

**To: Deputy Leader and Members of the Resources Board
(Councillors Moore, Morson, Davis, N Dirveiks,
Forwood, Johnston, Smith, Watkins and Winter)
For the information of other Members of the Council**

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**For enquiries about specific reports please
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RESOURCES BOARD AGENDA

21 November 2011

The Resources Board will meet in the Chamber at The Council House, South Street, Atherstone, Warwickshire on Monday, 21 November 2011 at 6.30 pm.

AGENDA

- 1 Evacuation Procedure.**
- 2 Apologies for Absence / Members away on official Council business.**
- 3 Declarations of Personal or Prejudicial Interests.**
(Any personal interests arising from the membership of various Parish Councils of Councillors Davis (Atherstone), Moore (Baddesley) and Morson and Winter (Dordon) are deemed to be declared at this meeting).

- 4 **Request for discussion and approval of remaining En Bloc items.**
- 5 **Presentation from Bob Trahern, Assistant Chief Executive (Community Services) on the work of his Division.**

**PART A – ITEMS FOR DISCUSSION AND DECISION
(WHITE PAPERS)**

- 6 **Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April – September 2011** – Report of the Chief Executive and Deputy Chief Executive

Summary

This report informs Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April to September 2011.

The Contact Officer for this report is Robert Beggs (719238).

- 7 **Reduction of Council Tax Discounts for Second Homes and Long Term Empty Dwellings** – Report of the Assistant Chief Executive (Community Services)

Summary

The report asks the Board to consider using its discretion to reduce Council tax discounts awarded in respect of “second homes” and “long term empty” properties.

The Contact Officer for this report is Bob Trahern (719378).

**PART B – ITEMS FOR EN BLOC DECISIONS
(YELLOW PAPERS)**

- 8 **Minutes of the Housing Sub-Committee held on 18 October 2011 (attached) and 15 November 2011 (to be circulated) to be received and noted.**

- 9 **Capital Programme 2011/2012 – Period Ending October 2011** – Report of the Assistant Director (Finance and Human Resources)

Summary

This report updates Members on the progress of the 2011/2012 Capital Programme in terms of both expenditure and outcomes.

The Contact Officer for this report is Jon Illingworth (719489).

- 10 **Internal Audit – Performance for Second Quarter 2011-12** – Report of the Deputy Chief Executive

Summary

The report allows the Board to monitor the progress of the Council's Internal Audit function against the agreed plan of work for the year.

The Contact Officer for this report is Barbara Haswell (719416).

- 11 **Treasury Management Update Quarter 2 2011/12 and Revised Strategy** – Report of the Deputy Chief Executive

Summary

This report shows the Treasury Management activity during the first six months of 2011/12.

The Contact Officer for this report is Jackie Marshall (719379).

- 12 **Budgetary Control Report 2011/2012 Period Ended 31 October 2011** – Report of the Assistant Director (Finance and Human Resources)

Summary

The report covers revenue expenditure and income for the period from 1 April 2011 to 31 October 2011. The 2011/12 budget and the actual position for the period, compared with the estimate that that date, are given, together with an estimate of the out-turn position for services reporting to this Board.

The Contact Officer for this report is Nigel Lane (719371).

- 13 **Consolidated Budgetary Control Report 2010/11 - Period Ended 31 October 2011** – Report of the Assistant Director (Finance and Human Resources)

Summary

The report covers total Council General Fund revenue expenditure and income for the period from 1 April 2011 to 31 October 2011.

The Contact Officer for this report is Nigel Lane (719371).

PART C – EXEMPT INFORMATION (GOLD PAPERS)

- 14 **Exclusion of the Public and Press**

Recommendation:

That under Section 110A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.

- 15 **Payment Management Replacement System** – Report of the Assistant Director (Corporate Services)

The Contact Officer for this report is Linda Bird (719327).

- 16 **Irrecoverable Sundry Debts** – Report of the Assistant Director (Finance and Human Resources)

The Contact Officer for this report is Jackie Marshall (719379).

JERRY HUTCHINSON
Chief Executive

Agenda Item No 6

Resources Board

21 November 2011

Report of the Chief Executive and the Deputy Chief Executive

Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April – September 2011

1 Summary

- 1.1 This report informs Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April to September 2011.

Recommendation to the Board

That Members consider the performance achieved and highlight any areas for further investigation.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 The Portfolio Holder and Shadow Portfolio Holder for Resources, Councillors Forwood and Lea have been sent a copy of this report and any comments received will be reported to the Board.

3 Background

- 3.1 This report shows the second quarter position with the achievement of the Corporate Plan and Performance Indicator targets for 2011/12. This is the second report showing the progress achieved so far during 2011/12.

4 Progress achieved during 2011/12

- 4.1 Attached at Appendices A and B are reports outlining the progress achieved for all the Corporate Plan targets and the performance with our local performance indicators during April to September 2011/12 for the Resources Board.

- 4.2 Members will recall the use of a traffic light indicator for the monitoring of the performance achieved.

Red – target not currently being achieved (shown as a red triangle).

Amber – target currently behind schedule and requires remedial action to be achieved (shown as an orange circle).

Green – target currently on schedule to be achieved (shown as a green star)

4.3 Members should note that the performance updates and reports have been prepared using a Performance Plus performance management system. The Council has obtained access to the system via an agreement with Warwickshire County Council. In terms of the Council's performance management framework the access to the system has been set up based upon our existing approach. The system calculates the traffic light indicator status for the performance indicators based upon the performance achieved compared to the target. The status for the Corporate Plan actions are inputted by the relevant reporting officer based upon an assessment of the progress made to date.

4.4 The performance plus system uses the red, amber and green status indicators and shows these using a red triangle, orange circle and green star as shown above at paragraph 4.2. The direction of travel indicators are calculated by comparing the level of performance achieved and the change in performance, if any, from the previous quarter. An upward arrow is an improving position and a downward arrow is a worsening position. A level arrow is indicating a consistent level of performance.

5 Performance Indicators

5.1 Members will be aware that national indicators are no longer in place and have been replaced by national data returns specified by the government. A number of previous national and best value indicators have been kept as local indicators as they are considered to be useful in terms of managing the performance of our service delivery corporately.

5.2 The current national and local performance indicators have been reviewed by each division and Management Team for monitoring for the 2011/12 financial year. The appendices show all the indicators to be reported to the board including both quarterly and annual indicators.

6 Overall Performance

6.1 The Corporate Plan performance report shows that 86% of the Corporate Plan targets and 47% of the performance indicator targets are currently on schedule to be achieved. The report shows individual targets that have been classified as red, amber or green. Individual comments from the relevant division have been included where appropriate. The table below shows the following status in terms of the traffic light indicator status:

Corporate Plan

Status	Number	Percentage
Green	12	86%
Amber	1	7%
Red	1	7%
Total	14	100%

Performance Indicators

Status	Number	Percentage
Green	9	47%
Amber	4	21%
Red	6	32%
Total	19	100%

7 Summary

- 7.1 Members may wish to identify any areas that require further consideration where targets are not currently being achieved.

8 Report Implications

8.1 Safer Communities Implications

- 8.1.1 There are community safety performance indicators which are reported to Executive Board.

8.2 Legal and Human Rights Implications

- 8.2.1 The national indicators were specified by the Secretary of State for Communities and Local Government. They have now been ended and replaced by a single list of data returns to Central Government from April 2011.

8.3 Environment and Sustainability Implications

- 8.3.1 Improvements in the performance and quality of services will contribute to improving the quality of life within the community. There are a number of actions and indicators which contribute towards the priorities of the sustainable community strategy including customer access strategy, outreach services, financial inclusion, health and well being services and decent and affordable housing.

8.4 Risk Management Implications

8.4.1 Effective performance monitoring will enable the Council to minimise associated risks with the failure to achieve targets and deliver services at the required performance level.

8.5 Equalities

8.5.1 There are a number of equality related actions and indicators highlighted in the report including developing outreach services, financial inclusion, decent and affordable housing, adaptations for people with disabilities and fuel poverty.

8.6 Links to Council's Priorities











8.6.1 There are a number of targets and performance indicators contributing towards the priorities of access to services, housing, health and well being, consultation and communication, public services and Council Tax, environment and local employment.

The Contact Officer for this report is Robert Beggs (719238).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
National Indicators for Local Authorities and Local Authority Partnerships	Department for Communities and Local Government	Statutory Guidance	February 2008

NWCP Resources 11/12							
	Action	Priority	Reporting Officer	Due Date	Update	Status	Direction
NWCP 011 11/12	To research and develop options for extending the Council's consultation with stakeholders on financial savings options and report by July 2011	Consultation and Communication	Garner, Sue	31/03/2012	Some research has been undertaken, however the development of specific options for consultation will need to be left until the savings being proposed are known.		
NWCP 031 11/12	To review the programme of work by May 2012, based on our stock condition information, and complete the current action plan, to maintain the Council's stock to a good standard and set out a local standard, in accordance with the Government guidelines for registered providers	Housing	Coates, Angela	31/03/2012	Programme will be agreed by Resources Board/ Housing Sub Committee during December and January 2012.		
NWCP 032 11/12	To report further to the Resources Board by June 2011 on current shared equity schemes and make recommendations for such a scheme in North Warwickshire	Housing	Coates, Angela	31/03/2012	Housing Sub Committee have agreed that scheme will not be established in North Warwickshire.		
NWCP 033 11/12	To act on the objectives set out in the Warwickshire Local Investment Plan by appraising how public land holdings can be used to deliver affordable homes, find new ways of funding schemes and bringing empty homes back into use and to review the position annually from March 2012	Housing	Coates, Angela	31/03/2012	Bids were made to Homes and Communities Agency four year programme on the back of the Local Investment Plan. Waterloo Housing Association have been awarded a contract. In the meantime working on two rural schemes with Waterloo Housing Association. Bids for empty homes likely to be in October 2011.		
NWCP 034 11/12	To report on the implications of the Localism Bill (when enacted) for housing services and take action where appropriate with regard to changes in legislation with regard to tenure, allocations, homelessness, tenant scrutiny and Housing Revenue Account Subsidy reform	Housing	Coates, Angela	31/03/2012	Reported to Resources Board and will continue to update as the Bill progresses.		

NWCP 035 11/12	To work proactively with residents and partners to assist residents in the private sector to access funding to improve their homes (especially with regard to energy efficiency) and to report on progress annually from March 2012	Housing	Coates, Angela	31/03/2012	Reported to Housing Sub Committee. Agreed that there needs to be an evaluation of needs and how private occupiers can access funding assistance. To report back in February 2012.	★	➡
NWCP 036 11/12	To review the services delivered by Community Support and report to Resources Board on issues and proposed improvement by March 2012	Housing	Coates, Angela	31/03/2012	Work underway to consider working practices and future work for the Section.	★	➡
NWCP 037 11/12	To implement changes proposed from review of Home Improvement Agencies and Adaptations Services by June 2011	Housing	Coates, Angela	31/03/2012	The experimental period to test system changes is now complete. The learning from the experiment will be used to recommend proposals to Councillors for changing how the service is delivered.	★	➡
NWCP 039 11/12	To continue to contribute to the effectiveness and savings targets through the delivery of the Procurement Strategy Action Plan	Public Services and Council Tax	Bird, Linda	31/03/2012	Action Plan updated and all tasks on target	★	➡
NWCP 040 11/12	To continue to contribute to the effective delivery of services through implementing the actions identified in the ICT Strategy Action Plan	Public Services and Council Tax	Bird, Linda	31/03/2012	Updated Strategy Plan actions and all tasks on target	★	➡
NWCP 041 11/12	To carry out the preparatory work needed, ready for the implementation of the 'self financing' model for the Housing Revenue Account in time for the proposed implementation date of April 2012	Public Services and Council Tax	Garner, Sue	31/03/2012	A 30 year business plan has been established. This is being used in the assessment of the borrowing options available to the Council. Further work on the business plan is also being carried out.	★	➡
NWCP 043 11/12	To undertake work in line with the Human Resources Strategy, including a) Monitoring/managing sickness absence; b) Ensuring compliance with employment legislation	Local Employment	Garner, Sue	31/03/2012	The HR team are assisting Divisions with the management of sickness absence. Policies are produced / updated to ensure compliance with employment legislation (see reports to June Resources Board).	★	➡

NWCP 050 11/12	To develop an action plan to resolve ongoing capital and maintenance issues with all other Council buildings, including the Memorial Hall, The Arcade, Abbey Green, community buildings, shops and industrial units, including seeking ways to reduce, where possible, our carbon footprint	Public Services and Council Tax	Dobbs, Richard	31/03/2012	Issues around the Council's commercial buildings, including the Arcade, are currently being considered by the Scrutiny Board. Other property and assets will link in to other initiatives such as the Accommodation Project, Green Space Strategy and Leisure provision.		
NWCP 053 11/12	To review and consider the potential to widen the role of Neighbourhood Wardens	Environment	Coates, Angela	31/03/2012	A review of the systems of work of the Neighbourhood Wardens will be undertaken from February to April 2012		

NWPI Resources Board 11/12								
Ref	Description	Section	Year End Target	Priority	Performance	Traffic Light	Direction of Travel	Comments
NWLPI 052	The % of invoices for commercial goods and services which were paid by the authority within 30 days of such invoiced being received by the Authority (former BV8)	Financial Accountancy	98	Public Services & Council Tax	97.69			Lowest performing division has been reminded of need to process invoices promptly.
NWLPI 054	The proportion of working days / shifts lost to sickness absence (former BV12).	Human Resources	9	Public Services & Council Tax	3.26			
NWLPI 055	Voluntary leavers as a % of staff in post (former BV13)	Human Resources	10	Public Services & Council Tax	4.6			
NWLPI 57	Percentage of calls answered through the Central Control system within 60 seconds. (TSA national standard 96.5%):	Community Support	99	Housing	99			
NWLPI 135	Percentage of response repairs completed right first time	Housing Maintenance	95	Housing	91			Some issues with capacity in specific trades have meant that right first time has lagged behind the target overall. This is being addressed.
NWLPI 068	Gas certificates outstanding (Completions)	Housing Maintenance	100	Housing	99.96			Only one outstanding
@NW:NI156	This indicator measures the numbers of households living in temporary accommodation provided under the homelessness legislation.	Housing Management	2	Housing	0			
NWLPI 136	Number of tenants with more than 7 weeks rent arrears	Housing Management	2.8	Housing	3.22			Issues around collection due to capacity issues in the team. These are being addressed and a review of the service will improve matters in the long term.
NWLPI 070	Average time taken to re-let local authority housing (former BV212)	Housing Management	21	Housing	22.55			Delays due to capacity because of number of vacancies arising. Resource issue has now been addressed.

NWLPI 039	The percentage availability of corporate systems available to users Monday to Friday 8.00 am to 5.30 pm :	Computer Services	99.7	Public Services & Council Tax	99.97	★	↗	Fewer calls this month and performance better
NWLPI 040	The percentage of initial response to helpdesk calls within four hours of a call being placed :	Computer Services	95	Public Services & Council Tax	98	★	→	
NWLPI 041	Percentage of Service Desk Calls resolved in target (total of IS3 to IS6)	Computer Services	95	Public Services & Council Tax	95	★	↘	
NWLPI 096	The Percentage of Calls answered in 20 seconds in the contact centre	Revenues & Benefits	75	Public Services & Council Tax	84	★	↘	
NWLPI 100	Housing Benefit Security: : The number of prosecutions and sanctions, per 1,000 caseload (former BV76d)	Revenues & Benefits	3	Public Services & Council Tax	2.48	▲	↗	This indicator is marginally down caused by the increase in our caseload making our target more difficult to achieve. We anticipate that we will improve in the second part of the year
NWLPI 101	Speed of processing : Average time for processing new claims (former BV78a)	Revenues & Benefits	22.5	Public Services & Council Tax	21.9	●	↗	
NWLPI 102	Speed of processing : Average time for processing notifications of changes of circumstance. (former BV78b)	Revenues & Benefits	7	Public Services & Council Tax	9.3	▲	↗	Workloads are increasing and resource decreasing but again we are confident that during the second part of the year performance will improve based on previous year trends
@NW:NI181	The average time taken in calendar days to process all new claims and change events in Housing Benefit and Council Tax Benefit	Revenues & Benefits	10	Public Services & Council Tax	11.15	▲	↗	Workloads are increasing and resource decreasing but again we are confident that during the second part of the year performance will improve based on previous year trends

NWLPI 106	The percentage of non-domestic rates due for the financial year which were received by the authority (former BV10)	Revenues & Benefits	58.05	Public Services & Council Tax	58.94	★	↘	Our pro rate target is marginally up despite the ongoing economic downturn and the impact of collecting increased debts from empty businesses as a result of legislative changes
NWLPI 107	Proportion of Council Tax collected (former BV9)	Revenues & Benefits	58.85	Public Services & Council Tax	58.72	▲	↘	Our pro rate target is marginally down and can largely be attributed to the ongoing economic downturn

Agenda Item No 7

Resources Board

21 November 2011

**Report of the Assistant Chief Executive
(Community Services)**

**Reduction of Council Tax
Discounts for Second Homes and
Long Term Empty Dwellings**

1 Summary

- 1.1 The report asks the Board to consider using its discretion to reduce Council Tax discounts awarded in respect of “second homes” and “long term empty” properties.

Recommendation to Executive Board

That the Board authorises

- a The reduction of council tax discounts on second homes from 50% to 10% from 1 April 2012; and**
- b The reduction of council tax discounts on long-term empty dwellings from 50% to zero from 1 April 2012.**

2 Background

- 2.1 Under the original council tax legislation regarding second homes and long-term empty properties the owner was historically entitled to a 50% council tax discount. However, changes to Government legislation has allowed all Billing Authorities the discretion to reduce this discount from 50% to 10% for second homes and from 50% to zero for long term empty properties to ensure Councils are not unfairly disadvantaged where they have significant numbers of second homes or long term empty properties.
- 2.2 The changes if implemented will result in increased council tax being paid by owners of second homes and long term empty properties which is likely to influence behaviours (i.e.) provide the incentive to bring a property back into use or be used in a different way. This report outlines the potential impact of implementing this change.

3 Second Homes

- 3.1 Whilst the number of second homes in the borough has never been a particularly large problem in terms of income loss, awarding a 50% discount does lead to a drop in council tax income and revenue to the Council. Second homes are defined as dwellings that are no one's sole or main residence and furnished.
- 3.2 However, Billing authorities are able to reduce the discount for second homes from the current nationally set 50% to a minimum 10%. The Regulations require that the additional money from reducing the second homes discount be distributed in proportion to how council tax is currently shared.
- 3.3 In the Borough, there are currently 65 properties or "59 Band D equivalent second homes". Based on current levels of council tax (2011-12), reducing the discount to 10% on Second Homes would yield the following amounts of additional council tax income for each preceptor: -

Warwickshire County Council	£27,250
Warwickshire Police Authority	£4,000
NWBC	£5,000
Parish/Town Councils	<u>£750.00</u>
Total	<u>£37,000</u>

- 3.4 These figures are based on the number of properties currently classed as second homes. Should the discount be reduced, it is likely that the number of second homes may reduce as owners either sell property or seek to let them. This in time could result in more income being raised from the properties dependent on how they are occupied.

4 Long Term Empty Properties

- 4.1 The Council can also limit discounts on long-term empty properties so as to provide an incentive to get such properties back into use. A long-term empty property, These are dwellings that are vacant (i.e.) unoccupied and substantially unfurnished for long periods of 6 months or more currently receives an automatic 50% Council Tax discount providing they are not an exempt property. The regulations allow the Council to reduce or remove completely the 50%, thereby giving the Council the opportunity to charge 100% for long-term empty properties.
- 4.2 However, unlike the discounts for second homes the preceptors will only receive any financial benefit for one financial year following any decision to remove the discount i.e. 2012/13. From 2013/14 onwards, under the current arrangements, the precepting authorities would not receive the same ongoing financial benefit by retaining the additional income generated as our grant would be reduced by an equivalent amount However should localisation of Business Rates be implemented from 2013 then the Council would continue to benefit from this additional income.

4.3 If following the recently concluded consultation period the Government decide to abandon or defer the introduction of the proposed introduction of the localisation of business rates and the current grant system continued, the Council would lose any ongoing benefit beyond 2012/13 as outlined in 4.2 above.

4.4 As at 27 October, there are 445 properties or 390 “Band D equivalent long term empty properties” in the borough. Reducing the discount to zero will generate the following additional amounts to each preceptor: -

Warwickshire County Council	£225,250
Warwickshire Police Authority	£34,000
NWBC	£40,500
Parish/Town Councils	<u>£6,250.</u>
Total	<u>£306,000</u>

4.5 Again, in addition to any financial benefit locally, reducing the discount would act as an incentive to encourage such properties to be brought back into use and this will result in the Council benefiting from incentives created by the recently introduced New Homes Bonus scheme.

4.6 Bringing empty properties back into use has now become a National priority as well as a local one as outlined in a recent report by the Assistant Director (Housing) approved by the Housing Sub Committee in October 2011. She outlined in her report about the current issues being faced by the Council in trying to meet the increased demand for homes by residents who are struggling to access the right level of finance to afford a property. There is a push to make better use of the current housing stock in both the public and private sector

4.7 The Government’s New Homes Bonus recognises the problem and is concerned with not only rewarding Councils for building or approving new houses but also bringing empty homes back into use. A Council’s ability to access the New Homes Bonus reward scheme is dictated by ensuring the number of long term empty homes in their district is decreasing and by adopting a change in the Councils charging policy around long-term empty properties in relation to Council Tax levied would contribute to this aim.

5 Use of the Additional Revenue

5.1 There is no statutory requirement over how the additional revenue generated by these changes should be spent. It is down to the Council as the Billing Authority to decide whether to exercise the option to reduce discounts and it is up to all the precepting authorities to decide what to do with the extra funds.

- 5.2 Members may be interested to note that a precedent has been set in Warwickshire on the likely approach that will be adopted by the County Council and Police based on the decision of Warwick DC to implement the changes outlined in this report in 2011.
- 5.3 Warwickshire County Council (WCC) and Warwickshire Police Authority (WPA) were both approached by Warwick DC to seek agreement for the additional council tax yield from reducing the discounts to be ring fenced for use within their area only to help tackle the chronic shortage of affordable housing in the Borough.
- 5.4 The Strategic Director of Resources at the County responded that WCC and WPA supported the reduction in the discounts on the basis that “at a time when the resources available to public authorities were certain to be constrained, it was prudent to actively pursue all available sources of funding. Moreover, the removal of existing discounts would in itself be likely to impact on the availability of housing within the district, by encouraging owners to sell or let properties more quickly than at present, by discounting prices where necessary.” However, neither WCC nor WPA were prepared to ring fence any resources to be spent in the borough, nor to earmark any resources raised for affordable housing.
- 5.5 Despite the response from WCC/WPA, and like Warwick DC concluded it is still in the Council’s interests to agree to reduce the council tax discounts on second homes and long-term empty properties for the reasons outlined in this report.

6 Report Implications

6.1 Finance and Value for Money Implications

- 6.1.1 These are outlined in Section 3 of the report above but in summary if based on the current position will result in an additional £5,000 income being generated every year in terms of the Councils element of the additional income generated from removal of the Second Home discount.
- 6.1.2 The estimated additional income to the Council raised from removal of the discount on Long Term Empty properties will generate approximately £40,500 in 2012/13 only, unless localisation of business rates is implemented from 1/4/2013.
- 6.1.3 There is also a financial benefit for the Council if its long-term empty homes figure falls, as this is part of the assessment for the level of New Homes Bonus it receives. Every home we bring back into occupation will count towards the Council’s New Homes Bonus and will allow the Council to retain 80% of a receipt of approximately £1,100 reward per annum for up to a maximum of 6 years providing the property remains in use.

6.2 Human Resources Implications

- 6.2.1 The removal and/or reduction of discounts will most likely result in some initial customer contact with the Council's Revenues and Customer Services Sections. However it is estimated that this extra volume of contact can be absorbed within current staffing levels.
- 6.2.2 The decision by this Board to approve the appointment of an Empty Homes Officer on a two year temporary contract under the management of the Assistant Director (Housing) should also greatly assist the Council bring empty properties back into use and thus maximise income to the Council.

6.3 Safer Communities Implications

- 6.3.1 Reducing or removing the discount for long term empty properties will act as an incentive to bring empty properties back into use thereby reducing the low level crime and anti-social behaviour that these types of properties can attract.

6.4 Legal and Human Rights Implications

- 6.4.1 It is a statutory requirement that removal of discounts is a decision of the Full Council and that the decision is made in advance of notifying our precepting authorities of the tax base to be used for setting precepts for 2012/13. The deadline date for notifying the tax base is 31 January 2012.
- 6.4.2 In addition, whilst not a legal requirement, it is intended to send letters to all those affected by this change if approved to notify them of the impact with regard to their bill. This should reduce future enquiries and will also give them time to consider whether they need to make any decisions with regard to the property before the additional charge starts on 1 April 2012

6.5 Environment and Sustainability Implications

- 6.5.1 Bringing empty homes back into use can help sustain the viability of small rural communities by increasing the potential customer base.

6.6 Risk Management Implications

- 6.6.1 There is a risk that increased charges as a result of reduced discounts may cause owners of long term empty properties or second homes to refuse to pay the extra council tax. This risk is moderated by the excellent record of the Council's Revenues Section in collecting council tax during this extremely challenging economic climate.

The Contact Officer for this report is Bob Trahern (719378).

NORTH WARWICKSHIRE BOROUGH COUNCIL

**MINUTES OF THE
HOUSING SUB-COMMITTEE**

18 October 2011

Present: Councillor Winter in the Chair

Councillors N Dirveiks, Johnston and Moore

An apology for absence was received from Councillor Davis.

Councillors Fox, Humphreys, Payne and Smith were also in attendance. With the consent of the Chairman Councillor Smith spoke on Minute No 5 (A New Mandatory Power of Possession for Anti-Social Behaviour – Consultation) and Minute No 11 (Review of Housing Management Post Tenancy Section)

1 Election of Vice-Chairman

It was proposed by Councillor Winter, seconded by Councillor N Dirveiks and

RESOLVED

That Councillor Moore be elected Vice-Chairman of the Housing Sub-Committee.

2 Declarations of Personal or Prejudicial Interests

Any personal interests arising from the membership of Dordon Parish Council of Councillor Winter were deemed to be declared at the meeting.

3 Empty Private Sector Homes – Enforcement and Intervention

The Assistant Director (Housing) described measures which could be used to bring empty homes in the Borough back into use and proposed a new focus and prioritising of this issue.

Recommendation to the Special Sub-Group:

- a That the post of Empty Homes Officer be established;
and**
- b That a post holder be appointed for a temporary period
of 2 years.**

Resolved:

That a strategy for action to deal with long term empty homes be drafted for consideration by the Board.

4 Private Sector Housing Assistance

The Assistant Director (Housing) updated the Sub-Committee on the current position with regard to providing assistance to households in the private sector who were living in poor housing conditions and proposed two actions.

Resolved:

- a That the interim private sector assistance policy be adopted; and**
- b That a revised private sector housing policy be drafted and brought back to the Housing Sub-Committee for consideration by February 2012.**

5 A New Mandatory Power of Possession for Anti-Social Behaviour - Consultation

The Assistant Director (Housing) updated the Sub-Committee with a response to the consultation document provided by the Communities and Local Government in relation to the introduction of *“a new mandatory power of possession to enable landlords to take swifter action to evict their most anti-social tenants”*; (CLG; (2009) *“A new mandatory power of possession for anti-social behaviour”* Consultation).

Resolved:

That the responses set out in Section 4 of the report of the Assistant Director (Housing) be agreed, and the Assistant Director (Housing) be asked to reply to the consultation accordingly.

6 Update on Social Homebuy Scheme

The Assistant Director (Housing) provided an update on a Social Homebuy scheme. Members were asked to consider whether the scheme should be adopted in North Warwickshire.

Resolved:

That the scheme is not adopted in North Warwickshire.

7 Licensing of Houses in Multiple Occupation – Renewal Fee

The Assistant Director (Housing) requested Members' approval for a fee level to renew a licence for a house in multiple occupation.

Resolved:

That the fee option detailed at 3.7 of the report of the Assistant Director (Housing) be approved.

8 Exclusion of the Public and Press

Resolved:

That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.

9 Review of Housing Management Post Tenancy Section

The Assistant Director (Housing) provided the Sub-Committee with information following a review of the work of the Post Tenancy Team within the Housing Division. It also proposed new ways of working and a revised staffing structure informed by the outcomes of the review.

Recommendation to the Special Sub-Group:

- a That the new structure for the Post Tenancy Team be approved;**
- b That the new job description for the Tenancy and Neighbourhood Services Team Leader, as well as the changes set out in the report of the Assistant Director (Housing), be approved;**

Resolved:

- a That the growth required for the software purchases set out at 14.1.1 of the report of the Assistant Director (Housing) be approved; and**
- b That the growth required for the ongoing maintenance as set out at 14.1.7 of the report of the Assistant Director (Housing) be approved.**

10 **Funding for Affordable Housing – 2011 – 2015**

The Assistant Director (Housing) provided the Sub-Committee with an update following the completion of the Homes and Communities Agency's Affordable Homes Programme for 2011 – 2015 and set out the implications for North Warwickshire.

Resolved:

- a **That the outcome of the Affordable Homes Programme for 2011-2015 be noted;**
- b **That the Housing Division continue to work with the Council's preferred partners – Waterloo Housing Group, Jephson Housing Association and Warwickshire Rural Housing Association; and**
- c **That the revised Appendix A to the Local Investment Plan be supported.**

COUNCILLOR WINTER
CHAIRMAN

Agenda Item No 9

Resources Board

21 November 2011

**Report of the Assistant Director
(Finance and Human Resources)**

**Capital Programme 2011/12
Period Ending October 2011**

1 Summary

- 1.1 The report updates Members on the progress of the 2011/12 Capital Programme in terms of both expenditure and outcomes.

Recommendation to the Board

That the Board notes the progress made against the 2011/12 Capital Programme.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Councillors Forwood and Lea have been informally consulted and any response will be verbally updated at the meeting.

3 Introduction

- 3.1 The Executive Board approved the Council's Capital Programme of £2,788,200 for 2011/12 in February 2011.

- 3.2 At the Executive Board on 27 June, it was agreed to carry forward £1,331,570 of unspent 2010/11 budgets giving a total approved capital programme for 2011/12 of £4,119,770.

4 Budget Profiling

- 4.1 To ensure that the Capital Programme projects are completed in a manageable time frame, a schedule of works is arranged by each budget holder and each of the schemes are timetabled for completion throughout the year. This schedule then feeds through to the budget profiling exercise, which identified that there are a number of capital schemes which were not due to have started by the end of October. The table below indicates the breakdown:

	£
Schemes not due to have started before end of October 2011	920,190
Schemes due to have started before end of October 2011	3,199,580
TOTAL	4,119,770

5 Schemes Not Yet Started in October

5.1 The total value of the projects not yet started is £920,190 (22.33% of the 2011/12 Capital Programme). The individual schemes are shown in Appendix A.

5.2 Although a programme of works has been established for the housing related projects, the tender process for the schemes shown in Appendix A is yet to be completed. It is currently planned for the projects to begin in January 2012.

5.3 Within the General Fund schemes, the annual schedule of the electrical works to council owned premises is planned to begin in March 2012. Invoices relating to some schemes are expected later in the year, such as the Warwickshire Direct Partnership and the Home Improvement Agency.

5.4 In addition, some new projects will not get underway until further reviews are undertaken. This is the case with the new telephone system, leisure booking system, switch gear projects and the Arcade improvements. Future reports will provide updates on these schemes.

6 Schemes already started in October 2011

6.1 Those schemes that were planned to start by the end of October 2011 total £3,199,580 (77.67% of the 2011/12 Capital programme) and are shown in Appendix B. The expenditure expected to date was £1,178,778, but actual spend or committed expenditure was £933,910; an under spend of £244,868.

6.2 Starting with housing schemes, Disabled Facility Adaptations to the authority's housing stock are carried out after referrals from Occupational Therapists. Although there is currently a large underspend, there are two major schemes that are due to go out to tender which are estimated to cost in the region of £50,000.

6.2.1 The contract for the conversion work to be carried out on Community Centres at George Road Water Orton, Eastlang Road Fillongley and Monument View Polesworth has been awarded to Laker Facility Management Solutions. This work will begin in January 2012.

- 6.2.2 It has been previously reported that the replacement of windows at Drayton Court and the roofs at Church Hill flats that initially began during 2010/11 has been completed. The contract for replacing the flat entrance doors and store doors for communal areas across the Borough in order to comply with fire risk assessments and fire regulations has been awarded to Swann Windows & Doors. This work will begin in December.
- 6.2.3 Due to an increased number of void properties, extra electrical testing and remedial works have been carried out by Housing Direct Works team. Although there is currently an overspend, the number of void properties is reducing and if this trend continues the variation will reduce in the remaining months of the year.
- 6.2.4 Spend on heating is currently low as the tender process for the boiler replacement contract is not due to be completed until the end of November. The spend that has taken place on heating systems relates to work that has been completed on void properties before being re-let and also work after annual servicing.
- 6.3 Turning to General Fund schemes, the replacement of play areas in Old Arley and Sycamore Road, Kingsbury has now been completed and funding from the Playbuilder Grant has been used to fund the projects.
- 6.3.1 The project to replace the back up battery for the Borough Care system has also been completed. The scheme will enable the system to remain operational in the event of a power cut.
- 6.3.2 Spend on private sector Disabled Facility Grants is currently £181,706. However there are 13 cases still to be processed after the work has been approved, amounting to approximately £67,922.
- 6.3.3 Similarly, there are 13 cases, around £79,432 of invoices relating to the Decent Home Scheme that have yet to be processed. In addition to this, although there is currently an over spend in relation to the Decent Homes Assistance – Temporary Officer, the variation will be funded using balances held in relation to the grant which includes £9,000 additional funding that was received to offset additional salary costs.

7 Report Implications

7.1 Finance and Value for Money Implications

- 7.1.1 Of the total capital programme, schemes to the value of £920,190 were not started by August 2011. Of the remaining £3,199,580 capital programme, £1,178,778 was profiled to be spent and £933,910 has actually been spent or committed, leaving an under spend of £244,868 to date.

7.2 Safer Communities Implications

- 7.2.1 The Home Safety Check Scheme provides a service with Age Concern to help elderly residents be safe within their homes.

7.3 Environment and Sustainability Implications

7.3.1 Expenditure incurred as part of the Council's Capital Programme enables the Council to continue to improve and deliver a range of services to the people of North Warwickshire. The implementation of the capital programme will lead to improvements in the quality of life for the communities of North Warwickshire.

7.4 Risk Management

7.4.1 Failure to make reasonable adjustments to ensure our buildings and facilities are accessible could expose the Council to potential litigation and risks damage to its reputation.

7.5 Equalities Implications

7.5.1 The Council is required to ensure that as far as it is reasonably practicable, it has taken appropriate steps to ensure compliance with the provisions of the DDA. Failure to do so could result in limiting access to services provided from our buildings and facilities by disabled people and the potential for legal challenges being taken against the Council.

The Contact Officer for this report is Jon Illingworth (719489).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper	Author	Nature of Background Paper	Date

Capital schemes not started by end of October 2011				
Expenditure Proposals	2011/12 Original Budget	2010/11 Slippage	2011/12 Virements	2011/12 Current Budget
Housing Revenue Account				
Asbestos	70,000	0	(70,000)	0
Cavity Wall Insulation	304,000	0	(304,000)	0
Garages	8,000	0	0	8,000
Piccadilly Development	70,000	0	0	70,000
Loft Insulation	75,000	0	(26,640)	48,360
Housing Revenue Account Total	527,000	0	(400,640)	126,360
General Fund				
Disability Discrimination Act (DDA)	150,000	201,250	0	351,250
Electrical Work To Council Premises	15,000	6,490	0	21,490
Arcade Improvement	0	193,000	0	193,000
IT Back up and Disaster Recovery	30,000	0	0	30,000
Warwickshire Direct Partnership	10,350	0	0	10,350
EDRMS	0	6,140	0	6,140
Leisure Book System Replacement	0	50,000	0	50,000
New Telephone System	0	65,000	0	65,000
New Switch Gear	0	55,000	0	55,000
Home Improvement Agency	11,600	0	0	11,600
General Fund Total	216,950	576,880	0	793,830
Grand Total	743,950	576,880	(400,640)	920,190

Capital schemes started by end of October 2011							
Expenditure Proposals	2011/12 Original Budget	2010/11 slippage	2011/12 Virements	2011/12 Current Budget	Profiled Budget	TOTAL as at 31.10.11	Variance to profiled budget
Housing Revenue Account							
Disabled Facility Adaptations	175,000	0	0	175,000	102,083	47,062	(55,021)
Community Centres	46,000	0	60,620	106,620	868	868	0
Windows & Doors	235,400	0	220,990	456,390	39,500	38,098	(1,402)
Kitchens	153,000	0	(31,420)	121,580	18,500	19,581	1,081
Roofing	40,500	61,490	92,810	194,800	76,100	75,973	(127)
Heating	500,100	0	56,330	556,430	55,000	54,664	(336)
Electrics	146,000	0	(32,000)	114,000	66,500	70,395	3,895
External Works	0	0	38,000	38,000	26,600	24,549	(2,051)
Aerials	0	0	1,500	1,500	1,500	4,526	3,026
Staffing	170,000	0	0	170,000	75,876	75,876	0
Lovells Prelims	0	0	600	600	600	597	(3)
Lovells Overhead	0	0	1,710	1,710	1,710	1,714	4
New Build Housing	0	289,620	0	289,620	144,458	144,458	0
Chimney Stacks	25,500	0	0	25,500	14,875	10,041	(4,834)
Colleshill Shops	0	20,000	(11,000)	9,000	9,000	8,957	(43)
Fire Alarms	0	0	2,500	2,500	0	0	0
Housing Revenue Account Total	1,491,500	371,110	400,640	2,263,250	633,170	577,360	(55,811)
General Fund							
Parks & Playing Fields	0	0		0	0	19,817	19,817
Parks & Playing Fields (Use of Grant Funding)	0	0		0	0	(18,882)	(18,882)
Council Offices Electrical Installation	30,000	22,010		52,010	0	(270)	(270)
Leisure Equipment	20,000	0		20,000	11,667	10,588	(1,079)
Accommodation Project	0	0		0	0	187	187
Borough Care System Replacement	0	50,000		50,000	50,000	48,286	(1,714)
Computer Software & Hardware	45,000	0		45,000	22,400	21,589	(811)
ICT Infrastructure Development	20,000	0		20,000	20,000	20,837	837
Borough Care Lifelines	18,000	0		18,000	10,500	10,146	(354)
Staffing	30,000	0		30,000	17,500	17,500	0
Home Safety Check Scheme	7,500	0		7,500	7,500	7,211	(289)
Disabled Facility Grants (Private Sector)	300,000	143,800		443,800	258,883	181,706	(77,177)
Decent Homes/Fuel Poverty (Private Sector)	57,500	167,770		225,270	131,408	18,505	(112,903)
Decent Homes Assistance - Temporary Officer	24,750	0		24,750	15,750	19,330	3,580
General Fund Total	552,750	383,580	0	936,330	545,608	356,550	(189,058)
Total	2,044,250	754,690	400,640	3,199,580	1,178,778	933,910	(244,868)

Agenda Item No 10

Resources Board

21 November 2011

**Report of the
Deputy Chief Executive**

**Internal Audit – Performance for
Second Quarter 2011-12**

1 Summary

- 1.1 The report allows the Board to monitor the progress of the Council's Internal Audit function against the agreed plan of work for the year.

2 Recommendation to the Board

That the report be noted.

3 Introduction

- 3.1 The CIPFA Code of Practice on Internal Audit in Local Government defines standards of best practice for internal audit. The Code requires that Members both approve the Internal Audit Section's strategic work plan and receive periodic reports on performance against plan. This report summarises performance for July 2011 to September 2011.

4 Summary of Work Completed

- ... 4.1 Appendix A to the report summarises progress on the s151 audit plan for the period, identifying audits completed and indicating the extent of progress on those audits still outstanding. The 90% performance target of planned work in the first half of 2011-12 was exceeded. Appendix B provides definition for the levels of assurance applied.
- ... 4.2 Internal Audit can place a high level of assurance on the following final reviews;
Homelessness, Performance Management & Indicators, Officers & Members Travel, Council House Sales, Land Charges, Recycling and Procurement.
- 4.3 The Internal Audit Section has undertaken an increased amount of work recorded under contingency audits. These are reviews carried out either resulting from departmental requests, external audit suggestions, counter fraud activity and monitoring of reporting information from the National Fraud Initiative. There has been involvement in PCI compliance preparations, addressing the Bribery Act implications and the Council's vehicle fleet management.

The performance standards set by the Audit Commission require that Internal Audit complete at least 90% of planned work in the year unless there are good reasons otherwise. In calculating that statistic, planned work deferred at client request is ignored if such deferrals have appropriate justification. All client requests for deferrals have been based on sound, service based justifications.

5 Report Implications

5.1 Risk Management Implications

5.1.1 Failure to provide an effective Internal Audit Service may adversely affect the level of internal control operating within the Council and will attract criticism from external assessors such as the Audit Commission and the External Auditor.

5.2 Links to Council's Priorities

5.2.1 The audit programme agreed and delivered is aligned to both the priorities of the Council and the requirements of external assessors.

The Contact Officer for this report is Barbara Haswell (719416).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

Appendix A

Audits Completed second quarter 2011-12

Audit	Quarter Due	Status	Assurance Level *	Tot No. of Recs	High Priority	Medium Priority	Low Priority	H/M Recs not Agreed(attach)
Homelessness	2	Final	High	1	0	1	0	
Performance Management & Indicators	2	Final	High	1	0	1	0	
Officers & Members Travel	2	Draft	High	2	1	1	0	
Council House Sales	2	Final	High	0	0	0	0	
Land Charges	2	Draft	High	2	0	2	0	
Recycling	2	Draft	High	2	1	1	0	
Procurement	2	Draft	High	2	1	1	0	

Reasons for not providing a high assurance level on final reports

Not applicable

Progress Against Audit Plan

Audit	Status	Due	Audit	Status	Due
Risk Management	Ongoing	Qtr 3	Procurement	Completed	
Performance Management & PI's	Completed		Travel	Completed	
			C House		
Data Protection	Completed		sales	Completed	
Housing Repairs & Maintenance	Completed		Recycling	Completed	
			Land		
Memorial Hall	Completed		Charges	Completed	
Leisure Centres	Completed		Energy	Ongoing	Qtr 3
Homelessness	Completed		Contracts	Completed	
Pitches & Pavilions	Completed		VAT	Started	Quarter 3
Printing & Stationery	Ongoing	Qtr 3			
Private Sector Assistance	Ongoing	Qtr 3			
Commercial Properties	Ongoing	Qtr 3			
Compliance with Policies & Strategies	Ongoing	Qtr 3			

Progress Against Audit Plan

Audit

IT Based Audits

	Status	Due
Data Back Up	Final	
Protection against Malicious Software	Draft	
Windows 7 & Office upgrade	Qtr 3	

Audit

Status

Due

Electronic Payments	Qtr 3	
IBS - Rents	Ongoing	

Performance of Audit 2011-12 for Quarterly Indicators			
No.	Indicator	Suggested Frequency	Performance for 2011-12
1	Performance reports to Resources Board	Quarterly	September 2011, November 2011
3	Number of audits where time taken to complete the work is more than 10% longer than planned.	Quarterly	2 - both due to additional work being undertaken within the review
4	Number of audits completed by set deadline	Quarterly	All 13
5	Final report issued within 4 weeks of completion of fieldwork	Quarterly	11- 2 commenced toward latter half of the first period and delayed due to accessibility to officers during holiday periods.
9	Questionnaire:Feedback obtained from report recipients is good (average 4 out of 5)	Quarterly	Good in those returned.
10	% of sickness levels within Audit is below 5%	Quarterly	1.20%

Appendix B

Assurance level definitions:

Overall Audit Opinion	
High	Controls are in place and operating satisfactorily. Reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively.
Medium	There are some control weaknesses but most key controls are in place and operating effectively. Some assurance can be given that the system, process or activity should achieve its objectives safely and effectively.
Low	Controls are in place but operating poorly or controls are inadequate, failing or not present to satisfaction. Only limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively.

Recommendation Priority Levels definitions:

High	Action is agreed for implementation within one month of the report date
Medium	Action is agreed for implementation within three months of the report date
Low	Action is agreed for implementation within twelve months of the report date

Agenda Item No 11

Resources Board

21 November 2011

Report of the Deputy Chief Executive

Treasury Management Update Quarter 2 2011/12 and Revised Strategy

1 Summary

- 1.1 This report shows the Treasury Management activity during the first six months of 2011/12.

Recommendation to the Board

- a That the Treasury Management Update Report for the first six months of 2011/12 be noted; and**
- b That the Prudential Indicators be increased by £65 million as set out in Appendix B, or the actual amount of the debt repayment required for HRA self financing, whichever is lower.**

2 Report

- 2.1 CIPFA issued the revised Code of Practice for Treasury Management in November 2009. The revised Code suggests that Members should be informed of Treasury Management activities at least twice a year, but preferably quarterly. This report therefore ensures that the Council is following Best Practice in accordance with the Code.

3 Economic Forecast

- 3.1 The Council's Treasury Advisers, Sector, has undertaken a review of its interest rate forecast as a result of two major events:-
- The decision by the Bank of England's Monetary Policy Committee (MPC) to expand quantitative easing over the next four months by a further £75bn has had an immediate effect of depressing gilt yields at the long end of the curve. It also clearly underlines how concerned the MPC now is about the prospects for growth of the UK economy and that recession is now decisively a much greater concern than inflation.

- The marked deterioration of growth prospects in the US, EU and UK, especially as concerns have further increased over Greece and the potential fall out from their debt situation. This has led in turn to a further increase in safe haven flows into UK gilts which have depressed gilt yields and PWLB rates to even lower rates.

3.2 These developments have pushed back the expectations of the timing of the eventual start of increases in Bank Rate and the expected eventual rise in gilt yields and PWLB rates.

	Bank Rate Forecast	5 year PWLB rate	10 year PWLB	25 year PWLB	50 year PWLB
Now	0.50%	2.41%	3.46%	4.31%	4.42%
Dec 11	0.50%	2.30%	3.30%	4.20%	4.30%
March 12	0.50%	2.30%	3.30%	4.20%	4.30%
June 12	0.50%	2.30%	3.30%	4.20%	4.30%
Sept 12	0.50%	2.30%	3.40%	4.30%	4.40%
Dec 12	0.50%	2.40%	3.40%	4.30%	4.40%
March 13	0.50%	2.50%	3.50%	4.40%	4.50%
June 13	0.50%	2.60%	3.60%	4.50%	4.60%
Sept 13	0.75%	2.70%	3.70%	4.60%	4.70%
Dec 13	1.00%	2.80%	3.80%	4.70%	4.80%
March 14	1.25%	2.90%	4.00%	4.80%	4.90%
June 14	1.50%	3.10%	4.20%	4.90%	5.00%

4 Treasury Management Strategy Statement

4.1 Review of Annual Investment Strategy and Revised Prudential Indicators

4.1.1 The Treasury Management Strategy Statement (TMSS) for 2011/12 was approved by Resources Board on 1 February 2011 and by Council on 24 February 2011. The Council's Annual Investment Strategy, which is incorporated in the TMSS, outlines the Council's investment priorities as follows:

- Security of Capital
- Liquidity
- Yield

4.1.2 The Council will also aim to achieve the optimum return on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term with a maximum duration of 3 months, and only invest with highly credit rated financial institutions, including sovereign credit rating and Credit Default Swap (CDS) overlay information provided by Sector. This limit applies to all entities on the Council's lending list with the following exceptions:-

- UK semi-nationalised institutions (Lloyds/ RBS) which are currently significantly UK government owned.
- Money Market Funds

4.1.3 Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the first half of 2011/12. Investment rates have been at an historical low point for some time, illustrated by the amount of interest earned, £67,720 (budgeted interest £60,164) compared to the same period last year, £66,246. The average interest rate on investments for this period was 1.73% compared to the benchmark of the 7 day LIBID rate of 0.47%. The average investment made was £930,535 and the average total level of investments held was £8,331,281.

... 4.1.4 Appendix A shows the investments held at 30 September 2011.

5 **Borrowing**

5.1 **Prudential Indicators**

5.1.1 It is a statutory duty for the Council to determine and keep under review the "Affordable Borrowing Limits". The Council's approved Prudential Indicators (affordability limits) are outlined in the approved TMSS. Officers can confirm that the Prudential Indicators were not breached during the six months of 2011/12.

5.1.2 The Council has borrowed funds short term on three occasions to fund a shortfall in cash flow. All of these borrowings were in the first three months of 2011/12.

Number of days	Amount £000	Rate %
10	1,000	0.55
4	2,000	0.60
18	1,300	0.40

5.2 Proposed Increases in Prudential Indicators

5.2.1 The Council's Authorised Borrowing Limit and Operational Boundary Limits for 2011/12 are currently set at £28,931,000 and £10,587,000 respectively. Later in the year, the Council will need to take on debt in order to fund the Government's self-financing proposals for Housing. This matter was reported to Resources Board 11 July 2011.

5.2.2 Indicative figures of the debt required are approximately £65million. However, the actual amount will only be confirmed later in the year. It is therefore recommended that the Borrowing Limits be increased by £65million or the actual amount of the debt repayment required for HRA self financing, whichever is lower. A further report will be brought to Board when this amount is determined.

... 5.2.3 The proposed Treasury Management Indicators are shown at Appendix B.

6 Report Implications

6.1 Finance and Value for Money Implications

6.1.1 Up to 30 September 2011, interest earned on investments was £67,720 and interest paid on borrowings was £601.

6.2 Environment and Sustainability Implications

6.2.1 By having effective and prudent treasury management, this contributes towards sustainability and providing services that improve the quality of life for the communities of North Warwickshire.

6.3 Risk Management Implications

6.3.1 Credit ratings are used in assessing the institutions on the authorised lending list and the maximum investment level permitted.

6.3.2 Specialist advice from our Treasury Management consultants will be taken to ensure that our debt profile for HRA self financing has the optimum balance between fixed and variable and long and short term borrowing.

The Contact Officer for this report is Jackie Marshall (719379).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

APPENDIX A

Investments held at 30 September 2011

Treasury Management Update, Quarter 2, 2011/12

Name of Institution	Call, Fixed, 7 day, MMF etc	Rate %	Amount £	Date of Investment	Maturity Date
Santander UK plc	Fixed	1.64	1,000,000	07/02/2011	07/11/2011
Barclays Bank	Fixed	1.05	1,000,000	16/05/2011	16/11/2011
Barclays Bank	Fixed	1.21	1,000,000	01/08/2011	28/03/2012
Lloydstsb	Fixed	2.05	2,000,000	18/07/2011	18/07/2012
RBS Deposit	Call	0.8	1,258,900		
Prime Rate MMF	MMF	0.8	1,205,000		
Total Investments at 30 September 2012			7,463,900		

APPENDIX B

Treasury Indicators

Treasury Indicator	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000
Authorised Limit for External Debt	92,966	93,931	94,358	93,838
Operational Boundary	75,366	75,587	75,411	75,683
Upper Limit for Fixed Interest Rate Exposure	74,600	74,600	74,600	74,600
Upper Limit for Variable Rate Exposure	75,100	75,100	75,100	75,100
Upper Limit for Total Principal Sums Invested for over 364 days (per maturity date)	50%	50%	50%	50%

Maturity Structure of New Fixed Rate Borrowing	Upper Limit	Lower Limit
Under 12 months	100%	0%
12 Months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0£

Agenda Item No 12

Resources Board

21 November 2011

Report of the Assistant Director (Finance and Human Resources)

Budgetary Control Report 2011/12 Period Ended 31 October 2011

1 Summary

- 1.1 The report covers revenue expenditure and income for the period from 1 April 2011 to 31 October 2011. The 2011/12 budget and the actual position for the period, compared with the estimate at that date, are given, together with an estimate of the out-turn position for services reporting to this Board.

Recommendation to the Board

That the report be noted.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Both Councillors' Forwood and Lea have been consulted regarding this report. Any comments received will be reported verbally to the Board.

3 Report

3.1 Introduction

- 3.1.1 Under the Best Value Accounting Code of Practice (BVACOP), services should be charged with the total cost of providing the service, which not only includes costs and income directly incurred, but also support costs relating to such areas as finance, office accommodation, telephone costs and IT services.

- 3.1.2 Therefore, to comply with this requirement, the budgets reporting to this Board fall into two categories – services where the costs incurred are recharged to other services and Boards, and those services where costs remain within Resources Boards – and are reported separately within this report.

4 Services Remaining Within Resources Board

4.1 Overall Position

- 4.1.1 The total expenditure for those services that remain within Resources Board as at 31 August 2011 is £1,903,199, compared with a profiled budgetary position of £2,049,224; an under-spend of £146,025 for the period. Appendix A to this report provides details of the profiled and actual position for each service reporting to this Board, together with the variance for the period.

Where possible, the year-to-date budget figures have been calculated with some allowance for seasonal variations, in order to give a better comparison with actual figures. Reasons for the variations are given, where appropriate, in more detail below:

4.2 Democratic Process

4.2.1 There are a number of underspends that make up the total underspend of £16,784 and these include training, telephones, corporate subscriptions, vehicle hire (Mayoral car), members allowances and other member expenses.

4.3 Council Tax Collection

4.3.1 There are currently underspends on legal costs, bailiffs, advertising and publicity.

4.4 Corporate and Democratic Core

4.4.1 This underspend is a result of a reduction in Audit Fees for the 2009/2010 Grant Certification Process of £7,100. There is also a current underspend on Corporate Subscriptions of £4,000 as a result of the cessation of the mapping charge to Ordnance Survey following the new Public Sector Mapping Agreement. This will result in an annual saving of £7,000.

4.5 Innage Park Industrial Estate

4.5.1 The current underspend on this budget relates to a saving of £6,230 on the costs of building insurance on Innage Park Phase 2. There is also additional rental income due to the unbudgeted occupancy of three additional units on the estate. This is forecast to bring in an additional £9,740 in income over the full year and a reduction in NNDR payments of £1,000.

4.6 Rent Allowances

4.6.1 The current underspend on this budget is a result of increased income from the recovery of benefit overpayments.

4.7 Rent Rebates

4.7.1 The current position includes increased recovery of overpayments.

4.8 Concessionary Fares

4.8.1 The current underspend is a result of a refund following the final reconciliation of the 2010/11 concessionary travel scheme, partially offset by a final payment regarding the 2007/08 capacity cost adjustment.

4.9 Community Support

4.9.1 There is an underspend on pool transport of £2,400. Additionally, income from Warwickshire County Council for the Monitoring of the Careers Impact scheme has continued beyond the budgeted finish date of June 2011 and there has been additional income through the Telecare agreement also with Warwickshire County Council.

5 Services Recharged to Other Directorates and Services

5.1 Overall Position

5.1.1 Net expenditure for those services that are recharged to other Directorates and Services, as at 31 October 2011, is £25,016, compared with a profiled budgetary position of £135,781; an under-spend of £110,765 for the period. Appendix B to the report gives the profiled and actual positions for the period for each service, together with the variance. Where possible, the year-to-date budget figures have been calculated with some allowance for seasonal variations, in order to give a better comparison with actual figures. Reasons for the variations are given, where appropriate, in more detail below.

5.2 Directorate Budgets

5.2.1 The Council's budget requirement for 2011/12 assumed that there would be a salary vacancy saving in the year of £80,000, and this was included as a central amount. The central vacancy factor has been added into the budget columns shown in Appendix B, to enable easier comparison with the actual position. Current vacancy levels within the Directorates mean that we are ahead of the target at the current time, taking into account the use of temporary and agency staff to cover key duties and any recruitment costs resulting from these vacancies, and excluding vacancies that relate to the Housing Revenue Account.

5.2.2 The areas with vacancies are Policy Support, Transport and Streetscape, Facilities Management, Landscape Management, Community Support, Revenues and Benefits and Transport. A summary of the position contributing to the central vacancy factor (General Fund only) is shown below:

	£
Current agency staff variance	27,420
Current salaries underspend	(119,120)
TOTAL	(91,690)

In addition to the vacancies, provision for the £250 pay award for staff earning below £21,000 included in the budget has not been needed, giving a current underspend of £17,500.

5.2.3 Other significant variances include under-spends on Non Domestic Rates and building maintenance expenditure, staff cars, postage and professional fees. There are no significant over-spends at the moment.

6 Performance Indicators

- 6.1 In addition to the financial information provided to this Board, when the budgets were set in February, performance indicators were included as a means of putting the financial position into context. These are shown at Appendix C.

7 Risks to the Budget

- 7.1 A number of key risks to the budgetary position of the Council from services under the control of this Board were identified when the budget was set in February.

- 7.2 The key risks to the budgetary position of the Council from services under the control of this Board include:

- A change in rental income at industrial estates through changes to vacancy levels and the added effect of the obligation for the Council to pay the Non Domestic Rates of these units was identified as a risk. Income is currently ahead of budgeted levels although it should be noted that the budget assumed a high number of vacant units, especially at Innage Park.
- The costs of managing absence, for example occupational health costs and cover by agency staff. These are currently running below the profiled budget provision.
- Increasing costs of maintaining mechanical equipment within the Council offices and other properties. As core mechanical elements of the building, such as the lift or the automatic entrance doors, continue to age, the likelihood of breakdown increases. At the moment expenditure is at a level at or below budget in most areas.
- The negotiated pay award being in excess of that included in the budgets. The budgets included an additional £250 for all staff earning up to £21,000. It has since been confirmed that this does not apply to Local Government staff and the current position is that there will be no pay award in the current year.
- Potential increases in vehicle fuel and utilities such as gas and electricity. Currently the increase built into budgets for vehicle fuel covers rises to date in this year but as costs continue to rise there may be pressures in this area. Currently utility costs are broadly in line with budgets.
- Increase in contracts that are based on RPI (5.0% in August 2011 and currently 5.6%). To date no significant increases have been seen although many contracts are still to be increased.
- The increase in numbers of claimants for benefits could increase the Council's costs. Whilst most of the costs are covered by subsidy (approximately 98%), the council would still have to find the balance.

- Additional resources that may be required to support externally funded projects such as North Warwickshire LEADER. No additional resources have yet been required but there are pressures on the day-to-day activities of those staff involved in supporting these projects.

8 Estimated Out-turn

- 8.1 Members have requested that Budgetary Control Reports provide details on the likely out-turn position for each of the services reporting to this Board. The anticipated out-turn for this Board for 2011/12 is £3,559,100 as detailed in the table below: -

	£
Approved budget 2011/2012	3,739,800
Additional recovery of Benefit Overpayments	(66,000)
Projected salary under spends in excess of vacancy factor	(55,000)
Non payment of £250 pay award	(30,000)
Innage Park Industrial Estate – lower vacancies, reduced NDR payments and lower buildings insurance	(16,970)
Reduction in Recruitment	(15,000)
Mapping Charge for Ordnance Survey	(7,000)
Reduction in WCC contribution towards Customer Contact	9,270
Expected Out-turn 2011/12	3,559,100

9 Report Implications

9.1 Finance and Value for Money Implications

- 9.1.1 The Council's budgeted contribution from General Fund balances for the 2011/2012 financial year is £419,380. This is expected to reduce by £180,700, as shown above. Income and Expenditure will continue to be closely managed and any issues that arise will be reported to this Board at future meetings.

9.2 Environment and Sustainability Implications

- 9.2.1 The Council has to ensure that it adopts and implements robust and comprehensive budgetary monitoring and control, to ensure not only the availability of services within the current financial year, but in future years.

The Contact Officer for this report is Nigel Lane (719371).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

North Warwickshire Borough Council
RESOURCES BOARD (REMAINING)
Budgetary Control Report 2011/12 as at 31 October 2011

Description	Original Budget 2011/2012	Profiled Budget to October 2011	Actual to end October 2011	Variance to Date	Comments
Democratic Process	737,370	427,091	410,307	(16,784)	See Para 4.2
Election Expenses	79,530	66,665	66,128	(537)	
Registration of Electors	46,620	29,394	29,458	64	
Non Domestic Rates	37,490	82,828	83,231	403	
Council Tax Collection	218,330	136,578	130,595	(5,983)	See Para 4.3
Investors in People	12,190	5,985	5,985	-	
Finance Miscellaneous	630	350	350	-	
Compensation and Pension Increases	112,090	53,608	53,886	278	
Assisted Car Purchases	(130)	(76)	-	76	
Electricity at Work	21,970	17,220	13,002	(4,218)	
Efficiencies and Value for Money	53,490	29,838	29,838	(1)	
Finance Unused Land	420	245	245	-	
Corporate and Democratic Core	766,810	372,667	361,505	(11,162)	See Para 4.4
Unallocated Central Support Services	139,380	14,494	11,704	(2,790)	
Coleshill Shops and Flats	(66,840)	(36,306)	(36,383)	(77)	
The Arcade	10,770	1,483	(35)	(1,518)	
The Pavilions, Holly Lane	(58,160)	(35,779)	(37,765)	(1,986)	
Carlyon Road Industrial Estate	(111,390)	(71,669)	(68,631)	3,038	
Innage Park Industrial Estate	109,080	103,878	85,520	(18,359)	See Para 4.5
Polesworth Workspace Units	(3,980)	(3,679)	(3,552)	127	
The Bear and Ragged Staff	(12,080)	(6,615)	(6,891)	(276)	
Football Stadium	360	210	210	-	
Homeless Persons	69,180	63,294	63,915	621	
Public Conveniences	99,840	71,885	68,280	(3,605)	
Customer Contact	140,410	68,819	68,727	(92)	
Rent Allowances	115,070	53,538	6,715	(46,823)	See Para 4.6
Rent Rebates	58,990	32,883	11,069	(21,814)	See Para 4.7
Concessionary Fares	34,280	19,448	10,386	(9,062)	See Para 4.8
Non Domestic Rates Discretionary Relief	24,830	1,178	1,178	0	
Council Tax Benefits	120,810	41,565	43,162	1,597	
Car Parks	62,680	48,683	48,584	(99)	
Business Improvement District	1,560	910	916	6	
Environmental Sustainability	8,710	5,081	5,075	(6)	
Private Sector Housing Assistance	258,350	43,027	43,485	458	
CCTV	112,330	63,077	62,234	(843)	
Community Support	532,560	283,282	276,624	(6,658)	See Para 4.9
North Warwickshire LEADER (External)	45,350	26,454	26,454	-	
Branching Out Bus (External)	16,140	36,978	36,978	-	
North Arden Heritage Trail (External)	1,220	712	712	-	
TOTALS	3,796,260	2,049,224	1,903,199	(146,025)	

North Warwickshire Borough Council
RESOURCES BOARD (RECHARGED)
Budgetary Control Report 2011/12 as at 31 October 2011

Description	Original Budget 2011/2012	Profiled Budget to Oct 2011	Actual to end Oct 2011	Variance to Date	Comments
Building Maintenance Fund	-	-	-	-	
Council Offices	(80)	31,658	13,661	(17,997)	Paragraph 5.2
Central Telephones	-	(2,872)	(2,806)	66	
Recruitment	-	(1)	-	1	
Printing and Copying	(60)	(5,844)	(5,794)	50	
Training	-	-	1,241	1,241	
Depot and Stores	(20)	4,998	4,509	(489)	
Postal Services	-	(5)	24	29	
Chief Executive Directorate	(560)	720	(2,913)	(3,633)	
Assistant Chief Executive	(3,340)	14,340	(16,751)	(31,091)	Paragraph 5.2
Directorate of Community Services	(2,300)	(14,300)	(24,393)	(10,093)	Paragraph 5.2
Directorate of Resources	(5,830)	35,113	(56,144)	(91,257)	Paragraph 5.2
Corporate Services	520	115,486	115,281	(205)	Paragraph 5.2
Transport	160	3,155	(899)	(4,054)	Paragraph 5.2
TOTALS	(11,510)	182,448	25,016	(157,432)	
Central Vacancy Factor	(80,000)	(46,667)	-	46,667	Paragraph 5.2
TOTALS	(91,510)	135,781	25,016	(110,765)	

Key performance Indicators (KPIs) for budgets reporting to the Resources Board

	Budgeted performance	Profiled Budgeted performance	Actual performance to Date
Registration of Electors			
Cost per elector for the Electoral Register	£0.93	£0.59	£0.59
Non Domestic Rates			
% of NDR Collection Rate	98.90%	69.23%	75.59%
Cost per NDR Property	£17.28	£38.17	£37.88
Council Tax Collection			
% of Council Tax Collection Tax	98.50%	68.95%	68.20%
Cost per Household	£8.12	£5.08	£4.86
Coleshill Shops and Flats			
Occupancy Rate	100.00%	100.00%	100.00%
Annual Income per Shop	(£8,954)	(£5,527)	(£5,418)
The Arcade			
Occupancy Rate	42.86%	42.86%	42.86%
Annual Income per Unit	(£1,166)	(£1,053)	(£1,162)
The Pavilions			
Occupancy Rate	87.50%	87.50%	87.50%
Annual Income per Unit	(£9,069)	(£5,825)	(£5,946)
Carlyon Road Industrial Estate			
Occupancy Rate	87.50%	87.50%	81.25%
Annual Income per Unit	(£7,566)	(£4,960)	(£4,537)
Innage Park Industrial Estate			
Occupancy Rate	44.19%	44.19%	51.16%
Annual Income per Unit	(£2,280)	(£1,495)	(£1,660)
Polesworth Workspaces			
Occupancy Rate	100.00%	100.00%	100.00%
Annual Income per Unit	(£1,518)	(£1,043)	(£1,023)
Rent Allowances			
Rent Allowances per Claimant	£4,352	£2,538.91	£2,605.22
Cost of Administration per Claimant	£65.75	£30.59	£34.43
Rent Rebates			
Rent Rebates per Claimant	£3,405	£1,986.32	£2,081.42
Cost of Administration per Claimant	£31.89	£17.77	£15.04
Council Tax Benefits			
Council Tax Benefits per Claimant	£906.24	£906.24	£863.24
Cost of Administration per Claimant	£22.79	£7.84	£8.19

Agenda Item No 13

Resources Board

21 November 2011

Report of the Assistant Director (Finance and Human Resources)

Consolidated Budgetary Control Report 2011/12 - Period Ended 31 October 2011

1 Summary

- 1.1 The report covers total Council General Fund revenue expenditure and income for the period from 1 April 2011 to 31 October 2011.

Recommendation to the Board

That the report be noted.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Both Councillor Forwood and Councillor Lea have been consulted regarding this report. Any comments received will be reported verbally to the Board.

3 Board Report

3.1 Overall Position

- 3.1.1 The actual level of Board expenditure for the period to 31 October 2011 is £5,658,326 compared with a profiled budgetary position of £5,916,886; an under-spend of £258,560 for the period. Appendix A provides an analysis of Board expenditure and the overall position for the Council for this period.

- 3.1.2 As well as expenditure directly attributable to services, and included in the Board totals, there are a number of other amounts that need to be taken into account that provide the total net expenditure for the Council. This includes investment income, external interest payments and adjustments to reverse capital charges included within Board expenditure, from out of Council expenditure. Taking these amounts into account, net expenditure for the Council to the end of October totals £5,296,765, compared with a profiled position of £5,573,098, resulting in an under-spend for the period of £276,333.

- 3.1.3 Where possible, the budget profile figures have been calculated with some allowance for seasonal variations, in order to give a better comparison with actual figures. Reasons for the variations are given, where appropriate, in more detail below:

4 Board Expenditure

- 4.1 **Licensing Committee** – Income from premises renewals remains ahead of the profiled budget due to the increased frequency of turnover in ownership of pubs and clubs. This is partially offset by reduction in Hackney Carriage and Private Hire taxi fees.
- 4.2 **Planning and Development Board** - Income on Planning Control is behind target by £56,600 as a result in a decline in the number of large planning applications being submitted. This is projected to rise to a £90,000 shortfall over the full year. Additionally, the projected cost to the Council of the Building Control Partnership with Nuneaton & Bedworth Borough Council is £34,000 higher than budgeted due to a fall in income as a result of a downturn in the building industry. Both these items have been reported at Planning Development Board, requesting supplementary estimates be agreed.
- 4.3 **Community and Environment Board** – There has been a continued downturn in Leisure Centre income as a result of falling Direct Debit members, partially offset by reductions within employee costs. There has been a net increase in the kerbside recycling costs. These have been offset by under spends to date on cesspool disposal costs, supplies and services within the Refuse and Horticulture DSO's, tree management costs and transport costs within the DSO's.
- 4.4 **Executive Board** – Within this board there are currently savings on printing due to a cheaper supplier being procured to design and print the North Talk publication. There are also additional underspends within the Emergency Planning budget and the Outreach and Access to Service budget.
- 5 **Resources Board**
- 5.1 **Recharged to Services** - There are a number of posts that have become vacant since the budget was set and are now unfilled. There is also an under-spend as the provision for a £250 pay award for lower paid staff has not been needed. Other significant variances include under-spends on Non Domestic Rates and building maintenance expenditure, staff cars, vehicle fuel, postage and professional fees. There are no significant over-spends at the moment.
- 5.2 **Remaining** - Within Democratic Services there are underspends on Member training, allowances and other expenses. Both training and recruitment are under-spent at the moment, in part due to vacant posts and the policy of freezing posts where possible. There are additional underspends as a result of the reduction in audit fees for the 2009/10 Grant Certification Process and a credit from Warwickshire County Council for a reduction in the payment for the 2010/11 concessionary fares service. There is a further underspend on the Corporate and Democratic Core budget as due to the new Public Sector Mapping Agreement we are no longer required to fund a £7,000 subscription to Ordnance Survey. Further income has been received through the rental of additional units at Innage Park, and the continuation of the Carers Impact scheme (expected to finish in June 2011) and the Telecare scheme, both with Warwickshire County Council.

5.3 Set against these under spends, income from the County Council towards Customer Contact has reduced.

5.4 **Investment Income** - There has been a higher return of investment interest than expected to date due to higher levels of investments held.

6 **Risks to the Budget**

6.1 In setting the budget in February 2011, a number of key risks to the overall budgetary position of the Council are highlighted below: -

- Changes in the financial markets and the expected cash flow of the Authority, which affect the investment income the Council can obtain. To date, this has not transpired, but this may change going forward.
- Further deterioration in the economic position, which could lead to additional demand for Council services in areas such as benefits and homelessness.
- A large proportion of revenue costs relate to the Councils workforce. Pay awards are negotiated nationally, and any variance from the increase assumed would impact on the financial position. In addition, a vacancy factor for staff turnover is included within the overall estimates. Should vacancies be less than expected then additional costs will be borne by the Authority. The current level of vacancies is in excess of that budgeted.
- Any significant loss of the Council's workforce will impact on the services provided by the Council. Additional costs may be incurred where these are statutory functions.
- Recent analysis has highlighted the above inflationary increases in a number of cost areas faced by the Council, which are not matched by the increases in revenue the Council can generate. There is a risk that this mismatch will continue. RPI has increased since the budgets were set, and currently stands at 5.6%.
- Transport fuel and utilities prices have seen significant fluctuations over recent times, and this is still a possibility. However, the Authority has renegotiated many of the electricity and gas contracts and this has helped in eliminating some of the uncertainty. The increases built into budgets to cover expected rises in vehicle fuel are currently sufficient.
- Until the likely grant settlements for 2013/14 and 2014/15 are known there is a risk that the assumptions made on external funding could prove incorrect.
- Sustained economic downturn leading to reduced membership and usage at leisure facilities and a reduction in planning fee income, which has been apparent in this financial year.

7 **Estimated Out-turn**

- 7.1 Members have requested that Budgetary Control Reports provide details on the likely out-turn position for each of the services reporting to this Board. The anticipated out-turn for this Board for 2011/12 is £10,140,870 as detailed in the table below: -

	£
Approved budget 2011/2012	10,127,570
Increased cost to NWBC of Building Control	34,000
Potential reduction in Planning Fee income	90,000
Loss of Leisure Income partially offset by reductions in employee costs	30,000
Refuse / Recycling Increased Costs	40,000
Additional recovery of Benefit Overpayments	(66,000)
Projected salary under spends in excess of vacancy factor	(55,000)
Non payment of £250 pay award	(30,000)
Innage Park Industrial Estate – lower vacancies, reduced NDR payments and lower buildings insurance	(16,970)
Reduction in Recruitment	(15,000)
Mapping Charge for Ordnance Survey	(7,000)
Reduction in WCC Contribution towards Customer Contact	9,270
Expected Out-turn 2011/12	10,140,870

- 7.2 The figures provided above are based on information available at this time of the year and are the best available estimates for this Board, and may change as the financial year progresses. Members will be updated in future reports of any changes to the forecast out turn.

8 Report Implications

8.1 Finance and Value for Money Implications

- 8.1.1 The Council's budgeted contribution from General Fund balances for the 2011/2012 financial year is £419,380. As can be seen above, an increase in net expenditure of around £13,300 is expected to date. The position will continue to be monitored closely and reported to Members at a future meeting of this Board.

- 8.1.2 Income and Expenditure will continue to be closely managed and any issues that arise will be reported to this Board for comment.

8.2 Environment and Sustainability Implications

- 8.2.1 The Council has to ensure that it adopts and implements robust and comprehensive budgetary monitoring and control to ensure not only the availability of services within the current financial year, but in future years.

The Contact Officer for this report is Nigel Lane (719371).

North Warwickshire Borough Council

Consolidated Budgetary Position for the Period 31 October 2011

Board	2011/12 Original Budget	Expected Spending October 2011	Actual Spending October 2011	Variance
Executive	558,510	329,805	295,315	(34,490)
Planning and Development	564,800	303,762	356,670	52,908
Licensing Committee	28,010	2,352	(772)	(3,124)
Community and Environment	5,399,250	3,095,962	3,078,898	(17,064)
Resources (including staff vacancies)	3,457,110	2,185,005	1,928,215	(256,790)
Net Board Expenditure	10,007,680	5,916,886	5,658,326	(258,560)
Contingencies	119,890	-	-	-
Net Board Expenditure	10,127,570	5,916,886	5,658,326	(258,560)
Investment Income	(100,000)	(57,808)	(75,581)	(17,773)
RCCO	130,000	75,833	75,833	-
Use of Balances	(419,380)	-	-	-
Financing Adjustment	(913,530)	(361,813)	(361,813)	-
Net Expenditure	8,824,660	5,573,098	5,296,765	(276,333)

Agenda Item No 14

Resources Board

21 November 2011

**Report of the
Chief Executive**

Exclusion of the Public and Press

Recommendation to the Board

That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.

Agenda Item No 15

Payment Management Replacement System – Report of the Assistant Director (Corporate Services)

Paragraph 3 – by reason of the report containing commercially sensitive information.

Agenda Item No 16

Irrecoverable Sundry Debts– Report of the Assistant Director (Finance and Human Resources)

Paragraph 3 - by reason of the report containing financial information relating to an organisation.

The Contact Officer for this report is David Harris (719222).