

Council - 17 February 2005

Time: 7.30pm

Place: Council Chamber, Council Offices, Knowle Green, Staines

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.

AGENDA

1 APOLOGIES FOR ABSENCE

To note apologies for absence from Councillors Mrs. P.C. Amos, G.E. Forsbrey and Mrs. I. Napper and to receive any other apologies for non-attendance.

2 MINUTES

To confirm as a correct record the Minutes of the Council Meeting held on 19 January 2005 **(Attached at APPENDIX 1)**

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 as APPENDIX 2) (addendum to Appendix 2)

1. Revenue Budget and Council Tax 2005/2006 [To Follow]

(A Budget Book (green cover) **(attached)** will be issued reflecting the decisions and recommendations made by the Executive on 8 February 2005 and the precepts being levied by the Surrey County Council and the Surrey Police).

2. Members' Allowances

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

3. Indemnities for Members and Officers

4. Designation of Polling Places

5. Area of Special Advertisement Control

6. Museum Refurbishment

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 RECOMMENDATIONS OF THE STANDARDS COMMITTEE

To consider the recommendations of the Standards Committee on Members' Activity Reports and the Confidential Reporting Code.
(Attached at APPENDIX 3)

9 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 4).

10 REPORT FROM THE CHAIRMAN OF THE IMPROVEMENT AND DEVELOPMENT COMMITTEE

To receive the report from the Chairman of the Improvement and Development Committee on the work of his Committee. (Attached at APPENDIX 5)

11 REPORTS FROM THE CHAIRMEN OF THE LICENSING, PLANNING AND STANDARDS COMMITTEE

To receive the reports from the Chairmen of the Licensing, Planning and Standards Committees

(Attached at APPENDICES 6, 7 and 8)

12 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).

13 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).

14 URGENT BUSINESS

To consider any urgent business.

Report : Interim Arrangements for Post of Monitoring Officer

**MINUTES OF THE SPECIAL COUNCIL MEETING HELD ON 19TH JANUARY
2005**

**AT THE SPECIAL MEETING OF THE SPELTHORNE BOROUGH COUNCIL HELD
IN THE COUNCIL CHAMBER, COUNCIL OFFICES, KNOWLE GREEN, STAINES
ON WEDNESDAY 19TH JANUARY 2005 AT 7.30PM**

Ayers F	Hyams Mrs M	Ponton Mrs J. E.
Bain Ms M	James P R	Royer M T
Beardsmore I J	Leighton Mrs V J	Searancke E J
Bhadye S	Madams M J	Sider R W
Bouquet M.L.	Napper I	Spencer Mrs C L
Ceaser G S	O'Hara E	Strong C V
Colison-Crawford R B	Packman J D (Deputy Leader)	Trussler G F (Mayor)
Davies F (Leader)	Paton J M	Turner D.
Grant Mrs D L	Pinkerton Mrs J.M.	Weston Mrs P. (Deputy Mayor)
Hirst A P	Pinkerton J D	Wood-Dow J M

G F Trussler, Mayor, in the Chair

9/05 APOLOGIES

Apologies for absence were received from Councillors Mrs P.C. Amos, E.K. Culnane, R. D'Sa, G.E. Forsbrey, J.M. Fullbrook, H.R. Jaffer, S.B.S. Lorch and Mr Murray Litvak.

10/05 MINUTES

RESOLVED that the minutes of the Council meeting held on 16 December 2004 be approved as a correct record.

11/05 LEISURE CENTRE PROCUREMENT

The Council considered a recommendation from the Executive on options for the future of Spelthorne and Sunbury Leisure Centres.

RESOLVED: -

- 1 To continue the procurement process for Spelthorne and Sunbury Leisure Centres.**
- 2 To invite the following companies to submit formal tenders by the end of March 2005: -**
 - Community Leisure**
 - Greenwich Leisure**
 - Leisure Connections**
 - Parkwood**
 - Sports and Leisure Management**
- 3 That the tender proposal should include the following:**
 - a. Proposals for changes to the structure of the centre to optimise leisure uses (Capital developments).**

- b. **Potential other options for the site management, including long-term leasing or freehold disposal (with restricted user clauses) of the site to the Management Company.**
 - c. **Proposals for the leisure operator to be responsible for all repairs and maintenance (as identified by the Limbrick Report), subject to the structural liability being retained by the Authority.**
- 4 **That, in respect of Option A [i.e. retain both Leisure Centres], that the length of the contract should be for 15 years with an option for an extension of an additional five years and that officers evaluate the Council's best approach to offering a lease or licence to the successful contractor.**

12/05 TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2005/2006

The Council considered a recommendation from the Executive on the current treasury position and on proposals for setting the Annual Investment Strategy and Prudential Indicators for 2005/2006 to 2007/2008.

RESOLVED to approve the Treasury Management Strategy for 2004/2005, the Annual Investment Strategy for 2005/2006 and the Prudential Indicators for 2005/2006 to 2007/2008.

13/05 REVIEW OF DELEGATIONS TO OFFICERS

The Council considered a recommendation from the Executive on proposals to update delegated powers to Officers within the Council's Constitution, in order to reflect recent changes in legislation and the updates to current working practices.

RESOLVED to approve the revised delegated powers to Officers, as outlined in Appendices A, B, C and D of the report of the Strategic Director (Support).

14/05 RECOMMENDATIONS OF THE LICENSING COMMITTEE

The Council considered a recommendation from the Licensing Committee on proposals for changes required to Committee arrangements and procedures in order that the Council's Licensing Committee might properly discharge its statutory responsibilities under the Licensing Act 2003.

RESOLVED: -

1. **That the arrangements for calling Licensing Sub-Committees as set out in paragraph 2.5 of the report of the Strategic Director (Support) be confirmed and the necessary changes required to Delegations to Officers be approved.**
2. **That changes required to Standing Orders concerning the arrangements for the Chairing of Licensing Sub-Committees for the new Licensing Act procedures and Private Hire / Taxi/ Vehicle/ Driver appeals as set out in paragraph 2.9 and 2.10 of the report of the Strategic Director (Support) be approved.**
3. **That Private Hire /Taxi /Vehicle /Driver appeals be heard by Sub-Committees of 3 Members.**
4. **That arrangements to hold daytime and evening meetings be noted.**

5. That the calling of a fourth 'stand by' member as set out in paragraph 2.18–2.20 of the report of the Strategic Director (Support) be approved.
6. That the Head of Corporate Governance, in consultation with the Chairman of the Licensing Committee, draw up guidelines on procedures at Sub-Committee meetings following receipt of the Government's final proposals.
7. That holding Members' Briefings prior to hearings under Licensing Act 2003 be discontinued by the second appointed day.

15/05 URGENT BUSINESS – APPOINTMENTS COMMITTEE

The Council considered a recommendation from the Chief Executive on the constitution of an Appointments Committee to make an appointment to the post of Head of Corporate Governance and Monitoring Officer.

RESOLVED that: -

1. An Appointments Committee be set up comprising four members, 3 Conservatives and 1 Liberal Democrat, one member to be a member of the Executive; and
2. The appointment of Members to serve on the Appointments Committee be left to the two Group Leaders to process and to advise the Chief Executive of their Group's nominations.

RECOMMENDATIONS OF THE EXECUTIVE

1. REVENUE BUDGET AND COUNCIL TAX 2005/2006

[TO FOLLOW]

(A Budget Book [green cover] [to follow under separate cover] will be issued reflecting the decisions and recommendations made by the Executive on 8th February 2005 and the precepts being levied by the Surrey County Council and the Surrey Police.)

2. MEMBERS' ALLOWANCES

2.1 The Executive has received a report from the Independent Remuneration Panel on Members' Allowances and the recommendations to be made to the Council on 17th February 2005, 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.]

2.2 **The Independent Remuneration Panel on Members' Allowances is making the following recommendations to the Council:-**

(1) That with effect from 1st April 2005, the following allowances should be paid:-

Basic allowance	
Payable to all Members	£3625
Special Responsibility Allowances	
Leader	£8316
Deputy Leader	£5523
Other Executive members (4)	£2772
Chairmen of Overview and Scrutiny Committees (2)	£2772
Chairmen of Planning and Licensing Committees (2)	£2772
Opposition Group Leader	£2772

(2) That the Panel should review the Special Responsibility Allowance for the Chairman of the Licensing Committee after November 2005, when more information should be available on the impact on Spelthorne of implementing the Licensing Act 2003.

3. INDEMNITIES FOR MEMBERS AND OFFICERS

3.1 The Executive has considered a report on the adoption of new regulations which give a specific power for authorities to grant indemnities, and/or to take out insurance, to cover the potential liability of Members and Officers in a wide range of circumstances.

- 3.2 The Executive recommend that the Council agree to the Authority granting indemnities to Members and Officers of the Authority, in the terms set out in Appendix A to the report of the Strategic Director (Support), and instruct the Head of Finance to secure insurance to cover the liability under any indemnity where such insurance cover would be financially prudent.**

4. DESIGNATION OF POLLING PLACES

- 4.1 The Executive has considered a report on proposed changes to the designated Polling Places for Polling Districts Laleham and Shepperton Green No. 2 and Ashford North and Stanwell South No. 3.

- 4.2 The Executive recommend that the Council agree:-**

- 1. To change the designated polling place for Polling District Laleham and Shepperton Green No. 2 from St. John Fisher Church Hall, Wood Road, Shepperton to Saxon Primary School, Briar Road, Shepperton.**
- 2. To change the designated polling place for Polling District Ashford North and Stanwell South No. 3 from The Mobile Polling Station, located at the Junction of London Road and Orchard Way to Ashford Sports Club, Short Lane, Stanwell.**

5. AREA OF SPECIAL ADVERTISEMENT CONTROL

- 5.1 The Executive has considered a report seeking approval on the revocation of the Areas of Special Advertisement Control (ASAC) Order, which was confirmed in 1993. Members were advised that the boundaries of the ASAC were shown on the Proposals Map in the Borough Local Plan.

- 5.1.1 The Executive recommend that the Council agrees to institute procedures to revoke the Area of Special Advertisement Control.**

6. MUSEUM REFURBISHMENT

- 6.1 The Executive has considered a report seeking approval for a supplementary budget of up to £50,000 for the refurbishment works for Spelthorne Museum.

- 6.2 The Executive recommend that the Council approve a supplementary estimate of a sum of up to £50,000 for the Spelthorne Museum conversion refurbishment work. This sum to be reduced if Officers are successful in obtaining external funding.**

Councillor Frank Davies
Leader of the Council

17th February 2005



Council – 17 February 2005

BUDGET 2005/2006

**Report of the Strategic Director (Support)
with Revenue Budget Summaries
and Capital Programme**

For the Year Ending 31 March 2006

S Sturgeon
Strategic Director (Support)

Capital Estimates, Prudential Indicators, Revenue Budget and Council Tax 2005/06

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REVENUE BUDGET AND COUNCIL TAX 2005/06

Council – 17 February 2005

Resolution Required

Report of the Strategic Director (Support)

Executive Summary

To consider and approve the net Revenue Expenditure Budget for 2005/06, to formally approve the Capital Programme 2005/06 to 2008/09, to consider and approve prudential indicators for the affordability of the Council's revenue and capital expenditure plans and to consider and formally propose a Council Tax for 2005/06.

Main Issues

- Significant savings exercise undertaken
- Balanced Budget for 2005/06
- Significant deficits identified in future years to deal with 'phasing' out of using reserves and paying for the pensions deficit

Options

(a) We must set a balanced budget, the required Council Tax increase is 5.0%.

Corporate Priority:

Making Spelthorne safer / Engaging younger people / Making Spelthorne a better place/ Improving customer satisfaction

The Executive have recommended that Council approve:

1. **the Capital Programme at Appendix A**
2. **the Prudential Indicators at Appendix B**
3. **that in support of an increase of 12.9p per week (5.0%) in the Spelthorne element of the Council Tax for 2005/06 the following proposals be agreed:**
 - a. **that the Revenue Estimates as set out be approved**
 - b. **that an amount not exceeding £1,290,000 as set out in this report be appropriated from General Reserves in aid of Spelthorne's local Council Tax for 2005/06**
 - c. **that it be noted that the Council Tax base for the year 2005/06 is £39,541.30 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.**
4. **that the various amounts to be calculated in accordance with the Local Government Finance Act 1992, as set out at paragraphs 16.4 to 16.7 be approved**

REPORT

1. BACKGROUND

- 1.1 Members will be aware that each Autumn we consider the Outline Budget which is a rolling 4 year budget projection based on the approved Financial Strategy. The strategy was last reviewed in 2003. The following were some of the key 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 need to allocate resources to the priority areas
 - (d) 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
 - (e) 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, homelessness, licensing and e-Government.

2. MAIN ISSUES

- 2.1 The main principles agreed are set out below and these should be considered when setting a Revenue and Capital Budget for 2005/06:
- (a) The 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 other services capital programme should be set at maximum of the projected receipts from the reserved right to buy
 - (c) That no further schemes be approved from the New Schemes Fund, unless they meet spend to save principles
 - (d) That charging policies be reviewed for all service areas, to ensure that those who can pay the full cost of a service do so
 - (e) That a 'profit' target be set for the car parking service
 - (f) That the principle of self-management of village halls and bowling greens is supported
 - (g) 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
 - (h) That the Executive would carefully consider any requests for supplementary estimates and would maintain a running total of those approved
 - (i) That Independent Living services be reconfigured to deliver savings of £0.5m over the Outline Budget period.

3. OUTLINE BUDGET

- 3.1 At the outline stage, and assuming a council tax increase of 6.7%, the following deficits were identified:

Year	Council Tax Increase 6.7% £
2005/06	853
2006/07	1,307
2007/08	2,104
2008/09	2,629

- 3.2 In the light of this, Officers have conducted a review of all service budgets and have identified a list of savings which have been categorised accordingly to their impact – low, medium and high.
- 3.3 In the light of the fact that some of the savings have a long lead time and others need further work to look at their actual feasibility it is recommended that Members are asked to support all of these savings. In anticipation of this the detailed budget has been prepared on this basis. Whilst it has been possible to balance the budget for 2005/06, considerably more work will be required to balance the future years budgets.
- 3.4 Members will be aware that since preparing the Outline Budget the actuarial valuation of the pension fund has been completed. Not only is there a significant increase in ongoing contributions (10.4% of payroll to 12.3%) there is also a deficit of £10m when the value of the fund at 31 March 04 is compared to its future liabilities. Members have agreed to phase in the payments which will mean that in 2006/07 we need to fund an additional £301k of expenditure and in the following year this will increase to £602k.
- 3.5 The projected budget deficit in 2007/08 is now in the region of £2.8m, and in the following year it is in the region of £3.5m. Thus there is a need as part of the Outline Budget process next year to once again review our strategy and identify further savings.

4. REVENUE SUPPORT GRANT PROVISIONAL SETTLEMENT

- 4.1 Members will be aware of the report on the January Executive Committee in respect of the Revenue Support Grant. In the Outline Budget we had assumed a nil cash increase as compared to last year (which would have represented a reduction in real terms). This was done because of the low level of increases as identified in the spending Review 2004, as well as the potential impact of the 2½% Gershon efficiency saving.
- 4.2 The final settlement however gives Spelthorne Borough Council an increase of £150k as compared to last year which is approximately 2.9%. Of this £24k has been included in respect of civil contingencies and thus the actual increase relating to the district services is only about 2.6%. This is a little above the rate of inflation. However, this increase does not cover the additional expenditure required in respect of licensing, recycling and other new initiatives.

5. BASIS OF PREPARATION

- 5.1 **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. **Appendix C** sets out the analysis of variations between 2004/05 and 2005/06. Identified savings equivalent to 4% of the outline budget for each service have been incorporated and are detailed at **Appendix D**.
- 5.2 The majority of the growth items are of an ongoing nature and therefore will impact on the budget over the outline period. The expenditure on recycling will now be in the region of £500k per year in order that the governments' recycling targets are met.
- 5.3 Licensing is also a key issue for the budget. The government had indicated that it would be cost neutral, however assessment of the proposed fees indicated that this was not the case. The Government have now revised the fees and whilst a deficit of £50k is likely to remain, this is less than originally predicted and has been reflected in the budget. The announcement of planning delivery grant will not be made until February. Early indications are that we will get significantly more than last year, although this has not been factored into the budget.
- 5.4 **Pay and Price Levels** – The estimates have been prepared at pay and price levels prevailing at November 2004 with an allowance of 3.45% added in respect of salaries and wages. No increase had been allowed for general price inflation other than where specified in existing contracts, eg. grounds maintenance, IT facilities management. These allowances have been projected through to the end of March 2006 and allocated over the detailed heads of estimates.
- 5.5 **Fees and Charges** – Heads of Service have carefully considered charging policies and a separate report on the review is included on this agenda. The government is currently consulting on its proposals to increase the fees in respect of planning applications. Whilst the proposal is to increase them by an average of 39% nationally, I am mindful that income in 2004/05 has not achieved the projections included in the budget. Accordingly, the income has been increased by only 25% in the 2005/06 budget.
- 5.6 **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.
- 5.7 **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 surplus by £154,120 of which our share is £9,640.
- 5.8 **Interest** – The interest rate that will be earned on the investments next year has been assumed to be 5%.

5.9 **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 £1,290k be taken from reserves in support of general council tax for 2005/06. 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. Details of the proposed use of earmarked reserves are set out at **Appendix E**.

6. REVISED BUDGET

6.1 The revised budget for this current year totals £13.734m compared to £13.656m at the outline stage. The main reason for this change is a reduced expectation from income in respect of Land Charges, due to competition from a number of personal search agencies.

7. DETAILED BUDGET – 2004/05 AND COUNCIL TAX

7.1 **Appendices F + G** presents the 2005/06 Budget in summary format which shows net expenditure on the General Fund of £12.998m before transfers from reserves, grants and interest earnings.

7.2 **Appendix H** sets out the subjective analysis for the budget.

8. SUMMARY OF BUDGET POSITION

8.1 There is no doubt that the 2005/06 budget has been difficult to balance. The demands to fund new government initiatives are not being supported fully by specific or general government grants. The future sustainability of the budget is an important issue, especially when the proposed budget for 2005/06 relies on some 19.3% of funding from interest and reserves. The deficit on the pension fund is much worse than anticipated and the phased increase in contributions will need to be fully incorporated by 2007/08 and held at that level for 20 years.

8.2 The grant settlement has been very disappointing and coupled with this, the government is saying that it expects to see council tax increases in low single figures.

8.3 The summary page at **Appendix F** indicates that Band D Council Tax needs to be set at £140.92, (equivalent to an increase of 5.0%), as calculated at **Appendix I**, if we are to achieve a balanced budget. This is after taking a positive view of our likely interest earnings for the next financial year.

8.4 The equivalent Spelthorne Council Tax for each valuation band assuming a Band D Council Tax of £140.92 are set out at **Appendix J**.

8.5 Members will be aware of the various statements made by the ODPM and particularly the Local Government Minister, Nick Raynsford in respect of capping. It has been clearly stated that the government expects to see Council Tax increases in low single figures and national average increases of less than 5%.

8.6 Accordingly most authorities to my knowledge, are proposing increases of 5% or less. No capping article has been issued, thus there is a risk that we could be capped if the increase is set above 5%.

9. CONSULTATION

- 9.1 The proposed budget has been presented to the Business Forum at its meeting on 20 January 2005.
- 9.2 Members will recall that during the beginning of this financial year we consulted the residents on Council Tax levels.
- 9.3 A summary of the key findings is set out below:
- (a) Residents see main priorities as youth, safety, elderly and housing
 - (b) Relative low value of satisfaction with young people and community safety – hence the need for Council to communicate a strategic approach
 - (c) Future Council Tax increases comparable with 2004/05 will be tolerated, subject to looking for alternative funding streams and spending following need

10. OPTIONS

- (a) The council is required to set a balanced budget and in the light of the detailed budget prepared a council tax increase of 5.0% is recommended.

11. CAPITAL PROGRAMME AND PRUDENTIAL CODE OF CAPITAL FINANCE

- 11.1 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 prudential indicators have been set which we are required to calculate. The details of these are set out in **Appendix B**.

11.2 Capital Expenditure

The Executive approved a draft Capital Programme on 9 November 2004, an updated copy of which is at **Appendix A**. 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.

11.3 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.

11.4 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%. However, given the threat of capping in 2005/06 for planning purposes a lower rate of 5.0% has been assumed for future years. This would mean that subject to next years Council Tax being set at the recommended figure, the 2006/07 and 2007/08 Band D figures are estimated to be £147.97 and £155.37 respectively.

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

12. PRECEPTS

- 12.1 Surrey County Council – Surrey County Council has advised that its precept on the Council for 2005/06 is £36,405,675 and that its resulting Band D Council Tax is £920.70, an increase of 3.5%.
- 12.2 Surrey Police – The Surrey Police Authority has advised that its precept on the Council for 2005/06 is £6,099,641 and that its resulting Band D Council Tax is £154.26, an increase of 4.9%.
- 12.3 The summary of the total Council Tax for each valuation band, including the above precepts, is set out at **Appendix K**.

13. FINANCIAL IMPLICATIONS

- 13.1 These are covered in the report.

14. LEGAL IMPLICATIONS / OTHER CONSIDERATIONS

- 14.1 **Robustness of Estimates** – The Local Government Act 2003 requires me, as the Council's Chief Financial Officer, to report on the robustness of the estimates made for the purposes of calculating the Council Tax. I am satisfied that each service budget has been prepared in the context of the Council's corporate strategies, and longer-term financial strategy which means that the Council is presented with robust estimates as a basis for making decisions about the level of Council Tax.
- 14.2 I am concerned that the revised outline budget figures, after taking account of the back-funding of the pension scheme and the other growth items, indicated that there will be a very high level of budget deficits, particularly in 2007/08 and 2008/09. The Council will need to address this position as a matter of urgency.
- 14.3 **Reserves and Provisions** – The Local Government Act 2003 requires me to report on the adequacy of the Council's financial reserves when consideration is given to the General Fund budget requirement for the year. Under the Local Government Finance Act 1988, all revenue balances held by the Council are at the direct disposal of the General Fund with the exception of the Collection Fund and the investment reserve. Those balances are expected to total just over £16m as at 1 April 2005. However, a number of these balances are earmarked specifically for Social Housing and the New Scheme Fund. The uncommitted funds will stand at £6.7m. Baker Tilly, the Council Auditors have said that despite the challenges we face, we are in a relatively strong financial position. Taken together with the Council's financial strategy to reduce the reliance on revenues to support the Council Tax, I consider that the reserves and provisions will ensure that the Council maintain a strong financial position.

15. SUPPORT FOR CORPORATE PRIORITIES

- 15.1 This report links to the achievement of all of the Council's priorities.

16. RECOMMENDATION

The Executive have recommended that Council approve:

- 16.1 the Capital Programme at Appendix A
- 16.2 the Prudential Indicators at Appendix B

- 16.3 that in support of an increase of 12.9p per week (5.0%) in the Spelthorne element of the Council Tax for 2005/06 the following proposals be agreed:
- (a) that the Revenue Estimates as set out be approved
 - (b) that an amount not exceeding £1,290,000 as set out in this report be appropriated from General Reserves in aid of Spelthorne's local Council Tax for 2005/06
 - (c) that it be noted that the Council Tax base for the year 2005/06 is £39,541.30 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.
- 16.4 That the following amounts be now calculated by the Council for the year 2005/06 in accordance with Sections 32 and 33 of the Local Government Finance Act 1992.

(a)	£39,777,740	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)	£29,286,010	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)	£10,491,730	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)	£4,919,519	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)	£140.92	Being the sum (c) above less the amount at (d) above, all divided by the amount at 16.3(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.

- 16.5 That the following amounts be now calculated by the Council for the year 2005/06 in accordance with Section 36 of the Local Government Finance Act 1992.

Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
93.95	109.60	125.26	140.92	172.24	203.55	234.87	281.84

Being the amounts given by multiplying the amount at 16.4(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.

- 16.6 That it be noted that for the year 2005/2006 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	613.80	716.10	818.40	920.70	1,125.30	1,329.90	1,534.50	1,841.40
Surrey Police	102.84	119.98	137.12	154.26	188.54	222.82	257.10	308.52

- 16.7 That having calculated the aggregate in each case of the amounts at 16.5 and 16.6 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
£810.59	£945.68	£1,080.78	£1,215.88	£1,486.08	£1,756.27	£2,026.47	£2,431.76

Contact:

Sue Sturgeon, Strategic Director (Support) (01784) 446225

Report Author:

Sue Sturgeon, Strategic Director (Support)

Portfolio Holder:

Councillor Ed Searancke

Background papers:

There are none

Report of the Capital Programme 2005/06 to 2008/09

Executive – 8 February 2005

Resolution required

Report of the Strategic Director (Support)

Executive Summary

The report is to consider and approve the proposed Capital Programme for 2005/06 to 2008/09 in the light of the available resources and corporate priorities. The report covers progress on current scheme and includes future schemes for consideration. It also provides information on the availability of resources to continue moving forward with the proposed schemes.

Main Issues

- Priorities and financing of the Housing Investment Programme.
- Progress and future financing of the Other Services Programme.
- Overall resources available for financing capital schemes.
- Current position of the New Schemes Fund and projected use of fund.

Options

- (a) Continuing to finance the capital programme from available capital receipts.
- (b) Possible use of borrowing for specific revenue enhancing schemes.
- (c) Possible use of the New Schemes Fund revenue element for capital investment.

Officer Recommendations

The Executive is asked to:

1. **Consider and approve the Capital Programme for 2005/06 to 2008/09.**

REPORT

1. BACKGROUND

- 1.1 The proposed Capital Programme 2005/06 to 2008/09 covering the Housing Investment Programme (HIP), Other Services and New Schemes Fund is set out at the attached **Annex**.
- 1.2 The programme shows the total capital cost of each scheme. Where grants and contributions are received in respect of specific schemes, these are also identified to illustrate both the gross cost of the scheme and the net cost to the Council. The investment cost, which represents the interest that would have been earned on the capital sum, is also included.

2. MAIN ISSUES

- 2.1 The Housing Investment Programme (HIP) consists of renovation and renewal grants and assistance to Housing Associations through our partnership programme. These schemes are funded from capital receipts and government grants. Comments on specific service areas are:
- a) Assistance to Housing Associations - At Executive Committee in May 2003 Members agreed to earmark £1m from reserves to support the provision of affordable housing following the abolition of Local Authority Social Housing Grant (LASHG). A provision of £1m per annum has been included from 2005/06 to assist with the continued delivery of affordable housing and supplementary planning guidance requirements. Any financial assistance given to registered social landlords will have to be fully funded by the Council and this will have a direct impact on interest earnings to the General Fund.
 - b) House Renovation Grants - The budget for mandatory Disabled Facilities Grants (DFGs) has been increased in the current year by £250,000 from £425,200 to £675,200 to reflect the current level of demand for mandatory grants. These grants are part funded by a cash limited grant from central government, currently around £250,000 per annum. A small provision for discretionary DFGs is included although where possible applicants for discretionary grants are referred to the Home Improvement Agency where they can obtain loans for improvements.
- 2.2 The Other Services Programme relates to the non-housing activities of the Council apart from those schemes financed from the New Schemes Fund.
- 2.3 Revised Estimate 2004/2005 - Our financial policies relating to capital expenditure were revised so that the Other Services Programme is set at a maximum of the projected receipts from the Council's share of Right to Buy. This allows for a maximum of £800,000 and the approved budget was slightly below this at £783,000. The revised estimate for this year is £1,575,400 mainly due to slippage on the car parks pay on exit scheme (£108,000) and the approval of health and safety works at the leisure centres (£500,000) and Disability Discrimination Act (DDA) works (£80,000). The increase in the

revised budget for IT reflects an additional £150,000 supplementary spending on the e-Government initiative following receipt of extra grant from the ODPM.

- 2.4 Estimate 2005/2006 - The Council's financial policies include a commitment to support the Other Services capital programme for next year, again up to a maximum of £800,000. The schemes proposed in the attached programme total £1,171,000, which is in excess of the maximum set, mainly due to the continuation of the health and safety works at the leisure centres. It is anticipated that there is likely to be some slippage within the programme and no amendment is suggested at this stage. Comments on specific areas are:-
- (a) Spelride Vehicle Replacement - This budget reflects the outcome of the Best Value review of Elderly Services, which identified the need to replace the vehicles.
 - (b) Health and Safety Works at Leisure Centres - Members approved a total of £799,100 at Executive Committee in September 2004 to fund essential works prior to letting the management contracts.
 - (c) Liveability Fund Schemes - The programme includes schemes for youth zones in six parks undertaken as part of our Park Life scheme and financed from liveability funds received from the Government.
 - (d) CCTV in Shepperton Town Centre - This scheme will only commence on the proviso that the local retailers contribute 25% towards the capital cost of the scheme.
 - (e) Car Parks Service – A total provision of £60,000 has been made, being in respect of the introduction of pay and display machines in Ashford and in various parks (£30,000); and for the completion of the replacement of the car park office accommodation (£30,000).
 - (f) Tothill Multi-storey Car Park Lifts - This scheme was originally programmed to commence in 2000/01 but slipped due to the Best Value Review on Car Parks. It is now being done as part of the major refurbishment works approved by members at Executive Committee on 8 April 2003.
 - (g) Information Technology - The budget reflects increased capital expenditure in the implementation of the Council's ICT and E-Government (IEG) strategies. A grant of £350,000 was received for 2004/05 from Central Government. The budget provision assumes that further government grant will be available in 2005/06 and will need to be reviewed should this not be the case.
 - (h) Vehicle and Plant Replacement Programme - No budget has been included currently as wherever possible vehicles are contract hired rather than purchased outright. Investigations are currently ongoing into the development of a fleet partnership programme with an external supplier.

3. OPTIONS

- 3.1 The Housing Investment and Other Services Programmes have always been funded from capital receipts as the use of any long-term borrowing would have resulted in the loss of the Council's debt-free status. However, the introduction of the new Prudential regime in the Local Government Act 2003 came into effect on 1st April 2004. Councils now have much greater freedom to borrow for capital investment provided certain criteria are met as set out in

the Prudential Code. Any borrowing will of course result in a charge to the General Fund for principal and interest.

- 3.2 The ability to borrow to finance capital investment will increase available resources, but will have to be set at a level that is prudent and affordable in the longer term. This option may be suitable for specific revenue enhancing projects and potential schemes would have to be carefully appraised. The resources set out below assume that the programme is funded from capital receipts:

	2004/05	2005/06	2006/07	2007/08	2008/09
	£	£	£	£	£
Housing Investment	1,731,700	1,491,800	1,498,400	1,505,200	1,512,200
Other Services	1,575,400	1,171,000	553,100	542,400	446,700
Total Programme	3,307,100	2,662,800	2,051,500	2,047,600	1,958,900
Resources Available	12,653,900	10,216,900	8,424,100	7,242,600	6,065,000
Surplus/(Deficit)	9,346,800	7,554,100	6,372,600	5,195,000	4,106,100

- 3.2 The New Schemes Fund programme is financed from funds earmarked following the sale of the Council's housing stock in 1996. The programme includes all the capital schemes identified as being financed from this fund and several new schemes have been approved, or are in progress including major refurbishment works in the Borough's car parks (£1.537 million) and the refurbishment of the Elmsleigh Centre in Staines (£400,000 for contribution to works).

- 3.3 Ongoing schemes include Informal Recreation Schemes, playground upgrades, feasibility studies and Environmental Improvements and it is estimated that the capital element of the fund will be exhausted in 2007/08. These figures also take no account of any additional payments than may be due in respect of the outstanding dispute with Mowlems over Memorial Gardens. However, there is still approximately £3 million in the revenue element of the fund, some of which may be available for funding this and future capital projects.

- 3.3 The current and projected position of the fund is as follows:-

	2004/05	2005/06	2006/07	2007/08	2008/09
	£	£	£	£	£
Bal b/f 1st April	3,386,600	674,800	423,700	208,300	28,500
NSF Programme	2,711,800	251,100	215,400	179,800	184,300
Bal c/f 31st March	674,800	423,700	208,300	28,500	- 155,800

4. PROPOSALS

- 4.1 There are sufficient resources to fund the programme over the outline budget period. The final decision on financing will be need to be considered in the context of the Council's overall financial strategy, including the impact on the General Fund of any borrowings allowed under the new regime. The use of borrowing under the Prudential regime may be considered on a scheme-by-scheme basis where appropriate.

5. FINANCIAL IMPLICATIONS

- 5.1 Financing the capital programme from capital receipts results in a loss of investment income. An estimate of these costs is included on the attached Annex, under the column headed "Net Investment Cost".

6. LEGAL/OTHER CONSIDERATIONS

- 6.1 There are none.

7. SUPPORT FOR CORPORATE PRIORITIES

- 7.1 All corporate priorities are supported.

8. OFFICER RECOMMENDATIONS

- 8.1 It is recommended that Members consider and approve the Capital Programme for 2005/06 to 2008/09 as set out at the attached **Annex**.

Contact:

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Report Author:

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Portfolio Holder:

Councillor Ed Searancke

Background Papers:

There are none.

CAPITAL ESTIMATES 2005/2006 - 2008/09									
SCHEME	ESTIMATED TOTAL COST	PAYMENTS TO 31.3.04	ESTIMATED PROGRAMME						
			2004/05		2005/06	2006/07	2007/08	2008/09	NET INVESTMENT COST
			ORIGINAL ESTIMATE	REVISED ESTIMATE					
	£	£	£	£	£	£	£	£	£
<u>CAPITAL PROGRAMME SUMMARY</u>									
Housing Investment Programme	7,739,300	-	1,456,700	1,731,700	1,491,800	1,498,400	1,505,200	1,512,200	387,430
Other Services Programme	4,672,000	383,400	783,000	1,575,400	1,171,000	553,100	542,400	446,700	233,620
New Schemes Fund - Capital Projects	10,524,500	6,982,100	1,413,800	2,711,800	251,100	215,400	179,800	184,300	526,250
TOTAL CAPITAL PROGRAMME	22,935,800	7,365,500	3,653,500	6,018,900	2,913,900	2,266,900	2,227,400	2,143,200	1,147,300

CAPITAL ESTIMATES 2005/2006 - 2008/09									
SCHEME	ESTIMATED TOTAL COST	PAYMENTS TO 31.3.04	ESTIMATED PROGRAMME						
			2004/05		2005/06	2006/07	2007/08	2008/09	NET INVESTMENT COST
			ORIGINAL ESTIMATE	REVISED ESTIMATE					
	£	£	£	£	£	£	£	£	£
<u>HOUSING INVESTMENT PROGRAMME</u>									
<u>Housing Miscellaneous</u>									
Feasibility Studies	29,600	N/A	5,700	5,700	5,800	5,900	6,000	6,200	1,480
Capital Salaries	257,800	N/A	50,000	50,000	50,000	51,300	52,600	53,900	12,890
Other Assistance to Housing Associations	5,000,000	N/A	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	250,000
<u>House Renovation Grants</u>									
Disabled Facilities Grants									
- Mandatory	2,375,200	N/A	425,200	675,200	425,000	425,000	425,000	425,000	118,760
- Discretionary	144,500	N/A	27,500	27,500	28,200	28,900	29,600	30,300	7,230
	2,519,700	N/A	452,700	702,700	453,200	453,900	454,600	455,300	125,990
Less Specified Capital Grant	(1,255,100)	N/A	(255,100)	(255,100)	(250,000)	(250,000)	(250,000)	(250,000)	(62,300)
Net Cost of Disabled Facilities Grants	1,264,600	-	197,600	447,600	203,200	203,900	204,600	205,300	63,690
Renewal Grants									
Renewal Grants	806,000	N/A	153,400	153,400	157,200	161,100	165,100	169,200	40,300
Renewal Loan Fees	250,000	N/A	50,000	50,000	50,000	50,000	50,000	50,000	12,500
Support for Energy Efficiency Measures	131,300	N/A	-	25,000	25,600	26,200	26,900	27,600	6,570
									-
Total - House Renovation Grants	2,451,900	-	401,000	676,000	436,000	441,200	446,600	452,100	123,060
TOTAL - HOUSING									
	7,739,300	-	1,456,700	1,731,700	1,491,800	1,498,400	1,505,200	1,512,200	387,430
<u>LIVEABILITY FUND SCHEMES</u>									
Lammas	516,100	-	-	336,100	180,000	-	-	-	-
Clockhouse Lane	236,700	-	-	82,700	154,000	-	-	-	-
Kenyngton Manor	297,700	-	-	47,700	250,000	-	-	-	-
Littleton Lane	277,700	-	-	47,700	230,000	-	-	-	-
Fordbridge Park	242,700	-	-	47,700	195,000	-	-	-	-
Short Lane	183,100	-	-	47,700	135,400	-	-	-	-
Funded by Central Government	(1,754,000)	-	-	(609,600)	(1,144,400)	-	-	-	-
Net Cost of Livability Fund Schemes	-	-	-	-	-	-	-	-	-

CAPITAL ESTIMATES 2005/2006 - 2008/09									
SCHEME	ESTIMATED TOTAL COST £	PAYMENTS TO 31.3.04 £	ESTIMATED PROGRAMME						
			2004/05		2005/06 £	2006/07 £	2007/08 £	2008/09	NET INVESTMENT COST £
			ORIGINAL ESTIMATE £	REVISED ESTIMATE £					
OTHER SERVICES PROGRAMME									
<u>COMMUNITY CARE SERVICE</u>									
Community Alarm System	187,500	N/A	35,700	35,700	36,600	37,500	38,400	39,300	9,380
Spelride Vehicle Replacement	240,000	N/A	120,000	120,000	60,000	-	60,000	-	12,000
<u>LEISURE SERVICE</u>									
Leisure Centres Essential Health & Safety Works	799,100	-	-	500,000	299,100	-	-	-	39,960
Kenyngton manor Pitch Development	-	-	60,000	-	-	-	-	-	-
Museum Relocation	50,000	-	-	-	50,000	-	-	-	2,500
<u>ENVIRONMENT SERVICE</u>									
CCTV in Spelthorne	153,000	130,400	-	12,600	10,000	-	-	-	7,650
CCTV Shepperton Town Centre	110,000	-	-	-	110,000	-	-	-	5,500
less contribution from retailers	(25,000)	-	-	-	(25,000)	-	-	-	(1,250)
Net cost for Shepperton Town Centre CCTV	85,000	-	-	-	85,000	-	-	-	4,250
Air Quality Monitoring Equipment	33,800	-	-	33,800	-	-	-	-	1,690
Critical Ditches	215,000	11,000	-	49,000	75,000	80,000	-	-	10,750
Laleham Park - Country Park Status Upgrade	105,000	-	-	-	30,000	35,000	40,000	-	5,250
Public Conveniences Modernisation	58,000	-	-	-	58,000	-	-	-	2,900
									-
<u>CAR PARK SERVICE</u>									
Car Parks - Pay on Exit	350,000	242,000	-	108,000	-	-	-	-	17,500
Car Parks - Introduction of Pay and Display	30,000	-	-	-	30,000	-	-	-	1,500
Car Parks Office Accommodation	60,000	-	-	30,000	30,000	-	-	-	3,000
Tothill Multi-Storey Car Park - Lifts	120,000	-	120,000	120,000	-	-	-	-	6,000
<u>INFOMATION TECHNOLOGY</u>									
Software, Hardware and Consultancy	1,924,000	N/A	515,000	704,000	425,000	265,000	265,000	265,000	96,200
less Government Grant	(500,000)	N/A	(200,000)	(350,000)	(150,000)	-	-	-	(25,000)
Net cost of Information Technology Programme	1,424,000	N/A	315,000	354,000	275,000	265,000	265,000	265,000	71,200
<u>GENERAL PROPERTIES</u>									
Feasibility studies	122,500	N/A	23,300	23,300	23,900	24,500	25,100	25,700	6,130
Disability Discrimination Act (DDA) Works	80,000	N/A	-	80,000	-	-	-	-	4,000
Capital Salaries	559,100	N/A	109,000	109,000	108,400	111,100	113,900	116,700	27,960
TOTAL - OTHER SERVICES	4,672,000	383,400	783,000	1,575,400	1,171,000	553,100	542,400	446,700	233,620

CAPITAL ESTIMATES 2005/2006 - 2008/09									
SCHEME	ESTIMATED TOTAL COST	PAYMENTS TO 31.3.04	ESTIMATED PROGRAMME						
			2004/05		2005/06	2006/07	2007/08	2008/09	NET INVESTMENT COST
			ORIGINAL ESTIMATE	REVISED ESTIMATE					
	£	£	£	£	£	£	£	£	£
NEW SCHEMES FUND - CAPITAL									
Capital Partnership Fund									
- Staines Swimming Club Grant	40,000	-	-	40,000	-	-	-	-	2,000
- Spelthorne Gym Club Grant	50,000	-	-	50,000	-	-	-	-	2,500
- Millenium Embroidery Grant/Loan	92,000	-	-	92,000	-	-	-	-	4,600
- 5th Sea Scouts	10,000	-	-	10,000	-	-	-	-	500
- Not yet allocated/already paid	808,000	708,300	-	99,700	-	-	-	-	40,400
	1,000,000	708,300	-	291,700	-	-	-	-	50,000
Leisure Strategy									
Informal Recreation schemes	200,000	63,800	54,900	56,200	40,000	40,000	-	-	10,000
Other Schemes									
Staines Town Centre - Pedestrianisation	1,806,300	1,761,300	-	40,000	5,000	-	-	-	90,320
less Contribution from Surrey CC	(675,000)	(675,000)	-	-	-	-	-	-	(33,750)
Net Cost of Pedestrianisation	1,131,300	1,086,300	-	40,000	5,000	-	-	-	56,570
Feasibility studies	141,500	N/A	26,900	26,900	27,600	28,300	29,000	29,700	7,080
Environmental Improvements	560,700	N/A	100,000	135,000	102,500	105,100	107,700	110,400	28,040
Memorial Gardens & Riverbank Works	3,301,500	3,273,600	-	27,900	-	-	-	-	165,080
Memorial Gardens Arbitration Fees	100,000	-	-	100,000	-	-	-	-	5,000
Elmsleigh Centre Consultants Fees	45,000	23,500	15,000	21,500	-	-	-	-	2,250
Sunbury LC - Water Treatment Plant	245,600	237,300	-	8,300	-	-	-	-	12,280
Playgrounds Upgrades	388,200	177,900	40,000	40,000	41,000	42,000	43,100	44,200	19,410
Orchard Meadow	236,400	231,300	-	5,100	-	-	-	-	11,820
Staines Day Centre	1,116,800	1,103,600	-	13,200	-	-	-	-	55,840
Staines Town Centre Signing	25,000	10,900	-	14,100	-	-	-	-	1,250
Car Parks - Major improvements/repairs	1,537,500	52,500	777,000	1,450,000	35,000	-	-	-	76,880
Elmsleigh Centre - Major Refurbishment	400,000	-	400,000	400,000	-	-	-	-	20,000
Town Centre - Offices Relocation	25,000	-	-	25,000	-	-	-	-	1,250
Day Centre CAB Conversions	20,000	-	-	20,000	-	-	-	-	1,000
Elmsleigh Centre Refurbishment (Agreement)	150,000	113,100	-	36,900	-	-	-	-	7,500
less Contribution from Clerical Medical	(100,000)	(100,000)	-	-	-	-	-	-	(5,000)
Net Cost to Council	50,000	13,100	-	36,900	-	-	-	-	2,500
TOTAL - NEW SCHEMES FUND	10,524,500	6,982,100	1,413,800	2,711,800	251,100	215,400	179,800	184,300	526,250

The Prudential Code of Capital Finance
Prudential Indicators in respect of affordability and Council Tax levels
2005/06 TO 2007/08

The Local Government Act 2003 introduced a new prudential system of capital finance. Local authorities have the freedom to borrow at a level that is prudent and affordable by reference to a series of Prudential Indicators set out in the *Prudential Code for Capital Finance in Local Authorities*. The Code has been developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) in consultation with the Government and the Local Authorities Association.

The Code requires local authorities to ensure that capital investment decisions are prudent, affordable and sustainable and that borrowing is only incurred to support capital expenditure and not revenue spending. Minimum indicators are specified in the Code but affordability is ultimately determined by a judgement about acceptable levels of Council Tax, and in the case of authorities with a Housing Revenue Account (HRA), acceptable rent levels.

All the following indicators reflect the Council's current commitments, existing plans and proposals for capital expenditure and financing, and its treasury management policy statement and practices. In accordance with the Code, they will be set on a rolling basis annually, before the start of the financial year. Performance against all forward looking indicators must be reviewed and monitored to ensure compliance with the limits set by the Council, and deviations reported to members.

Prudential indicators in respect of affordability and Council Tax levels for Spelthorne are set out below:-

1. Capital Expenditure

The actual capital expenditure that was incurred in 2003/04 and the estimates for the current and future years are:-

	Capital Expenditure				
	Actual 2003/04	Estimate 2004/05	Estimate 2005/06	Estimate 2006/07	Estimate 2007/08
Housing Investment Programme	1,458,334	1,731,700	1,491,800	1,498,400	1,505,200
Other Services Programme	1,566,804	1,575,400	1,171,000	553,100	542,400
New Schemes Fund	865,318	2,711,800	251,600	215,400	179,800
	3,890,456	6,018,900	2,913,900	2,266,900	2,227,400

This is an indicator of affordability which members considered when they approved the draft Capital Programme for 2005/06 – 2008/09 at Executive Committee on the 9th November 2004.

2. Ratio of Financing Costs to Net Revenue Stream

This ratio is another indicator of affordability and compares the estimated financing costs of borrowing as a percentage of the net revenue stream which is the amount in the General Fund to be met from government grant and local taxpayers. The actual ratio of financing costs to net revenue stream for 2003/04 and estimates for the current and future years are:-

	Ratio of Financing Costs to Net Revenue Stream				
	Actual 2003/04	Estimate 2004/05	Estimate 2005/06	Estimate 2006/07	Estimate 2007/08
Financing Costs	- £1,199,753	- £1,441,754	- £1,300,179	- £1,164,000	- £964,000
Net Revenue Stream	£9,242,768	£10,002,633	£10,174,993	£10,561,173	£10,963,597
Non HRA	-12.98%	-14.41%	-12.73%	-11.02%	-8.79%

The ratios for Spelthorne are negative because the Council's investment income far exceeds the cost of borrowing. These estimates are based on the present circumstances in that the Council only has short term borrowing costs and substantial funds invested.

3. Band D Council Tax Estimates

The Band D Council tax that would result for the Council for 2005/06 from the totality of the capital and revenue plans recommended in the budget report is **£140.92**, which represents an increase of 5% over the previous year, 2004/05.

Forward estimates for the Band D Council Tax for 2006/07 and 2007/08 are **£147.97** and **£155.36** respectively. These forward estimates are based on a 5% increase in the 2005/06 level of Council Tax and are not fixed and do not commit the Council in any way. They are based on the Council's existing commitments, current plans and the totality of the capital and revenue plans recommended in the budget report.

4. Incremental impact on the Council Tax

This is a new indicator introduced for the final version of the Code and shows the cost of variations in the capital programme in terms of Band D Council Tax.

	Estimate 2005/06	Estimate 2006/07	Estimate 2007/08
Band D Council Tax	£140.92	£147.97	£155.37
Tax Base	39,541.30	39,541.30	39,541.30
Interest earned on investments	4.85%	5.00%	5.00%
Existing Capital Programme	£2,913,900	£2,266,900	£2,227,400
Incremental impact on Band D Council Tax	£3.57	£2.87	£2.82

The incremental impact on the Council Tax is a key measure of affordability and the Council could consider different options for its capital investment plans in relation to their differential impact on the level of Council Tax.

Analysis of Budget Variations 2004/5 to 2005/6

Service	Corporate Activities	Chief Executive	Community Directorate	Support Directorate	General Fund	Total
2004/5 Budget	2,593,400	908,580	9,514,400	1,725,970	-1,845,435	12,896,915
Inflation	16,800	30,000	276,000	132,900		455,700
Changes to Asset Rental			9,960	-109,980	100,020	
Changes to Central Recharges	-21,920	15,420	-690	257,670		250,480
Savings to be identified					63,305	63,305
Other Budget Changes	54,280	15,250	-487,030	-251,170		-668,670
2005/6 Budget	2,642,560	969,250	9,312,640	1,755,390	-1,682,110	12,997,730

Analysis of Other Significant Budget Changes Estimate 2004/05 to Estimate 2005/06		
	£'000	£'000
Staffing changes:		
Employers pension contributions		127
Other growth items:		
Waste Recycling Initiatives (net of additional grant)	232	
Reduced contribution from external funding initiatives	100	
Various youth initiatives	60	
CCTV	51	
Leisure Centres - reduced profit share	50	
Leisure Centres - temporary closure for major works	50	
New licensing regime - administration costs	48	
Reduced income from land charges enquiries	42	
Increased cost of insurance premiums	37	
Christmas lights	28	
Memorial Gardens mainenance	27	725
Total growth items		852
Programmed savings:		
Increase income from car parks (net of additional operating costs)	(413)	
Day Centres	(58)	
Public Halls	(37)	
Reduction in rateable values at Leisure Centre	(25)	
Increased income from bowling greens	(30)	(563)
Identified 4% savings per Appendix H		(946)
Total from savings initiatives		(1,509)
Net effect of other costs / savings		(12)
Total Other Budget Changes		(669)

Analysis of 4% savings

Priority	Dept	Description	Service Head Comments	Savings included within detailed budget 2005/6	
				£	
Low	All	Inflation -2%	Manage non pay or contract inflation within existing cash budgets	92,000	
	Director Support	Advertising	Web advertising as main/1st search basis	3,970	
	Revenues and Benefits	B&B	Initiatives starting to pay off		43,000
		Bailiffs Costs	Reduced requirement		140
		Cashiers service	Loss of service		16,350
		Conference expenses	Reduced requirement		400
		Conference fees	Reduced requirement		200
		Housing promotions	Reduced requirement		5,800
		Internal printing	Reduced requirement		500
		Microfilm Equipment	Reduced requirement		100
		Microfilm Repair	Reduced requirement		240
		Microfilming	Reduced requirement		7,750
		Mobile phones	Reduced requirement		500
		Other Adverts	Reduced requirement		300
		Pension Credits	Reduced requirement		8,740
		Photocopying	Reduced requirement		3,000
		Printing	Reduced requirement		6,550
		stationery	Reduced requirement		570
		Subsistence	Reduced requirement		2,650
	Uniforms	Not replaced so regularly		370	
	Chief Exec	Advertising	Web advertising as main/1st search basis	610	
	Comms & Community Safety	Borough News	Reduce publications to four		13,000
		Corporate Video	Video not kept up to date		500
		Notice Boards	Less available to spend		1,000
		Performance Indicators	No budget for publication		3,630
		Register of Electors	Reduced requirement		2,000
	Corporate	Achievement Award	Less award to give		3,280
		BVPP	Reduce quality to black and white		6,400
		Civic Reception	Not so elaborate		4,000
		External Audit	Result of CPA 'excellent' rating		10,000
		Grants	4% (excl LC charitable relief, Community Link, Arts Centre, Staines Partnership)		5,890
		DRM	Members Superannuation		11,300
		Honorary Aldermen	Very few being appointed		500
LG Review group		Reduced contact and information with other Authorities		5,000	
Shepperton CAB		Cessation of rent on transfer to Benwell		12,000	
Town Twinning	Reduction in spend		2,000		

Analysis of 4% savings

Priority	Dept	Description	Service Head Comments	Savings included within detailed budget 2005/6
Director Community	Advertising	Web advertising as main/1st search basis		5,880
	Books & Stationery	Reduced requirement		130
	Emergency boxes	Reduced requirement		2,000
Environmental Health	books	Reduced requirement		1,000
	car allowances	Reduced requirement		7,000
	drains	Reduced requirement		150
	equip	Reduced requirement		1,000
	food courses-add income	Additional income will be generated		3,000
	Health initiatives	Reduced requirement		1,000
	internal print	Reduced requirement		1,000
	legal -PH	Reduced requirement		1,130
	legal-H&S	Reduced requirement		1,000
	ordnance survey	Reduced requirement		1,000
	Public Burials	Reduced requirement		440
	Removal of gypsies	Reduced requirement		4,600
	stationery	Reduced requirement		1,000
	taxi income	Additional income will be generated		22,400
	training	Reduced requirement		3,000
vets	Reduced requirement		280	
Leisure	Market research	Quality of service reduced		10,000
	Office Furniture	Reduced requirement		2,000
Environment Services	Car park Income-other	Increase season tickets and contract parking in 2005-6		50,000
	Car park Income-Short Term	Impact of Nov 2004 review		48,000
	Car park Income-Short Term again in 2005	Impact of possible Sept 2005 review		50,000
	Public Conveniences	Reduce number		60,000
Planning	Books & Stationery	Careful consideration before spend		1,000
	Consultants	Very careful consideration before use		10,000
	Historic Buildings Grant	Not required		2,890
	Income generated from legal court costs	Additional income will be generated		5,000
	Planning Development Grant	Expectation of additional grant		16,000
	SASIG	Not required		410
	Statutory Notices	It is hoped that this could be achieved		5,000
	Surrey Wild Life Trust	Not required		300

Analysis of 4% savings

Priority	Dept	Description	Service Head Comments	Savings included within detailed budget 2005/6
Direct Services	Advertising	Web advertising as main/1st search basis		310
	Cemeteries-increase charges-10%	Reaction of the public		15,000
	Increased income from garden waste	Dissatisfaction of the public with service		4,000
	Weed Spraying	Reduced requirement		25,400
Financial Services	brokers fees	Residual insurance work absorbed within new Fin Services structure		6,000
	Fin Services restructure	Move towards e-working reduced paper processes		5,670
	internal print	Documents web based, so fewer printed copies, e.g. budget books		4,000
HR	Health & Safety	No H&S related budget		4,000
	Reduce printing and microfilming	Reduced requirement		3,000
Audit	50% salary saving on difference re appointment	Consideration re the Elmbridge audit contract		3,200
Legal	Committee Services	Use Comino not a special system		
	Controlled Stationery-Land Charges	System implementation		500
	Land Registry Fees-use new system	There is an automated electronic system - half the price		
	Increased Legal Charges	Additional hourly rates for external works		
E-govt & Customer Services	Chilled water dispensers	Now mains fed		1,500
	Equip Purchase	Replace only when beyond repair		2,730
	External training	Aimed at bought-in training-not In-House??		
	Internal printing	Print from word when required		570
	Janitorial materials	Negotiating better prices		2,570
	kitchen equip	Replace only when beyond repair		430
	Phone Lease Charges	Purchased unit		1,420
	Positional accuracy Improvement	Fund from PDG		23,000
	stationery	Reduced requirement		710
	Telephone charges	Survey - anticipated savings		8,170
	Telephone Rental reduction	Link upgraded between Depot and KG		6,000
	Uniforms	Extend replacement programme		910
	Window cleaning	Reduce cleaning to bi-monthly		2,000
	new PC Purchase	Capitalised		4,340

Analysis of 4% savings

Priority	Dept	Description	Service Head Comments	Savings included within detailed budget 2005/6
Medium - capacity to bring forward programme	Leisure	Village Halls	Accelerate phasing	
Medium - risk to recruitment process	HR	Psychometric testing	Service would need to pay if required	1,230
Medium - staffing impact	Director Support	External Funding Officer	Reduction in Ext Funding research capability	31,420
	Financial Services	Rationalise creditors / debtors functions	Move towards e-working reduced paper processes, saving £7k in a full year	3,500
High - priority safer Spelthorne	Comms & Community Safety	CCTV Shepperton	Member driven initiative-growth	20,000
High - priority better place	Direct Services	Grounds Maintenance-quadron	Reduction in discretionary works, revisit contract to drop low impact services, e.g. strimming around trees	35,000
		Part close the nursery	Connected with Spelthorne in bloom	1,360
		Reduce frequency of litter collection	50% reduction in litter bin emptying, 1 redundancy, reduce 1 vehicle	26,060
		Spelthorne in Bloom	Staffing Implications	6,960
High - service quality affected	Direct Services	Reduce vehicles-Spelride	Reduced service	14,250
		Increase Income-Spelride	Increased charges by 25% from £1.75 to minimum of £2.20	13,000
High - achievability subject to new contract	Leisure	L/C Minor works	Quality of service reduced	20,000
		Sunbury Leisure Centre	New contract November 2005	
High - staffing impact	Director Support	Support Directorate p/t secretary	Staffing Implications	9,500
	Direct Services	Direct Services Management & Support	Staffing Implications	30,000
	E-govt & Customer Services	Outsource the Print Service	Lose the flexibility of producing a quick turn-around	15,000
High - lead in time beyond 2005/6	Legal	Outsource debt recovery-lead in 2 years	Staffing Implications	
Grand Total				944,560

REVENUE ESTIMATES 2005/06
USE OF EARMARKED RESERVES

	2004/05		2005/06
	Original Estimate £	Revised Probable £	Estimate £
NEW SCHEMES FUND			
Concessionary Fares	155,690	155,690	155,690
Disabled Facilities in Parks	15,840	15,840	15,840
Nursery	5,230	5,230	5,230
Memorial Gardens	27,680	27,680	27,680
Staines Community Centre	47,760	47,760	47,760
Total - New Schemes Fund	252,200	252,200	252,200
HOUSING INITIATIVES FUND			
Empty Homes Officer	40,000	40,000	40,000
Total - Housing Initiatives Fund	40,000	40,000	40,000
TOTAL FINANCED FROM EARMARKED RESERVES	292,200	292,200	292,200

REVENUE ESTIMATES 2005/06

GENERAL FUND SUMMARY

	2004/05		2005/06 Estimate £	Basic Council Tax £
	Estimate	Probable		
	£	£		
Corporate Activities	2,593,400	2,669,280	2,642,560	66.83
Chief Executives Directorate	908,580	979,580	969,250	24.51
Community Directorate	9,514,400	9,943,920	9,312,640	235.52
Support Directorate	1,725,970	1,763,390	1,755,390	44.39
Net Expenditure Reductions to be identified	(63,305)			0.00
SERVICE EXPENDITURE	14,679,045	15,356,170	14,679,840	371.25
Building Maintenance	250,000	250,000	250,000	6.32
Asset Management Account	(2,032,130)	(1,872,400)	(1,932,110)	-48.86
NET EXPENDITURE	12,896,915	13,733,770	12,997,730	328.71
Transfer from Earmarked Reserves	(292,200)	(292,200)	(292,200)	-7.39
Transfer from Other Reserves	(1,790,000)	(2,509,455)	(1,290,000)	-32.62
	(2,082,200)	(2,801,655)	(1,582,200)	-40.01
Interest on Balances	(835,400)	(952,800)	(923,800)	-23.36
BUDGET REQUIREMENT	9,979,315	9,979,315	10,491,730	265.34
Redistributed Business Rates	(2,443,316)	(2,443,316)	(2,339,464)	-59.17
Revenue Support Grant	(2,316,579)	(2,316,579)	(2,570,415)	-65.01
NET BUDGET REQUIREMENT	5,219,420	5,219,420	5,581,851	141.16
Adjustment on Collection Fund	7,830	7,830	(9,640)	-0.24
CHARGE TO COLLECTION FUND (Band D Council Tax)	5,227,250	5,227,250	5,572,211	140.92

REVENUE BUDGET 2005/06			
	ORIGINAL ESTIMATE	REVISED ESTIMATE	ESTIMATE
	2004/05	2004/05	2005/06
	£	£	£
CORPORATE ACTIVITIES			
CORPORATE MANAGEMENT	816,380	930,460	896,700
DEMOCRATIC REPRESENTATION & MANAGEMENT	974,210	878,240	860,060
GENERAL GRANTS	535,980	520,980	493,150
UNAPPORTIONABLE CENTRAL OVERHEADS	323,400	326,170	379,220
MISCELLANEOUS EXPENSES	(56,570)	13,430	13,430
TOTAL CORPORATE ACTIVITIES	2,593,400	2,669,280	2,642,560

REVENUE BUDGET 2005/06

	ORIGINAL ESTIMATE	REVISED ESTIMATE	ESTIMATE
	2004/05	2004/05	2005/06
	£	£	£

CHIEF EXECUTIVES DIRECTORATE

CX MANAGEMENT AND SUPPORT	6,160	6,160	29,580
CX SUPPORT SERVICES			
People & Partnerships	110,000	110,630	108,660
Policy & Performance	60,180	61,310	43,090
Communications	(3,240)	(3,240)	31,030
Community Safety	294,130	372,630	353,930
Corporate Publicity	228,100	223,710	198,280
Registration of Electors	165,800	160,930	156,210
Borough Elections (6)	47,450	47,450	48,470
	902,420	973,420	939,670
TOTAL CHIEF EXECUTIVES	908,580	979,580	969,250

REVENUE BUDGET 2005/06

	ORIGINAL ESTIMATE	REVISED ESTIMATE	ESTIMATE
	2004/05	2004/05	2005/06
	£	£	£
COMMUNITY SERVICES DIRECTORATE			
DIRECTOR COMMUNITY			
Dir Community - Management and Support	(1,110)	4,800	(11,550)
Emergency Planning	8,070	10,070	34,260
	6,960	14,870	22,710
ENVIRONMENTAL HEALTH			
Administration	971,540	968,250	924,600
Environmental Protection Act	39,090	58,290	46,410
Rodent and Pest Control	13,520	13,520	13,520
Food Safety	11,540	11,540	15,010
Public Health	11,700	11,700	18,030
Improvement Grants	1,570	1,570	1,630
Gypsy Sites	-	-	-
Removal of Gypsies	4,660	4,660	-
Building Control	235,430	233,790	242,330
Licensing	-	73,820	37,750
Taxi Licensing	20,380	19,150	(3,560)
	1,309,430	1,396,290	1,295,720
COMMUNITY			
Leisure Administration	444,730	447,760	432,320
Spelthorne Leisure Centre	171,610	246,950	269,830
Sunbury Leisure Centre	292,530	348,120	294,250
Leisure Development	116,900	163,170	168,060
Leisure Promotions	22,570	17,070	10,380
Leisure Grants	27,960	27,960	27,960
Arts Development	2,440	2,440	(30)
Old Town Hall Arts Centre	-	-	-
Museum	(3,800)	940	(2,510)
Public Halls	142,350	176,050	114,360
Community Care Administration	180,780	200,100	209,290
Spelthorne Alarm Network (SPAN)	39,670	23,930	5,290
Day Centres	905,470	916,910	907,920
Meals on Wheels	37,060	31,060	7,330
	2,380,270	2,602,460	2,444,450
ASSET MANAGEMENT			
Administration	(8,060)	(8,060)	8,760
General Property Expenses	21,330	13,370	14,410
	13,270	5,310	23,170

REVENUE BUDGET 2005/06

	ORIGINAL ESTIMATE	REVISED ESTIMATE	ESTIMATE
	2004/05	2004/05	2005/06
	£	£	£

COMMUNITY SERVICES DIRECTORATE (Cont)

ENVIRONMENT SERVICES			
Administration	(4,340)	11,960	(10,430)
Parks Strategy	753,000	775,580	612,390
Staines Town Centre Management	(332,790)	(351,790)	(306,750)
Staines Metropolitan Commons	57,780	60,470	65,290
War Memorials	14,510	14,510	16,180
Allotments	50,840	50,840	60,270
Waste Recycling	222,000	222,000	488,760
Abandoned Vehicles	72,050	72,050	48,850
Environmental Enhancements	131,460	131,460	139,520
Other Highways Works	177,720	231,100	217,490
Bus Station	23,490	23,490	23,830
Public Conveniences	236,150	256,140	176,350
Car Parks	(329,480)	(400,720)	(882,490)
Energy Initiatives	114,270	114,270	131,170
Water courses and land drainage	68,900	68,900	57,410
	1,255,560	1,280,260	837,840
PLANNING AND HOUSING			
Planning Management	(190)	560	1,950
Planning Policy and Implementation	355,940	439,940	450,550
Development Control	421,240	428,450	304,630
Housing Management	148,180	148,180	179,090
Economic Development	9,410	-	-
	934,580	1,017,130	936,220
DIRECT AND ANCILLARY SERVICES			
Management and Support	2,510	(9,990)	34,730
Grounds Maintenance Contract	1,071,070	1,071,070	1,159,130
Spelthorne in Bloom	35,670	35,670	27,550
Cemeteries and Burial Grounds	128,800	128,800	96,430
Staines Market	(39,460)	(55,650)	(20,950)
Refuse Collection	1,199,020	1,199,020	1,213,740
Street Cleansing	1,003,830	1,003,830	978,400
Cesspool Emptying	-	-	-
Depot	(2,710)	(1,010)	(1,480)
Spelthorne Accessable Transport (SAT)	227,830	258,090	273,580
Nursery	(12,230)	(2,230)	(8,600)
	3,614,330	3,627,600	3,752,530
TOTAL COMMUNITY SERVICES DIRECTORATE			
	9,514,400	9,943,920	9,312,640

REVENUE BUDGET 2005/06

	ORIGINAL ESTIMATE	REVISED ESTIMATE	ESTIMATE
	2004/05	2004/05	2005/06
	£	£	£
SUPPORT DIRECTORATE			
DIRECTOR SUPPORT - MANAGEMENT AND SUPPORT	(2,100)	(2,100)	(22,360)
REVENUES AND BENEFITS			
Management and Support	(5,060)	(29,350)	(66,690)
Council Tax	580,970	588,470	593,390
Business Rates	(37,080)	(37,080)	(66,480)
Housing Needs	414,040	426,040	410,700
Homelessness	538,790	608,790	496,600
Housing Benefits Administration	324,180	293,710	285,750
Housing Benefits Payments	(99,830)	(103,740)	(103,740)
Concessionary Fares	267,800	267,800	277,800
Mortgages	6,230	6,230	6,230
	1,990,040	2,020,870	1,833,560
SUPPORT SERVICES			
Financial Services	4,230	31,020	34,650
Human Resources and Payroll	(8,650)	(8,850)	(10,910)
In-House Training	(3,030)	4,970	18,140
Audit	83,460	97,160	96,180
Corporate Governance	(3,750)	(3,750)	210
Committee Services	24,780	24,780	5,560
Legal	(2,840)	3,160	(33,010)
Land Charges	(339,520)	(289,520)	(167,100)
Customer & e-Government Services	(16,650)	(114,350)	470
	(261,970)	(255,380)	(55,810)
TOTAL SUPPORT DIRECTORATE	1,725,970	1,763,390	1,755,390

GENERAL FUND SUBJECTIVE ANALYSIS 2005/0633

SERVICE	Corporate Activit	Chief Executive	Community Directo	Support Directorate	General Fund	Grand Total
EXPENDITURE						
Employees	282860	798480	6078710	3419700		10579750
Premises			2681800	902090	250000	3833890
Transport	9350	26330	902940	53690		992310
Supplies & Services	1137400	332750	1624100	910200		4004450
External Contracts	8620	89110	888910	960280		1946920
Benefit Payments				18644110		18644110
Asset Rentals			1546990	385120	-1932110	0
Sub Total	1438230	1246670	13723450	25275190	-1682110	40001430
CEC Payments	1238810	788930	4363470	2852080		9243290
CEC Credit	-34480	-1063930	-2500640	-5867930		-9466980
Total Expenditure	2642560	971670	15586280	22259340	-1682110	39777740
INCOME						
Government Grants			-350250	-19189610		-19539860
Rents & other income		-2420	-5923390	-1314340		-7240150
Total Income	0	-2420	-6273640	-20503950	0	-26780010
Net Expenditure	2642560	969250	9312640	1755390	-1682110	12997730

CALCULATION OF THE BASIC COUNCIL TAX FOR 2005/06

FOR SPELTHORNE'S OWN EXPENDITURE

The Council's Tax Base for 2004/05		<u>39,541.3</u>
	£	£
Gross Expenditure for the year		39,777,740
Less: Gross Income for the year	26,780,010	
Interest on Balances	923,800	
Transfer from Earmarked Reserves	292,200	
Transfers from Reserves	<u>1,290,000</u>	
		<u>29,286,010</u>
The Council's net expenditure or Budget Requirement		10,491,730
Less: Redistributed Non-Domestic Rates	2,339,464	
Revenue Support Grant	2,570,415	
Estimated Deficit on Collection Fund from Community Charge / Council Tax Collections	<u>9,640</u>	
		<u>4,919,519</u>
Net Sum to recovered through Council Tax		<u><u>5,572,211</u></u>
Expressed per equivalent Band D property (ie divided by 39,541.3)		£140.92

CALCULATION OF COUNCIL TAX FOR DIFFERENT VALUATION BANDS FOR 2005/06

FOR SPELTHORNE'S OWN EXPENDITURE

1. Basic Council Tax for Band 'D' property as calculated at Appendix E

£140.92

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.	93.95	109.60	125.26	140.92	172.24	203.55	234.87	281.84

CALCULATION OF COUNCIL TAX FOR DIFFERENT VALUATION BANDS FOR 2005/06

SUMMARY

<u>VALUATION BAND</u>	A	B	C	D	E	F	G	H
1. Precepts issued to the Council								
I) Surrey County Council	613.80	716.10	818.40	920.70	1125.30	1329.90	1534.50	1841.40
ii) Surrey Police	102.84	119.98	137.12	154.26	188.54	222.82	257.10	308.52
2. Spelthorne's Council Tax	93.95	109.60	125.26	140.92	172.24	203.55	234.87	281.84
3. The total of items 1 and 2 above, which is the full Council Tax for 2005/06	810.59	945.68	1,080.78	1,215.88	1,486.08	1,756.27	2,026.47	2,431.76

**REPORT OF THE INDEPENDENT
REMUNERATION PANEL**

**TO THE
SPELTHORNE BOROUGH
COUNCIL
ON 17TH FEBRUARY 2005**

Report dated 18th January 2005

**REPORT OF THE INDEPENDENT REMUNERATION PANEL TO
SPELTHORNE BOROUGH COUNCIL**

1. Background

- 1.1 The Spelthorne Independent Remuneration Panel was originally established in January 2002. Our previous membership and general terms of reference are recorded in our report to the Borough Council in August 2003. Since we last reported to the Council, one of our three Panel members (Sarah Clarke, formerly the Manager of VAIS) moved abroad in November 2004 and we needed to recruit a replacement to maintain the statutory minimum number of three Panel members. In late December 2004, we were very pleased to secure the services of Ken Morgan of Bolton Colby to serve as a replacement member of the Panel to assist us with our work.
- 1.2 When we advised the Council on a new scheme of allowances in August 2003, we said we would review the basic and special responsibility allowances payable for the financial year 2005/2006, before the start of that 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 and deliberations on allowances, comparative information from other Surrey authorities was provided to the Panel.
- 1.4 We met to consider the issues on 18th January 2005.

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 We were supplied with information about the level of basic and leader's allowances payable by all Surrey District Councils. The latest information from the South East Employers on allowances paid by other local authorities in the southeast was not yet available. Subsequent to our meeting on the 18th January 2005, at the request of Panel members the Strategic Director (Support) provided information to the Panel on how councillors' allowances are treated for tax and national insurance contribution purposes.
- 2.3 We were advised about what the basic and special responsibility allowances for 2005/2006 might be if the current allowances were simply increased for inflation. We were further advised what the basic and special responsibility allowances for 2005/2006 might be using the same percentage increase recently agreed by the Council for staff salaries for 2005 (i.e. 3.25%).
- 2.4 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.
- 3.3 The Panel had previously considered that it might be appropriate to hold interviews with a selection of councillors to gather further evidence in relation to the extent of councillor's activities and the allowances payable. The Panel, however, felt on reflection that the information available from the questionnaire survey, completed by councillors during 2003, was still valid and of benefit and that it provided sufficient evidence to assist the Panel in its current deliberations. In addition, further evidence was available to the Panel by way of councillors' annual activity reports, which were stored for public viewing on the Council's Web Site. The Panel has emphasised the value of the information contained within these annual activity reports in assisting them with their assessment of the level of councillors' activities on both council related business and on voluntary public service to the community.
- 3.4 The current basic allowance of £3,511 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 Panel previously by members, including the results of the questionnaire survey completed by members in 2003, the Panel considers that a councillor needs 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 feels it appropriate to reflect this voluntary aspect in the allowances paid. For remuneration purposes, it is therefore considered reasonable by the Panel to expect that councillors will give 33% of their time voluntarily without expectation of any payment. The Panel did not believe that there was a need at this stage to look at any other market indicators in relation to the level of allowances available to councillors under the allowances scheme.
- 3.5 Special responsibility allowances are 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 the Committee Chairmen.
- 3.6 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 for individual members.

- 3.7 In regard to the differing levels of attendance by members at meetings, whilst attending meetings is certainly one aspect of the work of a councillor, 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 in added value by attending those meetings. We feel that the electorate is looking for practical and useful outcomes from the work of their representatives.
- 3.8 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.
- 3.9 We were made aware that under the Licensing Act 2003 significant changes have taken place in the Council’s statutory responsibilities for Licensing, with effect from the 7th February 2005 [i.e. “The first appointed Day”].
- 3.10 We believe therefore that the Panel should review the special responsibility allowance for the Chairman of the Licensing Committee after November 2005 [i.e. after “The second appointed Day”- a date to be announced by the Government for November 2005], when more information should be available on the impact on Spelthorne of implementing the Licensing Act 2003. The Panel have indicated that this review could be undertaken by way of a briefing note from the Head of Corporate Governance to the three Panel members, instead of a full meeting of the Panel.
- 3.11 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 suggests to us that the allowances payable in Spelthorne should be changed. (see Annex 1 for comparative figures).
- 3.12 We felt it was reasonable to recommend that the current basic and special responsibility allowances should be increased from 1 April 2005 by 3.25%, in line with the pay increase for staff for 2005 recently agreed by the Council. We understand that this is the same approach as is taken by a number of other Surrey Districts.
- 3.13 The Panel was made aware that under the recently agreed national pay award for local government staff, the Borough Council was required to set up and implement in 2007 a Job Evaluation scheme for all staff. The Panel has indicated that it might be appropriate in the future to consider a similar form of Job Evaluation scheme in relation to deciding on the level of councillors’ allowances. A further issue for the Panel in the future, is the amount of extra work undertaken by the Leader of the Council in relation to Peer Reviews of other Authorities and presentations to other Councils on “Best Practice” with Spelthorne having been awarded an “Excellent” category under CPA. The Council now has powers to Charge for Discretionary Services and the Panel will consider in the future a report from the Head of Corporate Governance on whether these powers would allow the Council to make a charge to other Authorities for work provided by the Leader of the Council.

4. RECOMMENDATIONS

4.1 We believe that the basic and special responsibility allowances for the financial year 2005/2006 should be based on the current scheme up-rated by 3.25%, in line with the pay increase for staff for 2005 recently agreed by the Council.

4.2 We therefore recommend to the Council that:

(a) With effect from 1st April 2005, the following allowances should be paid:-

Basic allowance	Current	New
Payable to all Members	£3511	£3625
Special Responsibility Allowances	Current	New
Leader	£8054	£8316
Deputy Leader	£5349	£5523
Other Executive members (4)	£2685	£2772
Chairmen of Overview and Scrutiny Committees (2)	£2685	£2772
Chairmen of Planning and Licensing Committees (2)	£2685	£2772
Opposition Group Leader	£2685	£2772

(b) The Panel should review the special responsibility allowance for the Chairman of the Licensing Committee after November 2005, when more information should be available on the impact on Spelthorne of implementing the Licensing Act 2003.

John Knevett
Airways Housing

Pauline Hedges
Surrey Chamber of
Commerce

Ken Morgan
Bolton Colby

18th January, 2005

ANNEX 1

LOCAL AUTHORITY	BASIC ALLOWANCE £	LEADER'S SPECIAL RESPONSIBILITY ALLOWANCE [SRA] £
Elmbridge Borough	3,000	7,750
Epsom and Ewell Borough	2,580	n/a
Guildford Borough	3,300	4,480
Mole Valley District	3,342	2,334
Reigate and Banstead Borough	3,430	11,150
Runnymede Borough	2,000	4,000
Spelthorne Borough	3,511	8,054
Surrey Heath Borough	4,125	11,250
Tandridge District	1,968	3,248
Waverley Borough	2,091	5,358
Woking Borough	6,180	n/a

**COUNCIL MEETING - 17 FEBRUARY 2005
ADDENDUM TO APPENDIX 2**

ADDITIONAL RECOMMENDATION OF THE EXECUTIVE

7. URGENT ITEM - LEISURE CENTRE PROCUREMENT

- 7.1 The Executive has considered an urgent report on a further option in relation to the Leisure Centre Procurement. Following on from the advice obtained from the Council's legal consultants for leisure centre procurement, the Executive has been advised by the Strategic Director (Community) that an additional variant option should be included in the Procurement process. Due to the tight timetable for Procurement, the Chairman of the Executive agreed that this matter be dealt with as an urgent item as it could not wait until the next meeting of the Executive on 8 March 2005.
- 7.2 The Executive recommend that the Council approve the inclusion in the Leisure Centre Procurement model of the option for a variant bid based on a shorter length of contract.**

Councillor Frank Davies
Leader of the Council

17th February 2005

RECOMMENDATIONS OF THE STANDARDS COMMITTEE

1. CONFIDENTIAL REPORTING CODE

1.1 The Committee discussed as part of the global review of the Council's Constitution the current Confidential Reporting Code to see whether any areas of the Code needed to be revised.

1.2 RECOMMENDATION

1.3 **The Standards Committee recommend to the Council that to improve clarity and consistency the term 'Whistleblowing' be added in the title of the Confidential Reporting Code and no other changes be made.**

2. MEMBERS ACTIVITY REPORTS

2.1. The Committee discussed the returns made to date by Members on their activities as well as ways of encouraging members to complete their forms on time. The committee discussed comments received from members on the current system as well as the current report format, frequency of reporting and how beneficial the information was to the work of the Independent Remuneration Panel when assessing members allowances

2.2. The main purpose of the reports are both to enhance accountability to the community and enable councillors to highlight and make their electorate aware of their particular personal contributions to community life and well being not just within the Council but in the community generally, where many are involved in local organisations.

2.3. In support of this members may be interested to know of the number of hits to the council's website on these reports and which was reported to the committee and is reproduced below:

2004:	Jan 34	Feb 48	Mar 43	Apr 32	May 68	Jun 44
Jul 136	Aug 72	Sep 116	Oct 79	Nov 106	Dec 64	Jan 2005 - 81

2.4. The committee have agreed to make slight changes to the format of the report and increase the assistance provided by the officers by establishing a data base containing such information as members attendance at meetings/seminars and training events as well as other factual information such as appointment of members to outside bodies etc

2.5. RECOMMENDATION

2.6. **The Standards Committee recommend to the Council that Members Activity reports continue on the same frequency of reporting every six months but changes to the format and assistance provided by the officers with factual information as outlined at the meeting be approved.**

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

Since my previous report to the Council, the Executive has met twice. This report is an overview of some of the more significant issues we have been discussing. We have made recommendations to the Council on six matters, which appear separately on this Agenda.

ISSUES INCORPORATING ALL 4 CORPORATE PRIORITIES

REVENUE SUPPORT GRANT SETTLEMENT 2005-2006 - We have considered a report detailing the impact on Spelthorne of the Provisioned Revenue Support Grant announced by the Government on 2 December 2004. We have authorised the submission of the following comments to be made to the Deputy Prime Minister: "The Revenue Support Grant increase of 2.9% is too low bearing in mind the additional costs which District Councils are being forced to incur." The response to the Minister includes a detailed list of those additional costs, in particular the additional costs to be borne by Spelthorne in implementing the statutory functions and requirements under the Licensing Act 2003.

REVENUE GRANTS 2005/2006 - We have awarded individual grants to numerous local and community-based voluntary, leisure and business organisations to support their continuing work for the benefit of our local community and residents.

FREEDOM OF INFORMATION ACT 2000 - We have considered a report advising Members on a range of information about the Council's preparations for implementing the Freedom of Information [FOI] Act. The Department for Constitutional Affairs had finally issued guidance on the fees regime on 17 December 2004, and this had enabled the Spelthorne FOI Officers' Group to complete the necessary Council Procedures for Compliance with the Act.

PROCUREMENT IMPROVEMENT PLAN - We have endorsed the recommendation on Procurement from the Improvement and Development Committee held on 20 January 2005 and have approved and adopted the Procurement Improvement Plan, subject to any comments / recommendations from the Improvement and Development Agency [IDeA].

AREA FORUMS – We have considered a report advising Members on the outcome and feedback from the latest set of Area Forums and we have agreed proposals for the Area Forums to be held in Spring 2005. In terms of the programme, at the Spring 2005 Forums it is proposed to spotlight 4 of the 6 themes of the Spelthorne Community Plan, which is due to be considered by the Borough Council at the end of April. The suggested format would include the usual start with questions for local Borough and County Councillors and Surrey Police. This would be followed by 30 minute slots (15 minutes presentation / 15 minutes discussion) update on the Crime and Disorder, Drugs and Alcohol Strategy, Young People, Annual Public Health report, including Health White Paper and changes to local services, and then the Spelthorne Local Transportation scheme.

A Best Value Review on Community Engagement is being undertaken and Area Forums will be considered under this review. In these circumstances and in view of the increasing numbers attending, we have agreed that Area Forums should continue, at least for this round.

One initiative that has emerged from the qualitative consultation exercise under the Best Value Review has been a wish for one to one sessions with Councillors. We have agreed that this practice should be revived prior to the start of the Area Forums, with members of the public booking a time in advance with a Ward or County Councillor, between 6.30pm and 7pm, prior to the main meeting. This would be covered in the normal publicity for each Forum and where appointments are made, Ward or County Councillors would be notified in advance, of the time and the topic.

ENGAGING YOUNGER PEOPLE AND MAKING SPELTHORNE A BETTER PLACE

LIVEABILITY FUND (PARK LIFE) UPDATE – We have considered a report on the significant progress made to date on the Liveability Fund [Park Life] project, in line with the ODPM targets set, and have agreed the amended milestones and the replacement of the Short Lane project phase with the Hengrove Park project phase. In relation to Short Lane, we have noted that works will be undertaken to improve the site after the necessary ecological and soil surveys have been carried out.

FESTIVAL PROGRAMME 2005 - We have considered a report reviewing the Spelthorne Festival events organised by the Borough Council during 2004 and have approved the events programme for 2005. The main features of the 2005 Festival programme will be, a Street Festival, Open Air Shakespeare [without a Fireworks display], Urban Games, Heritage Open Days and the Lantern Procession (or similar artistic Community event). The Borough Council will continue to promote other local events and will continue with the small grants scheme.

Councillor Frank Davies
Leader of the Council

17 February 2005

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

The Improvement and Development Committee met on 20 January, 2005 and considered the following items of business:

BEST VALUE REVIEW – PROCUREMENT

The Committee considered a report and presentation from Officers together with a report and recommendations from the Best Value Panel on Procurement and recommended the Procurement Improvement Plan to the Executive for adoption subject to any comments/recommendations from the Improvement and Development Agency.

DECRIMINALISED PARKING ENFORCEMENT

The Committee received considered and noted a report and presentation from the Strategic Director (Community) on Decriminalised Parking Enforcement.

LIVEABILITY FUND (PARK LIFE) UPDATE

The Committee received and noted a report on the current position with regard to the successful bid from the Office of the Deputy Prime Minister under the Liveability scheme, supported by a Power Point presentation with illustrations of the achievements to date and outlining the steps planned to take the project forward.

REVIEW OF WORK PROGRAMME 2004/2005

The Committee approved its Work Programme for the remainder of 2004/05.

Councillor Andrew Hirst
Chairman of the Improvement and Development Committee

17 February 2005

REPORT OF THE CHAIRMAN ON THE WORK OF THE LICENSING COMMITTEE

The Licensing Committee met on 15 December 2004 and 12 January 2005 and a Licensing Sub-Committee met on 20 December, 2004 and they considered the following items of business: -

LICENSING COMMITTEE 15 DECEMBER 2004

ADOPTION OF PART VIII OF THE LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1982 AS AMENDED BY THE LOCAL GOVERNMENT ACT 2003

The Committee considered a report which would enable the Council to register and regulate those carrying out acupuncture, tattooing, ear piercing, electrolysis, cosmetic piercing and semi-permanent skin colouring within Spelthorne and recommended the Executive to adopt sections 14 to 17 inclusive of the Local Government (Miscellaneous Provisions) Act 1982 (as amended by Section 120 and Schedule 6 of the Local Government Act 2003), subject to conditions relating to recovery of costs incurred in administering these arrangements. .

THE LICENSING ACT 2003 – ADOPTION OF STATEMENT OF LICENSING POLICY 2005 – 2008

The Committee considered proposed amendments to the draft Statement of Licensing Policy in response to consultation and recommended the Executive to endorse the licensing policy as amended subject to certain parts of the Statement being clarified by the Officers.

RESPONSE TO CONSULTATION FROM DEPARTMENT FOR CULTURE, MEDIA AND SPORT ON FEE LEVELS TO BE ESTABLISHED BY REGULATION UNDER THE LICENSING ACT 2003

The Committee considered a consultation paper published by the Department for Culture, Media and Sport setting out draft fees to be established by regulation under the Licensing Act 2003

The Committee recommended the Executive to approve the prepared response to the consultation on Licensing Fees, to seek support from the local Member of Parliament for the Council's views and opinions; to seek Surrey district authorities support in approaching their own Local Member of Parliament for assistance; and to issue a News Release explaining the Council's concerns over the Government's proposals on Licensing Fees and the effect on Spelthorne's Council taxpayers.

REVIEW OF DELEGATIONS TO OFFICERS

The Committee considered the changes needed to Standing Orders brought about by the new Licensing Act 2003 and the delegations to officers to deal with these new duties.

The Committee recommended the Executive to approve these revised delegated powers.

LICENSING COMMITTEE MEMBERS TRAINING

Members noted details of future training events.

LICENSING SUB - COMMITTEE 20 DECEMBER 2004

APPLICATION FOR THE RENEWAL OF A PUBLIC ENTERTAINMENT LICENCE

The Sub-Committee considered and granted an application for the renewal of the current public entertainment licence for the Ship Hotel, Shepperton, subject to conditions.

LICENSING COMMITTEE 12 JANUARY, 2005

LICENSING ACT 2003 – COMMITTEE ARRANGEMENTS

The Committee considered proposals for changes required to Committee arrangements and procedures in order that the Council's Licensing Committee might properly discharge its statutory responsibilities under the Licensing Act 2003 and formulated recommendations which were considered and agreed by the Special Council Meeting on 19 January 2005.

Councillor Robin Sider
Chairman of the Licensing Committee

17 February 2005

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. This report therefore gives an overview of the key applications considered by the Planning Committee at its meetings on 8 December 2004, 4 January and 2 February 2005. It also gives a brief update on planning performance figures and the Planning Delivery Grant.

1. The Planning Committee meeting on **8 December 2004** dealt with 15 items in total, including three enforcement and one tree preservation order item.

Public speaking took place on seven of the items with a total of ten people taking the opportunity to address the Committee.

The most notable items on the agenda were:

- (a) the refusal of a telecommunications mast adjacent to Ashford Recreation Ground, Ashford.
- (b) the approval of a telecommunication mast adjacent to the Kings Head PH, Feltham Road, Ashford.
- (c) the refusal of a telecommunications mast in Laleham Road, Shepperton.
- (d) the approval of a telecommunication mast adjacent to Shepperton Station.
- (e) the approval and listed building consent for a change of use of the Old Town Hall, Staines to an A3 pub/restaurant use.
- (f) The approval of a scheme for the lowering of ground levels to provide an area for flood storage at Shortwood Common, Staines.
- (g) the approval of 10 no 1 and 2-bed flats and 4 no 3 bed houses at the Orchard, Leacroft, Staines.

2. The Planning Committee on **5 January 2005** dealt with eight items in total.

On this occasion there were no public speakers.

The most notable items on the agenda were:

- (a) the approval of the extension and conversion of a four-storey office building for a total of 14 flats at Crest House, Church Road, Ashford.
- (b) the approval of a new retail unit and 6 flats above at 58-60, Church Road, Ashford.
- (c) the approval of additional parking at the Salvation Army Citadel, Woodthorpe Road, Ashford.

3. The Planning Committee on **2 February 2005** dealt with 11 items in total.

Public speaking took place on two of the items with a total of three people taking the opportunity to address the Committee.

The most notable items on the agenda were:-

- (a) the approval of 37 no. 1 and 2-bed flats, including 13 affordable units at Station Garage, Station Approach, Shepperton.
- (b) the approval of 12 no. 2-bed flats at the Grazing, Stanwell New Road, Staines.
- (c) the approval of 2 no. industrial buildings at Wiggins Transport site, Horton Road, Stanwell Moor.
- (d) The Planning Committee also resolved to agree a number of items relating to planning conditions and the draft section 106 legal agreement in relation to the proposed new all-weather track at Kempton Park Racecourse.

4. Other matters of interest

- (a) Performance figures for speed of determining planning applications:

	Major applications (BVPI Target) (60% in 13 wks)	Minor applications (BVPI Target) (65% in 8 wks)	Other applications (BVPI Target) (80% in 8 wks)
2004			
June	100%	71%	97%
July	100%	93%	94%
August	100%	85%	95%
September	75%	90%	96%
October	100%	81%	100%
November	50%	80%	93%
December	0%	85%	97%

- (b) The Council is still awaiting the government's announcement regarding the 2005/06 Planning Delivery Grant. It is expected "February 2005" according to a recent consultation on the matter. From this consultation paper it appears very likely that last year's figure of £334,247 will be exceeded due to continued improved levels of performance on both the development control and planning policy sides of the service. However it is not possible to give a clearer indication until the formal announcement is made.

Councillor Gerry Ceaser
Chairman of the Planning Committee

17 February 2005

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.

1. COUNCIL'S CONSTITUTION

- 1.1. The committee had previously identified, via its work programme, that it would review the numerous codes and procedures contained in the Council's Constitution. At this meeting the committee reviewed the Anti Fraud and Corruption Strategy and the Confidential Reporting Code. The committee did not make any changes to this Strategy but have suggested a minor change to the Confidential Reporting Code. Please see recommendations from this committee.
- 1.2. At the next meeting, which has been postponed from 15 March to 31 May 2005, the committee would be reviewing the Council's Planning Code and the Members/Officers Protocol.

2. REVIEW OF MEMBERS ACTIVITY REPORTS

- 1.3. The Committee's recommendation on changes to the format and assistance provided by the officers will be considered separately at the meeting.

3. LOCAL INVESTIGATIONS – PROCEDURES FOR MONITORING OFFICERS AND STANDARDS COMMITTEES

- 3.1. The committee considered and adopted new procedures to enable Monitoring Officers to handle local investigations of allegations of misconduct by members referred by Ethical Standards Officers (ESOs). The committee also made changes to the Local Determination Procedures previously adopted by the Committee to enable local hearing to take place.
- 3.2. The committee went on to discuss and agree a suggested terms of appointment for use when Monitoring Officers from other local authorities or external investigators were used to carry out investigations and local hearings. The committee felt that terms of appointment for such officers was essential to ensure that any investigation would be undertaken in accordance with the adopted procedures.

4. INDEMNITIES FOR MEMBERS AND OFFICERS

- 4.1. The committee support the adoption of the new regulations for the provision of indemnities for Members and Officers for consideration by the Executive and Council subject to:
 - (a) Members and officers participating in the indemnity agreement as set out in Appendix A to the report of the Monitoring Officer; and
 - (b) The Head of Financial Services be instructed to secure insurance to cover the liability under any indemnity where such insurance cover would be financially prudent.

5. **Training Event**

- 5.1. The committee noted that the Monitoring Officer was making arrangements for a training event for members to help identify any practical issues or problems on how the procedures might work for local investigations and hearings of allegations of member misconduct. The event would take place sometime in February and the opportunity for neighbouring authorities to participate in the training was also being investigated. Surrey Heath and Runnymede Borough Councils had indicated an interest in being involved in such an event.

6. **INDEPENDENT MEMBER APPOINTMENTS**

- 6.1. As you know Mr Chris Tamlyn, the Vice Chairman and an Independent non-elected member of the Standards Committee will be stepping down at the end of this municipal year. I would like to place on record my thanks and appreciation to him not only for his support and commitment to the work of the committee but in carrying out his duties as vice chairman.

Murray Litvak
Chairman of the Standards Committee

17 February 2005

INTERIM ARRANGEMENTS FOR POST OF MONITORING OFFICER

Full Council – 17 February 2005

Resolution required

Report of the Chief Executive

REPORT

1. BACKGROUND

- 1.1 Members will be aware that the Council's Monitoring Officer will be leaving the Council shortly and interim arrangements need to be made to cover the Monitoring Officer role until the new Head of Corporate Governance takes up their post.
- 1.2 The current Monitoring Officer has appointed Jean Lacy and Deanna Harris to act as Deputy Monitoring Officers under the power conferred upon her by the Local Government and Housing Act 1989 and they can continue to operate in this role until 3 April 2005.
- 1.3 The Deputy Monitoring Officers are able to act as the Council's Monitoring Officer at any time when the actual Monitoring Officer is absence or ill. The appointment becomes invalid however, once the post of Monitoring Officer is vacated.

2. MAIN ISSUES

- 2.1 Members will be aware that an Appointments Committee has been convened to handle the appointment of a new Head of Corporate Governance but the successful candidate will not take up their new post until after the current Head of Service has vacated.
- 2.2 Members need to consider the appointment of an Acting Monitoring Officer to undertake the duties of this post from 4 April 2005 until the new Head of Corporate Governance joins the Council.
- 2.3 Under the Council's Constitution, the Monitoring Officer role cannot be undertaken by either the Head of Paid Service or the Chief Finance Officer.

3. OPTIONS

Appointment of an Acting Monitoring Officer is the only option the Council can consider as it is a statutory requirement to ensure an officer is appointed to this role.

4. PROPOSALS

- 4.1 It is proposed that the joint Heads of Audit, Jean Lacy and Deanna Harris be appointed as Acting Monitoring Officer for the Council from 4 April 2005 until the new Head of Corporate Governance joins the Council.

5. FINANCIAL IMPLICATIONS

- 5.1 Payment of allowances to these officers for undertaking additional duties during this period will be funded by the Corporate Governance salaries budget.

6. LEGAL IMPLICATIONS / OTHER CONSIDERATIONS

- 6.1 Under section 5 of the Local Government and Housing Act 1989 it is the duty of every local authority to designate an officer as the Council's Monitoring Officer.

7. SUPPORT FOR CORPORATE PRIORITIES

Although the post of Monitoring Officer is a statutory requirement for each local authority, the role also supports the corporate priority of "Improving Customer Satisfaction"

8. RECOMMENDATION

That the Council agree the appointment of Jean Lacy and Deanna Harris to the role of Acting Monitoring Officer from 4 April 2005 until the new Head of Corporate Governance joins the Council's staff.

Contact:

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Portfolio Holder:

Background papers:

There are none.