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13th February, 2004

TO THE MEMBERS OF SPELTHORNE BOROUGH COUNCIL

SUMMONS TO MEETING (REVISED)

You are hereby summoned to attend the **Meeting of Spelthorne Borough Council to be held in the Council Chamber, Council Offices, Knowle Green, Staines on Thursday 19th February 2004, beginning at 7.30pm**, for the purpose of transacting the business specified in the Agenda **set out on the next page**.

KAREN SATTERFORD
Chief Executive

EMERGENCY PROCEDURE: - In the event of an emergency the building must be evacuated. All Members and Officers should assemble on the Green adjacent to Broome Lodge, Staines. Members of the Public present should accompany the Officers to this point and remain there until the Senior Officer present has accounted for all persons known to be on the premises. **[THE LIFT MUST NOT BE USED]**

PUBLIC SPEAKING AT COUNCIL MEETINGS

(1) Question Time

Public "Question Time" is near the start of Council meetings. This is an opportunity for any person to ask the Leader of the Council a question about matters in which the Council has powers or duties or issues which affect the Borough.

(2) Petitions

The Council has a procedure to enable petitions to be presented formally at Council meetings and for the person presenting the petition to address the Council for a maximum of three minutes about it.

(3) Representations on Recommendations

When the Council is considering a recommendation made to it by the Executive or a Committee, any resident can put forward views on the issues involved by making representations to the Council for a maximum of three minutes before the Council discusses the recommendation and makes a decision.

Anyone wishing to (1) ask a question, (2) present a petition, or (3) make representations on a recommendation, must notify the Chief Executive's office before Noon on the day of the meeting.

A G E N D A

1. APOLOGIES FOR ABSENCE

To note apologies from Councillor E.K. Culnane and to receive any other apologies.

2. MINUTES

To confirm as a correct record the Minutes of the Meeting held on 11th December 2003.

(Attached at APPENDIX 1 [pages 3 to 9])

3. DISCLOSURES OF INTEREST

To receive any disclosures of interest from Members in accordance with the Council's Code of Conduct for Members.

4. ANNOUNCEMENTS FROM THE MAYOR, THE LEADER OR THE CHIEF EXECUTIVE

5. QUESTIONS FROM MEMBERS OF THE PUBLIC

The Leader or his nominee to answer any questions raised by members of the public (*provided questions have been submitted in writing to the Chief Executive's office before Noon on the day of the meeting*).

6. PETITIONS

To receive any petitions submitted to the Council.

7. RECOMMENDATIONS OF THE EXECUTIVE

To consider the recommendations of the Executive on the following matters:-

(Attached at APPENDIX 2 [pages 10 to 20])

1. Members' Allowances

(A copy of the report from the Independent Remuneration Panel on Members' Allowances is attached as an Appendix to these recommendations.)

2. Local Government Act 2003 – Council Tax Changes and Setting of the Council Tax Base

3. Revenue Budget and Council Tax

*(A Budget Book [green cover] **attached** reflecting the decisions and recommendations made by the Executive on 10th February 2004 and the precepts being levied by Surrey County Council and the Surrey Police.)*

4. Local List of Buildings of Architectural or Historic Interest

5. Local Plan – Alterations to Policies H5 and H6

6. Draft Calendar of Meetings for 2004/2005

7. Treasury Management Prudential Indicators for 2004/2005 and Annual Investment Strategy (A copy of the annual Investment Strategy is attached)

Note: Members of the public may make representations not exceeding 3 minutes on individual recommendations before they are discussed (*provided notice of their wish to do so has been given to the Chief Executive's office before Noon on the day of the meeting*).

8. REPORT FROM THE LEADER OF THE COUNCIL

To receive a report from the Leader of the Council on the work of the Executive.
(Attached at APPENDIX 3 [pages 21 to 22])

9. REPORT FROM THE CHAIRMAN OF THE IMPROVEMENT AND DEVELOPMENT COMMITTEE

To receive the report from the Chairmen of the Improvement and Development Committee on the work of his Committee. **(Attached at APPENDIX 4 [page 23])**

10. REPORTS FROM THE CHAIRMEN OF THE PLANNING AND STANDARDS COMMITTEES

To receive the reports from the Chairmen of the Planning and Standards Committees on the work of their Committees. **(Attached at APPENDICES 5 and 6) [pages 24 to 26])**

11. QUESTIONS ON WARD ISSUES

The Leader or his nominee to answer any questions from Members on issues in their Ward.
(provided questions have been submitted in writing to the Chief Executive's office before Noon on the day of the meeting).

12. GENERAL QUESTIONS

The Leader or his nominee or relevant Committee Chairman to answer any questions from Members on matters affecting the Borough or for which their committee has responsibility
(provided questions have been submitted in writing to the Chief Executive's office before Noon on the day of the meeting).

13. APPOINTMENTS TO OUTSIDE BODIES

Staines Parochial Charity – Appointment of Three Representative Trustees

To appoint three Council representatives to serve as Representative Trustees on the Staines Parochial Charity for a 4 year term of office until 14th April 2008.

The term of office of three existing Representative Trustees appointed by the Council ends on 14th April 2004 and these representatives are (1) Mr. K. Hartley of 36 The Doultons, Octavia Way, Staines, (2) Councillor E. O'Hara and (3) Mr. A.C. Collins of West Lodge, Ridgemoor Road, Englefield Green. All three representatives have indicated their willingness to be considered for appointment for a further term of office.

14. URGENT BUSINESS

To consider any urgent business.

15. EXEMPT BUSINESS

To answer any questions which relate to exempt business.

**MINUTES OF THE MEETING OF THE SPELTHORNE BOROUGH COUNCIL HELD ON
THURSDAY 11TH DECEMBER, 2003**

At the Meeting of the SPELTHORNE BOROUGH COUNCIL held in the Council Chamber, Council Offices, Knowle Green, Staines, on 11th December 2003 at 7.30 p.m.

Amos Mrs. P.C.	Forsbrey G E	Pinkerton Mrs J.M.
Ayers F	Fullbrook J.M	Pinkerton J D
Bain Miss M	Grant Mrs D L	Ponton Mrs J E
Beardsmore I J	Hirst A P	Royer M R
Bhadye S	Hyams Mrs M	Sider R W
Ceaser G S [Mayor]	James P R	Spencer Mrs C L
Chouhan K	Leighton Mrs V J	Strong C V
Colison-Crawford R B	Lorch S.B.S.	Trussler G F [Deputy Mayor]
Culnane E K	Madams Mrs M J	Turner Mrs D
Davies F [Leader]	O'Hara E	Weston Mrs P
D'Sa R V	Packman J D [Deputy Leader]	Wood-Dow Mrs J M

G S Ceaser, Mayor, in the Chair

290/03 APOLOGIES

Apologies for absence were received from Councillors M L Bouquet, H R Jaffer, Mrs I. Napper, J M Paton and E J Searancke.

291/03 MINUTES

RESOLVED that the Minutes of the meeting held on 23rd October, 2003 be approved as a correct record, subject to the name of "Colison-Crawford RB" in the list of those present being substituted for "Colinson-Crawford RB".

292/03 ANNOUNCEMENTS BY THE MAYOR

The Mayor announced that there would be a Strauss evening at St Mary's Church, Sunbury, in aid of the Mayor's Charity Fund on 10th January 2004 and on the 14th January, the Mississippi Jazz Band would be playing at the Riverside Arts Centre.

The Charity Ball would not be held at Kempton Park this year to avoid controversy over planning proposals, instead there would be three events: - breakfast at Ashford Manor Golf Club on 13th March, lunch at the Thames Club, Wheatsheaf Lane in April and dinner and dance at Ashford Manor Golf Club in April.

293/03 ANNOUNCEMENTS BY THE CHIEF EXECUTIVE

New Web Site

The Chief Executive announced that the Council's new web site and intranet had now gone live. She thanked Steria and the Council staff involved for their hard work on this project and said that work would continue with the migration of information from the old site to the new.

Surrey Jobs Information Award.

The Chief Executive announced that the www.surreyjobs.info recruitment website had been short-listed for 2 prestigious national awards.

A Highly Commended Award was received at the Local Government IT Excellence Awards presented in October at the SOCITM conference. The awards highlighted the use of best practice in local government and how IT had been used effectively and innovatively to deliver best practice public services.

Surreyjobs.info had also been short-listed for the Personnel Today Awards for the personnel and recruitment industry which had been awarded on 27th November 2003.

www.surreyjobs.info was a state of the art recruitment web site developed by a range of public sector organisations in Surrey to e-enable the recruitment process and to attract and retain new staff. It was developed by the Surrey Partners e-Recruitment Pathfinder Project, involving a group of public sector employers in Surrey including Spelthorne. It featured a 'once-only' application form, employer brochure pages, sophisticated job search functionality and applicants could obtain information and apply on-line. The Surreyjobs.info web site was being used by an increasing number of applicants for job vacancies at Spelthorne, which had been using the web site for e-recruitment since April 2003.

The British Council of Shopping Centre's Town Centre Environment Award for 2003 for Staines Town Centre.

The Chief Executive referred to the recent improvements to Staines Town Centre which had been nominated for the prestigious Town Centre Environment Awards organised by the British Council of Shopping Centres, specifically to highlight work by government, civic bodies, communities and/or town centre management teams involved in regenerating town centres

Thirty towns and cities across the UK had entered the competition, and from the short list of 6 final schemes, which included completed regeneration projects in Coventry, Birmingham, Romford, Middlesbrough and Blackburn, the Chief Executive expressed her delight in announcing that Staines Town Centre had been awarded the overall top prize to receive the National Town Centre Environment Award for 2003.

At the Annual BCSC Conference and Awards event in Birmingham, attended on behalf of Spelthorne by the Leader of the Council, the judges panel remarked that the principal achievement had been the: -

"Metamorphosis from an uninviting High Street into a vibrant shopping and business centre with about 35,000 sq ft of new shops and leisure facilities. This was brought about by the delivery of a well planned vision that places the High Street at the heart of the town and lets pedestrians breathe new life into the Centre; from the shopping area itself and then via links to the new park alongside the River Thames".

The improvements to the Town Centre would continue with a £7.5million project to refurbish and extend the Elmsleigh Centre. The Borough had also been awarded the safer shopping award: the first to be awarded in Surrey.

The Mayor together with the Leader, the Head of Corporate Governance and the Head of Planning and Housing Strategy were presented with the Award.

294/03 ANNOUNCEMENTS BY THE LEADER

The Leader Councillor F. Davies announced that feedback from the CPA inspection would take place at 1.00pm on Friday 12th December in the Council Chamber.

295/03 RECOMMENDATIONS OF THE EXECUTIVE

Review of Financial Strategy and Outline Budget 2004/2005 - 2007/2008

The Council considered the recommendation of the Executive on the Council's financial strategy and on proposals for the spending plans for the period 1st April 2004 to 31st March 2008 and on the proposed level of Council Tax to be levied in 2004/2005.

During the course of debate on paragraph 2(l) Members were advised that the government had put forward new proposals on the funding of war widows and it was agreed that this be referred back to Executive for further consideration.

RESOLVED

- (1) That the Council Tax increase for 2004/2005 be set at 25p per week for a band D property.
- (2) That the following key principles be agreed:-
 - (a) That future council tax increases be set at or above the level assumed in the revenue support grant settlement. That for planning purposes this figure be assumed to be 7.5%.
 - (b) That the principle of having a minor works programme should be discontinued; items to be treated as growth in the revenue budget or included within the capital programme.
 - (c) That the other services capital programme should be set at maximum of the projected receipts from the reserved right to buy.
 - (d) That no further schemes be approved from the New Schemes Fund, unless they meet spend to save principles.
 - (e) That no further contribution be made to the Good Causes Fund.
 - (f) That charging policies be reviewed for all service areas, to ensure that those who can pay the full cost of a service do so.
 - (g) That a "profit" target be set for the car parking service.
 - (h) That the principle of self-management of village halls and bowling greens is supported.
 - (i) That the principle of investing to achieve the governments recycling targets is agreed at an approximate cost of £150,000 per annum in 2004/2005, and increasing in future years.
 - (j) That the Executive would carefully consider any requests for supplementary estimates and would maintain a running total of those approved.
 - (k) That Independent Living services be reconfigured to deliver savings of £0.5m over the outline budget period.
- (3) That in addition to the basic principles at (2) above, that the Officers would review the investments policy and the principle of remaining debt-free and report back to the Executive.
- (4) That paragraph 2(l) of the recommendations of the Executive: -

"(l) That no additional discretionary war widow exemptions be granted in respect of future conflicts", be referred back to Executive for further consideration in the light of government proposals.

In accordance with Standing Order 18.4 a request was made for the voting on the motion to be recorded. Of those present, 28 voted in favour of the recommendation, 4 against and 1 abstained.

For 28

Amos Mrs. P.C.
Ayers F
Bain Miss M
Bhadye S

Chouhan K
Culhane E K
Davies F
D'Sa R V
Forsbrey G E
Fullbrook J.M
Grant Mrs D L
Hirst A P
Hyams Mrs M
James P R
Leighton Mrs V J
Lorch S.B.S.
Madams Mrs M J
O'Hara E
Packman J D
Pinkerton Mrs J.M.
Pinkerton J D
Royer M R
Sider R W
Spencer Mrs C L
Trussler G F
Turner Mrs D
Weston Mrs P
Wood-Dow Mrs J M

Against 4

Beardsmore I J
Colison-Crawford R B
Ponton Mrs J E
Strong C V

Abstention 1

Ceaser G S [Mayor]

Capital Programme 2004/2005 - 2007/2008

The Council considered the recommendation of the Executive on the Capital Programme for the years 2004/2005 to 2007/2008, covering the Housing Investment Programme (HIP), Other Services and New Schemes Fund.

RESOLVED that the Council approve the Capital Programme for the years 2004/2005 to 2007/2008, covering the Housing Investment Programme (HIP), Other Services and New Schemes Fund, as set out at Appendix A to the report of the Strategic Director (Support).

Housing Strategy 2004-2009

The Council considered the recommendation of the Executive on the Housing Strategy 2004-2009, which requires approval by the Government Office for the South East (GOSE) towards achieving a 'Fit for Purpose' housing strategy.

RESOLVED that the Council agree the following proposals:-

- (a) That in light of the overwhelming support for the housing priorities they remain as agreed by Members.
- (b) That Priority 6 on meeting the needs of black and minority ethnic people be retained as a separate priority to ensure that the issues are not overlooked.
- (c) That the draft Housing Strategy be amended to include commitments on physical disability as mentioned in the report of the Strategic Director (Community).
- (d) That the draft Housing Strategy be amended to include reference to 'Secured By Design'.
- (e) That the revised action plan be adopted.
- (f) That the revised Housing Strategy be approved and progressed to the Government Office for the South East (GOSE) for approval.

Leisure and Culture Strategy 2001 – 2005 Update

The Council considered the recommendation of the Executive on the Leisure and Culture Strategy achievements for 2002-2003, the actions planned for the forthcoming year 2004-2005 and seeking approval to update the Strategy to reflect how the Leisure and Culture work and its various initiatives would continue supporting the Council's four corporate aims and priorities.

RESOLVED that the Council endorse the achievements to date of the Leisure and Culture Strategy and agree the implementation of an updated Strategy, which reflects the latest position on the various initiatives which are supporting the Council's four key priorities

Electoral Pilots at European Parliamentary Elections June 2004

The Council considered the recommendation of the Executive on the Government's Consultation on plans to hold electoral pilots, based on Regions, for the next European Parliamentary Elections to be held in June 2004, subject to Parliament enacting the Local Government Bill and any other necessary legislation to facilitate these pilots.

RESOLVED that the Council agree, in response to the Consultation Papers, to oppose the principle of "enforcing" pilots on any Region and that if they do go ahead the South East should not be selected as a pilot Region.

Council Tax Base for Tax Setting 2004/2005

The Council considered the recommendation of the Executive on recent changes in the legislation about how the tax base had been set.

RESOLVED that the Council note the position and authorise the Strategic Director (Support) to determine the tax base, in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, as amended, following a further detailed report on this matter to the Executive on 13th January 2004.

Code of Corporate Governance

The Council considered the recommendation of the Executive on the Council's Corporate Governance arrangements and recommended the adoption of a formal Code, which reflected the approach agreed by the Council in April 2002, to be included in the Council's Constitution.

RESOLVED that the Council adopt the Code of Corporate Governance, as attached at Appendix A to the Report of Strategic Director (Support), and this be included in the Council's Constitution.

Spelthorne Pay and Reward 2004

The Council considered the recommendation of the Executive on proposals for Spelthorne Pay and Reward 2004 under the extended local pay pilot.

RESOLVED that the Council approve an overall increase of 3.75% on the 2004/2005 Salary Budget, to include a pay award of 3.25% for all Spelthorne Staff, with effect from 1st April 2004, and a further 0.5% ring fenced for recruitment and retention initiatives and the staff review.

296/03 REPORT FROM THE LEADER OF THE COUNCIL

The Leader of the Council, Councillor F. Davies, presented his report that outlined the various matters the Executive had dealt with since the last Council meeting. In moving the report the Leader invited comments or questions from Members that either he or the relevant Portfolio Holder would respond to, as necessary.

297/03 PERFORMANCE MANAGEMENT AND REVIEW COMMITTEE

The Chairman of the Performance Management and Review Committee, Councillor Mrs. M. Hyams, presented her report that outlined the matters the Committee had dealt with since the last Council meeting.

298/03 LICENSING COMMITTEE

The Chairman of the Licensing Committee, Councillor R. W. Sider, presented his report that outlined the matters the Sub-Committees had dealt with since the last Council meeting.

299/03 PLANNING COMMITTEE

The Chairman of the Planning Committee, Councillor E. O'Hara, presented his report that outlined the matters the Committee had dealt with since the last Council meeting.

300/03 QUESTIONS ON WARD ISSUES

Councillor O'Hara asked the Leader of the Council, the following:-

"This Authority has, at enormous expense, successfully completed the Pedestrianisation of Staines High Street. It is a project of which we can be justly proud.

One of the essential ingredients of the project was the elimination of all but Emergency Vehicles from the High Street, since other means of access would be available to each property with High Street frontage.

I understand that all alternative access facilities are now in place, and yet vehicles in some numbers are almost constantly using the High Street, in many cases for quite trivial reasons.

I am advised that occupiers of premises, who have code numbers to access the barriers, are making them available to others, thus defeating the very objective of the system.

Could I ask (1) What action is being taken to remedy the situation and (2) Can a date be given, by which time Pedestrians will be able to use the High Street, safe in the knowledge that Emergency vehicles AND ONLY EMERGENCY VEHICLES will have access?"

Councillor Davies, Leader of the Council, replied as follows:-

"Firstly, the bollards to both the entrance and the exit to the High Street have been not working correctly recently and are currently being repaired by the contractor. The reason for the extended delay on the exit bollards is due to ordering a new hydraulic motor. These

repairs should be complete within two weeks time. The codes will be changed as soon as the repairs are completed, which will allow access to the emergency services and security services and restrict the access for all other users.

Furthermore, a report will be put before the Executive in the new year, following our ongoing discussions with Surrey County Council, on access issues in the High Street.”

301/03 GENERAL QUESTIONS

Councillor James asked the Leader of the Council, the following: -

" Please can pressure be put on Surrey Transportation to remove the empty B/T telephone cubicle outside Bon Marche in the Staines High Street and the damaged Telephone boxes outside Lunn Poly. They have had telephone details of who to contact passed on by myself [Councillor James] for over 9 months and still there is no sign of them being removed."

Councillor Forsbrey, Portfolio Holder for Environment and Planning, replied as follows:-

“Yes. We are in discussions with Surrey County Council and will continue to urge them to resolve the situation as soon as possible.”

302/03 APPOINTMENTS TO OUTSIDE BODIES

(a) Ashford Relief in Need Charities

RESOLVED that the current representative, Mrs. Mary Haarer be re-appointed to serve as the Nominative Trustee of the Ashford Relief in Need Charities until 11th December 2007.

(b) Laleham Church of England Primary School. Laleham

RESOLVED that the current representative, Mrs. Eileen Kearsey be re-appointed to serve as the Governor Representative of Laleham Church of England Primary School until 31st August 2004.

303/03 SEASONS GREETINGS

The Mayor, G.S. Ceaser, wished those present at the meeting a Happy Christmas and a peaceful New Year.

RECOMMENDATIONS OF THE EXECUTIVE

1. MEMBERS' ALLOWANCES

1.1 The Executive has considered a report from the Independent Remuneration Panel on Members' Allowances and the recommendations to be made to the Council on 19th February 2004, when it would be considering the report of the Panel. A copy of the report from the Panel is attached for all Members of the Council as **Appendix A** to these recommendations.

1.2 **The Executive recommend that the Council approve the following recommendations made by the Independent Remuneration Panel on Members' Allowances:-**

(1) **That with effect from 1st April 2004 the following allowances should be paid:**

Basic allowance - all Councilors	£3511
Leader	£8054
Deputy Leader	£5349
Executive Members (4 excluding Leader/Deputy Leader)	£2685
Chairmen of Overview and Scrutiny Committees (2)	£2685
Principal Opposition Group Leader	£2685
Chairmen of Planning and Licensing Committees (2)	£2685

(2) **That the allowances should be reviewed again in Autumn 2004 at which time the Independent Remuneration Panel would wish to interview a representative sample of members.**

2. LOCAL GOVERNMENT ACT 2003 – COUNCIL TAX CHANGES AND SETTING OF THE COUNCIL TAX BASE

2.1 The Executive has considered a report on the discretionary Council Tax powers introduced by the Local Government Act 2003.

2.2 **The Executive recommend to the Council:-**

(1) **That there be no change to the second home discount for the 2004/2005 financial year. That during 2004 discussions take place with Surrey County Council to seek their agreement to set up a county-wide scheme and to determine whether they were prepared to agree a compromise that ensures that a proportion of the County gain be received by the Borough of Spelthorne residents. A joint approach on this by the Surrey Districts would also be sought via the SLGA. The outcome of these discussions and approaches would then be reported to the Executive later in 2004.**

(2) **That there be no change to the long term empty home discount for the 2004/2005 financial year. That the matter of long term empty home discount be raised with**

the ODPM to determine whether they were prepared to agree a compromise that ensures that a proportion of the monies received could be retained by the Borough of Spelthorne residents. That a review be undertaken in conjunction with the new Empty Homes Officer during the 2004 year to identify if the reducing or removing the discount would encourage owners to reoccupy /let or sell the empty properties. A report would then be submitted to the Executive on the findings during the summer. If it was agreed by Members that the discount should be reduced then all properties would be contacted by Council mail shot in the early Autumn 2004 to allow time for them to sell or let before the effective date of 1st April 2005.

- (3) That local discounts would only be given in very exceptional cases that could include flooding, and cases where committal action through the courts was not deemed appropriate. Such cases would need to be supported by third party reports generally from a social worker or doctor.
- (4) That the responsibility for dealing with applications for local discounts in very exceptional cases, as per (3) above, be delegated to the Strategic Director (Support).
- (5) That in future any local discounts / exemptions would be funded entirely locally and there would be a requirement for the billing authority to transfer from its general fund to its collection fund the amount by which the council tax had been reduced. A budget allocation for this would need to be considered by the Executive in due course.

3. REVENUE BUDGET AND COUNCIL TAX

3.1 The Executive has considered a report on the Council's detailed Revenue Budget for 2004/2005 for consideration in the context of overall spending and the Council Tax to be levied for the financial year ending on 31st March 2005. Under the Local Government Act 2003, the Strategic Director (Support), as the Council's Chief Financial Officer, reported on the robustness of the estimates made for the purposes of calculating the council tax and on the adequacy of the Council's financial reserves. The Officer confirmed that the Council has been presented with robust estimates as a basis for making decisions about the council tax. She also confirmed that, subject to adhering to the approved financial strategy, the reserves and provisions are adequate to ensure that the Council will maintain a strong financial position. A Budget Book [green cover] **attached** reflecting the decisions and recommendations made by the Executive on 10th February 2004 and the precepts being levied by Surrey County Council and the Surrey Police.

3.2 The Executive recommend to the Council:-

- (1) That the report of the Council's Chief Financial Officer under the provisions of the Local Government Act 2003 on the robustness of the estimates made for the purposes of calculating the Council and on the adequacy of the Council's financial reserves be noted.
- (2) That the Prudential Indicators as set out in Appendix A be agreed.
- (3) That the Capital Programme at Appendix B to the report of the Strategic Director (Support) to the Executive be approved.

(4) That in support of an increase of 30p. per week (13.1%) in the Spelthorne element of the Council Tax for 2004/05 the following proposals be agreed:

- (i) The Revenue Estimates as set out be approved.**
- (ii) An amount not exceeding £1,790,000 as set out in this report be appropriated from General Reserves in aid of Spelthorne's local Council Tax for 2004/05.**
- (iii) That in the light of the additional funding, the local War Pensions Scheme for current and new claimants be continued until further notice.**
- (iv) To note that the Council Tax base for the year 2004/05 is £38,948.30 calculated in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as amended, made under Section 33(5) of the Local Government Finance Act 1992.**
- (v) That the following amounts be now calculated by the Council for the year 2003/04 in accordance with Sections 32 and 33 of the Local Government Finance Act 1992.**

(a)	£37,596,110	Being the aggregate of the amount which the council estimates for the items set out in Section 32 (2)(a) to (e) of the Act
(b)	£27,611,980	Being the aggregate for the amounts which the Council estimates for the items set out in Section 32 (3)(a) to (c) of the Act.
(c)	£9,984,130	Being the amount by which the aggregate at 4(a) above exceeds the aggregate at 4(b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as units budget requirement for the year.
(d)	£4,756,880	Being he aggregate sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates, revenue support grant or additional grant, increased by the sum which the Council estimates will be transferred in the year from its Collection Fund to its General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (Council Tax surplus) and increased by the sum which the council estimates will be transferred from its collection Fund to its General Fund pursuant to the collection Fund (Community Charges) Directions under Section 98(4) of the Local Government Finance Act 1988 made on 7th February 1994 (Community Charge surplus).
(e)	£134.21	Being the sum 4(c) above less the amount at 4(d) above, all divided by the amount at 3 above, calculated by the Council in accordance

		with Section 33(1) of the Act, as the basic amount of its council tax for the year.
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(5) That the following amounts be now calculated by the Council for the year 2004/05 in accordance with Section 36 of the Local Government Finance Act 1992.

Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
89.47	104.39	119.30	134.21	164.03	193.86	223.68	268.42

Being the amounts given by multiplying the amount at 4(e) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the sum which in that proportion is applicable to dwellings listed in valuation band 'D', calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different band.

(6) That the precepts to be issued by the Surrey County Council and Surrey Police in accordance with S40 of the Local Government Act 1992 for each category of dwelling be reported to the meeting of the Council on 19th February 2004 and be aggregated with the amounts shown at paragraph 12.5 above in accordance with S30 (2) of the Local Government Act 1992 to set the Council Tax for the year 2004/05.

4. LOCAL LIST OF BUILDINGS AND STRUCTURES OF ARCHITECTURAL OR HISTORIC INTEREST

4.1 The Executive has considered a report on the outcome of the public consultation on the Draft Local List of Buildings and Structures of Architectural or Historic Interest and a recommendation that the Local List, as amended, be recommended for adoption by the Council as Supplementary Planning Guidance.

4.2 The Executive recommend that the Council agree:-

- (1) That the responses to representations as set out in Appendices A and B to the report be agreed, with the following additional wording, including that relevant to the text on Sir John Gibson's grave:- "The Draft Local List has been subject to extensive public consultation and received widespread support. All of the comments received and suggested additions to the list have been carefully assessed against the fairly strict criteria, which we have set. Overall it is proposed that 5 items be removed from the draft list and 12 items added - making a total now of 160 buildings and structures. We have had one further letter from the relatives of Sir John Gibson - received after the report was completed. This has provided further information of which the following is relevant for inclusion in the description - date he was knighted, the fact the grave also contains the remains of 3 other members of the family and the fact the stone for the grave was sourced from the site in Sudan where he built what was at the time the largest dam in the world." and

- (2) That the Local List, as revised at (1) above, be published incorporating these responses and be formally adopted by the Council as Supplementary Planning Guidance.

5. LOCAL PLAN – ALTERATIONS TO POLICIES H5 AND H6

5.1 The Executive has considered a report on the outcome of public consultation on the Revised Deposit alterations to Policies H5 (dwelling sizes) and H6 (affordable housing) and on the recommended formal responses to those representatives received.

5.2 The Executive recommend that the Council approve the following:-

- (a) That the recommended responses to representations on Revised Deposit changes to Policies H5 and H6 and the supporting text, as reported to the Executive by the Strategic Director (Community) be agreed.
- (b) That the likely timetable for the adoption of the altered Policies H5 AND H6 be noted.

6. DRAFT CALENDAR OF MEETINGS FOR 2004/2005

6.1 The Executive has considered a report on a draft Calendar of Meetings for 2004/2005, covering the 20 months period from 1st May 2004 to 31st December 2005.

6.2 The Executive recommend that the Council approve the draft Calendar of Meetings for 2004/2005, as circulated as Appendix A to the report of the Chief Executive to the Executive, covering the 20 months period from 1st May 2004 to 31st December 2005.

7 TREASURY MANAGEMENT – PRUDENTIAL INDICATORS For 2004/2005 AND ANNUAL INVESTMENT STRATEGY

7.1 The Executive has considered a report on the Prudential Indicators for 2004/2005 together with an outline of the annual Investment Strategy in accordance with the CIPFA Code of Practice on Treasury Management as adopted by the Council on 17th September, 2002 and the Prudential Code for Capital Finance in Local Authorities issued recently.

7.2 The Executive recommend that the Council approve the Prudential Indicators for 2004/2005 which were outlined in the report of the Strategic Director (Support) to the Executive on 10th February, 2004 for capital finance purposes and approve the annual Investment Strategy which is based on the outline approved by the Executive. (A copy of the Annual Investment Strategy is *attached*).

Councillor Frank Davies
Leader of the Council

19th February 2004

**REPORT OF INDEPENDENT
REMUNERATION PANEL**

TO

SPELTHORNE BOROUGH COUNCIL

19th January 2004

REPORT OF INDEPENDENT REMUNERATION PANEL

TO

SPELTHORNE BOROUGH COUNCIL

1. Background

- 1.1 The Spelthorne Independent Remuneration Panel was originally established in January 2002. Our membership and general terms of reference are recorded in our report in August 2003. Since we last reported one of the Panel (John Knevett) has also become a member of the Independent Remuneration Panel for Windsor and Maidenhead, a unitary authority.
- 1.2 When we advised the Council on a new scheme of allowances last August we said we would review the basic and special responsibility allowances payable for the financial year 2004/5 before the start of the financial year. In doing so we wished to consider whether the basis of these allowances was still appropriate.
- 1.3 To assist us in our review all 39 members of the Council were asked to complete a questionnaire giving us an indication of the time they spent on different aspects of their work as councillors, their out of pocket expenses, their views on the current level of allowances and any points on the level of allowances they would like us to take into account. In addition both the Leader of the Council and the Leader of the Liberal Democrat group were invited to put forward comments to us and to meet us if they wished.
- 1.4 We met to consider the issues on 15th January 2004.

2. INFORMATION AVAILABLE TO THE PANEL

- 2.1 We were provided with a briefing note by the Head of Corporate Governance, which set out background details including details of the current allowances.
- 2.2 23 members had responded to the questionnaire and we were provided with all the comments made and some analysis of the estimates given by members of their workloads.
- 2.3 The Leader of the Council drew attention to the level of allowances paid by Surrey County Council, indicating the higher level of these had been the subject of comment amongst some Spelthorne members.
- 2.4 We were supplied with information about the level of allowances payable by all Surrey district councils as well as Surrey County Council. We were also supplied with information from the Improvement and Development Agency (IDeA) although we were made aware that their latest survey of allowances during 2003 was still being compiled and would not be available for several weeks. Similarly the latest information available from South East Employers was not yet available.
- 2.5 We were advised about what the allowances for next year might be if the current allowances were simply increased for inflation. This had been calculated firstly using the same index as had been used in previous years (that is the index of average earnings across all occupations in the South East region on which the scheme was based – this showed an increase of 1.4%) and secondly, bearing in mind our previous recommendation, which

the Council accepted, to make travel and subsistence allowances for members the same as those for staff, using the same percentage increase recently agreed for staff salaries (3.25%).

- 2.6 We are aware that in addition to the basic and other allowances payable, Members are currently supported by the provision of access to IT facilities in two ways - either the Council provides and supports a standard package or the individual Member provides his or her own facilities, with financial assistance from the Council but no other support.

3. GENERAL APPROACH

- 3.1 We have always considered it is important that the scheme of allowances should be fair, easy to understand and straightforward to administer.
- 3.2 We are aware of the desirability of encouraging as wide a range of people as possible to become Councillors. However, we are not aware of any evidence to suggest that the level of allowances payable in Spelthorne has had any direct effect on encouraging or discouraging people from putting themselves forward for election. One member commented on the questionnaire that they were unaware of any allowances when they joined the Council.
- 3.3 The current basic allowance of £3,400 derives from the original assessment of the reasonable minimum time commitment needed from a Spelthorne member to fulfil their role as a councillor. Based on evidence given to the previous Panel by members and the Chief Executive, the Panel considered that a councillor needed to spend a minimum of about eight hours or one working day a week on Council related business. The activity involved in being a councillor is a voluntary public service to the community and the Panel felt it appropriate to reflect this voluntary aspect in the allowances paid. For remuneration purposes it was therefore considered reasonable to expect that councillors would give 33% of their time voluntarily without expectation of any payment.
- 3.4 Special responsibility allowances were based on an additional percentage of time being added (without further discount to reflect the voluntary principle) to reflect the additional time needed by those fulfilling particularly responsible roles, such as the Leader, members of the Executive and Chairmen.
- 3.5 The basic allowance, which is payable equally to all members, needs to reflect what is a reasonable commitment from all members. We appreciate that the time and commitment individual members are willing or able to make to Council work will always be different and that some will always be able to or will choose to spend more time than others. That is a matter of personal choice and circumstances.
- 3.6 Several members commented about differing levels of attendance by members at meetings. Attending meetings is certainly one aspect of the work of a councillor, but it seems to us that what is important for the electorate is not the number of meetings their councillor attends, but what he or she actually achieves by attending those meetings. The electorate is looking for practical and useful outcomes from the work of their representatives.
- 3.7 We believe that the underlying approach of the scheme – a basic allowance based on the minimum time reasonably necessary to fulfil the role of a ward councillor, with special responsibility allowances based on multiples of this to reflect the additional time needed, remains sound. What we wished to try and

clarify, by asking members to supply information, was whether the original assessment of a minimum time of eight hours or one working day a week to fulfil the role of a ward member remained appropriate.

- 3.8 The information supplied to us by the 23 members who responded to the questionnaire about the average time they spent on different aspects of their work varied very considerably (from 19 hours to 110 hours a month). Overall it seemed members were on average now spending rather more than one day a week on Council related business. However we are aware that a considerable number of new Councillors were elected in May 2003 and that there has been an extensive induction programme, which involved a considerable number of seminars/meetings. We are also aware that the Council underwent a comprehensive performance assessment in early December, which also involved members in a number of additional meetings. We are not therefore clear whether the information we have is really a true representation of the general situation or rather a snapshot of the particular circumstances.
- 3.9 If there is a continuing growth trend in the time demands placed on members then we believe there will be a need to review the basis of the scheme. What we would therefore propose is to revisit the situation later this year, when the new Council has been in place for a year, to see whether the position remains the same. At that time we would like the opportunity to speak directly to a representative sample of members.
- 3.10 A number of members commented on the level of the basic allowance – some indicating they felt it was reasonable whilst others felt it should be higher. A number also commented on special responsibility allowances and particularly the demands placed on the Leader and deputy Leader and the need to reflect this more. It seems to us the Leader and deputy Leader play a pivotal role, especially in representing the Council outside the Council itself, and we would wish to look particularly at the adequacy of their allowances later this year.
- 3.11 We were made aware that changes are taking place in the Council's responsibilities for licensing later this year, which may place increased demands on members. Two members also raised the responsibilities placed on vice chairmen of committees. We are aware that a number of authorities pay special responsibility allowances to some vice chairmen but we currently have no evidence to suggest that in Spelthorne vice chairmen have such an onerous role as to warrant special responsibility allowances.
- 3.12 We considered whether Spelthorne's allowances are out of line with allowances in other Councils. We felt the most appropriate comparison was with other Surrey districts, particularly those that have largely similar executive arrangements to Spelthorne. Nothing from this comparison suggested to us that the allowances payable in Spelthorne should be changed. (see appendix for comparative figures) We also had the benefit of information about the position in Windsor and Maidenhead from John Knevet's membership of the IRP there and noted that, though it was a unitary authority, its allowances were not very different from Spelthorne's.
- 3.13 We looked particularly at the allowances payable by Surrey County Council to which our attention had been drawn specifically. We were interested to note that these were very substantially more than those in Spelthorne or indeed in any other Surrey district, but did not feel it was appropriate to recommend matching these high levels in Spelthorne.

- 3.14 We felt it was reasonable to recommend increasing the allowances to reflect inflation and that, in line with the approach to travel and subsistence, which the Council has accepted, this should mirror the percentage increase already agreed for staff. We understand this is the same approach as is taken by a number of other Surrey districts.

4. RECOMMENDATIONS

- 4.1 We believe that the basic and special responsibility allowances for 2004/54 should be based on the current scheme up rated for inflation.

- 4.2 We therefore recommend to the Council that:

- (a) with effect from 1st April 2004 the following allowances should be paid

Basic allowance - all Councilors	£3511
Leader	£8054
Deputy Leader	£5349
Executive Members (4 excluding Leader/Deputy Leader)	£2685
Chairmen of Overview and Scrutiny Committees (2)	£2685
Principal Opposition Group Leader	£2685
Chairmen of Planning and Licensing Committees (2)	£2685

- (b) the allowances should be reviewed again in autumn 2004 at which time we would wish to interview a representative sample of members.

John Knevett
Airways Housing

Pauline Hedges
Surrey Chamber of
Commerce

Sarah Clarke
Voluntary Action in
Spelthorne

January 2004

APPENDIX

Local Authority	Basic £	SRA Leader £	Executive £	Scrutiny Chair £	Planning Chair £	Planning Vice-Chair £
Elmbridge	3000	7750	4150	3625	3625	825
Epsom	2580	1290		1290	1290	300
Guildford	3300	2720	2720	2040	2040	
Mole Valley	3105	2070		1822	2049	
Reigate	3355	10905	7270	1623	3355	1677
Runnymede	1662	3321		1662	2490	1245
Spelthorne	3400	7800	2600	2600	2600	
Surrey Heath	4125	11250	3750	3000	3000	1500
<i>Surrey CC</i>	<i>10000</i>	<i>20000</i>	<i>16000</i>	<i>12000</i>	<i>12000</i>	<i>4000</i>
Tandridge	1968	1624		1624	1624	812
Waverley	2016	5166	1728	1728	864	213
Woking	6300	Just a basic allowance – no special responsibility allowances				

Note:-

Guildford BC Scheme to be next reviewed in early 2007.
 Runnymede BC Scheme to be next reviewed in early 2005.
 Tandridge DC Scheme to be next reviewed in May 2004.
 Waverley BC Scheme to be next reviewed in May 2004.
 Woking BC Scheme to be next reviewed in early 2005.

3 authorities link increases in allowances to staff salary increases
 2 authorities link increases in allowances to RPI
 1 authority links increases “to inflation”

SPELTHORNE BOROUGH COUNCIL

ANNUAL INVESTMENT STRATEGY

APRIL 1ST 2004 – 31ST MARCH 2005

1. PURPOSE

- 1.1 This is the Council's Annual Investment Strategy for 2004/05 in accordance with the ODPM's Guidance on Local Government Investments (currently in draft form) and the CIPFA Code of Practice on Treasury Management in Public Services.

2. BACKGROUND

- 2.1 Since 1990, local government investments have been regulated by the Local Authorities (Capital Finance) (Approved Investments) Regulations 1990, made under Part 4 of the Local Government and Housing Act 1989. This Act will be repealed on 1st April 2004. Under the new system, the Government wishes to encourage authorities to invest prudently, but without burdening authorities with the detailed prescriptive regulation characteristics of the 1989 Act system. Guidance will implement that policy.
- 2.2 A local authority is required, before the start of each financial year to draw up an Annual Investment Strategy for the following financial year, which it may vary at any time. The Strategy and any variations are to be approved by the full Council and are to be made available to the public. The ODPM's guidance is currently in draft form, although no significant changes are expected.

3. GUIDANCE

- 3.1 The Annual Investment Strategy should state which investments the Council may use for the prudent management of its treasury balances during the financial year. These investments are classified under the heads of Specified Investments and Non-Specified Investments as set out in the ODPM guidance and are listed in **Appendix A**.
- 3.2 The annual investment strategy should state:
 - The procedures for determining the use of each asset class (advantages and associated risk), particularly if the investment falls under the category of "non-specified investments"
 - The maximum periods for which funds may be prudently committed in each asset class
 - The £ or % limit to be invested in each asset class
 - Whether the investment instrument is to be used by the Council's in-house officers and/or by the Council's appointed external fund managers; and, if non-specified investments are to be used in-house, whether prior professional advice is to be sought from the Council's treasury advisors
 - The minimum amount to be held in short-term investments (i.e. one which the Council may require to be repaid or redeemed within 12 months of making the Investment).

4. INVESTMENT OBJECTIVES

- 4.1 The overall policy objective for the Council is the prudent investment of its treasury balances. All investments will be in sterling and the investment priorities are the security of capital and liquidity of investments.
- 4.2 The Council will aim to achieve the optimum return on its investments commensurate with the proper levels of security and liquidity. The ODPM maintains that the borrowing of monies purely to invest or on-lend and make a return is unlawful and this Council will not engage in such activity.

5. INVESTMENT ADVICE

- 5.1 The Council retains the service of Sector, who are reputable treasury management advisors and will continue to seek their professional advice when making treasury management decisions.
- 5.2 The Council's main investments are managed by two external fund managers, Investec and Invesco and the only funds managed in house are related to day to day cash flow movements. Surpluses arising as part of the day to day activities are generally invested in a special higher interest account although amounts in excess of £1 million are invested with our bankers treasury facility to maximise the return wherever possible.
- 5.3 The Council's appointed fund managers, Investec and Invesco manage the funds on a discretionary basis. The fund management agreements between the Council and the managers formally document the instruments they can use within pre-agreed limits.
- 5.4 At the end of the financial year, the Council will prepare a report on its investment activity as part of its Annual Treasury Report.

6. SECURITY OF CAPITAL AND THE USE OF CREDIT RATINGS

- 6.1 The credit quality of counter parties (issuers and issues) and investment instruments will be assessed by reference to Moody's, Standard and Poor's or Fitch Ratings and in consultation with Sector, the Council's treasury management advisors. The Council has also determined the minimum long-term, short-term and other credit ratings it deems to be "acceptable" for each category of investment.

7. MONITORING OF CREDIT RATINGS

- 7.1 All credit ratings will be monitored quarterly and the Council has access to credit ratings information and is alerted to changes through its use of the Sector website.
- 7.2 If a counter party's or investment rating is downgraded with the result that it no longer meets the Council's minimum criteria, the further use of that counter party/investment as a new investment will be withdrawn immediately. If a counter party is upgraded so that it fulfils the Council's criteria, its inclusion will be considered and put to the Strategic Director (Support) for approval.
- 7.3 The Council has established credit criteria and frequency of monitoring of credit ratings with the respective fund managers. This is laid down in their agreements with the Council.

8. INVESTMENT BALANCES AND LIQUIDITY OF INVESTMENTS

- 8.1 Based on its cash flow forecasts, the Council anticipates its fund balances in 2004/05 to range from £30m down to £24m.
- 8.2 During the financial year, £6m has been earmarked for spending commitments and an additional £6m is earmarked for 2005/06. Due to the nature of capital schemes in particular, it is anticipated that there may be some slippage to the timing of this spend.
- 8.3 The minimum percentage of its overall investments that the Council will hold in short-term investments is 50%. Giving due consideration to the Council's level of balances over the next 3 years, the need for liquidity, its spending commitments and provisioning for contingencies, the Council has determined that the balance of 50% of its overall fund balances can be prudently committed to longer term investments (i.e. those with a maturity exceeding a year).
- 8.4 As the Council has decided to restrict some of its investments to term deposits, it will maintain liquidity by having a minimum of 25% maturing within 12months.

9. INVESTMENTS DEFINED AS CAPITAL EXPENDITURE

- 9.1 The acquisition of share capital or loan capital in any body corporate is defined as capital expenditure under Section 16(2) of the Local Government Act 2003. Such investments will have to be funded out of capital or revenue resources and will be classified as 'non-specified investments'.
- 9.2 Under the ODPM guidance, this classification includes equities, corporate and supranational bonds. The Council will not use or allow its external fund managers to use any investment which will be deemed as capital expenditure.
- 9.3 As the draft guidance stands at the current time, Supranational bonds are now classified as capital expenditure. This means that officers will need to review our previous decision to invest in these bonds.
- 9.4 A loan or grant by this Council to another body for capital expenditure by that body is also deemed by regulation to be capital expenditure by this Council. It is therefore important for this Council to clearly identify if the loan is made for policy reasons (e.g to the registered social landlord for the construction/improvement of dwellings) or if it is an investment for treasury management purposes. The latter will be governed by the framework set by the Council for 'specified' and 'non-specified' investments.

10. PROVISIONS FOR CREDIT-RELATED LOSSES

- 10.1 If any of the Council's investments appeared at risk of loss due to default (i.e. this a credit-related loss, and not one resulting from a fall in price due to movements in interest rates) the Council will make revenue provision of an appropriate amount.

LOCAL GOVERNMENT INVESTMENTS (England)**SPECIFIED INVESTMENTS**

All investments listed below must be sterling-denominated.

Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / Minimum Credit Rating **	Capital Expenditure?	Circumstance of use	Maximum period
Debt Management Agency Deposit Facility* (DMADF) * this facility is at present available for investments up to 6 months	No	Yes	Govt-backed	NO	In-house	1 year *
Term deposits with the UK government or with English local authorities (i.e. local authorities as defined under Section 23 of the 2003 Act) with maturities up to 1 year	No	Yes	High security although LAs not credit rated.	NO	In-house and by external fund managers	1 year
Term deposits with credit-rated deposit takers (banks and building societies), including callable deposits, with maturities up to 1 year	No	Yes	Yes-varied <i>Short-term F1, Individual A/B, Support 1, or equivalent</i>	NO	In-house and by external fund managers	1 year
Certificates of Deposit issued by credit-rated deposit takers (banks and building societies) : up to 1 year. <i>Custodial arrangement required prior to purchase</i>	No	Yes	Yes-varied <i>Short-term F1, Individual A/B, Support 1, or equivalent</i>	NO	Best used by external fund managers	1 year
Gilts : up to 1 year <i>Custodial arrangement required prior to purchase</i>	No	Yes	Govt-backed	NO	(1) Buy and hold to maturity : to be used in-house after consultation/ advice from Sector (2) for trading : by external cash fund manager(s) only subject to the guidelines and parameters agreed with them	1 year

Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / 'High' Credit Rating criteria	Capital Expenditure?	Circumstance of use	Maximum period
<p>Reverse Gilt Repos : maturities up to 1 year <i>[A transaction where gilts are bought with a commitment (as part of the same transaction) to sell equivalent gilts on a specified date, or at call, at a specified price.</i></p> <p><i>Custodial arrangement required prior to purchase</i></p>	No	Yes	Govt-backed	NO	to be used by external fund managers only subject to the guidelines and parameters agreed with them	1 year
<p>Money Market Funds <i>These funds do not have any maturity date</i></p>	No	Yes	Yes-varied <i>Standard & Poor's, Moody's, or Fitch AAA</i>	NO	In-house and by external fund managers subject to the guidelines and parameters agreed with them	the period of investment may not be determined at the outset but would be subject to cash flow and liquidity requirements
<p>Forward deals with credit rated banks and building societies < 1 year (i.e. negotiated deal period plus period of deposit)</p>	No	Yes	Yes-varied <i>Short-term F1, Individual A/B, Support 1, or equivalent</i>	NO	In-house	1 year in aggregate
<p>Commercial paper** <i>[short-term obligations (generally with a maximum life of 9 months) which are issued by banks, corporations and other issuers]</i></p> <p><i>Custodial arrangement required prior to purchase</i></p>	No	Yes	Yes-varied <i>Short-term F1, or equivalent</i>	NO	to be used by external fund managers only subject to the guidelines and parameters agreed with them	9 months
<p>Gilt Funds - open end***. <i>[Mutual funds investing predominantly in UK govt gilts.]</i> <i>These funds do not have any maturity date. These funds hold highly liquid instruments and the Council's investments in these funds can be sold at any time.</i></p>	No	Yes	Yes	NO	to be used by external fund managers only subject to the guidelines and parameters agreed with them	

Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / 'High' Credit Rating criteria	Capital Expenditure?	Circumstance of use	Maximum period
Other Bond Funds - open end***. <i>[Mutual funds investing in various types of bonds including government, supranational and corporate bonds.]</i> <i>These funds do not have any maturity date. These funds hold liquid instruments and the Council's investments in these funds can be sold at any time</i>	No	Yes	Yes-varied <i>Minimum rating for bond fund : AA</i>	NO	to be used by external fund managers only subject to the guidelines and parameters agreed with them	
Treasury bills <i>[Government debt security with a maturity less than one year and issued through a competitive bidding process at a discount to par value]</i> <i>Custodial arrangement required prior to purchase</i>	No	Yes	Govt-backed	NO	In-house and external fund managers subject to the guidelines and parameters agreed with them	1 year
Eligible Bills of Exchange < 1 year <i>[A signed, written order by which one party (drawer) instructs the second party (drawee) to pay on demand or at a fixed or determinable future time, a specified sum of money to or to the order of a specified third party (payee).]</i>	No	Yes	Yes-varied <i>Minimum rating for drawee : Short-term F1.</i>	NO	to be used by external fund managers only subject to the guidelines and parameters agreed with them	1 year

***Open ended funds continually create new units (or shares) to accommodate new monies as they flow into the funds and trade at net asset value. (NAV).

Monitoring of credit ratings :

All credit ratings will be monitored from time to time. If a counterparty or investment scheme is downgraded with the result that it no longer meets the Council's minimum credit criteria, the use of that counterparty / investment scheme will be withdrawn.

Any intra-month credit rating downgrade which the Council has identified that affects the Council's pre-set criteria will also be similarly dealt with.

The Council will establish with its fund managers the frequency of their monitoring of credit ratings so as to be satisfied as to their stringency and regularity.

LOCAL GOVERNMENT INVESTMENT (England)

NON-SPECIFIED INVESTMENTS

All investments listed below must be sterling-denominated.

Note : The maximum % limit for each investment is based on the aggregate sum managed in-house and through external fund managers

<u>Investment</u>	<u>(A) Why use it?</u> <u>(B) Associated risks?</u>	<u>Share/ Loan Capital?</u>	<u>Repayable/ Redeemable within 12 months?</u>	<u>Security / Minimum credit rating **</u>	<u>Capital Expen- diture?</u>	<u>Circumstance of use</u>	<u>Max % of overall investments</u>	<u>Maximum maturity of investment</u>
Term deposits with credit rated deposit takers (banks and building societies) with maturities greater than 1 year	(A) (i) Certainty of rate of return over period invested. (ii) No movement in capital value of deposit despite changes in interest rate environment. (B) (i) Illiquid : as a general rule, cannot be traded or repaid prior to maturity. (ii) Return will be lower if interest rates rise after making the investment. (iii) Credit risk : potential for greater deterioration in credit quality over longer period	No	No	YES-varied <i>Long-term AA, Individual A/B, Support 1, or equivalent</i>	NO	in-house		<i>Suggested limit : 5 years</i>
Certificates of Deposit with credit rated deposit takers (banks and building societies) with maturities greater than 1 year <i>Custodial arrangement required prior to purchase</i>	(A) (i) Although in theory tradable, are relatively illiquid. (B) (i) 'Market or interest rate risk' : Yield subject to movement during life of CD which could negatively impact on price of the CD.	No	Yes	YES-varied <i>Long-term AA, Individual A/B, Support 1, or equivalent</i>	NO	To be used by external cash fund manager(s) only		<i>Suggested limit : 5 years</i>

<u>Investment</u>	<u>(A) Why use it?</u> <u>(B) Associated risks?</u>	<u>Share/</u> <u>Loan</u> <u>Capital?</u>	<u>Repayable/</u> <u>Redeemable</u> <u>within 12</u> <u>months?</u>	<u>Security /</u> <u>Minimum Credit</u> <u>Rating?</u>	<u>Capital</u> <u>Expen-</u> <u>diture?</u>	<u>Circumstance of</u> <u>use</u>	<u>Max % of</u> <u>overall</u> <u>investments</u>	<u>Maximum</u> <u>maturity of</u> <u>investment</u>
Callable deposits with credit rated deposit takers (banks and building societies) with maturities greater than 1 year	(A) (i) Enhanced income ~ Potentially higher return than using a term deposit with similar maturity. (B) (i) Illiquid – only borrower has the right to pay back deposit; the lender does not have a similar call. (ii) period over which investment will actually be held is not known at the outset. (iii) Interest rate risk : borrower will not pay back deposit if interest rates rise after deposit is made.	No	No	YES-varied <i>Long-term AA, Individual A/B, Support 1, or equivalent</i>	NO	to be used in-house after consultation/ advice from Sector		<i>Suggested limit : 5 years</i>
UK government gilts with maturities in excess of 1 year <i>Custodial arrangement required prior to purchase</i>	(A) (i) Excellent credit quality. (ii) Very Liquid. (iii) If held to maturity, known yield (rate of return) per annum ~ aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk (B) (i) 'Market or interest rate risk' : Yield subject to movement during life of sovereign bond which could negatively impact on price of the bond i.e. potential for capital loss.	No	Yes	Govt backed	NO	(1) Buy and hold to maturity : to be used in-house after consultation/ advice from Sector (2) for trading : by external cash fund manager(s) only subject to the guidelines and parameters agreed with them		<i>Suggested maturity limit : 10 years including but also including the 10 year benchmark gilt</i>
Sovereign issues ex UK govt gilts : any maturity <i>Custodial arrangement required prior to purchase</i>	(A) (i) Excellent credit quality. (ii) Liquid. (iii) If held to maturity, known yield (rate of return) per annum ~ aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk (B) (i) 'Market or interest rate risk' : Yield subject to movement during life of sovereign bond which could negatively impact on price of the bond i.e. potential for capital loss.	No	Yes	AAA	NO	(1) Buy and hold to maturity : to be used in-house after consultation/ advice from Sector (2) for trading : by external cash fund manager(s) only subject to the guidelines and parameters agreed with them		<i>Suggested limit : 10 years</i>

<u>Investment</u>	<u>(A) Why use it?</u> <u>(B) Associated risks?</u>	<u>Share/</u> <u>Loan</u> <u>Capital?</u>	<u>Repayable/</u> <u>Redeemable</u> <u>within 12</u> <u>months?</u>	<u>Security /</u> <u>Minimum credit</u> <u>rating **</u>	<u>Capital</u> <u>Expen-</u> <u>diture?</u>	<u>Circumstance of</u> <u>use</u>	<u>Max % of</u> <u>overall</u> <u>investments</u>	<u>Maximum</u> <u>maturity of</u> <u>investment</u>
Forward deposits with credit rated banks and building societies for periods > 1 year (i.e. negotiated deal period plus period of deposit)	(A) (i) Known rate of return over period the monies are invested ~ aids forward planning. (B) (i) Credit risk is over the whole period, not just when monies are actually invested. (ii) Cannot renege on making the investment if credit rating falls or interest rates rise in the interim period.	No	No	YES-varied <i>Long-term AA, Individual A/B, Support 1, or equivalent</i>	NO	To be used in-house after consultation/ advice from Sector.		<i>Suggested limit : 5 years</i>
Deposits with unrated deposit takers (banks and building societies) but with unconditional financial guarantee from HMG or credit-rated parent institution : any maturity	(A) Credit standing of parent will determine ultimate extent of credit risk	No	Yes	Not rated in their own right, but parent must be rated. <i>Rating for parent : long-term AA, Individual A/B, Support 1, or equivalent</i>	NO	In-house		<i>Suggested limit : 1 year</i>

REVENUE BUDGET AND COUNCIL TAX

COUNCIL – 19TH FEBRUARY 2004

RESOLUTION REQUIRED

Report of the Strategic Director (Support)

1. **PURPOSE OF REPORT** (and link to [Corporate Priorities](#))
 - 1.1 To consider and approve the net Revenue Expenditure Budget for 2004/05; to approve the prudential indicators for 2004/05, to formally approve the Capital programme 2004/05 to 2007/08 and to consider and formally propose a council tax for 2004/05.
 - 1.2 This report links to the achievement of all of the Council's priorities.
2. **BACKGROUND**
 - 2.1 Members will be aware that each Autumn we consider the Outline Budget which is a rolling 4 year budget projection based upon the approved Financial Strategy. The Financial Strategy was reviewed by the Executive on 4th November 2003 (minute ref 463) and in doing so, particular regard was paid to the following issues:
 - (a) The long-term financial sustainability of the authority in the light of the use of reserves and the level of uncommitted reserves remaining
 - (b) The level of income from investments and the stability of this source of income
 - (c) The impact of (1) and (2) has meant that approx. 26% of the net revenue budget has been funded from these sources on an annual basis, these funds have been used to underpin the budget and the impact of spending decisions have not been passed onto the council tax payer.
 - (d) In relative terms Spelthorne council tax at £118.61 per Band D property for the current year (2003/04) is more than £13 below the Surrey average and significantly below the £181.00 the ODPM assumes in our grant settlement.
 - (e) The need to allocate resources to the priority areas
 - (f) Social housing grant was abolished with effect from 1st April 2003, which has impacted on the ability of the council to deliver an affordable housing programme. The impact of the new Prudential Code means that the council must now consider the affordability of borrowing and the impact on the council tax from capital expenditure.
 - (g) A number of legislative changes and government initiatives has meant that there needs to be a growth in expenditure in some service areas – specifically, recycling, air quality, homelessness, asset management (to meet the costs of the disabled discrimination act) Licensing and E-Government.
 - 2.2 In the light of the above issues the meeting of the Executive on the 4th November agreed to follow:
 - (a) That the Council Tax increase for 2004/2005 be set at 25p per week for a band D property.

- (b) That the following key principles be agreed:
- i) That future council tax increases be set at or above the level assumed in the revenue support grant settlement. That for planning purposes this figure be assumed to be 7.5%.
 - ii) That the principle of having a minor works programme should be discontinued; items to be treated as growth in the revenue budget or included within the capital programme.
 - iii) That the other services capital programme should be set at maximum of the projected receipts from the reserved right to buy.
 - iv) That no further schemes be approved from the New Schemes Fund, unless they meet spend to save principles.
 - v) That no further contribution be made to the Good Causes Fund.
 - vi) That charging policies be reviewed for all service areas, to ensure that those who can pay the full cost of a service do so.
 - vii) That a "profit" target be set for the car parking service.
 - viii) That the principle of self-management of village halls and bowling greens is supported.
 - ix) That the principle of investing to achieve the governments recycling targets is agreed at an approximate cost of £150,000 per annum in 2004/2005, and increasing in future years.
 - x) That the Executive would carefully consider any requests for supplementary estimates and would maintain a running total of those approved.
 - xi) That Independent Living services be reconfigured to deliver savings of £0.5m over the outline budget period.
 - xii) That no additional discretionary war widow exemptions be granted in respect of future conflicts.
 - xiii) That the Officers would review the investments policy and the principle of remaining debt-free and report back to the Executive.

3. PRUDENTIAL CODE OF CAPITAL FINANCE

3.1 Each year we are required to formally consider the impact of our capital spending plans on the level of the council tax, and make a judgement about the affordability of those plans. In order to do this a number of prudential indicators have been set which we are required to calculate. The detail of these is set out in Appendix A.

3.2 Capital Expenditure

The Executive approved a draft capital programme on 4th November 2003, a copy of which is at Appendix B(1-4). The Council is intending to finance the programme from capital receipts and considers that it is affordable. The capital programme can now be formally approved.

3.3 Ratio of Financing Costs to Net Revenue Stream

The ratio for Spelthorne is negative because the level of investment income far exceeds the cost of borrowing, which in our current circumstances is short term. Thus the financing costs are affordable.

3.4 Band 'D' Council Tax and Incremental Impact

In the financial strategy the Executive have agreed that future council tax increases be set at or above the level assumed in the Revenue Support Grant Settlement. For planning purposes we estimated this to be 7.5%. This would mean that subject to next year's council tax being set at the recommended figure, the 2005/2006 and 2006/2007 Band 'D' figures are estimated to be £144.28 and £155.10 respectively.

The incremental effect of the draft capital programme is shown at Appendix A item 4 and is considered to be affordable.

4. **REVISED BUDGET 2003/04**

4.1 The revised budget for this current year totals £13,763,780 compared to £14,235k at the outline stage. The reason for this significant change is mainly due to notification that the rate appeal in respect of the multi-storey car parks in Staines has been successful. The new rateable value has meant that the Council will receive a rebate of £522,000 in the current year. In addition to this there will be an annual saving of £30,000.

4.2 This appeal was in respect of the 1995 RV list, a further appeal has been lodged in respect of the 2000 list and assumed savings of £90k in respect of this have been included within the detailed budget for 2004/2005.

5. **BUDGET 2004/05**

5.1 The outline budget approved by the Executive set a maximum budget of £12,787k for next year, after taking into account the funding changes proposed for Housing Benefits.

6. **BASIS OF PREPARATION**

6.1 **Revenue Support Grant.** The figure used in the summary is the final allocation supplied by the ODPM. Despite our protestations the ODPM have not made any changes to the grant. The position is still as reported at the Executive on December 9th, an increase of about 1.3% on last years grant and below the floor of 3%. This amounts to a loss of grant in the region of £90,000.

6.2 **Service Levels.** The estimates have been prepared on the basis of maintaining existing service levels except where variations have been approved by the Executive and/or the Council. The growth items discussed at the meeting in November have all been subsumed into the detailed budget. Appendices G1 & G2 highlights the major growth items and savings from which it can be seen that apart from the effect of inflation, the change in financing of Housing Benefits and accounting adjustments for asset rentals and recharges, service level reductions of more than £1.5M have been incorporated against growth of less than £0.5M.

6.3 **Pay and Price Levels.** The estimates have been prepared at pay and price levels ruling at November 2003 with an allowance of 3.75% added in respect of salaries and wages and 2% for all other prices. These allowances have been projected through to the end of March 2005 and allocated over the detailed heads of estimates.

6.4 **Fees and Charges.** Heads of Service have carefully considered charging policies and a report on the review is contained elsewhere on this agenda. In a number of cases charges are being proposed which are considerably above 2% (the figure assumed at the outline stage).

6.5 In a small number of cases no increase is being recommended because the service is at risk of being uncompetitive.

- 6.6 **Contingencies.** No provision has been made for any general contingencies. Any requirements above those provided for will need to be met from reserves or savings within existing budget provision. A general saving provision of £63,305 has been assumed within the budget.
- 6.7 **Collection Fund.** The collection fund has been reviewed and I have estimated that at the end of the financial year the collection fund will be in deficit £72,920, of which our share is £7,830. This needs to be funded in 2004/05.
- 6.8 **Interest.** The interest rate that will be earned on the investments next year has been assumed to be 4.75%. The amount of interest included within the budget is some £375,000 below what was originally included within the budget for 2003/04.
- 6.9 **Use of Reserves.** Members will be mindful of the decision they made earlier in the year to limit the use of the general reserves by £500k cumulatively each year. On this basis the Executive approved that a maximum of £1,790,000 be taken from reserves in support of general council tax for 2004/05. In addition to this a sum of £252,200 will be taken from the interest earned on the New Schemes Fund to support certain projects. A further £40,000 will be taken from the Housing Initiatives Fund to pay for the Empty Homes Officer.

7. WAR PENSIONS – LOCAL SCHEME

- 7.1 Members will recall that at an earlier meeting the issue of war pensions was discussed.
- 7.2 Currently, when calculating housing benefit there are two types of benefit that are partially disregarded: £10 for war pensions and £60.97 for pre-1973 war widows pensions. Both of these disregards are subsidised by the Government. Local Authorities have discretion to operate a local scheme and apply a further disregard up to the full amount of any war pension in payment and most local authorities operate some form of local scheme as we do. Currently any additional benefit granted under the local scheme is funded from the local authorities own resources. Currently 45 claimants are entitled to the local scheme, of which 26 of these are on 100% benefits, hence there is no cost to the authority. The remaining 19 claimants cost the authority £90,000.
- 7.3 From April 2004 local authorities operating a local scheme will receive some contribution from Government towards it. The contribution in respect of Spelthorne's local scheme expenditure of approximately £90,000, will be about £35,000.
- 7.4 The rationale behind the change in policy is to recognise local authorities operate such schemes. It does not relate to the extent of the disregard. In arriving at the contribution a calculation is undertaken based on the overall subsidy level for the total benefit paid and then capped at 75% of the cost of local scheme to the Authority.
- 7.5 It is proposed that in the light of the additional funding, the local scheme for current and new claimants continue until further notice.

8. DETAILED BUDGET – 2004/05 AND COUNCIL TAX

- 8.1 Appendix C presents the Budget in summary format which shows net expenditure on the General Fund of £12,896,915 before transfers from reserves, grants and interest earnings.
- 8.2 Appendix D (1 - 5) analyses each Directorate's spending over services. This summary presentation highlights the relative allocation of resources to the different service areas.
- 8.3 Appendix E gives the subjective analysis of total expenditure, showing broad categories of the type of expenditure or income involved.

- 8.4 Appendix F gives a breakdown of the items being financed from earmarked reserves. In addition to this there is a sum of £1,790,000 being taken from General Reserves to support the Council Tax.
- 8.5 Appendix G summarises the main reasons for changes between the current budget and that proposed for 2004/05.
- 8.6 Appendix H sets out the detailed calculation of the Band D Council Tax.
- 8.7 Appendix I details the provisional Council Tax valuation bands for Spelthorne's own expenditure.

9. SUMMARY OF BUDGET POSITION

- 9.1 There is no doubt that the 2004/05 budget has been difficult to balance. The demands to fund new government initiatives are not being supported fully by specific or general government grants. Recruitment and retention of staff remains an issue, and are an essential ingredient if we are to deliver the quality services that the residents require. The future sustainability of the budget is an important issue, especially when in the current year 26% of our funding was from interest/reserves. This situation cannot continue in the medium term.
- 9.2 Coupled within these factors the grant settlement has been very disappointing and the resultant loss of grant has placed further pressure on the council tax.
- 9.3 This budget is only the first year of the finance strategy whereby we are reducing dependence on reserves. The following 3 years will be very difficult, and over that time savings of nearly £1.8 million need to be identified. In the light of this, the Executive is asked to recommend to Council that the council tax increase be set at 30p. per week, which equates to 13.1%.

10. CONSULTATION

- 10.1 The proposed budget has been presented to the Business Forum at its meeting on the 29th January 2004. Whilst it has not been possible to consult residents on the Council Tax levels for 2004/05, a consultation exercise is taking place in the Spring to inform spending plans for 2005/06.

11. PRECEPTS

11.1 Surrey County Council

Surrey County Council has advised that that its precept on the Council for 2004/05 is £34,639,839 and that its resulting Band D council tax is £889.38, an increase of 4.4%

11.2 Surrey Police

The Surrey Police Authority has advised that its precept on the Council for 2004/05 is £5,727,737 and that its resulting Band D council tax is £147.06, an increase of 8.9%.

12. RECOMMENDATION

- 12.1 That based on the decisions of the Executive on 10 February 2004 and updated information on Government Revenue Grants, the 2004/05 revenue budget should show a reduction in Revenue Grants receivable of £5,275 and a reduction in General Grants awarded by the Council of £7,410.
- 12.2 That the Prudential Indicators as set out in Appendix A be agreed.
- 12.3 That the Capital Programme at Appendix B be approved
- 12.4 That in support of an increase of 30p. per week (13.1%) in the Spelthorne element of the Council Tax for 2004/05 the following proposals be agreed:
- (a) The Revenue Estimates as set out be approved.

- (b) An amount not exceeding £1,790,000 as set out in this report be appropriated from General Reserves in aid of Spelthorne's local Council Tax for 2004/05.
- (c) To note that the Council Tax base for the year 2004/05 is £38,948.30 calculated in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as amended, made under Section 33(5) of the Local Government Finance Act 1992.

12.5 That the following amounts be now calculated by the Council for the year 2004/05 in accordance with Sections 32 and 33 of the Local Government Finance Act 1992.

(a)	£37,553,685	Being the aggregate of the amount which the council estimates for the items set out in Section 32 (2)(a) to (e) of the Act
(b)	£27,574,370	Being the aggregate for the amounts which the Council estimates for the items set out in Section 32 (3)(a) to (c) of the Act.
(c)	£9,979,315	Being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year.
(d)	£4,752,065	Being the aggregate sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates, revenue support grant or additional grant, increased by the sum which the Council estimates will be transferred in the year from its Collection Fund to its General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (Council Tax surplus) and increased by the sum which the council estimates will be transferred from its collection Fund to its General Fund pursuant to the collection Fund (Community Charges) Directions under Section 98(4) of the Local Government Finance Act 1988 made on 7 th February 1994 (Community Charge surplus).
(e)	£134.21	Being the sum (c) above less the amount at (d) above, all divided by the amount at 12.4(c) above, calculated by the Council in accordance with Section 33(1) of the Act, as the basic amount of its council tax for the year.

- 12.6 That the following amounts be now calculated by the Council for the year 2004/05 in accordance with Section 36 of the Local Government Finance Act 1992.

Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
89.47	104.39	119.30	134.21	164.03	193.86	223.68	268.42

Being the amounts given by multiplying the amount at 12.5(e) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the sum which in that proportion is applicable to dwellings listed in valuation band 'D', calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different band.

- 12.7 That it be noted that for the year 2004/2005 that the Surrey County Council and Surrey Police Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 as amended of the local Government Finance Act 1992, for each of the categories of the dwellings shown below.

Precepting Authority	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Surrey CC	592.92	691.74	790.56	889.38	1,087.02	1,284.66	1,482.30	1,778.76
Surrey Police	98.04	114.38	130.72	147.06	179.74	212.42	245.10	294.12

- 12.8 That having calculated the aggregate in each case of the amounts at 12.6 and 12.7 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2004/2005 for each of the categories of dwellings shown below:

Valuation Bands							
A	B	C	D	E	F	G	H
£780.43	£910.51	£1,040.58	£1,170.65	£1,430.79	£1,690.94	£1,951.08	£2,341.30

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Lead Member: Councillor F Davies

Portfolio Holder: Council E Searancke

Background Papers: There are none

REVENUE BUDGET AND COUNCIL TAX 2004/05

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CAPITAL ESTIMATES 2004/2005 - 2007/08									
SCHEME	ESTIMATED TOTAL COST	PAYMENTS TO 31.3.03	ESTIMATED PROGRAMME						
			2003/04		2004/05	2005/06	2006/07	2007/08	NET INVESTMENT COST
			ORIGINAL ESTIMATE	REVISED ESTIMATE					
	£	£	£	£	£	£	£	£	£
<u>CAPITAL PROGRAMME SUMMARY</u>									
Housing Investment Programme	8,155,200	10,000	35,052,900	2,265,300	1,456,700	1,464,600	1,474,600	1,484,000	438,980
Other Services Programme	4,261,000	9,200	1,223,800	1,979,400	783,000	532,200	476,400	480,800	223,730
New Schemes Fund - Capital Projects	10,701,190	6,735,190	562,300	2,051,500	1,413,800	166,900	166,900	166,900	561,810
TOTAL CAPITAL PROGRAMME	23,117,390	6,754,390	36,839,000	6,296,200	3,653,500	2,163,700	2,117,900	2,131,700	1,224,520

CAPITAL ESTIMATES 2004/2005 - 2007/08									
SCHEME	ESTIMATED TOTAL COST	PAYMENTS TO 31.3.03	ESTIMATED PROGRAMME						
			2003/04		2004/05	2005/06	2006/07	2007/08	NET INVESTMENT COST
			ORIGINAL ESTIMATE	REVISED ESTIMATE					
	£	£	£	£	£	£	£	£	£
<u>HOUSING INVESTMENT PROGRAMME</u>									
<u>Acquisiton of Land/Dwellings</u>									
Site Acquisition, assembly and enabling	561,000	N/A	20,000,000	561,000	-	-	-	-	29,450
<u>Housing Miscellaneous</u>									
Feasibility Studies	29,400	N/A	5,600	5,600	5,700	5,900	6,000	6,200	1,540
Capital Salaries	250,000	N/A	110,400	50,000	50,000	50,000	50,000	50,000	13,130
<u>Assistance to Housing Associations</u>									
Grants to Housing Associations (LASHG)	-	N/A	14,551,600	-	-	-	-	-	-
Loans to Housing Associations	1,000,000	N/A	-	1,000,000	-	-	-	-	52,500
Other Assistance to Housing Associations	4,000,000	N/A	-	-	1,000,000	1,000,000	1,000,000	1,000,000	210,000
<u>House Renovation Grants</u>									
<u>Disabled Facilities Grants</u>									
- Mandatory	2,750,000	N/A	410,000	1,000,000	425,200	430,800	441,500	452,500	144,380
- Discretionary	164,200	N/A	26,900	50,000	27,500	28,200	28,900	29,600	8,620
	2,914,200	N/A	436,900	1,050,000	452,700	459,000	470,400	482,100	153,000
Less Specified Capital Grant	(1,650,000)	N/A	(246,000)	(600,000)	(255,100)	(258,500)	(264,900)	(271,500)	(75,800)
Net Cost of Disabled Facilities Grants	1,264,200	-	190,900	450,000	197,600	200,500	205,500	210,600	77,200
Renewal Grants	780,600	N/A	130,700	138,700	153,400	158,200	163,100	167,200	40,980
Renewal Loan Fees	250,000	N/A	53,700	50,000	50,000	50,000	50,000	50,000	13,130
Equity Loan Scheme	20,000	10,000	10,000	10,000	-	-	-	-	1,050
Total - House Renovation Grants	2,314,800	10,000	385,300	648,700	401,000	408,700	418,600	427,800	132,360
SUB - TOTAL C/FWD	8,155,200	10,000	35,052,900	2,265,300	1,456,700	1,464,600	1,474,600	1,484,000	438,980

CAPITAL ESTIMATES 2004/2005 - 2007/08									
SCHEME	ESTIMATED TOTAL COST	PAYMENTS TO 31.3.03	ESTIMATED PROGRAMME						
			2003/04		2004/05	2005/06	2006/07	2007/08	NET INVESTMENT COST
			ORIGINAL ESTIMATE	REVISED ESTIMATE					
	£	£	£	£	£	£	£	£	£
OTHER SERVICES PROGRAMME									
<u>COMMUNITY CARE SERVICE</u>									
Community Alarm System	183,000	N/A	34,800	34,800	35,700	36,600	37,500	38,400	9,610
Day Centre Vehicle Replacement	390,000	N/A	40,000	120,000	120,000	50,000	50,000	50,000	20,480
<u>LEISURE SERVICE</u>									
Spelthorne LC - Floor Tiles	170,000	9,200	-	160,800	-	-	-	-	8,930
Leisure Centres - Major Improvements	250,000	-	-	250,000	-	-	-	-	13,130
Inclusive Play Equipment	15,000	-	-	15,000	-	-	-	-	790
Old Town Hall/Museum - Dry Rot/Restoration	150,000	-	-	150,000	-	-	-	-	7,880
Kenyngton Manor - Pitch Development	120,000	-	-	-	60,000	60,000	-	-	6,300
<u>ENVIRONMENT SERVICE</u>									
Sunbury Golf Course - Boreholes Equipment	6,000	-	-	6,000	-	-	-	-	320
CCTV in Spelthorne	153,000	-	153,000	153,000	-	-	-	-	8,030
Air Quality Monitoring Equipment	33,800	-	-	33,800	-	-	-	-	1,770
Critical Ditches	60,000	-	-	60,000	-	-	-	-	3,150
									-
<u>CAR PARK SERVICE</u>									
Car Parks - Pay on Exit	350,000	-	350,000	350,000	-	-	-	-	18,380
Tothill Multi-Storey Car Park - Lifts	120,000	-	-	-	120,000	-	-	-	6,300
<u>INFOMATION TECHNOLOGY</u>									
Software, Hardware and Consultancy	2,182,000	N/A	717,000	717,000	515,000	450,000	250,000	250,000	114,560
less Government Grant	(600,000)	N/A	(200,000)	(200,000)	(200,000)	(200,000)	-	-	(31,500)
Net cost of Information Technology Programme	1,582,000	N/A	517,000	517,000	315,000	250,000	250,000	250,000	83,060
<u>GENERAL PROPERTIES</u>									
Feasibility studies	119,300	N/A	22,700	22,700	23,300	23,800	24,400	25,100	6,260
Capital Salaries	558,900	N/A	106,300	106,300	109,000	111,800	114,500	117,300	29,340
TOTAL - OTHER SERVICES	4,261,000	9,200	1,223,800	1,979,400	783,000	532,200	476,400	480,800	223,730

CAPITAL ESTIMATES 2004/2005 - 2007/08									
SCHEME	ESTIMATED TOTAL COST	PAYMENTS TO 31.3.03	ESTIMATED PROGRAMME						
			2003/04		2004/05	2005/06	2006/07	2007/08	NET INVESTMENT COST
			ORIGINAL ESTIMATE	REVISED ESTIMATE					
	£	£	£	£	£	£	£	£	£
NEW SCHEMES FUND - CAPITAL									
Capital Partnership Fund									
- Staines Swimming Club Grant	40,000	-	-	40,000	-	-	-	-	2,100
- Riverside Arts Centre Grant	50,000	-	-	50,000	-	-	-	-	2,630
- Spelthorne Gym Club Grant	50,000	-	-	50,000	-	-	-	-	2,630
- Stanwell Village Hall Grant/Loan	10,000	-	-	10,000	-	-	-	-	530
- Millenium Embroidery Grant/Loan	94,000	-	-	94,000	-	-	-	-	4,940
- Not yet allocated/already paid	756,000	658,300	-	97,700	-	-	-	-	39,690
	1,000,000	658,300	-	341,700	-	-	-	-	52,520
Leisure Strategy									
Informal Recreation schemes	140,000	35,100	50,000	50,000	54,900	-	-	-	7,350
Long Lane ATP	207,200	70,700	-	136,500	-	-	-	-	10,880
	347,200	105,800	50,000	186,500	54,900	-	-	-	18,230
Other Schemes									
Staines Town Centre - Pedestrianisation	1,810,190	1,785,190	25,000	25,000	-	-	-	-	95,030
less Contribution from Surrey CC	(475,000)	(475,000)	-	-	-	-	-	-	(24,940)
Net Cost of Pedestrianisation	1,335,190	1,310,190	25,000	25,000	-	-	-	-	70,090
Feasibility studies	134,500	N/A	26,900	26,900	26,900	26,900	26,900	26,900	7,060
Local Plan initiatives	500,000	N/A	100,000	100,000	100,000	100,000	100,000	100,000	26,250
Memorial Gardens & Riverbank Works	3,301,500	2,930,500	278,200	371,000	-	-	-	-	173,330
Elmsleigh Centre Consultants Fees	45,000	-	30,000	30,000	15,000	-	-	-	2,360
Sunbury LC - Water Treatment Plant	245,600	241,200	-	4,400	-	-	-	-	12,890
Playgrounds Upgrades	361,000	164,500	36,500	36,500	40,000	40,000	40,000	40,000	18,950
Orchard Meadow	232,000	215,400	3,700	16,600	-	-	-	-	12,180
Staines Day Centre	1,116,800	1,087,800	12,000	29,000	-	-	-	-	58,630
Staines Town Centre Signing	25,000	21,500	-	3,500	-	-	-	-	1,310
Sunbury Leisure Centre - Photovoltaics	49,400	-	-	49,400	-	-	-	-	2,590
Car Parks - Major improvements/repairs	1,537,000	-	-	760,000	777,000	-	-	-	80,690
Elmsleigh Centre Retail Study	21,000	-	-	21,000	-	-	-	-	1,100
Elmsleigh Centre - Major Refurbishment	400,000	-	-	-	400,000	-	-	-	21,000
Elmsleigh Centre Refurbishment (Agreement)	150,000	-	-	150,000	-	-	-	-	7,880
less Contribution from Surrey CC	(100,000)	-	-	(100,000)	-	-	-	-	(5,250)
Net Cost of Pedestrianisation	50,000	-	-	50,000	-	-	-	-	2,630
TOTAL - NEW SCHEMES FUND	10,701,190	6,735,190	562,300	2,051,500	1,413,800	166,900	166,900	166,900	561,810

REVENUE ESTIMATES 2004/05

GENERAL FUND SUMMARY

	2002/03 Actual £	2003/04		2004/05 Estimate £	Basic Council Tax £
		Estimate £	Probable £		
Corporate Activities	3,147,091	2,458,770	2,528,240	2,575,920	66.14
Chief Executives Directorate	614,716	878,300	801,100	908,580	23.33
Community Directorate	9,236,219	10,124,450	9,469,120	9,537,080	244.87
Support Directorate	2,454,244	2,421,970	2,567,130	1,720,770	44.18
Net Expenditure Reductions to be identified	-	(415,380)		(63,305)	-1.63
SERVICE EXPENDITURE	15,452,270	15,468,110	15,365,590	14,679,045	376.89
Building Maintenance	370,870	378,290	378,290	250,000	6.42
Asset Management Account	(2,671,664)	(1,988,250)	(1,980,100)	(2,032,130)	-52.18
NET EXPENDITURE	13,151,476	13,858,150	13,763,780	12,896,915	331.13
Transfer from Earmarked Reserves	(154,697)	(192,390)	(192,390)	(292,200)	-7.50
Transfer from Other Reserves	(1,849,523)	(2,224,810)	(2,745,440)	(1,790,000)	-45.96
	(2,004,220)	(2,417,200)	(2,937,830)	(2,082,200)	-53.46
Interest on Balances	(1,324,846)	(1,210,000)	(595,000)	(835,400)	-21.45
BUDGET REQUIREMENT	9,822,410	10,230,950	10,230,950	9,979,315	256.22
Redistributed Business Rates	(3,746,693)	(3,154,940)	(3,154,940)	(2,443,316)	-62.73
Revenue Support Grant	(1,738,487)	(2,473,400)	(2,473,400)	(2,316,579)	-59.48
NET BUDGET REQUIREMENT	4,337,230	4,602,610	4,602,610	5,219,420	134.01
Adjustment on Collection Fund	(14,110)	(13,070)	(13,070)	7,830	0.20
CHARGE TO COLLECTION FUND (Band D Council Tax)	4,323,120	4,589,540	4,589,540	5,227,250	134.21

REVENUE BUDGET 2004/05

	ACTUAL 2002/03	ORIGINAL 2003/04	REVISED 2003/04	ESTIMATE 2004/05
	£	£	£	£

CORPORATE ACTIVITIES

CORPORATE MANAGEMENT (1)	946,851	755,460	760,960	816,380
DEMOCRATIC REPRESENTATION & MANAGEMENT (2)	882,742	960,820	960,820	979,410
GENERAL GRANTS	514,911	498,920	502,890	513,300
UNAPPORTIONABLE CENTRAL OVERHEADS (3)	786,230	230,360	290,360	323,400
MISCELLANEOUS EXPENSES (4)	16,357	13,210	13,210	(56,570)
TOTAL CORPORATE ACTIVITIES	3,147,091	2,458,770	2,528,240	2,575,920

Explanation of major variances:

1. Increase in central establishment charges (CECs) - £67k
2. Members allowances and pension costs - £25k
3. Best Value savings 2003/04 only - £60k; Recruitment & retention initiatives - £30k
4. Additional external funding - £70k

REVENUE BUDGET 2004/05

	ACTUAL 2002/03 £	ORIGINAL 2003/04 £	REVISED 2003/04 £	ESTIMATE 2004/05 £
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CHIEF EXECUTIVES DIRECTORATE

CX MANAGEMENT AND SUPPORT	24	870	1,890	6,160
CX SUPPORT SERVICES				
Business Consultancy (5)	467	47,950	(37,920)	76,250
Public Consultation	29,163	76,340	76,340	93,930
Communications	(439)	10,810	30,460	(3,240)
Community Safety	206,704	287,130	287,130	294,130
Corporate Publicity	192,897	207,870	195,870	228,100
Registration of Electors	147,726	159,250	159,250	165,800
Borough Elections (6)	38,173	88,080	88,080	47,450
	614,692	877,430	799,210	902,420

TOTAL CHIEF EXECUTIVES	614,716	878,300	801,100	908,580
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Explanation of major variances:

5. Structure review savings c£162k, offset by increase in CECs £190k
6. Saving of 2003/04 Election costs - £51k

REVENUE BUDGET 2004/05

	ACTUAL 2002/03 £	ORIGINAL 2003/04 £	REVISED 2003/04 £	ESTIMATE 2004/05 £
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COMMUNITY SERVICES DIRECTORATE

DIRECTOR COMMUNITY				
Dir Community - Management and Support	(182)	(3,710)	(14,160)	(1,110)
Emergency Planning	5,689	6,640	6,640	8,070
	5,507	2,930	(7,520)	6,960
ENVIRONMENTAL HEALTH				
Administration (7)	905,854	985,910	1,002,020	971,540
Environmental Protection Act	27,571	33,700	50,380	39,090
Rodent and Pest Control	13,009	14,990	13,920	13,520
Food Safety	4,735	13,760	13,760	11,540
Public Health	(2,158)	16,800	16,800	11,700
Improvement Grants	5,449	2,770	2,770	1,570
Gypsy Sites	-	-	-	-
Removal of Gypsies	5,009	6,260	6,260	4,660
Building Control (8)	144,875	183,790	204,550	235,430
Taxi Licensing (8)	31,040	(14,140)	(14,140)	20,380
	1,135,384	1,243,840	1,296,320	1,309,430

Explanation of major variances:

7. Empty homes officer £40k, offset by CEC savings £69k (see 8 & 9 below)

8. Increase CECs - £70k

COMMUNITY				
Leisure Administration	421,437	435,230	436,070	444,730
Spelthorne Leisure Centre	(306,888)	164,470	201,310	171,610
Sunbury Leisure Centre (9)	125,971	324,800	341,560	292,530
Leisure Development	103,886	105,800	105,800	116,900
Leisure Promotions	8,995	27,260	22,760	22,570
Leisure Grants	23,888	29,210	29,210	27,960
Arts Development	(13,684)	2,850	2,850	2,440
Old Town Hall Arts Centre Museum	22,816	-	14,140	-
Public Halls (10)	4,312	(2,960)	(2,960)	(3,800)
Community Care Administration (11)	170,470	187,740	190,760	142,350
Spelthorne Alarm Network (SPAN)	161,864	157,430	174,890	198,020
Day Centres (12)	102,451	61,370	61,370	39,670
Meals on Wheels	939,993	962,070	950,760	888,230
	31,754	50,880	50,660	37,060
	1,797,265	2,506,150	2,579,180	2,380,270

Explanation of major variances:

9. Reduce 2003/04 minor works - £60k, offset by repairs & maintenance - £20k

10. Increase income - £22k; reduced CECs £13k

11. Increase staffing - £33k

12. Outsource catering - £25k; reduced CECs £52k

REVENUE BUDGET 2004/05

	ACTUAL 2002/03	ORIGINAL 2003/04	REVISED 2003/04	ESTIMATE 2004/05
	£	£	£	£

COMMUNITY SERVICES DIRECTORATE (Cont)

ASSET MANAGEMENT

Administration	(30)	(2,610)	(2,610)	(8,060)
General Property Expenses	119,501	79,320	79,320	21,330
	119,471	76,710	76,710	13,270

ENVIRONMENT SERVICES

Administration	(37)	(14,490)	16,720	(4,340)
Parks Strategy (13)	1,870,415	1,844,100	682,980	753,000
Staines Town Centre Management	(164,260)	(289,300)	(283,200)	(310,110)
Staines Metropolitan Commons (14)	15,178	20,630	20,800	57,780
War Memorials	15,456	15,020	15,170	14,510
Allotments	32,230	33,470	34,020	50,840
Waste Recycling (15)	129,511	177,040	172,140	294,050
Environmental Enhancements	145,982	153,740	153,740	131,460
Other Highways Works	212,912	220,040	225,500	177,720
Bus Station	18,759	23,350	23,490	23,490
Public Conveniences	233,960	254,610	253,610	236,150
Car Parks (16)	62,254	15,170	(585,380)	(329,480)
Energy Initiatives	19,879	22,310	22,310	114,270
Highways Agency	29,640	10,970	10,970	-
Water courses and land drainage	76,060	88,980	93,980	68,900
	2,697,939	2,575,640	856,850	1,278,240

Explanation of major variances:

13. Transfer Grounds Mtce Contract to Direct Services

14. Increased CECs

15. Kebside project net of grant - £66k; CECs £50k

16. Reduction in rates £123k; increased income £375k; Increased rental costs £56k; increased CECs & asset rentals £118k

PLANNING AND HOUSING

Planning Management	-	930	930	(190)
Planning Policy and Implementation	294,926	323,250	328,100	355,940
Development Control (17)	555,157	574,980	455,710	421,240
Housing Management (18)	102,265	88,260	41,310	148,180
Economic Development	3,587	29,510	29,520	9,410
	955,934	1,016,930	855,570	934,580

Explanation of major variances:

17. Reduced planning appeal costs - £150k

18. Increased CECs

REVENUE BUDGET 2004/05

	ACTUAL 2002/03 £	ORIGINAL 2003/04 £	REVISED 2003/04 £	ESTIMATE 2004/05 £
COMMUNITY SERVICES DIRECTORATE (Cont)				
DIRECT AND ANCILLARY SERVICES				
Management and Support	87	(1,730)	(4,430)	2,510
Grounds Maintenance Contract			1,165,440	1,071,070
Spelthorne in Bloom	44,726	47,770	49,470	35,670
Cemeteries and Burial Grounds	170,384	158,270	156,180	128,800
Staines Market	(28,195)	(2,800)	(32,800)	(39,460)
Refuse Collection	1,078,600	1,150,330	1,126,330	1,199,020
Street Cleansing	908,535	968,030	968,030	1,003,830
Cesspool Emptying	71,504	70,630	70,880	-
Depot	39,488	59,000	56,260	(2,710)
Spelthorne Accessable Transport (SAT)	223,645	236,400	240,300	227,830
Nursery	15,947	16,350	16,350	(12,230)
	2,524,720	2,702,250	3,812,010	3,614,330
TOTAL COMMUNITY SERVICES DIRECTORATE	9,236,219	10,124,450	9,469,120	9,537,080

REVENUE BUDGET 2004/05

	ACTUAL 2002/03 £	ORIGINAL 2003/04 £	REVISED 2003/04 £	ESTIMATE 2004/05 £
SUPPORT DIRECTORATE				
DIRECTOR SUPPORT - MANAGEMENT AND SUPPORT	9	34,190	(11,290)	(2,100)
REVENUES AND BENEFITS				
Management and Support	383	(2,180)	6,480	(5,060)
Council Tax	534,645	547,810	584,030	580,970
Business Rates	(42,422)	(40,690)	(40,690)	(37,080)
Housing Needs (19)	327,494	328,260	378,510	414,040
Homelessness (20)	317,356	621,580	506,580	538,790
Community Charge	1,357	-	-	-
Housing Benefits Administration	516,106	336,460	338,400	324,180
Housing Benefits Payments (21)	859,301	756,670	797,250	(99,830)
Concessionary Fares (22)	184,773	207,790	207,790	267,800
Mortgages	4,027	7,450	7,450	6,230
	2,703,020	2,763,150	2,785,800	1,990,040
Explanation of major variances: 19. Increase staffing £81k 20. Reduced B&B due to initiatives, e.g. PSL scheme - £94k 21. Change in funding arrangements - benefit grant £856k 22. New scheme for men aged 60-65				
SUPPORT SERVICES				
Financial Services	(233)	3,610	24,370	4,230
Human Resources and Payroll	2,349	(1,220)	25,150	(8,650)
In-House Training	(430)	310	(19,690)	(3,030)
Audit	(755)	84,960	80,640	83,460
Corporate Governance	-	-	(2,010)	(3,750)
Committee Services	-	-	2,790	19,580
Legal	(55)	5,600	19,540	(2,840)
Land Charges	(250,907)	(367,820)	(292,500)	(339,520)
Customer & e-Government Services (23)	77	(93,870)	(7,820)	(8,930)
	(249,954)	(368,430)	(169,530)	(259,450)
Explanation of major variances: 23. Correction to over recovery of CECs in 2003/04				
ADMINISTRATION				
Management and Support	429	2,400	(1,830)	(10,510)
Knowle Green	1,257	(9,840)	(36,520)	2,790
Print Unit	(517)	500	500	-
	1,169	(6,940)	(37,850)	(7,720)
TOTAL RESOURCES DIRECTORATE	2,454,244	2,421,970	2,567,130	1,720,770

GENERAL FUND SUBJECTIVE ANALYSIS 2004/05

SERVICE	Corporate Activities Total	Total Chief Execs	Total Community Directorate	Total Support Directorate	General Fund	Total
EXPENDITURE						
Employees	274,010	762,960	5,645,480	3,310,530	-	9,992,980
Premises	-	-	1,599,240	902,410	250,000	2,751,650
Transport	9,350	22,940	960,310	302,070	-	1,294,670
Supplies & Services	1,127,690	284,710	1,552,330	1,319,990	(63,305)	4,221,415
External Contracts	8,620	130,810	1,574,010	596,790	-	2,310,230
Benefit Payments	-	-	-	17,456,910	-	17,456,910
Asset Rentals	-	-	1,537,030	495,100	(2,032,130)	-
SUB-TOTAL	1,419,670	1,201,420	12,868,400	24,383,800	(1,845,435)	38,027,855
Recharged from other accounts	1,261,130	797,080	4,303,590	2,781,880		9,143,680
Recharged to other accounts	(34,880)	(1,087,500)	(2,440,070)	(6,055,400)	-	(9,617,850)
TOTAL EXPENDITURE	2,645,920	911,000	14,731,920	21,110,280	(1,845,435)	37,553,685
INCOME						
Government Grants	-	-	-	18,004,270		18,004,270
Rents and Other Income	70,000	2,420	5,194,840	1,385,240		6,652,500
TOTAL INCOME	70,000	2,420	5,194,840	19,389,510	-	24,656,770
NET EXPENDITURE	2,575,920	908,580	9,537,080	1,720,770	(1,845,435)	12,896,915

REVENUE ESTIMATES 2003/04
USE OF EARMARKED RESERVES

	2002/03	2003/04		2004/05
	Actual	Estimate	Probable	Estimate
	£	£	£	£
NEW SCHEMES FUND				
Concessionary Fares	96,310	98,240	98,240	155,690
Disabled Facilities in Parks	15,150	15,450	15,450	15,840
Jubilee Celebrations	38,237	-	-	-
Nursery	5,000	5,100	5,100	5,230
Memorial Gardens	-	27,000	27,000	27,680
Staines Community Centre	-	46,600	46,600	47,760
Total - New Schemes Fund	154,697	192,390	192,390	252,200
HOUSING INITIATIVES FUND				
Empty Homes Officer	-	-	20,000	40,000
Total - Housing Initiatives Fund	-	-	20,000	40,000
TOTAL FINANCED FROM EARMARKED RESERVES	154,697	192,390	212,390	292,200

ANALYSIS OF BUDGET VARIATIONS 2003/4-2004/5

Service	Corporate Activities	Chief Executive	Community Services	Resources	General Fund	Total
2003/4 BUDGET	2,458,770	878,300	10,124,450	2,421,970	-2,025,340	13,858,150
Inflation	12,610	33,270	285,144	147,854		478,878
Changes to Asset Rental			-26,530	70,410	-43,880	
Changes to Central Recharges	51,930	348,870	111,350	-366,710		145,440
Savings to be identified					352,075	352,075
Other Budget Changes	52,610	-351,860	-957,334	-552,754	-128,290	-1,937,628
2004/5 BUDGET	2,575,920	908,580	9,537,080	1,720,770	-1,845,435	12,896,915

ANALYSIS OF OTHER SIGNIFICANT BUDGET CHANGES ESTIMATE 2003/04 TO ESTIMATE 2004/05		
	£	£
Staffing changes		
1 Increase Headcount, Turnover, etc.	74,780	
2 Increments	44,560	119,340
Other growth items:		
3 Kerbside Recycling Scheme (net of additional grant)	66,370	
4 Concessionary travel-Men aged 60-65	58,760	
5 Kingston Rd - increased rent SCC	45,270	
6 Secure Networking-IT	40,000	
7 Dead trees transferred from minor works	35,000	
8 Recruitment & appointment expenses	30,000	
9 Members pensions & allowances	25,130	
10 Local plan printing	21,240	
11 Consultants fees	20,000	341,770
Total growth items		461,110
Identified savings		
12 Car parks -additional income	(375,000)	
13 Elimination of minor works programme	(190,400)	
14 Reduction in appeal costs-Bedfont Rd	(150,000)	
15 Rate reductions - Knowle Green & Car Parks	(143,920)	
16 Grounds Maintenance contract savings	(117,910)	
17 Additional income	(100,100)	
18 Additional External Funding	(99,200)	
19 Homelessness-savings resulting from new initiatives	(93,670)	
20 Reduce building maintenance contribution	(83,290)	
21 PCSO's savings	(70,580)	
22 Removal of 2003 Elections costs	(51,000)	
23 Cesspools service to be terminated	(49,540)	
Lease income-St Martins hall	(21,440)	-1,546,050
Change in Financing arrangements		
24 Housing Benefit Grant		(856,500)
25 Other small variations		3,802
TOTAL		(1,937,638)

CALCULATION OF THE BASIC COUNCIL TAX FOR 2004/05
FOR SPELTHORNE'S OWN EXPENDITURE

The Council's Tax Base for 2004/05		<u>38,948.3</u>
	£	£
Gross Expenditure for the year		37,553,685
Less: Gross Income for the year	24,656,770	
Interest on Balances	835,400	
Transfer from Earmarked Reserves	292,200	
Transfers from Reserves	<u>1,790,000</u>	
		<u>27,574,370</u>
The Councils net expenditure or Budget Requirement		9,979,315
Less: Redistributed Non-Domestic Rates	2,443,316	
Revenue Support Grant	2,316,579	
Estimated Deficit on Collection Fund from Community Charge / Council Tax Collections	<u>-7,830</u>	
		<u>4,752,065</u>
Net Sum to recovered through Council Tax		<u><u>5,227,250</u></u>
Expressed per equivalent Band D property (ie divided by 38,948.3)		£134.21

CALCULATION OF COUNCIL TAX FOR DIFFERENT VALUATION BANDS FOR 2004/05

FOR SPELTHORNE'S OWN EXPENDITURE

1. Basic Council Tax for Band 'D' property as calculated at Appendix H		<u>£134.21</u>						
	VALUATION BAND							
	A	B	C	D	E	F	G	H
2. The Multipliers specified in Section 5(1) of the Local Government Finance Act 1992, to apply to the Basic Tax above.	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9
	£	£	£	£	£	£	£	£
3. Item 1 multiplied by item 2, to give the Council Tax for the year in respect of each valuation band.	89.47	104.39	119.30	134.21	164.03	193.86	223.68	268.42

REPORT OF THE LEADER OF THE COUNCIL ON THE WORK OF THE EXECUTIVE

The Executive has met twice since my previous report to the Council. This report is an overview of the main items considered and sets out a brief summary of some of the more significant issues we have been discussing. We have made recommendations to the Council on six matters and these appear earlier on this Council Agenda.

ISSUES INCORPORATING ALL 4 OF THE COUNCIL'S KEY CORPORATE PRIORITIES

Revenue Grants 2004/2005 - We have awarded individual grants to nearly 40 local and community-based voluntary, leisure and business organisations to support their continuing work for the benefit of our local residents. Significant grants awarded have included Relate (£5,800), Spelthorne Farm (£6,000), Voluntary Association for Surrey Disabled (£3,944), Rentstart (£26,000), Spelthorne CAB (£69,200), Voluntary Action in Spelthorne (VAIS) (£23,250), Homestart (£18,450) and Spelthorne Chamber of Commerce (£15,760).

CPA 2005 – The Way Ahead - We have agreed a response to the Audit Commission Consultation Paper entitled 'CPA 2005 – The Way Ahead'. In particular, we have made strong responses to emphasise our views on (1) the significant changes proposed for the methodology used for CPA in District Councils, particularly the separate Service Assessment Proposals; and (2) that the emphasis placed on Peer Challenge as part of the process is welcomed, but more must be done on quality assurance of both the Peer Challenge and the CPA Inspection to ensure consistency.

Community Plan / Local Strategic Partnership – We have endorsed the progress made on the Community Plan and the continuing good work of the Local Strategic Partnership [LSP] Executive. We believe that the LSP continues to be an excellent example of partnership working based on the good relationships built up over many years. By increasing the focus of both the Community Plan and the LSP Executive, we feel that there will be further successful partnerships to ensure that the Borough Council will put the Community Plan into action and make a real difference to the Spelthorne Community.

Shaping the Future of Your Local Health Service – A Public Consultation – We have approved a response to the North Surrey Primary Care Trust / NHS consultation document on Local Health Services. The PCT has undertaken a wide range of consultation on its proposals during the period October 2003 to January 2004, including presentations at the 5 Area Forums and to Spelthorne Members at a Seminar on 12th January 2004. Our response covers key issues, including the future of Ashford Hospital, accessibility to St. Peter's Hospital, clarity on where services are provided, publicity / marketing, GP Facilities / Resources, in particular evening and weekend cover, and the partnership approach.

Best Value Review of Support Services – We have approved the implementation of the Best Value Improvement Plan and have agreed that it be monitored on a regular basis with quarterly reports to the Management Team, half-yearly reports to the Performance Management and Review Committee and annual reports to the Executive.

Local Development Frameworks – We have agreed that a "Local Development Framework Member Working Party" be formed comprising, as follows: (1) The Portfolio Holder for Environment and Planning, (2) Three representative from the Improvement and Development Committee, (3) One representative from the Planning Committee, (4) One Liberal Democrat representative, and (5) The Council's representatives on SEERA and any Regional Study Sub-Groups. The terms of reference of the Working Party will be to consider and make recommendations to the Executive on (1) the Local Development Scheme and Statement of

Community Involvement, (2) the Development Plan and Supplementary Planning Documents, (3) the Annual Monitoring Report, and (4) Any other matters relating to the timely and effective production of a complete Local Development Framework for the Borough.

ENGAGING YOUNGER PEOPLE

Update on the Development of a Skate Park – We have agreed to pursue the development of two options for a skate park within the Borough, with clear business plans for each and a report back to the Executive, including the provision of a temporary skate park again in the Borough for Summer 2004, if necessary.

Update on the Hengrove Park Developments – We have agreed to authorise officers to proceed with developing detailed plans for the proposed development, to the appointing of the Groundwork Trust as consultants at a cost of £9,620 funded by the SCC Landfill grant budget and that, should Groundwork Trust be successful with an external funding bid, officers will request support from the capital programme in the future.

MAKING SPELTHORNE A BETTER PLACE

Update on Sunbury Millennium Embroidery – We have approved the continued allocation of a grant of £42,000 for 2 years to the Sunbury Millennium Embroidery to support their project for providing a permanent housing for the Embroidery within the Sunbury Walled Garden.

Former Sunbury Relief Road, TP26 – We have requested the Officers to investigate options for acquiring TP26 as a “community facility” in consultation with local residents and to report back to a future meeting of the Executive.

MAKING SPELTHORNE SAFER

Staffing of Parks – Grounds Maintenance Contract – We have approved revised proposals for the manning / staffing of parks under the new Grounds Maintenance Contract effective from 1st April 2004. 7 borough parks will be manned with effect from April, but flexibility has been built into contract to facilitate the proposal for self-management of bowls greens and other possible changes to the provision within parks.

Anti Social Behaviour Act 2003 – We have authorised the Chief Executive, in consultation with the Portfolio Holder for Community Safety and Community Liaison, to agree the designation of areas within the Borough, in accordance with Sections 30-36 of Part 4 of the Act, where the Police can disperse groups causing intimidation. A further report will be made to the Executive in due course on the implementation of other provisions of the Act.

IMPROVING CUSTOMER SATISFACTION WITH SPELTHORNE’S SERVICES

Area Forums - We have considered the outcome of the latest set of Area Forums and have agreed proposals for publicising the Forums in the future. The publicity will include a questionnaire for local residents to be printed in the next Borough Bulletin and to be circulated at the next round of Area Forum meetings. We have also agreed that the Officers look at options for linking Area Forums to other meetings e.g. RSL Groups or Residents’ Association meetings, and consider likely key topics for future Area Forums.

Councillor Frank Davies
Leader of the Council

19th February 2004

REPORT OF THE CHAIRMAN ON THE WORK OF THE IMPROVEMENT AND DEVELOPMENT COMMITTEE

The Improvement & Development Committee met on 22nd January, 2004 and considered the following items of business:

Budget Task Group Outcomes Update

The Strategic Director (Support) gave an update on current progress on issues that had been raised by Members at the previous meeting. The Committee asked to be kept informed of any further progress.

Best Value Review Programme

The Committee considered and made recommendations to the Executive on the Best Value Review Programme for 2004/05.

Reports From Best Value Review Panel and Task Group

The Committee received and considered a report from the Chairman of the Support Services Best Value Review Panel on the review outcomes. The Committee agreed to support the Panel recommendations to the Executive but decided to hold a special meeting of the Committee (now arranged for 23rd February) to address concerns expressed by some Members' on IT issues.

At its previous meeting the Committee had extended the work of the Budget Task Group to look in detail at specific areas and issues to identify possible savings. The Committee, having received the report on the outcomes of this Task Group from the Chairman, agreed to forward these to the Executive.

Environment Strategy 2004/2007

The Committee received a presentation on the Environment Strategy and asked Members to submit their comments direct to the appropriate Officers. The Committee noted a further report would be submitted to the Executive following the consultation period.

Work Programme For 2003/2004

The Committee reviewed and noted its work programme for the remainder of 2003/04 and agreed that its Work Programme for 2004/05 be considered at the next meeting, in the light of the outcome of the Comprehensive Performance Assessment which had taken place in December.

Councillor Andrew Hirst
Chairman of the Improvement and Development Committee

19th February 2004

REPORT OF THE CHAIRMAN ON THE WORK OF THE PLANNING COMMITTEE

The Planning Committee has met three times since the previous report was prepared for the Council meeting on 11 December 2003. This report therefore gives an overview of the key applications considered by the Planning Committee at its meetings on 10 December 2003, 7 January and 4 February 2004. It also gives a brief update on other related matters.

1. The Planning Committee meeting on **10 December 2003** dealt with 11 items in total.

Public speaking took place on 5 of the items, with a total of 6 people taking the opportunity to address the Committee as part of the Council's public speaking arrangements.

The most notable items on the agenda were as follows:-

- (a) The refusal of 14 flats at The Works, Upper Halliford;
- (b) The refusal of a self-storage warehouse facility at the junction of London Road and Town Lane, Ashford.
- (c) The approval of 8 flats at 402a Staines Road West, Ashford.
- (d) The approval of 2 separate replacement dwellings in Sandhills Meadow, Shepperton.

2. The Planning Committee on **7 January 2004** dealt with 10 items in total.

Public speaking took place on 3 of the items with a total of 4 people taking the opportunity for public speaking.

The most notable items on the agenda were as follows:-

- (a) The refusal of 18 no. affordable one-bed flats at land r/o Loyola Centre, Green Street, Sunbury.
- (b) The refusal of 14 no. one and two bedroom flats at land off Pullman's Place, Staines.
- (c) The refusal of 14 houses and apartments at Shepperton Autoway Centre, Walton Bridge Road, Shepperton.
- (d) The approval of a replacement garden centre at Squires Garden Centre, Halliford Road, Shepperton.
- (e) The approval of 14 flats at the J Crook site, London Road, Ashford.

3. The Planning Committee on **4 February 2004** dealt with 8 items in total.

Public speaking took place on 4 of the items with a total of 7 people taking the opportunity for public speaking.

The most notable items on the agenda were as follows:-

- (a) The refusal of 13 houses and flats at land at 32-38 Wrens Avenue, Ashford.
- (b) The approval (including legal agreement) of a mixed use development at Majestic House, London Road, Staines.
- (c) The approval of reserved matters for 11 dwellings at land off Green Street, Sunbury.

The Planning Committee also resolved to seek approval from the Executive for the funding of a traffic survey in Green Street, Sunbury, especially in light of cumulative developments proposed in that locality.

Other matters of interest

Performance figures for speed of determining planning applications

	Major applications (Target 60%)	Minor applications (Target 65%)	Other applications (Target 80%)
April	100%	65%	92%
May	0%	84%	86%
June	0%	73%	93%
July	50%	85%	92%
August	-	63%	91%
September	50%	64%	93%
October	-	60%	91%
November	100%	67%	85%
December	50%	67%	94%

In the light of the December figures, it is possible to review the performance for the first three quarters of the year from 1 April to 31 December as follows:-

- a) Major applications - current target 50%
- performance 60%
- b) Minor applications - current target 65%
- performance 70%
- c) Other applications - current target 82%
- performance 91%

Councillor John O'Hara
Chairman of the Planning Committee

19th February 2004

REPORT OF THE CHAIRMAN ON THE WORK OF THE STANDARDS COMMITTEE

The Standards Committee has met once since the last Council meeting and this report gives an overview of the key issues considered by the Committee.

ETHICAL GOVERNANCE AUDIT

The Committee considered a summary of responses to the ethical governance questionnaire which all members and 33 officers had been invited to complete. The main reason for the questionnaire was to help the committee assess the knowledge of both members and officers on the Council's existing systems and identify any weaknesses.

The Committee felt generally, that both members and officers had high ethical standards but that further training/awareness raising would be beneficial in areas of standards of conduct in planning matters, particularly the Planning Code and its relationship with the Code of Conduct and on ethical standards generally.

Instead of the usual training events the committee have asked that hypothetical scenarios be used for discussion purposes and you will be notified of the arrangements in the normal way.

The Committee have agreed various ways of raising the profile of the work of the committee which includes placing an article in a future edition of the Borough Bulletin to explain the role and functions of the Standards Committee and developing an ethical standards section on the member's area of the Council's web site.

You will have received a joint letter from the Vice-Chairman and myself asking for your continued support in promoting high ethical standards.

STANDARDS BOARD FOR ENGLAND

The Committee noted that the Standards Board's annual assembly this year would take place on 13th and 14th September 2004 but agreed to defer appointing a member to accompany me until after the Council AGM in May 2004 when membership of Committees for 2004/2005 is agreed.

Murray Litvak
Chairman of the Standards Committee

19th February 2004