	2,915,369	1,213,319	567,350	567,350	567,350
LESS TOTAL CONTRIBUTIONS	(1,186,794)	(871,794)	(105,000)	(105,000)	(105,000)
TOTAL HBBC ELEMENT	1,728,575	341,525	462,350	462,350	462,350
POTENTIAL REGENERATION	1,110,000	260,000	425,000	425,000	0
NON REGENERATION	618,575	81,525	37,350	37,350	462,350
HBBC TOTAL	1,728,575	341,525	462,350	462,350	462,350

HOUSING REVENUE ACCOUNT (CAPITAL PROJECTS)

PROJECT	TOTAL COST	ESTIMATE 2009-2010	ESTIMATE 2010-2011	ESTIMATE 2011-2012	ESTIMATE 2012-2013
HRA PROJECTS					
Communal Furniture	40,900	40,900	0	0	0
Adaptations for Disabled People	1,428,592	357,148	357,148	357,148	357,148
Kitchen Improvements	992,424	248,106	248,106	248,106	248,106
Central Heating Replacement	1,130,488	282,622	282,622	282,622	282,622
Low Maintenance Doors	169,340	42,335	42,335	42,335	42,335
Electrical Testing / Upgrading	436,420	109,105	109,105	109,105	109,105
Major Void Enhancements	3,825,092	1,026,676	953,046	922,685	922,685
Programmed Enhancements	2,147,308	536,827	536,827	536,827	536,827
Single to Double Glazing	248,492	62,123	62,123	62,123	62,123
Re-roofing	131,656	32,914	32,914	32,914	32,914
	10,550,712	2,738,756	2,624,226	2,593,865	2,593,865
Council Houses - New build	230,000	0	230,000	0	0
Less Contributions	(115,000)	0	(115,000)	0	0
Total Annual Expenditure(ALL HBBC)	115,000	0	115,000	0	0
Barwell Community House	25,000	25,000	0	0	0
Less Contributions	(25,000)	(25,000)	0	0	0
Total Annual Expenditure(ALL HBBC)	0	0	0	0	0
TOTAL GROSS EXPENDITURE	10,805,712	2,763,756	2,854,226	2,593,865	2,593,865
LESS TOTAL CONTRIBUTIONS	(140,000)	(25,000)	(115,000)	0	0
TOTAL HBBC ELEMENT	10,665,712	2,738,756	2,739,226	2,593,865	2,593,865
POTENTIAL REGENERATION	0	0	0	0	0
NON REGENERATION	10,665,712	2,738,756	2,739,226	2,593,865	2,593,865
HBBC TOTAL	10,665,712	2,738,756	2,739,226	2,593,865	2,593,865

COUNCIL - 25 FEBRUARY 2010

REPORT OF DIRECTOR OF FINANCE
RE : HOUSING REVENUE ACCOUNT ESTIMATES 2010/11

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek the Select Committee's endorsement of the proposed budget for 2010/11, in respect of the Housing Revenue Account (HRA) and to the level of rent increases to apply in 2010/11 prior to it being submitted to Council on 25 February 2010. This report should be read in conjunction with the Capital Budget reports.

2. RECOMMENDATIONS

- 2.1 That dwelling rent increases for 2010/11 are set in accordance with the process prescribed by the government for rent restructuring, averaging 2.5%, and that the budgets presented in Appendices "A", "B", and "C" are approved.
- 2.2 The Budget for 2010/11 be approved.

3. BACKGROUND TO REPORT

- 3.1 The budgets covered by this report relate to your responsibilities as the landlord of around 3400 dwellings. The Housing Revenue Account is the account which groups the subsidiary activities of :
- ◆ **Supervision & Management (General)**, e.g. lettings, waiting list, rent collection, tenant consultation
 - ◆ **Supervision & Management (Special)** e.g. sheltered schemes, hostel, roads, paths, fences and grounds, which are not part of an individual property
 - ◆ **Housing Repairs & Maintenance**, which has a separate account and deals with the maintenance of individual properties.
- 3.2 The rent calculation for 2010/11 continues the government's rent restructuring model, which the Borough Council applied for the first time in 2004/05. The impact of the restructuring model will produce different percentage increases for individual properties. However, the average increase is 2.5%.
- 3.3 The supporting people legislation means that the responsibility for charging tenants, where necessary, falls on Leicestershire County Council, who transmit a share of supporting people grant to the Borough Council. There are private householders, who pay for "Piper" or "Solo" rental or "Central Control" connection
- 3.4 Government support for council dwellings is provided by a Major Repairs Allowance element of subsidy. This is paid into a reserve, which is used to finance repairs and improvements to maintain the present standard of the dwelling stock.
- 3.5 The working balance (including the Repairs Account) increases in 2009/10 to £1,631,650 and in 2010/11 decreases to £1,561,320. An ongoing reassessment of programmed and capital repairs to reduce responsive variations continues to help to reduce the net expenditure and maintain the working balance above the level of £600,000 which is currently considered to be the target prudent minimum.
- 3.6 The following notes explain the variation between the Original 2009/10 Estimate and the Revised Original 2009/10 estimate

1. Appendix A – Dwelling Rents – impact of changes in rent formula to bring increase down to 3% average increase from the 7% that would have resulted from the normal application of the formula.
2. Appendix A – Negative Subsidy – reduced to take account of the reduced rent increase
3. Appendix A – Revenue Contribution to Capital – financing for replacement of furniture in Sheltered Accommodation funded from Salary Savings
4. Appendix B – Supervision and Management General – Employees – Savings as a result of vacancies and Pay Award lower than anticipated
5. Appendix B – Supervision and Management (Special) - Employees – Savings as a result of vacancies and Pay Award lower than anticipated
6. Appendix B – Supervision & Management (Special) – Premises – Impact of increased energy costs
7. Appendix B – Supervision & Management (Special) – Supplies and Services – Reduced cost of Piper maintenance contract
8. Appendix B – Supervision & Management (Special) – Income – Increased income from Supporting People
9. Appendix C – Repairs Administration – Employees – Savings resulting from Vacancies and Pay Award less than Anticipated

3.7 The following notes explain the major variances in the provisional budgets for 2010/11 compared with the approved budgets for 2009/10:

1. Appendix A: Dwelling Rents

The decrease in dwelling rents between 2009/10 original and 2010/11 original results from the changes in the rent formula announced by CLG in March 2009 which limited the overall increase in rents in 2009/10 to 3.1% where as the original formula on which the budget was based required a 7% increase for this authority. Rents for 2010/11 have been increased in line with formula which gives an average 2.5% increase

2. Appendix A: Transfer from Major Repairs Reserve & Item 8 Debit

The changes reflect the depreciation provision arising from the March 2009 revaluation of the Housing Revenue Account assets (£511,360). The increase must be shown in the Item 8 debit, but is reversed by the transfer from the Major Repairs Reserve (£483,140), so that tenants only have to meet a sum equivalent to the Major Repairs Allowance (£2,008,000).

3. Appendix A: Negative HRA Subsidy

The HRA subsidy calculation is largely predetermined by the HRA subsidy determination issued each year by central government. The decrease in 2010/11 is £67,540 follows the decrease in dwelling rents detailed in 1 above

4. Appendix A and Appendix C: FRS17 Pension Adjustment

The increases reflect decreases in the relevant charges included in Employee Costs. There is no net effect on overall expenditure.

5. Appendix B Supervision and Management (General) Supplies & Services

This increase (£47,170) Additional charges for IT software maintenance (£30,000) – transferred from the Repairs Account and costs in respect of Choice based lettings (£20,000)

6. Appendix B: Supervision & Management (General) – Central Administrative Charges

The decrease of £80,610 results from amendments in time allocated by staff to the HRA

7. Appendix B: Supervision & Management (Special) – Premises Related Expenditure

The additional costs (£51,920) relate to contractual price reviews and increased energy costs.

8. Appendix C: Repairs Administration – Supplies and Services

Increased Audit Fee offset by reduced ICT software Maintenance Charges

4. FINANCIAL IMPLICATIONS

As contained in the report.

5. LEGAL IMPLICATIONS

As contained in the report.

6. CORPORATE PLAN IMPLICATIONS

The proposed budgets will allocate resources to enable the council to achieve its objectives for its own housing stock.

7. CONSULTATION

Relevant council officers have been consulted in the preparation of the budgets.

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
Failure to achieve projected income levels	Regular monitoring and corrective action.	Director of Community and Planning Services

9. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

The budget will allow management and maintenance of properties throughout the Borough in accordance with the HRA Business Plan.

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
 - Voluntary Sector Implications
-

Background Papers : Housing Revenue Account Subsidy Determinations 2010/11

Contact Officer : David Bunker ext 5609

Executive Member: Cllr K.W.P. Lynch

10C25feb10

	<i>REF</i>	<i>REF</i>	2009/10 ORIGINAL ESTIMATE (Published) £	2009/10 LATEST ESTIMATE £	2010/11 ORIGINAL ESTIMATE £
	<i>Rev</i>	<i>Orig</i>			
SUMMARY HOUSING REVENUE ACCOUNT					
INCOME					
Dwelling Rents	1	1	(10,306,240)	(9,969,120)	(10,212,510)
Non Dwelling Rents			(68,470)	(66,860)	(67,740)
Contributions to Expenditure			(15,540)	(15,540)	(14,850)
Transfer from Major Repairs Reserve		2	(2,476,090)	(2,476,084)	(1,992,940)
			(12,866,340)	(12,527,604)	(12,288,040)
EXPENDITURE					
Supervision & Management (General)			1,424,000	1,379,449	1,402,410
Supervision & Management (Special)			882,950	702,354	775,660
Contribution to Housing Repairs A/C			2,300,000	2,300,000	2,300,000
Item 8 Debit		2	4,567,470	4,567,469	4,045,180
Capital Charges : Debt Management			2,750	2,750	4,750
Increase in Provision for Bad Debts			50,000	50,000	50,000
Negative HRA Subsidy		2 3	3,718,460	3,479,540	3,650,920
			12,945,630	12,481,562	12,228,920
Net Cost of Services			79,290	(46,042)	(59,120)
Interest Receivable			(22,930)	(22,930)	(22,390)
FRS17 Adjustment		4	(9,190)	(9,190)	42,340
Net Operating Expenditure			47,170	(78,162)	(39,170)
CONTRIBUTIONS					
Contribution to Piper Alarm Reserve			10,400	10,400	10,400
Contribution to Pensions Reserve					12,890
Revenue Contribution to Capital		3		40,900	
(Surplus) / Deficit			57,570	(26,862)	(15,880)
Relevant Year Opening Balance at 1st April			(1,012,490)	(1,367,580)	(1,394,442)
Relevant Year Closing Balance at 31st March			(954,920)	(1,394,442)	(1,410,322)

Housing Revenue ACCOUNT

	<i>REF</i>	<i>REF</i>	2009/10 ORIGINAL ESTIMATE (Published) £	2009/10 LATEST ESTIMATE £	2010/11 ORIGINAL ESTIMATE £
	<i>Rev</i>	<i>Orig</i>			
SUPERVISION & MANAGEMENT (GENERAL)					
Employees	4		368,660	310,535	393,710
Premises Related Expenditure			101,320	102,303	98,410
Transport Related Expenditure			16,060	16,853	19,000
Supplies & Services	5		103,740	109,989	150,910
Central & Administrative Exp	6		848,880	848,880	768,270
Gross Expenditure			1,438,660	1,388,559	1,430,300
Revenue Income			(14,660)	(9,110)	(27,890)
Net Expenditure to HRA			1,424,000	1,379,449	1,402,410
SUPERVISION & MANAGEMENT (SPECIAL)					
Employees	5		840,240	652,530	675,550
Premises Related Expenditure	6	9	379,000	422,757	430,920
Transport Related Expenditure			7,130	8,255	6,020
Supplies & Services	7		137,420	115,454	136,080
Central & Administrative Exp			128,670	128,670	141,040
Gross Expenditure			1,492,460	1,327,666	1,389,610
Revenue Income	8		(561,150)	(574,582)	(563,950)
Recharges			(48,360)	(50,730)	(50,000)
Total Income			(609,510)	(625,312)	(613,950)
Net Expenditure to HRA			882,950	702,354	775,660

Housing Revenue ACCOUNT

	<i>REF</i>	<i>REF</i>	2009/10 ORIGINAL ESTIMATE (Published) £	2009/10 LATEST ESTIMATE £	2010/11 ORIGINAL ESTIMATE £
	<i>Rev</i>	<i>Orig</i>			
HOUSING REPAIRS ACCOUNT					
Administration					
Employee Costs		9	341,590	292,890	318,360
Transport Related Expenditure			25,390	24,463	18,390
Supplies & Services		10	160,560	175,592	185,950
Central Administrative Expenses			269,790	269,790	324,860
Total Housing Repairs Administration			797,330	762,735	847,560
Programmed Repairs			520,770	520,770	521,000
Responsive Repairs			900,000	898,212	1,008,500
GROSS EXPENDITURE			<u>2,218,100</u>	<u>2,181,716</u>	<u>2,377,060</u>
Contribution from HRA			(2,300,000)	(2,300,000)	(2,300,000)
Interest on Cash Balances			(3,830)	(3,830)	(4,000)
Enhancement Exp Recovered and Other			(2,000)	(2,000)	(2,000)
FRS17 Adjustment			(1,630)	(1,630)	15,150
TOTAL INCOME			<u>(2,307,460)</u>	<u>(2,307,460)</u>	<u>(2,290,850)</u>
NET EXPENDITURE			<u>(89,360)</u>	<u>(125,744)</u>	<u>86,210</u>
Opening Balance at 1st April			(147,110)	(111,470)	(237,214)
Closing Balance at 31st March			(236,470)	(237,214)	(151,004)

COUNCIL – 25 FEBRUARY 2010

REPORT OF THE DIRECTOR OF COMMUNITY AND PLANNING SERVICES
RE: ADOPTION OF THE HINCKLEY AND BOSWORTH LOCAL DEVELOPMENT
SCHEME

1. PURPOSE OF REPORT

- 1.1 To seek members approval for the adoption of the Local Development Scheme (LDS), which sets out the programme for preparing all the documents which form the Local Development Framework. Hard copies of the Local Development Scheme are available in the Members Room and are available from the report author on request. An electronic copy can be found on the Council web-site.

2. RECOMMENDATION

- 2.1 It is recommended that members agree the adoption of the Local Development Scheme to bring the LDS into effect on 28th February 2010, which includes the revisions to the 2007 LDS which were approved at Council on 15th October 2009.

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 the 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 is due to expire. It is therefore appropriate for it to be revised and rolled forward and include new documents which are being produced.
- 3.2 The Borough Council is required to submit its updated Local Development Scheme to the Secretary of State (via the Government Office for the East Midlands) for endorsement and adoption. This Local Development Scheme Review will update and supersede the Borough Council's Local Development Scheme of March 2007.
- 3.3 The Development Plan Documents and Supplementary Planning Documents identified in the Local Development Scheme that are currently being prepared or which will be prepared over the next 3 years comprise:
- **Site Allocations and Generic Development Control Policies Development Plan Document** – Merged document containing land allocations and site specific proposals in Hinckley & Bosworth Borough (excluding Hinckley Town Centre, Earl Shilton and Barwell. These will be dealt with in the Area Action Plans for those areas). The document also sets

out criteria based policies against which planning applications for the development and use of land and buildings will be considered. This DPD will be in conformity with the adopted Core Strategy.

- **Hinckley Area Action Plan** – to address, in conformity with the Core Strategy, identified opportunities for redevelopment, having regard to the Community Plan. This will maintain the momentum and build on the site specific work already undertaken as part of the Hinckley Town Centre Masterplan and the Druid Quarter Masterplan, whilst addressing the wider spatial issues associated with the town centre.
- **Barwell and Earl Shilton Area Action Plan** - sets out land allocations and site specific policies for Earl Shilton and Barwell including the Sustainable Urban Extensions. The document will also identify redevelopment and regeneration opportunities within the centres of Barwell and Earl Shilton with the aim of enhancing the vitality and viability of these areas.
- **Rural Needs SPD** - To provide supplementary guidance on adopted Core Strategy Policy 17 in relation to meeting 'local need' either through Local Choice or a Rural Exceptions Site
- **Affordable Housing SPD**- To provide supplementary guidance on adopted Core Strategy policy 15 in relation to the provision of affordable housing across the Borough.
- **Infrastructure Plan SPD** - To provide supplementary guidance on adopted Core Strategy Policies 1, 2, 3, 4, 5, 7, 8, 10, 11, 12, 13, 14 and 20 in relation to the provision of infrastructure to support growth in the borough, including timescales, and possible funding sources. The SPD will also include Town Centre Strategic transport Contributions guidance.
- **Play and Open Spaces Developer Contribution SPD** - To provide supplementary guidance on relevant Policy within the Site Allocations and Generic Development Control Policies DPD in relation to developer contributions
- **Sustainable Design SPD**- To provide supplementary guidance on Policy 24 of the adopted Core Strategy and relevant design policy within the Site Allocations and Generic development Control Policies DPD in relation to sustainable development.
- **Shopping and Shop Fronts SPD**- To provide supplementary guidance on relevant policy within the Hinckley Town Centre Area Action Plan in relation to retail development.
- **Market Bosworth Village Design Statement** - To provide supplementary guidance on a relevant Policy within the Site Allocations and Generic Development Control Policies DPD in relation to design and local distinctiveness, outlining the design features of Market Bosworth to help ensure development in the area is appropriate to the local character of the area.
- **Grobby Village Design Statement** - To provide supplementary guidance on a relevant Policy within the Site Allocations and Generic Development Control

Policies DPD in relation to design and local distinctiveness, outlining the design features of Groby to help ensure development in the area is appropriate to the local character of the area.

- **Witherley Village Design Statement** - To provide supplementary guidance on a relevant Policy within the Site Allocations and Generic Development Control Policies DPD in relation to design and local distinctiveness, outlining the design features of Witherley to help ensure development in the area is appropriate to the local character of the area.

3.4 The timetable for the production of these documents is outlined in Table 2 of the Hinckley and Bosworth Local Development Scheme 2010 – 2013. The revised Local Development Scheme elaborates in more detail on the documents included within the Local Development Scheme.

3.5 The following documents have been excluded from the LDS as they have already been prepared and are formally adopted.

- **Statement of Community Involvement** – Statement of commitment from the Borough Council for ensuring stakeholder engagement in preparing the LDF and in determining planning applications. This was adopted November 2006.
- **Core Strategy Development Plan Document** – this will provide a vision for Hinckley and Bosworth Borough, measurable objectives and strategic policies to provide a coherent spatial strategy for the Borough. This was adopted in December 2009.
- **Ratby Village Design Statement**- to supplement existing Local Plan policy related to the design of development, outlining the design features of Ratby to help ensure development in the area is appropriate to the local character of the area. This was adopted in December 2009.

4. **FINANCIAL IMPLICATIONS [DB]**

4.1 The costs of the LDF process were considered by Council on 18 Dec 2009.

4.2 It is estimated that the external costs of the process would be incurred as follows

2009/10	£158,000
2010/11	£110,000
2011/12	£120,000.

4.3 The Council has in the past set aside money in an earmarked reserve to cover the costs of the LDF process and at the start of 2009/10 the reserve stood at £303,000. The expenditure set out above would mean the reserve would be in effect overdrawn by £85,000 at the end of 2011/12. In order to avoid this it is recommended in the budget proposals that the sum of £185,000 from the £582,000 HPDG to be received by this Council in 2009/10 should be transferred into the LDF Reserve at the end of the year to cover the projected shortfall and future commitments. Other work can be contained within internal resources and hence existing budgets.

5. **LEGAL IMPLICATIONS [AB]**

Contained in the body of the report

6. **CORPORATE PLAN IMPLICATIONS**

6.1 The report has implications on the following corporate aims:

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

7. **CONSULTATION**

7.1 Following extensive consultation with the Government Office for the East Midlands the revised LDS has been sent to them for approval.

7.2 The documents which make up the LDS are all subject to periods of consultation which will be undertaken in line with the Councils adopted Statement of Community Involvement.

8. **RISK IMPLICATIONS**

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

8.2 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.

8.3 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
Not achieving published milestones	Ensure the published milestones are achievable and that they are adequately resourced.	Simon Wood and Sally Smith

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

9.1 This document has borough wide implications.

10. **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 |
| • Voluntary Sector [VAHB] | None relating to this document |

Background papers: Planning Policy Statement 12: Local Spatial Planning (Page 21)
The Town and Country Planning (Local Development) (England)
Regulations 2004 – Regulations 8 / 9 / 10
The Town and Country Planning (Local Development) (England)
(Amendment) Regulations 2008 – Regulation 10
Committee Report No. C26 Council Meeting 15 September 2009

Contact Officer: Sally Smith x5792

Executive Member: Councillor S.L.Bray

7C25feb10

Council – 25 February 2010

REPORT OF Head of Business Development & Street Scene Services

RE: Supplementary Estimates from Waste Services

1. **PURPOSE OF REPORT**

To seek approval for supplementary estimates for 2009/10 and 2010/11 Revenue Budgets for waste services.

2. **RECOMMENDATION**

Council approve the following supplementary estimates:

- (i) £35,000 income for the provision of trial food waste collection service on behalf of the Leicestershire Waste Partnership to Harborough District Council in 2009/10
- (ii) £17,000 of fuel expenditure for increased fuel prices in 2009/10 and fuel used in the delivery of trial food waste collection service on behalf of the Leicestershire Waste Partnership
- (iii) £45,000 for additional recycling credit and rebate income from improved recycling collection services in 2009/10
- (iv) £11,750 income in 2010/11 for a six month extension to the trial food waste collection service on behalf of the Leicestershire Waste Partnership to areas of Hinckley and Bosworth
- (v) £16,000 of fuel expenditure in 2010/11 based on the latest estimated increase in fuel prices

3. **BACKGROUND TO THE REPORT**

- 3.1 The original budget for food waste collection services was based on provision of a trial food waste collection service to Harborough District Council from April 2009 to July 2009 (in addition to the year long food waste collection trials provided to parts of Burbage and Barwell). From July 2009, it was anticipated that Harborough District Council would operate a borough-wide food waste collection service. This has not happened, and as a consequence the Council has been asked to continue to provide the trial collection service until 31 March 2010. The Leicestershire Waste Partnership will reimburse the Council's incurred expenditure for providing the service.
- 3.2 The Council will receive additional recycling credit from a higher than estimated recycling rate. Performance was prudently budgeted at a lower level than the

current improved recycling rate of 49+%. Consequently additional income will be received as Recycling Credit for the improved performance.

- 3.3. Fuel prices in England and throughout Europe have continued to increase. A recent meeting with the Council's fuel provider identified that the 'industry' expect at least an additional 2p per litre rise in fuel. This is based on the anticipated announcement in the Budget and the continual increase in demand for fuel.

4. **FINANCIAL IMPLICATIONS [HF]**

A supplementary estimate is sought for £17,000 for fuel in 2009/10 which will be offset by additional income of £80,000, giving a net increase in income of £63,000.

For 2010/11 net supplementary expenditure of £4,250 is sought, the requirement being £16,000 for additional fuel costs offset by additional income of £11,750.

5. **LEGAL IMPLICATIONS (AB)**

None raised directly by the report

6. **CORPORATE PLAN IMPLICATIONS**

Recycling provides a significant contribution to the Council's Strategic Aim of Cleaner and Greener Neighbourhoods.

7. **CONSULTATION**

The Executive Member and Strategic Leadership Board has been informed of the matters raised in this report.

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 / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Reliance on income based on current high recycling rate	Prudent estimate of likely income based on knowledge of collection services and recycling markets	M Brymer

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

No implications resulting from this report.

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
- Planning Implications
- Voluntary Sector

Background papers: 8/7/08 – Supplementary Estimate: Cost of fuel

Contact Officer: Michael Brymer

Executive Member: Councillor Crooks

12C25feb10