

CABINET AGENDA



TUESDAY 12 FEBRUARY 2019 AT 7.30 PM
CONFERENCE ROOM 2 - THE FORUM

The Councillors listed below are requested to attend the above meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Membership

Councillor Williams (Leader)	Councillor Marshall
Councillor Griffiths (Deputy Leader)	Councillor G Sutton
Councillor Elliot	Councillor D Collins
Councillor Harden	

For further information, please contact Corporate and Democratic Support or 01442 228209

AGENDA

1. MINUTES

To confirm the minutes of the meeting held on 29 January 2019.

2. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

3. DECLARATIONS OF INTEREST

To receive any declarations of interest

A member with a disclosable pecuniary interest or a personal interest in a matter who attends a meeting of the authority at which the matter is considered -

(i) must disclose the interest at the start of the meeting or when the interest becomes apparent

and, if the interest is a disclosable pecuniary interest, or a personal interest which is also prejudicial

(ii) may not participate in any discussion or vote on the matter (and must withdraw to the public seating area) unless they have been granted a dispensation.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Members' Register of Interests, or is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal and prejudicial interests are defined in Part 2 of the Code of Conduct for Members

[If a member is in any doubt as to whether they have an interest which should be declared they should seek the advice of the Monitoring Officer before the start of the meeting]

4. PUBLIC PARTICIPATION

An opportunity for members of the public to make statements and ask questions in accordance with the rules as to Public Participation.

5. REFERRALS TO CABINET

There were no referrals to Cabinet

6. CABINET FORWARD PLAN (Page 4)

7. BUDGET 2019/20 (Pages 5 - 176)

8. PERIOD 9 BUDGET MONITORING REPORT (Pages 177 - 198)

9. LOCAL PLAN UPDATE (Pages 199 - 217)

10. SENIOR OFFICER PAY 2019/20 (Pages 218 - 221)

11. GROWTH AND INFRASTRUCTURE STRATEGY (Pages 222 - 267)

12. NEW NORMAL PROGRAMME (Pages 268 - 289)

13. SOUTH WEST HERTS MEMORANDUM OF UNDERSTANDING (Pages 290 - 296)

14. EXCLUSION OF THE PUBLIC

To consider passing a resolution in the following terms:

That, under s.100A (4) of the Local Government Act 1972 Schedule 12A Part 1 as amended by the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during the items in Part 2 of the Agenda for this meeting, because it is likely, in view of the nature of the business to be transacted, that, if members of the public were present during those items, there would be disclosure to them of exempt information relating to the financial and business affairs of the Council and third party companies/organisations.

Local Government Act 1972, Schedule 12A, Part 1, paragraph 3.

15. LONGDEAN DUAL USE AGREEMENT (Pages 297 - 308)

CABINET FORWARD PLAN

	DATE	MATTERS FOR CONSIDERATION	Decision Making Process	Reports to Monitoring Officer/ S.151 Officer	CONTACT DETAILS	BACKGROUND INFORMATION
1.	19/03/19	Dog PSPO		28/02/19	David Austin, Assistant Director Neighbourhood Delivery, 01442 228355 david.austin@dacorum.gov.uk	To seek approval for a new PSPO in the Borough relating to dogs following public consultation over the summer.
2.	19/03/19	New Build Update (Part 1 and 2)		28/02/19	Fiona Williamson, Assistant Director Housing 01442 228855 Fiona.williamson@dacorum.gov.uk	To provide members with the progress on New Build schemes and the proposed pipeline of developments.
3.	19/03/19	Strategic Risk Register		28/02/19	James Deane, Corporate Director Finance & Operations 01442 228278 james.deane@dacorum.gov.uk	To be provided
4.	19/03/19	Safeguarding & Domestic Abuse Policies		28/02/19	Jon Chapman, Safeguarding Consultant 01442 228450 Jon.chapman@dacorum.gov.uk	To be provided
5.	23/04/19			04/04/19		
6.	21/05/19	Private Sector Housing Strategy		02/05/18	Fiona Williamson, Assistant Director Housing 01442 228855 Fiona.williamson@dacorum.gov.uk	To be provided

Future Cabinet Dates 2019: 25 June
30 July
10 September
15 October
12 November
10 December

Future Items:

Vehicle Repair Shop (D Austin) - To approve the maintenance and repair of equipment used by the Clean Safe and Green service being brought back in house
South West Herts Joint Strategic Plan (J Doe)
Car Parking Supplementary (J Doe)
Update on HLF Bid for the Bury Project and Next Steps (J Doe)



AGENDA

Report for:	Cabinet
Date of meeting:	12 February 2019
Part:	1
If Part II, reason:	

Title of report:	Budget 2019/20
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance & Resources James Deane, Corporate Director (Finance & Operations)
Purpose of report:	<p>To present to Cabinet budget proposals for recommendation to Council in relation to:</p> <ul style="list-style-type: none"> • Revenue and Capital Expenditure together with the potential use of reserves • The setting of the Council Tax for 2019/20 • The Treasury Management Strategy 2019/20 • The level of fees and charges for 2019/20 • Advice to Councillors on the robustness of the Budget proposals and adequacy of balances and reserves as required by the Local Government Act 2003
Recommendations	<p>It is recommended that Cabinet recommend Council to:</p> <p>General Fund Revenue Estimate</p> <ol style="list-style-type: none"> a) set a Dacorum Borough Council General Fund Council Tax requirement of £11.532m, and a provisional amount of £12.338m for the combined Borough Council and Parish Councils' requirement for 2019/20; b) approve an increase of 2.99% in Council Tax for Dacorum Borough Council; c) approve the base estimates for 2019/20, as shown in Appendix A1, and the indicative budget forecasts for 2019/20 – 2022/23, as shown in Appendix A2; d) approve the forecast balances of Revenue Reserves as shown in Appendix J, and approve section 10 of this report as the updated Reserves Strategy; e) approve increases in Fees and Charges for 2019/20 as set out in Appendices C3, D3, and E3;

	<p>f) approve and adopt the Treasury Management Strategy for 2019/20, attached at Appendix K;</p> <p>g) approve and adopt the Treasury Management Principles and Practices for 2019/20, attached at Appendix L;</p> <p>h) approve and adopt the Capital Strategy for 2019/20, attached at Appendix M;</p> <p>i) note that this budget paper, if approved by Council, will form part of the Medium Term Financial Strategy.</p> <p>Capital Programme</p> <p>j) approve the revised Capital Programme and Capital Strategy for 2018/19, and for 2019/20 to 2022/23, as detailed in Appendix I and Appendix M respectively;</p> <p>k) approve the financing proposals in Appendix I subject to an annual review of the financing options by the Corporate Director (Finance & Operations), in consultation with the Portfolio Holder for Finance and Resources, during the preparation of the Statement of Accounts.</p> <p>Housing Revenue Account (HRA)</p> <p>l) reduce dwelling rents by 1% in accordance with government legislation, resulting in an average rent of £100.08 per week (based on 52 weeks);</p> <p>m) approve the HRA estimate for 2019/20 as shown in Appendix F.</p> <p>Employer Terms & Conditions</p> <p>n) approve the continued application of a living wage supplement for all affected employees, in accordance with the rates of the Living Wage Foundation, for 2019/20 (to be reviewed annually thereafter).</p> <p>Statement by Chief Finance Officer</p> <p>o) approve the statement by the Chief Finance Officer regarding the robustness of the budget estimates and level of reserves as set out in Appendix N.</p>
Corporate objectives:	All of the Council's corporate objectives are reflected in the Budget proposals.
'Value For Money Implications'	Contained within the body of the report.
Risk Implications	Budget Risk Assessment completed within report (Appendix N).
Equalities Implications	Group Managers are responsible for carrying out Equality Impact Assessments for individual budget proposals contained within the overall budget. Group Managers will confirm these

	have been carried out prior to Budget and Council Tax setting.
Health And Safety Implications	None arising directly from this report.
Monitoring Officer/S.151 Officer Comments	<p>Monitoring Officer:</p> <p>Under the Council's Constitution it is the responsibility of Cabinet to draw up firm proposals for the Budget, having regard to the responses to the consultation, and to present those proposals to full Council for approval. Once full Council has approved the Budget it is the responsibility of Cabinet to implement it.</p> <p>S.151 Officer:</p> <p>Comments contained in body of report. Chief Finance Officer Statement contained in Appendix N of the report.</p>
Consultees:	<p>Overview and Scrutiny Committees</p> <p>Budget Review Group</p> <p>Town and Parish Councils</p> <p>Public Engagement Forum</p> <p>Corporate Management Team</p> <p>Leadership Team</p>
Background papers:	Joint Overview and Scrutiny Reports: 4 December 2018, and 5 February 2019.
Abbreviations	<p>GF – General Fund Revenue Account</p> <p>HRA – Housing Revenue Account</p> <p>MHCLG – Ministry of Housing, Communities & Local Govt</p> <p>MTFS – Medium Term Financial Strategy</p> <p>NHB – New Homes Bonus</p> <p>OSC – Overview and Scrutiny Committee</p> <p>PWLB – Public Works Loan Board</p> <p>RSG – Revenue Support Grant</p> <p>SFA – Settlement Funding Assessment</p>

Appendices to this report are as follows:

Corporate view

- Appendix A1 – General Fund Budget Summary 2019/20
- Appendix A2 – Draft General Fund MTFS update 2018/19 – 2022/23
- Appendix B1 – Budget Change Analysis 2018/19 – 2019/20
- Appendix B2 – Budget Summary by Overview & Scrutiny Committee

Finance & Resources

- Appendix C1 – Finance & Resources Budgets Summary 2019/20
- Appendix C2 – Finance & Resources Budgets Detail 2019/20
- Appendix C3 – Finance & Resources Fees and Charges 2019/20

Housing & Community

- Appendix D1 – Housing & Community Budgets Summary 2019/20
- Appendix D2 – Housing & Community GF Budgets Detail 2019/20
- Appendix D3 – Housing & Community Fees and Charges 2019/20

Strategic Planning & Environment

- Appendix E1 – Strategic Planning & Environment Budgets Summary 2019/20
- Appendix E2 – Strategic Planning & Environment Budgets Detail 2019/20
- Appendix E3 – Strategic Planning & Environment Fees and Charges 2019/20

Housing Revenue Account

- Appendix F – Housing Revenue Account Budget 2019/20
- Appendix G – Housing Revenue Account Movements 2018/19 -2019/20

Capital Programme

- Appendix H – Capital Programme Summary of new and amended projects
- Appendix I – Capital Programme 2018/19 - 2022/23, by OSC

Reserves

- Appendix J – Statement of Earmarked Reserves

Treasury Management

- Appendix K – Treasury Management Strategy Statement 2019/20
- Appendix L – Treasury Management Principles & Practices 2019/20

Capital Strategy

- Appendix M – Capital Strategy 2019/20

S151 Officer

- Appendix N – Statement by the Chief Finance Officer

1. The Budget-setting process

- 1.1 The 2019/20 budget proposal and the updated Medium Term Financial Model have been produced to ensure that the Council maintains a sustainable financial position over the planning period to 2022/23. The following Council strategies and policies have informed the budget-setting process:
- The Council's Vision and Priorities, as stated in the Corporate Plan
 - The Medium Term Financial Strategy (MTFS)
 - Service Strategies and Plans
- 1.2 In accordance with the Medium Term Financial Strategy, a Budget Review Group comprising the Leader, Portfolio Holder for Finance and Resources, Chief Officers and the Group Manager (Financial Services) has met to review and monitor emerging budget proposals throughout the budget preparation period.
- 1.3 There has been a series of budget briefings and planning meetings throughout the budget cycle involving Portfolio Holders and members of the Council's Leadership Team. In addition, there have been combined briefings for Overview and Scrutiny Committees in December 2018 and February 2019, during which Members undertook detailed scrutiny of the budget proposals.
- 1.4 External stakeholders have also been consulted, with the Corporate Director (Finance & Operations) providing a briefing to Town and Parish Clerks at the Parish Council in November 2018 followed in January 2019 by a residents' consultation event, where residents from across the borough had the opportunity to feedback on the Council's proposals for 2019/20.
- 1.5 The Council commissioned Opinion Research Services (ORS) to arrange and facilitate a consultation with a representative sample of 27 Dacorum residents. The event took place on 19 January 2019, and involved participants working in discussion groups to prioritise some broad strategic options open to the Council to address its savings targets. The full report is available on the Council's website.
- 1.6 At the end of the meeting, views were taken and 26 of the 27 attendees (96%) declared themselves satisfied with the Council's financial performance and strategy, with 26 of the 27 (96%) supporting the Council's proposal to increase Band D Council Tax by £5 per year. (Since the residents' forum took place, the Council has proposed to make use of newly confirmed flexibility in the setting of its Council Tax and increase it by 2.99%, which equates to £5.85 per year for a Band D.)

2. The 2019 Local Government Finance Settlement

- 2.1 On 13 December 2018, the Secretary of State for the Ministry of Housing, Communities and Local Government, James Brokenshire MP, made a statement to Parliament on the provisional Local Government Finance Settlement 2019/20.
- 2.2 The 2019/20 financial settlement is the final year of the four-year funding agreement announced in 2015 for those local authorities (including Dacorum)

that submitted an Efficiency Plan demonstrating how they would benefit from increased funding certainty. Given that 97% of local authorities accepted this offer, the level of central government funding, nationally, has remained largely as forecast in late 2015.

- 2.3 The largest source of central government funding is the Settlement Funding Assessment (SFA), which, nationally is set to reduce by 6.5% in 2019/20, down to £14.6bn. Since 2016/17, when the 4-year funding deal began, the total amount of annual SFA paid by government to local authorities has reduced by 31%, £6.7bn.
- 2.4 Future levels of local authority funding are uncertain as government continues its Fair Funding Review, which will change both the total amount of funding available and the method by which it is allocated between local authorities. However, based on Government's stated intention to divert increased resource to those authorities with social care responsibilities, it is likely that the total amount of funding available to district councils will reduce. Consultation on the new allocation model is expected in late 2019.

3. Dacorum's Key Funding Streams – Settlement Funding Assessment

- 3.1 Historically, the Council has benefitted from two elements of funding within the Local Government Finance Settlement (which together comprise the Settlement Funding Assessment (SFA)):
 - Revenue Support Grant (RSG)
 - Baseline Funding (the guaranteed element of Business Rates Retention)
- 3.2 **Revenue Support Grant** is general, unrestricted grant paid by Government to Local Authorities to support the provision of their day-to-day services. RSG is currently being phased out as Central Government continues to step back from its historical role in the Local Government finance model, instead driving an agenda of Locally Financed Expenditure in which LAs raise all funds locally, primarily through Council Tax and Business Rates growth.
- 3.3 The concept of 'negative RSG' was also introduced to enable Government to continue reducing the level of funding paid to an authority when there was no further RSG left to reduce. The idea was that the negative RSG would net off against the Business rates funding to bring total authority funding down to a level, which, in Government's opinion, reflected its level of need.
- 3.4 DBC ceased to receive RSG in 2018/19, and, under the original 4-year deal, was scheduled to pay negative RSG of £990k in 2019/20. However, within the December 2018 Settlement the Secretary of State announced that planned negative RSG payments would not be implemented, resulting in additional funding of £990k for DBC.
- 3.5 It is important to note that Government only ever intended negative RSG to be a transitional tool until each authority's needs-level funding could be captured and baselined within the new Business Rates funding methodology for 2020 and beyond. At this stage, Government has previously stated that RSG will cease to exist as a funding stream.

- 3.6 It is prudent to assume that Government has not fundamentally changed its medium-term assessment of Dacorum's level of need, and therefore that the suspension of negative RSG is a one-year relief, and not likely to be reflected in the funding methodology beyond 2020. On this basis, it is proposed to contribute the £990k to reserves to support spending on future one-off pressures relating to growth across the borough. This budget allocates £500k to the Dacorum Development Reserve and £400k to the Local Development Framework reserve. There is more detail on these reserves in section 10 of this report.
- 3.7 **Baseline Funding** is funded by Central Government through redistributed Business Rates, and the amount is determined by Government's assessment of need within Dacorum. The provisional settlement for 2019/20 is £2.97m compared to £2.9m in 2018/19 (an inflationary increase).
- 3.8 Baseline Funding is part of the Government's Business Rates Retention Scheme, which is designed to incentivise local authorities to grow their local economy by enabling them to share in any increase in Business Rates income (i.e. growth in the tax base). However, under the terms of the Scheme, the reverse is also true, i.e. that local authorities must absorb a portion of the lost business rates income arising from a contraction in the tax base.
- 3.9 There is currently a significant backlog of Business Rates valuation appeals that have been submitted by businesses across the country, including within Hertfordshire and Dacorum. The Valuation Office (VOA) is responsible for adjudicating on these appeals. Based on historical data, there is a risk that a high number of these backlogged appeals will be upheld, and that consequently Business Rates reductions will be granted to a sufficiently high number of businesses to reduce the Dacorum tax base.
- 3.10 However, annual tax base growth within the borough over the last couple of years, together with the Council having made adequate provision for successful appeals, indicates that the Council can budget for the full amount of Baseline Funding in 2019/20 plus £70k inflation and £370k of sustained economic growth across the borough over the last three years. The surplus growth from previous years has been allocated to the Funding Equalisation reserve and can be drawn down to fund a one-off shortfall in annual funding arising from an unforeseen significant in-year reduction in the tax base.
- 3.11 The December Settlement contained confirmation that a joint piece of work between all councils in Hertfordshire had been successful and that Hertfordshire Business Rates Pilot had been approved for 2019/20.
- 3.12 In September 2018, the Hertfordshire region responded to the MHCLG invitation for authorities to submit a 1-year proposal for 2019/20 to be a business rates pilot region with the ability to retain 75% of growth in business rates across the county rather than the standard 50%. (The remainder of the growth is surrendered to central government.)
- 3.13 Based on current growth forecasts the pooling arrangement could result in c£11m of additional funding for Hertfordshire, to be shared among the member councils based on a previously agreed allocation model (see report to Cabinet in September 2018 for more details). The DBC share is likely to be around £1m.

- 3.14 The final amount of additional funding cannot be confirmed until the end of 2019/20 when final business rates growth figures can be calculated across all member councils. On this basis, the budget recognises only half of the likely benefit for DBC in 2019/20, with the remainder, subject to the final growth position, to be received as a balancing payment in 2020/21.
- 3.15 All two-tier pilot schemes across the country are set to be subsumed by Government's new local authority funding mechanism for 2020 and beyond, following the completion of the Fair Funding Review. As a result, any benefits from the pilot scheme are effectively one-off funding and it would be imprudent for the Council to allocate them to support the provision of ongoing services. This budget recommends that the £500k forecast to be received in 2019/20 is contributed to the Dacorum Development reserve where it can be utilised for future one-off expenditure in support of initiatives to grow the borough.

4. Dacorum's Key Funding Streams – New Homes Bonus

- 4.1 The provisional NHB allocation for Dacorum in 2019/20 has been announced as £2.18M, an increase of £0.32M on the projected income in the Medium Term financial strategy, this is as a result of the greater numbers of new builds being developed.
- 4.2 Dacorum borough council has invested significantly in their own new build programme and this has delivered 175 units since 2015/16 and has an additional 341 units in the pipeline to be completed by 2023/24.
- 4.3 The funding allocation for New Homes Bonus was changed in 2017 and the basis of the allocation model is now to provide 4 years of funding per new home built in excess of the national growth baseline of 0.4% – i.e. Local Authorities will only receive NHB for growth in the number of dwellings above 0.4%. Government has reserved the right to revisit this baseline annually.
- 4.4 Since the introduction of New Homes Bonus in 2011/12, the Council has recognised its vulnerability as a funding stream (borne out by Government's significant changes to the allocation methodology in 2017), and has contributed the vast majority to support one-off capital expenditure.
- 4.5 The capital programme within this budget is currently fully funded for 2019/20, and therefore this budget proposes that the £2.18m NHB used for one-off expenditure is contributed to the Dacorum Development Reserve to support future growth projects across the borough.
- 4.6 A benefit of contributing to a revenue reserve is that the Council continues to earmark NHB funding to support borough-wide growth projects, but retains greater flexibility of funds by 'storing' them as revenue rather than capital. This provides an additional layer of protection for the Council as we head into the uncertainty of future funding stemming from the Fair Funding Review, and the potential impact of Brexit.

5. Dacorum's Key Funding Streams – Council Tax

- 5.1 The Council's Council Tax requirement for 2019/20 is calculated as £12.3m (inclusive of provisional parish precepts) and £11.5m (exclusive of parish precepts). The approved tax base for 2019/20 is 57,270.2 based on a collection rate of 99.4%.

- 5.2 The income due from Council Tax goes into the Collection Fund. Throughout the year, the actual number of properties (as well as allowances for exemptions, discounts or appeals) inevitably varies from the figure estimated at the start of the year. This leads to a change in the amount of Council Tax due, and therefore a surplus or deficit on the Collection Fund.
- 5.3 In 2018/19 a surplus position is forecast on the Collection Fund as at 31 March 2019 of £642,933.54. This surplus is shared between the Major Preceptors, i.e. the County, the Police Authority and the Borough, in proportion to their precepts for the year.
- 5.4 The proportion of this surplus that each of the Major Preceptors will receive from the Collection Fund when calculating the Council Tax for 2019/20 is as follows:

Dacorum Borough Council	£79,228.80
Hertfordshire County Council	£501,594.06
Hertfordshire Police & Crime Commissioner	£62,110.68
Total Surplus	£642,933.54

- 5.5 Cabinet approved the Collection Fund surplus in December 2018.
- 5.6 The Localism Act 2011 abolished Council Tax capping in England and instead allows local residents to reverse 'excessive' Council Tax increases by means of referendum. Within the 2019 Settlement, Government confirmed the referendum threshold for district councils at the higher of £5 or 2.99%. The proposed increase of £5.85 (2.99%) for Dacorum in 2019/20 is therefore within the threshold. This referendum threshold does not currently apply to Town and Parish Councils. The cost of holding a referendum within Dacorum is estimated to be around £80,000.

6. Local Government accounting requirements

- 6.1 The budget-setting process for the Council is governed by a number of statutory requirements. Some of the key requirements are explained, below.

Capital charges

- 6.2 Where a Service benefits from the use of a council-owned asset, the Revenue expenditure budget for that Service includes a nominal charge for the use of that asset. This is in line with standard accounting practices, and the nominal charge is known as a Capital Charge.
- 6.3 Capital Charges ensure that the 'true' cost of running a Service is captured in the budget. However, in order to ensure that this nominal charge is not passed onto the Council Tax payer, there is corresponding credit (reversing out the charge), which can be seen in the General Fund Summary (Appendix A1).
- 6.4 A rolling programme of valuations is undertaken by the Council's valuer, which ensures that the asset register is kept up-to-date, and that capital charges to Services are accurate. The Council's valuation method and calculation are subject to audit by the Council's external auditors, Grant Thornton. Any change in the use of assets, or revised valuation, or additional Capital Expenditure will affect the capital charge made to the Revenue Budget.

Prudential Code

6.5 The Council complies with the Prudential Code for controlling Local Government Capital Finance, and the Budget for 2019/20 has been prepared in the context of these plans and controls. (More details of the Prudential Code are included within the Treasury Management Strategy in Appendix K.) The key objectives of the Code are to ensure that:

- Capital Investment Plans are affordable, prudent, and sustainable;
- All external borrowings and other long term liabilities are within prudent and sustainable levels;
- Treasury Management decisions are taken in accordance with good practice and in a manner that supports prudence, affordability and sustainability;
- The Council is accountable for its decisions; and,
- The Code supports local strategic planning, local asset management planning and proper option appraisal.

7. Forecast Outturn 2018/19

7.1 Appendices C2, D2 and E2, which breakdown the proposed 2019/20 budget by Overview & Scrutiny Committee (OSC) remit, also show the forecast budget outturn for the current financial year, as at December 2018. This is included to provide Members with comparative context for the 2019/20 budget proposals.

7.2 As at January 2019, the outturn for financial year 2018/19 is forecast to be broadly on budget, with a variance to budget of less than 1%. However, if revenue underspends are identified as part of the year-end process, it is recommended that they be contributed to earmarked reserves in order to fund specified expenditure in future years. Formal approval for movements in reserves will be sought from Members as part of the year-end process. The Council's Reserves Strategy, including justifications for current balances and recommendations for future movements, can be found in paragraphs 10.1 – 10.12 of this report.

8. Budgetary assumptions 2019/20

8.1 The inflationary assumptions used to compile the 2019/20 estimates are set out below.

Inflation Factors	
Average salary Inflation (annual pay settlement) for 2019/20	2.45%
Business Rates	2.3%
Fuel	5%
Utility Cost increase assumptions: Gas	5%
Electricity	5%
Other Assumptions	
Return on investment	0.5%
Salary Vacancy Factor (excluding front-line Waste services)	5.0%
Growth in numbers of Band D equivalent properties	0.93%

8.2 The salary vacancy factor for the 2018/19 budget was 5%, excluding front line staff within Waste Services. Analysis of the employee related budget

undertaken during the last financial year shows that this level is appropriate. It is therefore proposed to maintain the vacancy factor at 5% for 2019/20.

9. Revenue Income

- 9.1 In addition to the key funding streams explained in section 5 of this report, the Council receives income from a number of sources.
- 9.2 Housing Rents received through the Council's housing stock are ring-fenced within the Housing Revenue Account (HRA) for the administration and maintenance of existing stock, and for the delivery of new buildings. More detail on the HRA budget is covered in section 13 of this report.
- 9.3 Investment Income – Low interest rates in recent years have led the Council to reduce its dependency on investment income as a means of financing revenue expenditure. Investment income has been further eroded as the Council has delivered a number of high value capital projects, which has reduced the capital balances, and, therefore, the balance of investable funds available. Budgeted General Fund investment income for 2019/20 is £188k, and £435k within the HRA. This assumes an average interest rate of 0.5%.
- 9.4 Fees and Charges – Service managers have proposed changes to fees and charges for 2019/20 as detailed in Appendices C3, D3 and E3.

10. Reserves Strategy

- 10.1 The Council's Reserves Strategy is reviewed annually, and was most recently approved by Members within Sections 10-20 of the Budget and Council Tax Setting Report (February 2018).
- 10.2 The Council holds two types of reserve, both of which are subject to audit by the Council's external auditors, Grant Thornton, as part of the year-end process. The two types of reserve are:
 - **Working balances**, which are required as a contingency against unforeseen events, and to ensure that the Council has sufficient funds available to meet its cash flow requirements. The Local Government Act 2003 requires the Section 151 Officer to report on the adequacy of financial reserves when setting the General Fund budget requirement for the year. This requirement is met within Appendix N.
 - **Earmarked reserves**, which are funds approved by Members to finance specific items of future expenditure. The Council's Financial Regulations dictate that Earmarked Reserves can be created only with Full Council approval, and subsequent transfers to and from those reserves require Full Council approval.
- 10.3 In line with the Council's approach in previous years, it is recommended that the **General Fund Working Balance** be maintained at a level between 5% and 15% of Net Service Expenditure. The proposed budget forecasts a General Fund Working Balance of £2.5m by the end of 2019/20, which equates to 15% of the Net Cost of Services of £17.194m (as shown in Appendix A1).
- 10.4 The **HRA Working Balance** is maintained by the Council at a level of not below 5% of turnover, as approved by Members as part of the MTFs Reserves Strategy. The proposed budget maintains the HRA Working Balance at £2.9m

by the end of 2019/20, which equates to 5.2% of the £56m turnover (as shown in Appendix F).

- 10.5 It is recommended that Council approve the continued use of these parameters for the maintenance of both General Fund and HRA Working Balances.

General Fund Earmarked Reserves

- 10.6 The General Fund budget proposes a Net Cost of Service of £17.2m, as set out in Appendix A1. A balanced budget has only been possible as a result of making savings within Services, generating increased income, and identifying efficiencies, together with a net contribution of £4.5m to earmarked reserves for non-recurring future items of expenditure (excluding Revenue Contributions to Capital). The proposed movements of General Fund earmarked reserves for revenue use in 2019/20 are as follows:

Earmarked Reserve	Net Movement to/(from) Reserves £000
Earmarked Grants Reserve	(10)
Management of Change Reserve	34
Savings Efficiencies Reserve	317
On Street Car Parking Reserve	(56)
Local Development Framework Reserve	250
Dacorum Development Reserve	3,134
Litigation Reserve	200
Vehicle Replacement Reserve	350
Invest to Save Reserve	170
Election Reserve	(90)
Training and Development Reserve	(23)
Housing Conditions Survey Reserve	(35)
Pensions Reserve	200
Maylands Plus Reserve	23
Total Net Movement	4,464

- 10.7 Appendix J identifies the proposed movements on General Fund Earmarked Reserves. All reserves have been reviewed during the preparation of the Budget for 2019/20, and there will be a further review of the reserves position as part of the closure of accounts process for 2018/19.
- 10.8 The justification for balances currently held by the Council within Earmarked Reserves is shown below.

- **Civic Buildings Major Repairs Reserve**
This reserve was created as the Civic Centre Major Repairs Reserve to cover the costs arising from unplanned repairs to the Civic Centre. It is recommended that a balance of £200k be retained in this reserve in order to finance costs associated with unplanned repairs to civic buildings.
- **Earmarked Grants Reserve**
This reserve has been set up for unutilised grants from current and prior years. Local authorities are free to use all of this non-ring fenced funding

as they see fit to support the delivery of local, regional and national priorities in their areas. It was previously agreed that £10k of this reserve be drawn down each year for four years (starting in 2018/19) in order to fund energy efficiency initiatives across the Council. This use of funding is in accordance with the award of the original £40k grant.

- **Management of Change Reserve**

To finance any one off costs of projects required to make improvements or significant changes to services for which no budgetary provision exists, including redundancy and pension strain payments.

With continually increasing pressure on the Council's funding streams, service transformation remains high on the Council's agenda. This has resulted in a recommended net draw down from this reserve of £34k in 2019/20, to fund various initiatives highlighted below;

- Revenue contribution to the reserve of £350k;
- Year 2 of a fixed term contract for a web developer (£46k);
- The new apprenticeship and graduate trainee recruitment programme implementation of (£185k)
- An intern within Innovation and Improvement (£24k);
- The roll out of food waste collection from flats (£61k).

- **Technology Reserve**

This reserve was set up to be utilised with the Management of Change reserve to invest in technology improvements that will help improve efficiency and resilience.

- **Savings Efficiencies Reserve**

This reserve was created in order to mitigate the risk of the Council's savings initiatives failing to complete on time, and thereby causing an in-year budgetary pressure. The reserve is funded through savings achieved ahead of the 'pre-smoothed' savings targets laid out in the MTFs. Achievement of all the savings initiatives planned for 2019/20 will result in a contribution to this reserve of £317k.

- **On Street Car Parking Reserve**

There are statutory requirements the Council must observe in relation to income derived from certain parking activities, particularly on street car parking and penalty charge notices. Any operating surplus generated from these activities is transferred to this reserve for future re-investment in parking activities. It is recommended that a contribution of £56k be drawn down from this reserve in 2019/20 in order to fund one-off costs associated with consultations on Controlled Parking Zones.

- **Local Development Framework Reserve**

This reserve is created to support the development of the local plan. This reserve as at the end of 2018/19 is fully depleted as a direct impact of the feasibility work undertaken in 2018/19 towards the development of the 2020 to 2036 Local Plan. In 2019/20, it is proposed to contribute £400k of revenue from the negative RSG and to draw down £146k to fund additional fixed term posts required to support the delivery of the local plan in 2019/20.

- **Dacorum Development Reserve**

This reserve was created to support regeneration and economic development initiatives across the Borough. The net contribution of

£3.134m proposed for 2019/20 includes a contribution of £500k from the suspension of negative Revenue Support Grant, £2.179m of New Homes Bonus and £0.5m of additional business rates income arising from the 75% retained business rates pilot for 2019/20. Drawdowns from the reserve include £20k to fund events planned to commemorate Armed Forces Day and, £25k to support revenue costs as part of the Planned Access and Movement project.

- **Planning Enforcement & Appeals Reserve**
To meet the costs of urgent action on planning enforcement, and stabilise the financing of fluctuating annual costs of planning appeals.
- **Planning and Regeneration Projects Reserve**
This reserve is designed to meet any one-off costs associated with planning or regeneration projects.
- **Litigation Reserve**
The funds within this reserve are held to support one-off costs associated with the defence against, or settlement of legal claims. A contribution to the reserve of £200k is proposed in 2019/20.
- **Vehicle Replacement Reserve**
This reserve was created to enable the Council to make regular contributions to the capital costs associated with replacing of key fleet vehicles. Funding replacement costs through Revenue Contributions to Capital enables the Council to reduce or avoid the costs associated with borrowing. From 2019/20 onwards, annual contributions to the reserve are recommended to continue at £350k.
- **Invest to Save Reserve**
This reserve was created in 2015/16 to support the one-off costs associated with spend to save initiatives and investing in new ways of working. It is used to fund the up-front costs of projects that can demonstrate payback within a 5-year period. Successful bids require sign-off by the S151 Officer, before requesting Member approval, and the proposed savings are removed, or income targets inserted, for the Service's future years' budgets at the point the bid is approved. A contribution of £170k to the reserve is proposed for 2019/20.
- **Tring Swimming Pool Repairs Reserve**
To set aside income from a dual use agreement in order to contribute toward the cost of future repairs at Tring Sports Centre.
- **Youth Provision Reserve**
To assist with repairs expenditure and the provision of youth provision.
- **Election Reserve**
This reserve was created to smooth the cost of Borough Elections over a four-year period. A draw down of £90k is proposed for 19/20 to support the cost of elections during the financial year.
- **Uninsured Loss Reserve**
To cover potential liabilities which are above the budgeted amount for uninsured losses or those covered by the Council's insurance policy. As

part of a re-tendering exercise in 2018, the Council undertook a detailed review of its insurance provision and risk exposure, and £500k was deemed a reasonable holding.

- **Training and Development Reserve**
This reserve was created to finance specific development programmes for Council staff. It complements the Management of Change reserve and ensures that Officers are able to access the training required to deliver services more efficiently. There is a draw down of £23k planned for 2019/20 to fund one-off costs associated with management training.
- **Housing Conditions Survey Reserve**
This reserve was created to smooth the costs associated with periodic Council inspections of private dwellings. The new draw down of £35k from the reserve represents £50k to support a housing conditions survey plus a top up of the reserve of £15k to support pressures relating to work on the private rented sector across the borough.
- **Dacorum Partnership Reserve**
This reserve was funded from the Performance Reward Grant received in 2009/10, and is used towards Dacorum Partnership projects.
- **Dacorum Rent Aid and Rent Guarantee Reserves**
These reserves are to provide assistance to clients to obtain/retain accommodation.
- **Funding Equalisation Reserve**
Funded through annual surpluses on the Collection Fund, this reserve is essentially a means of making the necessary accounting adjustments that arise when actual collection rates differ from forecast collection rates. It also contains previous years' growth in Business Rates in order to fund potential shortfalls in future years' funding. This surpluses in this reserve will be reviewed at point Baseline Funding is reset, following the implementation of the Fair Funding Review from 2020.
- **Pensions Reserve**
This reserve was created in 2012/13 in order to fund potential costs to the Council arising from the statutory triennial reviews of the pension scheme. The results of the December 2016 triennial review announced that the payments the Council currently makes are, based on present assumptions, sufficient to reduce the pensions deficit within the 20-year planning horizon employed by the actuary, and that no further increase or one-off payment is required. However, the scale of the current deficit repayments, at c£2m per year, means that a small change in actuarial assumptions can result in significantly increased payments. On this basis, it is recommended that the Council make an annual contribution of £200k to this reserve, to be reviewed at the next valuation in 2019/20.
- **Maylands Plus Reserve**
This reserve was created in 2013/14 to set aside surpluses generated at Maylands Business Centre for re-investment into Economic Development across the Borough.

Earmarked Reserves future priority areas

10.9 Priority areas that Members may wish to consider for future contributions to Earmarked Reserves, subject to outturn, include:

- **Management of Change Reserve**

This reserve has been used to fund a range of transformational projects over the last few years, as the Council seeks to deliver its services more efficiently. The continued reductions in grant from central government continue to underline the need for the Council's transformation agenda. There are a number of further projects in the pipeline, including the evolving digital agenda, and the focus on channel shift for public access to the Council's services.

- **Savings Efficiencies Reserve**

This reserve was created in order to mitigate the risk of the Council's savings initiatives failing to complete on time, and thereby causing an in-year budgetary pressure. The reserve will be funded through savings achieved ahead of the savings targets laid out in the MTFS.

Housing Revenue Account Earmarked Reserves

10.10 The Council holds one Earmarked Reserve within the HRA; the New Build and Capital Investments Reserve, with a forecast year-end balance of £18.1m. It is forecast that £4m will be drawn down from this reserve for the purchase of land in 2019/20.

10.11 The New Build and Capital Investments Reserve holds funds that before 2018/19 would have been contributed directly to capital rather than being held in a revenue reserve. The rationale behind keeping these funds within a revenue reserve is to enable the Council to benefit from the increased financial flexibility that comes with holding funds as revenue rather than capital. This increased flexibility enables the Council to mitigate its financial risk exposure to further changes in government legislation governing the setting of rent.

10.12 This approach does not change the Council's ability to use the funds for capital purposes. It simply preserves the flexibility of revenue until the funds are required within the Capital Programme. This reserve operates in tandem with the New Build programme approved within the HRA Business Plan.

Capital Reserve

10.13 This reserve is utilised to finance the Capital Programme. General Fund capital balances have now been fully utilised on a range of capital projects, and the balance brought forward to 2019/20 contains receipts from the sale of HRA properties under the Right-to-Buy scheme, along with the associated 1-4-1 receipts. It is estimated that the HRA capital balances will be £34.7m as at 1st April 2019, and £22.5 as at 31st March 2020.

11. Capital Programme

11.1 The Capital Programme has been structured to enable delivery of the Council's Corporate Plan over the medium- to long-term, and the detailed capital strategy is attached in appendix M. The Programme includes all of the capital schemes within both the General Fund and the Housing Revenue Account (HRA).

11.2 The recommended Capital Programme detailed in Appendix I includes a revised programme for 2019/20, together with a proposed 5-year programme

encompassing £255m of capital investment across the Borough. The capital programme in 2019/20 is £59m of which £42.3m is the HRA and £16.7m is the general fund.

11.3 Areas of major investment within the 5-year programme include:

General Fund

- £11m investment in a 5-year programme of fleet replacement and other plant and equipment.
- £11.1m capital investment to the council’s community facilities including Council-owned buildings, community infrastructure, car parks, public conveniences, cemeteries and leisure and sports premises
- £4.1m Investment in facilitating affordable housing developments and production of additional temporary accommodation provision.
- £3.7m Capital grants and loans to voluntary organisations and Private Sector Housing grants (including Disabled Facility Grants and improvement grants). It should be noted that the Council has no discretion over the payment of Disabled Facility Grants, which are mandatory.

Housing Revenue Account

- £90m for major capital repairs and replacements of components of the Housing Stock (such as bathrooms, roofs, windows, kitchens); and,
- £79.6m for the New Build programme.

Financing the Capital Programme

11.4 It is recommended that the Capital Programme for 2019/20 be financed as per the table below.

Proposed Financing for Capital Programme 2019/20	
	£m
Grants and External Funding	1.4
Capital Receipts and Reserves	31.7
Revenue Contribution	5.5
Borrowing – GF	6.7
Borrowing – HRA	13.7
Total Indicative Funding	59.0

11.5 Key assumptions around the Capital Programme’s primary financing streams are detailed below:

- **Major Repairs Reserve**
This relates exclusively to capital expenditure within the HRA, and is funded through annual depreciation charges on the Council’s housing stock.
- **Forecast of Capital Receipts**

In accordance with the Council's Medium Term Financial Strategy, estimates of the likely Capital Receipts to be generated during 2019/20 and subsequent years have been made based on the Council's Asset Management Plan and the current economic climate. The level of receipts anticipated during 2019/20 is £8.5m (of which £4.5m will relate to General Fund and £4.0m will relate to the HRA).

- **Revenue Contribution to Capital**

This refers to charges on revenue budgets in order to finance capital projects in 2019/20 the budget assumes the HRA will be contributing £5.5m.

- **Borrowing**

In May 2015, Members approved the Council's General Fund taking borrowing of £19.8m from the Public Works Loan Board (PWLB) in order to support the delivery of the approved Capital Programme. The PWLB offers low interest rate loans to Local Authorities, with interest rates derived from the gilt rate at which Government itself can raise funds.

Through the PWLB, the Council was able to structure a portfolio of loans, with a range of differing maturities (the longest at 40 years), designed to minimise the amount of interest payable by the Council whilst at the same time ensuring that annual repayments remain sustainable. The average interest rate secured was 2.9%, which reflects a discount of 40 basis points (0.4%) on the standard PWLB rates. This additional discount was secured through a combination of the PWLB's 'project rate' (20 bps) and through the Local Enterprise Partnership (LEP) support for the Council's regeneration programme (20 bps).

The Borrowing Strategy and policies are set out in Section 3 of the Treasury Management Strategy, see Appendix K.

11.6 To ensure that the Council optimises its Capital Receipts and returns on existing assets, it is essential that all assets be kept under review in line with the Asset Management Strategy and Medium Term Financial Strategy. Cabinet will be briefed at least annually on the performance of assets and in particular non-operational assets. The briefing will identify any potential surplus assets that do not meet the Council's needs and may be considered for formal decision for disposal.

12. Treasury Management Strategy

12.1 In accordance with the requirements of the Local Government Act 2003 the Council produces an annual Treasury Management Strategy, see Appendix K. This appendix includes:

- the reporting of prudential indicators, as required by the CIPFA Prudential Code for Capital Finance in Local Authorities (Section 2);
- the Borrowing Strategy (Section 3); and,
- the Investment Strategy in accordance with CIPFA Code of Practice on Treasury Management (Section 4).

13. Housing Revenue Account 2019/20

13.1 The HRA 'Self-Financing' regime was introduced under the Localism Act in April 2012. It replaced the previous HRA subsidy arrangements and required the Council to make a settlement payment to the Government of £354.015 million.

13.2 The Council has a duty to budget under Section 76 of the Local Government and Housing Act 1989 'to prevent a debit balance on the HRA'. The Council sets its own target balance at a minimum of 5% of total income, which for 2019/20 equates to £2.9m. The Council keeps the medium and long-term funding of housing services under regular review through updates to the HRA Business Plan.

HRA Business Plan update

13.3 The HRA Business Plan is a thirty-year plan, which encompasses both the financial and service related objectives. The long-term perspective is crucial to ensure that the service and its primary asset, the housing stock, is projected to be 'fit for purpose' throughout the whole period.

13.4 As the business plan projects forward thirty years, there will inevitably be opportunities and pressures that are difficult to predict. However, as it forms the basis of service delivery and asset management strategy, it will be regularly updated to take account of changed circumstances, tenant and Member priorities.

HRA Financial assumptions for 2019/20

13.5 The HRA business plan incorporates the following key financial assumptions, based on the draft 2019/20 HRA budget:

Budget	Assumptions
HRA Working Balance	Minimum 5% of turnover.
Major Repairs Reserve (MRR) Balance	Nil – to be fully utilised each year to fund capital works and new build
Rent	In 2019/20 -1%, from 2020 onwards CPI (2.2%) + 1% (3.2% total) throughout plan. New tenancies re-let at (social) formula rent.
RPI	3.3% as per historic RPI (since 2001).
CPI	2.2% as per historic CPI (since 2001).
New Build Programme	175 units built, 118 in progress currently, 223 in the pipeline.
Void and Bad Debts	Void: 0.8% of gross income Bad Debts: 1.32% rising to 1.86% to provide for the impact of Welfare Reform.
Right to Buy	Assumption of 20 for 2019/20.

13.6 In 2015, Government issued new legislation on social rent setting for the four years commencing in April 2016. This legislation imposes a 1% rent reduction on social housing properties every year for the next four years. This legislation constitutes a fundamental change to Government's previous involvement in the setting of local authority rents, which has until now been limited to the issuance of guidance as opposed to legislation.

13.7 Implementing this legislation had a significant effect on the Council's HRA Business Plan, reducing rental income by £30m over the four-year period, and by a forecast £750m over the 30-year life of the plan.

13.8 An updated HRA Business Plan will be brought to Cabinet in the spring of 2019.

14. Staff Terms and Conditions

14.1 Within the 2015/16 Budget, the Council introduced a Living Wage supplement for all affected employees, in accordance with the Living Wage Foundation. Council agreed to review the Living Wage annually thereafter, but did not seek accreditation thereby avoiding the loss of autonomy that might entail.

14.2 The Living Wage is announced each year by the Living Wage Foundation based on a calculation by the Centre for Research in Social Policy at Loughborough University. It reflects the costs of those items identified by the University's consultation groups as necessary for a minimum acceptable standard of living.

14.3 The current 'out of London' living wage, which would apply to the Council, was announced in November 2018 as £9.00 per hour, a 25 pence increase over the previous year. The total cost to ensure all Council employees are the Living Wage for 2019/20 is approximately £30k. This increase has been included within the Budget proposals.

15. Summary and Conclusion

15.1 This report sets out how the Council will provide the financial resources required to achieve its priorities during the next financial year. It assumes that planned savings will be achieved and that the Capital Programme will be delivered on time and to budget.

15.2 The statement from the Chief Finance Officer at Appendix N provides assurance regarding the robustness of the 2019/20 budget and the level of the Council's reserves.

DRAFT GENERAL FUND BUDGET SUMMARY 2019/20

APPENDIX A1

	Original 2018/19	Growth / (Savings)	Estimate 2019/20 1st OSC 4.12.18	Growth / (Savings)	Estimate 2019/20 Cab 12.2.19
	£000	£000	£000	£000	£000
Service Expenditure & Income					
Employees	23,242	1,239	24,481	144	24,625
Premises	4,456	12	4,468	(20)	4,448
Transport	1,430	(11)	1,419	10	1,429
Supplies & Services	7,070	262	7,332	16	7,348
Third-Parties	609	147	756	0	756
Transfer Payments	47,199	0	47,199	0	47,199
Capital Charges & Bad Debts	4,491	0	4,491	426	4,917
Income	(16,611)	(1,227)	(17,838)	60	(17,778)
Grants and Contributions	(51,235)	(262)	(51,497)	(40)	(51,537)
Recharge to HRA	(4,114)	(28)	(4,142)	(71)	(4,213)
Net Cost Of Services	16,537	132	16,669	525	17,194
Less:					
Interest Receipts	(158)	(30)	(188)	0	(188)
Interest Payments & MRP	970	0	970	0	970
Reversal of Capital Charges	(4,344)	(32)	(4,376)	(426)	(4,802)
Revenue Contributions to Capital	2,111	(229)	1,882	(1,882)	0
Net movement to/(from) Earmarked Reserves	1,028	652	1,680	2,784	4,464
Budget Requirement General Fund	16,144	493	16,637	1,001	17,638
Parish Precepts	764	42	806	0	806
Budget Requirement Including Parishes	16,908	535	17,443	1,001	18,444
Funded by:					
Revenue Support Grant/Tariff	0	0	0	0	0
Business Rates Retained	(2,960)	(389)	(3,349)	(440)	(3,789)
New Homes Bonus/Government Grants	(2,086)	229	(1,857)	(322)	(2,179)
Other Government Grants	0	0	0	0	0
Council Tax (Surplus)/Deficit	0	0	0	(139)	(139)
Business Rates (Surplus)/Deficit	0	0	0	0	0
Net Expenditure before Council Tax	11,862	375	12,237	100	12,337
Demand on the Collection Fund	(11,867)	(430)	(12,297)	(40)	(12,337)
Net Change in General Fund Balance	(5)	(55)	(60)	60	0
General Fund Balance B/Fwd	(2,502)		(2,509)		(2,509)
In year use	(7)		(60)		0
General Fund Balance C/Fwd	(2,509)		(2,569)		(2,509)

GENERAL FUND MEDIUM TERM FINANCIAL STRATEGY UPDATE					
	Revised 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22	Estimate 2022/23
	£000	£000	£000	£000	£000
Service Expenditure & Income					
Employees	23,687	24,693	26,458	25,468	25,977
Premises	4,352	4,459	4,569	4,670	4,775
Transport	1,430	1,431	1,493	1,558	1,625
Supplies & Services	7,345	7,314	7,217	7,370	7,495
Third-Parties	712	757	772	788	803
Transfer Payments	47,199	47,199	47,199	47,199	47,199
Capital Charges & Bad Debts	4,491	4,917	4,919	4,922	4,924
Income	(67,842)	(69,363)	(70,145)	(70,680)	(70,997)
Recharge to HRA	(4,114)	(4,213)	(4,365)	(4,453)	(4,542)
Cumulative Savings	0	0	(0)	(69)	(754)
Net Cost Of Services	17,260	17,194	18,118	16,772	16,505
Less:					
Interest Receipts	(158)	(188)	(188)	(188)	(188)
Interest Payments & MRP	970	970	956	1,077	1,077
Reversal of Capital Charges	(4,344)	(4,802)	(4,802)	(4,802)	(4,802)
Revenue Contributions to Capital	2,111	0	0	2,100	0
Net movement to/(from) Earmarked Reserves	320	4,464	1,769	202	2,302
Budget Requirement General Fund	16,159	17,638	15,853	15,161	14,894
Parish Precepts	778	806	834	863	893
Budget Requirement Including Parishes	16,937	18,444	16,687	16,024	15,787
Funded by:					
Use of General Fund Balance	7	0	0	0	0
(Revenue Support Grant)/Tariff	0	0	1,640	2,440	3,225
Transition Grant	0	0	0	0	0
Business Rates Retained	(2,971)	(3,789)	(3,865)	(3,177)	(3,241)
New Homes Bonus/Government Grants	(2,086)	(2,179)	(1,557)	(1,334)	(1,334)
Council Tax (Surplus)/Deficit	0	(139)	0	0	0
Business Rates (Surplus)/Deficit	0	0	0	0	0
Net Expenditure before Council Tax	11,887	12,337	12,905	13,953	14,437
Demand on the Collection Fund	(11,872)	(12,337)	(12,771)	(13,213)	(13,670)
General Fund Balance B/Fwd	(2,502)	(2,509)	(2,509)	(2,509)	(2,509)
In year use	(7)	0	0	0	0
General Fund Balance C/Fwd	(2,509)	(2,509)	(2,509)	(2,509)	(2,509)
Total Savings Requirement		366	348	687	699
of which,					
Savings identified, and already delivered		0	0	0	0
Savings identified, but still to be delivered		(366)	(280)	(15)	0
Savings still to be identified		0	68	672	699

GENERAL FUND BUDGET CHANGE ANALYSIS 2019/20
EMPLOYEE EXPENDITURE

2018/19 Employee Budget		23,242
Inflation		
Pay award of 2% per annum (estimate)		414
Additional effect of new LGS payscales (estimate)		43
Increments		168
Sub total - Inflation		625
Growth items		
Group Manager Legal and Corporate Services	Mark Brookes	77
Electoral Registration Officer	Mark Brookes	24
Planning Establishment	Sara Whelan	30
Waste Services - new round for food waste collection from flats	Craig Thorpe	56
Other growth items under £15k		36
Sub total - Growth items		223
Removal of 2018/19 one-off items (reserve / grant funded)		
Cycle Hub set up costs	Matthew Rawdon	(20)
Flats Recycling project fixed term posts	Craig Thorpe	(81)
Water Gardens	Chris Taylor	(21)
Ambassadors Programme	Chris Taylor	(43)
Sub total - Removal of 2018/19 one-off items		(165)
2019/20 one-off items (reserve / grant funded)		
Borough Elections employees costs	Mark Brookes	90
Innovation and Improvement Intern - one year fixed term post	Ben Trueman	13
Local Development Framework fixed term posts	Chris Taylor	146
Apprenticeship and graduate trainee programme	Matthew Rawdon	185
Short term growth required in Building Control	Sara Whelan	60
Waste Services - food waste project team	Craig Thorpe	55
Sub total - 2019/20 one-off items		549
Efficiency savings		
Clean, Safe & Green review	Craig Thorpe	(100)
Legal and Corporate Services restructure	Mark Brookes	(29)
ICT team review	Ben Trueman	(27)
Environmental Management function review	Nigel Howcutt	(45)
Customer Services operational review	Matthew Rawdon	(10)
Other items under £15k		(14)
Sub total - Efficiency savings		(225)
Other		
Financial services restructure - increased recharge to HRA		21
CCTV increased recharge to HRA		14
Increased use of Flexible Homelessness Support grant funding		130
Internal movement of budget (no growth or efficiencies to services)		211
Sub total - Other		376
Total change year on year		1,383
2019/20 Employee Budget		24,625

**GENERAL FUND BUDGET CHANGE ANALYSIS 2019/20
PREMISES EXPENDITURE**

2018/19 Premises Budget		4,456
Inflation		
General inflation		96
Sub total - Inflation		96
Growth items		
Car Parks Business Rates		40
Sub total - Growth items		40
Efficiency savings		
Car Parks reduction in Business Rates		(53)
Sub total - Efficiency savings		(53)
Removal of 2018/19 one-off items (reserve / grant funded)		
Temporary Accommodation (Leys Road) improvements	Natasha Beresford	(50)
Sub total - Removal of 2018/19 one-off items		(50)
2019/20 one-off items (reserve / grant funded)		
Borough Elections premises costs	Mark Brookes	30
Sub total - 2019/20 one-off items		30
Other		
Internal movement of budget (no growth or efficiencies to services)		(83)
CCTV increased recharge to HRA		12
Sub total - Other		(71)
Total change year on year		(8)
2019/20 Premises Budget		4,448

**GENERAL FUND BUDGET CHANGE ANALYSIS 2019/20
TRANSPORT EXPENDITURE**

2018/19 Transport Budget		1,430
Inflation		
General inflation		59
Sub total - Inflation		59
Growth items		
Waste Services - new round for food waste collection from flats	Craig Thorpe	10
Sub total - Growth items		10
Efficiency savings		
Environmental Services fuel efficiencies	Craig Thorpe	(81)
Sub total - Efficiency savings		(81)
Other		
Internal movement of budget (no growth or efficiencies to services)		11
Sub total - Other		11
Total change year on year		(70)
2019/20 Transport Budget		1,429

GENERAL FUND BUDGET CHANGE ANALYSIS 2019/20 SUPPLIES & SERVICES EXPENDITURE		
2018/19 Supplies & Services Budget		7,070
<u>Inflation</u>		
Inflation on contracted services		72
Sub total - Inflation		72
<u>Growth items</u>		
Co-mingled waste disposal costs	Craig Thorpe	450
ICT licences - Enterprise Licence agreements and CRM	Ben Trueman	80
Forum room booking system	Ben Trueman	20
Members' Allowances	Mark Brookes	17
Sub total - Growth items		567
<u>Removal of 2018/19 one-off items (reserve / grant funded)</u>		
Leisure contract one-off year one costs	Matthew Rawdon	(375)
Get Set Go (final year of project)	Matthew Rawdon	(25)
Ambassadors Programme	Chris Taylor	(25)
Homelessness Prevention fund	Natasha Beresford	(51)
Cycle Hub set up costs	Matthew Rawdon	(20)
Sub total - Removal of 2018/19 one-off items		(496)
<u>2019/20 one-off items (reserve / grant funded)</u>		
Housing Conditions Survey	Natasha Beresford	50
Controlled Parking Zones	Ben Hosier	56
Parking Access and Movement project costs	Chris Taylor	25
Waste Services - one-off costs for food waste collection from flats	Craig Thorpe	6
Sub total - 2019/20 one-off items		137
<u>Efficiency savings</u>		
Central Admin postage	Mark Brookes	(20)
Tourism contract	Chris Taylor	(20)
Cupid Green waste transfer site disposal costs	Craig Thorpe	(40)
Community grants budget reduction	Matthew Rawdon	(10)
Community grants budget reinstatement	Matthew Rawdon	10
Planning Software maintenance	Sara Whelan	(10)
Other items under £15k		(28)
Sub total - Efficiency savings		(118)
<u>Other</u>		
Internal movement of budget (no growth or efficiencies to services)		116
Sub total - Other		116
Total change year on year		278
2019/20 Supplies & Services Budget		7,348

**GENERAL FUND BUDGET CHANGE ANALYSIS 2019/20
THIRD-PARTY PAYMENTS**

2018/19 Third Party Payments Budget	609
Inflation	
General inflation	16
Sub total - Inflation	16
Growth items	
Facilities Management	75
Ben Hosier	
Sub total - Growth items	75
Efficiency savings	
HR systems review	(10)
Matthew Rawdon	
Sub total - Growth items	(10)
Other	
Internal movement of budget (no growth or efficiencies to services)	66
Sub total - Other	66
Total change year on year	147
2019/20 Third Party Payments Budget	756

**GENERAL FUND BUDGET CHANGE ANALYSIS 2019/20
TRANSFER PAYMENTS**

2018/19 Transfer Payments Budget	47,199
Total change year on year	0
2019/20 Transfer Payments Budget	47,199

**GENERAL FUND BUDGET CHANGE ANALYSIS 2019/20
INCOME**

2018/19 Income Budget		(16,611)
Inflation		
General inflation		(192)
Sub total - Inflation		(192)
Removal of 2018/19 one-off items (reserve / grant funded)		
Ambassadors Programme	Chris Taylor	30
Sub total - Removal of 2018/19 one-off items		30
Growth items		
Forum service charges	Ben Hosier	40
Market Contract	Chris Taylor	40
Sub total - Growth items		80
Increased income		
The Forum tenancy	Ben Hosier	(261)
Temporary Accommodation new build sites	Natasha Beresford	(32)
Berkhamsted Multi-storey car park	Ben Hosier	(126)
Berkhamsted Multi-storey car park - adjustment due to timing	Ben Hosier	53
Investment Property income	Richard Rice	(170)
Planning Fees (volume related)	Sara Whelan	(50)
Temporary Accommodation	Natasha Beresford	(150)
Private Sector Housing licensing of HMOs	Natasha Beresford	(30)
Kylna Business Centre	Chris Taylor	(10)
Commercial waste recycling	Craig Thorpe	(25)
Other items under £10k		(19)
Sub total - Efficiency savings		(820)
Other		
Internal movement of budget (no growth or efficiencies to services)		(265)
Sub total - Other		(265)
Total change year on year		(1,167)
2019/20 Income Budget		(17,778)

GENERAL FUND BUDGET CHANGE ANALYSIS 2019/20 GRANTS, REIMBURSEMENTS AND CONTRIBUTIONS		
2018/19 Grants, Reimbursements and Contributions Budget		(51,235)
Inflation		
General inflation		(17)
Sub total - Inflation		(17)
Growth items		
Reduction to Benefits Administration Subsidy grant	Chris Baker	60
Amendment to Benefits Administration Subsidy grant	Chris Baker	(20)
Sub total - Growth items		60
Removal of 2018/19 one-off items (reserve / grant funded)		
Water Gardens grant income	Chris Taylor	35
Sub total - Removal of 2018/19 one-off items		35
Increased income		
Leisure contract	Ben Hosier	(121)
Legal fees	Mark Brookes	(20)
Gadebridge Splash Park kiosk concession	Craig Thorpe	(12)
Community Infrastructure Levy administration fee	Chris Taylor	(20)
Sub total - Increased income		(173)
Other		
Flexible Homelessness Support grant increased use of funding		(130)
Internal movement of budget (no growth or efficiencies to services)		(57)
Sub total - Other		(187)
Total change year on year		(302)
2019/20 Grants, Reimbursements and Contributions Budget		(51,537)
GENERAL FUND BUDGET CHANGE ANALYSIS 2019/20 RECHARGE TO THE HRA		
2018/19 Recharge to the HRA		(4,114)
Other		
Financial Services restructure - increased recharge to HRA		(21)
Increased CCTV recharges (CCTV monitoring at flats)		(25)
Decreased recharge to the HRA from Support Services recharges		18
Increased recharge to the HRA from increased depreciation charges (The Forum, ICT equipment)		(71)
Sub total - Other		(99)
Total change year on year		(99)
2019/20 Recharge to the HRA		(4,213)

OVERVIEW AND SCRUTINY COMMITTEE GENERAL FUND BUDGETS 2019/20				
	Finance & Resources 2019/20 (£)	Housing & Community 2019/20 (£)	Planning & Environment 2019/20 (£)	Total (£)
Employees	10,563	3,965	10,097	24,625
Premises	2,620	886	942	4,448
Transport	225	18	1,187	1,429
Supplies & Services	3,834	1,280	2,233	7,348
Third-Parties	672		84	756
Capital Charges	2,131	1,083	1,704	4,917
Transfer Payments	47,144	55	0	47,199
Income	(8,754)	(4,909)	(4,115)	(17,778)
Grants and Contributions	(48,599)	(692)	(1,896)	(51,187)
Other Income (Housing Benefit Overpayments)	(350)			(350)
Recharges	(5,995)	(50)	1,832	(4,213)
Net Expenditure by Committee	3,490	1,635	12,069	17,194

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGETS 2019/20					
	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
Finance & Resources					
Employees	10,016,590	10,126,340	10,562,690	546,100	5%
Premises	2,699,230	2,647,840	2,619,912	(79,318)	(3%)
Transport	215,370	228,632	224,610	9,240	4%
Supplies & Services	3,852,707	4,221,739	3,834,200	(18,507)	(0%)
Third-Parties	520,800	721,980	672,250	151,450	29%
Capital Charges	1,946,150	1,946,150	2,130,600	184,450	9%
Transfer Payments	47,144,000	47,144,000	47,144,000	0	0%
Income	(8,112,190)	(8,275,085)	(8,753,860)	(641,670)	(8%)
Grants and Contributions	(48,501,771)	(48,578,560)	(48,599,035)	(97,264)	(0%)
Other Income	(350,000)	(350,000)	(350,000)	0	0%
Recharges	(5,928,306)	(6,083,608)	(5,995,297)	(66,991)	(1%)
Net Expenditure: Finance & Resources	3,502,580	3,749,429	3,490,070	(12,510)	(0%)

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £	%
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Finance & Resources

Chief Executive's Unit (Sally Marshall)

Facilitating Change (Sally Marshall)

Supplies & Services	100,000	100,000	100,000	0	0%
Grants and Contributions	0	(17,500)	0	0	
Recharges	(100,000)	(82,500)	(100,000)	0	0%
Net Expenditure: Facilitating Change	0	0	0	0	0%

Management Team and Other Support Overheads (Sally Marshall)

Employees	437,670	454,322	459,590	21,920	5%
Transport	610	610	620	10	2%
Supplies & Services	11,930	11,930	11,940	10	0%
Recharges	(450,210)	(466,862)	(472,150)	(21,940)	(5%)
Net Expenditure: Management Team and Other Support Overheads	0	0	0	0	0%

Net Expenditure: Chief Executive's Unit

0 0 (0) 0 0%

Corporate and Contracted Services

Sports Development and Community Recreation (Ben Hosier)

Premises	35,570	35,570	36,390	820	2%
Supplies & Services	388,180	388,180	13,180	(375,000)	(97%)
Capital Charges	848,610	848,610	797,000	(51,610)	(6%)
Income	(7,120)	(6,855)	(7,280)	(160)	(2%)
Grants and Contributions	(8,190)	(8,000)	(128,925)	(120,735)	(1474%)
Recharges	115,783	143,412	170,550	54,766	47%
Net Expenditure: Sports Development and Community Recreation	1,372,833	1,400,917	880,915	(491,919)	(36%)

Car Parking (Ben Hosier)

Employees	81,240	83,808	83,450	2,210	3%
Premises	444,860	398,261	443,060	(1,800)	(0%)
Transport	1,090	500	1,120	30	3%
Supplies & Services	508,257	682,617	763,790	255,533	50%
Third-Parties	24,000	24,000	24,550	550	2%
Capital Charges	43,550	43,550	87,800	44,250	102%
Income	(2,123,120)	(2,284,320)	(2,356,440)	(233,320)	(11%)
Recharges	353,634	365,822	388,558	34,924	10%
Net Expenditure: Car Parking	(666,489)	(685,762)	(564,112)	102,377	15%

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
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Property Management and Office Accommodation (Ben Hosier)					
Premises	449,710	295,894	303,780	(145,930)	(32%)
Supplies & Services	15,540	20,100	20,240	4,700	30%
Third-Parties	307,200	522,000	463,740	156,540	51%
Capital Charges	315,000	315,000	471,100	156,100	50%
Income	(240,640)	(106,704)	(388,960)	(148,320)	(62%)
Recharges	(846,809)	(1,046,290)	(869,901)	(23,092)	(3%)
Net Expenditure: Property Management and Office Accommodation	(0)	0	0	0	0%

Procurement Services (Ben Hosier)					
Employees	192,470	201,824	194,770	2,300	1%
Transport	320	320	330	10	3%
Supplies & Services	2,620	4,050	2,640	20	1%
Recharges	(195,410)	(206,194)	(197,740)	(2,330)	(1%)
Net Expenditure: Procurement Services	(0)	0	0	0	0%

Democratic Representation and Management (Mark Brookes)					
Employees	183,930	146,392	223,090	39,160	21%
Transport	4,180	13,209	12,270	8,090	194%
Supplies & Services	453,120	469,848	473,070	19,950	4%
Income	(1,160)	(1,160)	(1,190)	(30)	(3%)
Recharges	883,763	888,074	844,259	(39,504)	(4%)
Net Expenditure: Democratic Representation and Management	1,523,833	1,516,362	1,551,499	27,666	2%

Corporate Management (Mark Brookes)					
Recharges	402,156	467,664	422,066	19,910	5%
Net Expenditure: Corporate Management	402,156	467,664	422,066	19,910	5%

Registration of Electors (Mark Brookes)					
Employees	90,910	105,388	161,270	70,360	77%
Transport	150	150	150	0	0%
Supplies & Services	69,130	69,130	83,310	14,180	21%
Capital Charges	570	570	0	(570)	(100%)
Income	(1,590)	(1,590)	(1,630)	(40)	(3%)
Recharges	60,733	51,510	50,727	(10,006)	(16%)
Net Expenditure: Registration of Electors	219,903	225,158	293,827	73,924	34%

Conducting Elections (Mark Brookes)					
Employees	0	0	90,000	90,000	
Premises	0	0	30,000	30,000	
Recharges	10,852	11,028	6,145	(4,708)	(43%)
Net Expenditure: Conducting Elections	10,852	11,028	126,145	115,293	1062%

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
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Local Welfare Assistance Schemes (Mark Brookes)					
Supplies & Services	2,460	0	2,520	60	2%
Recharges	35	35	0	(35)	(100%)
Net Expenditure: Local Welfare Assistance Schemes	2,495	35	2,520	25	1%

Legal Services (Mark Brookes)					
Employees	478,610	447,222	465,230	(13,380)	(3%)
Transport	1,350	1,350	1,380	30	2%
Supplies & Services	52,920	43,310	48,420	(4,500)	(9%)
Capital Charges	13,360	13,360	9,100	(4,260)	(32%)
Income	(5,420)	(23,500)	(15,430)	(10,010)	(185%)
Grants and Contributions	(56,560)	(101,500)	(76,730)	(20,170)	(36%)
Recharges	(484,260)	(380,241)	(431,969)	52,291	11%
Net Expenditure: Legal Services	0	(0)	(0)	0	0%

Central Administration (Mark Brookes)					
Employees	332,390	322,588	300,620	(31,770)	(10%)
Transport	440	440	460	20	5%
Supplies & Services	203,620	183,620	183,220	(20,400)	(10%)
Third-Parties	1,060	1,060	1,080	20	2%
Capital Charges	26,270	26,270	17,100	(9,170)	(35%)
Income	(520)	(520)	(530)	(10)	(2%)
Recharges	(563,259)	(533,457)	(501,949)	61,310	11%
Net Expenditure: Central Administration	0	(0)	0	0	0%

Management Team and Other Support Overheads (Mark Brookes)					
Employees	74,100	53,077	158,950	84,850	115%
Transport	740	740	760	20	3%
Supplies & Services	1,860	1,860	1,870	10	1%
Recharges	(76,700)	(55,677)	(161,580)	(84,880)	(111%)
Net Expenditure: Management Team and Other Support Overheads	0	0	(0)	(0)	0%

Net Expenditure: Corporate and Contracted Services	2,865,585	2,935,404	2,712,859	(152,725)	(5%)
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Finance & Operations Management (James Deane)

Internal Audit (James Deane)					
Third-Parties	101,770	87,140	104,110	2,340	2%
Recharges	(101,770)	(87,140)	(104,110)	(2,340)	(2%)
Net Expenditure: Internal Audit	(0)	0	0	0	0%

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
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Management Team and Other Support Overheads (James Deane)					
Employees	337,510	350,313	346,040	8,530	3%
Transport	0	200	0	0	
Supplies & Services	2,810	167,848	2,820	10	0%
Recharges	(340,320)	(518,361)	(348,860)	(8,540)	(3%)
Net Expenditure: Management Team and Other Support Overheads	0	0	(0)	(0)	0%

Net Expenditure: Finance & Operations Management (0) 0 0 0 0%

Finance & Resources (Nigel Howcutt)

Housing Benefit Payments (Chris Baker)					
Capital Charges	35,000	35,000	35,000	0	0%
Transfer Payments	23,440,000	23,440,000	23,440,000	0	0%
Grants and Contributions	(23,673,850)	(23,673,850)	(23,673,850)	0	0%
Other Income	(190,000)	(190,000)	(190,000)	0	0%
Net Expenditure: Housing Benefit Payments	(388,850)	(388,850)	(388,850)	0	0%

Housing benefits: rent rebates to HRA tenants - mandatory payments (Chris Baker)					
Capital Charges	20,000	20,000	20,000	0	0%
Transfer Payments	23,704,000	23,704,000	23,704,000	0	0%
Grants and Contributions	(23,559,990)	(23,559,990)	(23,559,990)	0	0%
Other Income	(160,000)	(160,000)	(160,000)	0	0%
Net Expenditure: Housing benefits: rent rebates to HRA tenants - mandatory payments	4,010	4,010	4,010	0	0%

Housing Benefits (Administration) (Chris Baker)					
Employees	721,140	818,285	775,060	53,920	7%
Transport	2,280	2,280	2,330	50	2%
Supplies & Services	10,180	5,512	10,180	0	0%
Grants and Contributions	(633,531)	(693,515)	(594,450)	39,081	6%
Recharges	928,133	962,506	961,443	33,310	4%
Net Expenditure: Housing Benefits (Administration)	1,028,202	1,095,068	1,154,563	126,361	12%

Local Tax Collection (Chris Baker)					
Employees	479,730	486,314	488,470	8,740	2%
Transport	540	540	550	10	2%
Supplies & Services	124,810	141,477	125,310	500	0%
Capital Charges	6,260	6,260	0	(6,260)	(100%)
Grants and Contributions	(468,000)	(420,000)	(468,000)	0	0%
Recharges	687,281	710,551	711,560	24,279	4%
Net Expenditure: Local Tax Collection	830,621	925,142	857,890	27,269	3%

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
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Local Tax Collection and Benefits Support Team (Chris Baker)					
Employees	353,830	339,009	337,050	(16,780)	(5%)
Transport	5,780	5,780	5,910	130	2%
Supplies & Services	140,670	143,576	143,230	2,560	2%
Grants and Contributions	0	(13,755)	0	0	
Recharges	(500,280)	(474,610)	(486,190)	14,090	3%
Net Expenditure: Local Tax Collection and Benefits Support Team	0	0	0	(0)	0%

Corporate Management - Financial Fees and Services (Fiona Jump)					
Supplies & Services	133,000	115,550	126,000	(7,000)	(5%)
Net Expenditure: Corporate Management - Financial Fees and Services	133,000	115,550	126,000	(7,000)	(5%)

Past Service Costs (Fiona Jump)					
Employees	1,562,180	1,561,560	1,562,180	0	0%
Net Expenditure: Past Service Costs	1,562,180	1,561,560	1,562,180	0	0%

Parish Grants (Fiona Jump)					
Supplies & Services	243,900	245,732	241,200	(2,700)	(1%)
Net Expenditure: Parish Grants	243,900	245,732	241,200	(2,700)	(1%)

Financial Services (Fiona Jump)					
Employees	1,016,330	1,109,547	1,087,170	70,840	7%
Transport	1,480	1,480	1,510	30	2%
Supplies & Services	53,480	69,358	53,790	310	1%
Third-Parties	20,480	20,480	20,950	470	2%
Capital Charges	61,900	61,900	83,300	21,400	35%
Grants and Contributions	(49,320)	(39,320)	(43,500)	5,820	12%
Recharges	(1,104,349)	(1,223,444)	(1,203,222)	(98,872)	(9%)
Net Expenditure: Financial Services	0	0	0	0	0%

Support Services - Insurance (Fiona Jump)					
Employees	54,410	54,410	54,410	0	0%
Premises	761,770	761,770	761,770	0	0%
Transport	175,330	175,330	175,330	0	0%
Supplies & Services	468,110	468,110	468,110	0	0%
Income	(312,960)	(312,960)	(312,960)	0	0%
Recharges	(1,146,660)	(1,146,660)	(1,146,660)	0	0%
Net Expenditure: Support Services - Insurance	0	0	0	0	0%

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
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Management Team and Other Support Overheads (Nigel Howcutt)					
Employees	362,880	386,206	244,000	(118,880)	(33%)
Premises	0	6,942	0	0	
Transport	540	647	550	10	2%
Supplies & Services	21,150	36,186	23,790	2,640	12%
Capital Charges	6,730	6,730	0	(6,730)	(100%)
Recharges	(391,300)	(436,711)	(268,340)	122,960	31%
Net Expenditure: Management Team and Other Support Overheads	0	(0)	(0)	(0)	0%

Allotments (Richard Rice)					
Premises	12,540	10,279	12,830	290	2%
Supplies & Services	300	0	300	0	0%
Income	(15,260)	(12,691)	(15,610)	(350)	(2%)
Recharges	368	368	377	8	2%
Net Expenditure: Allotments	(2,052)	(2,043)	(2,103)	(52)	(3%)

Community Centres & Public Halls (Richard Rice)					
Employees	134,340	144,356	136,230	1,890	1%
Premises	180,710	212,035	183,130	2,420	1%
Supplies & Services	7,990	10,300	8,000	10	0%
Third-Parties	0	6,750	0	0	
Capital Charges	122,740	122,740	122,900	160	0%
Income	(162,400)	(171,867)	(166,270)	(3,870)	(2%)
Recharges	166,055	181,394	180,379	14,325	9%
Net Expenditure: Community Centres & Public Halls	449,435	505,708	464,369	14,935	3%

Outdoor Sports & Recreation Facilities (Sports Pavilions) (Richard Rice)					
Premises	36,280	65,360	67,260	30,980	85%
Capital Charges	20,890	20,890	21,400	510	2%
Income	(36,600)	(30,000)	(37,480)	(880)	(2%)
Recharges	2,580	2,580	2,640	60	2%
Net Expenditure: Outdoor Sports & Recreation Facilities (Sports Pavilions)	23,150	58,830	53,820	30,670	132%

Cemeteries (Richard Rice)					
Employees	297,410	235,753	304,210	6,800	2%
Premises	86,250	104,007	81,580	(4,670)	(5%)
Transport	11,890	16,885	12,470	580	5%
Supplies & Services	37,870	41,172	37,890	20	0%
Capital Charges	72,180	72,180	81,400	9,220	13%
Income	(440,180)	(422,481)	(450,710)	(10,530)	(2%)
Grants and Contributions	(52,330)	(51,130)	(53,590)	(1,260)	(2%)
Recharges	168,698	100,475	96,104	(72,594)	(43%)
Net Expenditure: Cemeteries	181,788	96,860	109,354	(72,434)	(40%)

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
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Public Conveniences (Richard Rice)					
Premises	34,480	43,117	37,420	2,940	9%
Capital Charges	45,640	45,640	38,600	(7,040)	(15%)
Income	(150)	(150)	(150)	0	0%
Recharges	88,612	86,921	92,907	4,295	5%
Net Expenditure: Public Conveniences	168,582	175,528	168,777	195	0%

Property Management and Office Accommodation (Richard Rice)					
Employees	487,770	453,836	539,250	51,480	11%
Premises	0	(819)	0	0	
Transport	4,800	4,931	4,910	110	2%
Supplies & Services	56,670	62,048	76,455	19,785	35%
Income	(10,710)	(13,175)	(10,970)	(260)	(2%)
Recharges	(538,530)	(506,821)	(609,645)	(71,115)	(13%)
Net Expenditure: Property Management and Office Accommodation	0	(0)	0	0	0%

Investment Property (Richard Rice)					
Premises	657,060	715,422	662,692	5,632	1%
Supplies & Services	13,170	16,578	8,670	(4,500)	(34%)
Income	(4,754,360)	(4,887,111)	(4,988,250)	(233,890)	(5%)
Recharges	487,157	564,231	557,890	70,733	15%
Net Expenditure: Investment Property	(3,596,973)	(3,590,880)	(3,758,998)	(162,025)	(5%)

Net Expenditure: Finance & Resources	636,994	802,216	592,210	(44,783)	(7%)
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Housing & Regeneration Management (Mark Gaynor)

Management Team and Other Support Overheads (Mark Gaynor)					
Employees	238,790	262,509	243,270	4,480	2%
Transport	370	370	380	10	3%
Supplies & Services	3,380	640	3,380	0	0%
Recharges	(242,540)	(263,519)	(247,030)	(4,490)	(2%)
Net Expenditure: Management Team and Other Support Overheads	0	0	0	(0)	0%

Net Expenditure: Housing & Regeneration Management	0	0	0	(0)	0%
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FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £	%
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Neighbourhood Delivery (David Austin)

Management Team and Other Support Overheads (David Austin)

Employees	183,710	244,656	165,460	(18,250)	(10%)
Transport	220	220	230	10	5%
Supplies & Services	1,310	200	1,320	10	1%
Recharges	(185,240)	(245,076)	(167,010)	18,229	10%
Net Expenditure: Management Team and Other Support Overheads	(0)	0	(0)	0	0%

Corporate Health & Safety (Emma Walker)

Employees	105,810	77,037	136,680	30,870	29%
Transport	320	320	330	10	3%
Supplies & Services	53,890	53,890	53,930	40	0%
Recharges	(160,020)	(131,247)	(190,941)	(30,922)	(19%)
Net Expenditure: Corporate Health & Safety	0	(0)	0	0	(150%)

Net Expenditure: Neighbourhood Delivery

(0)	0	0	0	0%
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Performance and Projects (Linda Roberts)

Business Improvement (Ben Trueman)

Employees	170,190	99,066	169,260	(930)	(1%)
Transport	200	200	200	0	0%
Supplies & Services	10,540	10,540	10,780	240	2%
Third-Parties	2,050	2,050	2,100	50	2%
Recharges	(182,980)	(111,856)	(182,340)	640	0%
Net Expenditure: Business Improvement	0	0	0	0	0%

Information and Communication Technology (Ben Trueman)

Employees	845,670	803,844	838,140	(7,530)	(1%)
Transport	1,220	1,220	1,260	40	3%
Supplies & Services	546,150	546,150	642,110	95,960	18%
Capital Charges	307,450	307,450	345,900	38,450	13%
Recharges	(1,700,491)	(1,658,664)	(1,827,408)	(126,917)	(7%)
Net Expenditure: Information and Communication Technology	0	(0)	(0)	0	0%

Management Team and Other Support Overheads (Linda Roberts)

Employees	161,290	169,081	167,060	5,770	4%
Recharges	(161,290)	(169,081)	(167,060)	(5,770)	(4%)
Net Expenditure: Management Team and Other Support Overheads	0	0	0	0	0%

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
Human Resources (Matt Rawdon)					
Employees	464,400	526,458	475,770	11,370	2%
Transport	410	410	420	10	2%
Supplies & Services	108,370	110,970	106,890	(1,480)	(1%)
Third-Parties	64,240	58,500	55,720	(8,520)	(13%)
Recharges	(637,420)	(696,338)	(638,800)	(1,380)	(0%)
Net Expenditure: Human Resources	0	0	(0)	(0)	0%
Apprentice Scheme (Matt Rawdon)					
Employees	0	11,807	185,000	185,000	
Net Expenditure: Apprentice Scheme	0	11,807	185,000	185,000	
Net Expenditure: Performance and Projects	0	11,809	185,003	185,004	0
Planning, Development and Regeneration (James Doe)					
Management Team and Other Support Overheads (James Doe)					
Employees	167,880	178,004	171,010	3,130	2%
Transport	1,110	500	1,140	30	3%
Supplies & Services	5,320	930	5,330	10	0%
Recharges	(174,310)	(179,435)	(177,480)	(3,170)	(2%)
Net Expenditure: Management Team and Other Support Overheads	0	(0)	(0)	(0)	0%
Net Expenditure: Planning, Development and Regener	0	(0)	(0)	(0)	(133%)
Net Expenditure: Finance & Resources	3,502,580	3,749,429	3,490,070	(12,510)	(0%)

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Revenues				
Summons Costs		56.00	60.00	7.1%
Liability Orders		30.00	30.00	0.0%
Berkhamsted Civic Centre				
Weddings - Full Day	Day	625.00	639.00	2.2%
Extended from 11.30pm to midnight	Half Hour	65.00	66.50	2.3%
Community Use - Day	Hour	22.00	22.50	2.3%
Community Use - Monday to Thursday Evening (after 6pm)	Hour	24.50	25.00	2.0%
Community Use - Friday Evenings & Weekends	Hour	30.00	30.75	2.5%
Commercial Use - Day	Hour	27.00	27.50	1.9%
Commercial Use - Monday to Thursday Evening (after 6pm)	Hour	33.00	33.75	2.3%
Commercial Use - Friday Evenings & Weekends	Hour	39.50	40.50	2.5%
Sale of Goods - Commercial - Evenings (after 6pm)	Evening	260.00	266.00	2.3%
Sale of Goods - Commercial	Day	270.00	276.00	2.2%
Victoria Hall				
Day Fayres - inc. Assembly Room, Victoria Room and main kitchen (9am to 5.30pm)	Day	465.00	475.00	2.2%
Day Fayres - inc. Assembly Room, Victoria Room and main kitchen (9am to 5.30pm) Charity	Day	260.00	265.00	1.9%
Weddings - Full Day	Day	650.00	n/a	0.0%
Refundable Deposit (If required)	Per Hire	n/a	200.00	0.0%
All Events Extra Time 11:30pm - 12.00am.	Half Hour	60.00	62.50	4.2%
Assembly Room - Community Use - Day	Hour	22.00	22.50	2.3%
Assembly Room - Community Use - Evening/Weekends	Hour	24.00	24.50	2.1%
Assembly Room - Commercial Use - Day	Hour	25.00	25.75	3.0%
Assembly Room - Commercial Use - week night Monday to Thursday	Hour	31.00	32.00	3.2%
Assembly Rooms - Commercial Use - Evening/Weekends	Hour	37.00	38.00	2.7%
Everyone Active Bowls and Table Tennis	Session 2.5 hours	33.50	34.50	3.0%
Private Bowls and Table Tennis	Session 2.5 hours	33.50	34.50	3.0%
Kitchen Use - Washing Up	Day	30.00	32.50	8.3%
Kitchen Use - Full Catering	Day	60.00	62.50	4.2%
Victoria Room - Commercial Use - Weekdays to 6pm	Hour	22.40	23.00	2.7%
Victoria Room - Commercial Use - Weekdays after 6pm and Weekends	Hour	25.35	26.00	2.6%
Victoria Room - Community Use - Weekdays to 6pm	Hour	19.50	19.50	0.0%
Victoria Room - Community Use - Weekdays after 6pm and Weekends	Hour	21.00	21.50	2.4%
Albert Room - Community Use - Weekdays to 6pm	Hour	14.00	14.50	3.6%
Albert Room - Community Use - Weekdays after 6pm and Weekends	Hour	16.00	16.50	3.1%
Edward Room - Weekdays	Hour	11.00	12.00	9.1%
Edward Room Office	Hour	7.50	9.00	20.0%
Tring Park School Assembly Room	Hour	19.10	19.10	0.0%
Tring Park School Victoria Room	Hour	16.65	16.65	0.0%
Tring Park School Albert Room	Hour	n/a	10.50	0.0%
Tring U3A Table Tennis	Session 2.5 hours	n/a	34.50	0.0%
Football Season				
Adult - Including Pavilion	13 Games	835.00	854.00	2.3%
Adult - Excluding Pavilion	13 Games	597.00	611.00	2.3%
Junior (aged 11 to 18) - Including Pavilion	13 Games	432.00	442.00	2.3%
Junior (aged 11 to 18) - Excluding Pavilion	13 Games	300.00	307.00	2.3%
Mini (aged 7 to 10) - Including Pavilion	13 Games	265.00	271.00	2.3%
Mini (aged 7 to 10) - Excluding Pavilion	13 Games	183.00	187.00	2.2%
Sports Pitch Hire - Football, Baseball & Rugby				
Adult - Including Pavilion	Match	71.00	72.00	1.4%
Adult - Excluding Pavilion	Match	51.00	52.00	2.0%
Junior (aged 11 to 18) - Including Pavilion	Match	44.00	45.00	2.3%
Junior (aged 11 to 18) - Excluding Pavilion	Match	32.00	32.75	2.3%
Mini (aged 7 to 10) - Including Pavilion	Match	28.00	28.75	2.7%
Mini (aged 7 to 10) - Excluding Pavilion	Match	20.00	20.50	2.5%
Sports Pitch Hire - Cricket				
Adult - Including Pavilion	Match	71.00	72.00	1.4%
Adult - Excluding Pavilion	Match	64.50	66.00	2.3%
Adult - Weekday Evening Match Excluding Pavilion	Match	42.00	43.00	2.4%
Adult - Training (No Marking Required)	Match	32.00	33.00	3.1%
Giant Chess/Draughts				
Adult	Hour per person	2.50	n/a	0.0%
Adult Concessions	Hour per person	1.20	n/a	0.0%
Junior (up to 16) / OAP (60+)	Hour per person	1.50	n/a	0.0%

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Casual Bowls				
Adult	Hour per person	3.00	3.00	0.0%
Adult Concessions	Hour per person	1.50	1.50	0.0%
Junior (up to 16) / OAP (60+)	Hour per person	2.00	2.00	0.0%
Shoe/Wood Hire	Per Hire	No charge	No charge	0.0%
Petanque (Boules)				
Adult	Game per person	2.50	n/a	0.0%
Adult Concessions	Game per person	1.20	n/a	0.0%
Junior (up to 16) / OAP (60+)	Game per person	1.50	n/a	0.0%
Equipment Deposit	Per Hire	2.00	n/a	0.0%
Miscellaneous				
Hot Air Balloon Launches	Per Launch	51.50	52.50	1.9%
Allotments	Pole	6.00	6.00	0.0%
Ice Cream Trading Licences (Tender Process)	Per Season	n/a	n/a	0.0%
Hemel Hempstead Bowls Club	Per Annum	7,270.00	7,438.00	2.3%
Cemeteries				
Exclusive Right of Burial				
Lawn Grave 9ft x 4ft (75 Years)		1,340.00	1,370.00	2.2%
Lawn Grave 9ft x 4ft (99 Years)		1,690.00	n/a	0.0%
Brick Lined Grave (75 Years)		2,670.00	n/a	0.0%
Brick Lined Grave (99 Years)		3,234.00	n/a	0.0%
Wooden Lined Burial Chamber (75 Years)		2,119.00	n/a	0.0%
Wooden Lined Burial Chamber (99 Years)		2,683.00	n/a	0.0%
Child & Babies Section (child from 0 to 12 years)		no charge	no charge	0.0%
Muslim Wooden Lined Grave 2018/19 / Muslim Burial ERB 2019/20		1,844.00	1,570.00	-14.9%
Pre Purchased				
Lawn Grave (75 Years)		2,310.00	2,370.00	2.6%
Lawn Grave (99 Years)		2,780.00	n/a	0.0%
Muslim Wooden Lined Grave		3,050.00	n/a	0.0%
Cremated Remains Exclusive Right of Burial				
Cremated Remains Flat Tablet Memorial (75 Years)		495.00	510.00	3.0%
Cremated Remains Flat Tablet Memorial (99 Years)		610.00	n/a	0.0%
Cremated Remains Desk Memorial (75 Years)		495.00	510.00	3.0%
Cremated Remains Desk Memorial (99 Years)		610.00	n/a	0.0%
Cremated Remains 2'6" upright Memorial (75 Years)		720.00	740.00	2.8%
Cremated Remains 2'6" upright Memorial (99 Years)		835.00	n/a	0.0%
Cremated Remains Family Garden (75 Years)		785.00	800.00	1.9%
Cremated Remains Family Garden (99 Years)		1,015.00	n/a	0.0%
Pre Purchased				
Cremated Remains Flat Tablet Memorial (75 Years)		785.00	800.00	1.9%
Cremated Remains Flat Tablet Memorial (99 Years)		1,015.00	n/a	0.0%
Cremated Remains Desk Memorial (75 Years)		785.00	800.00	1.9%
Cremated Remains Desk Memorial (99 Years)		1,015.00	n/a	0.0%
Cremated Remains 2'6" upright Memorial (75 Years)		1,010.00	1,030.00	2.0%
Cremated Remains 2'6" upright Memorial (99 Years)		1,420.00	n/a	0.0%
Cremated Remains Family Garden (75 Years)		1,250.00	1,280.00	2.4%
Cremated Remains Family Garden (99 Years)		1,825.00	n/a	0.0%
* All fees are pertinent to the grave owner, if non-resident fees are treble.				
Interment Fees				
Lawn Grave (Burial) - Adult		620.00	635.00	2.4%
Lawn Grave (Burial) - Child		no charge	no charge	0.0%
Brick Lined Grave		755.00	n/a	0.0%
Wooden Lined Grave		622.00	n/a	0.0%
Muslim Wooden Lined Grave		622.00	n/a	0.0%
Woodland Burial including Tree		760.00	780.00	2.6%
Child Grave Child & Baby Section		no charge	no charge	0.0%
Cremated Remains Adult		210.00	215.00	2.4%
Cremated Remains - Double Interment - Adult		420.00	430.00	2.4%
Scattering of Remains - Adult or Child		55.00	60.00	9.1%
* All fees are pertinent to the grave owner, if non-resident fees are treble.				

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Cemeteries				
Additional Fees				
ERB (Deed) Transfer (to another)		68.00	70.00	2.9%
Coffins/Grave Space over 7' x 30"		215.00	n/a	0.0%
Incorrect Coffin Sizes		37.00	n/a	0.0%
Use of Chapel at Tring		86.00	90.00	4.7%
Repurchase expired lease on Right of Burial (75 years)		870.00	890.00	2.3%
Repurchase expired lease on Right of Burial (75 years) Cremation Plot		30.00	30.00	0.0%
Additional Fee for out of hours interment (after 2 Mon - Thurs, after 1 Friday)		290.00	300.00	3.4%
Additional Fee for Saturday interment (Until 12.00)		290.00	300.00	3.4%
Memorial Fees				
Memorial Administration Fees				
Headstone (additional or replacement)		190.00	200.00	5.3%
Child's Headstone		no charge	no charge	0.0%
Tablet or Plaque (additional or replacement)		71.00	75.00	5.6%
Desktop (additional or replacement)		71.00	75.00	5.6%
Vase (additional or replacement)		35.00	40.00	14.3%
Headstone (each inscription after the first, inc. memorial test fees)		130.00	135.00	3.8%
Desktops, Tablets and Plaques (each inscription after the first)		47.00	50.00	6.4%
Vase (each inscription after the first)		25.00	30.00	20.0%
Sanctum (10 year lease)		1,206.00	1,206.00	0.0%
Sanctum (20 year lease)		1,678.00	1,678.00	0.0%
Sanctum Renewal (5 years)		446.00	446.00	0.0%
Bench and Installation (inc. 10 year lease)		1,160.00	n/a	0.0%
Stamford Bench and Installation (inc. 10 year lease) - Dark Wood		1,270.00	1,300.00	2.4%
Granite Buxton Seat (inc. 10 year lease)		1,000.00	1,025.00	2.5%
Memorial Seat Extend Lease (additional 5 years)		n/a	120.00	0.0%
Granite Seat Plaque (inc. 5 year lease)		280.00	290.00	3.6%
Granite Seat Plaque Renewal (5 years)		165.00	170.00	3.0%
Rose Garden Memorial (10 years)		430.00	440.00	2.3%
Rose Garden Memorial Renewal (5 years)		324.00	330.00	1.9%
Shrub with Inscribed Marker (10 years)		236.00	240.00	1.7%
Shrub renewal (5 years)		126.00	130.00	3.2%
Standard Rose with Inscribed Marker (10 years)		292.00	300.00	2.7%
Standard Rose renewal (5 years)		148.00	150.00	1.4%
Rose with Inscribed Marker (10 years)		236.00	240.00	1.7%
Rose renewal (5 years)		125.00	130.00	4.0%
Flower Bed with Inscribed Marker (per year)		577.00	590.00	2.3%
Replacement Marker		58.00	60.00	3.4%
Octagonal Seat Plaque		280.00	290.00	3.6%
Octagonal Seat Plaque Renewal		170.00	175.00	2.9%
Tring Leather Panel Memorial		120.00	125.00	4.2%
Tring leather panel memorial renewal (5 years)		55.00	56.00	1.8%
Leaf Vaults Single (10 years) inc. leaf vase		936.00	958.00	2.4%
Leaf Vaults Double (10 years) inc. leaf vase		1,045.00	1,069.00	2.3%
Leaf Vaults renewal (5 years)		275.00	281.00	2.2%
Leaf Vase		120.00	123.00	2.5%
* All fees are pertinent to the grave owner, if non-resident fees are treble.				

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Off Street Parking - (including VAT @ 20% where applicable)				
Wood Lane End (Previously Duxons Turn)	Up to 30 minutes	0.10	0.10	0.0%
Wood Lane End (Previously Duxons Turn)	Up to 2 Hours	0.40	0.40	0.0%
Wood Lane End (Previously Duxons Turn)	Up to 3 Hours	0.70	0.70	0.0%
Wood Lane End (Previously Duxons Turn)	Up to 4 Hours	1.00	1.00	0.0%
Wood Lane End (Previously Duxons Turn)	Up to 10 Hours	1.60	1.60	0.0%
Wood Lane End (Previously Duxons Turn)	Annual season ticket (limited to 30)	250.00	250.00	0.0%
The Gables	Up to 1 Hour	0.50	0.50	0.0%
The Gables	Up to 2 Hours	0.70	0.70	0.0%
The Gables	Up to 3 Hours	0.90	0.90	0.0%
The Gables	Up to 4 Hours	1.10	1.10	0.0%
The Gables	Up to 10 Hours	1.60	1.60	0.0%
High Street	Up to 1 Hour	0.50	0.50	0.0%
High Street	Up to 2 Hours	0.70	0.70	0.0%
High Street	Up to 3 Hours	0.90	0.90	0.0%
High Street	Up to 4 Hours	1.10	1.10	0.0%
High Street	Up to 10 Hours	1.60	1.60	0.0%
High Street	Annual resident permit	50.00	50.00	0.0%
Queensway	Up to 1 Hour	0.60	0.60	0.0%
Queensway	Up to 2 Hours	1.00	1.00	0.0%
Queensway	Up to 3 Hours	1.30	1.30	0.0%
Queensway	Up to 4 Hours	1.60	1.60	0.0%
Queensway	Up to 10 Hours	2.50	2.50	0.0%
Alexandra Road	Up to 1 Hour	0.60	0.60	0.0%
Alexandra Road	Up to 2 Hours	1.00	1.00	0.0%
Alexandra Road	Up to 3 Hours	1.30	1.30	0.0%
Alexandra Road	Up to 4 Hours	1.60	1.60	0.0%
Alexandra Road	Up to 10 Hours	2.50	2.50	0.0%
Water Gardens (North) upper deck	Up to 1 Hour	0.80	0.80	0.0%
Water Gardens (North) upper deck	Up to 2 Hours	1.40	1.40	0.0%
Water Gardens (North) upper deck	Up to 3 Hours	2.00	2.00	0.0%
Water Gardens (North) upper deck	Up to 4 Hours	2.50	2.50	0.0%
Water Gardens (North) upper deck	Up to 10 Hours	3.50	3.50	0.0%
Water Gardens (North) lower deck	Up to 1 Hour	0.80	0.80	0.0%
Water Gardens (North) lower deck	Up to 2 Hours	1.40	1.40	0.0%
Water Gardens (North) lower deck	Up to 3 Hours	2.00	2.00	0.0%
Water Gardens (North) lower deck	Up to 4 Hours	2.50	2.50	0.0%
Water Gardens (North) lower deck	Up to 10 Hours	3.50	3.50	0.0%
Water Gardens (South)	Up to 30 minutes	0.50	0.50	0.0%
Water Gardens (South)	Up to 1 Hour	1.00	1.00	0.0%
Water Gardens (South)	Up to 2 Hours	1.60	1.60	0.0%
Moor End Road	Up to 4 Hours	2.50	2.50	0.0%
Moor End Road	Up to 10 Hours	4.00	4.00	0.0%
Park Road	Up to 1 Hour	0.60	0.60	0.0%
Park Road	Up to 2 Hours	0.80	0.80	0.0%
Park Road	Up to 3 Hours	1.00	1.00	0.0%
Park Road	Up to 4 Hours	1.20	1.20	0.0%
Park Road	Up to 10 Hours	2.50	2.50	0.0%
Cowper Road	Up to 2 Hours	0.50	0.50	0.0%
Cowper Road	Up to 3 Hours	0.60	0.60	0.0%
Cowper Road	Up to 4 Hours	0.70	0.70	0.0%
Durrants Hill	Up to 30 minutes	0.10	0.10	0.0%
Durrants Hill	Up to 2 Hours	0.40	0.40	0.0%
Durrants Hill	Up to 3 Hours	0.70	0.70	0.0%
Durrants Hill	Up to 4 Hours	1.00	1.00	0.0%
Durrants Hill	Up to 10 Hours	1.60	1.60	0.0%
Durrants Hill	Annual season ticket	524.16	524.16	0.0%
Water Lane	Up to 1 Hour	0.70	0.70	0.0%
Water Lane	Up to 2 Hours	1.30	1.30	0.0%
Water Lane	Up to 3 Hours	2.00	2.00	0.0%
Water Lane	Up to 4 Hours	2.60	2.60	0.0%
Lower Kings Road	Up to 1 Hour	0.70	0.70	0.0%
Lower Kings Road	Up to 2 Hours	1.30	1.30	0.0%
Lower Kings Road	Up to 3 Hours	2.00	2.00	0.0%
Lower Kings Road	Up to 4 Hours	2.60	2.60	0.0%
Lower Kings Road multi-storey	Up to 1 Hour	n/a	TBA	0.0%
Lower Kings Road multi-storey	Up to 2 Hours	n/a	TBA	0.0%
Lower Kings Road multi-storey	Up to 3 Hours	n/a	TBA	0.0%
Lower Kings Road multi-storey	Up to 4 Hours	n/a	TBA	0.0%
Lower Kings Road multi-storey	Up to 10 Hours	n/a	TBA	0.0%

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
The Moor temporary car park	Up to 1 Hour	n/a	0.70	0.0%
The Moor temporary car park	Up to 2 Hours	n/a	1.30	0.0%
The Moor temporary car park	Up to 3 Hours	n/a	2.00	0.0%
The Moor temporary car park	Up to 4 Hours	n/a	2.60	0.0%
Canal Fields	10 day season (limited to 20)	10.00	10.00	0.0%
St John's Well Lane	Up to 1 Hour	0.70	0.70	0.0%
St John's Well Lane	Up to 2 Hours	1.30	1.30	0.0%
St John's Well Lane	Up to 3 Hours	2.00	2.00	0.0%
St John's Well Lane	Up to 4 Hours	2.60	2.60	0.0%
St John's Well Lane	Up to 10 Hours	3.80	3.80	0.0%
The Forge	Up to 2 Hours	1.00	1.00	0.0%
The Forge	Up to 3 Hours	1.20	1.20	0.0%
The Forge	Up to 4 Hours	1.50	1.50	0.0%
The Forge	Up to 10 Hours	2.20	2.20	0.0%
The Forge	Annual season ticket	416.00	416.00	0.0%
The Forge	Annual resident permit	50.00	50.00	0.0%
Church Yard (Previously Frogmore Street East long stay)	Up to 10 Hours	2.20	2.20	0.0%
Frogmore Street (East)	Up to 2 Hours	1.00	1.00	0.0%
Frogmore Street (East)	Up to 3 Hours	1.20	1.20	0.0%
Frogmore Street (East)	Up to 4 Hours	1.50	1.50	0.0%
Frogmore Street (West)	Up to 10 Hours	2.20	2.20	0.0%
Frogmore Street (West)	Annual resident permit	50.00	50.00	0.0%
Victoria Hall	Up to 2 Hours	1.00	1.00	0.0%
Victoria Hall	Up to 3 Hours	1.20	1.20	0.0%
Victoria Hall	Up to 4 Hours	1.50	1.50	0.0%
Old School Yard (Tring Town Council car park)	Up to 2 Hours	1.00	1.00	0.0%
Old School Yard (Tring Town Council car park)	Up to 3 Hours	1.20	1.20	0.0%
Old School Yard (Tring Town Council car park)	Up to 4 Hours	1.50	1.50	0.0%
Season Ticket Changes	2nd and more in any year	7.00	7.00	0.0%
Annual resident car park permit changes	2nd and more in any year	7.00	7.00	0.0%
Bay suspension or dispensation	Per half day	10.00	10.00	0.0%
Bay suspension or dispensation	Per day	20.00	20.00	0.0%
Filming administration charge		50.00	50.00	0.0%
On Street Parking				
Waterhouse Street (certain lengths between Bank Court and bus station)	Up to 15 minutes	0.50	0.50	0.0%
Waterhouse Street (certain lengths between Bank Court and bus station)	Up to 30 minutes	1.00	1.00	0.0%
Shared use St John's Road cul-de-sac	Up to 1 Hour	0.50	0.50	0.0%
Shared use St John's Road cul-de-sac	Up to 2 Hours	1.00	1.00	0.0%
Shared use St John's Road cul-de-sac	Up to 3 Hours	2.00	2.00	0.0%
Shared use St John's Road cul-de-sac	Up to 4 Hours	4.00	4.00	0.0%
Shared use Cotterells (East side opposite numbers 182-236)	Up to 1 Hour	0.50	0.50	0.0%
Shared use Cotterells (East side opposite numbers 182-236)	Up to 2 Hours	1.00	1.00	0.0%
Shared use Cotterells (East side opposite numbers 182-236)	Up to 3 Hours	2.00	2.00	0.0%
Shared use Cotterells (East side opposite numbers 182-236)	Up to 4 Hours	4.00	4.00	0.0%
Shared use Cotterells (West side adjacent to school field)	Up to 1 Hour	0.50	0.50	0.0%
Shared use Cotterells (West side adjacent to school field)	Up to 2 Hours	1.00	1.00	0.0%
Shared use Cotterells (West side adjacent to school field)	Up to 3 Hours	2.00	2.00	0.0%
Shared use Cotterells (West side adjacent to school field)	Up to 4 Hours	4.00	4.00	0.0%
Shared use Cemetery Hill (Opposite South Hill Church)	Up to 1 Hour	0.50	0.50	0.0%
Shared use Cemetery Hill (Opposite South Hill Church)	Up to 2 Hours	1.00	1.00	0.0%
Shared use Cemetery Hill (Opposite South Hill Church)	Up to 3 Hours	2.00	2.00	0.0%
Shared use Cemetery Hill (Opposite South Hill Church)	Up to 4 Hours	4.00	4.00	0.0%
Shared use Alexandra Road (adjacent to Christchurch)	Up to 1 Hour	0.50	0.50	0.0%
Shared use Alexandra Road (adjacent to Christchurch)	Up to 2 Hours	1.00	1.00	0.0%
Shared use Alexandra Road (adjacent to Christchurch)	Up to 3 Hours	2.00	2.00	0.0%
Shared use Alexandra Road (adjacent to Christchurch)	Up to 4 Hours	4.00	4.00	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 12 minutes	0.20	0.20	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 24 minutes	0.40	0.40	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 36 minutes	0.60	0.60	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 48 minutes	0.80	0.80	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 60 minutes	1.00	1.00	0.0%
CPZ resident permit 1st	Annual	25.00	25.00	0.0%
CPZ resident permit 2nd	Annual	40.00	40.00	0.0%
CPZ resident permit 3rd	Annual	40.00	40.00	0.0%
CPZ resident permit 2nd vehicle owner blue badge holder	Annual	10.00	10.00	0.0%
CPZ resident permit motorcycle	Annual	10.00	10.00	0.0%
CPZ business permit	Annual	300.00	300.00	0.0%

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
CPZ resident permit changes	2nd and more in any year	7.00	7.00	0.0%
CPZ visitor permit	5 Hour x 20	12.00	12.00	0.0%
CPZ visitor permit	1 week	3.00	3.00	0.0%
CPZ visitor permit	1 Hour x 25	4.00	4.00	0.0%
CPZ visitor permit applicant Dacorum card holder	5 Hour x 20	6.00	6.00	0.0%
CPZ visitor permit applicant Dacorum card holder	1 week	1.50	1.50	0.0%
CPZ visitor permit applicant Dacorum card holder	1 Hour x 25	2.00	2.00	0.0%
CPZ visitor permit applicant 60 years old or over	5 Hour x 20	6.00	6.00	0.0%
CPZ visitor permit applicant 60 years old or over	1 week	1.50	1.50	0.0%
CPZ visitor permit postage and handling	1 to 4 books	3.00	3.00	0.0%
CPZ visitor permit postage and handling	5 to 10 books	5.00	5.00	0.0%
CPZ special permit 1st	Annual	25.00	25.00	0.0%
CPZ special permit 2nd	Annual	40.00	40.00	0.0%
CPZ special permit 3rd	Annual	40.00	40.00	0.0%
CPZ special permit changes	2nd and more in any year	7.00	7.00	0.0%
CPZ doctor health visitor (DHV) permit	Annual	20.00	20.00	0.0%
CPZ doctor health visitor (DHV) permit changes	2nd and more in any year	7.00	7.00	0.0%
Bay suspension or dispensation	Per half day	10.00	10.00	0.0%
Bay suspension or dispensation	Per day	20.00	20.00	0.0%
Customer Accounts				
Service Charge Enquiry Fees:				
Sale-on Charges to Solicitors	Per application	112.50	115.00	2.2%
Address Management				
Charge for registering new developments / properties (plots)				0.0%
1 Plot		115.00	118.00	2.6%
2 - 5 Plots		180.00	184.00	2.2%
6 - 25 Plots		380.00	389.00	2.4%
26 - 75 Plots		400.00	409.00	2.3%
76+ Plots		£855 + £5 per additional plot	£875 + £5 per additional plot	2.3%
Renaming a house or building (after initial submission)		100.00	102.00	2.0%
Amending a house number		100.00	102.00	2.0%
Division / Conversion of existing or renumbering (new postal numbers)				
1 Plot		115.00	118.00	2.6%
2 - 5 Plots		180.00	184.00	2.2%
6 - 25 Plots		380.00	389.00	2.4%
26 - 75 Plots		400.00	409.00	2.3%
Naming of a building		100.00	102.00	2.0%
Renaming / Changing of an existing street name (where requested by residents and / or Town/Parish Council)		£350 + £25 per property	£358 + £25 per property	2.3%

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGETS 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
Housing & Community					
Employees	3,671,160	3,902,920	3,965,099	293,939	8%
Premises	869,410	697,133	885,530	16,120	2%
Transport	17,230	20,172	17,650	420	2%
Supplies & Services	1,333,740	1,280,982	1,280,430	(53,310)	(4%)
Capital Charges	1,047,930	1,047,930	1,083,200	35,270	3%
Transfer Payments	55,000	55,000	55,000	0	0%
Income	(4,539,330)	(4,350,000)	(4,909,470)	(370,140)	(8%)
Grants and Contributions	(505,490)	(633,836)	(692,140)	(186,650)	(37%)
Recharges	(77,960)	69,322	(49,906)	28,055	36%
Net Expenditure: Housing & Community	1,871,690	2,089,622	1,635,393	(236,296)	(13%)

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
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Housing & Community

Corporate and Contracted Services

Community Safety (CCTV) (Ben Hosier)

Employees	382,270	389,843	402,430	20,160	5%
Premises	80,640	93,197	94,630	13,990	17%
Transport	220	220	230	10	5%
Supplies & Services	10,940	11,604	11,060	120	1%
Capital Charges	77,950	77,950	85,300	7,350	9%
Grants and Contributions	(29,100)	(7,100)	(28,800)	300	1%
Recharges	(480,257)	(457,201)	(483,670)	(3,413)	(1%)
Net Expenditure: Community Safety (CCTV)	42,663	108,513	81,181	38,517	90%

Regulatory Services (Licensing) (Mark Brookes)

Employees	242,020	238,423	246,820	4,800	2%
Transport	2,600	2,600	2,660	60	2%
Supplies & Services	18,900	18,900	19,020	120	1%
Income	(284,130)	(284,130)	(288,370)	(4,240)	(1%)
Grants and Contributions	(2,750)	(2,750)	(2,820)	(70)	(3%)
Recharges	98,261	90,386	91,910	(6,351)	(6%)
Net Expenditure: Regulatory Services (Licensing)	74,901	63,429	69,220	(5,681)	(8%)

Community Development (Parish Liaison) (Mark Brookes)

Employees	30,350	31,849	31,030	680	2%
Transport	270	270	280	10	4%
Supplies & Services	830	830	830	0	0%
Recharges	13,747	7,832	7,724	(6,023)	(44%)
Net Expenditure: Community Development (Parish Liaison)	45,197	40,781	39,864	(5,333)	(12%)

Net Expenditure: Corporate and Contracted Services **162,761** **212,722** **190,264** **27,503** **17%**

Housing Landlord (Fiona Williamson)

Housing Standards (Alan Mortimer)

Employees	44,550	45,092	45,340	790	2%
Transport	0	503	0	0	
Income	(33,610)	(32,615)	(34,420)	(810)	(2%)
Recharges	12,841	6,862	6,308	(6,533)	(51%)
Net Expenditure: Housing Standards	23,781	19,842	17,228	(6,553)	(28%)

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
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Garages (Alan Mortimer)

Employees	40,310	25,780	40,290	(20)	(0%)
Premises	561,070	358,460	573,970	12,900	2%
Supplies & Services	0	1,995	0	0	
Capital Charges	753,320	753,320	719,300	(34,020)	(5%)
Income	(3,770,650)	(3,412,000)	(3,770,370)	280	0%
Recharges	432,443	432,580	433,569	1,126	0%
Net Expenditure: Garages	(1,983,507)	(1,839,864)	(2,003,241)	(19,734)	(1%)

Supporting People (Alan Mortimer)

Recharges	7,500	7,500	7,500	0	0%
Net Expenditure: Supporting People	7,500	7,500	7,500	0	0%

Homelessness (Natasha Beresford)

Employees	607,780	718,175	818,130	210,350	35%
Premises	120,560	135,846	106,380	(14,180)	(12%)
Transport	0	2,918	0	0	
Supplies & Services	131,300	134,925	80,300	(51,000)	(39%)
Capital Charges	86,270	86,270	115,000	28,730	33%
Transfer Payments	50,000	50,000	50,000	0	0%
Income	(326,870)	(467,185)	(623,330)	(296,460)	(91%)
Grants and Contributions	(438,300)	(587,346)	(625,060)	(186,760)	(43%)
Recharges	122,312	126,750	128,590	6,279	5%
Net Expenditure: Homelessness	353,052	200,353	50,010	(303,042)	(86%)

Housing Advice (Natasha Beresford)

Employees	92,010	92,468	95,000	2,990	3%
Transport	0	600	0	0	
Supplies & Services	43,780	24,744	44,550	770	2%
Recharges	180,643	184,014	195,211	14,567	8%
Net Expenditure: Housing Advice	316,433	301,826	334,761	18,327	6%

Housing Strategy (Natasha Beresford)

Employees	398,960	421,573	419,810	20,850	5%
Transport	2,610	4,110	2,670	60	2%
Supplies & Services	12,960	12,960	62,990	50,030	386%
Transfer Payments	5,000	5,000	5,000	0	0%
Income	0	(30,000)	(30,000)	(30,000)	
Recharges	80,091	136,230	135,598	55,507	69%
Net Expenditure: Housing Strategy	499,621	549,873	596,068	96,447	19%

Net Expenditure: Housing Landlord

(783,120)	(760,471)	(997,674)	(214,554)	(27%)
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HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £	%
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Neighbourhood Delivery (David Austin)

Community Safety (Crime Reduction) (Emma Walker)

Employees	172,060	163,347	120,859	(51,201)	(30%)
Premises	3,170	0	3,240	70	2%
Transport	4,610	2,131	4,730	120	3%
Supplies & Services	26,620	9,514	26,700	80	0%
		0	3,200	3,200	
Recharges	(5,326)	17,334	6,899	12,225	230%
Net Expenditure: Community Safety (Crime Reduction)	201,134	192,325	165,628	(35,506)	(18%)

Net Expenditure: Neighbourhood Delivery 201,134 192,325 165,628 (35,506) (18%)

Performance and Projects (Linda Roberts)

Heritage (Matt Rawdon)

Supplies & Services	58,000	58,000	58,000	0	0%
Net Expenditure: Heritage	58,000	58,000	58,000	0	0%

Theatres and Public Entertainment (Matt Rawdon)

Employees	206,880	207,717	212,240	5,360	3%
Premises	56,270	61,930	57,960	1,690	3%
Transport	530	530	540	10	2%
Supplies & Services	110,170	110,170	104,200	(5,970)	(5%)
Capital Charges	36,020	36,020	43,100	7,080	20%
Income	(81,040)	(81,040)	(79,990)	1,050	1%
Recharges	90,715	97,051	98,243	7,528	8%
Net Expenditure: Theatres and Public Entertainment	419,545	432,378	436,293	16,748	4%

Outdoor Sports & Recreation Facilities (Adventure Playgrounds) (Matt Rawdon)

Employees	309,340	444,261	320,580	11,240	4%
Premises	46,390	46,390	48,010	1,620	3%
Transport	3,160	3,160	3,230	70	2%
Supplies & Services	33,670	33,670	54,790	21,120	63%
Capital Charges	8,660	8,660	9,000	340	4%
Income	(43,030)	(43,030)	(76,240)	(33,210)	(77%)
Grants and Contributions	(190)	(190)	(190)	0	0%
Recharges	128,467	138,960	144,193	15,726	12%
Net Expenditure: Outdoor Sports & Recreation Facilities (Adventure Playgrounds)	486,467	631,881	503,373	16,906	3%

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
Community Development (Partnerships and Commissioning) (Matt Rawdon)					
Employees	132,250	149,701	143,850	11,600	9%
Transport	780	780	800	20	3%
Supplies & Services	69,200	69,200	64,130	(5,070)	(7%)
Grants and Contributions	(30,000)	(30,000)	(30,000)	0	0%
Recharges	70,354	60,444	61,080	(9,274)	(13%)
Net Expenditure: Community Development (Partnerships and Commissioning)	242,584	250,125	239,860	(2,724)	(1%)
Community Development (Residents Services & Neighbourhood Action) (Matt Rawdon)					
Employees	291,380	239,204	275,310	(16,070)	(6%)
Premises	1,310	1,310	1,340	30	2%
Transport	1,630	1,630	1,670	40	2%
Supplies & Services	43,860	66,710	21,900	(21,960)	(50%)
Grants and Contributions	0	(1,300)	0	0	
Recharges	36,726	50,446	50,611	13,885	38%
Net Expenditure: Community Development (Residents Services & Neighbourhood Action)	374,906	358,000	350,831	(24,075)	(6%)
General Grants, Bequests and Donations (Matt Rawdon)					
Supplies & Services	644,800	644,800	624,800	(20,000)	(3%)
Capital Charges	10,910	10,910	10,900	(10)	(0%)
Recharges	53,703	58,951	53,118	(586)	(1%)
Net Expenditure: General Grants, Bequests and Donations	709,413	714,661	688,818	(20,596)	(3%)
Customer Services (Matt Rawdon)					
Employees	506,460	520,335	553,580	47,120	9%
Transport	400	400	410	10	3%
Supplies & Services	87,330	40,010	72,970	(14,360)	(16%)
Capital Charges	73,380	73,380	97,400	24,020	33%
Recharges	(667,570)	(634,125)	(724,360)	(56,790)	(9%)
Net Expenditure: Customer Services	(0)	(0)	0	0	0%
Communication & Consultation (Matt Rawdon)					
Employees	214,540	215,153	239,830	25,290	12%
Transport	420	320	430	10	2%
Supplies & Services	41,380	42,950	34,190	(7,190)	(17%)
Capital Charges	1,420	1,420	0	(1,420)	(100%)
Income	0	0	(6,750)	(6,750)	
Grants and Contributions	(5,150)	(5,150)	(5,270)	(120)	(2%)
Recharges	(252,610)	(254,693)	(262,430)	(9,820)	(4%)
Net Expenditure: Communication & Consultation	0	0	0	0	
Net Expenditure: Performance and Projects	2,290,915	2,445,045	2,277,175	(13,740)	(1%)
Net Expenditure: Housing & Community	1,871,690	2,089,622	1,635,393	(236,296)	(13%)

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Garages				
Garage Rent (VAT not charged to tenants but is charged to non tenants)	Per Week	13.15	13.15	0.0%
Premium garages	Per Week	14.05	14.05	0.0%
Garage Rent - Concessionary	Per Week	6.45	6.45	0.0%
Private Sector Housing				
Housing Notices (fixed charge per person)		300.00	300.00	0.0%
Licence for HMO up to 4 bedrooms (initiated by applicant without LA intervention) 5 year licence		575.00	n/a	0.0%
Licence for HMO up to 4 bedrooms (initiated with LA intervention) 5 year licence		650.00	n/a	0.0%
HMO application Part 1: Licence application for a 5 bedroom HMO		635.97	n/a	0.0%
HMO application Part 2: Ongoing licence management for a 5 bedroom HMO		425.83	n/a	0.0%
Licence for a standard 5 bedroom HMO (initiated with LA intervention) 5 year licence		254.27	853.00	235.5%
Additional Bedrooms	Per Bedroom	16.00	16.00	0.0%
HMO licence fee Part 1: Initial licence fee application		n/a	599.00	0.0%
HMO licence fee Part 2: Ongoing management of 5 year licence		n/a	426.00	0.0%
Enforcement fee: Due to failure to apply to Local authority		n/a	254.00	0.0%
Production of drawings		50.00	50.00	0.0%
Variation of licence		120.00	n/a	0.0%
Renewal of HMO licence		630.00	n/a	0.0%
Fee reduction for additional HMOs with the same applicant/landlord		55.00	n/a	0.0%
Standard inspection for immigration		205.00	205.00	0.0%
Licensing				
Mobile Home Licences (Per Annum)				
Site with 1-5 mobile homes, low risk, inspected every 3 years		102.00	102.00	0.0%
Site with 1-5 mobile homes, medium risk, inspected every 2 years		180.00	180.00	0.0%
Site with 1-5 mobile homes, high risk, inspected every year		256.00	256.00	0.0%
Site with 6-10 mobile homes, low risk, inspected every 3 years		128.00	128.00	0.0%
Site with 6-10 mobile homes, medium risk, inspected every 2 years		205.00	205.00	0.0%
Site with 6-10 mobile homes, high risk, inspected every year		282.00	282.00	0.0%
Site with 11-20 mobile homes, low risk, inspected every 3 years		154.00	154.00	0.0%
Site with 11-20 mobile homes, medium risk, inspected every 2 years		230.00	230.00	0.0%
Site with 11-20 mobile homes, high risk, inspected every year		333.00	333.00	0.0%
Site with 20-50 mobile homes, low risk, inspected every 3 years		230.00	230.00	0.0%
Site with 20-50 mobile homes, medium risk, inspected every 2 years		333.00	333.00	0.0%
Site with 20-50 mobile homes, high risk, inspected every year		435.00	435.00	0.0%
Site with 50-100 mobile homes, low risk, inspected every 3 years		333.00	333.00	0.0%
Site with 50-100 mobile homes, medium risk, inspected every 2 years		435.00	435.00	0.0%
Site with 50-100 mobile homes, high risk, inspected every year		538.00	538.00	0.0%
Site with 100-150 mobile homes, low risk, inspected every 3 years		538.00	538.00	0.0%
Site with 100-150 mobile homes, medium risk, inspected every 2 years		691.00	691.00	0.0%
Site with 100-150 mobile homes, high risk, inspected every year		845.00	845.00	0.0%
New Site Application				
New Licence 1-5 Units fee charged per unit	Per Unit	n/a	50.00	0.0%
New Licence 6-10 Units		n/a	300.00	0.0%
New Licence 11-20 Units		n/a	370.00	0.0%
New Licence 21-50 Units		n/a	430.00	0.0%
New Licence 51-100 Units		n/a	470.00	0.0%
New Licence 101 or more Units		n/a	490.00	0.0%
Other fees				
Variation to Licences		178.00	178.00	0.0%
Transfer of Site Licence		115.00	115.00	0.0%
Deposit Site Rules		99.00	99.00	0.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Old Town Hall Arts Centre				
Meetings / Rehearsals / Workshops / Classes (no technical support) minimum 2hr booking				
Theatre (capacity 120) - Mon - Fri (10:30 - 18:00)	Per Hour	26.00	27.00	3.8%
Theatre (capacity 120) - Mon - Fri (18:00 - 23:00)	Per Hour	31.00	32.00	3.2%
Theatre (capacity 120) - Sat - Sun (10:30 - 23:00)	Per Hour	31.00	32.00	3.2%
Theatre (capacity 120) - Mon - Fri (10:30 - 17:30) - Concession	Per Hour	20.00	21.00	5.0%
Theatre (capacity 120) - Mon - Fri (18:00 - 22:30) - Concession	Per Hour	22.00	23.00	4.5%
Theatre (capacity 120) - Sat - Sun - Concession	Per Hour	22.00	23.00	4.5%
Cellar (capacity 60-90) - Mon - Fri (10:30 - 17:30)	Per Hour	13.50	14.00	3.7%
Cellar (capacity 60-90) - Mon - Fri (18:00 - 22:30)	Per Hour	22.00	23.00	4.5%
Cellar (capacity 60-90) - Sat - Sun (10:30 - 22:30)	Per Hour	22.00	23.00	4.5%
Cellar (capacity 60-90) - Mon - Fri (10:30 - 17:30) - Concession	Per Hour	12.50	13.00	4.0%
Cellar (capacity 60-90) - Mon - Fri (18:00 - 22:30) - Concession	Per Hour	20.00	21.00	5.0%
Cellar (capacity 60-90) - Sat-Sun - Concession	Per Hour	20.00	21.00	5.0%
Gallery (capacity 55) - Mon - Sun (18:00 - 22:30)	Per Hour	22.00	23.00	4.5%
Gallery (capacity 55) - Mon - Sun (18:00 - 22:30) - Concession	Per Hour	20.00	21.00	5.0%
Private Parties (including bar staff)				
Cellar (capacity 60-90) - Mon - Sun (18:00 - 23:00)		256.00	262.00	2.3%
Cellar (capacity 60-90) - Mon - Sun (18:00 - 23:00) - Concession		215.00	220.00	2.3%
Gallery (capacity 55) - Mon - Sun (18:00 - 23:00)		256.00	262.00	2.3%
Gallery (capacity 55) - Mon - Sun (18:00 - 23:00) - Concession		215.00	220.00	2.3%
Price includes Front of House Staff and Stewards				
There is an additional charge of £60 for technical support				
Performances & Rehearsals (with technical support)				
Theatre (capacity 120) - Mon - Sun (10:00 - 23:00) Includes technical support, front of house staff and box office		635.50	650.00	2.3%
Theatre (capacity 120) - Mon - Sun (10:00 - 23:00) Includes technical support, front of house staff and box office - Concession		461.00	472.00	2.4%
Cellar (capacity 60-90) - Mon - Sun (10:00 - 23:00)		446.00	456.00	2.2%
Cellar (capacity 60-90) - Mon - Sun (10:00 - 23:00) - Concession		256.00	262.00	2.3%
Adventure Playgrounds				
Community/Voluntary Group	Per Hour	30.00	31.00	3.3%
Private Group	Per Hour	50.00	55.00	10.0%
Children's Party	Per Hour	50.00	55.00	10.0%
Training Organisation (Play) if no staff needed	Per Hour	30.00	31.00	3.3%
Training Organisation (Care)	Per Hour	50.00	51.00	2.0%
Schools	Per Hour	30.00	31.00	3.3%
Schools	Half Day	60.00	62.00	3.3%
Schools	Full Day	120.00	123.00	2.5%
Sports pitch	Per Hour	35.00	36.00	2.9%
Laser Tag (party hire in addition to venue)		50.00	60.00	20.0%
Sports coach and pitch		50.00	51.00	2.0%
Go carts (party hire in addition to venue)	Per Hour	50.00	51.00	2.0%
Laser Tag 30 min session	Per session per individual	5.00	5.00	0.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2019/20						
		2018-19 Charge	2019-20 Proposed Charge			% change
			Application	Licence	Total fee	
Alcohol, entertainment and late night refreshment licences						
Club premises certificates – applications						
Application for new club premises certificate	Band A	100.00	100.00	-	100.00	0.0%
	Band B	190.00	190.00	-	190.00	0.0%
	Band C	315.00	315.00	-	315.00	0.0%
	Band D	450.00	450.00	-	450.00	0.0%
	Band E	635.00	635.00	-	635.00	0.0%
	Site under construction/development	315.00	315.00	-	315.00	0.0%
Application for full variation of club premises certificate	Band A	100.00	100.00	-	100.00	0.0%
	Band B	190.00	190.00	-	190.00	0.0%
	Band C	315.00	315.00	-	315.00	0.0%
	Band D	450.00	450.00	-	450.00	0.0%
	Band E	635.00	635.00	-	635.00	0.0%
	Site under construction/development	315.00	315.00	-	315.00	0.0%
Application for minor variation of club premises certificate		89.00	89.00	-	89.00	0.0%
Request for duplicate copy of certificate following loss/theft/damage		10.50	10.50	-	10.50	0.0%
Change of name or address on club premises certificate		10.50	10.50	-	10.50	0.0%
Change of club rules		10.50	10.50	-	10.50	0.0%
Club premises certificates – annual fees						
Annual fee (payable on anniversary of grant of certificate)	Band A	70.00	-	70.00	70.00	0.0%
	Band B	180.00	-	180.00	180.00	0.0%
	Band C	295.00	-	295.00	295.00	0.0%
	Band D	320.00	-	320.00	320.00	0.0%
	Band E	350.00	-	350.00	350.00	0.0%
	Site under construction/development	295.00	-	295.00	295.00	0.0%
Personal licences						
Application for new personal licence		37.00	37.00	-	37.00	0.0%
Duplicate copy of licence following theft/loss/damage		10.50	10.50	-	10.50	0.0%
Change of name or address		10.50	10.50	-	10.50	0.0%
Premises licences – applications						
Application for new premises licence	Band A	100.00	100.00	-	100.00	0.0%
	Band B	190.00	190.00	-	190.00	0.0%
	Band C	315.00	315.00	-	315.00	0.0%
	Band D	450.00	450.00	-	450.00	0.0%
	Band D with multiplier	900.00	900.00	-	900.00	0.0%
	Band E	635.00	635.00	-	635.00	0.0%
	Band E with multiplier	1,905.00	1,905.00	-	1,905.00	0.0%
	Site under construction/development	315.00	315.00	-	315.00	0.0%
	Exempt	No fee	No fee	-	No fee	0.0%
Application for full variation of premises licence	Band A	100.00	100.00	-	100.00	0.0%
	Band B	190.00	190.00	-	190.00	0.0%
	Band C	315.00	315.00	-	315.00	0.0%
	Band D	450.00	450.00	-	450.00	0.0%
	Band D with multiplier	900.00	900.00	-	900.00	0.0%
	Band E	635.00	635.00	-	635.00	0.0%
	Band E with multiplier	1,905.00	1,905.00	-	1,905.00	0.0%
	Site under construction/development	315.00	315.00	-	315.00	0.0%
	Exempt	No fee	No fee	-	No fee	0.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2019/20						
		2018-19 Charge	2019-20 Proposed Charge			% change
			Application	Licence	Total fee	
Additional application fee for high-capacity premises (payable in addition to the standard application fee)	Capacity: 5,000–9,999	1,000.00	1,000.00	-	1,000.00	0.0%
	Capacity: 10,000–14,999	2,000.00	2,000.00	-	2,000.00	0.0%
	Capacity: 15,000–19,999	4,000.00	4,000.00	-	4,000.00	0.0%
	Capacity: 20,000–29,999	8,000.00	8,000.00	-	8,000.00	0.0%
	Capacity: 30,000–39,999	12,000.00	12,000.00	-	12,000.00	0.0%
	Capacity: 40,000–49,999	16,000.00	16,000.00	-	16,000.00	0.0%
	Capacity: 50,000–59,999	20,000.00	20,000.00	-	20,000.00	0.0%
	Capacity: 60,000–69,999	24,000.00	24,000.00	-	24,000.00	0.0%
	Capacity: 70,000–79,999	28,000.00	28,000.00	-	28,000.00	0.0%
	Capacity: 80,000–89,999	32,000.00	32,000.00	-	32,000.00	0.0%
	Capacity: 90,000+	64,000.00	64,000.00	-	64,000.00	0.0%
Application for transfer of premises licence		23.00	23.00	-	23.00	0.0%
Application for variation of premises licence to specify premises supervisor		23.00	23.00	-	23.00	0.0%
Application for minor variation of premises licence		89.00	89.00	-	89.00	0.0%
Application to substitute mandatory condition for community premises (if not made simultaneously with another application)		23.00	23.00	-	23.00	0.0%
Application for interim authority notice		23.00	23.00	-	23.00	0.0%
Request for duplicate copy of premises licence following loss/theft/damage		10.50	10.50	-	10.50	0.0%
Change of name or address on premises licence		10.50	10.50	-	10.50	0.0%
Premises licences – annual fees						
Annual fee (payable on anniversary of grant of licence)	Band A	70.00	-	70.00	70.00	0.0%
	Band B	180.00	-	180.00	180.00	0.0%
	Band C	295.00	-	295.00	295.00	0.0%
	Band D	320.00	-	320.00	320.00	0.0%
	Band D with multiplier	640.00	-	640.00	640.00	0.0%
	Band E	350.00	-	350.00	350.00	0.0%
	Band E with multiplier	1,050.00	-	1,050.00	1,050.00	0.0%
	Site under construction/development	295.00	-	295.00	295.00	0.0%
	Exempt	No fee	-	No fee	0.00	0.0%
Additional annual fee for high-capacity premises (payable in addition to the standard annual fee)	Capacity: 5,000–9,999	500.00	-	500.00	500.00	0.0%
	Capacity: 10,000–14,999	1,000.00	-	1,000.00	1,000.00	0.0%
	Capacity: 15,000–19,999	2,000.00	-	2,000.00	2,000.00	0.0%
	Capacity: 20,000–29,999	4,000.00	-	4,000.00	4,000.00	0.0%
	Capacity: 30,000–39,999	8,000.00	-	8,000.00	8,000.00	0.0%
	Capacity: 40,000–49,999	12,000.00	-	12,000.00	12,000.00	0.0%
	Capacity: 50,000–59,999	16,000.00	-	16,000.00	16,000.00	0.0%
	Capacity: 60,000–69,999	20,000.00	-	20,000.00	20,000.00	0.0%
	Capacity: 70,000–79,999	24,000.00	-	24,000.00	24,000.00	0.0%
	Capacity: 80,000–89,999	28,000.00	-	28,000.00	28,000.00	0.0%
	Capacity: 90,000+	32,000.00	-	32,000.00	32,000.00	0.0%
Temporary event notices						
Temporary event notice (standard) - submission fee		21.00	21.00	-	21.00	0.0%
Temporary event notice (late) - submission fee		21.00	21.00	-	21.00	0.0%
Duplicate copy of notice following theft/loss/damage		10.50	10.50	-	10.50	0.0%
Miscellaneous						
Application for provisional statement		315.00	315.00	-	315.00	0.0%
Notification of legal/financial interest in premises		21.00	21.00	-	21.00	0.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2019/20					
	2018-19 Charge	2019-20 Proposed Charge			% change
		Application	Licence	Total fee	
Animal licences					
*Where licences for multiple animal activities are issued under The Animal Welfare (Licensing of Activities Involving Animals)(England) Regulations 2018, the fees will be equivalent to the higher cost activity.					
Animal boarding establishments					
Application for new animal boarding establishment licence (up to 3yrs)	373.96	158.00	215.00	373.00	-0.3%
Application to renew animal boarding establishment licence (3yrs)	373.96	158.00	215.00	373.00	-0.3%
Application for a new animal boarding establishment Franchise (Qualified officer inspection will be required for each premises)	n/a	158.00	215.00	373.00	0.0%
Application to renew a franchise (Qualified officer inspection will be required for each premises)	n/a	158.00	215.00	373.00	0.0%
Application to vary animal boarding establishment licence (Qualified officer inspection may be required)	128.36	35.00	53.00	88.00	-31.4%
Application for new animal boarding establishment licence (home boarding)	373.96	158.00	215.00	373.00	-0.3%
Application to renew animal boarding establishment licence (home boarding) (Qualified officer inspection will be required for each premises)	230.00	158.00	215.00	373.00	62.2%
Application to vary animal boarding establishment licence (home boarding) (Qualified officer inspection may be required)	128.36	35.00	53.00	88.00	-31.4%
Application to vary a franchise to add premises (Qualified officer inspection will be required for each additional premises)	n/a	35.00	53.00	88.00	0.0%
Application to vary to reduce numbers or types of animals or activities.	n/a	35.00	-	35.00	0.0%
Re-evaluation of star rating (Qualified officer inspection may be required)	n/a	44.00	-	44.00	0.0%
Qualified officer inspection (where required)	n/a	102.00			0.0%
Veterinary inspection of premises * (where required)		Recharged at cost			
Dangerous wild animals					
Application for licence to keep dangerous wild animals (2yr) (plus cost of vet inspection)	331.00	254.00	56.00	310.00	-6.3%
Application to renew licence to keep dangerous wild animals (2yr) (plus cost of vet inspection)	331.00	254.00	56.00	310.00	-6.3%
Application to vary licence conditions (new species/increased numbers of animals)	207.00	176.00	52.00	228.00	10.1%
Application to vary licence conditions (administrative matters only)	70.00	64.00	0.00	64.00	-8.6%
Veterinary inspection of premises *		Recharged at cost			
Dog breeding establishments					
Application for new dog breeding licence (plus cost of vet inspection) (up to 3 yrs)	202.96	160.00	113.00	273.00	34.5%
Application to renew dog breeding licence (plus cost of vet inspection) (up to 3 yrs)	202.96	160.00	113.00	273.00	34.5%
Application to vary an animal breeding establishment (inspection may be required)	42.86	35.00	53.00	88.00	105.3%
Re-evaluation of star rating (inspection may be required)	n/a	35.00	-	35.00	0.0%
Qualified officer inspection (where required)	n/a	102.00			0.0%
Veterinary inspection of premises *		Recharged at cost			

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2019/20					
	2018-19 Charge	2019-20 Proposed Charge			% change
		Application	Licence	Total fee	
Pet shops					
Application for new pet shop licence (up to 3yrs)	314.00	158.00	214.00	372.00	18.5%
Application to renew pet shop licence(up to 3yrs)	314.00	158.00	214.00	372.00	18.5%
Application for new pet shop licence (fish only) (up to 3yrs)	314.00	158.00	214.00	372.00	18.5%
Application to renew pet shop licence (fish only) (up to 3yrs)	314.00	158.00	214.00	372.00	18.5%
Application to vary a pet shop licence (Qualified officer inspection may be required)	128.36	35.00	53.00	88.00	-31.4%
Application to vary a pet shop licence - reduce animals	n/a	35.00	-	35.00	0.0%
Re-evaluation of star rating (Qualified officer inspection may be required)	n/a	35.00	-	35.00	0.0%
Qualified officer inspection (where required)	n/a	102.00			0.0%
Veterinary inspection of premises * (where required)	Recharged at cost				
Riding establishments					
Application for new riding establishment licence (plus cost of vet inspection)	202.96	158.00	113.00	271.00	33.5%
Application to renew riding establishment licence (plus cost of vet inspection)	202.96	158.00	113.00	271.00	33.5%
Application to vary a riding establishment licence (Inspection may be required)	43.00	35.00	53.00	88.00	104.7%
Application to vary - to reduce licensable activities or numbers of animals	n/a	35.00	-	35.00	0.0%
Re-evaluation of star rating (Inspection may be required)	n/a	35.00	-	35.00	0.0%
Qualified officer inspection (where required)	n/a	102.00			0.0%
Veterinary inspection of premises *	Recharged at cost				
Keeping of Exhibition/Performing Animals					
Application for a new licence for keeping exhibition/performing animals	288.46	158.00	132.00	290.00	0.5%
Application for to renew licence for keeping exhibition/performing animals	288.46	158.00	132.00	290.00	0.5%
Application to vary licence to keep or train animals for exhibition (Qualified officer inspection may be required)	128.36	35.00	53.00	88.00	-31.4%
Application to vary a licence for keeping exhibition/performing animals to reduce licensable activities or number of animal	n/a	35.00	-	35.00	0.0%
Qualified officer inspection (where required)	n/a	102.00			0.0%
Veterinary inspection of premises * (where required)	Recharged at cost				
Zoos					
Application for new zoo licence (4yr) (plus cost of vet inspection)	1,935.00	1,616.00	285.00	1,901.00	-1.8%
Application to renew zoo licence (6yr) (plus cost of vet inspection)	1,455.00	1,136.00	285.00	1,421.00	-2.3%
Application to vary zoo licence (plus cost of vet inspection)	1,455.00	1,136.00	285.00	1,421.00	-2.3%
Application to transfer zoo licence (plus cost of vet inspection)	240.00	194.00	40.00	234.00	-2.5%
Veterinary inspection of premises *	Recharged at cost				

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2019/20						
		2018-19 Charge	2019-20 Proposed Charge			% change
			Application	Licence	Total fee	
Betting, gambling and lottery licences						
Lottery registrations						
	Registration of society for small society lotteries	40.00	40.00	0.00	40.00	0.0%
	Annual fee (payable on anniversary of registration)	20.00	20.00	0.00	20.00	0.0%
Notices						
	Temporary use notice submission fee	366.00	366.00	-	366.00	0.0%
	Duplicate copy of temporary use notice following theft/loss/damage	16.00	16.00	-	16.00	0.0%
	Occasional use notice submission fee	No fee	No fee	No fee	No fee	0.0%
Permits						
	Notification of 1-2 gaming machine in alcohol-licensed premises	50.00	50.00	-	50.00	0.0%
Licensed premises gaming machine permit	Application for new permit	150.00	150.00	-	150.00	0.0%
	Application for variation of permit	100.00	100.00	-	100.00	0.0%
	Application for transfer of permit	25.00	25.00	-	25.00	0.0%
	Change of name or address	25.00	25.00	-	25.00	0.0%
	Replacement - theft/loss	15.00	15.00	-	15.00	0.0%
	Annual fee	50.00	50.00	-	50.00	0.0%
Club gaming permit	Application for new permit (standard)	200.00	200.00	-	200.00	0.0%
	Application for new permit (fast track)	100.00	100.00	-	100.00	0.0%
	Application for variation of permit	100.00	100.00	-	100.00	0.0%
	Application for renewal of permit (standard)	200.00	200.00	-	200.00	0.0%
	Application for renewal of permit (fast track)	100.00	100.00	-	100.00	0.0%
	Replacement - theft/loss	15.00	15.00	-	15.00	0.0%
	Annual fee	50.00	50.00	-	50.00	0.0%
Club machine permit	Application for new permit (standard)	200.00	200.00	-	200.00	0.0%
	Application for new permit (fast track)	100.00	100.00	-	100.00	0.0%
	Application for variation of permit	100.00	100.00	-	100.00	0.0%
	Application for renewal of permit (standard)	200.00	200.00	-	200.00	0.0%
	Application for renewal of permit (fast track)	100.00	100.00	-	100.00	0.0%
	Replacement - theft/loss	15.00	15.00	-	15.00	0.0%
	Annual fee	50.00	50.00	-	50.00	0.0%
Prize gaming permit	Application for new permit	300.00	300.00	-	300.00	0.0%
	Application for renewal of permit	300.00	300.00	-	300.00	0.0%
	Change of name or address	25.00	25.00	-	25.00	0.0%
	Replacement - theft/loss	15.00	15.00	-	15.00	0.0%
Family entertainment centre gaming machine permit	Application for new permit	300.00	300.00	-	300.00	0.0%
	Application for renewal of permit	300.00	300.00	-	300.00	0.0%
	Change of name or address	25.00	25.00	-	25.00	0.0%
	Replacement - theft/loss	15.00	15.00	-	15.00	0.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2019/20						
		2018-19 Charge	2019-20 Proposed Charge			% change
			Application	Licence	Total fee	
Premises licences - applications						
Application for new premises licence (without provisional statement)	Adult gaming centre	1,128.00	1,128.00	-	1,128.00	0.0%
	Betting (track)	1,128.00	1,128.00	-	1,128.00	0.0%
	Betting (other)	1,128.00	1,128.00	-	1,128.00	0.0%
	Bingo	1,128.00	1,128.00	-	1,128.00	0.0%
	Family entertainment centre	1,128.00	1,128.00	-	1,128.00	0.0%
Application for new premises licence (with provisional statement)	Adult gaming centre	770.00	770.00	-	770.00	0.0%
	Betting (track)	770.00	770.00	-	770.00	0.0%
	Betting (other)	770.00	770.00	-	770.00	0.0%
	Bingo	770.00	770.00	-	770.00	0.0%
	Family entertainment centre	770.00	770.00	-	770.00	0.0%
Application for provisional statement	Adult gaming centre	1,128.00	1,128.00	-	1,128.00	0.0%
	Betting (track)	1,128.00	1,128.00	-	1,128.00	0.0%
	Betting (other)	1,128.00	1,128.00	-	1,128.00	0.0%
	Bingo	1,128.00	1,128.00	-	1,128.00	0.0%
	Family entertainment centre	1,128.00	1,128.00	-	1,128.00	0.0%
Application for variation of premises licence	Adult gaming centre	770.00	770.00	-	770.00	0.0%
	Betting (track)	770.00	770.00	-	770.00	0.0%
	Betting (other)	770.00	770.00	-	770.00	0.0%
	Bingo	770.00	770.00	-	770.00	0.0%
	Family entertainment centre	770.00	770.00	-	770.00	0.0%
Application for transfer of premises licence	Adult gaming centre	331.00	331.00	-	331.00	0.0%
	Betting (track)	331.00	331.00	-	331.00	0.0%
	Betting (other)	331.00	331.00	-	331.00	0.0%
	Bingo	331.00	331.00	-	331.00	0.0%
	Family entertainment centre	331.00	331.00	-	331.00	0.0%
Application for reinstatement of premises licence	Adult gaming centre	331.00	331.00	-	331.00	0.0%
	Betting (track)	331.00	331.00	-	331.00	0.0%
	Betting (other)	331.00	331.00	-	331.00	0.0%
	Bingo	331.00	331.00	-	331.00	0.0%
	Family entertainment centre	331.00	331.00	-	331.00	0.0%
Duplicate copy of licence following theft/loss/damage		15.00	15.00	-	15.00	0.0%
Change of name or address on premises licence		35.00	35.00	-	35.00	0.0%
Premises licences – annual fees						
Annual fee (payable 30 days after the licence takes effect, and then annually on the anniversary of the grant of the licence)	Adult gaming centre	525.00	-	525.00	525.00	0.0%
	Betting (track)	525.00	-	525.00	525.00	0.0%
	Betting (other)	458.00	-	458.00	458.00	0.0%
	Bingo	525.00	-	525.00	525.00	0.0%
	Family entertainment centre	458.00	-	458.00	458.00	0.0%
Charity collections						
House-to-house collections						
Application for house to house collection licence		No fee	No fee	No fee	No fee	0.0%
Street collections						
Application for street collection licence		No fee	No fee	No fee	No fee	0.0%
Hypnotism						
Authorisation of hypnotism performance		No fee	No fee	No fee	No fee	0.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2019/20						
	2018-19 Charge	2019-20 Proposed Charge			% change	
		Application	Licence	Total fee		
Scrap metal dealers						
Application for new scrap metal site licence (3yr)	298.00	228.00	56.00	284.00	-4.7%	
Application for new scrap metal collectors licence (3yr)	212.00	177.00	28.00	205.00	-3.3%	
Application to renew scrap metal site licence (3yr)	280.00	211.00	56.00	267.00	-4.6%	
Application to renew scrap metal collectors licence (3yr)	194.00	161.00	28.00	189.00	-2.6%	
Application to vary scrap metal licence - change of licensee details	16.00	16.00	0.00	16.00	0.0%	
Application to vary scrap metal licence - change of licensed sites	81.00	80.00	0.00	80.00	-1.2%	
Application to vary scrap metal licence - change of site managers	46.00	47.00	0.00	47.00	2.2%	
Application to vary scrap metal licence - site to collectors licence	27.00	30.00	0.00	30.00	11.1%	
Application to vary scrap metal licence - collectors to site licence	144.00	104.00	38.00	142.00	-1.4%	
Sex establishments						
Application for new sex establishment licence	2,065.00	1,789.00	231.00	2,020.00	-2.2%	
Application for renewal of sex establishment licence	1,648.00	1,383.00	231.00	1,614.00	-2.1%	
Application for variation of sex establishment licence	904.00	786.00	104.00	890.00	-1.5%	
Application for transfer of sex establishment licence	393.00	402.00	0.00	402.00	2.3%	
Skin piercing, tattooing, etc.						
Application for registration of skin piercing, etc., premises	213.00	224.00	-	224.00	5.2%	
Application for registration of skin piercing, etc., operator	87.00	106.00	-	106.00	21.8%	
Street trading						
Application for street trading consent (hot food) (1 year)	0.00	0.00	0.00	0.00	0.0%	
Application for street trading consent (cold food/non-food) (1yr)	0.00	0.00	0.00	0.00	0.0%	
Application for street trading consent (one month trial only)	0.00	0.00	0.00	0.00	0.0%	
Street trading consent (annual) (1 year)	New (1 vehicle/pitch)	655.50	388.00	239.00	627.00	-4.3%
	Renewal (1 vehicle/pitch)	655.50	388.00	239.00	627.00	-4.3%
	Additional fee per extra vehicle/pitch	71.00	32.00	38.00	70.00	-1.4%
	Interim substitution of vehicle	24.50	24.00	0.00	24.00	-2.0%
	Other consent variation	137.00	137.00	0.00	137.00	0.0%
Street trading consent (single event)	Commercial event	158.00	153.00	0.00	153.00	-3.2%
	Community/charity event	25.00	30.00	0.00	30.00	20.0%
Taxis and private hire						
Driver licences						
Hackney Carriage Drivers Licence (3 years) [external e-form/checks]	New	160.00	0.00	190.00	190.00	18.8%
	Renewal	160.00	0.00	176.00	176.00	10.0%
	Theft/loss of badge	20.00	19.00	0.00	19.00	-5.0%
Private Hire Drivers Licence (3 years) [external e-form/checks]	New	160.00	0.00	190.00	190.00	18.8%
	Renewal	160.00	0.00	170.00	170.00	6.3%
	Theft/loss of badge	20.00	19.00	0.00	19.00	-5.0%
Dual HC/PH Drivers Licence (3 years) [external e-form/checks]	New	215.00	0.00	213.00	213.00	-0.9%
	Renewal	215.00	0.00	199.00	199.00	-7.4%
	Renewal & Upgrade	215.00	0.00	214.00	214.00	-0.5%
	Interim Upgrade (+£1 / unexpired month)	38.00	0.00	65.00	65.00	71.1%
	Theft/loss of badge (per)	20.00	19.00	0.00	19.00	-5.0%
Disclosure & Barring Service (DBS) enhanced disclosure * [in-house]	Recharged at cost	Recharged at cost + £15 admin			0.0%	
External identity check (DBS route 2 verification) * [in-house]	Recharged at cost	Recharged at cost			0.0%	
Driving licence verification check * [in-house]	Recharged at cost	Recharged at cost			0.0%	

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2019/20						
		2018-19 Charge	2019-20 Proposed Charge			
			Application	Licence	Total fee	% change
Driver knowledge tests						
Hackney carriage written local/legal test	Full test	50.00	69.00	-	69.00	38.0%
	Conditions only	33.00	39.00	-	39.00	18.2%
Private hire written local/legal test	Full test	50.00	69.00	-	69.00	38.0%
	Conditions only	33.00	39.00	-	39.00	18.2%
Dual HC/PH driver written local/legal test	Full test	50.00	69.00	-	69.00	38.0%
	Conditions only	33.00	39.00	-	39.00	18.2%
Versant English language assessment	Test fee *	Recharged at cost	Recharged at cost			0.0%
	Administration fee	13.00	14.00	-	14.00	7.7%
Operator licences						
Private hire operator licence (5 years)	New (0-3 vehicles)	425.00	-	410.00	410.00	-3.5%
	New (4+ vehicles)	716.00	-	690.00	690.00	-3.6%
	Renewal (1-3 vehicles)	425.00	-	410.00	410.00	-3.5%
	Renewal (4+ vehicles)	716.00	-	690.00	690.00	-3.6%
Vehicle licences						
Hackney carriage vehicle licence (excludes compliance test fee)	New (1 year)	242.00	0.00	279.00	279.00	15.3%
	Renewal (1 year)	242.00	0.00	242.00	242.00	0.0%
	Renewal & substitution (1 year)	242.00	0.00	242.00	242.00	0.0%
	Interim substitution (remaining duration)	124.50	0.00	115.00	115.00	-7.6%
	Transfer of ownership	68.00	0.00	58.00	58.00	-14.7%
	Theft/loss of rear plate	20.00	20.00	0.00	20.00	0.0%
	Theft/loss of front plate	20.00	20.00	0.00	20.00	0.0%
	Change of vehicle particulars	55.00	55.00	0.00	55.00	0.0%
Private hire vehicle licence (excludes compliance test fee)	New (1 year)	217.00	0.00	217.00	217.00	0.0%
	Renewal (1 year)	217.00	0.00	217.00	217.00	0.0%
	Renewal & substitution (1 yr.)	217.00	0.00	217.00	217.00	0.0%
	Interim substitution (remaining duration)	124.50	0.00	115.00	115.00	-7.6%
	Transfer of ownership	68.00	0.00	58.00	58.00	-14.7%
	Theft/loss of rear plate	20.00	20.00	0.00	20.00	0.0%
	Theft/loss of front plate	20.00	20.00	0.00	20.00	0.0%
	Change of vehicle particulars	55.00	55.00	0.00	55.00	0.0%
Vehicle MOT and compliance test * (payable direct to test station)	Recharged at cost	Recharged at cost			0.0%	
Specialist vehicle MOT and compliance test * (stretch limos)	0.00	Recharged at cost			0.0%	
Other fees						
Duplicate copy of licence following theft/loss/damage	15.00	15.00	-	15.00	0.0%	
Replacement internal vehicle licence plate holder	n/a	2.50	-	2.50	0.0%	
General service charges						
Photocopies (per A4 side, at officers discretion, subject to legal restrictions)	0.20	0.20	-	0.20	0.0%	
Copy of interview recording following PACE interview (per tape/disc)	15.00	16.00	-	16.00	6.7%	
Copy of public register entry (where kept and made available by statute) (per entry)	15.00	15.00	-	15.00	0.0%	
Request for duplicate copy of licence following loss/theft/damage (where not otherwise listed)	15.00	15.00	-	15.00	0.0%	
Licensing pre-application advice (per whole or part hour)	46.00	44.00	-	44.00	-4.3%	

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGETS 2019/20					
	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
Strategic Planning & Environment					
Employees	9,554,444	9,898,872	10,096,885	542,441	6%
Premises	887,090	960,719	942,240	55,150	6%
Transport	1,197,770	1,361,013	1,186,960	(10,810)	(1%)
Supplies & Services	1,883,890	2,333,962	2,233,420	349,530	19%
Third-Parties	88,330	71,933	83,630	(4,700)	(5%)
Capital Charges	1,497,010	1,497,010	1,703,600	206,590	14%
Income	(3,959,550)	(3,954,290)	(4,114,650)	(155,100)	(4%)
Grants and Contributions	(1,878,025)	(2,193,841)	(1,895,791)	(17,766)	(1%)
Recharges	1,891,921	1,869,187	1,832,250	(59,671)	(3%)
Net Expenditure: Strategic Planning & Environment	11,162,880	11,844,565	12,068,544	905,664	8%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
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Strategic Planning & Environment

Finance & Resources (Nigel Howcutt)

Open Spaces (Richard Rice)

Employees	8,000	296	0	(8,000)	(100%)
Premises	26,430	36,469	19,340	(7,090)	(27%)
Supplies & Services	550	706	550	0	0%
Capital Charges	6,630	6,630	6,600	(30)	(0%)
Income	(32,740)	(19,140)	(25,510)	7,230	22%
Grants and Contributions	(28,420)	(41,000)	(29,100)	(680)	(2%)
Recharges	1,130	1,130	1,160	30	3%
Net Expenditure: Open Spaces	(18,420)	(14,909)	(26,960)	(8,540)	(46%)

Promotion and Marketing of the Area (Town Centres) (Richard Rice)

Premises	72,230	71,106	74,140	1,910	3%
Supplies & Services	1,500	1,500	1,530	30	2%
Capital Charges	138,050	138,050	154,400	16,350	12%
Recharges	243,230	245,011	249,800	6,569	3%
Net Expenditure: Promotion and Marketing of the Area (Town Centres)	455,010	455,667	479,870	24,859	5%

Net Expenditure: Finance & Resources

436,590	440,758	452,910	16,319	4%
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Neighbourhood Delivery (David Austin)

Open Spaces (Craig Thorpe)

Employees	2,606,060	2,568,621	2,604,550	(1,510)	(0%)
Premises	469,540	504,506	480,400	10,860	2%
Transport	168,960	125,387	132,850	(36,110)	(21%)
Supplies & Services	295,290	266,711	276,880	(18,410)	(6%)
Capital Charges	348,100	348,100	432,100	84,000	24%
Income	(19,930)	(14,011)	(20,400)	(470)	(2%)
Grants and Contributions	(397,570)	(415,707)	(426,731)	(29,161)	(7%)
Recharges	(1,577,280)	(1,666,739)	(1,724,026)	(146,746)	(9%)
Net Expenditure: Open Spaces	1,893,170	1,716,869	1,755,623	(137,547)	(7%)

Animal and Public Health (Craig Thorpe)

Employees	38,470	62,629	65,290	26,820	70%
Transport	8,400	5,958	8,970	570	7%
Supplies & Services	37,360	36,425	60,000	22,640	61%
Income	(105,240)	(83,683)	(107,770)	(2,530)	(2%)
Recharges	59,816	89,859	79,828	20,013	33%
Net Expenditure: Animal and Public Health	38,806	111,188	106,318	67,513	174%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
Environmental Services Management, Support Services and Overheads (Craig Thorpe)					
Employees	317,830	334,584	330,960	13,130	4%
Premises	218,950	238,258	225,030	6,080	3%
Transport	21,880	11,830	12,950	(8,930)	(41%)
Supplies & Services	169,640	167,621	130,340	(39,300)	(23%)
Third-Parties	14,320	14,320	14,650	330	2%
Capital Charges	92,840	92,840	111,400	18,560	20%
Income	(15,770)	(12,247)	(16,150)	(380)	(2%)
Recharges	(819,690)	(847,206)	(809,180)	10,509	1%
Net Expenditure: Environmental Services Management, Support Services and Overheads	0	0	(0)	0	0%

Transport Services (Craig Thorpe)					
Employees	316,685	313,551	332,415	15,730	5%
Premises	0	8,260	0	0	
Transport	405,740	569,733	428,010	22,270	5%
Supplies & Services	15,550	25,372	15,620	70	0%
Capital Charges	4,130	4,130	5,800	1,670	40%
Grants and Contributions	(5,000)	(5,000)	(5,000)	0	0%
Recharges	(737,105)	(916,046)	(776,845)	(39,740)	(8%)
Net Expenditure: Transport Services	0	(0)	(0)	(0)	0%

Street Cleansing (Non-Highway) (Craig Thorpe)					
Recharges	1,479,708	1,506,080	1,513,700	33,992	2%
Net Expenditure: Street Cleansing (Non-Highway)	1,479,708	1,506,080	1,513,700	33,992	2%

Household Waste and Recycling (Craig Thorpe)					
Employees	2,676,170	2,653,526	2,775,850	99,680	4%
Transport	501,380	556,320	510,120	8,740	2%
Supplies & Services	94,010	553,086	550,050	456,040	485%
Capital Charges	836,080	836,080	871,600	35,520	4%
Income	(153,280)	(160,470)	(156,360)	(3,080)	(2%)
Grants and Contributions	(1,256,000)	(1,387,112)	(1,256,000)	0	0%
Recharges	1,402,164	1,608,505	1,492,192	90,028	6%
Net Expenditure: Household Waste and Recycling	4,100,524	4,659,936	4,787,452	686,928	17%

Trade Waste (Craig Thorpe)					
Employees	222,220	201,102	213,730	(8,490)	(4%)
Transport	53,330	69,938	55,980	2,650	5%
Supplies & Services	394,260	371,350	394,320	60	0%
Capital Charges	6,000	6,000	3,600	(2,400)	(40%)
Income	(1,099,650)	(913,900)	(1,150,960)	(51,310)	(5%)
Recharges	245,108	259,473	237,841	(7,267)	(3%)
Net Expenditure: Trade Waste	(178,732)	(6,037)	(245,489)	(66,757)	(37%)

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
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Pest Control (Emma Walker)

Employees	59,860	58,334	62,950	3,090	5%
Transport	3,480	750	3,650	170	5%
Supplies & Services	4,200	4,215	4,200	0	0%
Income	(74,440)	(63,539)	(76,230)	(1,790)	(2%)
Recharges	112,613	111,004	99,299	(13,314)	(12%)
Net Expenditure: Pest Control	105,713	110,765	93,869	(11,844)	(11%)

Pollution Reduction (Emma Walker)

Employees	152,419	216,541	173,620	21,201	14%
Transport	2,760	800	2,820	60	2%
Supplies & Services	20,670	13,310	20,680	10	0%
Capital Charges	2,070	2,070	11,800	9,730	470%
Income	(25,430)	(10,000)	(26,040)	(610)	(2%)
Recharges	72,901	97,170	87,989	15,088	21%
Net Expenditure: Pollution Reduction	225,390	319,891	270,869	45,479	20%

Animal and Public Health (Emma Walker)

Employees	38,790	23,041	36,970	(1,820)	(5%)
Transport	1,360	1,360	1,420	60	4%
Supplies & Services	73,460	7,210	21,470	(51,990)	(71%)
Income	(7,570)	(3,000)	(7,750)	(180)	(2%)
Recharges	35,941	71,923	62,934	26,993	75%
Net Expenditure: Animal and Public Health	141,981	100,535	115,044	(26,937)	(19%)

Food Safety (Emma Walker)

Employees	246,400	247,269	224,470	(21,930)	(9%)
Transport	1,690	1,690	1,730	40	2%
Supplies & Services	3,110	3,110	3,120	10	0%
Income	(2,650)	(500)	(2,710)	(60)	(2%)
Recharges	92,958	119,811	109,592	16,634	18%
Net Expenditure: Food Safety	341,508	371,380	336,202	(5,306)	(2%)

Health & Safety - External Support/Advice (Emma Walker)

Employees	97,270	185,153	182,600	85,330	88%
Transport	530	769	540	10	2%
Supplies & Services	27,580	47,052	27,960	380	1%
		(13)	0	0	
Recharges	(125,380)	(232,671)	(211,100)	(86,010)	(69%)
Net Expenditure: Health & Safety - External Support/Advice	0	290	0	(290)	(100%)

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
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Street Cleansing (Enforcement) (Emma Walker)

Employees	144,170	81,168	133,220	(10,950)	(8%)
Transport	5,930	4,770	6,100	170	3%
Supplies & Services	6,070	3,070	6,090	20	0%
Income	(3,170)	(3,170)	(3,250)	(80)	(3%)
Recharges	99,080	122,189	113,289	14,499	15%
Net Expenditure: Street Cleansing (Enforcement)	252,080	208,027	255,449	3,659	1%

Emergency Planning (Emma Walker)

Employees	5,470	6,153	9,670	4,200	77%
Transport	100	100	100	0	0%
Supplies & Services	5,410	2,410	5,440	30	1%
Third-Parties	27,660	25,803	28,300	640	2%
Recharges	84,868	48,990	43,243	(41,625)	(49%)
Net Expenditure: Emergency Planning	123,508	83,456	86,753	(36,755)	(30%)

Net Expenditure: Neighbourhood Delivery

8,523,656	9,182,379	9,075,790	552,135	6%
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Planning, Development and Regeneration (James Doe)**Economic Development (General) (Chris Taylor)**

Employees	209,070	223,139	183,770	(25,300)	(12%)
Premises	81,260	91,870	127,630	46,370	57%
Transport	1,260	1,328	270	(990)	(79%)
Supplies & Services	175,510	229,644	183,090	7,580	4%
Third-Parties	6,580	0	0	(6,580)	(100%)
Capital Charges	55,110	55,110	82,100	26,990	49%
Income	(390,810)	(385,670)	(482,960)	(92,150)	(24%)
Grants and Contributions	(119,535)	(141,948)	(71,530)	48,005	40%
Recharges	77,156	96,750	102,372	25,216	33%
Net Expenditure: Economic Development (General)	95,601	170,222	124,742	29,141	30%

Market Undertakings (Chris Taylor)

Premises	11,550	6,750	8,410	(3,140)	(27%)
Income	(69,050)	(45,440)	(27,570)	41,480	60%
Recharges	23,310	39,439	38,509	15,199	65%
Net Expenditure: Market Undertakings	(34,190)	749	19,349	53,539	157%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
Support to Business and Enterprise (Chris Taylor)					
Employees		3,563	0	0	
Premises	7,130	3,500	7,290	160	2%
Supplies & Services	58,990	58,990	71,030	12,040	20%
Capital Charges		0	1,900	1,900	
Income	(30,720)	(35,000)	(31,460)	(740)	(2%)
Grants and Contributions	0	0	(13,780)	(13,780)	
Recharges	64,979	65,243	65,873	894	1%
Net Expenditure: Support to Business and Enterprise	100,379	96,296	100,853	474	0%

Environmental Grants (Chris Taylor)					
Supplies & Services	7,200	7,200	7,200	0	0%
Net Expenditure: Environmental Grants	7,200	7,200	7,200	0	0%

Planning Policy (General) (Chris Taylor)					
Employees	656,400	732,078	853,240	196,840	30%
Transport	5,300	2,300	5,420	120	2%
Supplies & Services	313,680	284,030	263,820	(49,860)	(16%)
Third-Parties	7,960	0	8,140	180	2%
Capital Charges	2,850	2,850	17,100	14,250	500%
Grants and Contributions	(68,910)	(200,471)	(91,000)	(22,090)	(32%)
Recharges	309,481	283,955	282,857	(26,624)	(9%)
Net Expenditure: Planning Policy (General)	1,226,761	1,104,742	1,339,577	112,816	9%

Building Control (Sara Whelan)					
Employees	523,890	647,336	605,580	81,690	16%
Transport	8,300	2,000	8,490	190	2%
Supplies & Services	61,400	57,100	59,370	(2,030)	(3%)
Income	(597,110)	(557,110)	(597,180)	(70)	(0%)
Recharges	196,041	209,731	209,460	13,419	7%
Net Expenditure: Building Control	192,521	359,057	285,720	93,199	48%

Development Control (Sara Whelan)					
Employees	1,086,490	1,134,808	1,156,540	70,050	6%
Transport	7,270	5,880	7,440	170	2%
Supplies & Services	107,730	183,130	121,990	14,260	13%
Capital Charges	5,150	5,150	5,200	50	1%
Income	(1,040,990)	(1,417,410)	(1,151,350)	(110,360)	(11%)
Grants and Contributions	(2,590)	(2,590)	(2,650)	(60)	(2%)
Recharges	444,831	453,852	459,945	15,113	3%
Net Expenditure: Development Control	607,891	362,820	597,115	(10,777)	(2%)

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGET DETAIL 2019/20

	Original 2018/2019 £	Forecast 2018/2019 £	Draft 2019/2020 £	Variance 2018/19 - 2019/20 £ %	
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Conservation and Listed Buildings Policy (Sara Whelan)

Employees	67,140	71,433	68,320	1,180	2%
Recharges	47,007	43,796	45,319	(1,688)	(4%)
Net Expenditure: Conservation and Listed Buildings Policy	114,147	115,229	113,639	(508)	(0%)

Local Land Charges (Sara Whelan)

Employees	81,640	134,546	83,140	1,500	2%
Transport	100	100	100	0	0%
Supplies & Services	10,720	10,720	8,670	(2,050)	(19%)
Third-Parties	31,810	31,810	32,540	730	2%
Income	(291,000)	(230,000)	(231,000)	60,000	21%
Recharges	59,054	57,937	58,200	(854)	(1%)
Net Expenditure: Local Land Charges	(107,676)	5,113	(48,350)	59,326	55%

Regeneration

2,202,634	2,221,428	2,539,844	337,210	15%
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Net Expenditure: Strategic Planning & Environment

11,162,880	11,844,565	12,068,544	905,664	8%
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STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Dog Warden Service				
Stray Dogs - Statutory Fee		25.00	25.00	0.0%
Stray Dog - Statutory Fee - Owners 1st Offence correctly microchipped and returned straight to owner - Statutory Fee only				
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 1	50.00	51.00	2.0%
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 2	70.00	72.00	2.9%
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 3	90.00	92.00	2.2%
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 4	110.00	113.00	2.7%
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 5	130.00	133.00	2.3%
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 6	150.00	153.00	2.0%
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 7	170.00	174.00	2.4%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 1	75.00	77.00	2.7%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 2	95.00	97.00	2.1%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 3	115.00	118.00	2.6%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 4	135.00	138.00	2.2%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 5	155.00	159.00	2.6%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 6	175.00	179.00	2.3%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 7	195.00	199.00	2.1%
Kennelling	Per Day	Included above	Included above	0.0%
Micro-Chipping		15.00	15.00	0.0%
Dog Fouling Offence		80.00	80.00	0.0%
Return of Stray Dog		40.00	41.00	2.5%
Enforcement				
Abandoned Vehicle Reclaimed Fees - Cars	Daily	20.00	20.00	0.0%
Abandoned Vehicle Reclaimed Fees - Motorbikes	Daily	10.00	10.00	0.0%
Removal of AV from Private Land (land owners' agreement) admin fee		55.00	56.00	1.8%
Littering FPN		80.00	80.00	0.0%
s46/s47 EPA Offences (early payment)		78.75	81.00	2.9%
s46/s47 EPA Offences (full)		105.00	107.00	1.9%
s33 EPA Fixed Penalty Notice (early payment if paid within 10 days)		250.00	256.00	2.4%
s33 EPA Fixed Penalty Notice (full)		375.00	384.00	2.4%
Nuisance Vehicles / Vehicle Trading (street) (early repayment)		75.00	77.00	2.7%
Nuisance Vehicles / Vehicle Trading (street) (full)		100.00	100.00	0.0%
s34 EPA Fixed Penalty Notice (early payment if paid within 10 days)		n/a	200.00	0.0%
s33 EPA Fixed Penalty Notice (full)		n/a	300.00	0.0%
Littering From Vehicles Outside London Regulations 2018 (Full)		n/a	100.00	0.0%
Littering From Vehicles Outside London Regulations 2018 (Early Payment)		n/a	75.00	0.0%
Community Protection Notice (Full)		n/a	100.00	0.0%
Community Protection Notice (Early Repayment)		n/a	75.00	0.0%
PSPO FPN (Full)		n/a	100.00	0.0%
PSPO FPN (Early Repayment)		n/a	75.00	0.0%
Environmental Protection				
High Hedges		455.00	465.00	2.2%
LAPPC Authorisations (statutory fee defined by Defra)				
Private water supplies risk assessment (smaller supplies - Reg 10)		Bespoke price	Bespoke price	0.0%
Private water supplies risk assessment (larger supplies - Reg 9)		Bespoke price	Bespoke price	0.0%
Private water supplies desk top risk assessment		Bespoke price	Bespoke price	0.0%
Sampling Visit (fee plus analysis costs)		Bespoke price	Bespoke price	0.0%
Investigation		Bespoke price	Bespoke price	0.0%
Granting of Authorisation (fee plus analysis costs)		Bespoke price	Bespoke price	0.0%
Analysis costs (Reg 10)		Bespoke price	Bespoke price	0.0%
Analysis costs (check monitoring)		Bespoke price	Bespoke price	0.0%
Analysis costs (adult monitoring)		Bespoke price	Bespoke price	0.0%
Environmental Searches		80.00	82.00	2.5%
Food Safety				
Health Certificates (x2 plus site visit)		75.00	77.00	2.7%
Health Certificates (additional copies up to 4)		28.50	29.00	1.8%
General Endorsement Certificate		n/a	29.00	0.0%
Food Hygiene Requested Revisits (new charge)		n/a	175.00	0.0%
3 hours Safer Food Better Business Coaching (new charge) plus 50% fee per additional person from the same business		n/a	120.00	0.0%
Food hygiene advisory visits (pre-opening/new businesses/pre inspection) with report (new charge)	Per Hour	n/a	75.00	0.0%
Health & safety advisory visits (pre-opening/new businesses/pre inspection) with report (new charge)	Per Hour	n/a	75.00	0.0%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Pest Control				
Rats (up to 3 visits)		60.00	61.00	1.7%
Rats (up to 3 visits) Dacorum Card		30.00	31.00	3.3%
Mice (up to 3 visits)		60.00	61.00	1.7%
Fleas per visit (2 bedrooms and 2 living rooms only)		55.00	56.00	1.8%
Fleas - Additional Rooms		20.00	20.00	0.0%
Wasps/hornets (1 nest killed - not removed)		48.00	49.00	2.1%
Wasps/hornets - Additional Nest		18.00	18.00	0.0%
Ants (one nest killed)		70.00	72.00	2.9%
Cockroaches per visit (2 bedrooms & 2 living rooms only)		40.00	41.00	2.5%
Cockroaches - Additional Room		20.00	20.00	0.0%
Squirrels up to 3 visits		120.00	123.00	2.5%
Cluster Fly (one treatment)		73.00	75.00	2.7%
Other Per hour (min 1 hr)		74.00	76.00	2.7%
Call Out Advice - No pest treated		40.00	41.00	2.5%
Glis glis - up to 4 visits		150.00	153.00	2.0%
Glis glis - Additional visit		25.00	26.00	4.0%
Glis glis - Cage deposit (refundable)		25.00	26.00	4.0%
Cesspool Emptying				
DBC (inside) - All Charges Include £100 transport charge				
Up to 1000		162.00	166.00	2.5%
Up to 2000		219.00	224.00	2.3%
Up to 3000		330.00	338.00	2.4%
Up to 4000		387.00	396.00	2.3%
Up to 5000		496.00	507.00	2.2%
Up to 6000		554.00	567.00	2.3%
Up to 8000		721.00	738.00	2.4%
Up to 10000		889.00	909.00	2.2%
Up to 12000		1,056.00	1,080.00	2.3%
DBC (outside) - All Charges Include £130 transport charge				
Up to 1000		194.00	198.00	2.1%
Up to 2000		251.00	257.00	2.4%
Up to 3000		360.00	368.00	2.2%
Up to 4000		418.00	428.00	2.4%
Up to 5000		528.00	540.00	2.3%
Up to 6000		586.00	599.00	2.2%
Up to 8000		753.00	770.00	2.3%
Up to 10000		920.00	941.00	2.3%
Up to 12000		1,087.00	1,112.00	2.3%
Waste - Bulk Collections				
Bulk Collections	Up to 3 Items	33.00	34.00	3.0%
Bulk Collections	Up to 6 Items	60.00	61.00	1.7%
Bulk Collections - Other individual items	Bespoke Fee	n/a	n/a	0.0%
Bulk Collections - Concessions	Up to 3 Items	27.00	28.00	3.7%
Bulk Collections - Concessions	Up to 6 Items	42.00	43.00	2.4%
Bulk Collections - Concessions - Other individual items	Bespoke Charge	n/a	n/a	0.0%
Waste Services				
Collection of an additional green bin	Per Annum	50.00	51.00	2.0%
Delivery of additional green bin	Per bin	25.00	26.00	4.0%
Collection of a missed bin	Per bin	40.00	41.00	2.5%
* A charge will apply in the following circumstances:				
If the bin was either not accessible or not presented at the boundary of the property at the time that the crew attempted to collect				
If the bin was contaminated with non-recyclable materials				
If the bin was unsafe for the operator to move due to its weight or load				

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2019/20

	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Waste - Commercial				
Container Rental - 360 Litre	Per Annum	29.12	29.80	2.3%
Container Rental - 770 Litre	Per Annum	62.28	63.76	2.4%
Container Rental - 850 Paladin	Per Annum	69.00	70.56	2.3%
Container Rental - 940 Paladin	Per Annum	79.56	81.36	2.3%
Container Rental - 1100 Litre	Per Annum	93.16	95.28	2.3%
Container Rental - 1280 Litre	Per Annum	108.36	110.84	2.3%
Container Emptying - 360 Litre	Per Lift	6.04	6.22	3.0%
Container Emptying - 770 Litre	Per Lift	12.92	13.30	2.9%
Container Emptying - 850 Paladin	Per Lift	16.03	16.51	3.0%
Container Emptying - 940 Paladin	Per Lift	17.08	17.58	3.0%
Container Emptying - 1100 Litre	Per Lift	18.98	19.55	3.0%
Container Emptying - 1280 Litre	Per Lift	22.11	22.76	2.9%
Container Emptying - Schools Only - 770 Litre	Per Lift	5.20	5.32	2.3%
Container Emptying - Schools Only - 850 Paladin	Per Lift	6.09	6.23	2.3%
Container Emptying - Schools Only - 940 Paladin	Per Lift	6.81	6.96	2.2%
Container Emptying - Schools Only - 1100 Litre	Per Lift	7.97	8.15	2.3%
Container Emptying - Schools Only - 1280 Litre	Per Lift	9.28	9.49	2.3%
Commercial Waste Collections (additional empties)	Per empty	13.62	14.00	2.8%
Sacks	per 50 sacks	97.00	99.00	2.1%
Sack Sales				
Bio Sacks	Per 25 Sacks	6.25	6.50	4.0%
Bio Sacks (Dacorum Card 25% discount)	Per 25 Sacks	4.75	5.00	5.3%
Kaddy Bio Sacks	Per roll of 52	2.00	2.00	0.0%
Domestic Black Sacks	Per 10 Sacks	1.25	1.50	20.0%
Domestic Black Sacks (Dacorum Card)	Per 10 Sacks	1.00	1.00	0.0%
Weighbridge				
Weighing	Single weigh	10.00	10.50	5.0%
Weighing	Double weigh	13.00	13.50	3.8%
Street Sweeping				
Sweeping/Cleaning of non DBC land	Per Hour	42.00	43.00	2.4%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Building Control - (Fees include VAT @ 20% where applicable)				
Schedule 1 - New Dwellings - Full Plans and Inspection Charges				
1 Dwelling		957.69	996.00	4.0%
2 Dwellings		1,136.91	1,176.00	3.4%
3 Dwellings		1,328.61	Quote	0.0%
4 Dwellings		1,532.84	Quote	0.0%
5 Dwellings		1,749.56	Quote	0.0%
Each Additional Dwelling		Quote	Quote	0.0%
Conversion of dwelling into 2 flats		830.16	Quote	0.0%
Conversion of dwelling into 3 flats		974.20	Quote	0.0%
Schedule 1 - New Dwellings - Building Notice				
1 Dwelling		Quote	996.00	0.0%
2 Dwellings		Quote	1,176.00	0.0%
3 Dwellings		Quote	Quote	0.0%
4 Dwellings		Quote	Quote	0.0%
5 Dwellings		Quote	Quote	0.0%
Each Additional Dwelling		Quote	Quote	0.0%
Conversion of dwelling into 2 flats		873.88	Quote	0.0%
Conversion of dwelling into 3 flats		999.13	Quote	0.0%
Schedule 2 - Extensions, Alterations, Conversions and Garages - Full Plans - Plan and Inspection Charge (by area)				
Attached Garage / Car Port less than 30m ²		388.91	Quote	0.0%
Detached Garage / Car Port 30m ² to 100m ²		494.31	Quote	0.0%
Extensions & Loft Conversions where floor area does not exceed 6m ²		567.06	540.00	-4.8%
As above including other works up to £5,000		610.62	n/a	0.0%
Extensions & Loft Conversions where floor area exceeds 6m ² but does not exceed 10m ²		567.06	714.00	25.9%
As above including other works up to £5,000		610.62	n/a	0.0%
Extensions & Loft Conversions where floor area exceeds 10m ² but does not exceed 20m ²		734.90	780.00	6.1%
As above including other works up to £5,000		806.00	n/a	0.0%
Extensions & Loft Conversions where floor area exceeds 20m ² but does not exceed 40m ²		734.90	840.00	14.3%
As above including other works up to £5,000		806.00	n/a	0.0%
Extensions & Loft Conversions where floor area exceeds 40m ² but does not exceed 100m ²		952.88	1,140.00	19.6%
As above including other works up to £5,000		1,058.60	n/a	0.0%
Loft conversions		735.87	n/a	0.0%
Garage Conversions - Plans only		110.00	n/a	0.0%
Conversion of a domestic garage into a habitable room(s)		n/a	420.00	0.0%
Habitable detached building up to 100m ²		811.02	n/a	0.0%
Erection or extension of a domestic garage or carport up to 100m ²		494.31	540.00	9.2%
Replacement of up to five windows/external doors of an existing dwelling		n/a	126.00	0.0%
Replacement of more than five windows/external doors of an existing dwelling		n/a	210.00	0.0%
Schedule 2 - Extensions, Alterations, Conversions and Garages - Building Notice (by area)				
Attached Garage / Car Port less than 30m ²		406.85	Quote	0.0%
Detached Garage / Car Port 30m ² to 100m ²		505.09	Quote	0.0%
Extensions & Loft Conversions where floor area does not exceed 6m ²		602.59	540.00	-10.4%
As above including other works up to £5,000		650.11	n/a	0.0%
Extensions & Loft Conversions where floor area exceeds 6m ² but does not exceed 10m ²		602.59	714.00	18.5%
As above including other works up to £5,000		650.11	n/a	0.0%
Extensions & Loft Conversions where floor area exceeds 10m ² but does not exceed 20m ²		764.07	780.00	2.1%
As above including other works up to £5,000		841.50	n/a	0.0%
Extensions & Loft Conversions where floor area exceeds 20m ² but does not exceed 40m ²		764.07	840.00	9.9%
As above including other works up to £5,000		841.50	n/a	0.0%
Extensions & Loft Conversions where floor area exceeds 40m ² but does not exceed 100m ²		981.28	1,140.00	16.2%
As above including other works up to £5,000		1,096.19	n/a	0.0%
Loft conversions		749.91	n/a	0.0%
Conversion of a domestic garage into a habitable room(s)		392.91	420.00	6.9%
Habitable detached building up to 100m ²		851.86	n/a	0.0%
Erection or extension of a domestic garage or carport up to 100m ²		505.09	540.00	6.9%
Replacement of up to five windows/external doors of an existing dwelling		194.33	126.00	-35.2%
Replacement of more than five windows/external doors of an existing dwelling		194.33	210.00	8.1%
Upgrading a thermal element		194.33	n/a	0.0%
Cavity Fill		194.33	n/a	0.0%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Schedule 3 - Alteration & All Other Building Works - Full Plans - Plan and Site Inspection Combined Charges (by value)				
Estimated Cost up to £1,000		n/a	240.00	0.0%
Estimated Cost between £1,001 and £2,000		n/a	318.00	0.0%
Estimated Cost between £2,001 and £5,000		331.78	348.00	4.9%
Estimated Cost between £5,001 and £10,000		428.04	444.00	3.7%
Estimated Cost between £10,001 and £20,000		524.30	540.00	3.0%
Estimated Cost £20,001 and over		Quote	Quote	0.0%
Schedule 3 - Alteration & All Other Building Works - Building Notice Domestic & Commercial (by value)				
Estimated Cost up to £1,000		n/a	240.00	0.0%
Estimated Cost between £1,001 and £2,000		n/a	318.00	0.0%
Estimated Cost between £2,001 and £5,000		353.56	348.00	-1.6%
Estimated Cost between £5,001 and £10,000		451.53	444.00	-1.7%
Estimated Cost between £10,001 and £20,000		560.87	540.00	-3.7%
Estimated Cost £20,001 and over		Quote	Quote	0.0%
Additional Charges for Solid Fuel Appliances				
Installing a solid fuel appliance like a stove or a boiler (wood, coal, oil etc) (If installation is part of any other work like an extension, please add this to the other charge)		n/a	276.00	0.0%
Non-Domestic Extensions - Full Plans - Plan and Inspection Charges Combined				
Extension less than 6m ²		688.97	540.00	-21.6%
Extensions 6m ² to 10m ²		688.97	714.00	3.6%
Extension 10m ² to 20m ²		815.84	780.00	-4.4%
Extensions 20m ² to 40m ²		815.84	840.00	3.0%
Extensions 40m ² to 100m ²		953.24	1,140.00	19.6%
Non-Domestic Alteration & All Other Building Works - Full Plans - Plan and Inspection Charges Combined (by value)				
Estimated Cost up to £1,000		419.06	240.00	-42.7%
Estimated Cost between £1,001 and £2,000		419.06	318.00	-24.1%
Estimated Cost between £2,001 and £5,000		419.06	348.00	-17.0%
Estimated Cost between £5,001 and £10,000		502.78	444.00	-11.7%
Estimated Cost between £10,001 and £20,000		590.58	540.00	-8.6%
Estimated Cost £20,001 and over		Quote	Quote	0.0%
Building Control - Copy Documents and Other Miscellaneous Charges				
Searching of historic records	per hour or part thereof	n/a	30.00	0.0%
Copy of Completion Certificate		19.80	25.00	26.3%
Site inspection for completion certificate (over 12 months)		n/a	60.00	0.0%
Copy of notice of decision		19.80	25.00	26.3%
Stamped approved plans	per plan	n/a	20.00	0.0%
Additional inspections for quality of building works including help with snagging list		n/a	20% of original charge	0.0%
Pre-application advice including 'Do I need permission?' (fee refunded if using Dacorum Borough Council)		n/a	40.00	0.0%
Administration charges for dangerous buildings, demolitions historic buildings		n/a	10% of cost plus £50 per hour	0.0%
Additional inspections requested by the contractor		n/a	5% of original charge	0.0%
Additional work carried out on site		Quote	Quote	0.0%
Regularisation Applications				
Applications may be submitted where work has been carried out since 11 November 1985 but not previously submitted to the Authority. The fees are equal to at least 125% of fees and are not subject to VAT.				

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Planning Fees				
Schedule 1 - Part 2 - Scale of Fees in Respect of Variations - Outline Permission				
Site Area less than 2.5 Hectares - Categories 1, 2 and 3	per 0.1 hectare	462.00	462.00	0.0%
Site Area > 2.5 Hectares Fixed Fee (plus variable fee below) - Categories 1, 2 & 3	fixed fee	11,432.00	11,432.00	0.0%
Site Area > 2.5 Hectares Variable Fee - Categories 1, 2 & 3 (max of £125,000)	per 0.1 hectares above 2.5	138.00	138.00	0.0%
Site Area less than 15 Hectares - Categories 9* and 11	per 0.1 hectare	234.00	234.00	0.0%
Site Area > 15 Hectares Fixed Fee (plus variable fee below) - Categories 9* & 11	fixed fee	34,934.00	34,934.00	0.0%
Site Area > 15 Hectares Variable Fee - Categories 9* & 11 (max of £65,000)	per 0.1 hectares above 15	138.00	138.00	0.0%
Other: Category 9 (maximum £250,000)	per 0.1 hectare	234.00	234.00	0.0%
* Category 9 fees shown above in the case of operations for the mining and working of minerals - these applications are determined by Hertfordshire County Council				
Schedule 1 - Part 2 - Scale of Fees in Respect of Variations - Full Permission or Reserved Matters				
Up to 50 Dwelling Houses - Category 1	Per Dwelling House	462.00	462.00	0.0%
Greater than 50 Dwelling Houses Fixed Fee (plus variable fee below) - Category 2	Fixed Fee	22,859.00	22,859.00	0.0%
Greater than 50 Dwelling Houses Variable Fee - Category 2 (maximum of £250,000) - Category 2	Per Dwelling House > 50	138.00	138.00	0.0%
Where no Floor space created - Category 2	Fixed Fee	234.00	234.00	0.0%
Where Floor space Created less than 40m ² - Category 2	Fixed Fee	234.00	234.00	0.0%
Where Floor space Created Between 40m ² and 75m ² - Category 2	Fixed Fee	462.00	462.00	0.0%
Where Floor space Created Between 75m ² and 3750m ² - Category 2	Per 75m ²	462.00	462.00	0.0%
Where Floor space Greater than 3750m ² Fixed Fee (plus variable fee below) - Category 2	Fixed Fee	22,859.00	22,859.00	0.0%
Where Floor space Greater than 3750m ² Variable Fee (maximum of £250,000) - Category 2	Per 75m ² > 3750m ²	138.00	138.00	0.0%
Where Floor space Created less than 465m ² - Category 3	Fixed Fee	96.00	96.00	0.0%
Where Floor space Created Between 465m ² and 540m ² - Category 3	Fixed Fee	462.00	462.00	0.0%
Where Floor space Created Between 540m ² and 4215m ² Fixed Fee (plus variable fee below) - Category 3	Fixed Fee	462.00	462.00	0.0%
Where Floor space Created Between 540m ² and 4215m ² Variable Fee - Category 3	Per 75m ² > 540m ²	462.00	462.00	0.0%
Where Floor space Created Over 4215m ² Fixed Fee (plus variable fee below) - Category 3	Fixed Fee	22,859.00	22,859.00	0.0%
Where Floor space Created Over 4215m ² Variable Fee (maximum of £250,000) - Category 3	Per 75m ² > 4215m ²	138.00	138.00	0.0%
Where Floor space Created less than 465m ² - Categories 4 & 5	Fixed Fee	96.00	96.00	0.0%
Where Floor space Created greater than 465m ² - Categories 4 & 5	Fixed Fee	2,580.00	2,580.00	0.0%
Enlargement, Improvement or Other Alteration for one Dwelling House - Category 6	Fixed Fee	206.00	206.00	0.0%
Enlargement, Improvement or Other Alteration for more than one Dwelling House - Category 6	Fixed Fee	407.00	407.00	0.0%
Site Area less than 5 Hectares - Category 5	Per 0.1 hectare	462.00	462.00	0.0%
Site Area > 5 Hectares Fixed Fee (plus variable fee below) - Category 5	Fixed Fee	22,859.00	22,859.00	0.0%
Site Area > 5 Hectares Variable Fee - Category 6 (max of £250,000)	Per 0.1 hectares above 5	138.00	138.00	0.0%
Site Area less than 7.5 Hectares - Category 8	Per 0.1 hectare	462.00	462.00	0.0%
Site Area > 7.5 Hectares Fixed Fee (plus variable fee below) - Category 8	Fixed Fee	34,934.00	34,934.00	0.0%
Site Area > 7.5 Hectares Variable Fee - Category 8 (max of £250,000)	Per 0.1 hectares above 7.5	138.00	138.00	0.0%
Operations within curtilage - Category 7a	Fixed Fee	206.00	206.00	0.0%
Car Park, Service Roads & Means of Access - Category 7b	Fixed Fee	234.00	234.00	0.0%
Change from Single Dwelling House to use as less than 50 Dwelling Houses - Category 10a	Per additional Dwelling House	462.00	462.00	0.0%
Change from Single Dwelling House to use as >50 Dwelling Houses Fixed Fee (plus variable fee below) - Category 10a	Fixed Fee	22,859.00	22,859.00	0.0%
Change from Single Dwelling House to use as >50 Dwelling Houses Variable Fee (maximum of £250,000) - Category 10a	Per each dwelling house >50	138.00	138.00	0.0%
Change of use to <50 dwelling houses (Other Cases) - Category 10b	Per additional Dwelling House	462.00	462.00	0.0%
Change of use to >50 dwelling houses (Other Cases) Fixed Fee (plus variable fee below) - Category 10a	Fixed Fee	22,859.00	22,859.00	0.0%
Change of use to >50 dwelling houses (Other Cases) Variable Fee (maximum of £250,000) - Category 10a	Per each dwelling house >50	138.00	138.00	0.0%
Change of Use not included in Categories 9 or 10	Fixed Fee	462.00	462.00	0.0%
Applications for permission in principle	Per 0.1 hectare	402.00	402.00	0.0%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2019/20				
	Unit Measurement	2018/19 Charge	2019/20 Proposed Charge	% Change
Schedule 2 - Other Planning Application				
Advert On Business Premises, Forecourt or curtilage		132.00	132.00	0.0%
Advert To Direct Public or Draw Attention to Business Premises not Visible		132.00	132.00	0.0%
Advert All Other Cases		462.00	462.00	0.0%
Approval/variation /discharge of condition		234.00	234.00	0.0%
Request for confirmation that conditions complied with		116.00	116.00	0.0%
Request for confirmation that conditions complied with (householder)		34.00	34.00	0.0%
Application for non material amendment- householder		34.00	34.00	0.0%
application for non material amendment-other		234.00	234.00	0.0%
Lawful development certificate - existing use		234.00	234.00	0.0%
Prior approval - agriculture		96.00	96.00	0.0%
Prior approval - telecoms		462.00	462.00	0.0%
Prior approval - schools		96.00	96.00	0.0%
Prior approval - from agriculture to schools		96.00	96.00	0.0%
Prior approval - from agriculture to commercial use		96.00	96.00	0.0%
Prior approval - from office to residential		96.00	96.00	0.0%
Prior approval - from agriculture to residential (no associated building operations)		96.00	96.00	0.0%
Prior approval - from agriculture to residential (associated building operations)		206.00	206.00	0.0%
Prior approval - from retail to residential (no associated building operations)		96.00	96.00	0.0%
Prior approval - from retail to residential (associated building operations)		206.00	206.00	0.0%
Prior approval - temporary state funded school		96.00	96.00	0.0%
Prior approval - temporary use for film making		96.00	96.00	0.0%
Prior approval - solar PV equipment up to 1mgw		96.00	96.00	0.0%
Prior approval - collection facility within curtilage of a shop		96.00	96.00	0.0%
Land Charges				
Fees exclude VAT @ 20% where applicable				
VAT will become payable on all income derived from the CON 29 R and O products as of 1 February 2016				
LLC1 and CON29R (Residential Properties)		99.00	99.00	0.0%
LLC1 and CON29R (Commercial Properties)		190.00	190.00	0.0%
LLC1 (Search of Land Charges Register only)		30.00	30.00	0.0%
CON29R Only (Residential Properties)		69.00	69.00	0.0%
CON29O Enquiries (Except Q22 - Commons Search)		160.00	160.00	0.0%
CON29O Enquiries		12.00	12.00	0.0%
CON29O Q22 - Commons Search		20.00	20.00	0.0%
Extra parcels of land		20.00	20.00	0.0%
Pre-application charges (inclusive of VAT)				
PPA - minimum charge each PPA negotiated on complexity		2,200.00	2,500.00	13.6%
Category A - Significant Major Development		3,300.00	3,600.00	9.1%
Category B - Very large Major Development		2,200.00	2,400.00	9.1%
Category C - Major Developments		1,100.00	1,200.00	9.1%
Category D - Minor Developments		330.00	360.00	9.1%
Category E - Minor Developments		165.00	180.00	9.1%
Category F - Householder Applications		72.00	80.00	11.1%
Plus additional meeting (inclusive of VAT)				
Category A - Significant Major Development		660.00	720.00	9.1%
Category B - Very large Major Development		440.00	490.00	11.4%
Category C - Major Developments		220.00	240.00	9.1%
Category D - Minor Developments		110.00	120.00	9.1%
Category E - Minor Developments		55.00	60.00	9.1%
Category F - Householder Applications		55.00	60.00	9.1%
Post application charges (new charges) (inclusive of VAT)				
Category A - Significant Major Development		330.00	360.00	9.1%
Category B - Very large Major Development		220.00	240.00	9.1%
Category C - Major Developments		110.00	120.00	9.1%
Category D - Minor Developments		83.00	100.00	20.5%
Category E - Minor Developments		55.00	60.00	9.1%
Category F - Householder Applications		28.00	30.00	7.1%
Planning Performance Agreement				
Bespoke fees costed per application				
Strategic Planning Charges for Documents				
All Strategic Planning Documents are available on the website. Printed versions can be posted upon individual request made to strategic.planning@dacorum.gov.uk.				
<i>Prices will be provided based on printing and postage costs at the time of the request.</i>		Recharged at cost	Recharged at cost	

DRAFT HOUSING REVENUE ACCOUNT BUDGET SUMMARY 2018/19 & 2019/20								
		2018/19			2019/20			
£000	Note	Original 2018/19	Forecast Outturn	Variance	Growth / (Savings)	Estimate 2019/20 1st OSC 4.12.18	Growth / (Savings) 2nd OSC 5.2.19	Estimate 2019/20 2nd OSC 5.2.19
Income								
Dwelling Rents	1	(53,044)	(52,804)	240	500	(52,544)	8	(52,536)
Non-Dwelling Rents		(102)	(145)	(43)	0	(102)		(102)
Tenant Service Charges	2	(1,512)	(1,644)	(132)	(54)	(1,566)	(60)	(1,626)
Leaseholder Charges		(487)	(528)	(41)	0	(487)		(487)
Interest and Investment Income	3	(390)	(376)	14	(45)	(435)		(435)
Contributions to Expenditure	4	(535)	(535)	0	(110)	(645)		(645)
Total Income		(56,070)	(56,032)	38	291	(55,779)	(52)	(55,831)
Expenditure								
Repairs and Maintenance	5	12,113	12,113	0	(35)	12,078	(10)	12,068
Revenue Contribution to Capital	6	7,285	7,190	(95)	(1,324)	5,961	(481)	5,480
Supervision & Management	7	12,043	12,182	139	354	12,397	386	12,783
Corporate and Democratic Core		301	301	0	0	301	6	307
Rent, Rates, Taxes & Other Charges		34	71	37	0	34	1	35
Provision for Bad Debts	8	700	700	0	275	975		975
Interest Payable	9	11,594	11,594	0	(36)	11,558		11,558
Depreciation	10	12,000	12,000	0	475	12,475	150	12,625
Total Expenditure		56,070	56,151	81	(291)	55,779	52	55,831
HRA Deficit / (Surplus)		0	119	119	0	0	0	0
Housing Revenue Account Balance:								
Opening Balance at 1 April		(2,892)	(2,892)	0		(2,892)		(2,892)
Deficit / (Surplus) for the year		0	0	0		0		0
Closing Balance at 31 March		(2,892)	(2,892)	0		(2,892)		(2,892)

SUMMARY OF MAJOR MOVEMENTS IN HOUSING REVENUE ACCOUNT BUDGET 2018/19 - 2019/20

Note 1 - Dwelling Rents

The budget for Dwelling Rents reflects the final year of the 1% reduction in social rents announced by the Government in July 2015. The average dwelling rent is proposed to reduce from £101.22 in 2018/19 to £100.08 in 2019/20.

Note 2 - Tenant Service Charges

There is additional income of £54k on this line due to a grant from Herts County Council that was expected to have ceased. An additional £60k is also expected from service charge recovery on new properties.

Note 3 - Interest and Investment Income

There is an increase to the draft budget for 2019/20 due to increase in interest rates.

Note 4 - Contributions to Expenditure

The budget for Contributions to Expenditure has been increased by £70k to reflect an increase in income from minor capital receipts. In addition there is a budgeted increase of £40k from a new policy of charging leaseholders for alterations work. Income to be generated via a new post shown in Supervision and Management.

Note 5 - Repairs & Maintenance

There is a minor amendment to the budget for Repairs and Maintenance budget through investment in a maintenance officer to address disrepair claims at an early stage, which will lead to savings in repairs costs. Savings to be generated via a new post shown in Supervision and Management.

Note 6 - Revenue Contribution to Capital

The Revenue Contribution to Capital has reduced year on year, as a result of operational activities including reduced income from rents due to government policy and additional costs incurred maintaining the current asset portfolio. The capital programme is fully funded over the next 3 years through utilisation of capital receipts, capital grants and revenue contributions.

Note 7 - Supervision and Management

The draft budget includes the following assumptions:

In line with estimates for the General Fund, salaries budgets include pay inflation of 2.4%. Utilities budgets also include inflation of 5%.

Growth of £75k for a specialist Universal Credit income officer and new income analysis technology to improve efficiency in rent collection.

Growth of 2 posts recovered in increased income and reduced repairs (as above).

Growth of £120k in the new build team to contribute to delivery of the revised capital programme.

Increased recharge to the HRA from the General Fund to reflect updated share of central costs.

Note 8 - Provision for Bad Debts

The provision for bad debts has been increased by £300k in 2018/19 to allow for the part year effect of the implementation of Universal Credit. The new income analysis technology is expected to help reduce arrears and therefore have a positive impact on the level of bad debt.

Note 9 - Interest Payable

This line reflects the interest payment due on the HRA self-financing loan taken out in 2012.

Note 10 - Depreciation

The budgets for depreciation have been increased to reflect an increase in capital assets as a result of the new build programme, combined with inflation in house prices.

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2018/19 - 2023/24

Summary	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Current Overall Programme	24,691	14,082	2,848	9,525	4,733	0	55,879
New Bids	0	1,874	1,500	285	345	1,384	5,388
Rephased and Amended Schemes	(7,686)	788	3,576	(4,091)	2,696	1,967	(2,750)
Revised Overall Programme	17,005	16,744	7,924	5,719	7,774	3,351	58,517

NEW BIDS	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
<u>FINANCE & RESOURCES</u>							
Commercial Assets and Property Development (Richard Rice)							
Service Lease Domestic Properties				30		30	60
Central Nursery roof replacement		15					15
Victoria Hall Tring staircase renewal		20					20
Northbridge Road highway improvements		45					45
Queens Square canopy renewal		50					50
Procurement and Contracted Services (Ben Hosier)							
Works to The Forum - pigeon proofing of photovoltaic panels		20					20
Multi-functional devices refresh				90			90
Leisure works - Berkhamsted Swimming pool walls refurbishment		33					33
Leisure works - Jarmans Athletics track renew floodlights		18					18
Leisure works - Replacement of disability hoists (Hemel and Berkhamsted)		20					20
Leisure works - Replacement of fire exit door (Hemel)		20					20
Leisure works - Replacement of circulation pump (Hemel)		12					12
Leisure works - Replace pool cover structure (Hemel)		64					64
Leisure works - Replace Air Handling Unit in the pool (Hemel)		390					390
Leisure works - Replace Air Handling Unit in the gym (Hemel)			150				150
Leisure works - Replace Air Handling Unit in the sports hall (Hemel)			250				250

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2018/19 - 2023/24

NEW BIDS	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
FINANCE & RESOURCES cont.							
Procurement and Contracted Services (Ben Hosier) cont.							
Car Park Refurbishment - The Gables		60					60
Car Park Refurbishment - Alexandra Road		60					60
Car Park Refurbishment - Canal Fields			100				100
Information, Communication and Technology (Ben Trueman)							
Rolling Programme - Hardware						75	75
Software Licences - Right of Use						50	50
People and Performance (Matthew Rawdon)							
Community Grants						20	20
<u>STRATEGIC PLANNING & ENVIRONMENT</u>							
Environmental Services (Craig Thorpe)							
Wheeled Bins & Boxes for New Properties		10	10	10	10	10	50
Waste & Recycling Service Improvements		36					36
Fleet Replacement Programme		75	873	0	272	13	1,233
Fleet Services Renew Plant and Equipment		47					47
Cupid Green Waste Site Renovation		100					100
Fleet Management system upgrade		34					34
Cupid Green Welfare Facilities		90					90
Strategic Planning and Regeneration (Chris Taylor)							
Town Centre Access Improvements		165					165
Property & Place (Alan Mortimer)							
Disabled Facilities Grants						741	741
<u>HOUSING & COMMUNITY</u>							
Procurement and Contracted Services (Ben Hosier)							
Rolling Programme - CCTV Cameras						25	25
CCTV equipment refresh		490	117	155	63	70	895
People and Performance (Matthew Rawdon)							
Verge Hardening Programme						350	350
TOTAL - NEW BIDS	0	1,874	1,500	285	345	1,384	5,388

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2018/19 - 2023/24

REPHASED AND AMENDED SCHEMES	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
<u>FINANCE & RESOURCES</u>							
Commercial Assets and Property Development (Richard Rice)							
Strategic Acquisitions		(1,750)	1,750				0
Old Town Hall - Café roof and stonework renewal	(60)	60					0
Demolition of Civic Centre	(395)	395					0
Tring Community Centre - new play area for Children's Nursery	(11)	11					0
Rossgate Shopping Centre - Structural Works	(301)	301					0
100 High St (Old Town), Hemel - Window Replacement	(14)	14					0
Long Chaulden - Roof Renovations	(56)	56					0
Bellgate - Walkway Renovation	(66)	66					0
Bunkers Farm	(575)	575					0
Demolish Gadebridge Park Green-Keeper's Shed	(20)	20					0
Procurement and Contracted Services (Ben Hosier)							
Dacorum Athletics Track	(550)	(2,250)	200				(2,600)
Berkhamsted Sports Centre - Roof Replacement		(150)					(150)
Hemel Hempstead Sports Centre - Astro turf renewal	(70)	70					0
Car Park Refurbishment	(348)	348					0
Multi Storey Car Park Berkhamsted	(1,308)	1,308					0
							0
Development Management and Planning (Sara Whelan)							0
Planning Software Replacement	(50)	50					0
							0
Information, Communication and Technology (Ben Trueman)							0
Website Development	(25)	25					0
Future Vision of CRM	(245)	125	120				0

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2018/19 - 2023/24

REPHASED AND AMENDED BIDS	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
<u>STRATEGIC PLANNING & ENVIRONMENT</u>							
Environmental Services (Craig Thorpe)							
Waste & Recycling Service Improvements	(30)	30					0
Fleet Replacement Programme	(1,684)	166	1,206	(21)	(19)	352	0
Fleet Services Renew Plant and Equipment	(155)	155					0
Gadebridge Park - Renovation of White Bridge	(200)	200					0
Fleet Services Renew Plant & Equipment							
Strategic Planning and Regeneration (Chris Taylor)							
Urban Park/Education Centre (Durrants Lakes)	(54)	(76)	130				0
Town Centre Access Improvements	(55)	55					0
The Bury - Conversion into Museum and Gallery	(55)	(265)	170	(1,950)	1,125	975	0
The Bury - Residential Development		(110)		(2,120)	1,590	640	0
REPHASED AND AMENDED BIDS	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
<u>HOUSING & COMMUNITY</u>							
Strategic Housing (David Barrett)							
Westerdale (Garage Development)	(1,164)	1,164					0
Northend (Garage Development)	(195)	195					0
TOTAL - REPHASED AND AMENDED BIDS	(7,686)	788	3,576	(4,091)	2,696	1,967	(2,750)

DRAFT CAPITAL PROGRAMME BY OSC 2018/19 TO 2023/24

Scheme		18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
	GENERAL FUND						
	FINANCE & RESOURCES						
	Commercial Assets and Property Development (Richard Rice)						
1	Strategic Acquisitions			1,750			
2	Service Lease Domestic Properties		30		30		30
3	Old Town Hall - Cafe Roof and stonework renewal		60				
4	Demolition of Civic Centre	646	395				
5	Old Town Public Convenience Refurbishment	30					
6	Bennetts End Community Centre - Replace Roof	30					
7	Adeyfield Community Centre - replace roof	94					
8	Tring Community Centre - new play area for Children's Nursery	2	11				
9	Warners End Community Centre heating and doors	35					
10	Rossgate Shopping Centre - Structural Works	-	301				
11	Leys Road - Roof	34					
12	The Denes Shopping Centre - Renew Walkway & Canopy Covering	80					
13	Grovehill Shopping Centre - renew car park		30				
14	Silk Mill - Renew asphalt tanking to stairs	18					
15	58 High St (Old Town), Hemel - Remove and Rebuild Wall	42					
16	100 High St (Old Town), Hemel - Window Replacement	-	14				
17	Half Moon Yard - Replace soffit/facia & external facade	18					
18	Kingshill Cemetery - Toilet Provision	160					
19	Kingshill Cemetery Infrastructure (New Burial Area)	40					

DRAFT CAPITAL PROGRAMME BY OSC 2018/19 TO 2023/24

Scheme		18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
FINANCE & RESOURCES							
Commercial Assets and Property Development (Richard Rice)							
20	Bunkers Farm	75	775				
21	Demolish Gadebridge Park Green-Keeper's Shed		20				
22	Long Chaulden - Roof Renovations	-	56				
23	Bellgate - Walkway Renovation	-	66				
24	Stoneycroft - Car Park Refurbishment		55				
25	Hobbs Hill - Window and Doors replacement		15				
26	Bennettsgate - Window Renewal		90				
27	Commercial Assets - Shopping Centres			400	400	400	
28	Central Nursery roof replacement		15				
29	Victoria Hall Tring staircase renewal		20				
30	Northbridge Road highway improvements		45				
31	Queens Square canopy renewal		50				
		1,304	2,048	2,150	430	400	30
Procurement and Contracted Services (Ben Hosier)							
32	Works to The Forum - pigeon proofing of photovoltaic panels		20				
33	Car Park Refurbishment	351	488	60			
34	Car Park Refurbishment - The Gables		60				
35	Car Park Refurbishment - Alexandra Road		60				
36	Car Park Refurbishment - Canal Fields			100			
37	Multi Storey Car Park Berkhamsted	2,085	2,470				
38	Multi-functional devices refresh				90		
39	Hemel Hempstead Sports Centre - Roof		100				
40	Dacorum Athletics Track - Resurface Track		200	200			
41	Hemel Hempstead Sports Centre - Astroturf renewal		70				
42	Berkhamsted Sports Centre - Roof Replacement	200					
43	Berkhamsted Sports Centre - Installation of new hot water calorifiers	50					
44	Berkhamsted Sports Centre - Building Management System	150					
45	Tring Swimming Pool	1,760					

DRAFT CAPITAL PROGRAMME BY OSC 2018/19 TO 2023/24

Scheme		18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
FINANCE & RESOURCES							
Procurement and Contracted Services (Ben Hosier)							
46	Leisure works - Berkhamsted Swimming pool walls refurbishment		33				
47	Leisure works - Jarmans Athletics track renew floodlights		18				
48	Leisure works - Replacement of disability hoists (Hemel and Berkhamsted)		20				
49	Leisure works - Replacement of fire exit door (Hemel)		20				
50	Leisure works - Replacement of circulation pump (Hemel)		12				
51	Leisure works - Replace pool cover structure (Hemel)		64				
52	Leisure works - Replace Air Handling Unit in the pool (Hemel)		390				
53	Leisure works - Replace Air Handling Unit in the gym (Hemel)			150			
54	Leisure works - Replace Air Handling Unit in the sports hall (Hemel)			250			
		4,596	4,025	760	90	-	-

DRAFT CAPITAL PROGRAMME BY OSC 2018/19 TO 2023/24

Scheme		18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
FINANCE & RESOURCES							
Information, Communication and Technology (Ben Trueman)							
55	Rolling Programme - Hardware	525	75	75	75	75	75
56	Software Licences - Right of Use	50	50	50	50	50	50
57	Website Development	16	25				
58	Mobile Working		45				
59	Future vision of CRM	134	135	130			
		725	330	255	125	125	125
Revenues, Benefits and Fraud (Chris Baker)							
60	Revenues and Benefits new servers	23					
		23	-	-	-	-	-
People and Performance (Matthew Rawdon)							
61	EIS Replacement	70					
62	Capital Grants - Community Groups	20	20	20	20	20	20
63	Improvement works to The Forum	280					
		370	20	20	20	20	20
Development Management and Planning (Sara Whelan)							
64	Planning Software Replacement	37	50				
		37	50	-	-	-	-
Housing & Regeneration Management (Mark Gaynor)							
65	Gade Zone	25					
		25	-	-	-	-	-
Finance & Operations Management (James Deane)							
66	Civic Zone Regeneration Upgrade (DevCo)		650				
		-	650	-	-	-	-
TOTAL - FINANCE & RESOURCES		7,080	7,123	3,185	665	545	175

DRAFT CAPITAL PROGRAMME BY OSC 2018/19 TO 2023/24

Scheme		18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
HOUSING & COMMUNITY							
People and Performance (Matthew Rawdon)							
67	Verge Hardening Programme	284	350	350	350	350	350
68	Storage Facility at Grovehill APG	25					
		309	350	350	350	350	350
Procurement and Contracted Services (Ben Hosier)							
69	Rolling Programme - CCTV Cameras	25	25	25	25	25	25
70	Alarm Receiving Centre	65					
71	CCTV equipment refresh		490	117	155	63	70
		90	515	142	180	88	95
Strategic Housing (David Barrett)							
72	Westerdale (Garage Development)	208	1,349				
73	Northend (Garage Development)	208	380				
74	Affordable Housing Development Fund (fully funded from 141 Capital Receipts)	5,995	1,629	625	42		
75	Wood House - Office Space Fit Out	550					
		6,961	3,358	625	42	-	-
Strategic Housing (Natasha Beresford)							
76	Temporary Accommodation - creation of new units	60	90				
		60	90	-	-	-	-
TOTAL - HOUSING & COMMUNITY		7,420	4,313	1,117	572	438	445

DRAFT CAPITAL PROGRAMME BY OSC 2018/19 TO 2023/24

Scheme		18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
STRATEGIC PLANNING & ENVIRONMENT							
Environmental Services (Craig Thorpe)							
77	Wheeled Bins & Boxes for New Properties	10	10	10	10	10	10
78	Fleet Replacement Programme	878	2,806	2,311	3,471	1,710	365
79	Fleet Services Renew Plant and Equipment	-	202				
80	Play Area Refurbishment Programme	279					
81	Waste & Recycling Service Improvements	90	66				
82	Commercial Waste Collection System	23					
83	Gadebridge Park - Splash Park	202					
84	Gadebridge Park - Infrastructure Improvements	137					
85	Gadebridge Park - Renovation of White Bridge	50	450				
86	Walled Garden Irrigation System (Gadebridge Park)	15					
87	Cupid Green Waste Site Renovation	-	100				
88	Fleet Management system upgrade	-	34				
89	Cupid Green Welfare Facilities		90				
		1,684	3,758	2,321	3,481	1,720	375
Property & Place (Alan Mortimer)							
90	Disabled Facilities Grants	755	741	741	741	741	741
		755	741	741	741	741	741
Strategic Planning and Regeneration (Chris Taylor)							
91	Urban Park/Education Centre (Durrants Lakes)	-	134	130			

DRAFT CAPITAL PROGRAMME BY OSC 2018/19 TO 2023/24

Scheme		18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
STRATEGIC PLANNING & ENVIRONMENT							
92	Water Gardens	26					
93	Town Centre Access Improvements	20	620				
94	Hemel Street Furniture	20					
95	The Bury - Conversion into Museum and Gallery		55	320	150	2,100	975
96	The Bury - Residential Development			110	110	2,230	640
		66	809	560	260	4,330	1,615
STRATEGIC PLANNING & ENVIRONMENT							
TOTAL - STRATEGIC PLANNING & ENVIRONMENT		2,505	5,308	3,622	4,482	6,791	2,731
TOTAL - GENERAL FUND		17,005	16,744	7,924	5,719	7,774	3,351

DRAFT CAPITAL PROGRAMME BY OSC 2018/19 TO 2023/24

Scheme		18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
	HOUSING REVENUE ACCOUNT						
	Property & Place (Alan Mortimer)						
97	Planned Fixed Expenditure	11,479	17,746	17,057	17,023	17,066	17,100
98	M&E Contracted Works	600					
99	Communal Gas & Heating	2,975					
100	DBC Commissioned Capital Works	1,096		750	750	986	750
101	Special Projects	50	907				
		16,200	18,653	17,807	17,773	18,052	17,850
	Strategic Housing (David Barrett)						
102	New Build - General Expenditure	222	7,565	9,390	18,650	22,350	3,500
103	Martindale	1,786	10,482	2,035			
104	Kylna Court (Previously known as Wood House)	4,935					
105	Stationers Place / Apsley Paper Mill	1,469	5,589				
106	Swing Gate Lane	912					
107	Swing Gate Lane Conversion	762					
		10,086	23,636	11,425	18,650	22,350	3,500
	TOTAL - HOUSING REVENUE ACCOUNT	26,286	42,289	29,232	36,423	40,402	21,350
	TOTAL CAPITAL PROGRAMME	43,291	59,033	37,156	42,142	48,176	24,701

DRAFT CAPITAL PROGRAMME BY OSC 2018/19 TO 2023/24

	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000
CAPITAL FINANCING						
GENERAL FUND						
Capital Receipts and Reserves	6,345	6,500	3,200	4,870	3,630	2,181
141 Capital Receipts	6,120	2,148	625	42		
Grants and Contributions	905	1,394	937	807	1,665	1,170
Revenue Contributions to Capital	2,110					
Borrowing	1,525	6,702	3,162		2,479	
TOTAL - GENERAL FUND	17,005	16,744	7,924	5,719	7,774	3,351
GENERAL FUND YEAR END CAPITAL BALANCE	-	-	-	-	-	-
HOUSING REVENUE ACCOUNT						
Capital Receipts and Reserves	15,112	17,184	19,608	15,820	12,256	11,315
141 Capital Receipts	2,812	5,882	3,183	5,595	6,705	1,050
Grants and Contributions (S106)	1,172					
Revenue Contributions to Capital	7,190	5,480	5,597	6,407	6,972	
Borrowing		13,743	844	8,601	14,469	8,985
TOTAL - HOUSING REVENUE ACCOUNT	26,286	42,289	29,232	36,423	40,402	21,350
TOTAL - CAPITAL FINANCING	43,291	59,033	37,156	42,142	48,176	24,701

General Fund Reserves Summary	Balance as at 31/03/2017 £'000	Net Reserve Movement 2017/18 £'000	Balance as at 31/03/2018 £'000	Net Reserve Movement 2018/19 £'000	Balance as at 31/03/2019 £'000	Net Reserve Movement 2019/20 £'000	Balance as at 31/03/2020 £'000	Net Reserve Movement 2020/21 £'000	Balance as at 31/03/2021 £'000	Net Reserve Movement 2021/22 £'000	Balance as at 31/03/2022 £'000
Civic Buildings Major Repairs Reserve	200		200		200		200		200		200
Capital Development Reserve	500	(35)	465	(165)	300		300		300		300
Earmarked Grants Reserve	202	(99)	103	(61)	42	(10)	32		32		32
Management of Change Reserve	1,750	(324)	1,425	(453)	972	34	1,006	350	1,356	350	1,706
Technology Reserve	56		56	200	256		256		256		256
Savings Efficiencies Reserve	0		0	604	604	317	921	244	1,165		1,165
On Street Car Parking Reserve	242	(30)	212	(20)	192	(56)	136		136		136
Local Development Framework Reserve	100	(34)	66	(66)	0	250	250		250		250
Dacorum Development Reserve	356	(192)	164	(160)	4	3,134	3,138	500	3,638		3,638
Planning Enforcement & Appeals Reserve	75	(21)	54		54		54		54		54
Planning & Regeneration Project Reserve	158	(17)	141	(67)	74		74		74		74
Litigation Reserve	148	53	201	86	287	200	487		487		487
Vehicle Replacement Reserve	700	350	1,050	350	1,400	350	1,750	350	2,100	(1,750)	350
Invest to Save	248		248	(30)	218	170	388		388		388
Tring Swimming Pool Repairs Reserve	0	8	8	8	16		16		16		16
Youth Provision Reserve	101	(40)	61	(40)	21		21		21		21
Election Reserve	60	30	90	30	120	(90)	30	30	60	30	90
Uninsured Loss Reserve	586		586	(86)	500		500		500		500
Training & Development Reserve	88	(32)	56	(33)	23	(23)	0		0		0
Housing Conditions Survey Reserve	81	15	96		96	(35)	61	15	76	15	91
Dacorum Partnership Reserve	58	(19)	39		39		39		39		39
Dacorum Rent Aid - Guarantee Scheme	15	0	15		15		15		15		15
Rent Guarantee Scheme Reserve	15	0	15		15		15		15		15
Funding Equalisation Reserve	2,214	266	2,480		2,480		2,480		2,480		2,480
Pensions Reserve	1,773	0	1,773	200	1,973	200	2,173	(1,300)	873	200	1,073
Maylands Plus Reserve	46	0	46	23	69	23	92	23	115	23	138
Total Earmarked Reserves	9,772	(121)	9,650	320	9,970	4,464	14,434	212	14,646	(1,132)	13,514
Working Balance	2,502		2,502	7	2,509	0	2,509	0	2,509	0	2,509
Total General Fund Reserves	12,274	(121)	12,152	327	12,479	4,464	16,943	212	17,155	(1,132)	16,023



Dacorum Borough Council

Treasury Management Strategy Statement

Minimum Revenue Provision Policy Statement and Annual
Investment Strategy

2019/20

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1. Introduction

1.1 Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. A primary function of the Treasury Management service is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially, before considering investment return.

The second main function of the Treasury Management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning, to ensure that the Council can meet its capital spending obligations. The management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

1.2 Clauses to be formally adopted

1. Dacorum Borough Council will create and maintain the following for effective treasury management:
 - a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities;
 - suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities
2. Full Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.
3. Responsibility is delegated to the Section 151 Officer for the implementation and regular monitoring of its treasury management policies and practices, and for the execution and administration of treasury management decisions. They will act in accordance with the policy statement and TMPs and, if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

4. This organisation nominates Cabinet to be responsible for ensuring effective scrutiny of the treasury management strategy, policies and monitoring before recommendation to Full Council.

1.3 Treasury Management Policy Statement

The Council defines its treasury management activities as:

The management of the organisation's borrowing, investments, cash flows, banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

The Council acknowledges that effective treasury management will provide support towards the achievement of the Council's business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

Revised reporting is required for the 2019/20 reporting cycle due to revisions of the MHCLG Investment Guidance, the MHCLG Minimum Revenue Provision (MRP) Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code. The primary reporting changes include the introduction of a capital strategy, to provide a longer-term focus to the capital plans, and greater reporting requirements surrounding any commercial activity undertaken under the Localism Act 2011. The capital strategy is being reported separately.

1.4 Reporting requirements

1.4.1 Capital Strategy

The CIPFA revised **201** Prudential and Treasury Management Codes require, for 2019-20, all local authorities to prepare an additional report, a capital strategy report, which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this capital strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

1.4.2 Treasury Management reporting

The Council is currently required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

Treasury Management Strategy Statement (this report) - The first, and most important report, covers:

- the capital plans (including prudential indicators);
- a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).

A mid year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether the treasury strategy is meeting the strategy or whether any policies require revision.

An annual treasury report – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny – The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Cabinet.

1.5 Treasury Management Strategy for 2019/20

The strategy for 2019/20 covers two main areas:

Capital issues:

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management issues:

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and

- policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

1.6 Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. The training needs of treasury management officers are periodically reviewed.

1.7 Treasury management consultants

The Council uses Link Asset Services, Treasury Solutions as its external treasury management advisors.

The Council recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

The Council also recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

2. The Capital Prudential Indicators 2019/20 – 2021/22

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

2.1 Capital expenditure

The first prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. The table below summarises the capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need. Members are asked to approve the capital expenditure forecasts:

Capital expenditure	2017/18 Actual £m	2018/19 Forecast £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m

Non-HRA	9.511	17.006	16.743	7.924	5.719
HRA	24.591	26.287	42.289	29.232	36.423
Total	34.102	43.293	59.032	37.156	42.142
Financed by:					
Capital grants & S106	1.494	2.077	1.394	0.937	0.807
Capital receipts & reserves	28.376	30.391	31.714	26.616	26.327
Revenue contribution to Capital	3.124	9.300	5.480	5.597	6.407
Borrowing	1.108	1.525	20.444	4.006	8.601
Net financing need for the year	34.102	43.293	59.032	37.156	42.142

Other long-term liabilities - The above financing need excludes other long-term liabilities, such as leasing arrangements.

2.2 The Council's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure, which is not immediately paid for, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life.

The CFR includes any other long term liabilities (e.g. finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has £0.188m of such schemes within the CFR.

The Council is asked to approve the CFR projections below:

	2017/18 Actual £m	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m
Capital Financing Requirement					
CFR – non housing	8.802	9.924	16.237	19.018	18.508
CFR – housing	346.739	344.104	354.261	350.514	355.635
Total CFR	355.541	354.028	370.498	369.532	374.143
Movement in CFR		(1.514)	16.470	(0.966)	4.611

Movement in CFR is represented by					
Net financing need for the year		(1.514)	16.470	(0.966)	4.611
Use of set aside capital receipts		0	0	0	0
Movement in CFR		(1.514)	16.470	(0.966)	4.611

2.3 Minimum revenue provision (MRP) policy statement

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

MHCLG regulations have been issued which require the full Council to approve an MRP Statement in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement:

The MRP policy will be:

Asset life method – MRP will be based on the estimated life of the assets, in accordance with the regulations;

This option provides for a reduction in the borrowing need over approximately the asset's life.

There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made (although there are transitional arrangements in place).

Repayments included in finance leases are applied as MRP.

MRP Overpayments - A change introduced by the revised MHCLG MRP Guidance was the allowance that any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative

overpayment made each year. Up until the 31 March 2019 the total VRP overpayments were £0.6m.

2.4 Core funds and expected investment balances

The use of funds to either finance capital expenditure or to support the revenue budget will have an ongoing impact on investments, unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year end balances and anticipated day to day cash flow balances.

Year End Resources	2017/18 Actual £m	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m
Fund balances / reserves	44.253	35.399	34.568	28.207	21.400
Capital receipts	22.384	19.136	10.269	9.461	7.254
Provisions	4.777	4.500	4.500	4.500	4.500
Other	0.000	0.000	0.000	0.000	0.000
Total core funds	71.414	59.035	49.337	42.168	33.154
Working capital		5.000	5.000	5.000	5.000
(Under)/over borrowing		-1.525	-20.444	-4.006	-8.601
Expected investments		62.510	33.893	43.161	29.553

2.5 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

2.6 Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term costs net of investment income) against the net revenue stream.

	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
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Non-HRA	0.87%	1.23%	1.20%	1.17%	1.33%
HRA	20.09%	25.09%	27.95%	30.38%	29.58%

2.7 HRA ratios

	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
HRA debt £m	346.172	344.104	340.518	335.928	332.448
HRA revenues £m	57.036	55.573	54.936	56.729	58.744
Ratio of debt to revenues %	607%	619%	620%	592%	566%
Number of HRA dwellings	10,079	10,115	10,089	10,149	10,187
Debt per dwelling £	34,346	34,019	33,751	33,100	32,634

3. Borrowing

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council.

The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

3.1 Current portfolio position

The overall treasury management portfolio as at 31 March 2018 and for the position as at 31 December 2018 are shown below for both borrowing and investments.

TREASURY PORTFOLIO				
	actual Mar-18	actual Mar-18	current Dec-18	current Dec-18
	£000	%	£000	%
Treasury investments				
banks	46,000	50%	47,573	43%
building societies - rated	13,000	14%	25,000	23%
local authorities	16,500	18%	18,000	16%
DMADF (H.M.Treasury)	0	0%	6,500	6%
money market funds	17,250	19%	14,000	13%
Total managed in house	92,750	100%	111,073	100%
Total managed externally	0	0%	0	0%
Total treasury investments	92,750	100%	111,073	100%
Treasury external borrowing				
local authorities	0	0%	0	0%
PWLB	365,187	100%	362,747	100%
Total external borrowing	365,187	100%	362,747	100%
Net treasury investments / (borrowing)	-272,437	0	-251,674	0

The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

	2017/18 Actual £m	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m
External Debt					
Debt at 1 April	365.754	365.187	362.747	358.441	353.502
Expected change in Debt	(0.567)	(2.440)	(4.306)	(4.939)	(3.822)
Other long-term liabilities	0.188	0.188	0.188	0.188	0.188
Actual gross debt at 31 March	365.375	362.935	358.629	353.690	349.868
The Capital Financing Requirement	355.541	354.028	370.498	369.532	374.143
Under / (over) borrowing*	(9.833)	(8.907)	11.869	15.842	24.276

There are a number of key indicators to ensure that the Council operates its activities within well-defined limits.

One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2018/19 and the following two financial years.

This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes. The Council complies with this indicator.

3.2 Treasury Indicators: Limits to borrowing activity

The operational boundary. This is the limit beyond which external debt is not normally expected to exceed.

Operational boundary	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m
Debt	362.747	358.441	353.502	349.680
Other long term liabilities	0.188	0.188	0.188	0.188
Total	362.935	358.629	353.690	349.868

1. **The authorised limit for external debt.** This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.

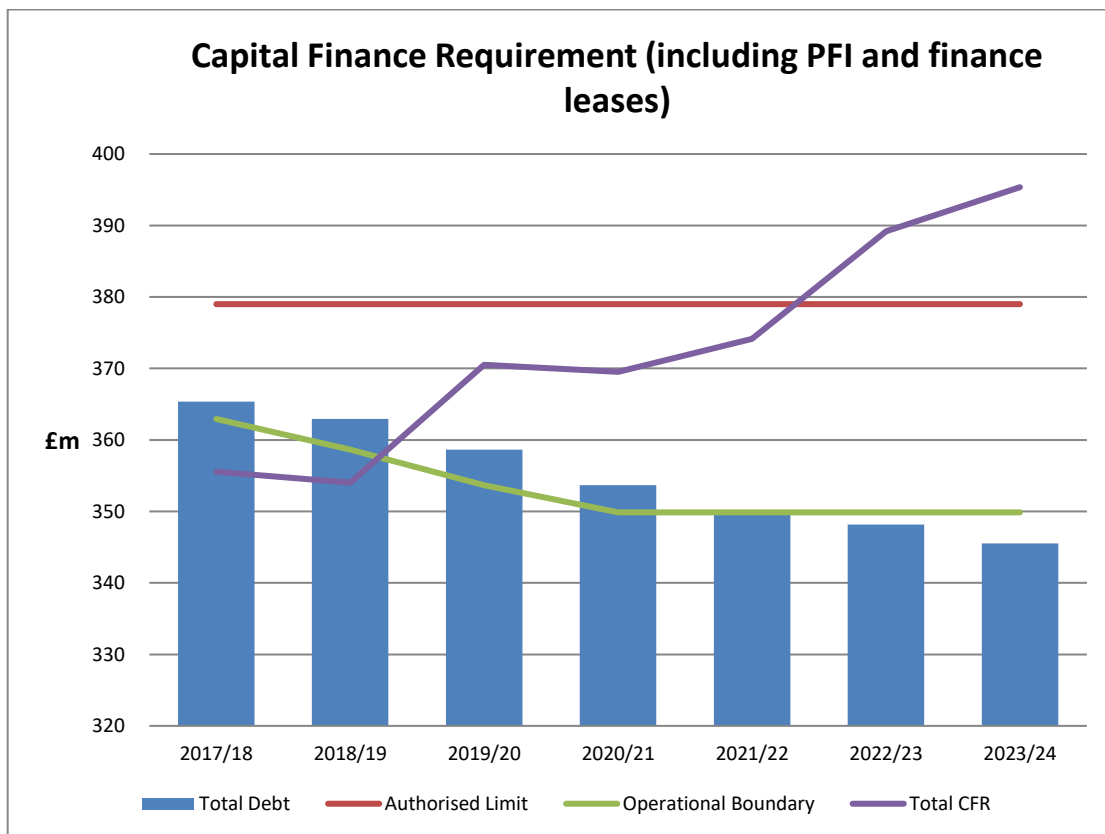
2. The Council is asked to approve the following authorised limit:

Authorised limit	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m
Debt	378.00	378.00	378.00	378.00
Other long term liabilities	1.00	1.00	1.00	1.00
Total	379.00	379.00	379.00	379.00

The graph below shows projections of CFR and borrowing:

CAPITAL FINANCING REQUIREMENT including PFI and finance leases							
	Actual	Est	Est	Est	Est	Est	Est
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£m	£m	£m	£m	£m	£m	£m
HRA CFR	346.7	344.1	354.3	350.5	355.6	368.7	375.4
GF CFR	8.8	9.9	16.2	19.0	18.5	20.5	20.0
Total CFR	355.5	354.0	370.5	369.5	374.1	389.2	395.4
External Borrowing	365.2	362.7	358.4	353.5	349.7	348.0	345.3

Other long term liabilities	0.188	0.188	0.188	0.188	0.188	0.188	0.188
Total Debt	365.4	362.9	358.6	353.7	349.9	348.2	345.5
Authorised Limit	379.0	379.0	379.0	379.0	379.0	379.0	379.0
Operational Boundary	362.9	358.6	353.7	349.9	349.9	349.9	349.9



3.3 Maturity Structure of borrowing

These gross limits are set to reduce the /Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

Maturity structure of fixed interest rate borrowing 2019/20		
	Lower	Upper
Under 12 months	0%	1%
12 months to 2 years	0%	1%
2 years to 5 years	0%	3%
5 years to 10 years	2%	5%
10 years and above	5%	90%
Maturity structure of variable interest rate borrowing 2019/20		
	Lower	Upper

Under 12 months	0%	1%
12 months to 2 years	0%	2%
2 years to 5 years	0%	2%
5 years to 10 years	0%	0%
10 years and above	0%	0%

3.4 Borrowing strategy

The Council is currently in an over-borrowed position as described in 3.1. This means that the CFR, has been over funded with loan debt. This was to secure preferential self-financing borrowing rates and maintain General Fund capital balances.

The Corporate Director (Finance & Operations) will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances, specifically in relation to refinancing, delaying capital expenditure and taking on new borrowings.

Any decisions will be reported to the appropriate decision making body at the next available opportunity.

3.5 Policy on borrowing in advance of need

The Council will not borrow more than, or in advance of, its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Borrowing in advance will be made within the constraints that the Council would not look to borrow more than 36 months in advance of need. Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

3.6 Prospects for Interest Rates

The Councils Treasury Advisors provided the following as their view for interest rates.

Link Asset Services Interest Rate View													
	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.75%	1.75%	1.75%	2.00%
3 Month LIBID	0.90%	1.00%	1.10%	1.20%	1.30%	1.40%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%
6 Month LIBID	1.00%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%
12 Month LIBID	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.40%
5yr PWLB Rate	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%	2.80%	2.80%
10yr PWLB Rate	2.50%	2.60%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
25yr PWLB Rate	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB Rate	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.40%

The flow of generally positive economic statistics after the quarter ended 30 June meant that it came as no surprise that the MPC came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, from 0.5% to 0.75%. Growth became increasingly strong during 2018 until slowing significantly during the last quarter. At the November quarterly Inflation Report meeting, the MPC left Bank Rate unchanged, but expressed some concern at the Chancellor's fiscal stimulus in his Budget, which could increase inflationary pressures. However, it is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. On a major assumption that Parliament and the EU agree a Brexit deal in the first quarter of 2019, then the next increase in Bank Rate is forecast to be in May 2019, followed by increases in February and November 2020, before ending up at 2.0% in February 2022.

The overall longer run future trend is for gilt yields, and consequently PWLB rates, to rise, albeit gently. However, over about the last 25 years, we have been through a period of falling bond yields as inflation subsided to, and then stabilised at, much lower levels than before, and supported by central banks implementing substantial quantitative easing purchases of government and other debt after the financial crash of 2008. Quantitative easing, conversely, also caused a rise in equity values as investors searched for higher returns and purchased riskier assets. In 2016, we saw the start of a reversal of this trend with a sharp rise in bond yields after the US Presidential election in November 2016, with yields then rising further as a result of the big increase in the US government deficit aimed at stimulating even stronger economic growth. That policy change also created concerns around a significant rise in inflationary pressures in an economy which was already running at remarkably low levels of unemployment. Unsurprisingly, the Fed has continued on its series of robust responses to combat its perception of rising inflationary pressures by repeatedly increasing the Fed rate to reach 2.25 – 2.50% in December 2018. It has also continued its policy of not fully reinvesting proceeds from bonds that it holds as a result of quantitative easing, when they mature. We therefore saw US 10 year bond Treasury yields rise above 3.2% during October 2018 and also investors causing a sharp fall in equity prices as they sold out of holding riskier assets. However, by early January 2019, US 10 year bond yields had fallen back considerably on fears that the Fed was being too aggressive in raising interest rates and was going to cause a recession. Equity prices have been very volatile on alternating good and bad news during this period.

From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment. Such volatility could occur at any time during the forecast period.

Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

3.7 Investment and borrowing rates

- Investment returns are likely to remain low during 2019/20 but to be on a gently rising trend over the next few years.
- Borrowing interest rates have been volatile so far in 2018-19 and while they were on a rising trend during the first half of the year, they have backtracked since then until early January. The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future when authorities may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt;
- There will remain a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost

3.8 Debt rescheduling

As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

All rescheduling and early repayment of debt will be reported to Cabinet, at the earliest meeting following its action.

3.9 Municipal Bond Agency

It is possible that the Municipal Bond Agency will be offering loans to local authorities in the future. The Agency hopes that the borrowing rates will be lower than those offered by the Public Works Loan Board (PWLB). This Authority may make use of this new source of borrowing as and when appropriate.

4. Annual Investment Strategy

4.1 Investment policy

The Council's investment policy has regard to the following: -

MHCLG's Guidance on Local Government Investments ("the Guidance")

CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code")

CIPFA Treasury Management Guidance Notes 2018

The Council's investment priorities will be security first, portfolio liquidity second and then yield.

The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

- Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
- **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its Treasury advisors Link Asset Services to maintain a monitor on

market pricing such as “**credit default swaps**” and overlay that information on top of the credit ratings.

- Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- Dacorum Borough Council has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in appendix 2 under the categories of ‘specified’ and ‘non-specified’ investments.
 - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year.
 - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
- **Non-specified investments limit.** The Council has determined that it will limit the maximum total exposure to non-specified investments as being X% of the total investment portfolio, (see paragraph 4.3).
- **Lending limits,** (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 4.2.
- **Transaction limits** are set for each type of investment in appendix 2.
- Dacorum Borough Council will set a limit for the amount of its investments which are invested for longer than 365 days, (see paragraph 4.3).
- Investments will only be placed with counterparties from countries with a specified minimum sovereign rating, (see paragraph 4.2).
- Dacorum Borough Council has engaged external consultants, (see paragraph 1.7), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
 - All investments will be denominated in sterling.
 - As a result of the change in accounting standards for 2018/19 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year

to the General Fund. In November 2018, the MHCLG concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years commencing from April 2018.

However, Dacorum Borough Council will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 4.5). Regular monitoring of investment performance will be carried out during the year.

4.2 Creditworthiness policy

Dacorum uses the creditworthiness service provided by Link Asset Services. This service employs a modelling approach using credit ratings from the three main credit rating agencies.

The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit Watches and credit Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands :

- Yellow 5 years
- Purple 2 years
- Blue 1 year (Nationalised or semi nationalised UK Banks only)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

The Link Asset Services' creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalent) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally

lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored weekly. The Council is alerted to changes to ratings of all three agencies through its use of Link's creditworthiness service. If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.

In addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition the Council will also use market data and market information, information on any external support for banks to help support its decision making process.

UK banks – ring fencing

The largest UK banks, (those with more than £25bn of retail / Small and Medium-sized Enterprise (SME) deposits), are required, by UK law, to separate core retail banking services from their investment and international banking activities by 1st January 2019. This is known as "ring-fencing". Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt up. Several banks are very close to the threshold already and so may come into scope in the future regardless. Ring-fencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail and SME deposits from investment banking, in order to improve the resilience and resolvability of banks by changing their structure. In general, simpler, activities offered from within a ring-fenced bank, (RFB), will be focused on lower risk, day-to-day core transactions, whilst more complex and "riskier" activities are required to be housed in a separate entity, a non-ring-fenced bank, (NRFB). This is intended to ensure that an entity's core activities are not adversely affected by the acts or omissions of other members of its group.

While the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The Council will continue to assess the new-formed entities in the same way that it does others and those with sufficiently high ratings, (and any other metrics considered), will be considered for investment purposes.

Country limits

Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups and sectors. The Section 151 Officer will determine approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch (or equivalent) as appropriate, with

durations following the same colour coded criteria, details of which are set out in 4.2. Officers will remove counterparties from this list should ratings change in accordance with this policy, and counterparties will only be added with approval from the Section 151 Officer.

Local Authority Counterparties

In light of some recent cases of Local Authorities issuing s114 notices (issued an authority's s151 office is of the view that expenditure of the authority is likely to exceed the resources available to meet that expenditure), the Council has taken advice in respect to Local Authority counterparties. This states that local authorities continue to represent a low risk investment. The Council will continue to include Local Authority counterparties in its list of potential investment counterparties.

4.3 Investment strategy

In-house funds: Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

Investment returns expectations: Bank Rate is forecast to increase steadily but slowly over the next few years to reach 2.00% by quarter 1 2022. Bank Rate forecasts for financial year ends (March) are:

- 2018/19 0.75%
- 2019/20 1.25%
- 2020/21 1.50%
- 2021/22 2.00%

The suggested budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year are as follows:

	Now
2018/19	0.75%
2019/20	1.00%
2020/21	1.50%
2021/22	1.75%
2022/23	1.75%
2023/24	2.00%
Later years	2.50%

The overall balance of risks to economic growth in the UK is probably neutral. The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

Investment treasury indicator and limit: Total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity

requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator and limit:

Upper limit for principal sums invested for longer than 365 days			
£m	2019/20	2020/21	2021/22
Principal sums invested for longer than 365 days	20% of portfolio	20% of portfolio	20% of portfolio

For its cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, money market funds and short-dated deposits (overnight to 100 days) in order to benefit from the compounding of interest.

4.4 Investment risk benchmarking

These benchmarks are simple guides to minimise risk; so they may be breached from time to time, depending on movements in interest rates and counterparty criteria.

The purpose of the benchmark is that officers will monitor the position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported to Cabinet, with supporting reasons in the mid-year and annual report.

Security - The Council's maximum security risk benchmark for the current portfolio, when compared to historic default tables is 0.06%.

Liquidity – in respect of this area the Council seeks to maintain:

- Maximum bank overdraft - £0.25m
- Liquid deposits of at least £5m available with a week's notice.
- Weighted average life benchmark is expected to be around 100 days

Yield - local measures of yield benchmarks for investments is to achieve internal returns above the 7 day LIBID rate.

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

4.5 External fund managers

The Council does not currently use fund managers. If deemed appropriate to use fund managers in the future, the decision will be passed through Cabinet for recommendation to Full Council.

4.6 Non- Treasury Investments

The Council recognises that investment in other financial assets and property primarily for financial return, taken for non-treasury management purposes, requires careful investment management. Such activity may include loans to support service outcomes, investment in subsidiaries and investment property portfolios.

This type of activity is covered by the Council's normal approvals processes for revenue and capital expenditure.

The Council holds a portfolio of investment properties. These are managed as part of the Council's asset management strategy.

Appendix 1: Economic Background (provided by Link Asset Services)

UK

The flow of positive economic statistics since the end of the first quarter of 2018 has shown that pessimism was overdone about the poor growth in quarter 1 when adverse weather caused a temporary downward blip. Quarter 1 at 0.1% growth in GDP was followed by a return to 0.4% in quarter 2 and by a strong performance in quarter 3 of +0.6%. However, growth in quarter 4 is expected to weaken significantly.

At their November quarterly Inflation Report meeting, the MPC repeated that future Bank Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary or contractionary), than before the crash; they gave a figure for this of around 2.5% in ten years time, but declined to give a medium term forecast. However, with so much uncertainty around Brexit, they warned that the next move could be up or down, even if there was a disorderly Brexit. While it would be expected that Bank Rate could be cut if there was a significant fall in GDP growth as a result of a disorderly Brexit, so as to provide a stimulus to growth, they warned they could also raise Bank Rate in the same scenario if there was a boost to inflation from a devaluation of sterling, increases in import prices and more expensive goods produced in the UK replacing cheaper goods previously imported, and so on. In addition, the Chancellor could potentially provide fiscal stimulus to support economic growth, though at the cost of increasing the budget deficit above currently projected levels.

It is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. Getting parliamentary approval for a Brexit agreement on both sides of the Channel will take well into spring 2019. However, in view of the hawkish stance of the MPC at their November meeting, the next increase in Bank Rate is now forecast to be in May 2019, (on the assumption that a Brexit deal is agreed by both the UK and the EU). The following increases are then forecast to be in February and November 2020 before ending up at 2.0% in February 2022.

Inflation

The Consumer Price Index (CPI) measure of inflation has been falling from a peak of 3.1% in November 2017 to 2.1% in December 2018. In the November Bank of England quarterly Inflation Report, inflation was forecast to still be marginally above its 2% inflation target two years ahead, (at about 2.1%), given a scenario of minimal increases in Bank Rate.

As for the labour market figures in October, unemployment at 4.1% was marginally above a 43 year low of 4% on the Independent Labour Organisation measure. A combination of job vacancies hitting an all-time high, together with negligible growth in total employment numbers, indicates that employers are now having major difficulties filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to 3.3%, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates less CPI inflation), earnings

are currently growing by about 1.2%, the highest level since 2009. This increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. This tends to confirm that the MPC was right to start on a cautious increase in Bank Rate in August as it views wage inflation in excess of 3% as increasing inflationary pressures within the UK economy.

In the **political arena**, the Brexit deal put forward by the Conservative minority government was defeated on 15 January 2019. It is unclear, how this situation will move forward. However, our central position is that Prime Minister May's government will endure, despite various setbacks, along the route to reaching an orderly Brexit though the risks are increasing that it may not be possible to get full agreement by the UK and EU before 29 March 2019, in which case this withdrawal date is likely to be pushed back. If, however, the UK faces a general election in the next 12 months, this could result in a potential loosening of monetary and fiscal policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up.

Interest Rate Forecasts

The interest rate forecasts provided by Link Asset Services in paragraph 3.2 are predicated on an assumption of an agreement being reached on Brexit between the UK and the EU.

- In the event of an **orderly non-agreement exit**, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help economic growth deal with the adverse effects of this situation. This is also likely to cause short to medium term gilt yields to fall.
- If there was a **disorderly Brexit**, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly. It is also possible that the government could act to protect economic growth by implementing fiscal stimulus.

Appendix 2: Credit and Counterparty Risk Management

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

Specified Investments: All such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum 'high' quality criteria where applicable.

	* Minimum 'High' Credit Criteria	Use
Debt Management Agency Deposit Facility	--	In-house
Term deposits – UK Government (including other local authorities)	--	In-house
Term deposits – banks and building societies	See 4.2	In-house and Fund Managers
UK Government Gilts	UK sovereign rating	In-house and Fund Managers
Money Market Funds (CNAV)	AAA	In-house and Fund Managers
Money Market Funds (LVNAV)	AAA	In-house and Fund Managers
Money Market Funds (VNAV)	AAA	In-house and Fund Managers
UK Government Treasury bills	UK sovereign rating	In-house and Fund Managers

Term deposits with nationalised banks and banks and building societies

	* Minimum Credit Criteria	Use	*** Max % of total investments	Max. maturity period
UK part nationalised banks	See Link's Creditworthy list	In-house	12.5M per institution	12 months

Non-specified Investments: These are any investments which do not meet the specified investment criteria. A maximum of the lower of 30% of the portfolio, or £20m will be held in aggregate in non-specified investment

	* Minimum Credit Criteria	Use	Max. maturity period
Term deposits – UK Government and Other Local Authorities	--	In-house	5 years
Term deposits – banks and building societies	See 4.2	In-house	5 years
Certificates of deposit issued by banks and building societies	See 4.2	In-house and Fund Managers	5 years
Fixed term deposits with variable rate and variable maturities -Callable deposits -Callable range trade accounts	See 4.2	In-house and Fund Managers	5 years
Gilt Funds and Bond Funds	See 4.2	In-house and Fund Managers	5 years
UK Government Gilts	UK sovereign rating	In-house and Fund Managers	10 years
Bonds issued by multilateral development banks	AAA	In-house and Fund Managers	10 years
Corporate Bonds	See 4.2	In-house and Fund Managers	10 years

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

Appendix 3: Treasury management roles and scheme of delegation

Full Council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy;
- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;

Cabinet

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers;
- approving the selection of external service providers and agreeing terms of appointment;
- approving the use of non-UK counterparties as appropriate;

- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term time frame;
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money;
- ensuring that due diligence has been carried out on all investments and is in accordance with the risk appetite of the authority.



Dacorum Borough Council

Treasury Management Principles and Practices

Treasury Management Policy Statement

Dacorum Borough Council defines the policies and objectives of its treasury management activities as follows:

1. This Authority defines its treasury management activities as: *“The management of the authority’s cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks”*.
2. This Authority regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Authority.
3. This Authority acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

Treasury Management Practices

Treasury Management Practices (TMPs) set out the manner in which Dacorum Borough Council will seek to achieve its treasury management policies and objectives, and how it will manage and control those activities.

Treasury Management Practice	Page
TMP 1 - Risk Management	2
TMP 2 - Performance Measurement	13
TMP 3 - Decision Making and Analysis	16
TMP 4 - Approved Instruments, Methods and Techniques	19
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Treasury Management Practice 1

Risk Management

The responsible officer will, in accordance with the procedures set out in TMP6 Reporting Requirements and Management Information Arrangements:

- *Design, implement and monitor all arrangements for the identification, management and control of treasury management risk;*
- *Report at least annually on the adequacy/suitability thereof;*
- *Report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect;*

In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out in this document.

1. Liquidity Risk Management

Dacorum Borough Council (DBC) will ensure it has adequate, though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available which are necessary for the achievement of its business/service objectives.

DBC will only borrow in advance of need where there is a clear business case for doing so, and will only do so for the current capital programme or to finance future debt maturities.

Liquidity risk is the risk that cash will not be available when it is required. This can jeopardise the ability of the Council to carry out its functions, or disrupt those functions being carried out in the most cost-effective manner. The Council will therefore have adequate standby facilities to ensure that there is always sufficient liquidity to deal with unexpected occurrences. It will also seek to ensure that its cash flow forecasting gives as accurate a picture as possible of income and expenditure, and the resulting daily cash balances.

Amounts of Approved Minimum Cash Balances and Short-term Investments

The Treasury Management team shall seek to minimise the balance held in the Council's main bank accounts at the close of each working day, in order to minimise both the credit interest foregone and overdraft interest payable. Borrowing and lending shall be arranged, in conjunction with 'auto-sweeping' of balances, in order to achieve this aim.

Investment of Short-Term Funds

Each morning the Bank's forecast figures for the day are aggregated with any other anticipated cash flows (e.g. cash courier receipts, RTB funds flows income) to produce a consolidated forecast balance for the end of the day. Any short-term credit balance will be either:

- Transferred in to the Council's Call Account with its bankers NatWest plc (RBS); or
- Placed in a Business Reserve Account with selected approved counterparties who offer this facility;
- Placed into a Money Market Fund.

All funds lodged in these ways are instantly available if required.

The Council receives interest if its consolidated balance on any particular night shows a credit balance.

Bank Overdraft Arrangements

A £0.25m net overdraft facility is available with the Council's bankers. Overdraft charges are only applicable if the Council's consolidated balance on any particular night is overdrawn, and are charged in line with the Bank Contract.

Short-Term Borrowing Facilities

Short-term borrowing is very rarely required. If ever any short-term borrowing is undertaken, this is done through brokers on the London Money Market, or through the Public Works Loan Board. The approved borrowing limits are set out in the Treasury Management Strategy Statement.

Insurance/Guarantee Facilities

There are no specific insurance or guarantee facilities as the above arrangements are regarded as being adequate to cover all unforeseen occurrences.

2. Interest Rate Risk Management

DBC will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements, as described in TMP6 Reporting Requirements and Management Information Arrangements.

The Council will achieve this objective by the prudent use of its approved financing and investment instruments, methods and techniques. This will be done primarily to create stability and certainty of costs and revenues, whilst at the same time retaining a sufficient degree of flexibility to take advantage of unexpected (potentially advantageous) changes in the level or structure of interest rates. The above is subject at all times to the consideration and, if required, approval of any policy or budgetary implications.

Interest rate risk is the risk that unexpected changes in interest rates expose the Council to greater costs or a shortfall in income than have been budgeted for. The Council will seek to minimise this risk by seeking expert advice on forecasts of interest rates from treasury management consultants and discussing with them its strategy for the coming year for the investments and debt portfolios. It will also determine appropriate limits and trigger points as set out below.

The limits and strategy are set out in the annual Treasury Management Strategy Statement. This strategy will be periodically reviewed during the relevant year to see whether any modifications are required in the light of actual movements in interest rates.

Details of Approved Interest Rate Exposure Limits

The Council's strategy regarding interest rate exposure is described in the Treasury Management Strategy Statement which is produced shortly before the start of each financial year.

Trigger Points and Other Guidelines for Managing Changes to Interest Rate Levels

The Treasury Management Strategy Statement outlines the Council's policy for each financial year regarding interest rates and their movements.

Minimum/Maximum Proportions of Variable/Fixed Rate Debt/Interest

The Treasury Management Strategy Statement outlines the Council's policy for each financial year regarding borrowing limits.

Forward Dealing

Consideration will be given to dealing on forward periods dependent upon market conditions. Investments may be agreed weeks or months in advance if market conditions suggest that this course of action is appropriate. Any forward deals of this nature, whose maturity date is over one year hence at the time the investment is agreed, will only be undertaken with the approval of the Section 151 Officer. Occasionally investments are also agreed a few days in advance for administrative convenience (e.g. due to annual leave etc).

Callable Deposits

The Council will use callable deposits as part of its Treasury Management Strategy. The credit criteria and maximum periods are set out in the Schedule of Specified and Non-Specified Investments included within the Treasury Management Strategy Statement.

3. Exchange Rate Risk Management

Dacorum Borough Council will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

Exchange rate risk is the risk that unexpected changes in exchange rates expose the Council to greater costs or a shortfall in income than have been budgeted for. The Council has a minimal exposure to exchange rate risk as it has no powers to enter into loans or investments in foreign currency for treasury management purposes. It will also seek to minimise what risk it does have by using the policies below.

Approved Criteria for Managing Changes in Exchange Rate Levels

As a result of the nature of the Council's business, the Council may have an exposure to exchange rate risk from time to time. This will mainly arise from the receipt of income or the incurring of expenditure in a currency other than sterling.

The Council will adopt a full hedging strategy to control and add certainty to the sterling value of any foreign currency transactions above £10,000 in value (at the prevailing exchange rate). This will mean that the Council will eliminate all material foreign exchange exposures as soon as they are identified.

Where there is a contractual obligation to receive income or make a payment in a currency other than sterling at a date in the future, forward foreign exchange transactions will be considered, with professional advice, to comply with this full cover hedging policy for material foreign currency transactions. Unexpected receipt of foreign currency income will be converted to sterling at the earliest opportunity unless the Council has a contractual obligation to make a payment in the same currency at a date in the future. In this instance, the currency will be held on deposit to meet this expenditure commitment

4. Credit and Counterparty Risk Management

Dacorum Borough Council regards the primary objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, the Council will ensure that its counterparty lists and limits reflect a prudent attitude towards counterparties with whom funds may be deposited. Furthermore, the Council will limit its investment activities to the instruments, methods and techniques referred to in TMP4 Approved Instruments, Methods and Techniques and listed in the schedule to this document.

The Council also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.

Credit and counterparty risk is the risk of failure by a third party to meet its contractual obligations under an investment, loan or other commitment, especially due to deterioration in its creditworthiness, which causes the Council an unexpected burden on its capital or revenue resources.

As a holder of public funds, the Council recognises its prime responsibility to always put first the preservation of the principal of the sums which it invests. Consequently, it will optimise returns commensurate with the management of the associated risk.

Criteria to be used for Creating/Managing Approved Counterparty Lists/Limits

The Council places a strong reliance on its treasury adviser (Link Asset Services formally known as Capita Asset Services) to help manage credit and counterparty risk. Link has much greater market expertise and direct access to market knowledge than the Council itself possesses. None the less, the Council recognises that all advice provided by its treasury adviser is precisely that, and that full responsibility for all counterparties used, and investments placed, rests entirely with the Council.

The three elements to managing credit and counterparty risk are:

- 1) Determining 'Specified and 'Non-Specified' Investments criteria;
- 2) Determining 'Approved Lending Policy', which sets out minimum credit criteria, duration and monetary amount limits;
- 3) Managing the *Approved Lending List* (or list of counterparties).

Specified and Non-Specified Investments

The Council will determine through its Treasury Management Strategy the credit criteria for various investment instruments in the 'Specified' and 'Non-Specified' Investments categories. Specified Investments are sterling investments of not more than one year maturity (or the ability to be repaid within one year), meeting the minimum 'high' rating criteria and require '*minimal procedural formalities*'. Non-specified investments are any other type of investment. The maximum amounts and maturity periods along with the overall limits are set out in the Treasury Management Strategy Statement.

Lending Policy

The Lending Policy is based on Link guidance. This uses different ratings combinations and allocates those which meet the minimum criteria a colour as set out in the Treasury Management Strategy Statement. The Council has allocated each of these colour bands a maximum duration and amount. Any changes to the Treasury Management Statement require the approval of Full Council.

Money Market Funds

Money Market Funds will be used in line with the Council's Treasury Management Strategy. The funds used will be reviewed on at least an annual basis in March, unless market conditions, trends and external advice suggests reviews should be undertaken sooner than this.

Approved Lending List

The list of approved counterparties is derived from applying the limits in the Treasury Management Strategy to the weekly ratings list of deposit takers provided by Link. The list includes domestic and foreign banks, building societies, supranational institutions and multi-lateral development banks. It is supplemented by a ratings alert service for changes to the ratings of individual counterparties.

If the Council uses external fund managers, they will adhere to the counterparty credit criteria and maximum individual limits set by the Council; however it is understood that the fund managers may use a subset of the derived counterparty list.

The Regulatory and Financial Accounting Team is responsible for maintaining the Approved Lending List on the Council's Investment System and for ensuring any changes are communicated to the fund manager, where appropriate.

A full copy of the Council's approved counterparties, along with their individual amount and duration limits, will be included in the Treasury Management Annual Report produced shortly after the end of each financial year.

5. Refinancing Risk Management

Dacorum Borough Council will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favorable to the Council as can reasonably be achieved in the light of market conditions prevailing at the time.

The Council will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid over-reliance on any one source of funding if this might jeopardise achievement of the above.

Refinancing risk is the risk that when loans or other forms of capital financing mature, that they cannot be refinanced where necessary on terms that reflect the assumptions made in formulating revenue and capital budgets.

Debt / Other Capital Financing Maturity Profiling, Policies and Practices

The Council holds debt that arises from the Housing Self Financing transactions in March 2012. This transaction was subject to detailed reports and approvals, and a specific audit. Debt has been acquired over a thirty year period as fixed term loans from the Public Works Loan Board (PWLB).

The Council acquired new borrowing in May 2015 to support General Fund Capital Expenditure. Borrowing activities and strategies and limits are identified within the Treasury Management Strategy Statement.

Projected Capital Investment Requirements

Regular updates are made to the Authority's 5 year revenue and capital budget projections. These projections identify the key capital items (both expenditure and income) that are forecast for forthcoming years, and this analysis is used to ensure that the Council will have sufficient funds available in forthcoming years to fulfill its capital expenditure requirements.

The definition of capital expenditure and long-term liabilities will follow recommended accounting practice.

Policy Concerning Limits on Revenue Consequences of Capital Financing

The Council will consider all the resources currently available/estimated for the future together with the totality of its capital plans, revenue income and revenue forecasts for the forthcoming year and the two following years and the impact these will have on council tax and housing rent levels. It will also take into account affordability in the longer term beyond this three year period. *(Note: the Prudential Code gives examples of matters relevant to the consideration of affordability, although this is not an exhaustive list).* The Council will use the definitions provided in the Prudential Code for borrowing, capital expenditure, financing costs, investments, net borrowing, net revenue stream, and other long-term liabilities.

Whenever major capital projects are planned, a full examination is undertaken of the potential revenue impact of the project. Issues considered include the revenue costs/benefits that will result directly from the project, and the impact on revenue of interest receipts foregone as a consequence of undertaking the capital investment.

Capital Receipts Generated by the HRA

The Council pools a portion of Capital Receipts arising from Housing Assets; it also retains a non-poolable share, known as '1-4-1' receipt, which can be match-funded against new build expenditure. Any unused '1-4-1' receipts are to be returned to Government.

The Council also has the ability to recycle 100% of its non Right to Buy Housing receipts if used for purposes set out in the pooling regulations (Affordable Housing and Regeneration). Receipts under £10,000 are not subject to pooling.

6. Legal and Regulatory Risk Management

Dacorum Borough Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under TMP1[4] Credit and Counterparty Risk Management, it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may effect with the Council, particularly with regard to duty of care and fees charged.

The Council also recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the organisation.

Legal and regulatory risk is the risk that either the Council or a third party which it is dealing with in its treasury management activities, but acts outside of its legal powers or regulatory requirements and as a result the Council incurs loss.

References to Relevant Statutes and Regulations

The treasury management activities of the Council shall comply fully with legal statute, guidance, Codes of Practice and the regulations of the Council. These are:

Legislation

Statutes

- Local Government Finance Act 1988 section 114 – duty on the responsible officer to issue a report if the Council is likely to get into a financially unviable position.
- Requirement to set a balanced budget - Local Government Finance Act 1992 section 32 for billing authorities and section 43 for major precepting authorities.
- Local Government Act 2003
- S.I. 2003 No.2938 Local Government Act 2003 (Commencement No.1 and Transitional Provisions and Savings) Order 2003 13.11.03
- S.I. 2003 No.3146 Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and associated commentary 10.12.03
- S.I. 2004 No.533 Local Authorities (Capital Finance) (Consequential, Transitional and Savings Provisions) Order 2004 8.3.04
- S.I. 2004 No.534 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2004 8.3.04
- S.I. 2004 no. 3055 The Local Authorities (Capital Finance and Accounting) (Amendment) (England) (No. 2) Regulations 2004
- S.I. 2006 no. 521 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2006
- S.I. 2007 no. 573 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2007
- Local Government and Public Involvement in Health Act 2007 s238(2) – power to issue guidance; to be used re: MRP
- S.I. 2008 no. 414 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2008
- S.I. 2009 no. 321 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2009
- S.I. 2009 no. 2272 The Local Authorities (Capital Finance And Accounting) (England) (Amendment) (No.2) Regulations 2009
- S.I. 2009 no. 3093 The Local Government Pension Fund Scheme (Management and Investment of Funds) Regulations 2009
- S.I. 2010 no. 454 (Capital Finance and Accounting) (Amendment) (England) Regulations 2010
- Localism Act 2011
- S.I. 2012 no. 265 Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2012
- S.I. 2012 No. 711 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No. 2) Regulations 2012
- S.I. 2012 No. 1324 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No.3) Regulations 2012
- S.I. 2012 No. 2269 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No. 4) Regulations 2012
- S.I. 2013 no. 476 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2013
- S.I. 2015 no. 234 Accounts and Audit Regulations 2015
- There has not been an issue of a Local Authorities (Capital Finance and Accounting) (England) Regulations statutory instrument in 2005, 2011 and 2016

Guidance and codes of practice

- MHCLG Revised Guidance on Investments Feb 2017
- MHCLG guidance on minimum revenue provision – Feb 2017
- CIPFA’s Treasury Management in the Public Services: Code of Practice and Cross- Sectoral Guidance Notes 2017
- CIPFA Prudential Code for Capital Finance in Local Authorities 2017
- CIPFA Prudential Code for Capital Finance in Local Authorities – guidance notes for practitioners 2013
- CIPFA Local Authority Capital Accounting - a reference manual for practitioners 2014 Edition
- CIPFA Guide for Chief Financial Officers on Treasury Management in Local Authorities 1996
- CIPFA Standard of Professional Practice on Treasury Management 2002
- CIPFA Standard of Professional Practice on Continuous professional Development 2005
- CIPFA Standard of Professional Practice on Ethics 2006
- The Good Governance Standard for Public Services 2004
- LAAP Bulletins
- IFRS - Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of recommended Practice
- PWLB circulars on Lending Policy
- The UK Money Markets Guide.
- Financial Conduct Authority’s Code of Market Conduct

Dacorum Borough Council

- The Council’s Standing Orders;
- The Council’s Financial Regulations;
- The Council’s Scheme of Delegation;
- The Council’s Treasury Management Strategy;
- The Council’s Treasury Management Practices – Principles & Practices;

Procedures for Evidencing the Council’s Powers / Authorities To Counterparties

The Council’s powers to borrow and invest are contained in legislation as follows:

Investing: Local Government Act 2003, section 12;

Borrowing: Local Government Act 2003, section 1;

Required Information from Counterparties Concerning their Powers / Authorities

Lending shall only be made to counterparties on the Council’s Approved Lending List. This list has been compiled using advice from the Council’s treasury advisers based upon credit ratings supplied by various credit agencies and Capita’s own data.

Statement on the Council’s Political Risks and Management of these Risks

The Chief Financial Officer shall take appropriate action with the Council, the Chief Executive and the Leader of the Council to respond to, and manage appropriately, political risks such as a change of the majority Group, in the Leader of the Council or a change of Government.

Monitoring Officer

The Monitoring officer is the Solicitor to the Council (Legal Governance). The duty of this officer is to ensure that the treasury management activities of the Council are lawful.

Chief Financial Officer/ S151 Officer

The Chief Financial Officer and S151 Officer is the Corporate Director (Finance & Operations). The duty of this officer is to ensure that the financial affairs of the Council are conducted in a prudent manner and to make a report to the Council if he/she has concerns as to the financial prudence of its actions or its expected financial position.

The Deputy S151 Officer is the Assistant Director (Finance & Resources), who can deputise fully for the S151 Officer.

7. Fraud, Error and Corruption, and Contingency Management

Dacorum Borough Council will ensure that it has identified any circumstances that may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

Fraud, error and corruption risk is the risk that the Council may fail to employ adequate systems, procedures and other arrangements which identify and prevent losses through such occurrences. The Council will therefore:

- a) Seek to ensure that an adequate division of responsibilities and maintenance at all times of an adequate level of internal check which minimises such risks;
- b) Fully document all its treasury management activities so that there can be no possible confusion as to what proper procedures are;
- c) Ensure staff will not be allowed to engage in treasury management activities until they have had proper training in procedures; and are then subject to an adequate and appropriate level of supervision
- d) Ensure records are maintained of all treasury management transactions, so there is a full audit trail and evidence of the appropriate checks being carried out.

Details of Systems and Procedures to be Followed, Including Internet Services

Authority

The Council's Financial Regulations sets out the Council's delegation arrangements with regard to Treasury Management. These are also summarised in *TMP5: Organisation, clarity and segregation of responsibilities, and dealing arrangements*.

Investment and Borrowing Transactions

Adequate and effective cash flow forecasting records are maintained on the Council's Investments system to support any decisions made to place investments. Records are also kept for each investment recording the reasoning behind the duration to maturity chosen for that investment.

A detailed register of all investments is maintained within the Council's Investments system. This system includes full details of counterparty limits, along with other information including investment amounts, value and maturity dates, interest rates, and gross interest receivable.

All transactions placed through brokers or via direct dealing are confirmed, showing details of the transaction. Written confirmation is received from both broker and borrower and checked against the

dealer's records for the transaction. Any discrepancies are immediately reported to the Senior Financial Accountant (Team Leader) for resolution. The Council does not currently send any confirmations of its own.

Regularity and Security

All lending, for investment purposes, is only made to counterparties on the Council's Approved Lending List. This list provides individual authorisation limits for each counter party.

Investments are paid direct into the appropriate counterparty's bank account (as advised by the broker or counterparty as appropriate), and investments are repaid direct from the counterparty into the Council's General Account.

Counterparty limits are set for every institution that the Council invests with.

Brokers have been provided with a list of named Council officials who are authorised to place investments on the Council's behalf.

The Council's Bank holds a list of Council officials who are authorised signatories. The list of authorised bank account signatories has previously been agreed with the Council's current bankers, and updates of this list are notified to the bank as appropriate when current authorised signatories leave, or new signatories join, the Council.

Notifications of amendments are only accepted by the bank if they are signed by an existing (non-departing) authorised signatory. The only member of the treasury management team that is an authorised signatory is the Senior Financial Accountant (Team Leader). There is a separation of duties in the section between the officer placing the deals and the officer checking counterparty confirmations. In addition, if an authorising officer were to create a payment transaction online, the transaction would still need the usual approval by one/two other authorising officers.

All investments are paid by CHAPS instruction though the online banking system. This is undertaken by two of the authorised bank account signatories, but the officer agreeing an investment cannot be one of the signatories for that particular investment.

Checks

The Investment System balances are reconciled to the balance sheet ledger codes at the end of each month and at the financial year-end. The Investment System includes comprehensive reconciliation checks back to the Council's banking system to ensure that all investments transactions are correctly recorded and processed.

An investment income listing is produced every month and summarised on a monthly report so that a review may be undertaken against the budget for interest earnings

Emergency and Contingency Planning Arrangements

All computer files are backed up on the server to enable files to be accessed from remote sites.

The Council's Investment and banking systems are both internet based so can be accessed from any site or computer, subject to the user having the appropriate access, security information, and security key.

Insurance Cover Details

The Council has Crime insurance cover provided by Travelers Insurance Co Ltd. This policy covers loss resulting directly from any crime committed by any employee or any third party. The total limit of indemnity provided is £5,000,000, a policy excess of £25,000 for each and every claim applies.

The Council also has Officials Indemnity cover with Aspen Insurance UK Ltd. This provides cover in respect of the Council's legal liability to pay claimant's damages and costs for financial losses arising as a result of the negligent acts or accidental errors and omissions of Council employees, occurring in the course of their duties. The limit of indemnity is £5,000,000, a policy excess of £75,000 for each and every claim applies.

The Council also has Business Interruption cover as part of its property insurance with Travelers Insurance Co Ltd. This provides cover in respect of additional cost of working and loss of revenue if an insured event occurs.

8. Market Risk Management

Dacorum Borough Council will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations.

Market risk is the risk that, through adverse market fluctuations in the value of principal sums, the Council borrows and invests, that it's stated policies and objectives are compromised, against which it had failed to protect itself adequately.

The Council does not currently have exposure to investments whose capital may fluctuate (gilts, Corporate Deposits), and will only undertake such activities on discussion with the S151 Officer and Portfolio Holder (Finance & Resources), and if the current Investment Strategy allows such investments.

Treasury Management Practice 2

Performance Management

Dacorum Borough Council is committed to the pursuit of best value in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework set out in its Treasury Management Strategy.

Accordingly, the treasury management function will be the subject of ongoing analysis of the value it adds in support of the Council's stated business or service objectives. It will be the subject of regular examination of alternative methods of service delivery, of the availability of fiscal or other grant or subsidy incentives, and of the scope for other potential improvements. The performance of the treasury management function will be measured using the set criteria.

Methodology to be applied for Evaluating the Impact of Treasury Management Decisions

The Council has an ongoing programme of review of service plans, and Treasury Management is incorporated within this programme as part of the Financial Services service plan.

Treasury Management is also subject to an annual review through the Council's Service and Financial Planning process, and all of the key procedures followed are subject to annual examination from both the Council's internal and external auditors.

The Council is also a member of CIPFA's Treasury Management Club, which provides comparison of the Council's interest returns with those of a large number of other Local Authorities across the country.

Dacorum also receives ongoing investment guidance and advice from its external treasury consultants.

Should the Council appoint an external Fund Manager; its treasury management consultants will assist the Council with quarterly and annual reviews of the performance of these external managers.

Policy Concerning Methods for Testing Best Value in Treasury Management

Frequency and Processes for Tendering

Tenders are normally awarded on a 3 or 4-yearly basis, with the option to extend for one or two further years if approved by Cabinet. The process for advertising and awarding contracts will be in line with the Council's Standing Orders and Financial Regulations.

Banking Services

Dacorum's current contract ends on 1 November 2019. It is anticipated that this contract will be re-tendered during 2019/20.

A basic duration for this contract of 4 years has been chosen because of the considerable effort that is involved in changing the Council's banking contractor. Where such a change to be undertaken every 3 years, the costs of transition would significantly erode any savings achieved as a result of the tender process.

Money-Broking Services

Dacorum Borough Council does not have a list of approved money brokers. This is because the Council does not enter into contractual relationships with brokers. As the Council operates in the market solely as a lender (borrowing undertaken by the Council has been with the PWLB), brokers do not charge the Council for their services.

Records are kept for all investments placed by the Council of which broker (if any) assisted the Council.

Consultants'/Advisers' Services

Dacorum Borough Council employs Link Asset Services (formerly known as Capita Asset Services) as its external treasury management consultants.

Policy on External Managers

The Council does not currently employ any external Fund Managers and the approval of Cabinet will be sought should the Chief Financial Officer consider it to be in the Council's best interests to employ one or more Fund Managers.

Methods to be employed for Measuring the Performance of the Council's Treasury Management Activities

Performance Measured Against Annual Treasury Strategy Statement Targets

The annual Treasury Management Strategy does not include specific targets for the appropriate forthcoming year. However, it does provide a description of the intended approach for the year, and the reasons for this. The budgeted income from Investments is included within the annual budget report and this is monitored on a monthly basis in the form of a monthly report, and also the use of the Council's performance measurement system Rocket.

The Treasury Management Annual Performance Report then describes what actually happened, and explains any key differences between the final reality and what was foreseen in the original strategy.

Compliance with CIPFA's "Treasury Management in the Public Services" Code of Practice

The Council complies with CIPFA's Treasury Management in the Public Services Code of Practice.

All of the documents and practices required by CIPFA's code are open to examination by the Council's internal and external auditors. Consequently, independent verification of compliance with the code of practice should occur at least bi-annually.

Expenses Contained Within Approved Budget

The staffing and daily administration costs of the Treasury Management function are included within the costs of the Council's Accountancy service. Consequently, budget monitoring for the Treasury Management function takes place as part of the Council's monthly and quarterly processes, within the umbrella of the Accountancy and Treasury Management as a whole.

Certain specific costs, such as payments made to the Council's external treasury advisers, are separately identified within the Council's general ledger, and hence these items are monitored throughout the year.

Benchmarks and Calculation Methodology

Debt Management

Borrowing is monitored on at least a monthly basis, comparing rates of current borrowing to new rates available.

Investment

The Council's (in-house) investment returns are compared with the average 7 day LIBID Rate each year.

The first of these targets is included entirely due to historic precedent within the Authority. Should performance in an entire financial year ever under-perform the Bank of England Base Rate, a clear explanation of the reasons for this will be included within the Treasury Management Annual Report. Also, if appropriate, changes will be described in the report with a view to avoiding a repetition of this under-performance.

Treasury Management Practice 3

Decision Making and Analysis

Dacorum Borough Council will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time. The issues to be addressed and processes and practices to be pursued in reaching decisions are detailed in this document.

Funding, Borrowing, Lending, and New Instruments / Techniques

Records

The Council's Treasury Management section uses a computerised Investments System. This system includes records of all of the following:

- Daily cash flow forecasts;
- Rate quotations received;
- Historic interest rates;
- Full details of the Council's Approved Lending List, and changes thereof;
- Investment details, including principal, value/maturity dates, interest rate, gross interest broker (if any), and bank authorisation/security details.

A scanned copy of all appropriate details is also kept for each investment, and all confirmations received from brokers/counterparties are checked against these details and then filed with the original documentation for that investment.

All of the above records will be retained for at least a period of 6 financial years plus the current year. Where records relate to a specific investment, the above period will only commence from the date of maturity of the investment.

Processes to be pursued

Cash Flow Analysis

The Council's Investments System includes details of all key items that impact on the Council's short and medium term cash flow. This includes items such as (please note this is not a comprehensive list):

- Direct Debit income and cash receipts, for Council Tax, NNDR and Housing Rents;
- Receipt of Benefit Subsidy;
- Precept Payments to HCC/HPC;
- Net payments to DCLG for Grants and Business Rates Retention Scheme;
- Monthly payment of salaries to Council employees.

In addition, the Assistant Accountant is made aware of any ad-hoc large cash flows which are incorporated into the investments system. These include, (but are not limited to):

- Right to Buy receipts (notified by Legal Services);
- Purchase/sale of property (notified by the appropriate Group Manager through the Service Accountant).

Maturity Analysis

The Council's Investments System ensures that the Assistant Accountant is aware of all forthcoming maturities. This ensures that plans can be made in advance regarding the management of forthcoming liabilities, and the investment of surplus funds.

Ledger Reconciliations

Comprehensive ongoing reconciliations ensure that all treasury management transactions are fully and accurately processed and recorded.

Collation of Monthly Performance Summary

At the end of each month, the Assistant Accountant provides an investments summary via Rocket for the current financial year to the:

- Resources Portfolio Holder;
- Chief Financial Officer;
- Deputy Chief Financial Officer;
- Group Manager – Financial Services;
- Senior Financial Accountant (Team Leader);
- Team Leader – Financial Planning & Analysis;
- Financial Accountant.

This summary includes (but not limited to):

- Interest to date and forward forecasts;
- Money Market Fund analysis;
- Borrowing analysis;
- Market updates;
- Updates to the approved lending list;
- Counter-party risk analysis.

Issues to be addressed

In respect of every decision made the Council will:

- Above all be clear about the nature and extent of the risks to which the Council may become exposed;
- Be certain about the legality of the decision reached, the nature of the transaction, and that all authorities to proceed have been obtained;
- Be content that the documentation is adequate to deliver the Council's objectives, protect its interests, and deliver good housekeeping;
- Ensure that third parties are judged satisfactory in the context of the Council's creditworthiness policies, and that limits have not been exceeded;
- Be content that the terms of any transactions have been fully checked against the market, and have been found to be competitive.

Should the Council find itself in the position of having to borrow monies, it will:

- Evaluate the economic and market factors that might influence the manner and timing of any decision to fund;
- Consider the merits and demerits of alternative forms of funding, including funding from revenue, leasing and private partnerships;
- Consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use;
- Consider the ongoing revenue liabilities created, and the implications for the Council's future plans and budgets.

When making investment decisions, the Council will:

- Consider the optimum period of investment, in the light of cash flow availability and prevailing market conditions;
- Consider the alternative investment products and techniques available, especially the implications of using any, which may expose the Council to changes in the value of its capital.

Treasury Management Practice 4

Approved Instruments, Methods & Techniques

Dacorum Borough Council will undertake its treasury management activities by employing only those instruments, methods and techniques detailed in this document, and within the limits and parameters defined in TMP1 Risk Management.

Approved Activities of the Treasury Management Function

- Lending;
- Managing the underlying risks associated with the Council's capital financing and surplus funds activities;
- Managing cash flow;
- Banking activities;
- Consideration, approval, and use of, new financial instruments and treasury management techniques;
- Borrowing;
- Debt repayment and rescheduling;
- Managing the underlying exchange rate risk associated with the Council's business activities.

Approved Instruments for Investments

All investments will comply with the Local Authorities Capital Finance Approved Investment Regulations 1990 SI 426 and subsequent amendments. The instruments used will be outlined in the Treasury Management Strategy.

Implementation of MIFID II requirements

Since January 2018, UK public sector bodies have been defaulted to "retail" status under the requirements of MiFID II. However, for each counterparty it is looking to transact with, (e.g. financial institution, fund management operator, broker), there remains the option to opt up to "professional" status, subject to meeting certain requirements specified by MIFID II and that it has the appropriate level of knowledge and experience and decision making processes in place in order to use regulated investment products.

MIFID II does not cover term deposits so local authorities should not be required to opt up to professional status. However, some non-UK banks do not have the necessary regulatory permissions to deal with retail clients, so opting up to professional status would be required.

For investing in negotiable investment instruments, (e.g. certificates of deposit, gilts, corporate bonds), money market funds and other types of investment funds, which are covered by MIFID II, a schedule is maintained of all counterparties that the treasury management team are authorised to place investments with. A file is maintained for all permissions applied for and received for opt ups to professional status specifying name of the institution, instrument, date applied for and date received.

Approved Techniques

The primary method to be used when placing investments will be standard fixed-term deposits. However, callable deposits and forward dealing will also be employed as and when this is considered appropriate and allowable in the Treasury Management Strategy.

Approved Methods and Sources of Raising Capital Finance

Should the Council need to undertake borrowing in the future to finance capital expenditure, this finance will only be raised in accordance with the Local Government Act 2003 and Housing Act 1989 (or subsequent legislation where appropriate). This Act offers the Council a number of approved methods and sources of raising capital finance:

<i>On Balance Sheet</i>	<i>Fixed</i>	<i>Variable</i>
<i>PWLB</i>	●	●
<i>EIB</i>	●	●
<i>Market (Long-Term)</i>	●	●
<i>Market (Temporary)</i>	●	●
<i>Market (LOBOs)</i>	●	●
<i>Stock Issues</i>	●	●
<i>Local Temporary</i>	●	●
<i>Local Bonds</i>	●	
<i>Local Authority bills</i>	●	●
<i>Overdraft</i>		●
<i>Negotiable Bonds</i>	●	●
<i>Internal (Capital Receipts & Revenue Balances)</i>	●	●
<i>Commercial Paper</i>	●	
<i>Medium Term Notes</i>	●	
<i>Leasing (not Operating Leases)</i>	●	●
<i>Deferred Purchase</i>	●	●
 <i>Other Methods of Financing</i>		
<i>Government and EC Capital Grants</i>		
<i>Lottery Monies</i>		
<i>PFI / PPP</i>		
<i>Operating Leases</i>		

All forms of funding will be considered dependent on the prevailing economic climate, regulations and local considerations. The Chief Financial Officer has delegated powers in accordance with Standing Orders, Financial Regulations, scheme of Delegation to Officers and the Treasury Management Strategy to take the most appropriate form of borrowing from the approved sources.

TMP 5: Organisation, Clarity and Segregation of Responsibilities, and Dealing Arrangements

Treasury Management Practice 5

Organisation, Clarity and Segregation of Responsibilities, and Dealing Arrangements

Dacorum Borough Council considers it essential for the:

- *purposes of the effective control and monitoring of its treasury management activities;*
- *reduction of the risk of fraud or error;*
- *pursuit of optimum performance.*

It is essential that these activities are structured and managed in a fully integrated manner, and that there is at all times clarity of treasury management responsibilities.

The principles on which this will be based, is that there is a clear distinction between those charged with setting treasury management policies, and those charged with implementing and controlling these policies, particularly with regard to the:

- *execution and transmission of funds;*
- *recording and administering of treasury management decisions;*
- *audit and review of the treasury management function.*

If and when Dacorum Borough Council intends, as a result of lack of resources or other circumstances, to depart from these principles, the responsible officer will ensure that the reasons are properly reported in accordance with TMP6 Reporting Requirements and Management Information Arrangements, and the implications properly considered and evaluated.

The responsible officer will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management, and the arrangement for absence cover.

The responsible officer will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds.

The responsible officer will fulfil all such responsibilities in accordance with the organisation's Treasury Management Strategy, Treasury Management Practices and, if a CIPFA member, the Standard of Professional Practice on Treasury Management.

Limits to Responsibilities/Discretion at Member/Executive Levels

The Cabinet will receive, review and approve (as appropriate) the following reports:

- Treasury Management Strategy Statement;
- Treasury Management mid-year Performance Report;
- Treasury Management Annual Performance Report;
- Capital Strategy

The key responsibilities of the Chief Financial Officer regarding Treasury Management are to:

- Review and approve the above reports, and present them to Cabinet;
- Ensure that all of the Council's borrowing and investment activities are made in accordance with the relevant legislation, codes of practice, associated requirements, and the Council's Financial

TMP 5: Organisation, Clarity and Segregation of Responsibilities, and Dealing Arrangements

Regulations. Should this fail to be the case, the Chief Financial Officer will notify members as soon as is reasonably possible;

- Ensure that the Council complies with the requirements of The UK Money Code (formerly known as the Non-Investment Products Code) for principals and broking firms in the wholesale markets;
- Ensure that sufficient staff resources, with adequate skills, are employed in the Treasury Management function;
- Approve and monitor the segregation of duties;
- Ensure that adequate control and accounting systems are in place to adequately control the activities of the Treasury Management function;
- Receive and review external audit reports and act upon any recommendations that may be received;
- Approve, in accordance with Financial Regulations, the selection of external service providers such as treasury consultants, Fund Managers and Money Market Funds.

Principles and Practices Concerning Segregation of Duties

The key responsibilities of the Assistant Accountant and Financial Accountant regarding Treasury Management are to:

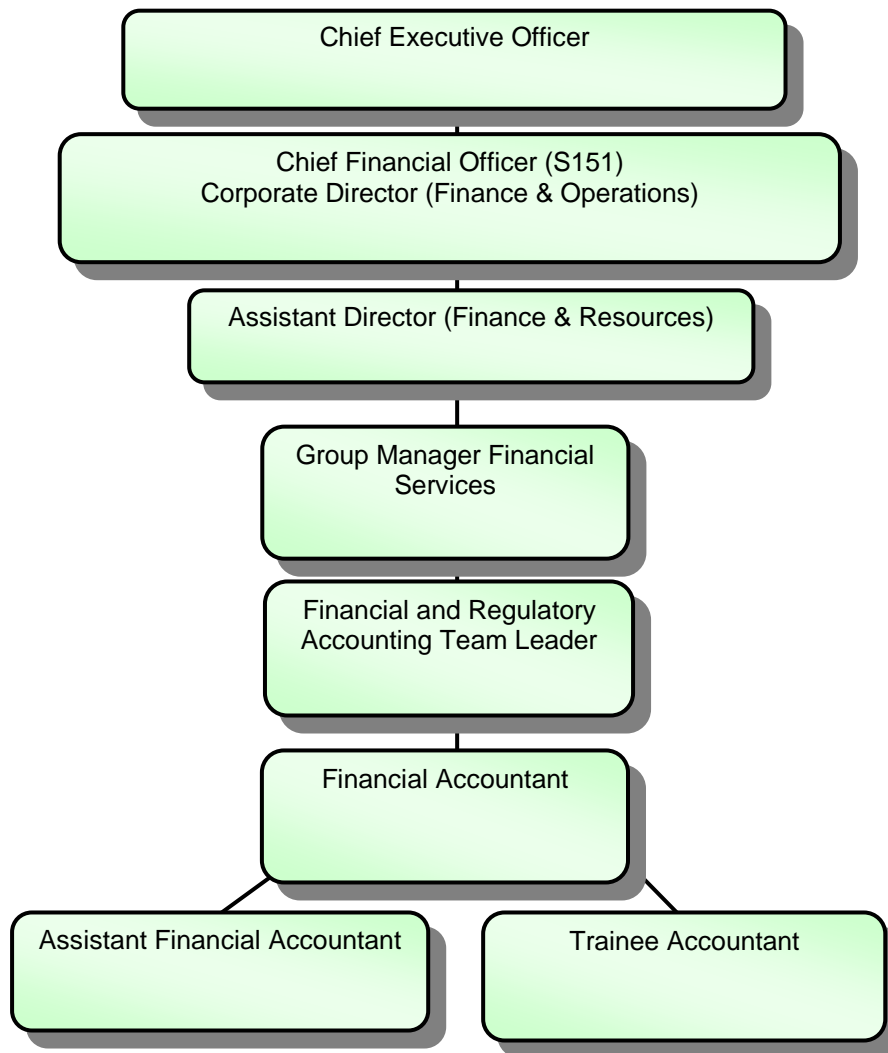
- Assist the Chief Financial Officer with the production of the reports listed above;
- Implement the Council's borrowing and investment strategy on a day-to-day basis;
- Conduct, in accordance with this strategy, all of the Council's money market dealings;
- Produce monthly reports reviewing the Council's investments performance;
- Identify and recommend opportunities for improved practices;
- Maintain relationships with third parties and external service providers.

All new investments (or borrowing) must be approved by two of the Council's approved bank account signatories. If an investment is placed by an approved signatory, this individual cannot also be one of the two approvers of the deal.

The approval described above must be given by two bank account signatories, because the Council's bankers require (as instructed by the Council) that all payments above £40,000 in value must be approved by two approved signatories.

The key reconciliations for Treasury Management are undertaken by the Financial Accountant). The Assistant Accountant (Regulatory & Financial Accounting) is responsible for most of the day-to-day cash flow management and investments. The general ledger processing of investment transactions is an automated process and if the general ledger totals differ from those expected by the Council's Investments system, this will show up in the reconciliations.

Treasury Management Organisation Chart



Statement of Duties/Responsibilities of Each Treasury Post

Chief Financial Officer (and Deputy Section 151 Officer)

The key responsibilities of the Chief Financial Officer are described in TMP5 above.

The Chief Financial Officer has delegated powers through this policy to take the most appropriate form of borrowing from the approved sources, and to make the most appropriate form of investments in approved instruments.

The Chief Financial Officer may delegate their power to borrow and invest to other members of staff within the Treasury Management hierarchy. The Assistant Accountant (Regulatory & Financial Accounting), or any member of the Accountancy & Treasury Management team who have been approved by the Chief Financial Officer, must conduct all dealing transactions. These arrangements will provide sufficient flexibility in the event of staff leave or sickness.

Team Leader Financial and Regulatory Accounting

The responsibilities of this post will be:

- Adherence to agreed policies and limits;
- Managing the overall Treasury Management function;
- Supervising treasury management staff;
- Ensuring appropriate segregation of duties;
- Submitting management information reports to the Chief Financial Officer;
- Review of Reconciliations.

Financial Accountant

The responsibilities of this post will be:

- Adherence to agreed policies and limits;
- Supervising Assistant Accountants;
- Completion of Reconciliations;
- Preparing management information reports to the Chief Financial Officer.

Assistant Financial Accountant

The key responsibilities of the Assistant Accountant will be:

- Assist the Chief Financial Officer with the production of the reports listed above;
- Implement the Council's borrowing and investment strategy on a day-to-day basis;
- Conduct, in accordance with this strategy, all of the Council's money market dealings;
- Produce monthly reports reviewing the Council's investments performance;
- Identify and recommend opportunities for improved practices;
- Maintain relationships with third parties and external service providers.

Chief Executive

The key responsibility of the Chief Executive is to ensure that the Chief Financial Officer reports regularly to Cabinet on Treasury Management's policy, activity and performance.

Solicitor to the Council (Legal Governance) - in the role of Monitoring Officer

The responsibilities of this post will be to:

- Ensure compliance by the Chief Financial Officer with the Treasury Management Strategy (TMS);
- Be satisfied that any proposal to vary the TMS complies with law or any code of practice;
- Give advice to the Chief Financial Officer when advice is sought.

Internal Audit

The responsibilities of Internal Audit will be to:

- Review compliance with the approved Treasury Management policy and procedures;
- Review segregation of duties and operational practice;

TMP 5: Organisation, Clarity and Segregation of Responsibilities, and Dealing Arrangements

- Assess value for money from treasury activities;
- Undertake probity audit of the Treasury Management function.

Absence Cover Arrangements

The post-holders listed below are fully competent in the daily administration of the Council's cash flow and investments:

- Assistant Financial Accountant
- Trainee Accountant

In the absence of both the above, the Financial Accountant can undertake the download of data and cash flow management.

In the absence of all three staff, the Senior Financial Accountant (Team Leader) can undertake the whole function, but this would require two separate authorised officers to authorise any investments placed, and the reconciliation for the period would need review by the Group Manager.

In the event that the above officers are unavailable on a particular day, the ultimate responsibility for ensuring that the Council's Treasury Management functions are completed lies with the Chief Financial Officer.

Dealing Limits

The officers listed individually are authorised to undertake all treasury management dealings required by the Council. There is not a specific limit on the amount of such activity that may be undertaken on any one day, but all dealings are expected to comply in full with the requirements of the various schedules contained within this document.

List of Approved Brokers

The Council's brokers are:

- Sterling International Brokers;
- Intercapital Europe;
- Tradition.

Because the Council does not enter into any contractual obligations with any of its brokers, no formal approval has been, or will be, obtained with regard to these brokers.

Should changes to the list of brokers used by the Council be considered appropriate, these will be introduced as required.

Whenever a broker is used in agreeing a money market deal, this is recorded within the Council's Investments System.

Policy on Brokers' Services

The Council does not have a formal policy regarding the use of broker's services.

TMP 5: Organisation, Clarity and Segregation of Responsibilities, and Dealing Arrangements

In practice, most of the Council's business is split roughly evenly between the brokers listed above.

Policy on Taping of Conversations

The Council does not tape conversations with brokers, and it has no 'taping' policy.

Direct Dealing Practices

These relationships generally offer slightly higher rates than can be obtained through brokers. Also, some of these relationships enable access to counterparties who do not accept Council investments via brokers.

Where an investment has been dealt direct, this fact is recorded on the Council's Investments System.

Settlement Transmission Procedure

For each investment agreed by the Council, the payment details are entered on the Council's online banking system. This is then approved by account signatories using their individual logins and security keys.

Documentation Requirements

For each investment that is undertaken, the following details are stored electronically and kept on file:

- Investment Reference
- Counterparty
- Broker
- Principal
- Value Date
- Maturity Date
- Interest Rate
- Counterparty Sort-Code
- Counterparty Bank Details
- Counterparty Account Number
- Gross Interest
- Interest Analysed by Financial Year

An electronic version of the above details is signed (electronically via Adobe Acrobat) by the dealing officer. It is also electronically signed by the two authorised signatories who authorise the CHAPS payment.

In addition to the above, reasons behind selecting the duration of each investment are recorded as notes electronically by the dealing officer.

Arrangements Concerning the Management of Third-Party Funds

The Council does not manage any material third-party funds; and are managed in line with the Council's own funds

TMP 6: Reporting requirements and Management Information Arrangements

Treasury Management Practice 6

Reporting Requirements and Management Information Arrangements

Dacorum Borough Council will ensure that regular reports are prepared and considered on the:

- *implementation of its treasury management policies;*
- *effects of decisions taken and the transactions executed in pursuit of those policies;*
- *implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities;*
- *performance of the treasury management function.*

As a minimum, the organisation (i.e. the Full Council) will receive:

- *An annual report on the strategy and plan to be pursued in the coming year;*
- *An annual report on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the organisation's Treasury Management Strategy Statement and Treasury Management Practices.*
- *An annual capital strategy report on long term view of the capital programme and treasury management implications.*

Annual Treasury Management Strategy Statement

The Treasury Management Strategy Statement sets out the expected treasury activities for the appropriate forthcoming financial year. The strategy will be submitted to Cabinet for approval before the commencement of each financial year, usually along with the Budget Setting Report.

The formulation of the annual Treasury Management Strategy involves determining the Council's borrowing and investment decisions in the light of anticipated movements in interest rates. For example, the Council may decide to place longer-term investments if it is anticipated that future interest rate movements will demonstrate current longer-term interest rates to be higher than would be achieved by rolling-over shorter term investments.

The Strategy will propose guiding principles for the forthcoming financial year, but it will also describe potential alternative courses of action given the occasional volatility of the money markets. Should major variations from the central strategy prove necessary, the Portfolio Holder (Finance & Resources) will be kept fully informed.

In preparing and reporting the proposed strategy, all appropriate sources of information will be used, including independent interest rate forecasts and guidance from the Council's external treasury advisers.

The Treasury Management Strategy is concerned with the following elements:

- The current Treasury portfolio position;
- The prospects for interest rates;
- The limits placed by the Council on treasury activities;
- The expected borrowing strategy (if this becomes appropriate in the future);
- The strategy for the year for the Council's investments;
- Borrowing requirements (if appropriate);
- Any extraordinary treasury issues.

Policy on Interest Rate Exposure

The Council approves before the beginning of each financial year the following treasury limits:

- The amount of the overall borrowing limit which may be outstanding by way of short term borrowing;
- Where borrowing is envisaged, the maximum proportion of interest on borrowing which will be subject to variable rate interest.

The Chief Financial Officer is responsible for incorporating these limits into the annual Treasury Management Strategy, and for ensuring compliance with the limits. Should it prove necessary to amend these limits, the Chief Financial Officer will submit the changes to Cabinet for approval.

The Treasury Management Strategy describes the Council's policy for each financial year regarding exposure to changes in interest rates for the investment portfolio.

Annual Report on Treasury Management Activity

An annual report will be presented to Cabinet at the earliest practicable meeting after the end of the financial year, but in any case by the end of September. This report will include the following:

- A comprehensive review for the financial year of all treasury policies, activities and results;
- A summary of the interest returns achieved (including comparison with standard benchmarks) and the impact of these returns on the Council's revenue budget;
- An assessment of the degree of compliance with the original strategy, and an explanation of any deviations;
- An overview of the potential impact of any Treasury Management decisions (e.g. long-term investments) taken during the year that may impact materially on future years;
- Notification, and explanation, of any breaches of the Council's Treasury Management Statement, Treasury Management Practices, or Approved Lending List;
- A report on compliance with CIPFA recommendations in its "Treasury Management in the Public Services" Code of Practice;
- Prudential Indicators.

Annual Capital Strategy

The Capital Strategy sets out the expected long term view of the capital programme and the treasury management implications thereof beyond the three year time horizon for detailed planning. It gives an overview of the treasury and non-treasury investments to highlight the risks and returns involved in each and the balance between both types of investments. It outlines the authorities risk appetite and specific policies and arrangements for non-treasury investments, and provides a schedule of non-treasury investments. The strategy will be submitted to Cabinet for approval before the commencement of each financial year, usually along with the Budget Setting Report.

Management Information Reports

TMP 6: Reporting requirements and Management Information Arrangements

A management information report will be prepared at the end of each month by the Assistant Financial Accountant. This report will be sent to the Portfolio Holder (Finance & Resources), the Corporate Director (Finance & Operations), the Assistant Director (Finance & Resources), Group Manager (Financial Services), Senior Financial Accountant (Team Leader) and the Team Leader (Financial Planning & Analysis).

The report will contain the following information:

- Interest to date and forward forecasts
- Money Market Fund Analysis
- Borrowing Analysis
- Market Updates
- Updates to the approved lending list
- Counterparty Risk

Should the Council appoint external fund managers, the above reports will consider funds managed internally and externally separately, before comparing the returns achieved and reporting the combined impact of these returns upon the Council.

Periodic Reports to Cabinet

Each year, Cabinet will receive and consider (as a minimum) the following Treasury Management reports:

- An annual Treasury Management Strategy and;;
- An annual Capital Strategy before the commencement of the new financial year;
- A mid-year review by the end of December of each year.
- An annual Treasury Management Activity Report within six months of the financial year-end.

Treasury Management Practice 7

Budgeting, Accounting and Audit Arrangements

The responsible officer will prepare, and the Council will approve (and, if necessary, amend), an annual budget for treasury management, which will bring together all of the costs involved in running the treasury management function, together with associated income. The matters to be included in the budget will at minimum be those required by statute or regulation, together with such information as will demonstrate compliance with TMP1: Risk Management, TMP2: Performance Measurement, and TMP4: Approved Instruments, Methods and Techniques.

The responsible officer will exercise effective controls over this budget, and will report upon and recommend any changes required in accordance with TMP6: Reporting Requirements and Management Information Arrangements.

The Council will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being.

The Council will ensure that its auditors and those charged with regulatory review, have access to all information and papers supporting the activities of the treasury management function as are necessary for the proper fulfillment of their roles. Such information and papers will demonstrate compliance with external and internal policies and approved practices.

Statutory/Regulatory Requirements

The Council's accounts are drawn up in accordance with the "Code of Practice on Local Authority Accounting" ('the code') and the "Service Reporting Code of Practice". This code of practice is recognized by statute as representing proper accounting practices.

Accounting Practices and Standards

Due regard is given to the International Accounting Standards as they apply to Local Authorities in the United Kingdom, as defined by the code. The Council adopts in full the principles set out in CIPFA's "Treasury Management in the Public Services" Code of Practice, together with specific recommendations within the accompanying "Guidance Notes for Local Authorities" that are relevant to the Council's treasury management activities.

Sample Budgets / Accounts

The staffing and daily administration costs of the Treasury Management function are included within the costs for the Council's Accountancy service. This budget is prepared by the Financial Planning and Analysis (FPA) team in advance of each financial year, and then approved by Full Council.

Given the above, budget monitoring for the Treasury Management function takes place as part of the Council's monthly and quarterly processes within the umbrella of the Accountancy service as a whole.

Certain specific costs, such as payments made to the Council's external treasury advisers, are separately identified within the Council's general ledger, and hence these items are monitored throughout the year.

List of Information Requirements of External Auditors

- Verification with counterparties of investments and loans at year-end;
- Reconciliation between the Council's Investments System and its general ledger of principal and interest amounts received during the year, and accrued at year-end;
- Verification of receipt of previous year accruals;
- A copy of the year-end Treasury Management Annual Report;
- Should it become appropriate in the future, external fund manager(s) valuations including investment income schedules and movement in capital values.

Monthly Budget Monitoring Report

TMP 6 describes the monthly reporting arrangements for the Council's investment and borrowing portfolio, whilst TMP 7 describes the arrangements for monitoring the costs of the Treasury Management service within the Council.

Budget Setting Exercise

All budgets for Treasury Management, including both returns achieved and running expenses incurred, are prepared annually by the Financial Planning & Analysis team in conjunction with the Treasury Management team, and then approved by Full Council.

Treasury Management Practice 8

Cash and Cash Flow Management

Unless statutory or regulatory requirements demand otherwise, all monies in the hands of Dacorum Borough Council will be under the control of the responsible officer, and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis, and the responsible officer will ensure that these are adequate for the purposes of monitoring compliance with TMP1 Liquidity Risk Management.

Arrangements for Preparing and Submitting Cash Flow Statements

As part of the Council's budget and medium term financial plan processes, revenue and capital budgets for the next 5 years are prepared. This process identifies key expenditure and income flows that are expected in forthcoming years, and any major items that need to be considered when long-term investment decisions are made.

Detailed day-by-day cash-flow projections are produced before the start of each financial year. These projections are produced using the Council's Investments System, and are calculated using a variety of sources of income and expenditure.

Content and Frequency of Cash-Flow Budgets, and Sources of Information

Examples of items included in the cash flow, and basis of amount included are shown below.

Income

Direct Debit Income (CT, NNDR, Housing Rents)

Monthly receipt on the 1st of the month, or the first working day thereafter *Previous Year + Appropriate Increase*

Housing Benefit Subsidy Received from the DSS (BACS)

Monthly receipt on the 15th of the month, or the first working day thereafter *DSS Schedule>Returns*

Miscellaneous Cash (CT, NNDR, Housing Rents, Customer Accounts)

Daily *Based on prior year trends*

Ad-hoc and Right to Buy Receipts

Ad-hoc *Information provided by services and Service Accountants*

Expenditure

Precept Payments to HCC / HPC (BACS)

Approximately 10 payments per year are made, roughly once every 5 weeks. *Schedule Received from HCC*

Business Rates Retention Scheme Payments to the Government (BACS)

Approximately 25 payments per year are made, roughly once a fortnight. *Schedule Received from DCLG*

Payments to Sundry Creditors (BACS)

BACS runs clear each Friday. *Approximate figure of £1.2m; varies each week*

Salaries Payments to Employees (BACS)

Monthly payment on the 25th of the month, or the last working day preceding this *Previous Year + Pay Rise*

Income Tax / NI Payments to the Inland Revenue (DBC-Originated CHAPS)

Monthly payment on the 22nd of the month, or the last working day preceding this

Previous Year + Pay Rise

In addition to the above, all investment payments and maturities (including interest) are automatically added to the cash flow diary as appropriate.

Bank Statement Procedures

All bank statement data is exported daily from the computer system provided by the Council's bankers into the Council's Investment System.

Some of the entry types listed above result from processing undertaken in other Council systems. As such, the Council's banking system simply records the fact that these particular transaction types have occurred. However, it should be noted that all entries are reconciled as part of the ongoing bank reconciliation procedures.

Other entry types shown above require entries to be passed through to the Council's general ledger system. This involves an Assistant Accountant assigning one or more ledger codes to the appropriate payment or receipt, and then confirming that the entry is ready for processing. These transactions are then batched at the end of the day, and processed through to the Council's general ledger system.

Payment Scheduling and Agreed Terms of Trade with Creditors

All of the Council's invoices are paid by a central Creditors team. This team currently produces one BACS run per week, and all invoices due that have been received by the team in advance of their weekly deadline will be paid at this time.

Invoices are paid in accordance with their due date. The Council will seek to pay all undisputed invoices within the Payment terms. The Council also seeks to pay all undisputed invoices within 30 days of receipts.

Arrangements for Monitoring Debtors / Creditors Levels

The monthly key controls report details arrears levels by type of debtor. This analysis also includes an 'Aged Debt Analysis'.

Other than the weekly control totals that are maintained for reconciliation purposes, no standard reports are currently produced with regard to the payment of creditors. However, the calculation of the performance indicator is updated monthly.

Procedures for Banking of Funds

Most funds received by the Council that require banking are received either at one of the Council's offices, or at an income-taking location such as a Car Parking Centre. All such receipts are collected between daily and weekly (depending on the location) by the Council's Cash Collection contractor, and are then passed by this contractor to the Council's bank.

Where money is received by an officer who does not work in any of the locations mentioned above, these receipts will be aggregated by the appropriate officer and then passed to the Central Admin Team. These receipts are then processed in the usual way.

Treasury Management Practice 9

Money Laundering

Dacorum Borough Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will maintain procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that the appropriate staff are properly trained.

References to Relevant Regulations and Guidance

The treasury management activities of the Council shall comply fully with money laundering regulations and guidance, and the regulations of the Council. These are:

- [Proceeds of Crime Act 2002](#)
- The Terrorism Act 2000
- The Money Laundering Regulations 2012, 2015 and 2017

Procedures for Establishing Identity / Authenticity of Lenders

Borrowing will only be undertaken in consultation with the Council's external treasury advisers. Furthermore, loans will only be undertaken with either:

- The PWLB;
- Other Local Authorities;
- Authorised Institutions under the Banking Act 1987 (as shown on the Financial Services Authority's register of authorised institutions).

Methodologies for Identifying Sources of Deposit

When lending money for Treasury Management purposes, the Council will only place investments with counterparties who appear on its Approved Lending List. This list is subject to stringent criteria in its construction, as detailed in TMP1.

Counterparty bank details are maintained on the Councils Bankers website and the in house system. Any amendments on the banking system to counterparty bank accounts need to be approved by an authorised signatory.

Treasury Management Practice 10

Staff Training and Qualifications

Dacorum Borough Council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced, and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The responsible officer will recommend and implement the necessary arrangements.

The responsible officer will ensure that the Council Members tasked with Treasury Management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and those responsibilities.

Those charged with Governance recognise their individual responsibility to ensure that they have the necessary skills to complete their role effectively.

Details of Approved Training Courses

There are no formally recognised training courses for the Council's Treasury Management staff. However, basic courses are offered periodically by the Council's external treasury advisers and also, at a charge, by the money market brokers. In addition CIPFA provide an accredited course on Treasury Management. These courses are utilised if and when appropriate so as to ensure that all Treasury Management staff have a solid grounding to underpin their treasury duties.

Records of Training Received by Treasury Staff

No formal records are maintained specifically for treasury purposes.

However, all Council employees complete a Training Log as part of their appraisal process. This process includes an annual Appraisal Interview, part of which reviews progress (including training) during the previous 12 months, and then identifies future training requirements. The record of this interview is signed by both parties to confirm its accuracy, and to demonstrate commitment to fulfilling the training needs etc. that have been identified.

Career Development / Succession Arrangements

Within the Accountancy service, all staff are actively encouraged to continually develop their skills. However, there are no formal arrangements regarding career development or succession arrangements; tasks are transferred between staff from time-to-time with a view to developing staff.

If specific posts become available, internal staff can apply for them if they wish. However, external applicants are also welcome, and the decision of whom to appoint is based solely upon consideration of who should best be able to do the job.

Approved Qualifications for Treasury Staff

There are no Treasury Management qualifications that have been formally approved by the Council for its staff. However, employees are encouraged to take professional accountancy qualifications.

Secondment of Staff

Various secondments are undertaken within the Council from time-to-time. Given that there are always at least two, and usually three, staff who are familiar with the daily Treasury Management procedures, the secondment of a member of the Treasury Management team would not materially impact on the daily undertaking of treasury duties.

Treasury Management Practice 11

Use of External Service Providers

Dacorum Borough Council recognises that the responsibility for Treasury Management decisions remain with the Council at all times. It recognises the potential value of employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such service providers, it will ensure it does so for reasons which will have been submitted to full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

The Council will also ensure, where feasible and necessary, that a spread of service providers is used, to avoid over-reliance on one or a small number of companies. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed. The monitoring of such arrangements rests with the responsible officer.

Details of Contracts with Service Providers, Including Bankers, Brokers, Consultants and Advisers

Banking Services

The Council's current bankers are NatWest plc (who are a subsidiary of RBS).

The contract for this service is ends on 1 November 2019.

The Council's account balances are consolidated each night, and funds are swept into the call account (Corporate Cash Manager Plus account). Interest on credit and debit balances is applied in line with the contract.

Money-Broking Services

The Council's money market brokers are:

- Sterling International Brokers
- Intercapital Europe
- Tradition

No contractual obligations exist between the Council and any of these brokers. Consequently, the Council is free to change the brokers it uses without providing any notice, or in any way compensating, the existing brokers.

Consultants' / Advisers' Services

The Council does not employ any external Fund Managers.

The Council's external treasury management consultants are:

Link Asset Services
65 Gresham Street
London
EC2V 7NQ

The Council's current contract with Link ends on May 1st 2019. A tender process will be carried out during 2019/20.

Other consultants may be employed on short term contracts as and when required.

Procedures and Frequency for Tendering Services

The process for advertising and awarding contracts will be in line with the Council's Commissioning and Procurement Standing Orders and Financial Regulations.

Treasury Management Practice 12

Corporate Governance

Dacorum Borough Council is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

Dacorum Borough Council has adopted and implemented the key recommendations of the Code. This, together with the other arrangements detailed in the schedule to this document, are considered vital to the achievement of proper corporate governance in treasury management, and the responsible officer will monitor and, if and when necessary, report upon the effectiveness of these arrangements.

List of Documents to be Made Available for Public Inspection

The following core financial documents are available to the public:

- Annual Budget Book (on website);
- Statement of Accounts (on website);
- Auditors Opinion (on website);
- Auditors Management Letter (on website);
- Capital Strategy (on website).

In addition to the above, all key treasury management reports to members (Policy, Practices, Strategy and Annual Report) are available to the public on the Council's website.

Procedures for Consultation with Stakeholders

The Council undertakes a series of consultation methods to inform members of the views of the public when making their key budget and Council Tax decisions. These methods include:

- Questionnaires;
- Public events;
- Highlighting the main budget issues on the Council's website, and inviting feedback;
- Direct contact with the Council's many partners.



Dacorum Borough Council

Capital Strategy

2019/20

1 Introduction

1.1 Requirements of a Capital Strategy

The 2017 update to the Prudential Code requires from 2019-20 all local authorities to produce a Capital Strategy. The purpose of the Capital Strategy is to tell a story that gives a clear and concise view of how the Council determines its priorities for capital investment, decides how much borrowing is affordable and its risk appetite and the governance arrangements in place to manage those risks. The Capital Strategy is required to set out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to the risk, reward and impact on the achievement of outcomes. The Council Strategy should demonstrate that capital expenditure and investment decisions are in line with service objectives and properly take into account stewardship, value for money, prudence, sustainability and affordability.

The Capital Strategy should cover:

- Capital Expenditure
- Debt, Borrowing and Treasury Management
- Commercial Activity
- Other long-term Liabilities and Non-Treasury Investments and Debtors.
- Knowledge and Skills.

2 Capital Expenditure

2.1 Overview of the Asset Management Strategy

The Asset management strategy sets out how the Council intends to use its property portfolio to support the priorities identified in its *Corporate Plan*, and how it plans to improve the performance of its assets. The Council's Asset Management Strategy can be found here: <http://www.dacorum.gov.uk/docs/default-source/business/2016-asset-management-strategy-final-17-2-16.pdf?sfvrsn=0>. The strategy also informs and supports the Council's Medium Term Financial Strategy and was approved by Cabinet in February 2016, and is due for review in 2019/2020. The Council has a significant and varied portfolio of assets, some of which provide an income stream which is crucial to the funding/delivery of the overall Council objectives. The strategy provides a structure to asset governance and performance management which in turn helps improve Council's decision making and enhance income streams.

The strategy details the Council's focus on reducing its long-term asset maintenance costs through proactive maintenance scheduling and better cost recovery. This reduces the risk that under-investment will lead to a spike in maintenance costs or a loss of income should the assets no longer be deemed fit for purpose. Annual maintenance budgets are set as part of the Council's budget setting process.

The Council aims to act as a catalyst for regeneration and growth by maximising the use of its own assets. Stimulating regeneration and growth will potentially improve the Council's revenue position as a result of business rate retention but the Council will need to weigh up the benefits carefully where new projects risk the loss of current income. Getting the balance right between future economic growth and the protection and enhancement of revenue income is a key issue for asset management planning.

The Asset Management Strategy includes the Council's disposals strategy. To ensure continuing efficient operation of the Council's assets, decisions on disposals of assets deemed surplus to requirements is recommended by the Property Management Board. This decision will then be referred to Corporate Management Team for review and confirmation and ultimately Members in line with Financial Regulations. Current assets under consideration for disposal at this time are investment sites and selected garages.

The Council's social housing stock is covered separately under the *Housing Asset Management Strategy 2016-2020*. The strategy outlines the Council's approach to managing demand and supply and the sustainability and condition of its 10,200 housing properties whilst delivering value for money. The strategy sets out plans to increase the stock to meet continuing need for quality, affordable homes in Dacorum. The Council's Housing Asset Management Strategy can be found here: <https://www.dacorum.gov.uk/docs/default-source/housing/asset-management-strategy-2016-2020.pdf?sfvrsn=8>

2.2 The Council's policies on Capitalisation

The Council capitalises expenditure on property, plant, equipment and software, when it brings economic benefit or service potential to the Council for longer than 1 year and spend is greater than £10,000 per scheme. The Council does not capitalise borrowing costs incurred whilst assets are under construction. Further details of the Council's capitalisation policy can be found here in the Council's Statement of Accounts, notes to the Core Financial Statements section: <http://www.dacorum.gov.uk/home/council-democracy/finance/annual-statement-of-accounts>.

2.3 Flexible Use of Capital Receipts

The Council has a Flexible Use of Capital Receipts Strategy. Qualifying expenditure for the flexible use of capital receipts is 'expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/ or transform service delivery to reduce costs and/ or transform service delivery in a way that reduces costs or demands for services in future years for any of the public sector delivery partners.

2.4 Capital Programme approval process

As part of the annual Medium Term Financial Strategy review and budget setting process, Senior Officers are invited to submit new Capital bids using a business case template. The business case template outlines how the project will;

- Meet corporate priorities,

- Revenue and Capital Requirements
- Proposed funding sources

The Council's corporate priorities are:

- A clean, safe and enjoyable environment
- Building strong and vibrant communities
- Ensuring economic growth and prosperity
- Providing good quality affordable homes, in particular for those most in need
- Delivering an efficient and modern council.

All bids are signed off by the relevant Director and Portfolio Holder. The bids are then scrutinised by the Chief Officer Group to ensure they are affordable and support Corporate Priorities. The draft Capital Programme then goes through internal officer and member scrutiny prior to verview and Scrutiny and Cabinet for further challenge and review. The Capital Programme then goes to full Council in February for approval.

2.5 The 2019/20-2023/24 Capital Programme

The 2019/20-2023/23 Capital Programme is summarised in the table below. The total Capital Programme for the next 5 years is £254.5m. For 2019/20, Capital Programme is £59.032m of which £42.289m is to spent on the Housing Revenue Account (HRA) Capital Schemes and £16.743m is to be spent on non-HRA Capital Schemes. Further details of the Capital Programme can be found in Appendix I of Budget Report.

Capital expenditure	18/19 £m	19/20 £m	20/21 £m	21/22 £m	22/23 £m	23/24 £m
Non-HRA	17.006	16.743	7.924	5.719	7.774	3.351
HRA	26.287	42.289	29.232	36.423	40.401	21.350
Total	43.293	59.032	37.156	42.142	48.175	24.701
Financed by:						
Capital grants & S106	2.077	1.394	0.937	0.807	1.665	1.170
Capital receipts & reserves	30.391	31.714	26.616	26.327	22.590	14.546
Revenue contribution to Capital	9.300	5.480	5.597	6.407	6.972	0.000
Borrowing- General Fund	1.525	6.702	3.162	0.000	2.479	0.000
Borrowing- HRA	0.000	13.743	0.844	8.601	14.469	8.985

2.6 Long term view of capital expenditure plans

The Council publishes its capital progamme covering a 5- year period, in line with its Medium Term Financial Strategy (MTFS). Its HRA Business Plan covers a 30 year period.

The Council's capital expenditure programme supports the priorities identified in its Corporate Plan and delivery of the Council's services. As a government organisation governed by a political administration, the Council is subject to changes in government policy such as the implementaiton of mandatory 1% annual rent redcutions and the removal of the HRA borrowing cap in 2018 and also changes in the political direction,

including that arising from local elections held every four years. This has potential implications for the content and direction of the capital programme.

The Council is mindful of risks to the delivery and financial performance of the capital programme over the MTFS period. These include, but are not limited to:

- Inflationary changes
- Local political considerations
- National political considerations
- Legislative changes
- Access to expertise

The Council projects the potential financial impact of these risks over the life of capital projects where it is possible to do so. Capital schemes are supported by relevant project boards and their financial performance is monitored on a quarterly basis.

2.7 Cost of Borrowing for Capital Expenditure

Under statute, the Council is required to make a charge to revenue in respect of prior year's expenditure on the General Fund which is funded from borrowing (internal or external) in order to repay the principal, this is known as the Minimum Revenue Provision (MRP). External borrowing also incurs interest costs. Based on the current capital programme the charge to the General Fund as per the Medium Term Financial Strategy is:

	19/20 £m	20/21 £m	21/22 £m	22/23 £m
Non-HRA	0.956	0.942	1.063	1.063

There is no requirement for the HRA to make a minimum revenue provision but the HRA is required to pay interest on the borrowing undertaken to fund the £354m Self Financing deal. In 2019/20 this is budgeted to be £11.558m.

2.8 Monitoring of Capital Expenditure

To mitigate the risk of overspends on Capital schemes or the Council undertaking borrowing when not required and incurring interest costs, the Council monitors Capital Expenditure against the approved budget during the financial year. The Budget Monitoring Report goes to the Corporate Management Team monthly and the quarterly budget monitoring report then goes to Overview and Scrutiny Committee and Cabinet on a quarterly basis. The report provides the latest forecast position and provides an explanation of reasons for slippage and underspends or pressures on each individual scheme. Cabinet is required to approve any requests for additional budget and to approve slippage of projects into future financial years.

To ensure the Council is achieving value for money when awarding tenders for Capital works, Officers must adhere to the Council's Commissioning and Procurement Standing Orders. This details the Council's procurement thresholds and can be found here: <http://www.dacorum.gov.uk/docs/default-source/Commissioning-Procurement/commissioning-procurement-standing-orders-finalB3B7464826ED.pdf?sfvrsn=0>. Post project implementation reviews are also carried out to ensure lessons learnt are taken into consideration for future relevant projects.

3 Debt, Borrowing and Treasury Management

3.1 Overview of Governance Process for Treasury Management

As per the Treasury Management Strategy, Full Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, a mid-year review and an annual report after its close, in the form prescribed in its Treasury Management Practices. Responsibility is delegated to the Section 151 Officer for the implementation and regular monitoring of its treasury management policies and practices, and for the execution and administration of treasury management decisions. Cabinet is responsible for ensuring effective scrutiny of the treasury management strategy, policies and monitoring before recommendation to Full Council.

3.2 Projection of External Debt and Internal Borrowing over the Long Term

The Treasury Management Strategy projects that during 2019/20 the Council will need to utilise existing cash balances to fund £20.4m of Capital Expenditure. The Council forecasts total external debt of £358.629m at the end of 2019/20 and £349.868m at the end of 2021/22.

	2017/18 Actual £m	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m
External Debt					
Debt at 1 April	365.754	365.187	362.747	358.441	353.502
Expected change in Debt	-0.567	-2.440	-4.306	-4.939	-3.822
Other long-term liabilities	0.188	0.188	0.188	0.188	0.188
Actual gross debt at 31 March	365.375	362.935	358.629	353.690	349.868
The Capital Financing Requirement	355.541	354.028	370.498	369.532	374.143
Under / (over) borrowing*	-9.833	-8.907	11.869	15.842	24.276

3.3 Limits on overall borrowing

The Treasury Management Strategy sets out the following borrowing limits over the next 5 years:

Authorised limit	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m
Debt	378.000	378.000	375.000	373.000
Other long term liabilities	1.000	1.000	1.000	1.000
Total	379.000	379.000	376.000	374.000

3.4 Treasury Management Key Risks and Risk appetite

The Council's Treasury Management Strategy 2019/20 sets out in detail the authority's risk appetite around its treasury management activities. The Council adopts a prudent approach to the management of risk, with its investment priorities being first, security, liquidity second and then return.

The authority has adopted a prudent approach to managing risk and this is detailed in Treasury Management Strategy. This includes reducing the Council's exposure to large fixed rate sums falling due for refinancing at the same time by setting upper and lower limits for the maturity structure of borrowing.

3.5 Treasury Management Knowledge and Skills available to the Council

The Council uses Link Asset Services as its external treasury management advisors. The Council recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council ensures knowledge and skills are commensurate with the authority's risk appetite. Council officers regularly attend treasury management training provided by Link Asset Services.

4 Commercial Activity

4.1 Definition of Commercial Activity

Commercial Activity is the investment in assets including loans and property primarily for financial return which are not part of treasury management activity. Commercial Activity can also include service investments held clearly and explicitly for operational service purposes such as loans to other organisations for regeneration purposes. Commercial Activity within the Council currently includes the holding of investment properties in the commercial assets portfolio to generate rental income and in the future DevCo.

4.2 Investment Properties

At the 31st March 2018, the Statement of Accounts showed the Council held £75.782m of Investment Properties. This was 6.7% of the Council's Long-Term Assets. Investment Properties include shops, industrial units, storage units, offices, filling stations and nurseries. Investment Properties in 2019/20 are forecast to generate gross income of £5.059m. The

net income from Investment Properties is £3.818m, which helps contribute to a lower net expenditure before Council Tax. For 2019/20 the net expenditure before Council Tax is £12.515m.

The Commercial Assets and Property Development team manage the Council's Investment Properties in accordance with the Council's Asset Management Strategy. Monthly reports are sent to members using the Council's performance system (ROCKET) on the performance of the Council's investment properties. Key indicators include:

- percentage arrears on Commercial Property rents,
- percentage of Occupation in Commercial Properties,
- Investment Property year to date budget position

The Council's Commercial Assets and Property Development team includes RICS qualified professionals to ensure the Council meet legislative requirements whilst also using that professional knowledge and expertise to maximise the potential income of the portfolio.

4.3 DevCo

The Council is currently working towards the establishment of a Development Company (DevCO) to develop residential units on the former civic centre site, with the twin objectives of:

- maximising revenue income to support provision of General Fund services; and,
- contributing to the delivery of local housing in a high-demand market

There is currently an approved capital budget of £650k to undertake site monitoring and investigations and to progress designs to the point of planning. Subject to more detailed financial modelling as the plans are developed, it is anticipated that further borrowing will be required for the delivery of the housing units. Updates will continue to be reported to Members as the project progresses.

4.4 Approach to risk in commercial activities

The Council holds investment assets which deliver an annual rental stream. These investment assets help the authority deliver a balanced budget over the MTFS period as well as supporting the economic objectives that the Council has for the Dacorum area.

As with its approach to treasury management, the Council adopts a prudent approach to the management of risk within its commercial activities. The Council engages professional advice on these activities as required, either from its own staff or via external advisors. Decisions on commercial activities are made in line with the Council's constitution.

The Council monitors the performance of its commercial activities via its financial monitoring process and the use of performance indicators. This process includes both Officer and Member scrutiny.

5 Other long-term Liabilities and Non-Treasury Debtors

Any other long-liabilities that the Council undertakes are subject to member scrutiny and approval.

6 Knowledge and Skills

The Council employs a wide range of qualified professionals with expert knowledge and skills including legal professionals, RICS property experts and accountants. Annual appraisals are carried out to identify training needs. The Council ensures Councillors have the required skills through the Member training programme. Where skills are not available in house, or in relation to material projects, the Council will draw on additional professional advisers as necessary, these currently include Link Asset Service for Treasury Management Services, Brazier Freeth for Commercial Property advice and various architects.

Statement by the Chief Finance Officer

1. The purpose of this statement is to comply with the requirements of the Local Government Act 2003 whereby the Chief Finance Officer, in the Council's case, the Corporate Director (Finance & Operations), must report on:
 - (a) the robustness of the estimates made for the purposes of the budget calculations and;
 - (b) the adequacy of the proposed financial reserves.
2. In recommending the budget to the Council, the Cabinet must take account of the advice of the Corporate Director (Finance & Operations) in respect of the above.
3. For 2019/20 I can advise that the budget presented to Cabinet for referral to Council is robust in its formulation and that the level of reserves and balances are adequate for the organisation.

Risks to the budget

4. In formulating my opinion the following key risks have been taken into account.

Salaries

5. The budget proposals for 2019/20 have incorporated staffing costs budgeted on a post by post basis. A reduction of 5%, known as a 'vacancy factor' has been applied to all posts with the exception of front-line staff within Waste Services. This reduction has been applied because actual salary costs in previous years have demonstrated that the time taken to recruit to vacant posts leads to underspends of around 5% by the end of the year.
6. Service efficiency improvements in recent years have meant that managers have filled vacant posts more quickly than in the past because the Service is less able to continue providing its Service when carrying a vacant post. However, the forecast outturn position for 2018/19, as at January 2019, indicates that 5% remains an appropriate vacancy factor for the Council. If staff turnover reduces significantly in 2019/20, then there will be increased pressure on the vacancy factor. This will be kept under review throughout the year.
7. There is a number of efficiency initiatives planned for delivery in 2019/20, the success of which will affect budgetary performance over the course of the year. Those relating to salaries are listed on the first page of Appendix B1, and primarily include service reviews of Environmental services, legal services, ICT and customer services. In the majority of these reviews the implementations are already underway but these projects will be closely monitored throughout the year to mitigate the risk of delays and a resultant budgetary impact.

Key income streams

8. **Car Parking Income** The impact of a nil increase in car parking tariffs has been taken into account in preparing the budget for 2019/20. The budgeted level of income has been increased by £230k over 2018/19 levels, which reflects the forecast income from the Berkhamsted multi-storey car park. The construction project will be closely monitored to reduce the risk of further slippage having a negative effect on the Council's future income streams.

9. **Investment Income** The budgeted level of investment income for 2019/20 has been calculated using a detailed cash flow model in conjunction with interest rates forecast from a combination of advice from Link (the Council's treasury management advisers), and rates available from counterparties permitted within the Council's current Treasury Management Strategy. However, whilst the economy remains uncertain, there is a risk that interest rates may fall, negatively impacting the amount of investment income the Council receives.
10. **Alternative Financial Model income** The Council currently receives around £520k from Hertfordshire County Council (HCC) related to recycling performance, known as the Alternative Financial Model (AFM). The budgeted level of income has been based on a number of assumptions around recycling tonnage that will be achieved by Dacorum over the course of the year, and any deviation from this could result in reductions in the amount of income from HCC. Monthly monitoring of recycling levels will enable any risks to be identified and addressed early in the financial year. Whilst HCC have confirmed that AFM funding will continue into 2019/20, it has been indicated that there is likely to be a reduction in the amount of funding available in future years. This constitutes a risk to future years' budgets and as such will be kept under review, with the Medium Term Financial Strategy to be updated accordingly.
11. **Recycling income** Global demand for recyclates has significantly reduced over the last 12 months, which has negatively impacted the income stream the Council receives by around £400k in 2018/19. The 2019/20 budget has been set to reflect these market changes, and incorporates growth of £450k. This budget will need to be closely monitored throughout the year in order to mitigate most effectively against any further market contractions.
12. **Investment property income** currently generates around £5m per year for the Council. Current indicators show that income remains strong, with arrears below target and occupancy rates above expectation. However, as the highest source of commercial income for the Council, performance will continue to be closely monitored throughout the 2019/20.
13. **Garage income** provides the second highest source of income for the Council at around £3.8m per year. Performance in 2018/19 fell below budget and rent levels for 2019/20 have been frozen as a result. A review of the garage service is scheduled for 2019/20 to ensure that any further risk to income generation is mitigated as far as possible.

Capital Programme

14. Based on the profile of projects in the proposed Capital Programme, the Council has no further need to borrow before 2022/23. Any future borrowing will have revenue implications for the Council, which, in the context of continued reductions in government grants, will put further pressure on the Council's ability to protect its front-line services. It is increasingly important therefore that slippage and overspends in the Council's Capital Programme are minimised to enable borrowing decisions to be taken on the basis of accurate information. The Capital Programme will be kept under review throughout the year, and risks highlighted to Members as they occur.
15. The financing of the General Fund Capital Programme assumes application of capital receipts of around £35.7m over the period 2018/19 – 2023/24. The inherent complexity of the property deals that will deliver these receipts means that they are vulnerable to delays and/or collapse. Regular meetings of the Property Management Board should ensure a concerted approach across Council services that will mitigate this risk.

Reserves

16. The reserves statement (Appendix J) shows a projected net contribution to reserves of £4.5m. The use of Earmarked Reserves is applied for non-recurring and planned expenditure, therefore, usage is considered robust.
17. It is recommended that the Council's current guidelines on the maintenance of Working Balances are retained, i.e. between 5% and 15% of Net Cost of Services on the General Fund, and at not less than 5% of turnover on the HRA. The General Fund Working Balance is forecast to be at the upper end of this parameter in 2019/20, at 15%, to reflect the risks associated with balancing a budget on the basis of new savings initiatives being delivered in-year.

HRA

18. The Council's highest value contract, valued at around £25m per year, is with Osborne Property Services for the Total Asset Management of the Council's housing stock. The contract includes the management of responsive repairs, planned repairs and void management. Supplier performance under this contract will continue to be monitored closely to mitigate the financial and operational risks of failure.

Brexit

19. The ongoing uncertainty around the final structure of a UK withdrawal from the EU poses a range of potential risks for local authorities which could have financial implications. These could include a scarcity of staff in certain fields of employment for both the council and its contractors, or an increased cost of borrowing depending on the response of the UK economy to any final position. In response, the Council has created a risk on the Strategic Risk Register which ensures continued monitoring of the position.



AGENDA ITEM:

SUMMARY

Report for:	Cabinet
Date of meeting:	12 February 2019
PART:	1
If Part II, reason:	

Title of report:	Budget Monitoring Quarter 3 2018/19
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance and Resources Nigel Howcutt, Assistant Director (Finance & Resources) Caroline Souto, Team Leader, Financial Planning & Analysis
Purpose of report:	To provide details of the projected outturn for 2018/19 as at Quarter 3 for the: <ul style="list-style-type: none"> • General Fund • Housing Revenue Account • Capital Programme
Recommendations	<ol style="list-style-type: none"> 1. Consider the budget monitoring position for each of the above accounts; 2. Recommend to Council approval of the revised capital programme to move £11.8m slippage identified at Quarter 3 into financial year 2019/20 as detailed in Appendix C; 3. Recommend to Council approval of the one-off supplementary budgets required to deliver several service changes as set out below. Details for these supplementary budgets are set out in the body of the report and have a net nil impact on the General Fund Working Balance:

	<ul style="list-style-type: none"> • £40k to fund pension costs of staff transferring to the third party contractor under TUPE, funded from the Management of Change reserve. • A one-off increase to the Adventure Playground service employees budget of £16k to support costs of restructuring the service, funded from the Management of Change reserve. • An increase in the parks and open spaces budget of £25k to meet one-off health and safety costs, funded from the Dacorum Development reserve. • An increase in the waste services consultancy budget of £30k, funded from the Invest to Save reserve. • £25k to support one-off costs of feasibility in Strategic Planning, funded from the Planning & Regeneration Project Reserve. • Increase to the homeless hostels premises budget of £75k to support health and safety work, funded from the Dacorum Development Reserve. • As part of the Forum building developments to facilitate the CCG moving into the Forum, there is a requirement for £10k for additional IT licensing budget and £10k for Facilities Management budget, to support one-off improvement works to The Forum, to be funded from the Invest to Save reserve. <p>4. Recommend to Council approval of supplementary capital budgets.</p> <ul style="list-style-type: none"> • 2018/19 Capital budget of £15k for Tring Community Centre door upgrade • 2018/29 Capital budget of £195k to continue the improvement works to The Forum <p>5. Agree the Council's flexible use of capital receipts strategy at Appendix D of this report.</p> <ul style="list-style-type: none"> • Note the set up costs of £600k falling under this strategy and agree these be funded from capital receipts.
Corporate objectives:	Delivering an efficient and modern council.
Implications:	<p><u>Financial</u> This reports outlines the financial position for the Council for 2018/19 and so summarises the financial implications for service decisions expected to be made for the financial year.</p>

	<p><u>Value for Money</u> Regular budget monitoring and reporting supports the effective use of the financial resources available to the Council.</p>
Risk Implications	<p>This reports outlines the financial position for the Council for 2018/19 and in so doing quantifies the financial risk associated with service decisions expected to be made for the financial year.</p>
Community Impact Assessment	<p>The content of this report does not require a Community Impact Assessment to be undertaken.</p>
Health And Safety Implications	<p>There are no Health and Safety implications arising from this report.</p>
Statutory Officer Comments:	<p>Deputy Section 151 Officer: Comments included within the body of this report</p> <p>Monitoring Officer: No Comments to add to the report.</p>
Consultees	<p>The position reported within this report has been reviewed and discussed with relevant Council Officers.</p>
Glossary of acronyms and any other abbreviations used in this report:	<p>GF – General Fund HRA – Housing Revenue Account</p>

1. Introduction

1.1 The purpose of this report is to present the Council's forecast outturn for 2018/19 as at the 31st December 2018. The report covers the following budgets with associated appendices:

- General Fund - Appendix A
- Housing Revenue Account (HRA) - Appendix B
- Capital Programme - Appendix C
- Flexible Use of Capital Receipts Strategy - Appendix D

2. General Fund Revenue Account

2.1 The General Fund revenue account records the income and expenditure associated with all Council functions except management of the Council's own housing stock, which is accounted for within the Housing Revenue Account (HRA).

2.2 Appendix A provides an overview of the General Fund forecast outturn position. In summary, there are various areas of both under and overspend which broadly offset each other. The net overall pressure of £113k, less than 1% of the net cost

of services budget, is an improvement on the quarter 2 position of £249k with a reduction of £136k in the overall pressure. The most significant pressure is attributable to recycling income, following the impact on global markets of change in Chinese government policy on the amount of recyclables it will allow into the country.

The table below outlines the service areas with a significant financial pressure:

Scrutiny Committee	Key Financial Pressure	Description
Strategic Planning & Environment	£450k	Waste recycling income
Strategic Planning & Environment	£100k	Building Control service
Housing & Community	£160k	Garages

2.3 The table below provides an overview by Scrutiny area of the current forecast outturn for controllable budgets within the General Fund.

	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Finance & Resources	13,376	13,467	91	0.7%
Housing & Community	345	293	(52)	-15.1%
Strategic Planning & Environment	7,717	8,168	451	5.8%
Total	21,438	21,928	490	2.3%
Investment Property	(4,103)	(4,155)	(52)	1.3%
Core Funding	(17,342)	(17,667)	(325)	1.9%
Contribution (to)/from General Fund Working Balance	(7)	106	113	

2.4 The following sections provide an analysis of the projected outturn and major budget variances shown by Scrutiny area.

3. Finance and Resources

Finance & Resources	Current Budget	Forecast	Variance	
	£000	Outturn £000	£000	%
Employees	10,054	10,094	40	0.4%
Premises	1,912	1,928	16	0.8%
Transport	215	229	14	6.5%
Supplies & Services	4,333	4,269	(64)	(1.5%)
Third-Parties	594	722	128	21.5%
Transfer Payments	47,144	47,144	0	0.0%
Income	(4,691)	(4,723)	(32)	0.7%
Other Income	(47,584)	(47,584)	0	0.0%
Earmarked Reserves	1,399	1,388	(11)	(0.8%)
	13,376	13,467	91	0.7%

3.1 Third parties - £128k over budget

Pressure of £140k – The costs of facilities management for The Forum are expected to exceed budget by £140k, due to unforeseen works to the building and changes in facilities management requirements following the first full year of occupancy. £40k of this pressure relates to a one-off additional pension liability for staff that transferred to the new provider. This will be offset by a drawdown of £40k from the Management of Change reserve.

As part of the Forum development costs to facilitate the new CCG tenant there is requirement for an additional £20k to support improvement works to The Forum. These costs are considered one off costs and any longer term impact will be assessed as part of the wider tenancy. These funds cover the cost of software licensing of the new meeting room system (£10k) and additional security costs to oversee the construction works (£10k). It is proposed that this be funded from the Invest to Save reserve.

3.2 Investment Property - £52k over achievement of budget.

Occupancy levels are greater than expected and with a number of successful rent reviews, having been carried out the commercial income is exceeding expectations.

3.3 Core Funding - £325k additional funding received.

The actual income received from government grants and treasury investments compared to core funding budgets is projected to be exceeded by £325k. This is related to;

- Increased new burdens funding of £180k, including £72k relating to the Revenues and Benefits service, and £64k relating to the Strategic Planning

service. New Homes Bonus is also £24k over the budgeted amount due to a higher volume of properties completed in 2017/18 than projected by MHCLG.

- Investment income from treasury management activities is over performing by £139k, due to higher than anticipated cash balances and a rise in the Bank of England base rate.
- A minor increase in the forecast recharge to the HRA of £6k.

4. Strategic Planning and Environment

Strategic Planning and Environment	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Employees	9,778	9,976	198	2.0%
Premises	884	965	81	9.2%
Transport	1,201	1,361	160	13.3%
Supplies & Services	1,914	2,387	473	24.7%
Third-Parties	88	72	(16)	(18.2%)
Income	(5,918)	(6,191)	(273)	4.6%
Earmarked Reserves	(230)	(402)	(172)	74.8%
	7,717	8,168	451	5.8%

4.1 Employees - £198k over budget

Pressure of £120k - Recruitment challenges within Building Control have led to vacant posts being filled by agency staff. The service are preparing a paper to outline the options for the future delivery of Building Control within the approved budgets.

There is a forecast overspend of £80k on the employees budget for the Local Development Framework budget, due to fixed term staff being employed to support the delivery of the local plan. This will be funded from the Local Development Framework reserve if the pressure cannot be met from within the Local Development Framework revenue budgets as part of the year-end process.

4.2 Premises - £81k over budget

There is a one off pressure of £25k from geographical survey work required to maintain public health and safety. This is forecast to be offset by a drawdown of £25k from the Dacorum Development reserve.

There are other minor pressures against the Premises category in this area.

4.3 Transport - £160k over budget

There are overspends as a result of maintaining the ageing fleet in the waste services including additional short term hire costs and repair costs. The procurement of the renewal of the waste fleet is underway and delivery is expected from midway through 2019.

4.4 Supplies and Services - £473k over budget

There is a continued pressure of £450k relating to the cost of disposal of co-mingled waste due to the recent decline in the global market for recycled material. This is an ongoing pressure and a budget realignment is proposed as part of the 2019/20 budget proposals.

A one-off pressure of £30k has been incurred in the Waste Service department from independent consultancy support to deliver service improvements going forward. This is forecast to be funded from a drawdown from the Invest to Save reserve.

A further one-off pressure of £25k has been incurred in the Strategic Planning budget for feasibility work regarding The Bury project. This is forecast to be funded from the Planning and Regeneration Project Reserve.

4.5 Income - £273k over-achievement of budget

The overachievement of income overall in the Strategic Planning division is due to various under and over achieved income in the Building Control and Planning and Waste Services.

The Waste Service overall income is in line with the budgeted levels of income, with the commercial waste service underachieving its income by £150k, but £150k of additional income forecast as a result of incentive payments from Hertfordshire County Council (HCC), to reward Dacorum for improvements in the rate of recycling. This is under the Alternative Financial Model (AFM) methodology. The commercial waste service is under review and independent advice has been sought on how to improve the financial performance of the service.

Across Building Control and Land Charges a shortfall of £100k is forecast, as a result of reduced customer numbers, in the first two quarters of 2018/19. Action is being taken to improve the quality of service delivered and the marketing of the building control service. In contrast to this, the Planning service is projecting an overachievement of income of £375k as a result of large one-off fees, with a smaller proportion of the surplus due to a high volume of applications.

There are other minor net pressures against income within Strategic Planning and Environment.

5. Housing and Community

Housing & Community	Current Budget	Forecast Outturn	Variance	
	£000	£000	£000	%
Employees	3,776	3,858	82	2.2%
Premises	869	697	(172)	(19.8%)
Transport	17	20	3	17.6%
Supplies & Services	1,318	1,280	(38)	(2.9%)
Third Parties	0	0	0	0.0%
Transfer Payments	55	55	0	0.0%
Income	(5,064)	(4,951)	113	2.2%
Earmarked Reserves	(626)	(666)	(40)	(6.4%)
	345	293	(52)	(15.1%)

5.1 Employees - £82k over budget

Pressure of £16k - This pressure relates to the one-off pension strain costs arising from the restructure of the Adventure Playground service. This pressure is forecast to be offset by a drawdown of £16k from the Management of Change reserve.

Pressure of £66k - This pressure consists of minor overspends against the remaining £3m plus employee budgets within the rest of Housing and Community division.

5.2 Premises - £172k under budget

An underspend of £200k on garage premises expenditure is offsetting a pressure of £350k in income forecasts. A review of the business model for garages is currently underway.

A pressure of £75k relates to one-off health and safety work required to homeless hostels. This includes fire risk assessment work and installation of CCTV at key sites. This is forecast to be offset by a drawdown from the Dacorum Development Reserve.

5.3 Income - £113k shortfall

Pressure of £350k - There is a shortfall against income targets relating to garages rental income of £350k. The level of garage voids has been higher than was expected and budgeted growth in this area has not been achieved.

Overachievement of income £190k - The pressure above is offset by net additional income over budget relating to Temporary Accommodation of £190k. The Council's own properties are being used to house tenants on a temporary basis rather than more expensive bed and breakfast accommodation.

Income of £30k is forecast from Private Sector Housing licensing of HMOs. This increased income follows a change in legislation around the licensing of HMOs and is calculated on a cost recovery basis. Additional income has been factored into the draft budget for 2019/20.

6. Housing Revenue Account (HRA)

6.1 The HRA is a ring-fenced account relating to the Council's Landlord functions. A guiding principle of the HRA is that revenue raised from rents and service charges must be sufficient to fund expenditure incurred. The forecast outturn position for the HRA is shown at Appendix B.

6.2 The projected HRA balance at the end of 2018/19 is £115k over the budgeted balance of £2.9m.

6.3 Dwelling rents - £146k underachievement of income

Pressure of c. £60k – The void rate was running at approx. 1% in the first 6 months of the year, but has improved to be in line with the budgeted expectation of 0.8%.

The rental income has also been impacted by a reduction in the volume of new build properties coming on line with the delay to Kylna court and Swing gate lane, with a small offsetting reduction in the volume of right to buy sales than expected at budget setting time.

6.4 Non Dwelling rents - £46k over-achievement of income

The HRA have undertaken rent reviews on the aerial sites and this work has produced an increased income of £46k.

6.5 Tenants Charges / Supervision and Management / Revenue Contribution to Capital - £217k net under budget

Over-achievement of income £140k - Grant income for Housing Related support has continued into 2018/19 when it was expected to cease, resulting in £56k over budgeted income targets. In addition utilities recovery has been higher than anticipated.

Underspend of £77k - There is an underspend against staffing budgets from vacancies within services, and an underspend against the budget for equipment. This is due to a combination of the inability to recruit to some posts and also the time taken to recruit to other posts.

7. Flexible Use of Capital Receipts

7.1 A Flexible Use of Capital Receipts Strategy is attached at Appendix D for review and agreement.

7.2 The key principle underpinning the strategy is stated in Government Guidance on the application of flexible receipts, i.e. that local authorities have the power to use capital receipts to fund:

'expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/ or transform service delivery to reduce costs and/ or transform service delivery in a way that reduces costs or demands for services in future years for any of the public sector delivery partners'.

7.3 In accordance with this principle, and with the approval of Council within the February 2018 Budget Report, it is proposed that the Council uses capital receipts to fund the set up and implementation costs of associated with the Council's new leisure management contract.

7.4 These set-up costs include:

- £450k for the purchase of a range of sports and other office and plant equipment, and commercial membership information from Sportspace, the previous leisure provider. The purchase of these assets enabled a smooth transition and minimized disruption for customers.
- £150k payment to Everyone Active, the new leisure provider, to meet the shortfall between the assumed membership levels for all bidders at the time the tender was released, and actual membership levels at the time of contract commencement. All bidders (including Sportspace) were required to use assumed membership levels within their bids because Sportspace did not share details of actual membership numbers.

7.5 The Council also incurred termination costs, which under the scope of the original Management Agreement, entitled Sportspace to claim certain costs incurred as a direct result of the termination of the contract. These costs were subject to a confidentiality agreement, and consequently are detailed in Appendix E 'Confidential Termination Costs', in Part 2 of this report.

8. Capital Programme

8.1 Appendix C shows the projected capital outturn in detail by scheme.

The table below summarises the overall capital outturn position by Scrutiny area.

The current budget is the original budget approved by Cabinet in February 2018, plus approved amendments. Slippage identified at Quarter 2 2018/19 has been re-phased to 2019/20.

The 'Slippage' column refers to projects where expenditure is still expected to be incurred, but it will now be in 2019/20 rather than 2018/19, or conversely, where expenditure planned initially for 2019/20 has been incurred in 2018/19.

The 'Variance' column refers to projects which are expected to come in under or over budget and projects which are no longer required.

	Current Budget £000	Slippage £000	Revised Budget £000	Forecast Outturn £000	Variance	
					£000	%
Finance & Resources	8,707	(763)	7,944	7,816	(128)	-1.5%
Strategic Planning & Environment	2,791	(1,014)	1,777	1,750	(27)	-1.0%
Housing & Community	7,702	(312)	7,390	7,440	50	0.6%
G F Total	19,200	(2,089)	17,111	17,006	(105)	-0.5%
HRA Total	36,029	(9,742)	26,287	26,287	0	0.0%
Grand Total	55,229	(11,831)	43,398	43,293	(105)	-0.2%

8.2 General Fund Major Variances

There is an overall variance on the General Fund of £2.2m. This is a combination of underspend of £105k, and slippage of £2.1m into 2019/20.

The slippage to future years is detailed in Appendix C. This includes:

- Line 8: slippage of £100k on Rossgate Shopping Centre. This project is for the renewal of windows at the front and back of the residential units, which is scheduled to be delivered in 2 phases. Phase 1 is to renew the windows at the back of the shops overlooking Fennycroft Road, which is scheduled to commence in April 2019 and to be completed by June 2019. Phase 2 will renew the windows at the front of the shops overlooking Galley Hill, to be started July 2019 and completed by October 2019.
- Line 20: slippage of £575k on Bunkers Farm. This project is for the creation of a new cemetery at Bunkers Farm. Planning permission has been obtained, and tender submissions are being reviewed, for the contract to be awarded by March 2019. Construction is expected to commence March 2019, with estimated completion in August 2019.
- Line 39: slippage of £90k on Future Vision of CRM scheme. Following an initial delay in the delivery of this project, due to difficulties in recruitment, the necessary temporary resource has now been secured and planned development is underway. A thorough review of the project has resulted in re-phasing of the budget into 2019/20 and 2020/21 to reflect the more likely pattern of work.
- Line 50 and 51: slippage of £352k on the garage development projects Westerdale and Northend. The work has been reprogrammed until the new calendar year, however completion is still expected by November 2019.
- Line 61: slippage of £200k on Gadebridge Park renovation of white bridge. The contract for this work is expected to be tendered in quarter 4 of 2018/19 with the expenditure now falling into 2019/20.
- Line 63: slippage of £779k on Fleet Replacement Programme. There have been delays in the procurement of new vehicles and equipment for the Vehicle Repair Shop. Tenders for vehicles are being closely examined to ensure that the correct vehicles are purchased. Further layout proposals and quotations have been

requested on the workshop equipment, which will push installation into the new financial year.

8.3 General Fund additional capital budget requirements

Capital budget of £15k is required to fund essential works to Tring Community Centre to improve the door entry facility. The previous doors were at end of their life and visitors to the centre such as wheelchair users, the elderly and people with pushchairs were struggling to open the doors. These improvement works will make the centre more accessible for all member of the community. A supplementary capital budget of £15k is therefore requested to fund this expenditure.

There is an additional capital requirement of £195k to continue the improvement works to the Forum including:

- Improved disabled access to the building on all floors (£23k)
- Improved heating and ventilation to the ground floor of The Forum (£58k)
- Car park improvements and introduction of self service permit process (£22k)
- Improved office workflow arrangements (£23k)
- Improved IT connectivity and meeting room system (£30k)
- Project support costs (£10k)

8.4 There is an overall underspend of £9.7m on the HRA capital programme.

- Line 76: slippage of £2.5m on DBC Commissioned Capital Works. There has been an element of slippage in Property and Place capital works, awaiting the outcome of the Grenfell enquiry. Legislative changes are yet to be confirmed which has resulted in works being deferred until a definitive solution has been found. In addition the capital programme includes a proportion of projects with leaseholder impact and subsequent service charge recovery. This work will now take place in 2019/20 once the necessary leaseholder consultation has been carried out.
- Line 77: slippage of £761k on HRA special projects. This budget is for improvement works at Supported Housing schemes. Procurement of the contractor to extend and upgrade the schemes has been concluded, however the due diligence checks have taken longer than anticipated, which has resulted in the commencement date being slipped to the next financial year.
- Line 78: slippage of £5.5m on New Build General expenditure. This budget is earmarked for the purchase of land, which is now expected to take place in 2019/20.
- Line 80: underspend of £520k on Kylina Court. The scheme will be completed in 2018/19 and the full budget has not been required.
- Line 81: slippage of £873k on Stationers Place. There has been a delay in mobilising due to enabling works around utilities. These have now been concluded and a start on site is expected in the final quarter of 2018/19.

The nature of large capital build projects is that there is often some slippage on projects due to the volume of differing variables involved. The finance team have worked closely

with project leads to re profile the 2019-23 capital programme with the expectation that capital spend will be aligned with budget expectations.

9. Conclusions and recommendations

9.1 As at Quarter 3 2018/19, there is a forecast pressure of £113k against General Fund budgets and a forecast surplus of £115k against Housing Revenue Account budgets.

9.2 As at Quarter 3 2018/19, against General Fund capital there is slippage of £2.1m and a forecast underspend of £105k. Against Housing Revenue Account capital there is slippage of £9.7m and the forecast outturn is on budget.

9.3 Members are asked to:

- Note the forecast outturn position for 2018/19;
- Recommend to Council the approval of the revised capital programme to move slippage identified at Quarter 3 into financial year 2019/20;
- Recommend to Council approval of the supplementary budgets set out in this report;
- Agree the Council's flexible use of capital receipts strategy at Appendix D of this report.



Dacorum Borough Council
Revenue Budget Monitoring Report for December 2018 (Cost of Services Analysis By Scrutiny Committee)

	Month			Year-to-Date			Full Year		
	Budget £000	Actuals £000	Variance £000	Budget £000	Actuals £000	Variance £000	Budget £000	Forecast Outturn £000	Variance £000
Cost of Services									
Finance and Resources	703	1,632	929	8,753	11,951	3,198	13,376	13,467	91
Housing and Community	262	115	(147)	1,063	749	(314)	345	293	(52)
Strategic Planning and Environment	623	470	(153)	6,325	6,601	276	7,717	8,168	451
Net Cost of Services	1,588	2,217	629	16,141	19,301	3,160	21,438	21,928	490
Other Items									
Investment Property	(158)	(100)	58	(4,045)	(4,042)	3	(4,103)	(4,155)	(52)
Investment Income	(13)	(49)	(36)	(119)	(315)	(196)	(158)	(297)	(139)
Interest Payments and MRP	81	0	(81)	727	287	(440)	970	970	0
Patron Precept Payments	0	0	0	778	778	0	778	778	0
Government Grants	(174)	(110)	64	(1,564)	(3,150)	(1,586)	(2,086)	(2,266)	(180)
Revenue Contribution to Capital	0	0	0	0	0	0	2,111	2,111	0
Taxation (Council Tax and Business Rates)	(1,237)	1,754	2,991	(11,132)	16,659	27,791	(14,843)	(14,843)	0
Surplus / Deficit on Provision of Services	(1,501)	1,495	2,996	(15,355)	10,217	25,572	(17,331)	(17,702)	(371)
Transfers between Reserves / Funds									
Net Recharge to the HRA	(343)	(25)	318	(3,086)	(775)	2,311	(4,114)	(4,120)	(6)
Net Movement on General Fund Working Balance	(242)	3,687	3,929	(1,915)	28,743	30,658	(7)	106	113

Interpreting this report

Net Cost of Services

This subtotal includes those costs which are directly attributable to specific Council services, excluding recharges and capital items.

Other Items

This subtotal shows corporate costs and income, including grants from central government and taxation.

Net Movement on General Fund Working Balance

This line shows the increase or decrease to the General Fund working balance



Housing Revenue Account

2018/19 Forecast Outturn Revenue Budget Monitoring Report at P9

	Adjusted Budget £000	Forecast Outturn £000	Forecast Variance £000	%
Income:				
Dwelling Rents	(53,044)	(52,898)	146	-0.3%
Non-Dwelling Rents	(102)	(148)	(46)	45.1%
Tenants Charges	(1,512)	(1,652)	(140)	9.3%
Leaseholder Charges	(487)	(528)	(41)	8.4%
Interest and Investment Income	(390)	(409)	(19)	4.9%
Contribution towards Expenditure	(535)	(540)	(5)	0.9%
Total Income	(56,070)	(56,175)	(105)	0.2%
Expenditure:				
Repairs & Maintenance	12,113	12,115	2	200.0%
Supervision & Management	12,043	12,061	18	0.1%
Rent, Rates, Taxes & Other Charges	34	63	29	85.3%
Interest Payable	11,594	11,594	0	0.0%
Provision for Bad Debts	700	700	0	0.0%
Depreciation	12,000	12,000	0	0.0%
HRA Democratic Recharges	301	301	0	0.0%
Revenue Contribution to Capital	7,285	7,190	(95)	-1.3%
Total Expenditure	56,070	56,024	(46)	-0.1%
Transfer to / from Housing Reserves	0	(151)	(151)	0.0%
HRA Deficit / (Surplus)	0	(151)	(151)	0.0%
Housing Revenue Account Balance:				
Opening Balance at 1 April 2018	(2,892)	(2,892)	0	0.0%
Deficit / (Surplus) for year	0	(151)	(151)	0.0%
Proposed Contributions to Reserves	0	0	0	
Closing Balance at 31 March 2019	(2,892)	(3,043)	(151)	

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR DECEMBER 2018

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments Slippage identified at Q1 and Q2	In-Year Adjustments	Current Budget	Forecast Slippage	Revised Budget	Projected Outturn	Projected Over / (Under)
General Fund											
Finance and Resources											
Commercial Assets and Property Development											
1	Richard Rice	30,000	30,000	0	(60,000)	(60,000)	0	0	0	0	0
2	Richard Rice	0	1,040,712	0	(480,000)	(480,000)	560,712	85,000	645,712	645,712	0
3	Richard Rice	0	12,908	0	0	0	12,908	0	12,908	30,263	17,355
4	Richard Rice	0	35,000	0	0	0	35,000	0	35,000	30,187	(4,813)
5	Richard Rice	25,000	44,230	0	0	0	69,230	0	69,230	94,192	24,962
6	Richard Rice	0	13,110	0	0	0	13,110	(11,000)	2,110	1,966	(144)
7	Richard Rice	0	0	34,000	0	34,000	34,000	0	34,000	35,031	1,031
8	Richard Rice	210,000	90,901	0	(200,901)	(200,901)	100,000	(100,000)	0	0	0
9	Richard Rice	0	55,000	0	0	0	55,000	0	55,000	34,240	(20,760)
10	Richard Rice	30,000	50,000	0	(80,000)	(80,000)	0	80,000	80,000	80,000	0
11	Richard Rice	0	8,200	0	0	0	8,200	0	8,200	17,800	9,600
12	Richard Rice	0	42,000	0	0	0	42,000	0	42,000	42,000	0
13	Richard Rice	0	14,000	0	0	0	14,000	(14,000)	0	0	0
14	Richard Rice	0	18,000	0	0	0	18,000	0	18,000	18,000	0
15	Richard Rice	56,000	0	0	(56,000)	(56,000)	0	0	0	0	0
16	Richard Rice	66,000	0	0	(66,000)	(66,000)	0	0	0	0	0
17	Richard Rice	0	147,124	0	0	0	147,124	0	147,124	160,641	13,517
18	Richard Rice	0	14,000	0	0	0	14,000	0	14,000	0	(14,000)
19	Richard Rice	0	40,000	0	0	0	40,000	0	40,000	40,000	0
20	Richard Rice	660,000	(9,672)	0	0	0	650,328	(575,149)	75,179	75,179	0
		1,077,000	1,645,513	34,000	(942,901)	(908,901)	1,813,612	(535,149)	1,278,463	1,305,211	26,748
Procurement and Contracted Services											
21	Ben Hosier	465,000	233,560	0	(284,560)	(284,560)	414,000	(63,000)	351,000	351,000	0
22	Ben Hosier	0	0	0	0	0	0	0	0	0	0
23	Ben Hosier	2,637,907	754,724	0	(1,307,631)	(1,307,631)	2,085,000	0	2,085,000	2,085,000	0
24	Ben Hosier	250,000	0	0	0	0	250,000	0	250,000	200,000	(50,000)
25	Ben Hosier	500,000	50,000	0	(550,000)	(550,000)	0	0	0	0	0
26	Ben Hosier	80,000	(80,000)	0	0	0	0	0	0	0	0
27	Ben Hosier	105,000	(105,000)	0	0	0	0	0	0	0	0
28	Ben Hosier	70,000	0	0	(70,000)	(70,000)	0	0	0	0	0
29	Ben Hosier	50,000	0	0	0	0	50,000	0	50,000	50,000	0
30	Ben Hosier	150,000	0	0	0	0	150,000	0	150,000	150,000	0
31	Ben Hosier	1,380,000	454,725	0	0	0	1,834,725	0	1,834,725	1,760,000	(74,725)
		5,687,907	1,308,009	0	(2,212,191)	(2,212,191)	4,783,725	(63,000)	4,720,725	4,596,000	(124,725)
Legal and Corporate Services											
32	Mark Brookes	0	30,000	0	0	0	30,000	0	30,000	0	(30,000)
		0	30,000	0	0	0	30,000	0	30,000	0	(30,000)
Development Management and Planning											
33	Sara Whelan	0	86,964	0	0	0	86,964	(50,000)	36,964	36,964	0
		0	86,964	0	0	0	86,964	(50,000)	36,964	36,964	0
Housing & Regeneration Management											
34	Mark Gaynor	0	0	0	0	0	0	0	0	0	0
35	Mark Gaynor	0	24,938	0	0	0	24,938	0	24,938	24,938	0
		0	24,938	0	0	0	24,938	0	24,938	24,938	0

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR DECEMBER 2018

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments Slippage identified at Q1 and Q2	In-Year Adjustments	Current Budget	Forecast Slippage	Revised Budget	Projected Outturn	Projected Over / (Under)
Finance and Resources (continued)											
Information, Communication and Technology											
36	Ben Trueman	425,000	100,000	0	0	0	525,000	0	525,000	525,000	0
37	Ben Trueman	50,000	0	0	0	0	50,000	0	50,000	50,000	0
38	Ben Trueman	0	41,478	0	0	0	41,478	(25,000)	16,478	16,478	0
39	Ben Trueman	35,000	343,650	0	(155,000)	(155,000)	223,650	(90,000)	133,650	133,650	0
40	Ben Trueman	0	0	280,000	0	280,000	280,000	0	280,000	280,000	0
		510,000	485,128	280,000	(155,000)	125,000	1,120,128	(115,000)	1,005,128	1,005,128	0
People											
41	Matt Rawdon	0	70,000	0	0	0	70,000	0	70,000	70,000	0
		0	70,000	0	0	0	70,000	0	70,000	70,000	0
Property and Place											
42	Alan Mortimer	741,000	14,043	0	0	0	755,043	0	755,043	755,043	0
		741,000	14,043	0	0	0	755,043	0	755,043	755,043	0
Revenues, Benefits and Fraud											
43	Chris Baker	23,000	0	0	0	0	23,000	0	23,000	23,000	0
		23,000	0	0	0	0	23,000	0	23,000	23,000	0
	Totals: Finance and Resources	8,038,907	3,664,595	314,000	(3,310,092)	(2,996,092)	8,707,410	(763,149)	7,944,261	7,816,284	(127,978)
Housing and Community											
Procurement and Contracted Services											
44	Ben Hosier	25,000	0	0	0	0	25,000	0	25,000	25,000	0
45	Ben Hosier	65,000	0	0	0	0	65,000	0	65,000	65,000	0
		90,000	0	0	0	0	90,000	0	90,000	90,000	0
People											
46	Matt Rawdon	350,000	(65,872)	0	0	0	284,128	0	284,128	284,128	0
47	Matt Rawdon	0	25,000	0	0	0	25,000	0	25,000	25,000	0
48	Matt Rawdon	20,000	0	0	0	0	20,000	0	20,000	20,000	0
		370,000	(40,872)	0	0	0	329,128	0	329,128	329,128	0
Strategic Housing											
49	David Barrett	4,870,000	1,125,000	0	0	0	5,995,000	0	5,995,000	5,995,000	0
50	David Barrett	602,000	769,615	0	(987,615)	(987,615)	384,000	(176,157)	207,843	207,843	0
51	David Barrett	128,000	274,615	0	(18,615)	(18,615)	384,000	(176,157)	207,843	207,843	0
52	David Barrett	250,000	250,000	0	0	0	500,000	0	500,000	550,000	50,000
53	David Barrett	60,000	0	0	(40,000)	(40,000)	20,000	40,000	60,000	60,000	0
		5,910,000	2,419,230	0	(1,046,230)	(1,046,230)	7,283,000	(312,314)	6,970,686	7,020,686	50,000
	Totals: Housing and Community	6,370,000	2,378,358	0	(1,046,230)	(1,046,230)	7,702,128	(312,314)	7,389,814	7,439,814	50,000

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR DECEMBER 2018

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments Slippage identified at Q1 and Q2	In-Year Adjustments	Current Budget	Forecast Slippage	Revised Budget	Projected Outturn	Projected Over / (Under)
Strategic Planning and Environment											
Commercial Assets and Property Development											
54 Demolish Gadebridge Park Green-Keeper's Shed	Richard Rice	0	20,000	0	(20,000)	(20,000)	0	0	0	0	0
		0	20,000	0	(20,000)	(20,000)	0	0	0	0	0
Environmental Services											
55 Wheeled Bins & Boxes for New Properties	Craig Thorpe	20,000	0	0	0	0	20,000	0	20,000	10,000	(10,000)
56 Play Area Refurbishment Programme	Craig Thorpe	0	278,722	0	0	0	278,722	0	278,722	278,722	0
57 Waste & Recycling Service Improvements	Craig Thorpe	15,000	75,000	30,000	0	30,000	120,000	(30,000)	90,000	90,000	0
58 Commercial Waste Collection System	Craig Thorpe	0	25,000	0	0	0	25,000	0	25,000	23,000	(2,000)
59 Gadebridge Park - Splash Park	Craig Thorpe	200,000	40,192	0	0	0	240,192	0	240,192	201,724	(38,468)
60 Gadebridge Park - Infrastructure Improvements	Craig Thorpe	0	121,783	0	0	0	121,783	0	121,783	137,139	15,356
61 Gadebridge Park - Renovation of White Bridge	Craig Thorpe	250,000	0	0	0	0	250,000	(200,000)	50,000	50,000	0
62 Walled Garden Irrigation System (Gadebridge Park)	Craig Thorpe	0	0	15,000	0	15,000	15,000	0	15,000	15,350	350
63 Fleet Replacement Programme	Craig Thorpe	875,000	1,716,653	(30,000)	(1,060,000)	(1,090,000)	1,501,653	(623,820)	877,833	877,833	0
64 Fleet Services Renew Plant & Equipment	Craig Thorpe	155,000	0	0	0	0	155,000	(155,000)	0	0	0
		1,515,000	2,257,350	15,000	(1,060,000)	(1,045,000)	2,727,350	(1,008,820)	1,718,530	1,683,768	(34,762)
Strategic Planning and Regeneration											
65 Maylands Phase 1 Improvements	Chris Taylor	0	0	0	0	0	0	0	0	0	0
66 Mayan Park/Education Centre (Durrants Lakes)	Chris Taylor	0	54,015	0	(54,015)	(54,015)	0	0	0	0	0
67 Maylands Business Centre	Chris Taylor	0	0	0	0	0	0	0	0	0	0
68 Water Gardens	Chris Taylor	0	(531,570)	550,000	0	550,000	18,430	0	18,430	26,000	7,570
69 Town Centre Access Improvements	Chris Taylor	(50,000)	125,159	0	(50,000)	(50,000)	25,159	(5,159)	20,000	20,000	0
70 Canal Street Furniture	Chris Taylor	0	20,000	0	0	0	20,000	0	20,000	20,000	0
71 The Bury - Conversion into Museum and Gallery	Chris Taylor	(20,000)	75,000	0	(55,000)	(55,000)	0	0	0	0	0
		(70,000)	(257,396)	550,000	(159,015)	390,985	63,589	(5,159)	58,430	66,000	7,570
Totals: Strategic Planning and Environment		9,089,000	5,079,385	845,000	(2,440,245)	(1,595,245)	2,790,939	(1,013,979)	1,776,960	1,749,768	(27,192)
Totals - Fund: General Fund		15,853,907	8,062,907	879,000	(5,595,337)	(4,716,337)	19,200,477	(2,089,442)	17,111,035	17,005,866	(105,170)

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR DECEMBER 2018

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments Slippage identified at Q1 and Q2	In-Year Adjustments	Current Budget	Forecast Slippage	Revised Budget	Projected Outturn	Projected Over / (Under)	
Housing Revenue Account												
Housing and Community												
Property & Place												
72	Planned Fixed Expenditure	Alan Mortimer	17,480,000	0	(6,000,726)	0	(6,000,726)	11,479,274	0	11,479,274	11,479,274	0
73	Pain/Gain Share (Planned Fixed Expenditure)	Alan Mortimer	0	0	0	0	0	0	0	0	0	0
74	M&E Contracted Works	Alan Mortimer	0	0	600,000	0	600,000	600,000	0	600,000	600,000	0
75	Communal Gas & Heating	Alan Mortimer	0	0	2,975,000	0	2,975,000	2,975,000	0	2,975,000	2,975,000	0
76	DBC Commissioned Capital Works	Alan Mortimer	(2,645,989)	3,801,757	2,425,726	0	2,425,726	3,581,494	(2,485,494)	1,096,000	1,096,000	0
77	Special Projects	Alan Mortimer	0	(6,000)	817,000	0	817,000	811,000	(761,000)	50,000	50,000	0
			14,834,011	3,795,757	817,000	0	817,000	19,446,768	(3,246,494)	16,200,274	16,200,274	0
Strategic Housing												
78	New Build - General Expenditure	David Barrett	(415,000)	6,329,420	(729,200)	0	(729,200)	5,185,220	(5,522,173)	(336,953)	0	336,953
79	Martindale	David Barrett	2,705,097	1,341,586	0	(2,175,000)	(2,175,000)	1,871,683	(85,919)	1,785,764	1,785,764	0
80	Kylina Court (Previously known as Wood House)	David Barrett	3,860,000	1,111,605	483,200	0	483,200	5,454,805	0	5,454,805	4,934,805	(520,000)
81	Stationers Place / Apsley Paper Mill	David Barrett	(1,703,331)	4,865,692	0	(820,000)	(820,000)	2,342,361	(873,234)	1,469,127	1,469,127	0
82	Able House	David Barrett	(249,523)	268,769	0	0	0	19,246	0	19,246	0	(19,246)
83	Swing Gate Lane	David Barrett	(457,173)	1,030,094	0	0	0	572,921	0	572,921	912,308	339,387
84	Swing Gate Lane Conversion	David Barrett	912,696	(23,143)	0	0	0	889,553	0	889,553	762,459	(127,094)
85	Bulbourne	David Barrett	0	0	40,000	0	40,000	40,000	(30,500)	9,500	9,500	0
86	Winstan Road	David Barrett	0	0	40,000	0	40,000	40,000	(21,200)	18,800	18,800	0
87	Eastwick Row	David Barrett	0	0	64,000	0	64,000	64,000	0	64,000	64,000	0
88	Margaret's Way	David Barrett	0	0	62,000	0	62,000	62,000	38,000	100,000	100,000	0
89	Paradise Fields	David Barrett	0	0	20,000	0	20,000	20,000	0	20,000	20,000	0
90	3 London Road	David Barrett	0	0	10,000	0	10,000	10,000	0	10,000	0	(10,000)
91	Waldesden Row	David Barrett	0	0	10,000	0	10,000	10,000	0	10,000	10,000	0
			4,652,766	14,924,023	0	(2,995,000)	(2,995,000)	16,581,789	(6,495,026)	10,086,763	10,086,763	0
	Totals: Housing and Community		19,486,777	18,719,780	817,000	(2,995,000)	(2,178,000)	36,028,557	(9,741,520)	26,287,037	26,287,037	0
	Totals - Fund: Housing Revenue Account		19,486,777	18,719,780	817,000	(2,995,000)	(2,178,000)	36,028,557	(9,741,520)	26,287,037	26,287,037	0
	Totals		35,340,684	26,782,687	1,696,000	(8,590,337)	(6,894,337)	55,229,034	(11,830,962)	43,398,072	43,292,903	(105,170)

Flexible Use of Capital Receipt Strategy

1. Background

- 1.1. Guidance issued by the Secretary of State under Section 15(1) of the Local Government Act 2003 states that local authorities may finance costs associated with service reform from capital receipts. The ability to apply capital receipts in the way is referred to as the 'flexible use of capital receipts'.
- 1.2. This flexibility is currently offered to local authorities for expenditure incurred in the financial years up to and included 2020/21. This was confirmed in the Final Local Government Settlement for 2018/19. Local authorities can only use capital receipts from the disposal of property, plant and equipment assets received in the years the flexibility is offered. Local authorities may not use their existing stock of capital receipts to finance the revenue costs of reform, nor may they borrow to finance the revenue costs of service reform.
- 1.3. The guidance states that qualifying expenditure for the flexible use of capital receipts is 'expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/ or transform service delivery to reduce costs and/ or transform service delivery in a way that reduces costs or demands for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility'.
- 1.4. Local authorities are required to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy. This Strategy should list each project which plans to make use of capital receipts flexibility, together with the expected savings that the project will realise.

2. Strategy

- 2.1 The Council intends to use capital receipts to fund costs associated with the set up and implementation of the Council's leisure management contract in 2018/19.
- 2.2 The Council re-tendered for the provision of its leisure management services during 2017/18. The new leisure management contract arrangements went live in 2018/19. The contract is expected to deliver savings compared to the cost of the previous contract from 2019/20.
- 2.3 The Council does not currently intend to use capital receipts to support any other service reform over the duration of its current Medium Term Financial Strategy. Should this change, this strategy will be updated and presented before Members for approval.

3. The Prudential Code and impact on Prudential Indicators

- 3.1 The Prudential Code of Capital Finance in Local Authorities ('the Code') is the code of practice used by local authorities to support decisions taken on capital investments. The Code places a requirement on local authorities to set prudential indicators. The Council is required to consider the impact on its prudential Indicators of the proposals contained within its Flexible Use of Capital Receipts Strategy. The impact of the proposals within this strategy on the Council's prudential indicators are:

- Estimated and actual capital expenditure will increase in 2018/19 by the value of the leisure implementation cost.
- The levels of core funds available for the Council to invest will decrease by the value of the leisure implementation costs.
- The ratio of financing costs to net revenue stream in 2018/19 will increase as a result of the reduction in interest generated by the investment of the Council's core funds.

4. Monitoring the Strategy

4.1. The strategy will be monitored via the Council's financial performance monitoring framework and leisure contract management arrangement.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted



Report for:	Cabinet
Date of meeting:	12 February 2019
Part:	1
If Part II, reason:	

Title of report:	DACORUM SINGLE LOCAL PLAN 2020-2036: UPDATE ON CURRENT SITUATION
Contact:	<p>Cllr Graham Sutton: Portfolio Holder for Planning & Regeneration</p> <p>Author/Responsible Officers: James Doe: Assistant Director, Planning, Development and Regeneration Chris Taylor: Group Manager Strategic Planning and Regeneration Andrew Horner: Team Leader, Strategic Planning and Regeneration</p>
Purpose of report:	To update Cabinet on the progress towards preparing Dacorum's Local Plan.
Recommendations	1. That Cabinet note the progress on preparing Dacorum's Local Plan as set out in the report.
Corporate Objectives:	<p>The Council's Local Plan helps support all 5 corporate objectives:</p> <ul style="list-style-type: none"> • <i>Safe and clean environment:</i> e.g. contains policies relating to the design and layout of new development that promote security and safe access; • <i>Community Capacity:</i> e.g. provide a framework for local communities to prepare area-specific guidance such as Neighbourhood Plans, Town / Village Plans etc.; • <i>Affordable housing:</i> e.g. sets the Borough's overall housing target and the proportion of new homes that must be affordable; • <i>Dacorum delivers:</i> e.g. provides a clear framework upon which planning decisions can be made; and • <i>Regeneration:</i> e.g. sets the planning framework for key regeneration projects, such as Hemel Hempstead town centre and the Maylands Business Park.

<p>Implications:</p> <p>'Value For Money Implications'</p>	<p><u>Financial</u> Funding to prepare the new Dacorum Local Plan is provided from existing budgets. A budget has been agreed for 2018/19. Preparations to deliver the Plan, can be met by re-phasing existing budgets through the MTFs process, to account for periods of high activity, pre and post examination periods over the next 5 years.</p> <p><u>Value for Money</u> Where possible, evidence base work is undertaken jointly with other authorities to ensure cost is optimised (through economies of scale). Collaborative working with landowner consultants will continue to help extend the resources available to the Council and avoid the duplication of site specific technical information.</p>
<p>Risk Implications</p>	<p>The Local Plan has its own detailed risk assessment.</p> <p>The key risk is that the new Local Plan could be found 'unsound' by an Inspector at Public Examination. To ensure against this, the Council must ensure that the Plan's proposals comply with Government policy, are founded on robust evidence, such as that detailing housing, employment and infrastructure requirements and follow all statutory requirements regarding public consultation, publication, public examination etc.</p> <p>The Local Plan is critical to evidencing there is a five-year supply of housing land which is important to ensure that Council is able to control development appropriately and the planning decisions are plan-led. This underlines the need to progress the new Local Plan through to adoption in a timely way.</p> <p>Following adoption of the Local Plan by the Council, the key risk is that the Plan does not deliver as planned. At that stage, continued close working with local communities, developers and infrastructure providers, along with consistent decision making, helps to ensure sustainable development takes place in a timely fashion.</p> <p>The annual Authority Monitoring Report reviews the risks inherent in preparing and delivering the Local Plan. Monitoring of development is a source of information, which, properly used, can assist risk reduction – i.e. it checks whether progress and control of development has been successful and can indicate where change (in policy or process) may be beneficial. There is a new requirement under the Housing Delivery Test for an Action Plan where authorities have delivered less than 95% or less of the homes required over the previous three year period. This report should be supported by a detailed evidence base requiring data collection and review at a more detailed site level. Regular monitoring is also able to inform future Local Plan and planning policy document review.</p>

Community Impact Assessment	A full Sustainability Appraisal (SA) must be carried out as part of the Local Plan process. The SA looks at social, environmental and economic impacts in detail and is scrutinised at the Local Plan examination by an independent inspector. The Council will also undertake a community Impact Assessment (EIA) is appended to this report
Health And Safety Implications	No implications as a result of this report.
Monitoring Officer/ Deputy S.151 Officer Comments	Monitoring Officer: No comments to add to the report. Deputy S.151 Officer No further comments to add to the report.
Consultees:	Mark Gaynor, Corporate Director Housing and Regeneration Consultation on the new Local Plan and other policy documents will be carried out in accordance with the council's adopted Statement of Community Involvement (SCI).
Background papers:	<ul style="list-style-type: none"> • Adopted Local Development Scheme (July 2018) • Adopted Core Strategy (September 2013) • Adopted Site Allocations DPD (July 2017) • Dacorum Borough Local Plan 1991 – 2011 (April 2004) • Authority Monitoring Report 2016/17 • National Planning Policy Framework (NPPF) • Housing White Paper 'Fixing our Broken Housing Market' (February 2017) • Planning for the Right Homes in the Right Places (Consultation Proposals September 2017) • Planning and Compulsory Purchase Act 2004. • Planning Act 2008 • Town and Country Planning (Local Planning) (England) Regulations 2012.
Glossary of acronyms and any other abbreviations used in this report:	<p>AMR: Authority Monitoring Report LDS: Local Development Scheme SCI: Statement of Community Involvement SPD: Supplementary Planning Document NPPF: National Planning Policy Framework NPPF2: New National Planning Policy Framework PPG: National Planning Policy Guidance SHMA: Strategic Housing Market Assessment now called the LHNA: Local Housing Need Assessment ENS: Employment Needs Study IDP: Infrastructure Delivery Plan JSP: Joint Strategic Plan <i>(for SW Herts)</i> LDS: Local Development Scheme LEP: Local Economic Partnership <i>(for Hertfordshire)</i> SoCG: Statement of Common Ground SA: Sustainability Appraisal EIA: Equalities Impact Assessment HRA: Habitat Regulations Assessment SPEOSC: Strategic Planning & Environment Overview & Scrutiny Committee</p>

Background

1. The Council has a statutory duty to prepare a Local Plan; failure to produce and adopt a Local Plan can leave the Council open to direct intervention and loss of control over the plan making process. The new local plan proposed for Dacorum will replace the adopted 2004 Local Plan, 2013 Dacorum Core Strategy, Site Allocations DPD and update a range of existing documents. The timetable for the production of the new Local Plan is set out in the Local Development Scheme (LDS) which was approved, in updated form at the July 2018 meeting of the Cabinet.
2. This report is provided to update Members on the progress with preparing the Local Plan and identify the next stages in progressing the Plan towards adoption. This is the second in a series of reports and updates the information provided to Cabinet in October last year. A further update will be provided early in the New Council Year.
3. The Local Plan will cover the period to 2036. The latest guidance in the NPPF2, however, makes it clear that Local plans should be kept under review with formal review at least every 5 years to ensure that the plan remains up to date. This requirement does not necessarily require a complete new plan to be produced every five years but the pace of change in Government planning related Policy and other relevant factors suggests that significant updates (if not a full new plan) will be required in response to the reviews.

Key Dates and Milestones

4. As highlighted above the LDS was recently updated and the key milestones and dates in plan preparation are:
 - Public consultation Summer 2019
 - Pre-Submission (draft version of plan) Autumn 2019
 - Submission of plan to Secretary of State Spring 2020
 - Examination in Public Summer 2020
 - Adoption Winter 2020

The timetable has not changed since the October 2018 report.

5. Within this high level timetable there are many other priorities and deadlines that must be set and met. The following sections of the report give a flavour of the issues to be addressed and the work required but this is not in any way an exhaustive list.
6. There will also be extensive public consultation on the emerging plan in line with the principles set out in the Council's adopted Statement of Community Involvement. A partially revised SCI was approved for consultation at the January meeting of Cabinet. The revised document does not fundamentally change the approach to consultation but updates the existing document to take account of current best practice and changes in approaches to communication such as social media.

7. The next round of consultation will be at the pre-submission stage scheduled for autumn 2019. It will allow the opportunity for the wider public, land owners, developers, Town and Parish Councils, Ward Councillors and all other stakeholders with an interest in the emerging Plan to comment and have their views taken into account.

Issues to be addressed in the Plan

8. The formulation of the new plan needs to cover a range of issues including:
 - Agreeing a vision for how the Council wishes to see the Borough develop over the course of the plan period, and setting strategic objectives for achieving it
 - setting a target for new housing development, taking the local housing need figure based on the Government's standard housing methodology
 - the role and function of the Green Belt affecting Dacorum, including long term boundaries and the potential to identify safeguarded land beyond 2036
 - the role that effective co-operation with local planning authorities could play in meeting any housing and other development needs arising from Dacorum. This element will include nearby and neighbouring Councils and others lying beyond the Green Belt.
 - technical assessment of potential sites to inform site selection
9. Key questions that need to be addressed through this plan review are:
 - What should the roles of the towns and villages be?
 - Should new development be focussed in one place, or distributed more evenly across the Borough?
 - How many new homes and jobs should we provide?
 - How do we ensure new infrastructure is provided alongside new development?
 - What is the future role of the Green Belt in the Borough?

Growth and Infrastructure Strategy

10. As part of the work to support the evolution of the Local Plan, Cabinet agreed in July to the production of a Corporate Growth and Infrastructure Strategy for Dacorum. The production of this new Strategy for Dacorum addresses a fundamental point – that the Council needs a clear and ambitious vision for how it wants the Borough to develop and evolve over the next 20-30 years.
11. The proposed Strategy is reported to Cabinet for consideration at this meeting under a separate agenda item. It will be important in setting the basis for the emerging vision for the Borough's future and, whilst not part of the statutory Local Plan, will help set the context for decision making that the Council will need to take later in 2019 over the content of the new Local Plan. The Strategy is not a formal part of the local Plan evidence base but is a very important tool to help establish the Council's approach to preparing for growth.

Resources

12. The preparation of the Local Plan is a complex and challenging task for all involved requiring extensive staff input and support from specialist external consultants. The officer team has recently been strengthened through the appointment of a new Team Leader (the role having previously been filled on an interim basis) and filling a Planning Officer vacancy created through the promotion of the previous post holder within the team to the post of Assistant Team Leader. The officer resource available to the team has also recently been boosted through the creation of two Planning Graduate posts for an initial period of two years. These two additional posts, funded from the existing LDF budget, have been filled with the post holders joining the Council in the next few weeks. It remains the case, however, that the recruitment and retention of strategic planners is difficult given that so many Local Planning Authorities are carrying out Local Plan work and seeking experienced officers and the consequent increase in salaries that can be commanded.
13. The timetable set out in the LDS is ambitious and to help meet this and supplement the recent staff resource increases within the Strategic Planning Team a project management approach has been adopted to delivering the multiple work streams within the Local Plan. This has included drawing on the staffing resource, experience and expertise of the wider SPAR team. The resources are supported by regular monitoring of progress and delivery through monitoring meetings and a programme chart. This approach is delivering benefits and positively contributing to meeting the timetable.

Evidence and Evidence Gathering

14. The preparation of the plan will require an extensive and comprehensive evidence base made up of many technical documents that will support the Council's proposals at the Examination in Public. Some pieces of work have been completed, others commissioned and others at an early stage in the tendering process. A full list of evidence to support the new Local Plan, either completed, in progress and to be carried out is at Appendix 1 to this report. Several of the technical reports have been commissioned on a joint South West Hertfordshire basis or in partnership with one or more other Councils within the grouping.
15. A key piece of technical work that is currently completing the tender process is the Site Assessment Study to be carried out by consultants; this will review all potential development sites that have been put forward or identified against a range of criteria. This study will be at a relatively high level but should identify potential development sites that are worthy of more detailed evaluation and rule out sites with no real potential. Progress is being made on this piece of work and it is envisaged that the consultant will be submitting a draft report in March. The final report will act as an evidential base from which Members can decide on the allocation of sites with a degree of confidence of their suitability, and provide the ongoing justification for that selection, and for sites that will be ruled out.
16. A key document being prepared on a South West Hertfordshire wide basis is the Local Housing Need Assessment (previously called the Strategic Housing Market Assessment (SHMA)). This document looks in detail at the form and tenure of housing required, including specialist housing, to meet the needs of South West Hertfordshire in general and Dacorum in particular. The assessment will build detail into the overall quantum of new housing needed in Dacorum.

17. Completion of the Local Housing Needs Assessment work has been delayed given the uncertainty around the Government's approach to the formula to be used to calculate housing numbers through the Standard Housing Methodology. A consultation on a revised methodology was carried out before Christmas, to which the Council responded, but the outcome of this consultation and a final methodology has not been published, though this is expected at any time from now. If this were further delayed by the government then this would have a material impact on the completion of the plan and its timing.
18. There are many other reports and evidence documents required such as Strategic Flood Risk Assessment, settlement Envelope Boundary Review, Green Infrastructure Study and Social and Community Facilities Study. This is only a sample of the range of documents required but gives an indication of the vast amount of information required to support plan preparation and examination.
19. Since the October report a number of other reports have been completed including: SW Herts Economic Study, Dacorum Employment Land Availability Assessment and SW Herts Retail and Leisure Study. Work has begun on the commissioning of the Plan Wide viability study. Work has commenced on the preparation of the Infrastructure Delivery Plan which will be a key document to support and inform the delivery of the Local Plan. An inception meeting has also been held in respect of the Level 2 Strategic Flood Risk Assessment (the Level 1 report, a joint document, has been completed subject to final sign off).

Duty to Cooperate

20. The Duty to cooperate is something imposed on all Local Planning Authorities as part of plan preparation. This is not a specific duty to agree but there is a clear expectation that Councils will work together to resolve issues. The level of cooperation and efforts made to cooperate are an important issue for consideration at the examination of the Plan. As with all other matters to be examined there must be extensive evidence available to demonstrate the discussions that have taken place and agreements reached and an explanation of situations where agreement was not reached.
21. The Duty to Cooperate is not just limited to other Councils but extends to other organisations including infrastructure providers and Government Bodies such as water supply and health care providers. The Duty covers all aspects of services providing by Councils including County level functions such as education and highways/transport. The current work on the South West Herts Joint Strategic Plan is a good current example of the operation of the Duty to Cooperate.
22. Duty to cooperate is a significant and important process that involves working closely with partners to identify key issues and find solutions. The outcome of the meetings should produce a more robust solution to issues and deliver joined up thinking and delivery between both councils and infrastructure providers to ensure that development and supporting facilities can be delivered in line with the timescales set out in the Plan once adopted. The steps taken to deliver cooperation will be a key issue for consideration when

the plan is examined; failure to demonstrate a rigorous approach could be a reason for the plan to be declared not to be sound.

23. Since the October report considerable work has taken place with regard to DtC work with the updating of the Log of relevant meetings for 2018 being comprehensively updated. Work is also at an advanced stage on identifying key DtC partners and the matters and issues that need to be discussed with the partners. A timetable of initial meetings is also being programmed. Initial meetings will be led by officers but it is possible that future meetings will include the relevant Portfolio Holder.
24. The National Planning Policy Framework of July 2018 also introduced a further requirement for Councils to prepare one or more 'Statement of Common Ground' between parties to identify areas of commonality. Paragraph 27 of the (new) NPPF advises:

"In order to demonstrate effective and on-going joint working, strategic policy-making authorities should prepare and maintain one or more statements of common ground, documenting the cross-boundary matters being addressed and progress in cooperating to address these. These should be produced using the approach set out in national planning guidance, and be made publicly available throughout the plan-making process to provide transparency."

Task and Finish Group

25. A task and finish Group has been set up and has begun a series of six initial meetings on a range of topics. This follows the decision made at the October Cabinet meeting. The purpose of the group is to review and steer the proposed overarching strategy, individual policies, potential site allocations and other key features of the plan prior to a first draft of the document being produced for Cabinet's approval and then public consultation.
26. The Task and Finish Group consists of ten members including the Portfolio Holder plus the Leader of the Council with support from officers. The membership is politically balanced and includes members from across the Borough.
27. An initial programme of six meetings has been set up running to the end of March. The first two meetings have now been held with the first being a general introduction and over view with the second looking at the economy, employment and town centre/retail issues. Subsequent meetings will cover green infrastructure and environmental issues, the historic environment, housing and mobility/transport issues. It is envisaged that there will be further meetings scheduled in the new Council Year to review the emerging plan and focus on particular opportunities, issues and challenges.

Issues and Options Consultation

28. As reported in October in late 2017 an extensive Issues and Options consultation was carried out as part of the early stages of the preparation of the new plan.

29. All of the comments received can be viewed on the Council's Local Plan Consultations web page by following this link: <https://dacorum-consult.objective.co.uk/portal/planning/lp/io/io?tab=list>. Members will recall that an initial high level summary was appended to the October Cabinet report.
30. It is anticipated that the final report will be completed ahead of the next update in May and it is proposed that the report (or a link to the online version of the report) will be circulated rather than delay an update until the relevant Cabinet meeting. The report will be a summary of comments and highlight links to the emerging Local Plan strategy, policies and the supporting evidence base and other future work. The document is, therefore, a technical paper and as such does not require formal Cabinet or other Member approval. Officers will be happy to any questions or queries that Members may have on the completed report and its findings.
31. Moving forward it is important that the scale and form of future consultations will be targeted and focussed to a smaller number of specific questions. It is felt that such an approach will greatly assist with collating responses, pulling out key messages and themes much sooner ,as well as making the final report clearer, succinct and transparent providing reassurance to consultees that there points have been identified and will be taken into account.
32. Officers have also engaged the services of the Planning Officers Society to provide critical friend support to the plan preparation process. The support will be provided by an experienced consultant who works closely with many planning authorities. The support will be on a technical basis and highlight strengths and weaknesses in the work and approach to date and provide ongoing advice how to ensure the Plan and supporting evidence and process satisfies the relevant regulations and is resilient to challenge at Examination Stage and any future legal challenges through judicial review.

Future Reports and Conclusions

33. It is intended that a further report on progress with the Local Plan will be presented to Cabinet in May.
34. The Local Plan is a vital statutory document setting the future vision and direction of the Borough. The delivery of the Plan is challenging and requires the gathering and interpretation of extensive evidence and further consultation with the public, Town and Parish Councils and a very wide range of other bodies and organisations.
35. Members are asked to note the content of this report and the progress being made on the preparation of the Local Plan.

Appendix 1

Evidence documents to support the Dacorum Local Plan 2018-2036 and current progress

Habitat Regulations Assessment – *in progress*

Habitat Regulations Assessment follow up – Appropriate Assessment (if needed) – *not started, dependent on outcome of initial assessment*

Sustainability Appraisal/Strategic Environmental Assessment – *in progress*

Green Belt review Stage 2 – *not started linked to output of site assessment study*

Urban Capacity Study – *dependent on Authority Monitoring Report output*

Gypsy and Travellers Study – *substantially complete*

Density Standards study – *in progress*

Tall and Taller Buildings Supplementary Planning Document (SPD) – *in progress*

Site assessment study – *in progress*

Housing Trajectory – *in progress but linked to Authority Monitoring Report output*

Housing Position Statement– *in progress but linked to Authority Monitoring Report output*

Authority Monitoring Report – *in progress*

COMET (traffic) Modelling – *run programmed for early March (HCC)*

Peramics traffic Modelling – *not started; linked to potential sites*

Air Quality Modelling – *in progress*

Local Plan Viability Assessment – *procurement in progress*

Local Plan Strategic Sites Viability Modelling – *procurement in progress*

Infrastructure Delivery Plan – *in progress*

Herts water cycle study part 1 – *substantially complete*

Herts water cycle study part 2 – *inception meeting held with consultants*

SW Herts Strategic Flood risk Assessment - SFRA 1 – *substantially complete*

Dacorum Strategic Flood risk Assessment - SFRA 2 – *inception meeting held with consultants*

Open Space, indoor leisure and playing pitch study – *in progress*

Designated open land assessment – *not started*

Green Infrastructure Strategy – *in progress*

Areas of Archaeological Significance update – *initial discussions with HCC*

Economy Study – *In progress*

Employment Land Study – *Complete*

Retail and leisure study – *Complete*

Position Statement – employment – *in progress*

Local Housing Needs Assessment – *in progress but awaiting final formula for Standard Housing Methodology*

Settlement Hierarchy Study refresh inc Social/Community facilities – *not started dependent on output of site assessment study and urban capacity study*

Topic Papers: *To be prepared once other studies complete*

Green Belt

Housing

Sustainable development Strategy

Employment



February 2019

1. About the Project, service change or policy development

Responsible officer	Andrew Horner
Name and description of project, service or policy	
<p>Dacorum Single Local Plan</p> <p>The requirement to prepare a Local Plan is set out in Section 13 Planning and Compulsory Purchase Act 2004 as amended by the Neighbourhood Planning Act 2017, Regulation 10A of the Town and Country Planning (Local Planning) Regulations 2012 requires Local Plans to be reviewed every five years. The 2018 NPPF states that Councils must regularly update Local Plans. The Council's current Core Strategy was five years old in September 2018.</p> <p>The update report demonstrates that the Council is taking steps to comply with these legal requirements. The report updates on the Council's approach to, and progress on, delivering a new Local Plan. The next stages of the process focus on Plan preparation including policy writing and site selection; this CIA focusses on the overarching development principles and the public engagement that is essential to this part of the local plan process.</p> <p>Whilst the report is for information only the Local Plan will affect anyone who lives in, studies in, works in, visits, or has an interest in Dacorum, such as:</p> <ul style="list-style-type: none">• The community (residents, businesses, voluntary and specialist groups (i.e. residents associations))• Those who engage in planning matters in Dacorum• Parish, Town and County Councils (including those surrounding Dacorum)• Interested developers, landowners and agents• Statutory consultees and various partners• Council staff and elected members <p>The consultation carried out as part of the preparation of the Local plan, in accordance with the council's adopted Statement of Community Involvement (SCI) and this will involve the community and other organisations and interested parties at different stages of plan preparation.</p> <p>The Plan aims to promote equality for all through its objectives and policies.</p>	

2. Identifying the community impact

What impacts will this change have on the community? Information which might be useful in thinking about this includes our equality profiles , available for a number of demographic groups in Dacorum, and Spotlight on Dacorum , which provides information about the Borough as a whole and signposts users to detailed statistics at ward / postcode level through neighbourhood statistics.			
	Positive	Negative	What are the positive and negative impacts? How will the positive impacts be enhanced? How will the negative impacts minimised/eliminated?
The community in general e.g. social or economic benefits or negative impacts	✓		<p><u>Positive aspects enhanced:</u></p> <ul style="list-style-type: none"> The Local plan will deliver a range of new development that will have a positive benefit on all members of the community through: <p>Delivery of new homes, including affordable homes to meet housing need</p> <p>Delivery and protection of a diverse range of job and employment opportunities for all members of the community.</p> <p>Deliver infrastructure such as, but not limited to: schools, health care facilities, transport infrastructure and recreation facilities which would deliver benefits to all members of the community.</p> The Statement of Community Involvement which supports the delivery of the Local plan aims to engage people in planning matters, using a wide range of technical supports and methods. For example, diverse methods of involvement aimed at reaching groups that are not always involved and seeking community involvement to support community cohesion. <ul style="list-style-type: none"> Provision of engagement activities for all ages. The SCI includes consultation methods aimed at older people and younger people that can be used when appropriate e.g. the use of the internet and emails and online consultation may make it more accessible to younger people and the working population. Other forms of communication e.g. hard copy documents and use of local press should also ensure that all age groups, including older people are catered for. Ensuring accessibility to information - availability of information online both during the necessary consultation and following adoption of the plan may help reduce barriers to involvement for those with physical disabilities. People will be able to respond to

What impacts will this change have on the community?

Information which might be useful in thinking about this includes our [equality profiles](#) , available for a number of demographic groups in Dacorum, and [Spotlight on Dacorum](#), which provides information about the Borough as a whole and signposts users to detailed statistics at ward / postcode level through neighbourhood statistics.

	Positive	Negative	<p>What are the positive and negative impacts?</p> <p>How will the positive impacts be enhanced? How will the negative impacts minimised/eliminated?</p>
			<p>consultation on the emerging in a variety of formats i.e. on line or by letter/email. Feedback from the consultation will be taken into account in determining the planning application or when preparing the final draft of the plan making document.</p> <ul style="list-style-type: none"> • The approach taken to the Local Plan seeks to strengthen community involvement in the planning process, including the business community. • The local plan seeks to make best use of resources for community involvement (so it can be supported financially long term and provides value for money. • To provide a homes, jobs and other facilities/infrastructure which is accessible and affordable to all. The wide variety of consultation methods which will be employed should enable all to have an equal opportunity to be involved (if they wish to). Reasonable adjustments will be made where required. <p><u>Neutral impacts:</u></p> <ul style="list-style-type: none"> • Not everybody wishes to get involved in planning (however much the Council may seek to engage with them). • <u>Rural areas/isolation</u> could be felt where accessibility and the range of facilities available is more problematic for some people. • Poor literacy skills or those with poor internet accessibility or notifications. The variety of engagement methods and formats of the local Plan (such as on line, hard copy) provides communities with every opportunity to engage on planning matters. We recognise that people with literacy issues may need assistance so Council officers are available to provide explanation of the process in order to make the process accessible to the widest audience. For those customers unable to access information

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	Positive	Negative	What are the positive and negative impacts? How will the positive impacts be enhanced? How will the negative impacts minimised/eliminated?
			online alternative access methods are available. <ul style="list-style-type: none"> • Every effort is made to enable all to have an equal opportunity to be involved in plan preparation and view the plan, although if meetings or forums are held it may be harder to obtain the views of rural communities. Where such meetings are held, in the first instance the Council seeks to organise such events in easily accessible locations and venues. We will also take into account the scheduling (hours that the events run for and days of the week they are held).
On DBC as an organisation e.g. on staff or operations			Neutral aspects: <ul style="list-style-type: none"> • We will make sure as many people as possible know about our Local Plan through applying the policies and practices in the SCI and our commitment to work with the community on planning. This has benefits for increased officer understanding of the community.
The specific demographic considerations or characteristics e.g. age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation - specify where impacts are different for different considerations	✓		See above section about 'The community in general' where some demographic considerations or characteristics have already been covered. <u>Positive aspects enhanced</u> <ul style="list-style-type: none"> • There is awareness in the Planning & Regeneration department that some individuals with protected characteristics¹ are not engaging with the planning system, for example, young people, ethnic community. The SCI supporting the local plan can potentially help improve the relationship between the Planning department and some individuals with protected characteristics¹ (as well as the rest of the community) by ensuring information is accessible and that people can participate / have their say. • As above, by using a wide range of engagement methods and tools, it gives an opportunity for some individuals with protected characteristics¹ to get further opportunities to get involved in planning. <ul style="list-style-type: none"> • The extensive use of the website in terms of access to planning information / consultations / documents is an opportunity

¹ E.G. age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation

What impacts will this change have on the community?			
Information which might be useful in thinking about this includes our equality profiles , available for a number of demographic groups in Dacorum, and Spotlight on Dacorum , which provides information about the Borough as a whole and signposts users to detailed statistics at ward / postcode level through neighbourhood statistics.			
	Positive	Negative	What are the positive and negative impacts? How will the positive impacts be enhanced? How will the negative impacts minimised/eliminated?
			for a wide range of people to get involved in planning, including those who cannot go to events / come to the office (due to their age / disability). <ul style="list-style-type: none"> • We will do all we can to deal with requests for help to access the documents • Interested parties are given ample time to engage in the planning process as consultation timeframes are aligned to meet the Regulation requirements. For example, complex plan making documents received 6+ weeks of public consultation.
The environment e.g. effects on the climate, trees, amenity space, biodiversity, water, energy, waste, material use, air quality	✓		<u>Positive aspects enhanced:</u> <ul style="list-style-type: none"> • Electronic communication and responses limit printing (and associated costs) which have negative effects on the environment. • The drafting of the plan is subject to ongoing Sustainability Appraisal/Strategic Environmental Assessment which helps the Council to understand, and address, the impacts of policies and potential developments on environmental interests. • Assessment of proposals under the Habitats Regulations will also take place where necessary. The policies and allocations that will be part of the final plan will be underpinned by the principle of Sustainable Development set out in the National Planning Policy Framework 2018. The principles of sustainable development seek to protect, safeguard and enhance all aspect of the environment including effects on the climate, trees, amenity space, biodiversity, water, energy, waste, material use, air quality
			<u>Future implications for the Local Plan</u> <ul style="list-style-type: none"> • Sustainable development and Sustainable Communities are a key aim of the Planning process, as outlined in national policy and hence a key aim of the Local Plan. Sustainable communities are communities in which people wish to live work and spend time, for example, they meet the diverse needs of existing and future residents, are sensitive to their environment, and contribute to a high quality of

What impacts will this change have on the community?			
Information which might be useful in thinking about this includes our equality profiles , available for a number of demographic groups in Dacorum, and Spotlight on Dacorum , which provides information about the Borough as a whole and signposts users to detailed statistics at ward / postcode level through neighbourhood statistics.			
	Positive	Negative	What are the positive and negative impacts? How will the positive impacts be enhanced? How will the negative impacts minimised/eliminated?
			life. The Local Plan is part of a statutory process which aims to involve all interested stakeholders in the spatial planning of their area for the future.
Any community issues identified for this location , if the project is based in a specific area – state if this is not applicable e.g. if there are no specific issues for this location or if the project is district-wide	✓		The Local Plan relates to the whole Borough of Dacorum. <u>Positive aspects enhanced</u> <ul style="list-style-type: none"> • Known needs and issues will help to inform the proposals and policies contained within the Local Plan. • All stakeholders will be invited to make comments on the Local Plan during future rounds of consultation period which will feed into the final SCI document. • Regular monitoring is undertaken of development within Dacorum and is reported annually through the Authority Monitoring Report (AMR). The Local Plan and the planning process aim to address other equality issues relating to ‘spatial planning’ (planning spaces and places) which can be linked to some individuals with protected characteristics ¹ such as public transport, quality of place, and issues that are specific to rural communities.

What evidence have you used to assess the impact on the community?
 What baselines have been established and what data will be used to monitor the impact?

There is national, regional and local evidence available (such as the Census 2011) which shows that some individuals with protected characteristics¹ can face barriers in employment, access to services and information, participation in decision making and in consultation.

This Community Impact Assessment has not identified any potential for discrimination or negative impact and all opportunities to advance equality have been taken. This is an update/replacement of existing planning policy documents and the fundamental principles which we have historically applied to planning policy formulation have not changed. However, the new plan and the consultation methods that support it have ensure that the wider community will be aware of any planning consultation.

What steps have you taken or plan to take to consult the whole community or specific groups affected by the service or policy development?
 E.g. on-line consultation, focus groups, consultation with representative groups?

The Council has developed a Local Plans consultation database which records details of planning and land agents and their clients and private developers who operate within the district. The database also records details of service providers (public and private) who operate within the district, as well as people who wished to be updated on planning matters.

The mechanisms proposed to be used in the development and adoption of the local Plan as set out in the SCI are:

- use of the principles in the SCI
- engagement exercises (internally with members)
- Consultation on the Draft Local Plan document that will be conducted in accordance with the Council's adopted Local Development Scheme (subject to any necessary amendments). We will advertise the consultation on the website, via E-Digest and via Public Notice.
- We will mail out all those registered in the Local Plans consultation database (either via email or hard copy letter).
- We will use the comments receive to feed into the final version of the document
- We will provide feedback after the consultation

A summary of the way we engaged with the community in the preparation of the Local Plan will be available in a Consultation Statement (which will form part of the evidence base to support the Local plan when it reaches the examination stage).

3. Review – a monitoring and evaluation programme will form part of the restoration project with annual results submitted to the HLF.

How will you review the impact, positive or negative once the service or policy has been implemented?		
<i>Action</i>	<i>By when</i>	<i>By who</i>
Improved involvement of all individuals with protected characteristics ¹ in planning matters. Ensure where possible that the responses received during the consultation are incorporated as appropriate into the policies and proposals in the Local Plan, to enable an improvement in how many individuals with protected characteristics ¹ get involved in planning and are supported by the policies of the Local Plan	Summer 2019	Planning Policy team
Continue to monitor the demography of participants and consider how to increase participation from any under-represented groups	Annually	Planning Policy team
Review the consultation methods at the end of each consultation	Annually	Planning Policy team

How will you review the impact, positive or negative once the service or policy has been implemented?		
to determine if the SCI is working to support engagement in Local Plan preparation or if an early review of the SCI is necessary	or after key consultation exercises	
The Draft Local Plan will be presented to Cabinet to seek agreement to proceed with any formal consultation. This impact assessment will be reviewed and updated where necessary post consultation.	Summer 2019	Planning Policy team
Produce summary leaflets (to support the SCI) that succinctly outline the process to get involved with planning development or complex consultations run by the Council	As and when necessary	Planning Policy team

Name of responsible officer:

Reviewed and signed off by: (relevant Group Manager)
Chris Taylor

Role:

Role: Group Manager (Strategic Planning and Regeneration)

Date:

Date:

Agenda Item 10



Report for:	Cabinet
Date of meeting:	12 February 2019
PART:	1
If Part II, reason:	

Title of report:	Senior Officer Pay Policy
Contact:	<p>Cllr Neil Harden – Portfolio Holder for Community and Regulatory Services</p> <p>Author/Responsible Officers: Sally Marshall – Chief Executive Linda Roberts – Assistant Director (Performance, People & Innovation) Matthew Rawdon – Group Manager (People)</p>
Purpose of report:	To set the Council’s pay policy for the financial year 2019/20, as required by Section 38 of the Localism Act 2011.
Recommendations	<p>(1) That Cabinet recommend Council to adopt the Pay Policy for 2019/20 as set out in appendix 1 to this report.</p> <p>(2) That Cabinet agree that any amendments to the Pay Policy throughout the financial year 2019/2020 which are required as a result of legislative changes can be approved by the Chief Executive in conjunction with the Council’s Monitoring Officer.</p>
Corporate objectives:	The Council’s policies in respect of pay and terms and conditions support all five of the Council’s strategic objectives as part of ensuring that services to the community can be delivered to the required standards and with due regard to economy, efficiency and effectiveness

Risk Implications	There needs to be a robust procedure in place to ensure transparency of information and equality in staffing costs and remuneration.
Equalities Implications	The Pay Policy Statement adheres to national guidance on pay equality.
Health And Safety Implications	No implications from this report.
Monitoring Officer/S.151 Officer Comments	<p>Monitoring Officer:</p> <p>The Pay Policy at Appendix 1 meets the Council statutory requirements under S.38 Localism Act 2011.</p> <p>S.151 Officer</p> <p>No further comments to add to the report.</p>
Consultees:	<p>Sally Marshall (Chief Executive)</p> <p>Recognised Trade Unions (Unison and Unite)</p>
Background papers:	<p>Pay Policy Statement 2018/19</p> <p>Openness and accountability in local pay: Draft guidance under section 40 of the Localism Act (November 2011)</p> <p>Localism Act 2011: local government senior officer pay accountability Impact assessment (November 2011)</p> <p>The Code of Recommended Practice for Local Authorities on Data Transparency (September 2011)</p> <p>The Local Government Transparency Code 2014</p> <p>DBC Employee Handbook</p>
Glossary of acronyms and any other abbreviations used in this report:	<p>HR – Human Resources</p> <p>FTE – Full Time Equivalent (employee)</p> <p>EIS – Employee Information System</p> <p>SCP – Spinal Column Point</p> <p>NJC – National Joint Council</p> <p>LGE – Local Government Employers</p>
Appendices	<p>Appendix 1 – Pay Policy Statement 2019/2020</p> <p>Appendix 2 – Election fees for 2019/2020</p>

Background

1. Section 38 of the Localism Act 2011 ('The Act') requires local authorities in England to prepare, approve and publish a pay policy statement. The statement must detail the authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff ('Chief Officers', as defined in the Act) and its lowest paid employees.
2. The pay policy statement must be prepared for each financial year. As soon as reasonably practicable after approving the statement it must be published in such manner as the Council thinks fit, which must include publication on the Council's website.
3. Specifically, the Act requires the publication of a pay policy statement for each financial year which must set out the authority's policies for the financial year relating to:
 - the remuneration of its chief officers
 - the remuneration of its lowest-paid employees, and
 - the relationship between:
 - (i) the remuneration of its chief officers, and
 - (ii) the remuneration of its employees who are not chief officers.
4. The statement must also provide:
 - the definition of "lowest-paid employees" and the authority's reasons for adopting that definition, and
 - a statement on the Council's policies relating to:
 - (i) the level and elements of remuneration for each chief officer
 - (ii) remuneration of chief officers on recruitment
 - (iii) increases and additions to remuneration for each chief officer
 - (iv) the use of performance-related pay for chief officers
 - (v) the use of bonuses for chief officers
 - (vi) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
 - (vii) the publication of and access to information relating to remuneration of chief officers.

5. In respect of item (vi), the Council currently has no defined approach to the payment of chief officers on ceasing to hold office, and no statement is, therefore, made in the report in relation to this.
6. It remains the case that each local authority is an individual employer in its own right and has the autonomy to make decisions on pay that are appropriate to local circumstances and which deliver value for money for local tax payers. The Act only requires that authorities are more open about local pay policies and how their local pay decisions are made. It is not necessary to specify actual pay rates or terms and conditions. It also means that future decisions by a local authority relating to the pay and conditions of its chief officers must comply with the authority's approved pay policy statement.
7. Guidance relating to the statement of Pay Policy and related guidance on transparency make recommendations arising from the Hutton Review of Fair Pay in the Public Sector (final report published March 2011).
8. Members should also note that the Council is also required to publish, under the Accounts and Audit (England) Regulations 2011:
 - the number of employees whose remuneration in that year was at least £50,000, and
 - details of remuneration and job title of certain senior employees whose salary is at least £50,000.
9. In addition, under the Local Government Transparency Code 2014, the Council is required to publish a list of responsibilities (including the service and functions they are responsible for, budget held and number of staff) for senior employees whose salary exceeds £50,000.
10. The Council is not required to include the information referred to in paragraphs 8 and 9 in its Pay Policy Statement, but it is required to place the information on its website.
11. The Senior Officer Pay Policy also includes a schedule of election fees as referred to in paragraph 8 of the Policy.
12. The statutory Gender Pay Gap statistics forms part of the pay policy. This has been reported on the government website.

Recommendations

- 13 That Cabinet recommend Council to adopt the Pay Policy for 2019/20 as set out in appendix 1 to this report.
- 14 That Cabinet agree that any amendments to the Pay Policy throughout the financial year 2019/2020 which are required as a result of legislative changes can be approved by the Chief Executive in conjunction with the Council's Monitoring Officer.

Pay Policy Statement 2019/2020

1 Background

- 1.1 Section 38 of the Localism Act 2011 ('The Act') requires local authorities in England to prepare, approve and publish a pay policy statement. The statement must detail the authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff ('chief officers') and its lowest paid employees. This statement has been produced in line with the Local Government Transparency Code 2014.
- 1.2 The pay policy statement must be prepared for each financial year. As soon as reasonably practicable after approving the statement it must be published in such manner as the Council thinks fit, which must include publication on the Council's website.
- 1.3 It remains the case that each local authority is an individual employer in its own right and has the autonomy to make decisions on pay that are appropriate to local circumstances and which deliver value for money for local taxpayers. The Act only requires that authorities are more open about local pay policies and how their local pay decisions are made. It is not necessary to specify actual pay rates or terms and conditions. It also means that future decisions by a local authority relating to the pay and conditions of its chief officers must comply with the authority's approved pay policy statement.

2 Pay Policy Principles

- 2.1 The provisions of the Act confirm the government's commitment to increase openness about how taxpayers' money is used, bringing together the principles of increasing accountability, transparency and fairness in the setting of local pay.
- 2.2 The Hutton Review of Fair Pay in the Public Sector (final report published March 2011) confirmed the government's decision to promote pay fairness in the public sector by reducing the gap between the lowest and highest paid in public sector organisations.
- 2.3 The Act requires Councillors to take a greater role in determining pay, ensuring that decisions are made by those who are directly accountable to local people. In addition, they must ensure that policies on the pay and reward of the most senior staff are set clearly within the context of the pay of the wider workforce.

3 Scope of Dacorum Borough Council Pay Policy Statement

- 3.1 The Council's definition of a senior manager for the purposes of this policy statement is: Chief Executive (Head of Paid Service), Corporate Directors and Assistant Directors. The term 'Chief Officer' relates to the Chief Executive and Corporate Directors only.

3.2 Council staff are employed under terms and conditions contained in the National Joint Council (NJC) for Local Government Services National Agreement on Pay and Conditions of Service. However, these are subject to a number of local agreements including a local agreement on remuneration. The following roles form the Council's Corporate Management Team:

- Chief Executive
- Corporate Director (Finance and Operations) (S151 Officer)
- Corporate Director (Housing and Regeneration)
- Assistant Director (Finance and Resources)
- Assistant Director (Housing)
- Assistant Director (Neighbourhood Delivery)
- Assistant Director (Planning, Development and Regeneration)
- Assistant Director (Performance People and Innovation)
- Assistant Director (Corporate and Contracted Services)

4 Senior Officer Salary Ranges

4.1 During 2009 and 2010, the Council undertook a Strategic Re-alignment programme, in which all senior posts (Group Manager level and above) were evaluated using the Local Government Employers (LGE) senior management evaluation scheme. This is a nationally recognised methodology, benchmarked by the LGE against other local authorities, taking into account local factors.

4.2 Continuing from this, the Council has developed its own job evaluation scheme. Each grade is then matched to a prescribed salary range. Each salary range has 3 incremental points. Increments are awarded annually in April, linked to the achievement of satisfactory performance. There are specific Chief Officer pay bands for the Corporate Directors and for the Chief Executive. These have 5 points within each band.

4.3 The senior management job evaluation scheme can only be applied to posts below Group Manager level in very exceptional circumstances. This is subject to the recruiting manager being able to demonstrate to the satisfaction of Chief Officer Group (COG) that the role is comparable to that of Group Manager in terms of any specialist skills and/or leadership qualities that are required and the significant importance of the post to the Council.

4.4 As at February 2019, the ratio between the pay of the highest paid officer and the median salary of staff is 5.6:1.

5 Remuneration Package

5.1 As well as basic salary, all senior managers are entitled to specific terms of employment, as set out in the following paragraphs.

5.2 Annual Leave

- 5.3 The leave year begins on the 1st April each year and ends on the following 31st March. Annual leave entitlement varies, dependent on spinal column point (SCP), length of local government service and the number of days contracted to work each week (see Table 1 below). Chief Officer leave allowances refer to the Chief Executive and Corporate Directors.

Table 1: Annual leave entitlements

	Working 1 day per week			Working 2 days per week			Working 3 days per week			Working 4 days per week			Working 5 days per week		
	Service in Years			Service in Years			Service in Years			Service in Years			Service in Years		
Spinal Column Point	<5	5 to <10	10 & 10+	<5	5 to <10	10 & 10+	<5	5 to <10	10 & 10+	<5	5 to <10	10 & 10+	<5	5 to <10	10 & 10+
Up to 12	4.5	5.5	5.5	9	11	11	14	16	16	18.5	21.5	21.5	23	27	27
13 to 21	4.5	5.5	5.5	9	11	11	14	16	17	18.5	21.5	22.5	23	27	28
22 to 28	5	5.5	6	10	11	11.5	15	16	17.5	20	21.5	23	25	27	29
29 to 40	5	5.5	6	10.5	11	11.5	15.5	16	17.5	21	21.5	23	26	27	29
41 & above (Assistant Directors)	6	6	6.5	11.5	11.5	13	17.5	17.5	19	23	23	25.5	29	29	32
Chief Officers	6.5	6.5	7	13	13	14	19	19	21	26	26	28	34	34	37

5.4 Cars

- 5.5 In April 2018 the lease car scheme has been replaced by a car salary sacrifice scheme. This is open to all eligible employees.
- 5.6 On the 1st April 2018 the three essential car user allowances were discontinued. Previous eligible staff roles will receive a consolidated increase in their pay equivalent to this amount (with adjustments for additional pension contributions).
- 5.7 All Chief Officers and all employees whose posts are Band 11 or above are eligible for a lease car allowance*. Chief or Senior Officers are paid a lease car allowance lump sum See Table 2 below:

Table 2: Chief Officer and senior officer car allowance

Band point	Miles.	Car Band	Amount p.a.
34 to 46	N/A	1	£2,550
34 to 46	Over 2000 per year	2	£3,200
34 to 46	Over 4000 per year	3	£3,750
47 to 72	N/A	3	£3,750
Corporate Directors	N/A	4	£4,600
Chief Executive	N/A	5	£4,800

* Lease car allowances will be consolidated into basic pay as of October 2020, so lease car payments to staff will no longer exist beyond this date.

- 5.8 All employees are also eligible for a Council Car Loan, with interest being charged at the HMRC official rates.
- 5.9 All car business mileage for senior officers can be claimed at a locally agreed rate, currently 21p per mile.

5.10 Sick Pay

- 5.11 As part of its responsibility towards its employees the Council has arrangements for ensuring that employees who are unable to work for a limited period for reasons of illness do not suffer additional hardship through loss of earnings. These payments are restricted and at the end of the defined the period the entitlement to occupational sick pay ceases. The periods of entitlement to occupational sick pay are related to length of service and apply to all employees, as shown in table 3.

Table 3: Occupational sick pay periods

Length of continuous service	Amount of sick pay
During 1 st year of service	1 month's full pay & (after completing 4 months' service) 2 months' half pay
During 2 nd year of service	2 months' full pay & 2 months' half pay
During 3 rd year of service	4 months' full pay & 4 months' half pay
During 4 th and 5 th years of service	5 months' full pay & 5 months' half pay
After 5 years' service	6 months' full pay & 6 months' half pay

6 Pensions (Local Government Pension Scheme)

- 6.1 All local government employees (including senior managers) are eligible to join the Local Government Pension Scheme (LGPS). Employee contributions are set nationally by the LGPS and are banded, according to salary level. Currently senior managers pay between 8.5% - 12.5% depending on their individual salary.
- 6.2 Employer contributions to the Local Government Pension Scheme for the Dacorum Borough Council employers fund are currently set at 18.5%.

7 Additional Payments

- 7.1 Senior managers are not entitled to claim any additional payments, such as overtime, standby or payments for working at the weekend. Senior managers attend a wide variety of evening meetings and assist with emergency phone duties on top of their normal working week. Attendance at such meetings is not compensated for and is expected as part of any senior role.
- 7.2 There is a subsistence scheme for all staff, including senior managers. The aim of the scheme is to reimburse employees fairly for travelling and subsistence necessarily incurred whilst carrying out their duties on behalf of the Council and to keep costs to the Council to a minimum.
- 7.3 All staff are entitled to make a claim for job-related subsistence if working away from the area on business. Claims for meals can only be made if staff are prevented from taking the meal at home or the workplace and this has been agreed in advance with managers. Receipts must be produced for all claims.
- 7.4 Job related subsistence rates (maximum payable) are:

Breakfast	£6.88
Lunch	£9.50
Tea	£3.76
Evening Meal	£11.77

8 Election Fees

- 8.1 Election fees are paid to senior officers in compensation for the additional duties required to management national and local elections and referendums.
- 8.2 The Returning Officer is designated as the Chief Executive in the Council's Constitution. The fees for all staff employed on election duties are either specified by the Electoral Commission for national elections or are decided locally by the Returning Officer for local elections. The fees for local elections are set out in a 'scale of expenses' agreed by the Council, after a comparison with other neighbouring authorities and whether the poll is being combined with another election.
- 8.3 The fee for the Returning Officer for national elections is determined by the number of the electorate in the area administered by that Returning Officer (as set out in s.29 of the Representation of the People's Act 1983 and updated by the Ministry of Justice prior to each election). These are enhanced by an amount set out in a 'scale of expenses' agreed by the Council if the poll is combined with another election.
- 8.4 **Returning Officer Fees** - Fee for the duly appointed Returning Officer in performing their duties under any enactment's relating to local government elections including all expenses: The Council's Returning Officer is the Chief Executive.
- 8.5 For every 1,000 electors in the electoral area/ward in which contested election is held – Borough Election: £47.50 and Town/Parish Election: £35.00.
- 8.6 For every 1,000 electors in each uncontested election - Borough Election: £20.00 and Town/Parish Election: £14.00
- 8.7 **Deputy Returning Officer Fees** - For each electoral area/ward in which contested election is held: Borough Election: £100, Town/Parish: £70. The Deputy Returning Officers are typically the Monitoring Officer and the Group Manager (Democratic Services).
- 8.8 For each uncontested election: Borough Election: £40, Town/Parish: £30.
- 8.9 Appendix 2 incorporates all election fees for 2019/2020

9 Recruitment of Senior Managers

- 9.1 Recruitment of senior managers is managed by the Council. Vacancies are advertised with the applicable salary range. The total package is set out in the recruitment pack. The recruitment of officers below Chief Officer level is undertaken by the Corporate Director for the relevant service area through a recruitment panel process involving other senior officers and if appropriate, specialist recruitment advisors.
- 9.2 The appointment of posts at Chief Executive and Corporate Director level are made by an Appointments Panel. This panel normally consists of Council Members, Chief Officers and Human Resources officers and is convened specifically to undertake the appointment of Chief Officers.
- 9.3 The decision on which roles attract salaries over £100,000 per annum will be initially determined by the Chief Executive, as Head of the Paid Service, and the Leader of the Council, in consultation with Human Resources. The

Council's Cabinet will review the proposed salary package and make a recommendation to Full Council. Recruitment to vacancies with salary packages above £100,000 per annum will be in accordance with the Council's Recruitment and Selection Code of Practice, which requires that Cabinet Members will be included in the appointment panel.

10 Managing Pay

10.1 Starting salaries for Senior Managers

10.2 It is normal practice for all senior managers to be appointed at the bottom of the prescribed salary range. Exceptionally there may be instances where the Council may appoint above the bottom of the salary range where there is a clear rationale. Such cases will be considered and justified on a case by case basis. Consideration will be given to:

- Relativity of salaries of comparable roles
- Size and responsibilities of the post and duties to be undertaken.
- The wider recruitment market.

10.3 For employees below Chief Officer level, the decision on the salary of the post will be approved by the Corporate Director of the service (dependent on level of post) prior to an offer being made.

10.4 Pay Increases for Senior Managers

10.5 Pay increases that involve no changes to terms and conditions may take two forms:

- Pay scale increments awarded annually, subject to satisfactory performance
- Pay awards relating to cost of living increases.

10.6 Increments

10.7 The decision on whether to award an increment is made by the direct line manager of each employee following a performance review. The Leader of the Council makes the decision on pay relating to the Chief Executive.

10.8 The Individual performance of senior managers is assessed via the Council's Performance Development Review Appraisal Scheme. Each employee has an individual performance plan, setting out objectives for the coming year and expectations that are to be met with regard to the Council's High Performance Environment attitudes and behaviours. This is reviewed throughout the year and formally at the end of each year. Staff are then awarded an overall rating assessing their achievement against their objectives and the High Performance Environment standards.

10.9 Any adjustments to pay are awarded based on an individual's overall performance assessment. Increments are not awarded where performance is deemed not to have been satisfactory during the relevant year.

10.10 Where a role significantly varies within the performance year, an assessment will be undertaken using the Council's job evaluation scheme, to assess if an alteration to pay or grade is necessary. Any changes in salary for Leadership roles need approval from the Chief Executive.

10.11 Cost of living increases

10.12 Annual cost of living increases for all Council staff, except Chief Officers, are determined by the National Joint Council (NJC) for Local Government Services. The Council awards cost of living increases in line with NJC recommendations unless there are specific reasons not to do so. Annual cost of living increases for Chief Officers are determined by the Joint National Council for Chief Officers but are subject to the same considerations. These considerations may include:

- Affordability
- The conditions of the job market and the relative pay of employees, including Chief Officers, in comparison with other similar organisations
- Difficulties in recruitment and retention to specific posts.

10.13 The National Joint Council pay award for 2019/20 applies a different approach. Previous pay awards has seen the same percentage increase on all spinal column points (SCPs), e.g. 2%. This year it's the greater of a 2% award on their current salary or the equivalent NJC 2019/20 salary (new pay spine). This has resulted in different SCPs (Posts – Band 1 to 5) being inflated by higher percentages. (Pay scales for 2019/2020 are found in Appendix 3).

10.14 Deputising for statutory officers

10.15 The Chief Executive has the authority to award an additional responsibility allowance (ARA) to staff who deputise for the statutory officer roles of the Section 151 Officer and the Monitoring Officer where the deputy role has not been included in the job description and therefore incorporated within the job evaluation. The ARA will be calculated as a percentage of the remuneration of the relevant statutory officer and will reflect the amount of time the deputising staff undertake those additional statutory responsibilities. Typically, an ARA will be no more than £5,000 per annum.

11 Payments on Termination of Employment for Senior Managers

11.1 Redundancy and Severance Payments

11.2 An employee whose contract of employment is terminated due to redundancy will be eligible for a redundancy payment. Payments are made based on the following:

- All continuous local government service up until 2 November 2017, for the purposes of redundancy pay, will be based on a multiplier of 2 x weekly pay for each completed year of service.
- All continuous local government service after 2 November 2017, for the purposes of redundancy pay, will be based on 1.7 x weekly pay for each completed year of service.

Employees aged over 55 who are made redundant will be able to draw their pension to the date of their retirement. Employees aged under 55 will receive a redundancy payment and have their pension benefits deferred until they reach retirement age.

- 11.3 An employee whose contract of employment is terminated for any reason and there is justification for a severance payment, will be subject to approval by the relevant Corporate Director and Chief Executive taking advice from the Monitoring Officer, Human Resources and Section 151 Officer.
- 11.4 An employee who is made redundant or paid a severance payment must have a break of at least one month and one day to break their continuous service with the Authority before they can be re-employed by the Council in a different position.
- 11.5 Any proposed payment(s) as part of a severance package that results in the severance package being of a value of £100,000 or more in total, will be reviewed by the Chief Executive and the Leader of the Council in consultation with Human Resources and Legal Services and make a recommendation to Cabinet. The Cabinet will review the award and make recommendation to Full Council. HR and S151 officer provides comments for proposed severance packages under £100,000 and the head of paid service signs off the payment.
- 11.6 The government has indicated that they are considering the introduction of legislation, which will impose a cap on 'exit payments' which can be made to public sector employees who leave voluntarily.

12. Local Government Pension Scheme

- 12.1 Employees are eligible to be members of the Local Government Pension Scheme. The core pension benefits of these schemes are determined by statutory regulations.

13 Lowest paid employees

- 13.1 In line with the NJC pay award for 2019/20 the lowest SCP paid is £17,364 per annum for a full time employee, plus £874 per annum London Fringe Weighting. In 2018/2019, the lowest SCP salary was £16,024 per annum for a full time employee, plus £857 per annum London Fringe Weighting. This pay included a living wage supplement to match the living wage foundations threshold.

14 Gender Pay Gap

- 14.1 As from 1 April 2018, all employers with 250 or more employees are required by Law to publish their gender pay gap each year on their own and the Government's website. As at January 2019, the Council's gender pay gap is as follows:

	<i>Average Total Hourly Rate</i>	<i>Total Number of Staff</i>	<i>Mean Hourly Rate</i>
Female	£5,382.72	374	£14.39
Male	£4,861.18	342	£14.21
Mean Gender Pay Gap	1%		

	<i>Median Hourly Rate</i>
Female	£12.96
Male	£11.41
Median Gender Pay Gap	8%

- 14.2 Last year's gender pay gap report showed the same results in the median gender pay gap. However, the mean pay gap has changed to show that Female's pay is now slightly higher than males (1%).

15 Pay Transparency

15.1 Organisation chart

In accordance with the Local Government Transparency Code 2014, the Council must publish an organisation chart covering the top three management tiers of the organisation and showing the following items of information for each member of staff included in the chart:

- Grade
- Job title
- Department and team
- Permanent or temporary
- Work contact details
- Salary in £5,000 brackets (see the senior salaries requirements below)
- Maximum salary for the grade.

15.2 Senior Salaries

In addition to the organisation chart, under the Accounts and Audit (England) Regulations 2011 and the Local Transparency Code 2014, the Council is required to publish:

- the number of employees whose remuneration in that year was at least £50,000, and
- details of remuneration and job title of certain senior employees whose salary is at least £50,000 together with a list of responsibilities (for example, the services and functions they are responsible for, budget held and number of staff they are responsible for) and details of any bonuses and 'benefits in kind'.

- 15.3** The information referred to in paragraph 14.1 and 14.2 is not required to be contained in the Pay Policy Statement but must be placed on the Council's website. This information is located on Dacorum Borough Council's website, under the open data section.

Appendix 2

Scale of fees and expenses at Elections of Borough and Town/Parish Councillors

PART 1 - EXPENDITURE

- 1 The costs actually and necessarily incurred in respect of the following,
 - (a) For the provision of any accommodation for the purpose of the election, including heating, lighting and cleaning and compensation for damage to any such accommodation.
 - (b) For adapting and fitting up any accommodation for the purpose of the election and restoring to for its normal use, including the provision of voting compartments and any necessary furniture.
 - (c) For providing ballot boxes, including repairs.
 - (d) For the conveyance of ballot boxes and ballot papers
 - (f) For copies of the Register of Electors.
 - (g) For printing and providing ballot papers.
 - (h) For printing and providing postal vote packs
 - (i) For printing and providing official poll cards.
 - (j) For printing and providing notices, training materials and other documents required in or about the election or poll and for publishing the same.
 - (k) For general stationery, postage, telephone calls and miscellaneous matters.
 - (l) For promoting election, delivering communication strategy and encouraging voter registration

- 2

For each Presiding Officer at a polling station, to include all expenses, authorised by this scale.	£250.00
Additional sum to be paid to the Presiding Officer at each polling station where the elections are for a combined election.	25.00

3	For one Poll Clerk (or additional one where the number of electors exceeds 1,000) at a polling station,	£150.00
4	For the delivery of every 100 poll cards (Where Royal Mail or another carrier is not used)	£22.00
5	For persons employed in connection with the receipt and counting of postal ballot papers, at each election)	£15.00 per half-day session
6	For the remuneration of persons employed in connection with the verification/counting of votes (including any recounts) at Borough and Town/Parish elections:	

		<u>Verification /Counting Assistant</u>	<u>Supervisor</u>
(1)	Up to 4 hours	£70.00	£90.00
(2)	Additional fee if anticipated hours exceeded	TBA	TBA

**Senior
Verification/Count
Supervisor**

£140.00

Verification/Count
Supervisor

£115.00

**Polling Station
Inspector**

£100.00

**Porter /
Security**

£90.00

**Training
Facilitator**

£25 per session

Press Officer

£40.00

PART 2 - RETURNING OFFICERS FEES

for services and other expenses

Fee for the duly appointed Returning Officer in performing their duties under any enactment's relating to local government elections including all expenses other than those for which specific provision is made elsewhere in this scale:

		<u>Borough Election</u>	<u>Town/Parish Election</u>
7	For every 1,000 electors in the electoral area/ward in which contested election is held.	£47.50	£35.00
	For every 1,000 electors in each uncontested election	£20.00	£14.00

PART 3 DEPUTY RETURNING OFFICERS FEES - for services and other expenses

Fee for duly appointed Deputy Returning Officer in performing such duties as may be required by the Returning Officer under any enactment's relating to local government elections including all expenses other than those for which specific provision is made elsewhere in this scale:

		<u>Borough Election</u>	<u>Town/Parish Election</u>
8.	For each electoral area/ward in which contested election is held.	£100.00	£70.00
	For each uncontested election	£40.00	£30.00

NOTES

1. The fees and expenses set out in the Schedule come into effect on 1 January 2019 and will be increased by inflation annually.
2. The fees shown are the gross amounts and are with certain exceptions subject to the standard rate of tax.
3. These fees are for the 'local' element of any election and will be adjusted in the case of National or Regional (or combined) Polls in line with the guidance issued by the organising body.

Appendix 3 – Pay Scales 2019/2020

Local Pay Scales

Schedule of Pay Rates Effective From 01 April 2019

Includes pay award notified by LGS 10.4.18

Old band	Current SCP range	Proposed new scale point 2019/20	2018/19 DBC current salary	Proposed 2019/20- higher of 2% award or NJC equivalent scale point	% change from 18/19 DBC salary
Band 1	05	1	14,395	17,364	20.63%
	06	1	14,565	17,364	19.22%
Band 2	07	1	14,593	17,364	18.99%
	08	2	15,117	17,711	17.16%
Band 3	09	2	15,540	17,711	13.97%
	10	3	15,836	18,065	14.08%
	11	3	16,397	18,065	10.17%
Band 4	12	4	16,719	18,426	10.21%
	13	4	17,144	18,426	7.48%
	14	5	17,446	18,795	7.73%
Band 5	15	5	17,798	18,795	5.60%
	16	6	18,208	19,171	5.29%
	17	6	18,649	19,171	2.80%
Band 6	18	7	19,054	19,554	2.63%
	19	8	19,764	20,159	2.00%
	20	9	20,456	20,865	2.00%
Band 7	21	10	21,167	21,590	2.00%
	22	11	21,707	22,141	2.00%
	23	12	22,332	22,779	2.00%
Band 8	24	13	22,791	23,247	2.00%
	25	14	23,227	23,836	2.62%
	26	15	23,978	24,799	3.42%
Band 9	27	16	24,779	25,295	2.08%
	28	17	25,586	26,317	2.86%
	29	18	27,909	28,467	2.00%
Band 10	30	19	28,845	29,421	2.00%
	31	20	29,749	30,344	2.00%
	32	21	30,626	31,238	2.00%
Band 11	33	22	31,528	32,159	2.00%
	34	23	32,422	33,070	2.00%
	35	24	34,016	34,696	2.00%
Band 12	36	25	34,912	35,610	2.00%
	37	26	35,894	36,612	2.00%
	38	27	36,947	37,686	2.00%
Band 13	39	28	38,149	38,912	2.00%
	40	29	39,158	39,941	2.00%
	41	30	40,904	41,722	2.00%
Band 14	42	31	41,952	42,791	2.00%
	43	32	42,985	43,845	2.00%
	44	33	44,039	44,919	2.00%
Band 15	45	34	45,038	45,939	2.00%
	46	35	46,138	47,060	2.00%
	47	36	47,190	48,134	2.00%
Band 16	48	37	49,078	50,060	2.00%
	49	38	50,124	51,126	2.00%
	50	39	51,173	52,197	2.00%
Band 17	51	40	52,220	53,264	2.00%
	52	41	53,286	54,352	2.00%
	53	42	54,327	55,414	2.00%
Band 18	54	43	55,379	56,486	2.00%
	55	44	56,430	57,559	2.00%
	56	45	57,484	58,634	2.00%
Band 19	57	46	58,581	59,752	2.00%
	58	47	59,674	60,868	2.00%
	59	48	60,762	61,978	2.00%
Band 20	60	49	61,851	63,088	2.00%
	61	50	62,943	64,202	2.00%
	62	51	64,042	65,323	2.00%
Band 21	63	52	65,134	66,437	2.00%
	64	53	66,437	67,765	2.00%
	65	54	67,767	69,122	2.00%
Band 22	66	55	69,120	70,503	2.00%
	67	56	70,502	71,912	2.00%
	68	57	71,914	73,352	2.00%
Band 23	69	58	73,351	74,818	2.00%
	70	59	74,820	76,316	2.00%
	71	60	76,315	77,842	2.00%
	72	61	77,842	79,399	2.00%

*NJC scp range ends at scp 43

18/19 salary excludes allowance paid to lower scps to meet the Living Wage.

LFW (London Fringe Weighting) = £874 per annum 2019/20

Excludes frequent car user allowance paid at £743, £846 or £1,088 in 2019/20



Report for:	Cabinet
Date of meeting:	12 February 2019
Part:	1
If Part II, reason:	

Title of report:	Growth and Infrastructure Strategy
Contact:	<p>Cllr Andrew Williams, Leader of the Council Cllr Graham Sutton: Portfolio Holder for Planning & Infrastructure</p> <p>Author/Responsible Officers: Mark Gaynor: Corporate Director, Housing and Regeneration James Doe: Assistant Director, Planning, Development and Regeneration Chris Taylor: Group Manager Strategic Planning and Regeneration</p>
Purpose of report:	To set out a draft strategy for how the Borough Council will respond to the challenges of growth pressures in Dacorum in the long term, and to seek Cabinet and Council approval for it.
Recommendations	<ol style="list-style-type: none"> 1. That Cabinet recommends Council approves the draft strategy as set out in Appendix 1 to this report, and the draft executive summary at Appendix 2. 2. That non-substantive editing changes be delegated to the Corporate Director – Housing and Regeneration, in consultation with the Leader of the Council.
Corporate Objectives:	<p>The proposed Growth and Infrastructure Strategy helps support all 5 corporate objectives:</p> <ul style="list-style-type: none"> • <i>Safe and clean environment</i> • <i>Community Capacity</i> • <i>Affordable housing</i> • <i>Dacorum delivers</i> • <i>Regeneration</i>

<p>Implications:</p> <p>'Value For Money Implications'</p>	<p><u>Financial</u></p> <p>None directly arising from this report, as the strategy is high level and not in itself a detailed action plan with proposals that require costing at this stage. The report below explains that the Strategy will provide the basis for future action planning, from which decisions over specific proposals, and their cost, can be taken.</p> <p>There will be cost to producing the final version of the document with images, graphics and artwork etc, and this is not expected to exceed £30,000; the costs of this are being met with a grant already obtained by the Council from the Hertfordshire Local Enterprise Partnership (LEP)</p> <p><u>Value for Money</u></p> <p>The strategy deals with, amongst other things, the need for securing the provision of new infrastructure in the Borough. The strategy will assist the Council in the future in the support of bids for external funding to achieve this.</p> <p>Production costs have been kept very low as the document has been prepared in-house using officer time and the engagement of both Cabinet and the wider officer Leadership Team. Production costs will be met using a grant already received from Herts LEP.</p>
<p>Risk Implications</p>	<p>None directly arising from the report. The Strategy aims to give direction to how the Council will deal with growth pressures in the long term and seeks to mitigate the risk of development growth proceeding in an un-coordinated manner.</p>
<p>Community Impact Assessment</p>	<p>A Community Impact Assessment has been carried out and is at Appendix 3 to this report. The Strategy has been drafted on the basis of meeting the needs of the Community in the long term.</p>
<p>Health And Safety Implications</p>	<p>None arising from this report, which puts forward a very high level strategy for the future of the Borough.</p>
<p>Monitoring Officer/ Deputy S.151 Officer Comments</p>	<p>Monitoring Officer:</p> <p>The Strategy is not a statutory document but it sets a vision for future growth in the borough. The statutory Local Plan is still the overriding document for determining volume and location of growth in the borough but this document helps to set out how the Council aims to manage that growth.</p> <p>Deputy S.151 Officer</p> <p>No further comments to add to the body of the report and outlined strategy.</p>

Consultees:	Cabinet Members Corporate Management Team Leadership Team
Background papers:	
Glossary of acronyms and any other abbreviations used in this report:	LDS: Local Development Scheme IDP: Infrastructure Delivery Plan JSP: Joint Strategic Plan (<i>for SW Herts</i>) LDS: Local Development Scheme LEP: Hertfordshire Local Economic Partnership

Background

1. At its meeting on 31 July 2018, Cabinet resolved to produce a Corporate Growth and Infrastructure Strategy for Dacorum for consideration by Cabinet and Council at a future date. Minute CA/81/18 refers.
2. The need for producing this new strategy was set out in the report to Cabinet in July 2018. In short, given the very significant pressure for new growth in Dacorum over the next 30 years or so, the Council would need an agreed approach in place to guide how it manages these pressures, secures new infrastructure and deliver its services.
3. Corporate Management Team has produced the first draft of the new Growth and Infrastructure, which can be found at Appendix 1. An executive summary is included separately at Appendix 2. The draft follows on from a facilitated workshop session to gain the views of Cabinet members and senior officers on what the Strategy should contain. This was held on 1 October 2018 and was facilitated by Cecilia Tredget, Managing Director of East of England Local Government Association.
4. The new Strategy aims to look ahead to 2050 and how the Council should be managing the impact of growth. As such, it sets both a vision for the future of the Borough and a series of high level proposals for how the Council, working with partner agencies and organisations, will seek to manage the growth agenda to the benefit of local residents, businesses and the economy, and the environment.
5. It is not an action plan in itself, but instead sets a clear direction for what the Council will need to be doing to achieve its longer term objectives. For clarity, the Strategy is not the statutory Local Plan, which sets the Council's policies and proposals for the use and development of land. This is a separate process, for which there is an agreed timetable through the approved Local Development Scheme. A separate update report on the Local Plan is included in this meeting agenda.
6. The new strategy is neither a substitute nor replacement for the Corporate Plan. It is expected that this will be revised later this year once local elections have been held. Likewise with the Local Plan, the new Strategy may help advise the content of a new Corporate Plan.
7. The Strategy is centred around six key themes:
 - A. **Housing** - Building Dacorum's future with homes for everyone
 - B. **Jobs and the economy** - Generating a vibrant economy with opportunities for all
 - C. **Health and Wellbeing** - A happier, healthier and safer Dacorum
 - D. **The environment** - Creating a clean, green and attractive Dacorum
 - E. **Transport** - On-track for a better transport network
 - F. **Technology** - Harnessing the opportunity of technology and digital connectivity
8. The approach aims to be clear on what the Council wants to achieve, building on recent successes and recognising the challenges for the future in each

area, based on the evidence available. As such, each section on the strategy's themes is structured into four parts: a vision relating to each; a summary of what has been achieved in the recent past; a list of the challenges and issues that need to be faced; and a set of proposals to set the direction for future work and action.

9. Once approved, the Strategy will provide the basis from which to develop more detailed action plans and strategies that focus on specific issues.
10. Importantly, it can be used to convey a clear message to Government, outside organisations and investors that Dacorum has a positive approach towards managing and delivering growth in the long term. It can be used as a basis to promote the Borough as a prime location for investment and to assist in securing new infrastructure.
11. The Strategy will require the approval of Full Council. Subject to this, the final approved text will be worked up into a document for publication with images and graphics.



Dacorum's Growth and Infrastructure Strategy

How the opportunities of tomorrow can create a better today

Draft at 29 January 2019

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1. Dacorum Futures - Why we created this strategy

We all know that things change very quickly these days – the way we live, work, travel, learn and enjoy ourselves. This brings forward exciting opportunities to make the future better than now, but this won't happen by accident. It will require an approach – a clear vision – of how we want to shape the future as a community. This means we have to be clear about the things we need to do ensure that we don't get left behind. And we need to have a clear strategy for how we are going to make things happen.

This is why we have created a strategy to articulate what sort of future we want and how we are going to deliver it. The next few decades could see unprecedented investment in the Borough and we want to get it right.

This process is exciting. It gives us the chance to grasp opportunities and build for the future, while solving some of the challenges we face in our Borough today. This investment – in jobs, homes, transport and other infrastructure – will come but if we don't act to shape it, it's going to happen anyway – with or without the best interests of the borough being addressed.

We will see a large increase in the job opportunities in the Borough, many of which will be in cutting-edge application and development of new technologies and key growth sectors. Alongside this we will experience, and have to shape, a level of housing and community growth that the Borough hasn't experienced since the rapid expansion of Hemel Hempstead as a new town that ended in the 1970s.

The future presents us with a range of opportunities and challenges, which the six key theme areas of this Strategy cover.

There will be huge investment from the private sector into the economy that will see thousands of jobs created much of which will be in the sectors of the future – technology, environmental improvement and protection – as well as more efficient and effective ways of delivering the services and goods we need. Much of this job growth will be in Maylands and the Enterprise Zone but will also happen across the whole Borough. But we will have to work hard to encourage and attract the sort of growth that we want.

Perhaps the biggest change, challenge and opportunity coming the way of Dacorum (and the rest of the Home Counties area) is the need for an accelerated delivery of new housing. Whilst our new Local Plan will determine the appropriate level of growth, the evidence points towards a considerable step-change in the amount and rate of development, which ranges from between a doubling to a trebling of what the Borough has been used to over the past 20 years or so.

Dacorum has always been a popular and attractive location for growth and investment. Our high quality urban and rural environments, sitting just 30 miles to the north of London and in a pivotal position on the major transport networks, provides both the opportunity to expand, yet the need to ensure this is managed in a comprehensive and co-ordinated way. Within Hertfordshire, the Local Enterprise Partnership's Strategic Economic Plan recognises and sets three growth corridors based on the M1 and M25 motorways, which Dacorum falls into, and around the A1(M) and M11/A10. The context for future growth and expansion is therefore high and pressing.

All of this needs to be done in a way that maintains and enhances the great qualities that Dacorum has – vibrant communities, high quality countryside and a great place to live, work and enjoy.

Responding to, planning for and managing opportunity and change requires us to take a new approach, working with our residents, businesses, Government and our partner organisations. It starts with a vision and a clear set of objectives, which this Strategy sets out. It will require us to subsequently develop proactive plans of action which co-ordinates the work of all stakeholders, consider new development delivery models and set a framework for investment in the Borough to ensure the development we need, and the infrastructure to support it is delivered.

This strategy sets out the foundations for our how we deal with a rapidly growing community in anticipating change and preparing for it well in advance in ways that ensure we keep a wonderful environment, have the services and facilities that local people need - solving the challenges we're facing today, while building for tomorrow, too.

Opportunity and Change as positive forces

We've created this strategy to ensure we make the most of the potential benefits on offer for our borough. It's essentially a plan that helps us ensure the key areas that we look after are connected, coordinated, and working towards a common goal.

This strategy sets out the foundations for our policies and services in a way that solves the challenges we're facing today, while building for tomorrow, too. And it will be the product of the Council working collaboratively with partners and stakeholders across our community. We will continue to engage with residents, leaders, public sector organisations and businesses. This is a plan that will deliver benefits for everyone.

Carefully considered and comprehensive

This vision will steer how we deliver a range of services, including: high quality housing and new housing delivery; economic and business development; health and wellbeing; parks, open spaces and tourism; the environment; transport; and technology. It will also help us to identify how we can work with others to achieve our overall vision for Dacorum.

So, read on to find out how we're going to help Dacorum become an even better place to live, work and spend time – now and in the future.

2. Our vision for Dacorum – from today until 2050

We want Dacorum to be known as:

- A place where everyone has the best start in life.
- A place where both residents and businesses have the opportunity to meet – even exceed - expectations.
- A place where families and young people are welcome, where older people are valued, and where the vulnerable can get the help they need.

But what does that vision mean when it comes to some of the things that matter the most to you? It means...

... **for the economy**

A vibrant economy that makes the most of its location and its transport links, as well as offering varied high-value jobs. One that attracts businesses in emerging growth sectors, keeps unemployment low and continues to attract high levels of investment by working with the business community.

... **for housing**

A borough where people have access to a range of quality homes to meet everyone's needs irrespective of their income. And where effective use is made of land across our towns and villages, meeting the locally generated demand for new homes while protecting the countryside and existing communities.

... **for health and wellbeing**

A place where people can lead healthy lives, in a society that's safe and where the local community is engaged. An area where a better understanding of how to stay healthy is encouraged, and where everyone enjoys access to green space. Where the latest technology can be harnessed to help keep residents safe. And where leisure services are delivered that promote individual and community wellbeing.

... **for tourism**

A buoyant visitor economy that capitalises on attractions both within the borough and on our doorstep. A tourism industry that enhances the reputation of the borough, improves our parks and gardens, and provides access to attractive leisure activities.

... **for the environment**

A borough that preserves and protects its local environment, placing an emphasis on green initiatives such as recycling, air quality monitoring and sustainable transport. Somewhere with plenty of well-maintained green spaces, where the environment is flourishing.

... **for travel**

An area where people can travel easily and sustainably, and move between their homes, jobs and leisure activities within the borough and further afield. A transport network that has a positive influence on our quality life, where people feel connected to shops, parks, schools, their place of work or worship – and to one another.

... **for technology**

A place that makes the most of technology to deliver services to all, powered by excellent internet connectivity. We want our residents, businesses and voluntary sector partners to be able to access and use digital services effectively (whilst providing personal face to face contact where needed), which will transform the way that people live and work, as well as improving council service delivery.

3. Relationship to other Council Plans and Strategies

The Council has a wide range of plans and strategies, which range from the overriding Corporate Plan – which shapes the overall direction of what the Council’s priorities will be and what it will deliver over the next few years – to a wide range of service and statutory plans that add more detail to this.

The Corporate Plan is refreshed every four years to align with the Council’s election process and this will happen after the elections in May 2019. This will include the Medium Term Financial Strategy, which sets out key spending plans. It also guides the other service plans for the whole Council.

The Council is also required to produce a Local Plan as the statutory development plan, which is guided by Town and Country Planning legislation and a range of government priorities as set out in the National Planning Policy Framework. The Local Plan will set out how development will be controlled. It will show where – and how – housing and other growth will happen. Work is underway on this, which includes a major consultation process which happened in 2017 and received over 20,000 comments from the public and others. The draft plan will be complete in the summer of 2019 and will go out once more for consultation. Following this – and any changes that may be made – it will go to Examination by a Planning Inspector. This will deal with the major growth issues in the Borough as well as ongoing planning matters. It should be in place by 2020.

So where does this document link in with the Local Plan and the Corporate Plan? Essentially, it sets out how the Council will work to make the growth that the Local Plan is required to deliver work for the existing and new communities in the Borough. This means being clear what the Council will do – in partnership with other organisations where appropriate – to ensure the right sort of housing is delivered, that infrastructure will be provided on time, that open space is available and properly maintained and how it will provide the services for a considerably larger population. It is vital that this work is in place before the growth happens. So essentially this plan guides what the Council will do regarding growth and makes this clear to local people, partner organisations and developers.

4. Our approach to the things that matter to you

A. Building Dacorum's future with homes for everyone

Our vision

Our Borough is growing, and it's a hugely exciting time to live, work and spend time in Dacorum. But to ensure that this growth is a positive, we need the right number and right type of houses. Dacorum's future depends on a sustainable and carefully considered housing policy today. And given that we all know there is a shortage of suitable homes in the Country there will be a lot more new homes and communities delivered than we have seen for some time. It is the number one thing to get right.

Our vision is an approach to housing that creates opportunities for all Dacorum residents – with new developments that deliver a positive impact and enhance existing communities.

Laying the foundations for growth

By focusing on the development of high quality, safe and affordable homes including for those most in need, we can support the evolution of strong and vibrant communities across Dacorum. While meeting this need for new homes, we're also seeking to make sure that developed land in towns and villages is used effectively, and that our beautiful countryside is protected as much as possible. And we're working hard to harness the opportunities that housing development brings to improve life for existing communities and residents.

Ensuring everyone benefits

The necessary infrastructure – like roads, schools, GPs and public transport links – needs to be introduced alongside or in advance of new developments too. This will make living and working in the borough easier and more convenient. Most importantly, we need to consider the impact of housing on our society. Safe and clean living environments don't just encourage economic growth and prosperity, they promote better mental health and wellbeing too.

“Our vision is a housing policy that creates opportunities for all Dacorum citizens – with new developments that deliver a positive impact and enhance existing communities.”

A coordinated plan

Answering all these demands with one plan is a real challenge. But it's a challenge we can solve if we adopt a coordinated approach – addressing closely related areas like the economy, the environment and transport at the same time.

That's why we've made housing a central component in our wider strategy for Dacorum's future. And it forms the cornerstone of our commitment to help our residents, businesses and communities to thrive and prosper.

What we've achieved so far

Over the last 5–10 years we've achieved a great deal already. And this success has set us up to push ahead and build a better, brighter future for Dacorum.

Beating new home targets

The Council has been successful over recent years in ensuring that new homes have been built in the Borough – this includes those delivered by the private sector as well as the Council and Housing Associations. For example in 2017, 620 new homes were completed against a target of 420. Of these, 135 were affordable.

Investing to tackle the housing shortage

The £15 million in grant funding we've provided to local housing associations has enabled the delivery of 193 affordable homes since 2012. In 2017, Council built 91 homes for social rent with over 400 in the future programme to be delivered before 2023. Meanwhile, our 10,200 social-rented housing stock and 1,800 leasehold properties are all maintained to high level.

Planning pro-actively for new growth

Our Core Strategy from 2013 set plans for over 10,000 new homes in Dacorum by 2031. It has set regeneration plans for 1,800 new homes in Hemel Hempstead town centre – much of which is either complete or is now at planning stages. It has identified new sites at our towns and villages, with the main developments subject to planning proposals. And we have brought forward a regeneration plan for around 1,300 new homes in the Two Waters area of Hemel Hempstead. Work is well under way on our new Local Plan which will address the challenge of significantly boosting the housing supply and planning for the major growth that this Strategy addresses. The new Plan is due for draft completion by summer 2019.

Supporting vulnerable residents

We've built a development of a 41-bed homeless hostel. On top of that, while we've managed to achieve high levels of rental income, we're also supporting those of our tenants who are most acutely in need of relief through the Tenancy Sustainment Team.

Raising safety standards

We're committed to improving health and safety standards, and we're doing that by developing and delivering robust policies and standards around fire and gas safety, Legionella, asbestos management and proactive electrical testing.

Solving private sector housing problems

The housing service has recently launched a new Private Sector Housing Team, tasked with tackling rogue landlords and addressing poor property conditions that affect the health and wellbeing of Dacorum residents.

The challenges we're facing

Meeting the demand for new housing

We're responsible for ensuring a high number of new houses are delivered –based on Government policy – between now and 2036. And there's an increasing pressure to bring forward the delivery of those homes to meet the demand for all types of housing as quickly as possible. This puts us – along with many other authorities – in a very difficult position, having to balance the demand for new houses while protecting the countryside, environment and existing communities.

Protecting our green spaces

Our Green Belt land and Areas of Outstanding Natural Beauty (AONB) are some of the most attractive in the country. And we're passionate about preserving them. But that places constraints on housing development. To minimise the impact on our Green Belt land, some developments may need to be brought forward to use previously developed land (sometimes referred to as 'brownfield' land). And this may also result in a greater density of buildings in already built up areas, where it's appropriate to do so, in order to reduce the level of development on brand new sites.

Affordability of housing for everyone in society

We're under pressure to increase the supply of homes – across all tenures, to meet all needs and affordability levels. This includes an ageing population and also those with disabilities or mental health issues.

Addressing the needs of an ageing population

Across Dacorum there are approximately 65,000 properties housing over 153,000 people. More than 15% of those are 65 or older. Data from the Office of National Statistics (ONS) suggests that this percentage is likely to grow significantly over the next 20 years, with a forecast 60% increase in residents in the 65+ age bracket living in Dacorum. This once again affects the type of homes we can build. What changes do we need in the type of homes available which meet the needs of people as they get older? This is a real challenge we will need to resolve.

What we propose

To deliver safe, affordable homes for Dacorum residents, ensure successful tenancies and encourage efficient, effective housing services, we're committing to:

- Developing the new Local Plan, which will identify what we need to do to address housing requirements by 2036. We plan to send this out for consultation by the autumn of 2019, aiming to have it adopted by 2020. It will aim to set out a range of deliverable sites and homes to meet the needs of the Borough and will maximise the use of brownfield sites and urban densities taking into account the character and appearance of our towns, It will include a policy that sets out the importance of delivering more genuinely affordable homes.
- Using our planning powers to help achieve high quality regeneration in Hemel Hempstead Town Centre and the Two Waters area, building on the masterplans we have already put in place.
- Facilitating the delivery of high quality new housing developments meeting all needs, that people will be proud of living in.
- Working with other South West Hertfordshire authorities to develop a Joint Strategic Local Plan, to identify where cross-boundary growth can help our collective communities. And this will also allow us to secure funding for the infrastructure we need to accommodate new housing.
- Working with St Albans and the Crown Estate to develop a master plan for Hemel Garden Communities – delivering around 12,000 new homes and 8,000 jobs. As part of this plan, we'll make sure that community management models are in place, to help new residents integrate into the area and that the new development works well with existing areas.

- Prepare an Infrastructure Delivery Plan that will identify the schools, roads, transport and other requirements needed to support the borough's continued growth. We'll also maximise the opportunities provided by new technology to deliver effective and efficient transport systems.
- Ensuring that our staff skills are updated and the necessary resources are available to deliver high-quality council services. And we'll look to improve community engagement and interaction, with initiatives such as the Youth Forum and the Tenant Academy.
- Delivering a programme of new council Housing at social rent and work with Housing Associations to maximise their contribution to meeting the housing needs of the Borough.
- Working with the private sector to improve their offer to the market, maintain a continuous supply of available rental homes whilst protecting the rights of tenants.
- Working with the private sector to improve their offer to the market and maintain a continuous supply of available rental homes.
- Preventing buildings used for employment purposes from being converted to housing under permitted development rules by having what is called an Article 4 direction, which will stop this. It will apply to Maylands, and other smaller employment areas.
- Drafting a new housing strategy that will meet the objectives set out above by Spring 2019. This will help ensure we accelerate the supply of homes across all tenures and types.

B. Generating a vibrant economy with opportunities for all

Our vision

A growing, dynamic economy is good news for everyone in Dacorum – not just businesses but workers and residents too. It allows us to make the most of our superb location and transport links, and introduces varied high-value jobs into the area.

A solid base for business

We're fortunate that we already have a strong economy. Unemployment remains very low – at the end of 2018 it was just 1% - and the borough continues to attract high levels of investment. Dacorum is proud to host a diverse range of businesses and employers. Some of the world's biggest companies operate in our borough, while at the other end of the scale a thriving small business sector is supported by partner initiatives like the Enterprise Zone. Our vision is to maintain this diversity, while looking to the future to explore where we can grow the economy.

Driving progress and possibilities

We want to make our economic future a relentlessly positive one and create opportunities for all. To do that, we need to grow our economy to fuel the development of new roads and transport infrastructure. We see a flourishing economy as vital to regenerating and improving our town centres – ensuring they're attractive places to visit, shop, live and work. A vibrant economy will also capture the economic mood and understand key drivers to encourage more investment and build the Dacorum brand. And, of course, it will deliver the volume and variety of jobs we need.

"We want to make our economic future a relentlessly positive one and create opportunities for all."

Steering the economy in the right direction

By ensuring that we are creating the right environment for our economy, we can help control how our borough grows and attract the right type of businesses. We're working hard to develop strong links with the type of organisations we want to bring to the area, like green- and clean-technology firms and those in emerging growth sectors

Maylands is an example of our vision in action – showing just what's possible with a clear and consistent strategy. Regional business centres like Maylands help us to attract the right calibre of employer to the borough. This in turn encourages the development of valuable skills by working in partnership with local educational facilities. And this type of self-sustaining, organic relationship is precisely the balance we're trying to strike with our strategy.

Something for everyone's leisure time

From urban pursuits to serious shopping, Dacorum has it all. The XC extreme sports centre in Hemel Hempstead has a 14-metre climbing wall and skate park, plus an incredible 160-metre indoor caving system, one of the largest in Europe. We have the Snow Centre, a great place to learn to ski and snowboard – all on real snow, no matter what time of year. Our three main town centres offer a wide range of shops and places to meet, eat, drink and relax.

"From urban pursuits to serious shopping, Dacorum has it all."

Benefits for both visitors and residents

As Dacorum expands, the capacity of the attractions and destinations in the borough needs to grow too. We've been working in partnership with local businesses and tourism organisations like Visit Herts to capitalise on what we already have and build a path for the future.

Attracting more visitors means more revenue for local businesses; we want to draw in both domestic and international tourism by further improving the quality and variety of attractions available – this includes the retail and leisure facilities in Dacorum's town centres. At the same time, we want our parks and open spaces to be even better, cleaner and more enjoyable places to be. We'll continue to put on the same variety and quality of events that we always have.

More than anything else, we want people to be excited by the variety and quality of activities in their local area.

What we've achieved so far

The process of building the economy is well underway. So, we have plenty of progress to show you from our efforts over the last 5–10 years.

Incubating growing businesses with the Enterprise Zone

Maylands Gateway was awarded Enterprise Zone status, along with the Building Research Establishment (BRE) and Rothamsted Research. The Local Enterprise Partnership has also been actively working to promote investment from enviro-tech businesses.

Maximising the potential of the Maylands master plan

Adopted in 2007, the plan has continued to drive growth in the wake of the Buncefield explosion. Three of the four corners in the Heart of Maylands have now brought forward regeneration projects, delivering housing, retail units and employment spaces. The area continues to attract significant investment – over £250 million in the 2017–2018 financial year – and in the past few years we have attracted firms such as Royal Mail, Prologis, Amazon and Smiths Industries to locate here.

Supporting entrepreneurs across Dacorum

We're supporting the organisations that give businesses the resources and network they need to succeed. The Hemel Hempstead Business Ambassadors group is a prime example of this – featuring members from around 70 organisations, and now run as a standalone organisation managed by local business leaders – working to promote the area to other firms. We opened our highly successful Maylands Business Centre in 2013, extended it in 2017 and a further satellite centre will open in 2019.

Shining a spotlight on success

The council's Economic Development team continue to deliver successful programmes that support businesses of all sizes. This includes training courses as well as the delivery of both the Dacorum's Den awards and Dacorum Business Heroes at no cost to the council – sponsored entirely by the business community.

Harnessing the potential of Hemel's evolution

Within Hemel Hempstead town centre, the council has completed the Hemel Evolution programme – an urban-realm improvements initiative made possible by securing £70 million in private investment. Hemel Hempstead has also secured a Business Improvement District (BID) award, and will raise nearly £900,000 over a five-year period led by the local business community working with the Council. The BID will fund events, marketing, provide the presence of Ambassadors to assist shoppers and to liaise with retailers, social media presence and additional cleansing. It will be the voice of the Town Centre with bodies like the Council, the Police and transport operators. Also, the first phase of our Maylands urban realm improvement project was completed in 2016.

Investing in Dacorum as a place to visit and enjoy

The value of tourism to the local economy is huge. In 2017, there were over 3.1 million day visits to Dacorum and a further 1.3 million nights spent here, representing a value to the local economy of nearly £270m per annum, supporting over 4,500 jobs. We've been investing in tourism for four years, raising the profile of destinations across the borough. Since 2015, we have seen a 13% rise in day trips. For two of those years we've been working with Hertfordshire's tourism hub, Visit Herts, to monitor the results of our efforts and drive more visitors to Dacorum's destinations. We have created Enjoy Dacorum, our brand for promoting tourism in the Borough. Built through the Enjoy Dacorum Partnership, this dedicated Dacorum tourism website – www.enjoydacorum.co.uk – showcases the very best of what our borough has to offer.

Advancing Dacorum's high streets

In 2016, Hemel Hempstead was a runner-up in the British High Street Awards – testament to the regeneration work that is still ongoing. We've also invested £100,000 into the Tring Town Plan.

Ensuring our historic areas are maintained

History is important to the borough. The word "Dacorum" itself has ancient Roman origins, and every year tens of thousands of visitors come to see our historic sites and museums. That's why we've been considering the potential of using The Bury in Hemel Hempstead into a museum and arts venue. We've also invested in improvements to the Old Town Hall theatre in Hemel Hempstead, a building that dates back to 1852.

Making Jarman Square even more enjoyable

Jarman Square is home to restaurants, a Cineworld cinema with IMAX, a contract-free gym and leisure centre. Dacorum Borough Council has invested in Jarman Square's Planet Ice too, helping it improve its facilities and offer even better experiences.

Attracting sport and media events

Hemel Hempstead was once again the starting point for the last leg of the Tour of Britain, one of the cycling world's toughest races. Hemel has hosted the event twice since 2014, and has hosted the women's final. We've also seen an increase in filming in the borough, which brings additional revenue and prestige.

The challenges we're facing

Ensuring our investment pays back

We need to foster a strong and vibrant economy to make sure that local people benefit from having a range of good employers and well paid secure jobs. By securing private investment this increases economic activity and output and will have a positive effect for the economy – local and national - and the wellbeing of our residents.

Availability of land to build businesses

Land for offices, warehouses, factories and business units is essential if our economy is to develop. The Enterprise Zone at East Hemel Hempstead offers 55 hectares of land, offering new opportunities for investment. But we need to make sure whether more land is needed to ensure our competitive position is maintained and the economy can grow and flourish into the future.

Protecting our town centres

The way we shop and spend leisure time is changing. The impact of internet shopping and, to a lesser extent, out of town retail centres means that the town centres will need to change and include a much wider variety of uses other than shopping, particularly leisure. We need to reinvigorate our town centres to adapt and prosper in the rapidly changing reality of modern retail. We cannot pretend that this will be easy – and there are no easy solutions.

Targeted, sustainable growth

We need to ensure the economy is geared up to harness the potential of growing business sectors. Specifically, we want to make sure our borough is attractive to enviro-tech organisations, which we can support via the Enterprise Zone.

Addressing the skills supply chain

Our economy will only grow if we have the supply of skills to meet the type and number of jobs available. At the same time, we need to find the right balance between jobs requiring significant training and expertise, and those which are open to candidates with more basic skills.

Digital and physical connectivity

The transport network is the lifeblood of our economy, and reliable connections from our homes to places of work are crucial. But the way we work is changing, and digital connectivity is giving rise to more remote and home working. So, that need for connectivity extends to the digital world too, where access to reliable and fast fibre broadband connectivity is vital. Meanwhile, the roll-out of 5G and fibre to the premises will attract progressive employers to the area.

Securing investment to deliver a dynamic economy for the future

Whilst occupancy of business space remains high, the economy doesn't stand still. We need to create the right conditions for business investment in Dacorum building on our great locational and enterprising strengths, to ensure a high value economy can be maintained and improved in the long term. Our vision is of a Borough as a welcome and attractive home to high value businesses in the growth sectors of the future.

Developing Dacorum as a great tourism destination

A growing regional economy and an expanding population provides the great opportunity to promote and develop the Borough's attractiveness for visits, days out and longer term stays, not just to provide enjoyment for our residents and visitors, but to reap the economic benefits of this growing part of the economy. We need the right approach to making space for leisure and tourism developments and securing them, and the right level of promotion and support for businesses to bring out all that is best in Dacorum as a place to visit and enjoy.

What we propose

Nurturing our economy and helping it grow while the wider climate is unpredictable will be a challenge. But it's one we can prepare for, with a considered, clear and consistent plan. That's why we're committing to:

- Maintaining the promotion of Dacorum as a prime location for inward investment, working with organisations like the Hemel Hempstead Business Ambassadors Network and the Herts Local Enterprise Partnership to raise the Gross Value Added per head of the area, keeping employment levels high and unemployment low
- Create a regulatory and policy environment to help emerging sectors flourish – helping business to navigate the complexity of locate and develop new ventures. This will connect with economic development across South West Hertfordshire through the Joint Strategic Plan.
- Work with the Local Enterprise Partnership, Crown Estate and other organisations to deliver a multi-modal transport interchange – connecting two or more types of transportation for people – to serve connections between town centres and Maylands and the Enterprise Zone.
- Ensure a healthy supply of land for businesses and employers across the borough. We'll look at the possibilities for Council-owned land at Green Lane, Maylands and work towards bringing forward developments that are able to meet both the needs of the council and the Enterprise Zone. We will consider whether further land is needed to meet the challenges of the future.
- Work with the Enterprise Zone and partners to ensure further delivery of new developments that meet the needs of investors and provide high-quality employment opportunities. Through this, we'll also look to generate high-value inward investment from target growth sectors like enviro-tech.
- Seek funding from Government and work with agencies to improve fibre and gigabit connectivity for businesses – crucial to the growth of Dacorum today and tomorrow.
- Work with the University of Hertfordshire and West Herts College to ensure we're developing the skills we need to supply emerging growth sectors and new employers entering the borough. As use of artificial intelligence becomes more commonplace this is increasingly important.
- Facilitating good, high value jobs based on the skills that will sustain and develop new and emerging growth sectors.
- Building on Dacorum's entrepreneurial spirit, and the success of the Maylands Business Centre, encourage the creation of business start-ups through our business development activities and our planning requirements to create the spaces for them to set up and flourish.

- Address the role of our town centre high streets in the borough; now and in the future. We'll look to reimagine town centres – helping them to facilitate more social interaction and provide meeting places, sustain the leisure economy, deliver high quality new housing and ensure diversity among retailers with a healthy mix of chains and independents.
- We will support the development of the tourism economy in Dacorum through engagement with tourism promotion agencies and businesses.
- If our bid to secure external funding is successful, we'll deliver the museum and arts venue conversion of The Bury. This will preserve a much-loved building and create a new cultural destination perfect for adults and children alike.

C. A happier, healthier and safer Dacorum

Our vision

We're lucky to live in a country with some of the best healthcare and longest life expectancies in the world – 83 for women and 79 for men. But when it comes to healthcare and wellbeing, we can always do better. Our vision for the next 30 years is to improve every aspect of Dacorum residents' health, safety and wellbeing. The Council doesn't control most of the services that have a direct impact on this but there are many areas that our actions can have a beneficial impact on health and wellbeing.

Exercising our right to health and wellbeing

We already know that our physical activity and diet have an overwhelming impact on our overall health. That's why, together with our service provider Everyone Active, we want to offer accessible activities, gyms, and leisure opportunities across the borough – including ensuring that gym membership is affordable to the widest number of people. And we want to protect – not destroy – open spaces, which can be used for outdoor exercise.

“Our vision for the next 30 years is to improve every aspect of Dacorum residents' health and wellbeing.”

Securing a safer future

We want to continue our focus on safety. And that means looking at everything we do, from gritting roads and creating safe spaces for children to play through to making sure CCTV protects us without limiting civil liberties. We also want Dacorum to be an inclusive, caring borough that seeks to prevent social isolation and homelessness.

In the decades to come, Dacorum Borough Council wants every resident to have the opportunity to be more active, to be healthier and to be even safer.

What we've achieved so far

We've completed a lot of work over the last 10 years. But for us, it's just the beginning. Here are a few of the biggest achievements over the last decade.

Getting active across the borough

'Get set, go Dacorum' was a £250,000 Sport England-funded project to help more local people get fit and stay active across the borough. A total of 3,500 participants have taken part in over 50 different activities so far. We've also overseen extensions to sports facilities across the borough, including the new skate park and plans for an outdoor gym at Gadebridge Park. Our new Physical Activity and Sports Strategy has created the framework for planning for high quality facilities for a wide range of sports and activities.

More cycling across the borough

Cycle Hub is the not-for-profit community cycle centre based at Grovehill/Woodhall Farm Adventure Playground. It's making cycling more accessible for everyone. And with the Tour of Britain pro cycling event now regularly taking place in Dacorum, the borough is becoming a cycling hotspot.

More places for children to play

We've also been encouraging more children to get active: new play equipment has been added to multiple parks and open spaces around the borough, while the new Gadebridge Splash Park and Water Gardens and Hemel Hempstead town centre play areas have just opened. We've also been staging pop-up fitness activities for kids.

Everyone Active partnership

Dacorum Borough Council and Everyone Active have teamed up to provide great-value gyms at local leisure centres. Residents can enjoy contract-free memberships options and clean, friendly gyms.

Dacorum residents are proud to live here

84% of Dacorum residents say they are proud to live in the area. What's more, 71% think that Dacorum Borough Council listens and acts on the concerns of local residents.

Community and care services

A total of over £70,000 of Community Grants are awarded to community groups annually. These have included Kings Langley Community Benefit Society, Sunnyside Community Playgroup, Tring Yarn Bomb, Electric Umbrella and Wigginton Village Shop.

Our contracted voluntary sector services – Reducing Social Isolation, Promoting Healthy relationships, Information Advice and Advocacy, Living Stable Lives and Supporting the Voluntary Sector– have been specifically designed to meet the needs of the community. We have done this by focusing on things such as reducing social isolation among older people, supporting residents develop and maintain healthy relationships, helping households overcome problems of difficult life conditions and helping the voluntary sector to develop and be sustainable.

Fighting crime

The Dacorum Community Safety Partnership demonstrates that tackling crime, where there are rapidly changing trends, through working together and sharing information is more effective. This has been particularly the case on issues such as Domestic Abuse.

Public health

The Council provides a range of public health services through its Environmental Health Service, which ensures that restaurants and food outlets are operating safely, that Health and Safety rules are followed by local employers, together with a range of environmental protection enforcement.

The Private Housing Service ensures the safety of tenants living in private rented accommodation, in particular, Houses in Multiple Occupation making sure all facilities are provided and are safe and that tenants are free from harassment.

Together with the voluntary sector, we assist in supporting people with drug and alcohol problems.

The Council works with HCC, who have responsibility for the Public Health Service, on a range of initiatives that are largely focused on healthy living, in particular improving diet and exercise.

The challenges we're facing

Exercise and obesity

Physical activity levels are falling, fuelling a national obesity crisis that is putting added pressure on the NHS. We need new sporting facilities, more open space and more opportunities for children to play. Tackling obesity in young people is particularly important.

Building new homes

Housing developers want to build more houses, but we're here to encourage and require them to include more open spaces for the benefit and wellbeing of current and future residents. These open spaces must be accessible to all and properly maintained.

An ageing population

There are more people over 65 than ever before – and that number is increasing. In 2016, 18% of the UK population was over 65¹. By 2046 it's expected to be almost 25%. This means health provisioning and care facilities need to expand and increase their capacity. The key to this is ensuring that there is an improvement to primary health care – a focus on prevention and provision of care to ensure conditions don't deteriorate quickly – and we will work with the NHS, the Herts Valleys Clinical Commissioning Group and GPs to deliver on this.

Isolation and loneliness

This ageing population also increases instances of loneliness. Over 2 million people in England over the age of 75 live alone. Many go without speaking to a friend, neighbour or family member for over a month.

Rising crime rates

Reported incidences of knife crime, alcohol and drug-related crimes, anti-social behaviour offences and violent crimes and sexual offences are increasing across the country. More resources need to be provided for the police and fire services if these and other challenges are to be met.

Digital exclusion

As many as 90% of UK adults use the internet. But we need to find a way to ensure the remaining 10% aren't excluded from the benefits of using online services and in some cases being able to access services at all.

Social integration

Britain is proudly multicultural, and that means we all need to work together to ensure integration between communities.

Working as one council in partnership with organisations

Dacorum Borough Council is a group of departments and teams, just like any other organisation. We strive to work together seamlessly with our partner organisations such as the NHS and Sport England – but we can always do more to improve. It's vital that key services – like health provision and infrastructure providers – know what we're doing, what we've got planned and how we can deliver more, working together.

¹ Source: <https://www.ageukmobility.co.uk/mobility-news/article/how-old-is-the-uk>

Pressure on public services

Public sector organisations, whilst faced with budgetary constraints and competing priorities, have the challenge of delivering better services whilst customer expectations continue to rise. This underlines the need for better and more effective partnership working to co-ordinate resources and ensure we are in a good place to secure external funding where it is available.

What we propose

To enable our 2050 vision – and to offer Dacorum residents even safer communities and services – we're committing to:

- Improving our communication and consultation with key stakeholders and the voluntary sector to drive inclusivity. And we'll enhance our information sharing, helping partners benefit from the statistics and insights we hold.
- Actively work within the Community Safety Partnership to monitor crime statistics across the Borough, develop strategies and actions to reduce crime and disorder and to ensure that all organisations involved work to a common purpose.
- Stimulating digital inclusivity – finding ways to help people get online to get access to services affordably and easily, whilst providing face to face contact for those who need it.
- We want Dacorum to be an age-friendly place. We will work with our partner organisations to ensure the needs of the Borough's ageing population are addressed, ensuring inclusivity in the economy, engagement and participation in the community and good access to services.
- Ensuring our Neighbourhood Action Teams hold events in newly developed areas to help with community integration. We'll also make clear requirements of developers to ensure new development is planned to provide, and give, good and easy access to sports, recreational and outdoor activities, and to local services.
- Creating an action plan from our Physical Activity and Sports strategy that encourages the delivery of more sports facilities and opportunities for physical activities across the borough.
- Working with Everyone Active to continue to provide high quality sports and leisure facilities for our residents and businesses.
- Making clear requirements of developers to ensure new development is planned to provide, and give good and easy access to sports, recreational and outdoor activities, and to local services.
- Giving housing developers clear expectations of how they should build in health and wellbeing into new communities and helping them understand who and when they need to engage at the council.
- Working with NHS organisations at all levels to further improve the provision of healthcare services across the borough.
- Ensuring the right stakeholders are at the table when in discussion with Herts County Council. We'll make sure Dacorum's voice is heard.

D. Creating a clean, green and attractive Dacorum

Our vision

Protecting the environment for our residents and future generations is one of the biggest concerns of our times – and rightly so. Councils play a crucial role in helping to reduce plastic use, generate less waste and live more sustainably.

A growing population means more environmental challenges, but we're committed to tackling these head-on. A clean, green environment in Dacorum is achievable, provided we retain a strong vision and implement an ambitious but realistic plan.

More recycling, less waste

We want to be innovative and forward-thinking in the way we approach waste collections, by using low or zero-emission refuse vehicles and convenient, user-friendly collection systems to facilitate more re-use and recycling of waste.

We'll look into providing more home composters and food digesters to prevent the need for the collection of waste in the first place. Where waste is collected for recycling, it will where possible be sent to local re-processors to avoid materials being transported around the world. This will promote the market for sustainable products too.

And, in perhaps our most significant decision, we will minimise as far as possible the need for single-use plastics.

"Ultimately, our vision is a sustainable borough with a strong awareness of its impact on the environment."

Happy residents who enjoy living in their area are more likely to be environmentally aware, which is why we're focusing on developing quality green spaces for people to spend their leisure time in. We'll maintain these spaces in a way that promotes biodiversity – for example, by carrying out less frequent grass-cutting in certain areas and retaining natural play areas. We want make sure these areas are usable for years to come, so we'll implement clear management plans for their upkeep.

We'll also look to reduce the reliance on cars in Dacorum, which will help to protect the environment for everyone and improve air quality across the borough. You can read more about our commitment to transport improvement in the next chapter.

Ultimately, our vision is a sustainable borough with a strong awareness of its impact on the environment. And one that recognises the vital importance of a healthy future for generations of residents to come.

What we've achieved so far

We've already made strides to improve Dacorum's environment through the following initiatives:

Increasing the recycling rate

In 2017/2018, Dacorum had an impressive recycling rate of over 50%. However, we're not complacent – while it's a solid start, we want to improve this over the next 5–10 years.

Retaining our Green Flag awards

The Green Flag Award Scheme recognises well-managed parks and green spaces, and we think it's a real source of pride for our borough. Dacorum holds five Green Flag awards for our parks and open spaces – we want to retain them, and look to win more in the future.

Managing our air quality

We want to make improvements to the environment in Dacorum continuously and air quality is an important issue. That's why we have an Air Quality Action Plan, recognising however that the Council alone cannot solve all the problems. We have assessed the air quality in our borough and designated three areas where we recognise improvements need to be made.

Providing a new Splash Park in Hemel Hempstead

Summer is perfect for enjoying quality time with the family, and we've made that even more fun in the borough with our new Splash Park. As well as enjoying the water, kids and parents can take advantage of the skate park and play areas with climbing frames, slides, swings and balance beams.

Gaining Environmental Management System accreditation

This accreditation provides reassurance that we take our environmental impact seriously – requiring us to measure and improve key indicators.

Maintaining clean streets and open spaces

Our Clean, Safe and Green service features area based multi-functional teams which provides a balanced perspective on services ranging from litter-picking to mowing. This team works together to maintain outdoor spaces in the borough and ensure a pleasant environment for every resident.

The challenges we're facing

We're not complacent about the challenges we face in the future to ensure Dacorum remains a clean, green, safe and sustainable place to live and work. These include:

More homes means more waste management pressure

Projections from Hertfordshire County Council² suggest that in 20 years' time the amount of waste we produce annually will be 200,000 tonnes higher than today. As property development increases in Dacorum, we'll need to be innovative in the way we resource and approach waste collection to maintain a pleasant environment in the borough and ensure we are environmentally sustainable.

Capacity of household waste sites

We currently have 26 neighbourhood recycling sites across the borough where residents can deposit their household waste for recycling free of charge. However, we will need to consider how changing recycling needs and population growth will impact on the capacity of these sites and how we maintain an excellent service in the future.

² Source: Hertfordshire Waste Partnership's Joint Municipal Waste Management Strategy

Sustaining the market for recyclable materials

Globally, only 15% of plastic waste is collected and recycled into secondary plastics each year³. For us in Dacorum, a healthy demand for materials we recycle is essential to our strategy for environmentally friendly waste management.

Reducing single-use plastics

Single-use plastics are a huge threat to environments across the world and have become an increasingly prominent issue over the last couple of years. In Dacorum, we're prioritising the reduction in use of these plastics.

Improving air quality

The quality of the air we breathe is central to our quality of life. Our Air Quality Action Plan demonstrates our commitment to reducing levels of air pollution, and we need to ensure we continue to set ambitious and achievable air quality goals in the future.

A focus on biodiversity

Hertfordshire's Biodiversity Action Plan was among the earliest of its kind to be produced in the UK. It identifies habitats and species that are a priority for conservation action. This is an excellent start, but we need to keep reviewing this to support the biodiversity of our borough.

Litter prevention

A reduction in litter and fly tipping will make the borough a better place to live for everyone. One of our biggest challenges is enforcing prevention policies.

Considering other options for The Bury

The Bury in Hemel Hempstead is a Grade II listed town house, but it is currently unused. Dacorum Borough Council and Dacorum Heritage Trust are working together on ways to transform The Bury into a vibrant museum and arts venue, situated in the gateway to both the Old Town and our Green Flag award-winning Gadebridge Park.

Improving the conditions of the river in Gadebridge Park

The new £1-million splash park in Gadebridge Park has rejuvenated the space and made it a popular destination for families. But we need to do more. The Environment Agency – part of whose role is to ensure the quality of our rivers – has agreed with the Council to realign parts of the river Gade in Gadebridge Park. This will bring its course back to a more natural route, together with new footpaths and boardwalks to enable people to enjoy the river environment better. The impact will mean cleaner water, a better environment for fish and other creatures and will ensure a more natural plant growth.

Managing air quality

Government and EU air quality targets are designed to improve the air that we all breathe. And we need to work harder to cut emissions. As you'll see in the chapter on Transport, we're aiming to reduce the quantity of traffic in key areas throughout the borough.

³ Source: the Organisation for Economic Co-operation and Development (OECD)

What we propose

We're passionate about creating a sustainable Dacorum. To make our environment the best it can be for current and future residents, we will:

- Work to continue the increase in the recycling rate and to minimise the amount of household waste that arises.
- Aim to improve local household waste sites alongside minimising the amount of waste that arises.
- Continue to maintain and enhance our green open spaces, and consider ways how we do this, whilst enhancing biodiversity and ensuring easy access.
- Introduce a range of initiatives to update our biodiversity action plan.
- Improve air quality in line with our Air Quality Action Plan whilst at the same time lobbying government to act on areas that the Council has little or no control over such as emissions from vehicles and encouragement for low pollution transport.
- Effectively enforce litter and fly-tipping prevention measures.
- Significantly reduce single-use plastics in the work of the council.
- Seek to incorporate the best possible sustainability measures in new construction, including energy efficiency in new buildings and the use of renewable technologies.
- Visitors deserve to breathe clean air, just like residents. We will set clear targets for reducing pollutants although it should be recognised, however, that we will be looking to national government and vehicle manufacturers to act to reduce the harmful emissions from cars, buses and lorries.
- Continue to work to increase annual visitor numbers by promoting the reputation of the borough as a place of culture, history and natural beauty – a must-see tourist destination.

E. On-track for a better transport network

Our vision

Dacorum has great transport links. We sit adjacent to the motorway network with direct access to the M1, M25 and the A41. The west coast mainline railway serves five stations and offers fast access to London Euston – just 20 minutes from Hemel Hempstead - and to Birmingham New Street, and now Crewe, to the north. These connections put international air services from Heathrow, Stansted and Luton within easy reach.

However, our networks are congested and getting around is not always easy. With substantial household and population growth daily trips on public transport and roads are set to rise significantly. That's why Dacorum Borough Council, working in partnership with HCC, who are the Transport Authority, aim to create a long-term plan to ensure we're supporting the area's growth and delivering an expanded and completely reimagined transport network – what we refer to as 'sustainable transport'.

Sustainable transport is essential to the Borough's economic success. People need to get to work, go shopping and explore every opportunity on offer in Dacorum. The transport network is the life-blood of the entire county.

Although we are not the transport authority, we are working together with Hertfordshire County Council and public transport providers and the Transport Systems Catapult, to ensure trains, roads, buses and cycle routes are fit for purpose. Are bus services good enough to support those communities not served by train stations? Do timetables make sense for largest number of people? How do we expand our road network while minimising our impact on the environment? These are all key questions that we, with our partner organisations, need to address.

Road transport is essential to the UK's prosperity, but many urban areas cannot sustain the present growth in road traffic. More cars mean new roads, increased congestion, and costlier parking.

Everyone in the Dacorum area deserves easy access to shops, parks, schools and their place of work.

Our vision is a sustainable, easily accessible transport network: one that makes it easy to pay for travel with simple, integrated fares and smart ticketing. And a system that means public transport is the preferred option, reducing our reliance on cars.

What we've achieved so far

In the last five years, Dacorum Borough Council has been working hard to improve transport across the area.

- **Hemel Hempstead bus interchange**

As part of the Hemel Evolution Regeneration programme we've created a new bus interchange, offering improved access to the town centre.

- **Hemel Hempstead Old Town traffic improvements**

Hemel Old Town has been given a new lease of life with a high-quality regeneration project. The new one-way system has greatly improved traffic flow and reduced congestion.

- **The Marlowes and Water Gardens regeneration**

New public information systems and bus stop upgrades have improved pedestrian access to the town centre, while the Marlowes and Water Gardens have been transformed. This has attracted retailers, private investment and housing.

- **Maylands Growth Corridor Work**

Extensive work around the Maylands Growth Corridor, plus planned work to Junction 8 of the M1 motorway and Breakspear Way will ease congestion and pave the way for new homes and jobs. Shared walking and cycling routes have been installed between Hemel Hempstead Station and the town centre.

- **Easier access to our stations**

We've engaged with Network Rail, the Train Operating Companies and Hertfordshire County Council on plans to improve the passenger transport facilities at Hemel Hempstead station in conjunction with regeneration plans for the area, lifting its quality and also providing new homes. Pedestrian access to Hemel Hempstead Station has been improved. For example, walkways to and from Heath Park have been upgraded. Encouraging pedestrian and cycle access is a crucial part of reducing vehicle traffic around the station.

- **The shift to more sustainable transport**

The South West Herts Growth and Transport Plan has started identifying opportunities to move towards more sustainable transport. Reducing single occupancy car journeys is central to this plan. The new draft A414 strategy looks at improving connections between Hemel Hempstead, Welwyn Garden City, Hertford and Harlow and delivering better public transport facilities.

The challenges we're facing

Technology travels fast

Technological progress never slows, especially in the field of transport. Electric cars, driverless cars, and electric bikes are either already here or just around the corner. Future planning policy needs to support these innovations and more: we need to ensure that we build in as much flexibility to allow for technologies that haven't yet emerged.

Ensuring the right approach to car parking

Planning policy allows developers to develop housing with a lower parking provision than local people would like (worrying that this will exacerbate difficulties with on street parking). Whilst the Council will have its own parking standards they may be challenged by developers as being too generous. The rationale behind government policy is that sustainable public transport will allow these lower figures hence our work, together with Herts County Council who are responsible for public transport, to improve how it operates.

The position of the rail station

Hemel Hempstead rail station is located just out of town, making it difficult for commuters to move between the station and their homes or places of work. We can't change this however. Our priority must be to make it easier for people to move between the station, the town and residential areas is essential to reduce local congestion.

Joining the dots of the cycle network

We've made good progress building a mature network of cycling routes, but they're not joined seamlessly. All routes should be safe and well-lit – and ideally not shared with cars and other road traffic.

Old habits are hard to change

Reducing road congestion and changing the approach to parking means behaviours will need to change. How do we encourage residents to move away from car ownership and towards public transport, walking and cycling? The honest answer here is that cultural change such as this takes both time and the provision of credible alternatives where we will press the government and private providers.

What we propose

We're committed to tackling the transport challenges that Dacorum faces, with a carefully considered action plan to be delivered with key agencies. So, to build a better future for Dacorum, we will:

- Help to deliver the South West Herts Growth and Transport Plan – which sets out the key transport projects for the area to support growth - working with HCC and seek to implement those projects within the Council area.
- Bring forward a sustainable transport strategy for the whole of Hemel Hempstead in conjunction with the Hemel Garden Communities programme to improve movement across the town and make it easier for people to walk, cycle and use public transport.
- Through the Enterprise Zone and the Hemel Garden Communities programme, work with our partners to deliver major highway and transport improvements to Maylands and East Hemel Hempstead, and access to the M1 motorway using funds generated by the new developments.
- Consider how new innovations in helping people to get about, including the use of smart technology and demand-responsive transport, can be encouraged.
- Work to investigate a cycle scheme similar to London's 'Boris Bikes'. We would also investigate how we might be able to bring low-cost, accessible electric bikes to key sites, such as the rail stations and Maylands.
- Making improvements to access arrangements to the Water Gardens car parks and making the area more friendly to pedestrians.
- Work has begun on a new multi-storey car park in Berkhamsted. This will make it easier for people to use the town centre and sustain the local economy.
- Use Section 106 agreements (public benefits from developers included as part of commercial planning approvals) and Community Infrastructure Levy (CIL) income to help fund and deploy sustainable transport options.
- Ensure sustainable transport measures are included in all development on new greenfield sites as part of our master planning.
- Consider the solutions to providing a commuter-friendly fast link between Maylands and Hemel Hempstead station thus increasing the chances of attracting new business.
- Encouraging walking and cycling through the development of safe, signposted and well lit quiet ways' in new and existing developments.
- Encourage residents to move to multi-occupant transport schemes (car sharing, park and ride, buses) making it a viable, safe and popular choice for everyone.

- Develop a strategic level 'green travel plan' and agree targets for a drop-in car journeys.

F. Harnessing the opportunity of technology and digital connectivity

Our vision

Technology moves fast. It's vital that we embrace this progressive and dynamic world if we're to revitalise how we work as a council, and deliver local services in a relevant way. Used effectively, technology should make life easier for residents and businesses across our borough.

We must ensure that as a community we're keeping up with technology and that everyone can access and use our digital services effectively. This is particularly important for an ageing population that hasn't grown up with digital platforms, as it can feel overwhelming. That's why we'll continue to put people at the heart of how we design and deliver public services – especially when they're being delivered through digital channels.

It will be important to ensure that Dacorum as a whole doesn't get left behind when new technologies are being rolled out – this is vital for businesses and residents alike.

Creating a connection

It's important that we create policy changes to support the roll out of ultra-fast fibre broadband and 5G (as well as faster future mobile bandwidths). This is vital as the adoption of new technology trends will hinge on connectivity.

The Internet of Things (IoT) – which enables everyday items to connect to the internet and exchange data with other devices – means that many devices and systems will be networked in the near future. From our perspective, this is really exciting because IoT-enabled devices and sensors give us endless possibilities for public service improvements – from connected CCTV systems to smart traffic lights.

“We will continue to put people at the heart of how we design and deliver public services – especially when they're being delivered through digital channels.”

Tackling challenges with technology

We will implement our own localised plans as part of the Government's 2017 Industrial Strategy. Technology is key to addressing four of the most pressing challenges in this strategy: Artificial Intelligence (AI) and data; an ageing society; clean growth; and the future of mobility.

Our vision for how we harness technology sees us introducing digital services that will transform the way that the council works and the way people live for the better. And we will be working to ensure these advantages are available to residents and businesses. Technology has the potential to increase productivity, drive economic growth, create jobs, connect individuals and improve how services are provided. And we want to make the most of that potential for the benefit of everyone in Dacorum.

What we've achieved so far

Over the past five years the Council has already implemented a number of changes.

- **Modernising council working practices**

Flexible and remote working was introduced, which we found not only maximises desk space within our offices, but makes our workforce far more resilient. And, as part of this process, staff were provided with better mobile tablets and laptops for more effective remote working.

- **Becoming more efficient**

We've also reduced the amount of physical document storage in our building. We've reduced the use of paper dramatically and continue to take steps to minimise its use.

- **Remote access to council services**

We delivered a series of projects to improve remote access to council services. These include providing small businesses with virtual assistants and installing better telecare systems for residents in assisted living housing. Our new My Dacorum facility is helping our customers access a wide range of services online.

- **Improved council communications**

By increasing our use of digital media, we have been able to communicate more effectively with the community and share information more frequently. We have designed and now operate the MyDacorum portal so our residents can access a range of Council services under one easy to use account.

Created the Hertfordshire Enviro-Tech Enterprise Zone

Working with St Albans and Herts County Council the Enterprise Zone encompasses Rothamsted Research, the Building Research Establishment and an area of over 200 acres in Maylands and East of Hemel Hempstead. It will focus on attracting and retaining a wide range of hi-tech employers and creating up to 8000 new jobs and plans to offer the latest full fibre and 5G connectivity.

The challenges we're facing

Keeping up with technology

Technology is moving at a rapid pace and that makes future planning a challenge. We need to be ready for technologies that haven't even fully emerged yet. We have to make sure we can maximise the opportunities that technology will bring, now and in the future.

The right skills and knowledge

Our working practices need to be futureproofed. Council staff must have the right skills and knowledge to make the most of new opportunities with technology. We also need to be working with employers and training providers to ensure these skills are available in the community.

Network coverage

We're aiming to reach the point where ultra-fast fibre connectivity and 5G is universally accessible across the borough. Currently, rural coverage can be patchy in some areas across the borough.

Accessing and acting on data

The Internet of Things allows us to access useful data and run our services more efficiently. We need to explore how we can begin to collect and use this data to benefit residents and businesses.

What we propose

We need to address the challenges that we face as technology develops, and also to make the most of the opportunities technology brings. We will:

- Seek to ensure the best coverage of full fibre and 5G connectivity, and enhance the Borough's appeal and offer to inward investors.
- Encourage the installation of the technology infrastructure required for full digital connectivity so communities, the economy and the environment can see the benefits. Where possible, we will use our assets to help site key infrastructure needed to provide full fibre connectivity.
- We will maximise the use of digital connectivity in the town centre.
- Ensure sufficient skills and knowledge of technology is developed within the council with particular regard to meeting the service requirements of a growing population, and making access to services easier.
- Create policy through the Local Plan to ensure the rollout of super-fast fibre broadband connectivity and 5G (and future generations) is achieved in conjunction with new developments.
- Support local businesses to make use of the help available through the Government's Industrial Strategy to access new technology. Make sure that businesses are able to access the highest-speed broadband available. This will be an ongoing task for us.
- Through active participation within the Enterprise Zone, ensure the delivery of the major transport improvements to Junction 8 of the M1 and the road network through Maylands.
- Ensure that the branding and marketing of the Enterprise Zone is effective in attractive a wide range of employers with a particular focus on the high tech environmental sector and to deliver 8000 new jobs by 2050.

1. DACORUM FUTURES – EXECUTIVE SUMMARY

“This strategy sets out the foundations for our how we deal with a rapidly growing community in anticipating change and preparing for it well in advance, in ways that ensure we keep a wonderful environment, have the services and facilities that local people need - solving the challenges we’re facing today, while building for tomorrow, too.”

Councillor Andrew Williams, Leader of the Council February 2019

2. WHY DO WE NEED A STRATEGY?

We all know that things change very quickly these days – the way we live, work, travel, learn and enjoy ourselves. This brings forward exciting opportunities to make the future better than now but this won’t happen by accident. It will require an approach – a clear vision – of how we want to shape the future as a community. This means we have to be clear about the things we need to do ensure that we don’t get left behind. And we need to have a clear strategy for how we are going to make things happen. This is why we have created a strategy to articulate what sort of future we want and how we are going to deliver it.

The next few decades could see major growth and investment of in the Borough through the creation of new communities and jobs and we want to get it right. This process is exciting. It gives us the chance to grasp opportunities and build for the future, while solving some of the challenges we face in our Borough today. This investment – in jobs, homes, transport and other infrastructure – will come but if we don’t act to shape it, it’s going to happen anyway – with no guarantee that the best interests of the borough will be addressed. The future presents us with a range of opportunities and challenges, which the six key theme areas of this Strategy cover.

There will be huge investment from the private sector into the economy that will see thousands of jobs created much of which will be in the sectors of the future – technology, environmental resilience, improvement and protection – as well as more efficient and effective ways of delivering the services and goods we need. Perhaps the biggest change, challenge and opportunity coming the way of Dacorum (and the rest of the Home Counties area) is the need for an accelerated delivery of new housing. Whilst our new Local Plan will determine the appropriate level of growth, the evidence points towards a considerable step-change in the amount and rate of development, which ranges from between a doubling of what the Borough has been used to over the past 20 years or so. The context for future growth and expansion is therefore high and pressing.

All of this needs to be done in a way that maintains and enhances the great qualities that Dacorum has – vibrant communities, high quality countryside and a great place to live, work and enjoy. This strategy sets out how the Council will act to achieve this and the Local Plan, which will be out for consultation later this year, will set out where development will happen and what sort of development we are seeking.

Responding to, planning for and managing opportunity and change requires us to take a new approach, working with our residents, businesses, Government and our partner organisations. It starts with a vision and a clear set of objectives, which this Strategy sets out. It will require us to subsequently develop a proactive plan of action which co-ordinates the work of all stakeholders, consider new development delivery models and set a framework for investment in the Borough to ensure the development we need, and the infrastructure to support it is delivered.

Opportunity and Change as positive forces

We've created this strategy to ensure we make the most of the potential benefits on offer for our borough. It's essentially a plan that helps us ensure the key areas that we look after are connected, coordinated, and working towards a common goal. This strategy sets out the foundations for our policies and services in a way that solves the challenges we're facing today, while building for tomorrow, too. And it's the product of the Council working collaboratively with partners and stakeholders across our community. We will continue to engage with residents, organisations and businesses. This is a plan that will deliver benefits for everyone.

This vision will steer how we deliver a range of services, including: high quality housing and new housing delivery; economic and business development; health and wellbeing; parks, open spaces and tourism; the environment; transport; and technology. It will also help us to identify how we can work with others to achieve our overall vision for Dacorum.

3. OUR VISION FOR DACORUM – FROM TODAY UNTIL 2050

We want Dacorum to be known as:

- A place where everyone has the best start in life.
- A place where both residents and businesses have the opportunity to meet – even exceed - expectations.
- A place where families and young people are welcome, where older people are valued, and where the vulnerable can get the help they need.

But what does that vision mean when it comes to some of the things that matter the most to you? It means...

... for the economy

A vibrant economy that makes the most of its location and its transport links, as well as offering varied high-value jobs. One that attracts businesses in emerging growth sectors, keeps unemployment low and continues to attract high levels of investment by working with the business community.

... for housing

A borough where people have access to a range of quality homes to meet everyone's needs irrespective of their income. And where effective use is made of land across our towns and villages, meeting the locally generated demand for new homes while protecting the countryside and existing communities.

... for health and wellbeing

A place where people can lead healthy lives, in a society that's safe and where the local community is engaged. An area where a better understanding of how to stay healthy is encouraged, and where everyone enjoys access to green space. Where the latest technology can be harnessed to help keep residents safe. And where leisure services are delivered that promote individual and community wellbeing.

... **for tourism**

A buoyant visitor economy that capitalises on attractions both within the borough and on our doorstep. A tourism industry that enhances the reputation of the borough, improves our parks and gardens, and provides access to attractive leisure activities.

... **for the environment**

A borough that preserves and protects its local environment, placing an emphasis on green initiatives such as recycling, air quality monitoring and sustainable transport. Somewhere with plenty of well-maintained green spaces, where the environment is flourishing.

... **for travel**

An area where people can travel easily and sustainably, and move between their homes, jobs and leisure activities within the borough and further afield. A transport network that has a positive influence on our quality life, where people feel connected to shops, parks, schools, their place of work or worship – and to one another.

... **for technology**

A place that makes the most of technology to deliver services to all, powered by excellent internet connectivity. We want our residents, businesses and voluntary sector partners to be able to access and use digital services effectively (whilst providing personal face to face contact where needed), which will transform the way that people live and work, as well as improving council service delivery.

4. WHAT WE PROPOSE FOR THE THINGS THAT MATTER TO YOU

A. Building Dacorum's future with homes for everyone

To deliver safe, affordable homes for Dacorum residents, ensure successful tenancies and encourage efficient, effective housing services, we're committing to:

- Developing the new Local Plan, which will identify what we need to do to address housing requirements by 2036. We plan to send this out for consultation by the autumn of 2019, aiming to have it adopted by 2020. It will aim to set out a range of deliverable sites and homes to meet the needs of the Borough and will maximise the use of brownfield sites and urban densities taking into account the character and appearance of our towns, It will include a policy that sets out the importance of delivering more genuinely affordable homes.
- Using our planning powers to help achieve high quality regeneration in Hemel Hempstead Town Centre and the Two Waters area, building on the masterplans we have already put in place.
- Facilitating the delivery of high quality new housing developments, meeting all needs, and that people will be proud of living in.

- Working with other South West Hertfordshire authorities to develop a Joint Strategic Local Plan, to identify where cross-boundary growth can help our collective communities. And this will also allow us to secure funding for the infrastructure we need to accommodate new housing.
- Working with St Albans and the Crown Estate to develop a master plan for Hemel Garden Communities – delivering around 12,000 new homes and 8,000 jobs. As part of this plan, we'll make sure that community management models are in place, to help new residents integrate into the area and that the new development works well with existing areas.
- Prepare an Infrastructure Delivery Plan that will identify the roads, transport and other requirements needed to support the borough's continued growth. We'll also maximise the opportunities provided by new technology to deliver effective and efficient transport systems.
- Ensuring that our staff skills are updated and the necessary resources are available to deliver high-quality council services. And we'll look to improve community engagement and interaction, with initiatives such as the Youth Forum and the Tenant Academy.
- Delivering a programme of new council Housing at social rent and work with Housing Associations to maximise their contribution to meeting the housing needs of the Borough.
- Working with the private sector to improve their offer to the market, maintain a continuous supply of available rental homes whilst protecting the rights of tenants.
- Working with the private sector to improve their offer to the market and maintain a continuous supply of available rental homes.
- Preventing buildings used for employment purposes from being converted to housing under permitted development rules by having what is called an Article 4 direction, which will stop this. It will apply to Maylands, and other smaller employment areas.
- Drafting a new housing strategy that will meet the objectives set out above by Spring 2019. This will help ensure we accelerate the supply of homes across all tenures and types.

B. Generating a vibrant economy with opportunities for all

Nurturing our economy and helping it grow while the wider climate is unpredictable will be a challenge. But it's one we can prepare for, with a considered, clear and consistent plan. That's why we're committing to:

- Maintaining the promotion of Dacorum as a prime location for inward investment, working with organisations like the Hemel Hempstead Business Ambassadors Network and the Herts Local Enterprise Partnership to raise the Gross Value Added per head of the area, keeping employment levels high and unemployment low

- Create a regulatory and policy environment to help emerging sectors flourish. This will connect with economic development across South West Hertfordshire through the Joint Strategic Plan.
- Work with the Local Enterprise Partnership, Crown Estate and other organisations to deliver a multi-modal transport interchange – connecting two or more types of transportation for people – to serve connections between town centres and Maylands and the Enterprise Zone.
- Ensure a healthy supply of land for businesses and employers across the borough. We'll look at the possibilities for Council-owned land at Green Lane, Maylands and work towards bringing forward developments that are able to meet both the needs of the council and the Enterprise Zone. We will consider whether further land is needed to meet the challenges of the future.
- Work with the Enterprise Zone and partners to ensure further delivery of new developments that meet the needs of investors and provide high-quality employment opportunities. Through this, we'll also look to generate high-value inward investment from target growth sectors like enviro-tech.
- Seek funding from Government and work with agencies to improve fibre and gigabit connectivity for businesses – crucial to the growth of Dacorum today and tomorrow.
- Work with University of Hertfordshire and West Herts College to ensure we're developing the skills we need to supply emerging growth sectors and new employers entering the borough. As artificial intelligence becomes more commonplace – where computers and machines take human jobs – this is increasingly important.
- Facilitating good, high value jobs based on the skills that will sustain and develop new and emerging growth sectors.
- Building on Dacorum's entrepreneurial spirit, and the success of the Maylands Business Centre, encourage the creation of business start-ups through our business development activities and our planning requirements to create the spaces for them to set up and flourish.
- Address the role of our town centre high streets in the borough; now and in the future. We'll look to reimagine town centres – helping them to facilitate more social interaction and provide meeting places, sustain the leisure economy, deliver high quality new housing and ensure diversity among retailers with a healthy mix of chains and independents.
- We will support the development of the tourism economy in Dacorum through engagement with tourism promotion agencies and businesses.
- If our bid to secure external funding is successful, we'll deliver the museum and arts venue conversion of The Bury. This will preserve a much-loved building and create a new cultural destination perfect for adults and children alike.

C. A happier, healthier and safer Dacorum

To enable our 2050 plan – and to offer Dacorum residents even safer communities and services – we’re committing to:

- Improving our communication and consultation with key stakeholders and the voluntary sector to drive inclusivity. And we’ll enhance our information sharing, helping partners benefit from the statistics and insights we hold.
- Actively work within the Community Safety Partnership to monitor crime statistics across the Borough, develop strategies and actions to reduce crime and disorder and to ensure that all organisations involved work to a common purpose.
- Stimulating digital inclusivity – finding ways to help people get online to get access to services affordably and easily, whilst providing face to face contact for those who need it.
- We want Dacorum to be an age-friendly place. We will work with our partner organisations to ensure the needs of the Borough’s ageing population are addressed, ensuring inclusivity in the economy, engagement and participation in the community and good access to services.
- Ensuring our Neighbourhood Action Teams hold events in newly developed areas to help with community integration. We’ll also make clear requirements of developers to ensure new development is planned to provide, and give, good and easy access to sports, recreational and outdoor activities, and to local services.
- Creating an action plan that encourages the delivery of more sports facilities and opportunities for physical activities across the borough.
- Working with Everyone Active to continue to provide high quality sports and leisure facilities for our residents and businesses.
- Making clear requirements of developers to ensure new development is planned to provide, and give good and easy access to, sports, recreational and outdoor activities, and to local services.
- Giving housing developers clear expectations of how they should build in health and wellbeing into new communities and helping them understand who and when they need to engage at the council.
- Working with NHS organisations at all levels to further improve the provision of healthcare services across the borough.
- Ensuring the right stakeholders are at the table when in discussion with Herts County Council. We’ll make sure Dacorum’s voice is heard.
- We’re passionate about creating a sustainable Dacorum. To make our environment the best it can be for current and future residents, we will:

- Work to continue the increase in the recycling rate and to minimise the amount of household waste that arises.
- Aim to improve local household waste sites alongside minimising the amount of waste that arises.
- Continue to maintain and enhance our green open spaces, and consider ways how we do this, whilst enhancing biodiversity and ensuring easy access.
- Introduce a range of initiatives to update our biodiversity action plan.
- Improve air quality in line with our Air Quality Action Plan whilst at the same time lobbying government to act on areas that the Council has little or no control over such as emissions from vehicles and encouragement for low pollution transport.
- Effectively enforce litter and fly-tipping prevention measures.
- Significantly reduce single-use plastics in the work of the council.
- Seek to incorporate the best possible sustainability measures in new construction, including energy efficiency in new buildings and the use of renewable technologies.
- Visitors deserve to breathe clean air, just like residents. We will set clear targets for reducing pollutants. It should be recognised, however, that we will be looking to national government and in particular vehicle manufacturers to act to reduce the harmful emissions from cars, buses and lorries.
- Continue to work to increase annual visitor numbers by promoting the reputation of the borough as a place of culture, history and natural beauty – a must-see tourist destination.

D. On-track for a better transport network

We're committed to tackling the transport challenges that Dacorum faces, with a carefully considered action plan to be delivered with key agencies. So, to build a better future for Dacorum, we will:

- Help to deliver the South West Herts Growth and Transport Plan – which sets out the key transport projects for the area to support growth - working with HCC and seek to implement those projects within the Council area.
- Bring forward a sustainable transport strategy for the whole of Hemel Hempstead in conjunction with the Hemel Garden Communities programme to improve movement across the town and make it easier for people to walk, cycle and use public transport.

- Through the Enterprise Zone and the Hemel Garden Communities programme, work with our partners to deliver major highway and transport improvements to Maylands and East Hemel Hempstead, and access to the M1 motorway using funds generated by the new developments.
- Consider new innovations in helping people to get about, including the use of smart technology and demand-responsive transport.
- Work to investigate a cycle scheme similar to London's 'Boris Bikes'. We would also investigate how we might be able to bring low-cost, accessible electric bikes to key sites, such as the rail stations and Maylands.
- Making improvements to access arrangements to the Water Gardens car parks and making the area more friendly to pedestrians.
- Work has begun on a new multi-storey car park in Berkhamsted. These changes will make it easier for people to use our town centres and sustain the local economy.
- Use Section 106 agreements (public benefits from developers included as part of commercial planning approvals) and Community Infrastructure Levy (CIL) income to help fund and deploy sustainable transport options.
- Ensure sustainable transport measures are included in all development on new greenfield sites as part of our master planning.
- Consider the solutions to providing a commuter-friendly fast link between Maylands and Hemel Hempstead station thus increasing the chances of attracting new business.
- Encouraging walking and cycling through the development of safe, signposted and well lit quiet ways' in new and existing developments.
- Encourage residents to move to multi-occupant transport schemes (car sharing, park and
- ride, buses) making it a viable, safe and popular choice for everyone.
- Develop a strategic level 'green travel plan' and agree targets for a drop-in car journeys.

E. Harnessing the opportunity of technology and digital connectivity

We need to address the challenges that we face as technology develops, and also to make the most of the opportunities technology brings. We will:

- Seek to ensure the best coverage of full fibre and 5G connectivity, and enhance the Borough's appeal and offer to inward investors.
- Encourage the installation of the technology infrastructure required for full digital connectivity so communities, the economy and the environment can see the benefits. Where possible, we will use our

assets to help site key infrastructure needed to provide full fibre connectivity.

- We will maximise the use of digital connectivity in the town centre.
- Ensure sufficient skills and knowledge of technology develops within the council, with particular regard to meeting the service requirements of a growing population, and making access to services easier.
- Create policy through the Local Plan changes to ensure the rollout of super-fast fibre broadband connectivity and 5G (and future generations) is achieved in conjunction with new developments.
- Support local businesses to make use of the help available through the Government's Industrial Strategy to access new technology. Make sure that businesses are able to access the highest-speed broadband available. This will be an ongoing task for us.
- Through active participation within the Enterprise Zone, ensure the delivery of the major transport improvements to Junction 8 of the M1 and the road network through Maylands.
- Ensure that the branding and marketing of the Enterprise Zone is effective in attractive a wide range of employers with a particular focus on the high tech environmental sector and to deliver 8000 new jobs by 2050.

Agenda Item 12



Report for:	Cabinet
Date of meeting:	12 February 2019
PART:	1
If Part II, reason:	

Title of report:	New Normal Programme
Contact:	<p>Cllr Andrew Williams – Leader of the Council Cllr David Collins – Portfolio Holder for Corporate and Contracted Services</p> <p>Author/Responsible Officers: Sally Marshall – Chief Executive Linda Roberts – Assistant Director (Performance, People & Innovation)</p>
Purpose of report:	To brief members on the New Normal Programme which is a council wide approach to continuous improvement and change management and seek Cabinet approval for the “New Normal Strategy”
Recommendations	That Cabinet approve the New Normal Strategy
Corporate objectives:	Delivering an efficient and modern Council
Risk Implications	<p>Change occurs continuously by adopting a Council wide approach to change management it enhances the Council’s ability to examine opportunities presented by change; to avoid duplication of effort and ensure the maximum services benefit from improvements.</p> <p>The main risk for this type of activity is that it is a programme of work that has to be managed. This has been mitigated by the development of a programme structure with clear sponsorship and direction, using existing approval mechanisms and will be widely communicated going forward.</p>
Equalities Implications	No implications from this report. An equalities impact assessment will be undertaken in respect of programme of projects contained within the four work streams.
Health And Safety	No implications from this report.

Implications	
Monitoring Officer/S.151 Officer Comments	<p>Monitoring Officer:</p> <p>All projects agreed under the New Normal Programme will follow the Council's project management guidance and constitutional rules to ensure required approvals are obtained and project outcomes are properly monitored and reported.</p> <p>Deputy S.151 Officer</p> <p>There are no initial financial implications of this strategy. As the programme develops proposals, business cases including any financial implications will be submitted for approval, in line with Dacorum financial regulations.</p>
Consultees:	<p>James Deane (Corporate Director Finance and Operations)</p> <p>Mark Gaynor (Corporate Director Housing and Planning)</p> <p>Mark Brookes (Assistant Director Corporate and Contracted Services)</p> <p>Corporate Management Team</p> <p>Leadership Team</p> <p>Cabinet</p> <p>Finance and Resources Overview and Scrutiny</p>
Background papers:	<p>CPC feedback presentation Dacorum</p> <p>http://dennis/sites/iandi/_layouts/15/WopiFrame.aspx?sourcedoc=/sites/iandi/Robs%20Handover/Corporate%20Peer%20Review/CPC%20feedback%20presentation%20Dacorum.ppt&action=default&DefaultItemOpen=1</p>
Glossary of acronyms and any other abbreviations used in this report:	<p>CPC – LGA Corporate Peer Challenge review</p> <p>PID – Project Initiation Document</p>
Appendices	<p>Appendix 1 – New Normal strategy</p>

Background

1. In July 2016, the LGA conducted a Corporate Peer Challenge (CPC) and overall were impressed with the performance of Dacorum Borough Council (DBC) both managerially and politically. However, there is a recognition that the Council, its elected members and officers need to ensure a culture of continuous improvement is embedded within the organisation, given that society is continuously changing. As a result the Council needs to be in a position to adapt its approach to service delivery to meet these needs.
2. It is recognised that much change has happened in recent years:
 - £30m Hemel Hempstead regeneration programme
 - Dacorum Borough Council move to the Forum
 - Increase in demand and provision of new homes
3. This programme of direct investment has been achieved within a constrained local government financial environment at a time when demand for services has increased but whilst protecting the delivery of front-line services.
4. The CPC findings were presented to Cabinet following the review. One observation from the CPC review was that “DBC needs greater clarity in its change management approach”. In addition, there is a need to ensure that a culture of continuous improvement is embedded and ensure that DBC is able to prioritise resources to deliver work-plans that deliver the maximum benefit.
5. It was important to define the approach not as a “transformation programme” as that can imply that the starting point is bad, whereas DBC is starting from a good base.
6. It is key that people within the organisation recognise that change is constant, and change is normal, and that by going through change in a structured, managed way the Council can deliver the “New Normal”; hence the **New Normal** programme
7. During facilitated workshops, Cabinet and Corporate Management Team, together with the feedback received from an LGA Corporate Peer Review, have identified some key areas for further development, to enable DBC to continue to deliver quality services in a constantly challenging and changing environment.
8. This strategy outlines the Council’s approach to change management and recognises that the Council, its elected Members and Officers need to ensure a culture of continuous improvement is embedded within the organisation, given that society is continuously changing.
9. As a result, the Council needs to be in a position to adapt its approach to service delivery to meet these needs. Whilst this is predominantly an internally focused strategy, its outcomes will affect the Council’s relationships with its Residents, Communities and Partners. The three key areas of focus of the strategy are:
 - Ways of Working;
 - Partnership

- Leadership.
10. A work programme developed in each of these areas will support the strategy.

Developing the Strategy

11. The Council is committed to being a “modern and efficient Council but with a human face”. Central to delivering this commitment, will be to incorporate within change management initiatives the approaches summarised and illustrated in the model shown page 7 of the strategy.
12. New Normal” is a programme that covers the way things are done in DBC. From defining how service delivery models will be developed, implementing new operating models and systems to support new ways of working through to supporting staff in the development of their skills to respond to the challenges being faced.
13. In addition to new ways of working and new systems, this strategy will also support the development of the organisation’s cultural approach in particular, how this supports the behaviours and ways of working the Council wants to promote.

Programme Management and Governance

14. The New Normal programme structure is shown on page 11 of the strategy, and has the full support of the Chief Executive and the Chief Officer Group.
15. The Programme Director will oversee the whole programme to ensure that there is no unnecessary duplication of effort, and that resource is prioritised to the projects with the highest priority
16. There are three themes broken down into four work-streams: Leadership, Partnerships, Systems, People, and all have a Sponsor and Lead. Each work-stream has business representatives who will work with cross-council teams to develop and discuss ideas for improvement. All work-streams will use the same prioritisation tool to help with priority setting.
17. The resulting priority projects will be described in a mini Project Initiation Document (PID), and presented to the New Normal Programme Board for approval. Only when approved will a full PID be prepared which will seek approval and funding through the Council’s normal channels.
18. The New Normal Programme will utilise existing governance arrangements and follow finance regulations and procurement and standing orders as required.
19. The diagram on page 12 of the strategy illustrates the governance of the Programme.

Next Steps

20. The draft programme was launched to staff at the Staff Conference on 21 November 2018. Their involvement in the development of the projects will be

essential to the success, and ultimate improvement of the provision of services.

21. The work-streams have been convened and initial “kick off” meetings held to clarify the scope and objectives for the work-streams. These are described in the strategy document.
22. During February 2019, each work-stream is holding a workshop, the purpose of which will be to start to generate ideas and projects for inclusion within the change programme. These projects will be prioritised to ensure the best use of resources.
23. Members will be engaged in specific projects through relevant work-streams as they are developed and progress through the governance.

Recommendation

That Cabinet approve the New Normal Strategy.



New Normal Strategy 2019 to 2024

Produced February 2019

Date of publication	12 February 2019	Date of last version	12 February 2019
Version no	1.0	Date for Review	May 2020
<p>Associated documents:</p> <p>Corporate Plan - 2015 to 2020</p> <p>Medium Term Financial Strategy - 2017/18 to 2021/22</p> <p>Growth and Infrastructure Strategy - 2018/19 to 2036</p> <p>People Strategy – 2017 to 2020</p> <p>Technology and Digital Transformation Strategy - 2017 to 2020</p>			
Sponsoring Member: Leader of the Council		Sponsoring Officer: Chief Executive	
Portfolio Holder: Portfolio Holder for Corporate and Contracted Services		Responsible Officer: Assistant Director – People, Performance and Innovation	

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Introduction

This strategy outlines the Council's approach to change management and recognises that the Council, its elected members and officers need to ensure a culture of continuous improvement is embedded within the organisation, given that society is continuously changing. As a result our organisation needs to be in a position to adapt our approach to service delivery to meet these needs.

Whilst this is predominantly an internally focused strategy its outcomes will impact on our relationship with our Residents, Communities and Partners. The three key areas of focus of the strategy are:

- Ways of Working
- Partnership
- Leadership

The strategy will be supported by a work programme developed in each of these areas.

Background

“Well run council, stable leadership, good skills base and a great place to work”

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Corporate Peer Challenge July 2016



- In July 2016 the LGA conducted a Corporate Peer Challenge and overall were impressed with the performance of Dacorum Borough Council both managerially and politically. However the Council needs to continue to improve as challenges continue to be faced.
- It is recognised that much change has happened in recent years:
 - £30m Hemel Hempstead regeneration programme
 - Dacorum Borough Council move to the Forum
 - Increase in demand and provision of new homes
- This has been achieved within a constrained local government financial environment at a time when demand for services has increase but whilst protecting the delivery of front-line services.
- One observation from the Corporate Peer Challenge review was that “DBC needs greater clarity in the change management approach”. In addition there is a need to ensure that a culture of continuous improvement is embedded and ensure that DBC is able to prioritise resources to delver work-plans that deliver the maximum benefit.
- It was important to define the approach not as a “transformation programme” as that can imply that the starting point is bad, whereas Dacorum Borough Council is starting from a good base.
- We want our people to recognise that change is constant, and change is normal, and that by going through change in a structured, managed way we can deliver the “New Normal”; hence the **New Normal** programme

Review of our approach to change

Dacorum Borough Council has already delivered much change and many improvements.

In recent years, much of the council’s work has focused on direct delivery of significant regeneration schemes in addition to the delivery of day to day services for our residents and visitors.

Following the completion of major planned regeneration works in 2018, which were directly delivered by the Council, work has been undertaken by the Cabinet and Corporate Management Team to identify the type of council required from 2018 and beyond. This work has informed the Council’s change management programme.

Whilst the change management programme is mainly internally focused, the outcomes of this strategy will frame our future relationships with our residents, communities and partners. Core to our approach will be, to be a modern and efficient Council whilst maintaining a human face.

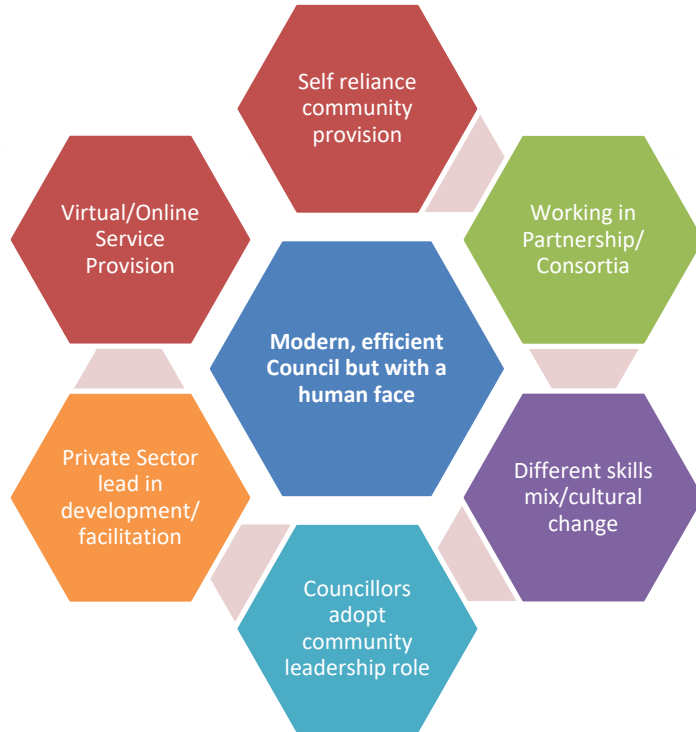
The work on reviewing our approach to change included a review of our various ways of working and approaches. The table on the right shows an assessment of the council’s the current position and proposed trajectory along a continuum line to indicated the councils direction of movement for the future.

Services as now		Enable self-reliance & community provision
Mostly face to face contact		Mostly virtual & on-line customer contact
Provision of services as we do now		Commercialisation – charging, selling services to others
Primarily working on our own		Primarily working in partnership & consortia with others
Focus on economic development “good place to work”		Focus on thriving communities – “good place to live”
Continue current development role		Private sector takes the lead. Council role is identifying and brokering partnerships
Smaller council but similar mix & culture		Very different staff with different skills and culture
Councillors role – internally focused scrutiny role		Councillors as community leaders – engaging with residents – helping solve problems
Provision of services just for Dacorum		Shared services & management with neighbouring Councils
Current range of services in-house		Commissioning for all services with outsourced provision

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Council of 2018 and beyond

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The Council is committed to being a “modern and efficient Council but with a human face”.

Central to delivering this commitment, will be to incorporate within change management initiatives the approaches summarised and illustrated in the model shown on the left.

The Challenges

PLACE

- In recent years DBC has led a major regeneration programme - Hemel Evolution, this was a once in a generation opportunity. The Council recognises that whilst it needs to maintain its role as a “leader of place, continuing this level of investment would be unsustainable. Therefore, a key focus for the Council will be how to manage stakeholder expectations whilst developing its role as an enabler using the Council’s investment as a catalyst for change to encourage further investment from other sources including public and private sector organisations
- DBC also recognises the benefits of increasing its influence at the sub-regional level to make the most of opportunities for funding and influence as wider schemes are developed across the region, in particularly schemes to deliver infrastructure.

PRIORITIES

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- Going forward the Council anticipates demand for more services is likely to increase but within the context of limited financial resource. As a result, there needs to be an increased focus on evidence based priority setting
- This means making best use of new technologies whilst retaining a human face approach. This will enable “Channel Shift” to be deployed for the many who require a good quality, standard repeatable services whilst also the providing the opportunity for the development and delivery of a personal service for the most vulnerable.
- Structured engagement with residents and community is needed to ensure the Council understands their requirements and priorities

CULTURE

- Changing culture is not just about recruiting new people into the organisation. There is evidence that staff feel that DBC is a good place to work, but to make it a great place to work and to embrace the challenges of the future there is a need to develop a culture of constructive challenge which encourages challenge to develop a culture of continuous improvement.
- The shift in culture will be led by management who will ensure that there are simple communications and messages to support this approach

Scope of New Normal Strategy

- “New Normal” is a programme that covers the way things get done in DBC.
- From defining how we deliver services to our customers, implementing new operating models and systems to support new ways of working through to supporting our staff in the development of their skills to respond to the challenges being faced.
- In addition to new ways of working and new systems this strategy will also support the development of our cultural approach and how this supports the behaviours and ways of working we want to promote.

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Values Driven

We have a clear set of values that are fundamental to who we are and how we behave.



Take responsibility



Be positive



Work with others to deliver a great service



Be reliable

These behaviours help us deliver on our priorities as well as guiding the recruitment and training of the staff who work for us.

Overview of areas of focus for New Normal

Provision of Services

- Be open to exploring direct provision of services, shared services, and encourage selling of services to partners
- Encourage community provision of services
- Increase virtual and on-line customer contact whilst maintaining a human face

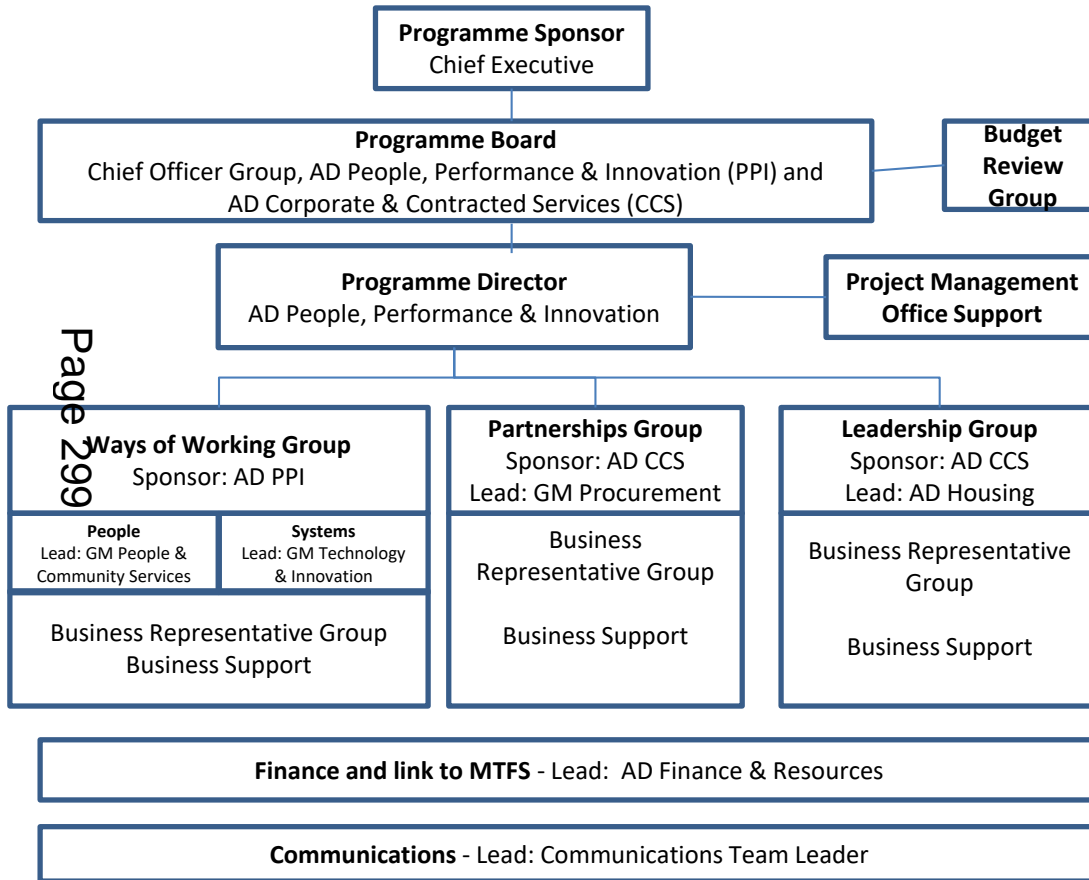
Partnership Working

- Engage in partnership with the Local Enterprise Partnership to secure benefits for Dacorum and South West Hertfordshire.
- Continue to maintain and support community activities & events, which offer a positive lasting impact
- Use the Council's position and influence to bring together partnerships with the public and private sectors to deliver our objectives

Change

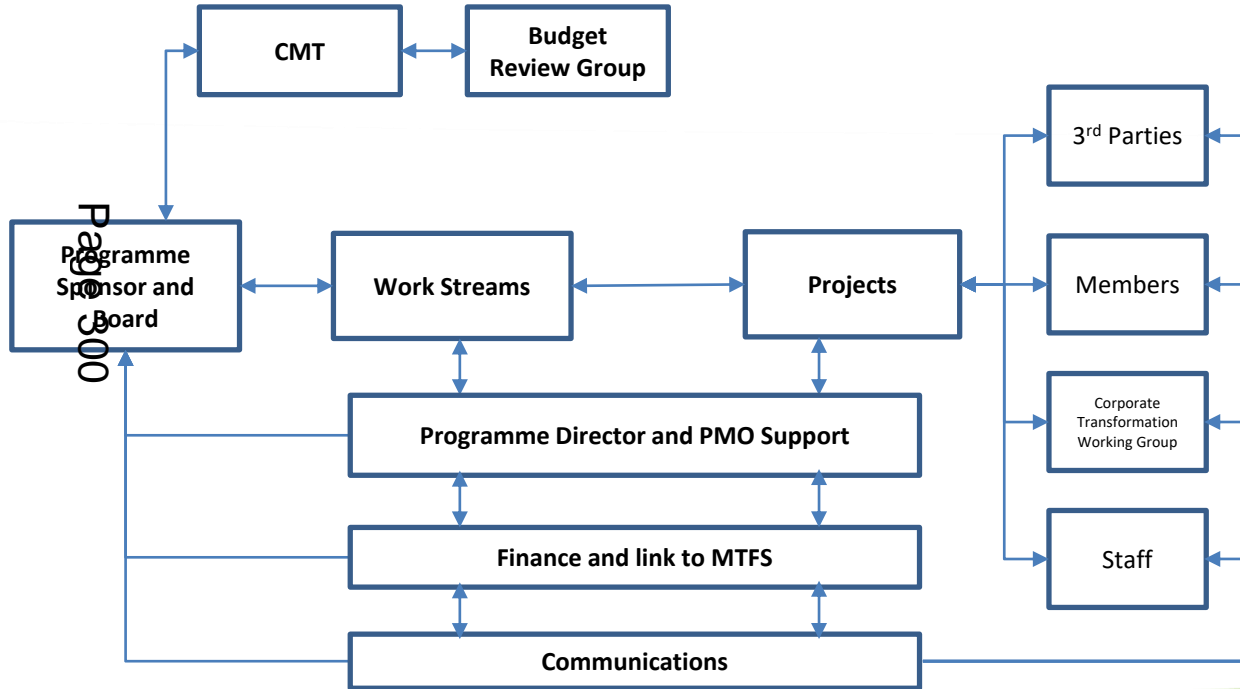
- Review current staff skills mix and development needs to enable a the development of a culture that encourages constructive challenge and continual improvement to flourish.
- When considering service improvements and the commissioning of services the Council should always consider three criteria: improved resilience; delivery of a better quality of service: and delivery of the service for a better cost.
- The Council should encourage and enable engagement with all members including in policy development. The creation of champions will be considered.

New Normal – Programme Management



- The New Normal programme structure is shown to the left and has full support by the Chief Executive and the Chief Officer Group.
- The Programme Director will oversee the whole programme to ensure that there is no unnecessary duplication of effort, and that resource is prioritised to the projects with the highest priority
- There are 3 themes broken down into 4 work-streams: Leadership, Partnerships, Systems and People and all have a Sponsor and Lead. Each work-stream has business representatives who will work with cross-council teams to develop and discuss ideas for improvement. All work-streams will use the same prioritisation tool to help with priority setting.
- The priority projects will be outlined as a mini Project Initiation Document (PID) and presented to the Programme Board for approval. Only when approved will a full PID be prepared which will seek approval and funding through the normal channels

New Normal – Governance



- The Projects generated by the work-streams will engage with all who is necessary to fully develop the PID so that it can be reviewed and approved at the appropriate level.
- The New Normal Programme will utilise existing governance arrangements:
 - If the project can be funded from existing budgets or approved reserve it will be referred to CMT and BRG for approval
 - If the project requires additional capital, as well as going to CMT and BRG for approval, it will be referred to Cabinet for review and formal approval by Members

New Normal Work Stream - Leadership

Name	Role	Department
AD Corporate & Contracted Services	Sponsor	Corporate and Contracted Services
AD Housing	Lead	Housing
GM Financial Services GM Legal & Democratic Services Corporate Support & Democratic Services Team Leader GM Strategic Housing AD Planning & Regeneration GM People & Community Services GM ICT, Innovation & Performance	Business Reps	Finance and Resources Corporate Services Corporate Services Strategic Housing Planning and Development HR and Community Services ICT, Innovation and Performance

Members of this work stream have drafted the following objectives.

A workshop is scheduled to refined these objectives and identify the first set of projects to support them.

- Define what Leadership means to the organisation and how the current leadership model rates against that and identify the areas for improvement
- Improve the leadership culture within the current organisation
- Promote the role of Members as being “Community Leaders” within their wards and how to use this to feedback to Officers
- Work with the People work-stream to see how to develop future leaders

New Normal Work Stream - Partnerships

Name	Role	Department
AD Corporate & Contracted Services	Sponsor	Corporate and Contracted Services
GM Procurement & Contracted Services	Lead	Procurement and Contracted Services
GM Financial Services GM Environment & Community Protection GM Housing Development GM Strategic Planning GM People & Community Services Human Resources Team Leader GM ICT, Innovation & Performance	Business Reps	Finance and Resources Environment and Community Protection Housing Development Strategic Planning and Development Community Services HR and Organisation Development ICT, Innovation and Performance

Members of this work stream have drafted the following objectives.

A workshop is scheduled to refined these objectives and identify the first set of projects to support them.

- Understand and recognise our persona with our partners, and how this affects their relationship with the Council.
- Transitioning from direct delivery of major infrastructure projects to enabling our investment to act as catalyst to get things done
- Develop personas for our partners to enable us to develop relationships and methods of working different types of organisation - Contractors, Voluntary sector, LEP (Business/Commerce), Other Councils
- Develop a more consistent approach to working with our partners through stakeholder mapping, establishing principles of partnership and including, where useful, Business Charters to support the relationship
- Identify how best to monitor performance and health of relationship with partners

New Normal Work Stream Systems

Name	Role	Department
AD People, Performance & Innovation	Sponsor	People, Performance and Innovation
GM ICT, Innovation & Performance	Lead	ICT, Innovation and Performance
GM Tenants & Leaseholders AD Neighbourhood Services GM Strategic Planning GM Revenues & Benefits GM Financial Services GM People & Community Services	Business Reps	Tenants and Leaseholders Neighbourhood Services Strategic Planning and Development Revs, Bens and Fraud Finance People and Community Services

Members of this work stream have drafted the following objectives. A workshop is scheduled to refined these objectives and identify the first set of projects to support them.

- Improve the online experience for our residents and the quality of information delivered from online sources to our services
- Use technology as a means of consulting with and better understanding the needs and views of our residents
- Increase end to end processes so that calls to action from our residents reach the correct officer, wherever they are, in the quickest and most constructive way
- Improve the governance of our technology estate, providing a framework for technology owners and system users to work together
- Address issue of single points of failure in supporting the Council’s applications. Do not box us in for future technology growth.
- In combination with the People work-stream, support officers and members in developing skills to ensure they make the most of the technology at their disposal
- Improve our use of data in particular:
 - Developing a customer golden record and master data approach
 - To support strategic decision making, making the right data with the right tools
 - Understand opportunities that new technologies (Internet of Things, AI, Machine Learning, etc.) can provide to enable measured adoption
- Review current processes and procedures and fit for purpose including rules and governance. These are not necessarily just linked to “technology systems”, with more investigation this may need to be set up as a separate work-stream

New Normal Work Stream - People

Name	Role	Department
AD People Performance & Innovation	Sponsor	People, Performance and Innovation
GM ICT Innovation & Performance	Lead	ICT, Innovation and Performance
GM Tenants & Leaseholders Neighbourhood Services GM Strategic Planning GM Revenues & Benefits GM Financial Services GM People & Community Services	Business Reps	Tenants and Leaseholders Neighbourhood Services Planning and Development Revs, Bens and Fraud Finance People and Community Services

Members of this work stream have drafted the following objectives. A workshop is scheduled to refined these objectives and identify the first set of projects to support them.

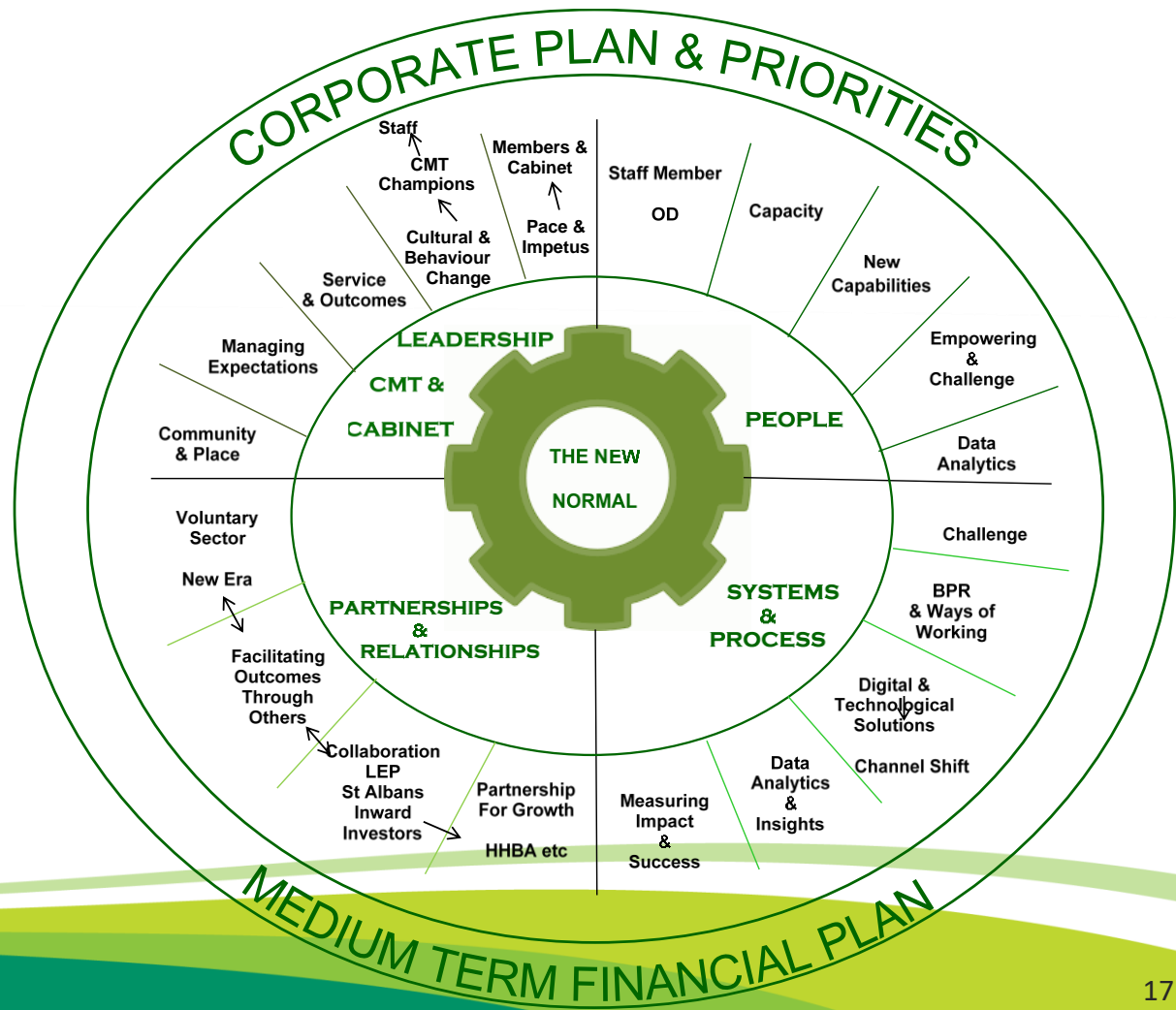
- Ensure the Performance Management system incorporates values, culture and behaviours as well as skills and task lists
- Develop a talent management system that ensures key staff are retained and developed as future leaders
- Improve recruitment and retention figures for key staff
- Ensure staff are equipped to work effectively in a political environment and how this fits with their role
- Use staff engagement and other interventions to continue to develop a supportive culture within the Council
- Improve the quality of people data and develop how it used to improve People MI and support workforce planning and development
- Improve support for front-line staff to ensure that they have the skills and resilience to deal with vulnerable and challenging customers
- Work with the leadership work-stream to define what is meant by leadership in DBC and support the development of those skills in our staff
- Review external spend on staff

New Normal Strategy

The New Normal Programme is a holistic continuous improvement programme focussed on 3 key themes: Ways of Working; Partnerships and Leadership which will be broken down into 4 work streams to support the Council's development:

- Leadership
- Partnerships and Relationships
- Systems and Process
- People

The model on the right summaries and illustrates the inter-relationship between the work streams and how the strategy will be directed within the context of the Council's overarching strategy as defined in the Corporate Plan and the resources as set out in the Medium Term Financial Plan



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Agenda Item 13



Report for:	Cabinet
Date of meeting:	12th February 2019
Part:	1
If Part II, reason:	

Title of report:	South West Hertfordshire Partnership Memorandum of Understanding
Contact:	Cllr Andrew Williams, Leader of the Council Author/Responsible Officer Sally Marshall, Chief Executive
Purpose of report:	The purpose of the report is to advise the Cabinet on the work being carried out by the South West Herts Partnership (SWHP) Leaders and Chief Executives to prepare for future challenges and opportunities facing the sub-region. It seeks Cabinet approval to sign the Memorandum of Understanding attached to this report.
Recommendations	It is recommended that Cabinet authorise the approval of the South West Partnership Memorandum of Understanding
Corporate Objectives:	<ul style="list-style-type: none"> • A clean, safe and enjoyable environment • Building strong and vibrant communities • Ensuring economic growth and prosperity • Providing good quality affordable homes, in particular for those most in need
Implications:	<u>Financial</u>
'Value For Money Implications'	<p>There are no financial implications directly arising from the approval of the Memorandum of Understanding, however, the South West Hertfordshire Partnership will be undertaking a resource assessment to progress the various work streams and developing an Investment Strategy. Once the Investment Strategy has been developed, the financial implications will be identified across all the LAs in the partnership.</p> <p>Any future financial commitment will be the subject of future report to Cabinet together with an assessment of financial benefits.</p>

	<p><u>Value for Money</u></p> <p>Collaborative working with the South West Hertfordshire Partnership has the opportunity to provide economies of scale and enable the partnership, in the future, to bid for regional and national infrastructure funding streams and models that would not be available to an individual authority.</p>
Risk Implications	None arising from this report
Community Impact Assessment	Community Impact Assessment to be undertaken
Health And Safety Implications	None arising from this report
Monitoring Officer/S.151 Officer Comments	<p>Monitoring Officer:</p> <p>The Memorandum of Understanding does not include any legally binding obligations but does set out key areas, which the partners will focus on and work together to achieve. Any key decisions that flow from the actions of the partnership will still be subject to the Council's usual decision-making processes and constitutional rules.</p> <p>Deputy S.151 Officer</p> <p>No further comments to add to the report.</p>
Consultees:	<p>Hertsmere Borough Council St Albans District Council Three Rivers District Council Watford Borough Council Hertfordshire County Council Corporate Management Team</p>
Background papers:	Hertfordshire Fit for the Future – A collaborative ambition for sustainable growth and thriving communities.
Glossary of acronyms and any other abbreviations used in this report:	

Background

1. The Leaders and Chief Executives of South West Hertfordshire Authorities: Dacorum Borough Council, Hertsmere Borough Council, St Albans District Council, Three Rivers Borough Council and Watford Borough Council; together with representatives from Hertfordshire County Council have been participating in a series of facilitated workshops since September 2018. The proposal to undertake this partnership work has previously been reported to Cabinet in 27 March 2018.
2. The participating Councils agreed to work together to consider the implications and opportunities of Growth for the South West Hertfordshire region. From this, potential benefits such as increased access to infrastructure funding, devolved powers from government and delivery of sound and legally compliant local development plans might be realised. Therefore, the group agreed to work together to explore what their collective ambition for the place is, to identify shared growth priorities and strategically important infrastructure challenges.
3. The workshops were independently facilitated. The work was jointly funded by each of the Authorities, Eastern Region Local Government Association and the Local Government Association.
4. The workshop phase of the South West Hertfordshire Partnership has now concluded and the attached Memorandum of Understanding has been developed to provide and commitment and scope for future partnership work.

South West Hertfordshire Partnership

5. The dialogue to date has identified many common challenges, particularly around housing affordability, housing supply, employment, travel to work area, transport and other infrastructure. The SWHP considers that, by presenting a common voice and working together, there is a greater chance of successfully addressing these challenges strategically. The SWHP will work as a distinct voice for the area while maintaining the sovereign position of each authority.
6. The aims of SWHP will be to focus on 5 strategic priorities
 - Leadership: creating the place narrative, political relationships & agreements
 - Developments that meet our housing and employment needs
 - Connectivity: ensuring our places are accessible & sustainable
 - Well Being: planning and designing our places for healthy living
 - Public Services: enabling a greater influence on outcomes and being more self-sufficient in energy, recycling, housing mix and jobs.
7. The discussions between the respective Leaders and Chief Executives have focused on areas that cannot be addressed individually, identifying areas where our collective voice and resources can have a greater impact and enabling the Partnership to promote a common proposition within and beyond the region to potential stakeholders such as government.
8. The Leaders have agreed to adopt the following seven principles:

- We shall establish an effective political and officer forum for effective joint working
 - We shall seek to formalise our joint working through a S101 formal committee or other structure
 - We shall develop and share opportunities together
 - We shall build our governance incrementally – learning from the lessons from other places who are more advanced
 - Through our collaboration we should be gaining something, not losing something
 - Local identities will not be lost
 - We shall be a voice for South West Herts.
9. A similar approach to the SWHP is now being commenced by the NE Herts grouping of authorities. In parallel, and in a complementary to the work of SWHP all councils in Hertfordshire have agreed to participate along with the LEP in a Regional Growth Board which is chaired by the Leader of HCC, Cllr David Williams.

Options and Reasons for Recommendations

10. The recommendations reflect the need for a broader Council commitment to continue in this collaborative exercise. Alternatively, the Council could choose not to participate in the evolving Partnership. This would leave the Council as an isolated voice within the context of a developing Regional Growth Board and an emerging partnership in the North East.

Policy/Budget Reference and Implications

11. The recommendations in this report enhance the Council's agreed policy to develop its Local Plan. There are no financial implications at this stage because the Council has already agreed to contribute a small sum along with all other Herts LAs to support resources working through the Growth Board. It is expected this resource will also support the emerging sub-regional partnerships..

Recommendation

12. That Cabinet endorse the Memorandum of Understanding, in order to provide place leadership for South West Herts and to develop and deliver a vision for the SWHP area up to 2050, promoting healthy sustainable growth for our communities.

South West Herts Partnership
Memorandum of Understanding

between

Hertsmere Borough Council

St Albans District Council

Three Rivers District Council

Watford Borough Council

Dacorum Borough Council

Hertfordshire County Council

1. Background

- 1.1 The South West Herts Partnership (SWHP) group of councils has been considering the challenges and opportunities ahead for their part of Hertfordshire. These include developing spatial strategies, social and affordable housing, the green belt, employment and external investment, the role of central government as a key partner in realising economic and infrastructure objectives. The combined authorities are seeking to respond to such challenges within existing borders and beyond, recognising that shared resources and a combined voice representing over 500,000 residents is more effective, powerful and cogent than the voice of any single authority.
- 1.2 To explore the potential for collaborative working further, the Council Leaders and Chief Executives have been meeting every fortnight since September to assess whether a partnership could be established among willing partners. Representatives from the County's political administration and officers were also present to make their contribution. Parallel to these developments, the HCC has now established a Growth Board for the region that includes all the local authorities' Leaders and Chief Executives, as well as the LEP. The Eastern Region is also beginning to explore its own discrete partnership similar to the SWHP.
- 1.3 The dialogue to date has identified many common challenges, particularly around housing affordability, housing supply, employment, travel to work area, transport and other infrastructure. The SWHP considers that, by presenting a common voice and working together, there is a greater chance of successfully addressing these challenges strategically. The time frame is accordingly medium to long-term up to 2050. The LAs acknowledge the pressing needs of their communities to be able to live and work in areas that support a good quality of life, leisure, educational and employment opportunities.

1.4 The SWHP will both work together as a distinctive voice for the South West while also collaborating with the emerging agenda of the Hertfordshire Growth Board, the LEP and local business. The SWHP acknowledges this approach will provide challenges at the political and organisational levels that are new, uncharted and challenging. However, we consider that by working in an open collaborative manner we can apply our local knowledge and skills to taking our own agenda forward. We are therefore adopting a Memorandum of Understanding (MOU) that will be a declaration of intent and an important building block for each authority involved and the wider region.

1.5 This MoU sets out:

- a) The core purpose and aims of the SWHP
- b) The principles of collaboration

2. **Core Purpose and Aims**

2.1 The core purpose of SWHP is to provide place leadership for South West Herts recognising that through our collaborative approach we will be best placed to develop and deliver a vision for the SWHP area up to 2050, promoting healthy sustainable growth for our communities.

2.2 SWHP will focus on the strategic opportunities to influence and secure the strategic infrastructure that will help our individual areas to flourish and realise their full economic and social potential. This is regardless of individual local authority boundaries.

2.3 The aims of SWHP will be to focus on 5 strategic priorities:

- Leadership: creating the place narrative, political relationships & agreements
- Development: creating a joint spatial plan to that meets our housing and employment space needs
- Connectivity: ensuring our places are accessible & sustainable
- Well Being: planning and designing our places for healthy living
- Public Services: enabling a greater influence on outcomes and being more self-sufficient

3. **Principles of Collaboration**

3.1 Our collaboration will be focused on three key areas:

- Tackling problems we can't solve individually
- Creating collective scale and impact
- Providing the place leadership to promote the SWHP proposition

3.2 The Authorities agree to adopt the following principles in working together:

- We will establish an effective political and officer forum for effective joint working
- We will seek to formalise our joint working through a S101 formal committee or other structure
- We shall develop and share opportunities together
- We will build our governance incrementally – learning from the lessons from other places who are more advanced

- Through our collaboration we should be gaining something, not losing something
- Local identities will not be lost
- We need to be a voice for South West Herts.

4. Term and Termination

This MoU shall commence on the date of the final signature by all Authorities, and shall expire if the SWHP dissolves.

5. Variation

The MoU can only be varied by written agreement of all the Authorities.

6. Charges and liabilities

Except as otherwise provided, the Parties shall bear their own costs and expenses incurred in complying with their obligations under this MoU.

7. Status

This MoU cannot override the statutory duties and powers of the parties and is not enforceable by law. However, the parties agree to the principles set out in this MoU.

Signed by

Local Authority	Leader	Chief Executive	Date
Hertsmere Borough Council			
St Albans District Council			
Three Rivers District Council			
Watford Borough Council			
Dacorum Borough Council			
Hertfordshire County Council			

Agenda Item 15

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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