

21 February 2012

I hereby summon you to attend the Annual meeting of the Sevenoaks District Council to be held in the Council Chamber, Council Offices, Argyle Road, Sevenoaks commencing at 7.00 pm on 21 February 2012 to transact the under-mentioned business.



Chief Executive

AGENDA

Apologies for absence

1. To approve as a correct record the minutes of the meeting of the Council held on 29 November 2011 (Pages 1 - 6)
2. To receive any additional declarations of interest from Members in respect of items of business included on the agenda for this meeting. (Pages 7 - 8)
3. Chairman's Announcements
4. To receive any petitions submitted by members of the public.

None

5. Matters considered by the Cabinet and/or other committees:
 - a) Treasury Management Strategy 2012/13 (Cabinet – 9 February 2012) (Pages 9 - 38)
 - b) Revenue Budget and Council Tax 2012/13 (Cabinet – 9 February 2012) (Pages 39 - 78)
 - c) Monitoring Officer's Annual Report (Standards – 26 January 2012) (Pages 79 - 102)
 - d) Housing Strategy Action Plan (Cabinet – 9 February 2012) (Pages 103 - 126)

- e) IT Strategy (Cabinet – 9 February 2012) (Pages 127 - 164)
6. To consider the following reports from the Chief Executive or other Directors on matters requiring the attention of Council:
- a) Budget and Council Tax Setting 2012/13 (Pages 165 - 212)
- b) Pay Policy Statement (Pages 213 - 228)
7. To consider any questions by Members under paragraph 19.3 of Part 2 (The Council and District Council Members) of the Constitution, notice of which have been duly given.
8. To receive any questions from members of the public under paragraph 17 of Part 2 (The Council and District Council Members) of the Constitution.
9. To receive the report of the Leader of the Council on the work of the Cabinet since the last Council meeting. (Pages 229 - 230)
10. To receive a report from the Chairmen of the Select Committees on the work of the Committees since the last Council meeting. (Pages 231 - 234)
11. To receive a report from the Chairman of the Performance and Governance Committee on the work of the Committee since the last Council meeting. (Pages 235 - 236)

To assist in the speedy and efficient despatch of business, Members wishing to obtain factual information on items included on the Agenda are asked to enquire of the appropriate Director or Contact Officer named on a report prior to the day of the meeting.

Should you require a copy of this agenda or any of the reports listed on it in another format please do not hesitate to contact the Democratic Services Team as set out below.

For any other queries concerning this agenda or the meeting please contact:

The Democratic Services Team (01732 227241)

Council – 29 November 2011

DISTRICT COUNCIL OF SEVENOAKS

Minutes of the Meeting of the Sevenoaks District Council
held on 29 November 2011 commencing at 7 p.m.

Present: Cllr. Orridge (Chairman)

Cllr. Mrs Morris (Vice-Chairman)

Cllrs. Abraham, Mrs Ayres, Ayres, Ball, Mrs Bayley, Bosley, Mrs Bosley, Mrs. Bracken, Brookbank, Brown, Butler, Clark, Mrs Clark, Mrs Cook, Cooke, Mrs. Davison, Davison, Dickins, Edwards-Winsler, Eyre, Mrs Firth, Fittock, Fleming, Gaywood, Mrs George, Grint, Hogarth, Horwood, Mrs. Hunter, London, Ms Lowe, Maskell, Mrs. Parkin, Pett, Piper, Mrs Purves, Raikes, Ramsay, Ryan, Mrs. Sargeant, Scholey, Searles, Miss Stack, Miss Thornton and Walshe.

Apologies for absence were received from Cllrs. Ms Chetram, McGarvey, Underwood and Williamson.

PRAYERS

Reverend Griffin led the Council in prayers.

36. **MINUTES OF THE LAST MEETING**

Resolved: That the Minutes of the meeting of the Council held on 18 October 2011 be approved and signed by the Chairman as a correct record.

37. **DECLARATIONS OF INTEREST**

The declarations of interest made by Members at meetings held between 23 September and 7 November 2011 were received. No additional declarations were made.

38. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman had no announcements to make.

39. **TO RECEIVE ANY PETITIONS SUBMITTED BY MEMBERS OF THE PUBLIC**

The Chairman announced that a petition containing 1,317 signatures had been submitted by a member of the public in the following terms:

“We, the undersigned, in the interests of the future of Sevenoaks Town centre, call upon Sevenoaks District Council to abandon all plans to increase parking charges there in 2012.”

The lead petitioner, Margaret Robarts, addressed the council in support of the

petition. She explained that the signatures had been collected during a short period of time and that there was strong support for the petition from car park users. People felt that it was not a good time to introduce increases in parking charges in the current economic climate, particularly as there were many other places where people could park for nothing such as Bluewater and that increased parking charges would deter people from shopping in Sevenoaks. It would also be an additional burden for people working in Sevenoaks to face higher costs for parking.

Cllr Fleming thanked the lead petitioner for raising these concerns and moved that, as this was a matter on which the Council Executive was required to make the final decision, the petition should be referred to the Cabinet without further debate or recommendation. This would allow the petition to be considered at the same time as the outcome of the statutory public consultation currently being undertaken on the proposals for parking charges. In addition this would ensure that there was no predetermination and that the Cabinet could make an informed decision in the light both of the concerns expressed by the petitioners and as a result of the consultation exercise. This was likely to be completed in time for consideration at the Cabinet meeting in January 2012 and any Member or member of the public would be able to attend the meeting if they so wished. The motion was duly seconded.

A Member welcomed the proposal to refer the matter back to the Cabinet for decision but commented that the proposed increases would run contrary to the District Community Plan and felt that the petition merited further debate during the Council meeting. This view was supported by another Member and the point was made that under the Council's Constitution a petition with more than 1,000 qualifying signatures should be debated in Council. In response the Leader of the Council re-iterated that a significant reason for his motion was that a general debate in advance of the current public consultation would seriously risk pre-determination of that consultation.

The motion was put to the vote and duly carried.

Resolved: That, as this is a matter on which the Council Executive is required to make the final decision, the petition be referred to the Cabinet without further debate or recommendation in order that it be considered at the same time as the outcome of the statutory consultation process and in order not to predetermine that process,

40. MATTERS CONSIDERED BY THE CABINET AND/OR OTHER COMMITTEES

A. Joint Working Project between Sevenoaks District Council and Dartford Borough Council in Environmental Health – Proposed Forward Operating Model – Supplementary Budget Request

Cllr. Fleming moved and Cllr. Mrs Bracken seconded the recommendation of the Cabinet held on 13 October 2011 that provision of £243,000 be approved to support the implementation of the joint working project in Environmental

Council – 29 November 2011

Health as a supplementary budget. In moving the recommendation the Leader of the Council emphasised the considerable savings and relatively short payback period associated with the project.

The report outlined the outcome of the feasibility study and business case for the joint working project between Sevenoaks District Council and Dartford Borough Council in Environmental Health, and set out the proposed operating model for the joint service. It was proposed that the Environmental Health Service for both Councils would be provided from the Dartford office, with a satellite office based at Sevenoaks, with existing face to face services for customers being retained. The proposals followed a similar methodology to that applied to the successful Joint Revenues and Benefits Service and would deliver £300,000 pa savings across the two authorities from 2012/13, improve capacity and resilience, deliver agreed service standards, and allow for further savings/generation of income whilst remaining accessible for customers. It was estimated that joint savings over a five year period would total £1.68 million and allowing for implementation costs of £486,000 this would deliver a pay back period of 1.6 years. The proposed service standards and organisational structure were outlined and feedback from the consultation exercise carried out with staff during August and September was reported. It was anticipated that the proposals should be implemented in full from April 2012.

A Member accepted the economic justification for the project but asked how the proposals could be squared with localism. The Leader of the Council responded that the project would not only deliver necessary financial savings but would also meet operational imperatives by providing the robust and comprehensive level and quality of services to which the Council's residents had become accustomed. In doing so these services would be delivered by employees of Sevenoaks and Dartford Councils rather than by an outsourced company.

Resolved: That a provision of £243,000 investment costs be agreed to support the implementation of the Joint Working Project between Sevenoaks District Council and Dartford Borough Council in Environmental Health as a supplementary budget request (this figure representing a 50% share of the costs).

B. Hackney Carriage and Private Hire Licensing Policy

Cllr. Fleming moved and Cllr. Mrs Bracken seconded that the recommendation of the Licensing Committee on 26 October 2011 that the Council should adopt the Hackney Carriage and Private Hire Licensing Policy should be approved. The Leader of the Council thanked the Portfolio Holder for Safe Community and the Licensing Committee for their work on the new policy.

The report provided detailed feedback from the consultation on the Draft Statement of Hackney Carriage and Private Hire Policy which ran for six weeks from the 26 August 2011 until the 7 October 2011. The proposed policy amended the current policy that Sevenoaks District Council had in operation which was last issued in January 2008. The new policy would take

effect from 3 January 2012 for a minimum of three years.

Resolved: That the Hackney Carriage and Private Hire Licensing Policy attached to the report be adopted as District Council Policy.

C. Polling District and Polling Places Review 2011

Cllr. Fleming moved and Cllr. Mrs Bracken seconded that the recommendations of the Electoral Arrangements Committee held on 27 October 2011 be approved.

The report informed Members of the outcome of the review of Polling Districts and Polling Places which had been carried out in the autumn. The District was required to carry out a review every four years and the last review had been undertaken in 2007. The review had considered the existing provision in terms of the division of the District into polling districts and the designation of polling places within those polling districts in terms of their suitability for electoral purposes. This had included seeking the views of the Returning Officer, identifying opportunities for change where appropriate and undertaking public consultation on the proposals.

Resolved: That

(1) the proposed polling scheme contained in appendix B to the report, as amended by the Electoral Arrangements Committee held on 27 October 2011, be approved; and

(2) the timetable contained in paragraph 9 of the report (in relation to the next phase of the review) be adopted.

D. Community Governance Review

Cllr. Fleming moved and Cllr. Mrs Bracken seconded that the recommendations of the Electoral Arrangements Committee held on 27 October 2011 be approved.

The report advised Members that Government and Electoral Commission guidance recommended that District Councils should carry out a review of the boundary and electoral arrangements of the parishes within their areas every 10-15 years. The last review had been carried out in Sevenoaks in 1999 and it was proposed that a review should be carried out now both to meet the recommended timeframe and to take advantage of a small window of opportunity ahead of scheduled elections. The review would have to be completed within 12 months and it was proposed that the review should commence on 30 November and be completed by August 2012 with the publication of the Council's decisions in respect of parish boundaries and electoral arrangements. Proposals could relate to the creation, merging,

Council – 29 November 2011

grouping, alteration or abolition of parishes, or relate to the name of a parish or to the number of councillors or warding arrangements for parishes. Any changes would take effect from the date of the next full parish council elections in May 2015.

Resolved: That

- (1) a Community Governance review be undertaken;
- (2) the terms of reference for the review set out in the Appendix to the report be adopted; and
- (3) the timetable for the review contained in paragraph 5 of the report be adopted.

E. Annual Review of Parking Charges and Christmas Parking 2011

Cllr. Fleming moved and Cllr. Mrs Hunter seconded that the recommendation of the Cabinet held on 3 November 2011 relating to the provision of free Christmas parking be agreed.

The report outlined the annual review of car parking charges and the options for increases in respect of car park and on-street parking charges to meet the budget for 2012/13. These had been considered by the Cabinet on 3 November which had proposed increases which were currently subject to public consultation for decision by the Cabinet in the New Year. The Council was asked to approve funding to support the proposal to provide free parking throughout the district on two Saturdays before Christmas.

Resolved: That free parking be provided for Christmas 2011 in all car parks and on-street parking areas throughout the District on Saturdays 10th and 17th December and that the cost be funded from Supplementary Estimates.

41. REPORTS FROM THE CHIEF EXECUTIVE OR OTHER DIRECTORS ON MATTERS REQUIRING THE ATTENTION OF COUNCIL

There were no items under this heading.

42. TO CONSIDER ANY QUESTIONS BY MEMBERS UNDER PARAGRAPH 19.3 OF PART 2 OF THE CONSTITUTION

No questions were submitted by Members in accordance with Paragraph 19.3 of Part 2 of the Constitution.

43. TO RECEIVE ANY QUESTIONS FROM MEMBERS OF THE PUBLIC UNDER PARAGRAPH 17 OF PART 2 OF THE CONSTITUTION

No questions had been received from members of the public.

44. TO RECEIVE THE REPORT FROM THE LEADER OF THE COUNCIL ON THE WORK OF THE CABINET SINCE THE LAST MEETING

The Leader of the Council reported on the work that he and the Cabinet had undertaken in the period 5 October to 15 November 2011.

The Leader drew attention to the Chancellor's announcement as part of the Autumn Budget Statement on new initiatives to support infrastructure projects. It was hoped that the work being undertaken by the Council in association with Kent County Council, East Sussex and Council's along the A21 corridor to promote the dualling of the A21 might benefit from this. In response to a question the Leader clarified that his visit to Chevening House had been at the invitation of the trustees to see the work being carried out by the Trust.

45. TO RECEIVE A REPORT FROM THE CHAIRMEN OF THE SELECT COMMITTEES ON THE WORK OF THE COMMITTEES SINCE THE LAST COUNCIL MEETING

The Council received the reports from the Chairmen of the Select Committees as follows:

- Environment Select Committee – 25 October 2011
- Social Affairs Select Committee – 1 November 2011
- Services Select Committee – 8 November 2011

46. TO RECEIVE A REPORT FROM THE CHAIRMAN OF THE PERFORMANCE AND GOVERNANCE COMMITTEE ON THE WORK OF THE COMMITTEE SINCE THE LAST COUNCIL MEETING

The Council received the report from the Chairman of the Performance and Governance Committee on the work undertaken by the Committee at its meeting on 15 November 2011.

THE MEETING WAS CONCLUDED AT 7.32 PM.

Chairman

MEMBERS' DECLARATIONS OF INTEREST AT MEETINGS FROM
8 NOVEMBER 2011 TO 8 FEBRUARY 2012

Cllr. Mrs. Parkin declared a personal interest in matters relating to housing and benefits as she had relatives in both social housing and on benefits. (*Services Select Committee – 8 November 2011*)

Cllrs. Davison and Scholey declared personal interests in items 5.01 - SE/11/02331/FUL: Hever Hotel, Hever Road, Hever and 5.02 - SE/11/02332/LBCALT: Hever Hotel, Hever Road, Hever as dual hatted members of both the District Council and Edenbridge Town Council, which had already expressed views on the matters. (*Development Control Committee – 17 November 2011*)

Cllr. Mrs. Dawson declared a personal interest in items 5.03 - SE/11/01835/FUL: Finchcocks, 5 Wildernesse Mount, Sevenoaks and 5.05 - SE/11/01861/FUL: 10 Lambarde Road, Sevenoaks as a dual hatted member of both the District Council and Sevenoaks Town Council, which had already expressed views on the matters. (*Development Control Committee – 17 November 2011*)

Cllr. Dickins declared that he intended to speak as the local Member on item 5.05 - SE/11/01861/FUL: 10 Lambarde Road, Sevenoaks. He did not either participate in the debate or the vote on the matter. (*Development Control Committee – 17 November 2011*)

Cllr. Miss. Thornton declared that she intended to speak as the local Member on item 5.04 - SE/ 11/02142/FUL: St. Edward The Confessor Church, Long Barn Road, Sevenoaks Weald. She left the room while the matter was debated and voted on. (*Development Control Committee – 17 November 2011*)

Cllrs. Brookbank and Underwood declared personal interests in item 5.03 - SE/11/02120/CONVAR: Land South West Of, Déjà Vu Nightclub , London Road Swanley Kent as dual hatted members of both the District Council and Swanley Town Council, which had already expressed views on the matter. (*Development Control Committee – 15 December 2011*)

Cllrs. Mrs. Dawson and Piper declared personal interests in items 5.01 - SE/11/02351/FUL: 25 Camden Road, Sevenoaks and 5.08 - SE/11/02554/FUL: Sevenoaks Outdoor Bowls, Hollybush Close, Sevenoaks as dual hatted members of both the District Council and Sevenoaks Town Council, which had already expressed views on the matters. (*Development Control Committee – 15 December 2011*)

Cllr. Mrs. Dawson clarified that she did not have a further personal interest in 5.01 - SE/11/02351/FUL: 25 Camden Road, Sevenoaks as although she lived in that street, she lived a significant distance from the application site. (*Development Control Committee – 15 December 2011*)

Cllr. Scholey declared a personal and prejudicial interest in item 5.05 - SE/11/02127/FUL: 6th Sevenoaks Kemsing Scout Group, Scout Hut, Heaverham Road, Kemsing as the recently retired Chairman of the Sevenoaks District Scout Council. He left the room during consideration of the item. (*Development Control Committee – 15 December 2011*)

Item No. 2

Councillor Mrs Hunter declared a personal and prejudicial interest in regard to Item 9 – Big Community Fund – Allocation of Funding for December Appraisal Round and Additional Members for Appraisal Panel, as the Ward Member submitting the application. (*Cabinet – 12 January 2012*)

Councillor Mrs Bosley declared a personal interest in Item 9 – Big Community Fund – Allocation of Funding for December Appraisal Round and Additional Members for Appraisal Panel, as one of the applications related to her ward. (*Cabinet – 12 January 2012*)

Cllr. Mrs. Cook declared a personal interest as a member of the Sevenoaks District Arts Council. (*Social Affairs Select Committee –24 January 2012*)

Cllrs. Eyre and Raikes declared personal interests as Trustees of the Stag Theatre. (*Social Affairs Select Committee –24 January 2012*)

Cllr. Raikes declared a personal interest in that he had attended a group choir holiday which Gill Shepherd-Coates had also attended. (*Social Affairs Select Committee –24 January 2012*)

Cllr. Miss. Stack declared a personal interest in that she had a friend who volunteered for the Alzheimers Society. (*Social Affairs Select Committee –24 January 2012*)

Cllr. Mrs. Parkin declared a personal interest in matters relating to housing and benefits as she had relatives in both social housing and on benefits. (*Services Select Committee –31 January 2012*)

Cllr. Clark declared a personal interest in Minute Item 21 by virtue of knowing Graham Maxted, who was a taxi driver in the District. (*Licensing Committee –1 February 2012*)

Cllrs. Mrs. Dawson, Mrs. Parkin, Pett and Piper declared a personal interest in Minute Item 21 by virtue of knowing Colin Annetts, who was a taxi driver in the District. (*Licensing Committee –1 February 2012*)

Cllr. Mrs. Dawson declared a further personal interest in Minute Item 21 as taxis were her main mode of transport. (*Licensing Committee –1 February 2012*)

Item 5(a) – Treasury Management Strategy 2012/13

This item was considered by Cabinet on 9 February 2012. The minutes of that meeting were not available at the time that the Council agenda went to print. An extract of the minutes will be available at the Council meeting.

This page is intentionally left blank

COUNCIL - 21 FEBRUARY 2012

TREASURY MANAGEMENT STRATEGY 2012/13

Report of the: Deputy Chief Executive and Director of Corporate Resources

Also considered by: Performance and Governance Committee – 10 January 2012

Finance Advisory Group - 25 January 2012

Cabinet - 9 February 2012

Status: For decision

Key Decision: No

Executive Summary: The Local Government Act 2003 (the Act) and supporting regulations requires the Council to ‘have regard to’ the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council’s capital investment plans are affordable, prudent and sustainable.

The Act therefore requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by investment guidance issued subsequent to the Act). This sets out the Council’s policies for managing its investments and for giving priority to the security and liquidity of those investments.

The Chartered Institute of Public Finance and Accountancy (CIPFA) revised the Prudential Code, Treasury Management Code and Guidance Notes in November 2011 and recommend formal adoption of the amended clauses and a restatement of the Treasury Management Policy Statement. These have been included in the main body of the report.

Members’ particular attention is drawn to paragraphs 43-59 of the report, which deal with changes to the investment criteria in the light of recent credit rating downgrades.

This report has been considered by the Performance and Governance Committee and the Finance Advisory Group (paragraphs 70 to 72) and they considered that, given the limited number of institutions to which the Council could lend, should reduce the minimum long term credit rating in the 2012/13 creditworthiness policy to A. This view was agreed by Cabinet on 9 February 2012.

This report supports the Key Aim of effective management of Council resources.

Portfolio Holder Cllr. Ramsay

Head of Service Head of Finance and Human Resources – Mrs. Tricia Marshall

Recommendations:

That Council approve the Treasury Management Strategy Statement set out in this report with the exception that the minimum long term credit rating in the 2012/13 creditworthiness policy be reduced to A.

Background

1. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation 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.
2. 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. This 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.
3. CIPFA defines treasury management as:

"The management of the local authority's investments and 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."

Introduction

Reporting requirements

4. The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals. These reports are required to be adequately scrutinised by committee before being recommended to the Council. This role is undertaken by the Finance Advisory Group and the Performance and Governance Committee.
5. Prudential and Treasury Indicators and Treasury Strategy (This report) - The first, and most important report covers:
 - the capital plans (including prudential indicators);
 - a Minimum Revenue Provision Policy (MRP) (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).
6. 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.
7. 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.

Treasury Management Strategy for 2012/13

8. The strategy for 2012/13 covers two main areas:

Capital Issues

- the capital plans and the prudential indicators;
- the MRP strategy.

Treasury management Issues

- the current treasury position;
 - treasury indicators which will limit the treasury risk and activities of the Council;
 - prospects for interest rates;
 - the borrowing strategy;
 - the investment strategy;
 - creditworthiness policy; and
 - policy on use of external service providers.
9. These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, the CLG MRP Guidance, the CIPFA Treasury Management Code and the CLG Investment Guidance.
10. The suggested strategy for 2012/13 in respect of the above aspects of the treasury management function is based upon the treasury officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury adviser, Sector Treasury Services Limited.

Capital Issues

The Capital Prudential Indicators 2012/13 – 2014/15

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

Capital Expenditure

12. This prudential Indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

	2010/11	2011/12	2012/13	2013/14	2014/15
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Capital Expenditure	2,786	2,629	1,423	1,323	1,423

13. Other long term liabilities. The above financing need excludes other long term liabilities, such as PFI and leasing arrangements which already include borrowing instruments.

14. The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding need (borrowing).

	2010/11	2011/12	2012/13	2013/14	2014/15
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Capital Expenditure	2,786	2,629	1,423	1,323	1,423
Financed by:					
Capital receipts	139	343	197	-	-
Capital grants	1,669	690	396	396	396
Capital reserves	456	330	330	327	327
Revenue	522	1,266	500	600	700
Net financing need for the year	2,786	2,629	1,423	1,323	1,423

The Council's Borrowing Need (the Capital Financing Requirement)

15. The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding 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 above, which has not immediately been paid for, will increase the CFR.
16. Following accounting changes the CFR includes any other long term liabilities (e.g. finance leases) brought onto the balance sheet. Whilst this increases 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 £0.2m of such schemes within the CFR.

Agenda Item 5a

17. The Council is asked to approve the CFR projections below:

	2010/11	2011/12	2012/13	2013/14	2014/15
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Capital Financing Requirement					
Total CFR	206	185	164	143	122
Movement in CFR	-21	-21	-21	-21	-21

Movement in CFR represented by:					
Net financing need for the year (above)					
<u>Less</u> MRP/VRP and other financing movements	-21	-21	-21	-21	-21
Movement in CFR	-21	-21	-21	-21	-21

Note:- The MRP / VRP includes finance lease annual principal payments

MRP Policy Statement

18. 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).
19. CLG 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:
20. For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be based on CFR – MRP will be based on the CFR.

21. These options provide for an approximate 4% reduction in the borrowing need (CFR) each year.
22. From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be the Depreciation method – MRP will follow standard depreciation accounting procedures. This provides for a reduction in the borrowing need over approximately the asset's life. Repayments included in annual PFI or finance leases are applied as MRP.

The Use of the Council's Resources and the Investment Position

23. The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions 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 for each resource and anticipated day to day cash flow balances.

Year End Resources	2010/11	2011/12	2012/13	2013/14	2014/15
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Fund balances / reserves	17,711	19,684	20,437	19,624	17,828
Capital receipts	763	461	1,317	2,668	2,725
Provisions	2,719	152	152	152	152
Other	-	-	-	-	-
Total core funds	21,193	20,297	21,906	22,444	20,705
Working capital*	21,193	20,297	21,906	22,444	20,705
Under/over borrowing	0	0	0	0	0
Expected investments	21,193	20,297	21,906	22,444	20,705

*Working capital balances shown are estimated year end; these may be higher mid year

Agenda Item 5a

Estimates of the incremental impact of capital investment decisions on council tax.

24. This indicator identifies the revenue costs associated with proposed changes to the three year capital programme recommended in this budget report compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a three year period.

	2010/11	2011/12	2012/13	2013/14	2014/15
	Actual	Estimate	Estimate	Estimate	Estimate
Council tax band D	£-0.14	£0.93	£0.41	£0.31	£0.41

Treasury Management Issues

25. The capital expenditure plans set out above 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 the relevant professional codes, so that sufficient cash is available to meet this service activity. 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.

Current Portfolio Position

26. The Council's treasury portfolio position at 24 January 2012 appears in Appendix A.

Treasury Indicators: Limits to Borrowing Activity

The Operational Boundary

27. This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

Operational boundary	2011/12	2012/13	2013/14	2014/15
	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000
Debt	5,000	5,000	5,000	5,000
Other long term liabilities	0	0	0	0
Total	5,000	5,000	5,000	5,000

The Authorised Limit for external debt

28. A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the 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.

29. 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.

30. The Council is asked to approve the following Authorised Limit:

Authorised limit	2011/12	2012/13	2013/14	2014/15
	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000
Debt	5,000	5,000	5,000	5,000
Other long term liabilities	0	0	0	0
Total	5,000	5,000	5,000	5,000

Prospects for Interest Rates

31. The Council has appointed Sector Treasury Services Limited as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Appendix B draws together a number of current City forecasts for short term (Bank Rate) and longer fixed interest rates. The following table gives the Sector central view.

Annual Average %	Bank Rate	Money Rates		PWLB Borrowing Rates		
		3 month	1 year	5 year	25 year	50 year
March 2012	0.50	0.70	1.50	2.30	4.20	4.30
June 2012	0.50	0.70	1.50	2.30	4.20	4.30
Sept 2012	0.50	0.70	1.50	2.30	4.30	4.40
Dec2012	0.50	0.70	1.60	2.40	4.30	4.40
March 2013	0.50	0.75	1.70	2.50	4.40	4.50
June 2013	0.50	0.80	1.80	2.60	4.50	4.60
Sept 2013	0.75	0.90	1.90	2.70	4.60	4.70
Dec 2013	1.00	1.20	2.20	2.80	4.70	4.80
March 2014	1.25	1.40	2.40	2.90	4.80	4.90
June 2014	1.50	1.60	2.60	3.10	4.90	5.00

32. Growth in the UK economy is expected to be weak in the next two years and there is a risk of a technical recession (i.e. two quarters of negative growth). Bank Rate, currently 0.5%, underpins investment returns and is not expected to start increasing until quarter 3 of 2013 despite inflation currently being well above the Bank of England's Monetary Policy Committee inflation target. Hopes for an export led recovery appear likely to be disappointed due to the Eurozone sovereign debt crisis depressing growth in the UK's biggest export market. The Comprehensive Spending Review, which seeks to reduce the UK's annual fiscal deficit, will also depress growth during the next few years.

33. Fixed interest borrowing rates are based on UK gilt yields. The outlook for borrowing rates is currently much more difficult to predict. The UK total national debt is forecast to continue rising until 2015/16; the consequent increase in gilt issuance is therefore expected to be reflected in an increase in gilt yields over this period. However, gilt yields are currently at historically low levels due to investor concerns over Eurozone sovereign debt and have been subject to exceptionally high levels of volatility as events in the Eurozone debt crisis have evolved.
34. This challenging and uncertain economic outlook has a several key treasury management implications:
- the Eurozone sovereign debt difficulties, most evident in Greece, provide a clear indication of much higher counterparty risk. This continues to suggest the use of higher quality counterparties for shorter time periods;
 - investment returns are likely to remain relatively low during 2012/13;
 - borrowing interest rates are currently attractive, but may remain low for some time. The timing of any borrowing will need to be monitored carefully;
 - there will remain a cost of capital – any borrowing undertaken that results in an increase in investments will incur a revenue loss between borrowing costs and investment returns.

Borrowing Strategy

35. It is anticipated that there will be no capital borrowings required during 2012/13.

Annual Investment Strategy

Investment Policy

36. The Council's investment policy has regard to the Department of Communities and Local Government (CLG) Guidance on Local Government Investments ("the Guidance") and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, then return.
37. In accordance with the above, and in order to minimise the risk to investments, the Council has below clearly stipulated the minimum acceptable credit quality of counterparties for inclusion on the lending list. The creditworthiness methodology used to create the counterparty list fully accounts for the ratings and watches published by all three ratings agencies with a full understanding of what the ratings reflect in the eyes of each agency. Using the Sector ratings service banks' ratings are monitored on a real time basis with knowledge of any changes notified electronically as the agencies notify modifications.
38. Further, the Council's officers recognise that ratings should not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and

Agenda Item 5a

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 this end the Council will engage with its advisors to maintain a monitor on market pricing such as “Credit Default Swaps (CDS)” and overlay that information on top of the credit ratings. This is encapsulated within the credit methodology provided by the advisors, Sector.

39. 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.
40. The aim of the strategy is to generate a list of highly creditworthy counterparties which will also enable diversification and thus avoidance of concentration risk.
41. The intention of the strategy is to provide security of investment and minimisation of risk.
42. Investment instruments identified for use in the financial year are listed in Appendix C under the ‘Specified’ and ‘Non-Specified’ Investments categories. Counterparty limits will be as set through the Council’s Treasury Management Practices – Schedules.

Creditworthiness Policy

43. This Council applies the creditworthiness service provided by Sector. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moodys and Standard and Poors. 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.
44. 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 duration for investments. The Council will therefore use counterparties within the following durational bands:
 - Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
 - Orange 1 year
 - Red 6 months
 - Green 3 months
 - No Colour not to be used

45. This methodology does not apply the approach suggested by CIPFA of using the lowest rating from all three rating agencies to determine creditworthy counterparties. The Sector creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.
46. Typically the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of Short Term rating F1, Long Term rating A-, Individual of Viability ratings of C- (or BB+), and a Support rating of 3. 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.
47. All credit ratings will be monitored regularly. The Council is alerted to changes to ratings of all three agencies through its use of the Sector 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 against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.
48. Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, information on government support for banks and the credit ratings of that government support.

Country limits

49. The Council has determined that it will only use approved counterparties from the UK or the EU which also have a minimum sovereign credit rating of AA- from Fitch. The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix D. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

Investment Counterparty Selection Criteria

50. The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle the Council will ensure that:

It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate

Agenda Item 5a

security, and monitoring their security. This is set out in the specified and non-specified investments listed in Appendix C; and

It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

51. Officers will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either Specified or Non-Specified as it provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.
52. Credit rating information is supplied by Sector, our treasury consultants, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (lending) list. Any rating changes, rating watches (notification of a likely change), rating outlooks (notification of a possible longer term change) are provided to officers almost immediately after they occur and this information is considered before dealing.
53. The criteria for providing a pool of high quality investment counterparties (both specified and non-specified investments) is:
 - Banks 1 - good credit quality - the Council will only use banks which:
 - are UK banks; and/or
 - are EU banks and domiciled in a country which has a minimum sovereign long term rating of AA-and have, as a minimum, the following Fitch credit ratings:
 - Short term F1
 - Long term A-
 - Viability / financial strength C-
 - Support 3
 - Banks 2 – Part nationalised UK banks – Lloyds Bank and Royal Bank of Scotland. These banks can be included if they continue to be part nationalised or they meet the ratings in Banks 1 above.
 - Banks 3 – The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time.
 - Building societies - The Council will use all societies which meet the ratings for banks outlined above
 - Money Market Funds

- UK Government (including gilts, treasury bills and the DMADF)
 - Other local authorities
 - Supranational institutions
54. It should be noted that the previous minimum long term credit rating of AA- has been reduced to A- in the suggested 2012/13 creditworthiness policy, as recent downgrades have resulted in very few institutions meeting the previous minimum.
55. As an alternative to the construction of a counterparty (or lending) list based around the colour coded credit rating matrix supplied by Sector, Members may prefer an approach using certain specified institutions only. Such an approach might be to limit investments to the main UK banks and building societies irrespective of their credit ratings. The current long term ratings of the major UK banks and top building societies are as follows:
- Barclays Bank plc A
Clydesdale Bank plc A+
Co-Operative Bank plc A-
Coventry Building Society A
HSBC Bank plc AA
Leeds Building Society A-
Lloyds Banking Group plc A
Nationwide Building Society A+
Royal Bank of Scotland Group plc A
Santander UK plc A+
56. The drawback of using a prescriptive list of nominated institutions is that it will not be sensitive to changes in ratings and will require further resolutions from Council to add institutions back on to the approved list.
57. Members views on this issue would be appreciated.

Use of additional information other than credit ratings

58. Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative rating watches/outlooks) will be applied to compare the relative security of differing investment counterparties.

Agenda Item 5a

Other Creditworthiness Issues

59. The Council's investment policy further limits the one proposed by Sector as follows:-
- Maximum investment period of 1 year.
 - Investments are limited to 25% of the total fund to any single institution or institutions within a group of companies.
 - Total investments in any one foreign country is limited to 15% of the total fund.
 - Investments are limited to £5m per counterparty excluding call accounts and £6m including call accounts.

Investment Strategy

60. 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).
61. Bank Rate is forecast to remain unchanged at 0.5% before starting to rise from quarter 3 of 2013. Bank Rate forecasts for financial year ends (March) are:
- 2011/ 2012 0.50%
 - 2012/ 2013 0.50%
 - 2013/ 2014 1.25%
 - 2014/ 2015 2.50%
62. There are downside risks to these forecasts (i.e. start of increases in Bank Rate is delayed even further) if economic growth remains weaker for longer than expected. However, should the pace of growth pick up more sharply than expected there could be upside risk, particularly if Bank of England inflation forecasts for two years ahead exceed the Bank of England's 2% target rate.
63. The suggested budgeted investment earnings rates for returns on investments placed for periods up to three months during each financial year for the next five years are as follows:
- | | |
|---------|-------|
| 2012/13 | 0.70% |
| 2013/14 | 1.00% |
| 2014/15 | 1.60% |
| 2015/16 | 3.30% |
| 2016/17 | 4.10% |

Icelandic Bank Investments

64. The Icelandic courts have supported the view that the Council will be treated as a preferred creditor, thereby seeing a high proportion of the investment being returned. The actual repayment is currently expected to be partially in foreign currency assets. It is currently too early to provide a definitive policy on how this exchange rate risk will be managed, but the expectation will be that the risk will be managed proactively and assets converted to sterling at the earliest opportunity.

Policy on the use of external service providers

65. The Council uses Sector Treasury Services as its external treasury management advisers.
66. The Council 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.
67. It also 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.

Scheme of delegation

68. The guidance notes accompanying the revised Code also require that a statement of the Council's scheme of delegation in relation to treasury management is produced as part of the Annual Investment Strategy. This appears at Appendix E.

Role of the Section 151 officer

69. As with the scheme of delegation mentioned in the previous paragraph, a statement of the role of the Section 151 officer is also required. This appears at Appendix F.

Consideration by Performance and Governance Committee on 10 January 2012

70. At its meeting on 10 January the Performance and Governance Committee considered this report and examined the issues around the Council's lending list and financial limits.
71. At the last meeting Members considered an Investment Strategy update which highlighted issues concerning credit ratings. Since the last meeting, only one bank met the current criteria. The report proposed reducing the current criteria of AA- to A-, or using a prescriptive list. Members were in general agreement that a prescriptive list would be too limited. It was acknowledged that there needed to be a balance between minimising the risk as much as possible whilst having the flexibility to be able to achieve a more favourable rate of

Agenda Item 5a

return. Some Members felt that this could still be achieved by only lowering the current criteria to an A rating.

Consideration by Finance Advisory Group on 25 January 2012

72. At its meeting on 25 January the Finance Advisory Group agreed with the Performance and Governance Committee and recommended that the Council should reduce the minimum long term credit rating in the 2012/13 creditworthiness policy to A instead of A-. The report had not mentioned that there were many institutions at A- and therefore it was felt putting it at A would not harm the diversity of the Council's portfolio.

Key Implications

Financial

73. The management of the Council's investment portfolio and cash-flow generated balances plays an important part in the financial planning of the authority. The security of its capital and liquidity of its investments is of paramount importance.
74. There are financial implications arising from the restriction of the Council's lending list in that an inferior rate of interest may have to be accepted on a particular investment if some of the smaller and lower-rated institutions have been removed from the list.

Community Impact and Outcomes

75. There are no community impacts arising from this report.

Legal, Human Rights etc.

76. This report satisfies the requirements of the Local Government Act 2003 and supporting regulations plus the Council's Financial Procedure Rules which both require the preparation of an annual treasury strategy.

Conclusions

77. The effect of the proposals set out in this report is to allow the Council to effectively and efficiently manage cash balances.
78. In line with the revised CIPFA Code of Practice on Treasury Management, the Annual Treasury Strategy must be considered by Council and this is planned for its meeting on 21 February 2012. Given the current uncertainties in the banking sector and financial markets, the Council may need to consider amending its strategy during the year.

Risk Assessment Statement

79. Treasury Management has two main risks :

Fluctuations in interest rates can result in a reduction in income from investments; and

A counterparty to which the Council has lent money fails to repay the loan at the required time.

80. The movement towards having a restricted lending list of better quality institutions but higher individual limits with those institutions reduces the chances of a default. But if a default did occur, the potential loss would be greater. Previously, the preference was to have smaller investments with a greater range of institutions.

81. These risks are mitigated by the annual investment strategy which has been prepared on the basis of achieving the optimum return on investments commensurate with proper levels of security and liquidity. However, Members should recognise that in the current economic climate, these remain significant risks and that the strategy needs to be constantly monitored.

Sources of Information:

Existing treasury counterparty list

Treasury Management Strategy Statement for 2012/13 provided by Sector Treasury Services Ltd.

CIPFA – Prudential Code on Treasury Management

ODPM (now DCLG) – Guidance on Local Government Investments (March 2004)

CIPFA Treasury Management in the Public Services Code of Practice (Revised 2009,2010 & 2011)

Contact Officer(s):

Roy Parsons ext.7204

Dr. Pav Ramewal

Deputy Chief Executive and Director of Corporate Resources

This page is intentionally left blank

SEVENOAKS DISTRICT COUNCIL

List of Investments as at:- 24-Jan-12

Reference	Name	Country	Group	Amount	Start Date	Comm Rate	End Date	Curr Rate	Terms
	Santander UK plc (Business Reserve A/C)	U.K.	Santander	0	01-Apr-99			0.60000%	Variable
	Santander UK plc (Money Market A/C)	U.K.	Santander	0	09-Oct-06			0.80000%	Variable
	Bank of Scotland plc (Corp Instant Access A/C)	U.K.	Lloyds/HBOS	0	01-Aug-04			0.50000%	Variable
	Clydesdale Bank plc (Base Tracker Plus - 15 Day)	U.K.	NAB	0	10-Sep-10			0.65000%	Variable
	Barclays Bank plc (Business Premium A/C)	U.K.		362,000	01-Oct-11			0.45000%	Variable
	National Westminster Bank plc (Liquidity Select)	U.K.	RBS	2,000,000	07-Oct-11			0.80000%	Variable
IP991	Aberdeen City Council	U.K.		1,000,000	29-Nov-11	0.50000%	29-May-12		6 Months
IP963	Bank of Scotland plc	U.K.	Lloyds/HBOS	1,000,000	26-May-11	1.80000%	24-Feb-12		9 Months
IP986	Bank of Scotland plc	U.K.	Lloyds/HBOS	1,000,000	03-Nov-11	1.35000%	14-Feb-12		3 Months
IP987	Barclays Bank plc	U.K.		1,500,000	14-Nov-11	0.91000%	14-Feb-12		3 Months
IP989	Barclays Bank plc	U.K.		1,500,000	16-Nov-11	0.91000%	16-Feb-12		3 Months
IP985	Blaenau Gwent County Borough Council	U.K.		2,000,000	07-Nov-11	0.55000%	08-May-12		6 Months
IP1004	Eastleigh Borough Council	U.K.		1,000,000	16-Jan-12	0.42000%	16-Jul-12		6 Months
IP813	Landsbanki Islands hf	Iceland		1,000,000	25-Jun-07	6.32000%	25-Jun-09		2 Years
IP953	Lloyds TSB Bank plc	U.K.	Lloyds/HBOS	1,000,000	03-Feb-11	1.95000%	03-Feb-12		1 Year
IP961	Lloyds TSB Bank plc	U.K.	Lloyds/HBOS	1,000,000	28-Apr-11	1.65000%	31-Jan-12		9 Months
IP970	Lloyds TSB Bank plc	U.K.	Lloyds/HBOS	1,000,000	25-Jul-11	1.42000%	25-Jan-12		6 Months
IP992	Midlothian Council	U.K.		1,000,000	14-Dec-11	0.40000%	14-Mar-12		3 Months
IP958	National Westminster Bank plc	U.K.	RBS	2,000,000	22-Mar-11	1.00000%	27-Apr-12	2.50000%	1 Year
IP997	National Westminster Bank plc	U.K.	RBS	1,000,000	19-Dec-11	1.00000%	18-Jul-12	1.80000%	6 Months
IP977	Nationwide Building Society	U.K.		1,000,000	01-Sep-11	1.09000%	01-Mar-12		6 Months
IP990	Nottingham City Council	U.K.		2,000,000	23-Nov-11	0.50000%	23-May-12		6 Months
IP1002	Salford City Council	U.K.		1,000,000	11-Jan-12	0.38000%	23-Jul-12		6 Months
IP999	UK Debt Management Office	U.K.		1,000,000	21-Dec-11	0.25000%	09-Feb-12		7 Weeks
IP1000	UK Debt Management Office	U.K.		3,000,000	23-Dec-11	0.25000%	09-Feb-12		7 Weeks
IP1003	UK Debt Management Office	U.K.		4,500,000	11-Jan-12	0.25000%	09-Feb-12		1 Month
IP1005	UK Debt Management Office	U.K.		2,200,000	16-Jan-12	0.25000%	16-Mar-12		2 Months
IP1006	UK Debt Management Office	U.K.		2,000,000	23-Jan-12	0.25000%	16-Mar-12		7 Weeks
IP983	Ulster Bank Ltd	U.K.	RBS	1,000,000	26-Oct-11	1.05000%	26-Jan-12		3 Months
Total Invested				37,062,000					
Other Loan									
	Sevenoaks Leisure Limited			250,000	29-Apr-08	7.00000%	31-Mar-18		10 Years

This page is intentionally left blank

APPENDIX B - INTEREST RATE FORECASTS 2011/2015

Sector's Interest Rate View															
	Now	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15
Sector's Bank Rate View	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%	1.50%	2.00%	2.25%	2.50%
3 Month LIBID	0.87%	0.70%	0.70%	0.70%	0.70%	0.70%	0.75%	0.80%	0.90%	1.20%	1.40%	1.60%	2.10%	2.40%	2.60%
6 Month LIBID	1.16%	1.00%	1.00%	1.00%	1.00%	1.00%	1.10%	1.20%	1.40%	1.60%	1.80%	2.00%	2.50%	2.70%	2.90%
12 Month LIBID	1.65%	1.50%	1.50%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.20%	2.40%	2.60%	3.10%	3.20%	3.30%
5yr PWLB Rate	2.25%	2.30%	2.30%	2.30%	2.30%	2.40%	2.50%	2.60%	2.70%	2.80%	2.90%	3.10%	3.30%	3.50%	3.70%
10yr PWLB Rate	3.33%	3.30%	3.30%	3.30%	3.40%	3.40%	3.50%	3.60%	3.70%	3.80%	4.00%	4.20%	4.40%	4.60%	4.80%
25yr PWLB Rate	4.24%	4.20%	4.20%	4.20%	4.30%	4.30%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%
50yr PWLB Rate	4.26%	4.30%	4.30%	4.30%	4.40%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.30%
Bank Rate															
Sector's View	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%	1.50%	2.00%	2.25%	2.50%
UBS	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	-	-	-	-	-	-	-	-	-
Capital Economics	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	-	-	-	-	-
5yr PWLB Rate															
Sector's View	2.25%	2.30%	2.30%	2.30%	2.30%	2.40%	2.50%	2.60%	2.70%	2.80%	2.90%	3.10%	3.30%	3.50%	3.70%
UBS	2.25%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Economics	2.25%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	-	-	-	-	-
10yr PWLB Rate															
Sector's View	3.33%	3.30%	3.30%	3.30%	3.40%	3.40%	3.50%	3.60%	3.70%	3.80%	4.00%	4.20%	4.40%	4.60%	4.80%
UBS	3.33%	3.45%	3.45%	3.50%	3.60%	3.65%	-	-	-	-	-	-	-	-	-
Capital Economics	3.33%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	-	-	-	-	-
25yr PWLB Rate															
Sector's View	4.24%	4.20%	4.20%	4.20%	4.30%	4.30%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%
UBS	4.24%	4.80%	4.90%	4.90%	4.90%	4.90%	-	-	-	-	-	-	-	-	-
Capital Economics	4.24%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	-	-	-	-	-
50yr PWLB Rate															
Sector's View	4.26%	4.30%	4.30%	4.30%	4.40%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.30%
UBS	4.26%	4.80%	4.95%	4.95%	5.00%	5.00%	-	-	-	-	-	-	-	-	-
Capital Economics	4.26%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	-	-	-	-	-

Agenda Item 5a

APPENDIX C - SPECIFIED AND NON-SPECIFIED INVESTMENTS

SPECIFIED INVESTMENTS

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

Term deposits within the UK

	Minimum 'High' Credit Criteria	Use
Debt Management Agency Deposit Facility	--	In-house
Term deposits – local authorities	--	In-house
Term deposits – banks and building societies	Sector colour code 'Green' or better	In-house

Term deposits with nationalised banks and banks and building societies

	Minimum 'High' Credit Criteria	Use
UK part nationalised banks	Sector colour code 'Blue'	In-house
Banks part nationalised by high credit rated (sovereign rating) countries – non UK	Sovereign rating AA- or better and Sector colour code 'Green' or better	In-house

Others

Certificates of deposit issued by banks and building societies covered by UK Government (explicit) guarantee	UK sovereign rating AA- or better and Sector colour code 'Green' or better	In-house
UK Government Gilts	UK sovereign rating AA- or better	In-house buy and hold
Bonds issued by multilateral development banks	AAA	In-house buy and hold
Bond issuance issued by a financial institution which is explicitly guaranteed by the UK Government (refers solely to GEFCO - Guaranteed Export Finance Corporation)	UK sovereign rating AA- or better	In-house buy and hold
Sovereign bond issues (other than the UK govt)	AAA	In-house buy and hold
Treasury Bills	UK sovereign rating AA- or better	In house

Collective Investment Schemes structured as Open Ended Investment Companies (OEICs): -		
Government Liquidity Funds	Long-term rating AAA Volatility rating MR1+	In-house
Money Market Funds	Long-term rating AAA Volatility rating MR1+	In-house
Enhanced cash funds	Long-term rating AAA Volatility rating MR1+	In-house
Gilt Funds	Long-term rating AAA Volatility rating MR1+	In-house

NON-SPECIFIED INVESTMENTS: As the Council has a maximum investment period of one year, many of the investment instruments previously listed in this category are no longer applicable

	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
Fixed term deposits with variable rate and variable maturities (i.e. structured deposits)	Sovereign rating AA- or better and Sector colour code 'Green' or better	In-house	25	1 year

Agenda Item 5a

APPENDIX D - Approved countries for investments

Based on lowest available rating

AAA

- Denmark
- Finland
- France
- Germany
- Luxembourg
- Netherlands
- Norway
- Sweden
- Switzerland
- U.K.

AA+

- Belgium

APPENDIX E - Treasury management scheme of delegation

Full Council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

Cabinet

- 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;
- approving the selection of external service providers and agreeing terms of appointment.

Performance and Governance Committee

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

APPENDIX F - The treasury management role of the section 151 officer

The S151 (responsible) officer is responsible for:

- 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.

Item 5(b) – Revenue Budget and Council Tax 2012

This item was considered by Cabinet on 9 February 2012. The minutes of that meeting were not available at the time that the Council agenda went to print. An extract of the minutes will be available at the Council meeting.

This page is intentionally left blank

COUNCIL – 21 FEBRUARY 2012

REVENUE BUDGET AND COUNCIL TAX 2012/13

Report of the: Deputy Chief Executive & Director of Corporate Resources

Status: For Decision

Executive Summary

This report sets out the proposed budget and required level of Council Tax for 2012/13. The report details changes to the draft budget since the Cabinet meeting on 8 December.

The proposed net expenditure budget is £13.443m (£13.771m in 2011/12). Subject to any further changes this would envisage no Council Tax increase in 2012/13, with the District's council tax remaining at £181.89 for a Band D property for the year.

This report supports all the Council's key themes and objectives.

Portfolio Holder Cllr. Ramsay

Head of Service Head of Finance and Human Resources – Tricia Marshall

Recommendation:

It be recommended to Council that:

- (a) The Summary of Council Expenditure and Council Tax set out in Appendix C be approved.
 - (b) The 10 year budget 2011/12 to 2021/22 set out in Appendix A, including the growth and savings proposals set out at Appendix B, be approved and that where possible any variations during and between years be met from the Budget Stabilisation Fund.
 - (c) Any changes in the taxbase and collection fund and other minor variations be transferred to/from the Budget Stabilisation Reserve.
-

Background and Introduction

- 1 Members will be aware that the 2012/13 budget process started in October 2011 with consideration of a report on the Council's financial prospects. The Select Committees reviewed the budget and service plans in October and November and reported back to Cabinet on 8 December 2011.
- 2 The adoption of the 10-year budget last year has resulted in a much more stable budget position than in recent years.

Agenda Item 5b

- 3 The growth items and service pressures presented to the Select Committees have been addressed and incorporated into the draft budgets attached together with the associated savings.
- 4 The December Cabinet included the following recommendations:
 - Full Council approves the changes to reserves;
 - Any changes in the taxbase and collection fund and other minor variations be transferred to/from the Budget Stabilisation Reserve.
- 5 This report includes a number of attachments:
 - The 10-year budget (Appendix A);
 - Summary of growth and savings proposed (Appendix B);
 - Summary of Council Expenditure and Council Tax (Appendix C);
 - Summary Service Analysis in budget book format (Appendix D);
 - Analysis of pay costs (Appendix E);
 - Risk analysis (Appendix F);
 - Financial Strategy (page 183, Appendix 5 Agenda Item 6 (a)).

New information received and key changes made since December 2011

- 6 **Revenue Support Grant / Non-Domestic Rates** (£4.9m in 2011/12) – a draft figure was received in December which was the same as the provisional figure received in December 2010, therefore the assumptions in the 10-year budget remain unchanged. Final confirmation is expected in February 2012.
- 7 **New Homes Bonus** – it was announced in December that the council would receive £645,993 in 2012/13. Due to the likelihood that in future the New Homes Bonus would be funded by a reduction in the Revenue Support Grant, it is important that the majority of this funding should be kept separate until the overall financial effect is known.
- 8 **Council Tax Base** – as reported to Cabinet on 12 January 2012, the Council Tax base has increased by around 285 band D equivalent properties to 50,860. This will result in an extra £52,000 of precept which will be transferred to the Budget Stabilisation Reserve.
- 9 **Changes agreed by Cabinet on 8 December 2011 to offset the proposed growth items and pressures** - in terms of pressures on the Housing Benefit Service it was proposed and Cabinet agreed that £50,000 be made available from the Housing Benefit Subsidy Reserve. Cabinet also agreed that the £20,000 pa saving associated with the shared Democratic Services Management pilot arrangement, due to end in December, would be put back into the budget and covered by the increase in market rents that had been secured by the Professional Services Manager.

- 10 In terms of funding the budget gap it was proposed that the £40,000 reduction in the Housing Benefits grant should be funded from the Housing Benefits Subsidy Reserve and the £6,500 provision for the Members' IT allowance should be funded from the underspend on Members' Allowances

Variations to the December 10-Year Budget

- 11 Taking into account the new information available since the Cabinet meeting on 8 December as set out above, the following table shows the key impacts on the Financial Plan:

Key variations	Plan Year 1	Plan Year 2	Plan Year 3	Plan Year 4-10	Cumulative
Budget gap	2012/13	2013/14	2014/15	2015/16 to 2021/22	
	£000	£000	£000	£000	£000
1 Cabinet 8/12/11	47	47	47	329	470
2 Contribution from Housing Benefit Subsidy Reserve (to offset SCIA1: reduction in Housing Benefit grant)	(40)	(40)	(40)	(280)	(400)
3 Members' allowances (to offset SCIA2: provision for Members' IT allowance)	(7)	(7)	(7)	(49)	(70)
4 Housing Benefit Service pressures to be funded from the Housing Benefit Subsidy Reserve	-	-	-	-	-
5 Shared Democratic Services Management saving reversed and offset by an increase in market rents	-	-	-	-	-
6 Council Tax base increase	(52)	(52)	(52)	(364)	(520)
7 Contribution to Budget Stabilisation Reserve	52	52	52	364	520
8 Revised Budget gap	0	0	0	0	0

Integration with other budget reports on the Cabinet Agenda

- 12 Separate reports on this Agenda set out the Asset Maintenance and Capital Programme Budget proposals, and Treasury Management Strategy. The attached revenue budgets take into account the recommendations and revenue implications set out in those reports.

2011/12 Outturn

- 13 The latest monitoring figures indicate a small favourable variance at the year end. However, it should be recognised that this has been a challenging budget year for a number of reasons, including reducing income streams, continued impact of the recession on service demand, higher fuel prices and higher than anticipated inflation levels. In spite of this, officers, with the support of the Finance Advisory Group, are continuing to ensure the year-end outturn remains within budget.

Agenda Item 5b

- 14 Supported by the Finance Advisory Group, tight financial monitoring and control has been in place for a number of years and again for 2011/12. Given the constraints being placed on all budgets, and the savings planned for 2012/13 and future years, it will be essential to continue on this basis.

Medium Term Prospects

- 15 The 10-year budget includes previously agreed savings up to 2014/15 to help to achieve a balanced budget.
- 16 Looking at both national and local issues, the medium term prospects remains difficult, in that the Council is likely to be faced with a number of substantial additional financial pressures. These include:
- reduced Government grant;
 - increased demand for some services due to the economic downturn;
 - expectations that council tax increases will remain very low;
 - reduced investment and other income;
 - localisation of support for council tax;
 - redistributed business rates.
- 17 The 10-year budget at Appendix A already reflects the impact of a number of these pressures on the Council's finances. Members will appreciate that there is considerable uncertainty over many of the financial assumptions for future years and that this is an evolving picture. Officers will continue to track and analyse the latest information and views.

Risk Assessment Statement

- 18 The budget risk analysis is attached at Appendix F. At its meeting on 25 January 2012 the Finance Advisory Group reviewed the assumptions and risks within the 2012/13 budget. The Appendix has been amended to take account of any comments.
- 19 The Council has in place a number of specific reserves and provisions to address identified risks.
- 20 The report to Council will set out the statutory Finance Officer's opinion on the robustness of estimates and adequacy of reserves, as required by the Local Government act 2003.

Equalities Impact Assessment

- 21 In setting the budget last year, when the four-year savings plan was approved, we gave due regard to our equality duties by considering the possible impact

that the proposed changes could have on different groups. Individual equality impact assessments were carried out on each proposal and were included in the report to ensure our decision-making process was fair and transparent. The cumulative impact of these proposals show there will be impacts on diverse groups but the proposals reflect the fairest overall course of action in view of the savings we are required to make. Wherever possible, we have identified actions against each proposal where necessary with the aim of reducing any impacts by making reasonable adjustments.

Impact on and Outcomes for the Community

- 22 A balanced budget that includes the assessment and management of risk provides the Council with the financial stability required to plan and deliver its services to the Community.

2012/13 Budget and Council Tax

- 23 After allowing for the savings package and the key changes referred to above, the resulting net expenditure for 2012/13 is £13.443m. As shown in Appendix C this results in a Council Tax of £9.251m. No increase in Council Tax is proposed for 2012/13, meaning that the District element of the Band D charge remains at £181.89.
- 24 The other preceptors are yet to announce their increases. Members will be updated at the meeting with the latest information.

Conclusions

- 25 Members will be aware that the Council continues to face financial pressure from the economic downturn and reductions in Government spending. Income is expected to remain depressed whilst demand for key services has remained high.
- 26 The future financial prospects for the public sector are increasingly difficult. However, this budget, with the level of Council Tax being recommended, will ensure the Council is in a financially sustainable position.

Sources of Information: **Financial Prospects and Budget Strategy 2012/13 and Beyond** (Cabinet 13 October 2011, Performance & Governance 15 November 2011)

2012/13 Budget & Review of Service Plans (Environment Select Committee 25 October 2011, Social Affairs Committee 1 November 2011, Services Select Committee 8 November 2011)

Draft Budget 2012/13 (Cabinet 8 December 2011)

Risks and Assumptions in the Budget (Finance Advisory Group 25 January 2012)

Investment Strategy (Performance and Governance Committee 10 January 2012, Finance Advisory Group 25 January 2012)

Agenda Item 5b

Contact Pav Ramewal x7298
Officer(s): Tricia Marshall x7205
Adrian Rowbotham x7153

Dr. Pav Ramewal

Deputy Chief Executive & Director of Corporate Resources

Ten Year Budget - Revenue

	Budget 2011/12	Plan 2012/13	Plan 2013/14	Plan 2014/15	Plan 2015/16	Plan 2016/17	Plan 2017/18	Plan 2018/19	Plan 2019/20	Plan 2020/21	Plan 2021/22
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure											
Net Service Expenditure c/f	13,771	13,771	13,443	13,628	14,662	15,110	15,531	15,935	16,197	16,569	16,934
Inflation		468	621	633	565	564	566	563	558	552	339
Pension Fund deficit: actuarial increase		0	0	520							
Net savings (approved in previous years)		(796)	(436)	(119)	(117)	(143)	(162)	(301)	(186)	(187)	0
New growth and savings		0									
Net Service Expenditure b/f	13,771	13,443	13,628	14,662	15,110	15,531	15,935	16,197	16,569	16,934	17,273
Financing Sources											
Government Support	(4,912)	(4,186)	(3,805)	(3,424)	(3,527)	(3,633)	(3,742)	(3,854)	(3,970)	(4,089)	(4,212)
Govt Support to offset 2011/12 C Tax freeze	(229)	(229)	(229)	(229)							
Govt Support to offset 2012/13 C Tax freeze		(231)									
Council Tax	(9,199)	(9,251)	(9,529)	(9,815)	(10,208)	(10,616)	(11,041)	(11,483)	(11,942)	(12,420)	(12,917)
Interest Receipts	(153)	(173)	(243)	(530)	(712)	(656)	(599)	(543)	(489)	(415)	(415)
Contributions to Reserves	471	330	430	330	330	330	330	330	330	330	330
Contributions from Reserves	(14)	(536)	(534)	(532)	(529)	(527)	(524)	(521)	(519)	(516)	(513)
Total Financing	(14,036)	(14,276)	(13,910)	(14,200)	(14,646)	(15,102)	(15,576)	(16,071)	(16,590)	(17,110)	(17,727)
Contribution to/(from) Stabilisation Reserve	265	833	282	(462)	(464)	(429)	(359)	(126)	21	176	454
Budget Gap	0	0	0	0	0	0	0	0	0	0	0

Cumulative position (surplus)/deficit: (191)

Ten Year Budget - Balance Sheet

Balance Sheet	31/3/11	31/3/12	31/3/13	31/3/14	31/3/15	31/3/16	31/3/17	31/3/18	31/3/19	31/3/20	31/3/21	31/3/22
	Actual £000	Plan £000	Plan £000	Plan £000	Plan £000	Plan £000	Plan £000	Plan £000	Plan £000	Plan £000	Plan £000	Plan £000
Long Term Assets												
Property, Plant and Equipment	16,584	16,331	16,057	15,804	15,466	15,213	14,960	14,707	14,454	14,201	13,948	13,695
Investment Property	3,047	3,047	2,914	777	777	777	777	777	777	777	777	777
Long Term Investments	2,560	0	0	0	0	0	0	0	0	0	0	0
Long Term Debtors	570	526	482	442	413	384	355	326	316	312	308	304
	22,761	19,904	19,453	17,023	16,656	16,374	16,092	15,810	15,547	15,290	15,033	14,776
Current Assets												
Short-term Investments	13,257	12,675	14,309	14,872	13,158	10,911	9,575	8,432	7,506	6,663	6,123	5,879
Cash and Cash Equivalents	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828
Inventories	36	36	36	36	36	36	36	36	36	36	36	36
Short Term Debtors	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226
Payments in Advance	171	171	171	171	171	171	171	171	171	171	171	171
	22,518	21,936	23,570	24,133	22,419	20,172	18,836	17,693	16,767	15,924	15,384	15,140
Current Liabilities												
Receipts in Advance	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)
Short Term Creditors	(2,626)	(963)	(964)	(965)	(966)	(967)	(968)	(969)	(970)	(971)	(972)	(973)
Short Term Provisions	(238)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)
	(3,622)	(1,873)	(1,874)	(1,875)	(1,876)	(1,877)	(1,878)	(1,879)	(1,880)	(1,881)	(1,882)	(1,883)
NET CURRENT ASSETS	18,896	20,063	21,696	22,258	20,543	18,295	16,958	15,814	14,887	14,043	13,502	13,257
Long Term Liabilities												
Long Term Creditors	(370)	(369)	(368)	(367)	(366)	(365)	(364)	(363)	(362)	(361)	(360)	(359)
Long Term Provisions	(2,481)	0	0	0	0	0	0	0	0	0	0	0
Net Pensions Liability	(34,512)	(33,162)	(31,742)	(30,252)	(28,762)	(27,272)	(25,782)	(24,292)	(22,802)	(21,312)	(19,822)	(18,332)
Capital Grants Receipts in Advance	(486)	0	0	0	0	0	0	0	0	0	0	0
	(37,849)	(33,531)	(32,110)	(30,619)	(29,128)	(27,637)	(26,146)	(24,655)	(23,164)	(21,673)	(20,182)	(18,691)
TOTAL NET ASSETS	3,808	6,436	9,039	8,662	8,071	7,032	6,904	6,969	7,270	7,660	8,353	9,342
USABLE RESERVES												
Usable Capital Receipts Reserve	763	461	1,317	2,668	2,725	2,625	2,525	2,425	2,325	2,225	2,125	2,025
Earmarked Reserves	13,998	15,971	16,724	15,911	14,115	11,943	10,682	9,614	8,782	8,039	7,599	7,455
General Fund	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713
	18,474	20,145	21,754	22,292	20,553	18,281	16,920	15,752	14,820	13,977	13,437	13,193
UNUSABLE RESERVES												
Capital Adjustment Account	15,592	15,217	14,810	12,420	12,082	11,829	11,576	11,323	11,070	10,817	10,564	10,311
Revaluation Reserve	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161
Accumulated Absences Account	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)
Pensions Reserve	(34,512)	(33,162)	(31,742)	(30,252)	(28,762)	(27,272)	(25,782)	(24,292)	(22,802)	(21,312)	(19,822)	(18,332)
Deferred Capital receipts	245	227	208	193	189	185	181	177	173	169	165	161
	(14,666)	(13,709)	(12,715)	(13,630)	(12,482)	(11,249)	(10,016)	(8,783)	(7,550)	(6,317)	(5,084)	(3,851)
TOTAL RESERVES	3,808	6,436	9,039	8,662	8,071	7,032	6,904	6,969	7,270	7,660	8,353	9,342

Growth and Savings Proposed in 2012/13

SCIA			2012/13	2013/14	2014/15
Year	No.		£	£	£
		Finance and HR			
2012/13	1	Housing Benefits - Reduction in Benefits Admin Grant	40,000		
		Funded by: Contribution from Housing Benefits Subsidy Reserve	(40,000)		
2012/13	2	Members' Allowances - Provision for Members IT allowance	6,500		
		Funded by: Members' Allowances underspend	(6,500)		
		Finance & HR Sub Total	0	0	0
		Total	0	0	0

Summary of Growth and Savings Agreed in Previous Years

SCIA			2012/13	2013/14	2014/15
Year	No.		£	£	£
		Community Development			
2011/12	3	Grants	(20,000)		
2011/12	5	Leisure - Asset Maintenance	(70,000)		
2011/12	6	Leisure - reduced Management Fee	(80,000)		
2011/12	8	Tourism - reduced activity	(30,000)		
2011/12	10	Youth - reduce activity, leave only statutory duty	(60,000)		
2011/12	11	Youth - 8-12's project	(23,000)		
2010/11	24	STAG agreement expiry		(25,000)	(75,000)
		Community Development Sub Total	(283,000)	(25,000)	(75,000)
		Development Services			
2011/12	14a	Development Control - Planning and Pre-Application Fees - extra income	(100,000)		
2011/12	15	LDF preparation - reduce annual contribution to reserve based on cost reduction (reversing short-term saving made in 11/12)		70,000	
		Development Services Sub Total	(100,000)	70,000	0
		Environmental and Operational			
2011/12	17	CCTV - Partnership Work/Other arrangement (with Contact Centre)			(50,000)
2011/12	18	Direct Services - review operations and reduce costs	(16,000)		
2011/12	22b	Parking - reduce administrative costs	(13,000)	(14,000)	
2011/12	28	Asset Maintenance (reduction for 3 years) - Playground equipment/CCTV equipment/depot/car parks (reversing short-term saving made in 11/12)			31,000
2010/11	8	Licensing - Enlarge Partnership	(15,000)		
		Environmental & Operational Services Sub Total	(44,000)	(14,000)	(19,000)
		Finance and HR			
2011/12	29	Contact Centre - shared services or reduction in service	(40,000)		
2011/12	30b	Finance/Direct Services - Rationalisation of financial systems and administration over sites	(50,000)		
2011/12	31	Human Resources - partnership working		(20,000)	
2011/12	35	Property - review processes and restructure team		(75,000)	
2011/12	36	Property - income from Tandridge			
2011/12	37	Revenues & Benefits - joint working savings above target			
2011/12	38	Revenues and Benefits - Partnership - further efficiencies target (£60k split 50:50)		(30,000)	
2011/12	40	Lease Cars - cease scheme administration	(10,000)	(20,000)	
2010/11	16	Members' Allowances - Phasing of new scheme	45,000		
		Finance & HR Sub Total	(55,000)	(145,000)	0
		Housing and Communication			
2011/12	44	Social Housing - West Kent Housing Contract Saving	(30,000)		
2011/12	47	Social Housing - Joint assessment referrals - stop contribution	(8,000)		
2011/12	58	Policy, Performance and Communications - review of functions	(50,000)		
2010/11	56	Communications Officer - temporary cover by apprentice (reversal of short-term saving)	19,000		
		Housing & Communication Sub Total	(69,000)	0	0
		IT and Facilities Management			
2011/12	49	Information Systems and IT Support - review staffing resources		(20,000)	(60,000)
2011/12	51	IT - Agresso and IDOX - reduce support costs	(50,000)		
2011/12	52	Facilities Management - staffing - review	(30,000)		
		IT & FM Sub Total	(80,000)	(20,000)	(60,000)
		Legal and Democratic Services			

Agenda Item 5b

2010/11	21	Equalities - Tunbridge Wells BC contract ends	(15,000)		
		Legal & Democratic Services Sub Total	(15,000)	0	0
		Corporate			
2011/12	59	Review of senior management or joint management		(302,000)	
2011/12	61	Further income generation	(150,000)		
		Corporate Sub Total	(150,000)	(302,000)	0
		Changes to staff terms and conditions (incl. SCIA's 62 & 63) - agreed by Council 18/10/11			
		Effect of changes (Cabinet report 15/09/11)	320,000	50,000	35,000
2011/12	62,63	Note: over the 10-year budget period the savings amounts required in the two SCIA's will be fully made	(320,000)	(50,000)	
		Staff Terms and Conditions Sub Total	0	0	35,000
		Total	(796,000)	(436,000)	(119,000)

Summary of Council Expenditure & Council Tax

	2011/12 <i>Budget Net Expenditure</i> £000	2012/13 Budget Net Expenditure £000
Service expenditure before Support Services and Capital Charges including trading accounts (see Appendix D)	14,039	13,688
Capital Charges and Support Services charged outside the General Fund	(268)	(245)
Sub Total	13,771	13,443
Non allocated expenditure:		
Collection Fund adjustment	0	0
Net Service Expenditure excluding Capital Charges	13,771	13,443
Government Grant	(4,912)	(4,186)
Council Tax Requirement - Sevenoaks DC	(9,199)	(9,251)
Government support to offset Council Tax freeze	(229)	(460)
Grant & Council Tax income	(14,340)	(13,897)
Net Expenditure after Grant & Council Tax, before interest	(569)	(454)
Less: Interest and Investment income	(153)	(173)
Amount to be met from Reserves	(722)	(627)
Contributions (to) / from reserves		
Earmarked Reserves		
Capital	(330)	(330)
Action and Development	14	0
Reorganisation	(141)	0
Budget Stabilisation	(265)	(885)
Financial Plan	0	588
Planned contribution from Gen Fund Res	0	0
	(722)	(627)

	2010/11	2011/12	2012/13
Taxbase	50,427	50,575	50,860
	£	£	£
Council Tax @ Band D	181.89	181.89	181.89

Council Tax Summary

Band D charge

			%	%
Kent County	1,047.78	1,047.78	69.7	#####
Kent Fire	67.95	67.95	4.5	#####
Kent Police	138.68	138.68	9.2	#####
	1,254.41	1,254.41	83.5	0.00 #####
Sevenoaks District	181.89	181.89	12.1	#####
Average Town/Parish	64.91	66.56	4.4	#####
	1,501.21	1,502.86	100.0	0.00 #####

Interest Receipts Summary

Investment interest	186	206
Mortgage and other interest	2	2
Allocations to Provisions	(35)	(35)
Net Revenue contribution	153	173

This page is intentionally left blank

Head of Service	Actuals 10/11	Budget 11/12	Proposed Budget 12/13
	£'000	£'000	£'000
Community Development	887	1,166	979
Development Services	1,672	1,411	1,307
Environmental and Operations	3,979	2,889	2,752
Finance and Human Resources	5,589	4,797	4,870
Housing and Communications	1,014	926	875
IT and Facilities Management	1,704	1,631	1,588
Legal and Democratic Services	1,564	1,292	1,381
	<u>16,410</u>	<u>14,112</u>	<u>13,751</u>
Direct Services	-0	-73	-63
Sub total with Direct Services	<u>16,410</u>	<u>14,039</u>	<u>13,688</u>
Outside General Fund		-268	-245
Total		<u>13,771</u>	<u>13,443</u>

Summary

Budget for 2011/12	13,771
Inflation	468
Previous Years Savings	-796
SCIA 2012/13	0
Other savings to meet cash limit	0
Net Service Budget 2012/13	<u>13,443</u>

Net Service Expenditure analysed by Head of Service

	Actuals 10/11 £'000	Budget 11/12 £'000	Proposed Budget 12/13 £'000
Community Development			
8 to 12 project	23	23	-0
Arts Development	5	-0	0
All Weather Pitch	-2	-2	-2
Community Safety	167	205	207
Community Development Service Provisions	-12	0	-2
The Community Plan	51	56	58
Economic Development	19	44	41
Grants to Organisations	225	186	179
Health Improvements	50	39	41
Leisure Contract	446	330	248
Leisure Development	20	22	20
Sporting Services	-364	0	0
Administrative Expenses - Community Dev.	13	14	13
STAG Community Arts Centre	100	100	100
Sustainability	22	17	4
Tourism	39	55	24
Youth	84	76	48
Total Service Expenditure	887	1,166	979

	Actuals 10/11	Budget 11/12	Proposed Budget 12/13
	£'000	£'000	£'000
Community Development			
Pay Costs	446	432	354
Pay Costs Externally Funded	203	73	78
Premises and Grounds	77	59	60
Transport	7	8	9
Supplies and Services	131	142	118
Agency and Contracted	1,042	722	556
Departmental Management and other Heads of :	30	29	24
Funds drawn from/to Reserves	-63	0	0
Income	-985	-300	-220
Asset Maintenance	0	0	0
Service expenditure before re-allocation of Support Services and Capital charges	887	1,166	979

Analysis of budget changes between 11/12 and 12/13

Base Budget 2011/12	1,166
Inflation	35
Planned Savings agreed previous years	
SCIA 3 (11/12) Grants	-20
SCIA 6 (11/12) Leisure -Reduced Management Fee	-80
SCIA 8 (11/12) Tourism - reduced activity	-30
SCIA 10 (11/12) Youth - reduce activity, leaves only statutory duty	-60
SCIA 11 (11/12) Youth - 8 to 12's project	-23
Partnership Savings and SCIA 61 (11/12) shared across all Heads of Service	-5
SCIA 32 (11/12) Secretarial shared across other Heads of Service	-6
SCIAs 2012/13	0
Other Adjustments between Heads of Service	
Consolidation stationery budgets	-1
Other minor adjustments and transfers between Heads of Service	3
Approved Budget 2012/13	979

Net Service Expenditure analysed by Head of Service

	Actuals 10/11	Budget 11/12	Proposed Budget 12/13
	£'000	£'000	£'000
Development Services			
Bridleways / Footpath Diversions	2	2	1
Conservation	75	50	47
Local Development Framework	488	441	435
Planning - Appeals	187	158	163
Planning - Counter	-0	-1	-1
Planning - Dev. Control	606	464	362
Planning - Enforcement	281	264	269
Administrative Expenses - Development Control	34	34	30
Administrative Expenses - Policy and Env.	1	0	0
Total Service Expenditure	1,672	1,411	1,307

	Actuals 10/11	Budget 11/12	Proposed Budget 12/13
	£'000	£'000	£'000
Development Services			
Pay Costs	1,846	1,754	1,794
Premises and Grounds	1	1	1
Transport	1	0	0
Supplies and Services	83	73	64
Agency and Contracted	243	63	64
Departmental Management and other Heads of Service	67	66	60
Funds drawn from/to Reserves	66	70	42
Income	-635	-615	-719
	<hr/>	<hr/>	<hr/>
Service expenditure before re-allocation of Support Services and Capital charges	1,672	1,411	1,307
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Analysis of budget changes between 11/12 and 12/13

Base Budget 2011/12	1,411
Inflation	35
Planned Savings agreed previous years	
SCIA 14 (11-12) Planning and Pre-App fees	-100
Partnership Savings and SCIA 61 (11/12) shared across all Heads of Service	-22
SCIA 32 (11/12) Secretarial shared across various Heads of Service	-6
Communication review (SCIA 58) shared across various Heads of Service	-7
SCIAS 2012/13	0
Other Adjustments between Heads of Service	
Consolidation stationery budgets	-4
Other minor adjustments	0
Approved Budget 2012/13	1,307
	<hr/> <hr/>

Net Service Expenditure analysed by Head of Service

	Actuals 10/11 £'000	Budget 11/12 £'000	Proposed Budget 12/13 £'000
Environmental and Operations			
Asset Maintenance Car Parks	0	8	15
Asset Maintenance CCTV	15	11	11
Asset Maintenance Countryside	3	6	5
Asset Maintenance Direct Services	31	22	26
Asset Maintenance Playgrounds	-0	13	8
Asset Maintenance Public Toilets	6	14	8
Building Control	-38	-123	-130
Car Parks	-1,475	-1,552	-1,597
CCTV	264	230	245
Civil Protection	41	11	28
Clean Air	100	116	103
Contaminated Land	49	51	47
Dangerous Structures	20	22	22
On-Street Parking	-222	-345	-389
Emergency	56	59	60
EstMan - Grounds	78	91	94
Licensing Health	31	35	30
Licensing Regime	49	3	-14
Minibus	333	9	-0
Noise Control	90	88	75
Parks and Rec.Grds	131	88	91
Parks - Rural	107	81	81
Pest Control	4	-0	-0
Public Health	541	393	389
Public Transport Support	1	1	1
Refuse Collection	2,134	2,157	2,204
Administrative Expenses - Building Control	9	9	9
Administrative Expenses - Community Director	13	16	14
Administrative Expenses - Health	16	23	24
Administrative Expenses - Transport	4	10	9
Street Naming	6	13	13
Street Cleansing	1,399	1,226	1,177
Support - Health and Safety	54	16	17
Support - Direct Services	40	51	50
Taxis	-19	-14	-12
Public Conveniences	107	49	37
Total Service Expenditure	3,979	2,889	2,752

	Actuals 10/11	Budget 11/12	Proposed Budget 12/13
	£'000	£'000	£'000
Environmental and Operations			
Pay Costs	2,517	2,422	2,268
Premises and Grounds	447	387	419
Transport	45	30	30
Supplies and Services	498	582	586
Agency and Contracted	4,534	3,882	3,902
Departmental Management and other Heads of Se	40	39	34
Funds drawn from/to Reserves	239	0	-1
Income	-4,396	-4,527	-4,561
Asset Maintenance	56	74	73
Service expenditure before re-allocation of Support Services and Capital charges	3,979	2,889	2,752

Analysis of budget changes between 11/12 and 12/13

Base Budget 2011/12	2,889
Inflation	97
Planned Savings agreed previous years	
SCIA 18 (11-12) Direct Services - Review operations	-16
SCIA 22b (11/12) Parking - reduce admin costs	-13
SCIA 8 (10/11) Licensing - Enlarge Partnership	-15
SCIA 40 (11/12) Lease Cars - cease scheme administration (part)	-9
Partnership Savings and SCIA 61 (11/12) shared across all Heads of Service	-115
SCIA 32 (11/12) (Secretarial) shared across various Heads of Service	-12
Communication review (SCIA 58) shared across various Heads of Service	-4
SCIAs 2012/13	0
Other Adjustments between Heads of Service	
Consolidation stationery budgets	-7
Reallocation of asset maintenance budgets	-2
Reallocations of pay re Health and Safety Function	-9
Other minor adjustments	-32
Approved Budget 2012/13	2,752

Net Service Expenditure analysed by Head of Service

	Actuals 10/11 £'000	Budget 11/12 £'000	Proposed Budget 12/13 £'000
Finance and Human Resources			
Asset Maintenance Argyle Road	38	51	50
Asset Maintenance Other Corporate Properties	48	30	30
Asset Maintenance Leisure	209	153	92
Asset Maintenance Support & Salaries	120	114	115
Asset Maintenance Sewage Treatment Plants	3	10	11
Benefits Admin	904	914	828
Benefits Grants	-659	-659	-659
Bus Station	21	12	13
Civic Expenses	39	14	14
Concessionary Fares	433	0	0
EstMan - Buildings	-26	-92	-113
Housing Advances	5	4	5
Housing Premises	34	-10	-9
Local Tax	241	233	154
Markets	-191	-194	-240
Members	321	343	395
Misc. Finance	1,927	2,031	2,155
Revenues and Benefits Partnership	119	-250	0
Administrative Expenses - Corporate Director	6	5	5
Administrative Expenses - Chief Executive	8	21	20
Administrative Expenses - Finance	36	39	39
Administrative Expenses - Personnel	10	13	13
Administrative Expenses - Property	3	5	4
Support - Audit Function	128	161	139
Support - Central Offices	409	411	426
Support - Contact Centre	438	477	408
Support - Exchequer and Procurement	122	139	140
Support - Finance Function	180	231	234
Support - General Admin	215	148	147
Support - Local Offices	49	48	53
Support - Nursery	3	0	0
Support - Personnel	214	199	225
Support - Property Function	76	107	88
Treasury Management	98	88	90
Additional Admin Subsidy	6	0	0
Total Service Expenditure	5,589	4,797	4,870

	Actuals 10/11	Budget 11/12	Proposed Budget 12/13
	£'000	£'000	£'000
Finance and Human Resources			
Pay Costs	2,665	2,779	2,772
Premises and Grounds	746	675	714
Transport	21	5	5
Supplies and Services	916	735	865
Agency and Contracted	2,020	1,921	4,116
Departmental Management and other Heads of Service	0	0	0
Funds drawn from/to Reserves	32,466	29,686	31,146
Income	-33,662	-31,362	-35,047
Asset Maintenance	417	358	298
Service expenditure before re-allocation of Support Services and Capital charges	5,589	4,797	4,870

Analysis of budget changes between 11/12 and 12/13

Base Budget 2011/12	4,797
Inflation	241
Planned Savings agreed previous years	
SCIA 3 (11/12) Leisure - Asset Maintenance (Community Development)	-70
SCIA 29 (11/12) Contact Centre - shared or review services	-40
SCIA 30b (11/12) Finance/Direct Services Rationalise financial systems & admin	-50
SCIA 40 (11/12) Leased Cars - cease scheme administration	-10
SCIA 16 (10/11) Members allowances - phasing of new scheme	45
SCIA 40 (11/12) Lease Cars - cease scheme administration (part)	5
Partnership Savings and SCIA 61 (11/12) shared across all Heads of Service	-37
SCIAS 2012/13	
SCIA 1 (12/13) Reduction in Benefits Admin Grant	40
SCIA 2 (12/13) Housing Benefit Subsidy Reserve	-40
SCIA 3 (12/13) Provision for Members IT allowance	7
SCIA 5 (12/13) Members Allowances	-7
SCIA 6 (12/13) Market Income	-20
Other Adjustments between Heads of Service	
Consolidation stationery budgets	-9
Reallocation of Asset Maintenance budgets	6
Reallocations of pay re Health and Safety Function	9
Other minor adjustments	3
Approved Budget 2012/13	4,870

Net Service Expenditure analysed by Head of Service

	Actuals 10/11	Budget 11/12	Proposed Budget 12/13
	£'000	£'000	£'000
Housing and Communications			
Home Improvement Agency (prev. Care and Repair)	57	59	39
Consultation and Surveys	22	17	2
Energy Efficiency	26	4	6
External Comms	127	128	143
Gypsy Sites	-2	-12	-20
Homeless	123	119	104
Housing	408	341	367
Housing Initiatives	8	20	8
Needs and Stock Surveys	15	15	13
Private Sector Housing	214	217	195
Administrative Expenses - Housing	22	14	13
Support - General Admin	-11	0	0
Leader Programme	5	5	4
Total Service Expenditure	1,014	926	875

	Actuals 10/11	Budget 11/12	Proposed Budget 12/13
	£'000	£'000	£'000
Housing and Communications			
Pay Costs	778	675	732
Premises and Grounds	44	29	26
Transport	1	0	0
Supplies and Services	70	97	87
Agency and Contracted	251	219	158
Departmental Management and other Heads of Service	24	23	23
Funds drawn from/to Reserves	105	132	156
Income	-258	-249	-307
Service expenditure before re-allocation of Support Services and Capital charges	1,014	926	875

Analysis of budget changes between 11/12 and 12/13

Base Budget 2011/12	926
Inflation	18
Planned Savings agreed previous years	
SCIA 44 (11/12) Social Housing - West Kent Housing Contract saving	-30
SCIA 47 (11/12) Social Housing - Joint assessment referrals - stop contribution	-8
SCIA 58 (11/12) Communications - Review of functions	-50
SCIA 56 (11/12) Communications Officer - Reversal short term saving	19
Partnership Savings and SCIA 61 (11/12) shared across all Heads of Service	-9
Communication review (SCIA 58) shared across other Heads of Service	11
SCIAs 2012/13	0
Other Adjustments between Heads of Service	
Consolidation stationery budgets	-1
Other minor adjustments	-1
Approved Budget 2012/13	875

Net Service Expenditure analysed by Head of Service

	Actuals 10/11	Budget 11/12	Proposed Budget 12/13
	£'000	£'000	£'000
IT and Facilities Management			
Asset Maintenance IT	192	300	300
Administrative Expenses - IT	21	26	25
Support - Central Offices - Facilities	248	238	252
Support - General Admin	330	279	263
Support - IT	913	790	749
Total Service Expenditure	1,704	1,631	1,588

	Actuals 10/11	Budget 11/12	Proposed Budget 12/13
	£'000	£'000	£'000
IT and Facilities Management			
Pay Costs	850	804	790
Pay Costs Externally Funded	0	0	0
Premises and Grounds	19	15	11
Transport	5	7	7
Supplies and Services	782	740	714
Agency and Contracted	61	45	55
Departmental Management and other Heads of Se	46	41	41
Funds drawn from/to Reserves	42	0	0
Income	-292	-321	-329
Asset Maintenance	192	300	300
Service expenditure before re-allocation of Support Services and Capital charges	1,704	1,631	1,588

Analysis of budget changes between 11/12 and 12/13

Base Budget 2011/12	1,631
Inflation	35
Planned Savings agreed previous years	
SCIA 51 (11/12) Reduce support costs to Agresso & IDOX	-50
SCIA 52 (11/12) Facilities Management - Staffing Review	-30
Partnership Savings and SCIA 61 (11/12) shared across all Heads of Service	-14
SCIAS 2012/13	0
Other Adjustments between Heads of Service	
Consolidation stationery budgets	23
Reallocation of Asset Maintenance budget	-4
Other minor adjustments and transfers between Heads of Service	-3
Approved Budget 2012/13	1,588

Net Service Expenditure analysed by Head of Service

	Actuals 10/11	Budget 11/12	Proposed Budget 12/13
	£'000	£'000	£'000
Legal and Democratic Services			
Action and Development	12	6	6
Corporate Management	1,012	960	908
Corporate Savings	0	-167	-48
Committee Admin	100	89	102
Elections	56	66	67
Equalities Legislation	14	16	17
Land Charges	-96	-113	-121
Performance Improvement	8	1	5
Register of Electors	119	139	131
Administrative Expenses - Legal and Democratic	60	73	77
Support - Legal Function	278	223	236
Total Service Expenditure	1,564	1,292	1,381

	Actuals 10/11	Budget 11/12	Proposed Budget 12/13
	£'000	£'000	£'000
Legal and Democratic Services			
Pay Costs	941	771	753
Pay Costs Externally Funded	0	0	0
Premises and Grounds	13	21	19
Transport	6	9	7
Supplies and Services	161	215	188
Agency and Contracted	284	295	312
Departmental Management and other Heads of Se	499	468	449
Funds drawn from/to Reserves	50	-45	0
Income	-390	-443	-347
Asset Maintenance	0	0	0
Service expenditure before re-allocation of Support Services and Capital charges	1,564	1,292	1,381

Analysis of budget changes between 11/12 and 12/13

Base Budget 2011/12	1,292
Inflation	10
Planned Savings agreed previous years	
SCIA 21 (11/12) Equalities Contract ends	-15
SCIA 61 (11/12) Further Income Generation	-150
Partnership Savings and SCIA 61 (11/12) shared across other Heads of Service	202
SCIA 32 (11/12) Secretarial shared across other Heads of Service	24
SCIAS 2012/13	
SCIA 5 (12/13) Democratic Services Cessation Partnership	20
Other Adjustments between Heads of Service	
Consolidation Stationery budgets	-2
Other minor adjustments and transfers between Heads of Service	0
Approved Budget 2012/13	1,381

	Actuals 09/10 £'000	Budget 10/11 £'000	Proposed Budget 11/12 £'000
Direct Services			
Pay Costs	3,129	2,925	2,848
Premises and Grounds	0	168	172
Transport	0	2,316	2,374
Supplies and Services	0	374	388
Agency and Contracted	0	306	314
Support Services	156	143	136
Capital Financing	47	47	48
Income	-3,332	-6,352	-6,344
Asset Maintenance	0	0	0
Service expenditure before re-allocation of Support Services	0	-73	-63
all codes check	-0	-73	-63

Analysis of budget changes between 11/12 and 12/13

Base Budget 2011/12		
	Net	-73
Inflation		
	Pay	45
	Essential Goods/Services	88
	Income/recharges	-146
Planned Savings agreed previous years		0
SCIAS 2012/13		0
Other Adjustments between Heads of Service		
Other adjustments	Net	23
Approved Budget 2012/13		<u><u>-63</u></u>

This page is intentionally left blank

PAY COST ESTIMATES SUMMARY 2012/2013

Line No.		2011/12 BUDGET	2011/12 BUDGET FTE	2012/13 PROPOSAL	CHANGE		2012/13 BUDGET FTE
					£	%	
Chief Executive's Department							
1	Chief Executive, P.A. & Secretarial	216,219	3.61	205,519	(10,699)	(4.95%)	3.00
		216,219	3.61	205,519	(10,699)	(4.95%)	3.00
Corporate Resources Department							
2	Director, P.A. & Secretarial	271,178	5.50	282,000	10,822	3.99%	6.38
3	Finance & Human Resources	2,908,097	82.42	2,894,317	(13,780)	(0.47%)	82.67
4	Legal & Democratic Services	702,716	17.12	639,259	(63,457)	(9.03%)	14.95
5	Information Technology & Facilities Management	803,690	24.46	789,802	(13,889)	(1.73%)	23.43
		4,685,682	129.50	4,605,378	(80,304)	(1.71%)	127.43
Community & Planning Services Department							
6	Director, P.A. & Secretarial	168,186	2.00	169,161	976	0.58%	2.00
7	Community Development	435,721	10.74	357,920	(77,801)	(17.86%)	8.54
8a	Operational Services	504,136	9.15	504,238	102	0.02%	13.20
8b	Operational Services (TASK)	2,924,865	110.95	2,848,231	(76,634)	(2.62%)	102.78
9	Environmental Health	722,322	16.01	589,046	(133,276)	(18.45%)	12.57
10	Licensing	317,793	9.01	327,547	9,755	3.07%	9.41
11	Development Services	1,757,590	51.34	1,798,092	40,503	2.30%	48.37
12	Building Control	354,393	7.81	379,056	24,663	6.96%	7.81
13	Housing & Communications	599,300	15.17	610,906	11,606	1.94%	14.89
14	Parking & Amenity Services	515,916	16.86	477,795	(38,121)	(7.39%)	15.56
		8,300,220	249.04	8,061,991	(238,229)	(2.87%)	235.14
Other Salary Costs							
15	Vacancy Savings	(100,000)	-	(100,000)	0	0.00%	-
16	Performance Award Contingency	48,000	-	48,000	0	0.00%	-
17	Market Premium Review	52,272	-	52,272	0	-	-
	SUB-TOTAL	13,202,393	382.15	12,873,161	- 329,232	(2.49%)	365.57
18	Community Development (Ext Funded)	72,565	2.04	78,039	5,474	7.54%	2.54
19	Operational Services (Ext Funded)	-	-	-	0	-	-
20	Operational Services TASK (Ext Funded)	-	-	-	0	-	-
21	Development Services (Ext Funded)	-	-	-	0	-	-
22	Housing (Ext Funded)	153,166	3.41	185,945	32,779	21.40%	5.81
	GRAND TOTAL	13,428,124	387.60	13,137,145	- 290,979	(2.17%)	373.92

NOTES

1) Externally funded posts (lines 18 to 22) have been excluded from earlier lines. The income will show elsewhere in the 2012/13 budget.

Note that the figures in the above table may vary slightly from the detailed analysis sheets because of this.

This page is intentionally left blank

Risk Factors 2012/13

Issue	£ Scale	Likelihood 1 (low) – 5 (high)	Impact 1 (low) – 5 (high)	Total Score	Potential Annual Impact and Sensitivity Analysis	Risk Areas	Controls and Actions in place
Pay Costs	£12.5m total costs	2	4	8	1% pay increase = £125k. Budget assumption = 0%	Largest single item of cost. Complex drivers across the organisation.	Strict monitoring of both financials and staff numbers. Formal sickness/overtime monitoring. Separate control on agency staff. Part of National Agreement.
Pensions Funding	£23m deficit	1	4	4	1% change in employers cont'ns = £110k. Revaluation to take effect from 14/15	Deficit on County Fund. Future actuarial results. Government review.	£520,000 included in 10-year budget in 2014/15 to contribute towards any revaluation increase.
Major Service Income areas:					See below by income type	Income subject to local economic conditions. Some very large single-source income targets (see below).	Strict monitoring, with trend analysis.

Issue	£ Scale	Likelihood 1 (low) – 5 (high)	Impact 1 (low) – 5 (high)	Total Score	Potential Annual Impact and Sensitivity Analysis	Risk Areas	Controls and Actions in place
- Land Charges	£0.2m	4	1	4	20% reduction would be £37k.	Low activity levels in the housing market. National legal action now underway in relation to Personal Search companies recouping monies expended under the previous legislation.	A provision of £34k is held for the national legal action. Continue to monitor.
- Development Control	£0.6m	2	3	6	20% reduction would be £120k.	Low activity levels in the housing market and general economic conditions.	Current year income is below target. Continue to monitor.
- Building Control	£0.5m	4	3	12	20% reduction would be £100k	Low activity levels in the housing market and general economic conditions.	Current year income is below target. Continue to monitor.
- Car Parks	£2.0m	2	4	8	20% reduction would be £407k	General economic conditions	Current year income is slightly below target. Continue to monitor.
- On-Street Parking	£0.7m	3	3	9	20% reduction would be £130k	General economic conditions. Reverts to KCC control	Current year income is below target. Continue to monitor and review.

Issue	£ Scale	Likelihood 1 (low) – 5 (high)	Impact 1 (low) – 5 (high)	Total Score	Potential Annual Impact and Sensitivity Analysis	Risk Areas	Controls and Actions in place
Partnership working and partner contributions		3	2	6	Impact on individual projects is high.	Partner actions delayed. Agreed funding not received by SDC. Partnerships ending.	Separate accounting arrangements. Written partnership agreements.
External Funding Awards	£0.7m	3	2	6	Up to £700k Impact on individual projects is high	Time limited.	Exit strategies in place.
Changes in service demand		3	3	9	Impacts will vary depending on service.		Service planning in place Continue to lobby Government where changes are due to new Gov't requirements.
VAT	£0.15m	1	2	2	5% change in VAT rate would be £150k.	VAT rate increased from 20%.	Review fees and charges.
Interest Rates	£0.153m 11/12 budget	2	4	8	£85k per 0.5%.	Large cash variance from small rate changes. Large fluctuations in bank base rate.	Use of professional advisers
Investments	£22m balance at 31/03/11	1	5	5		Financial institutions going into administration.	Investment strategy regularly reviewed by FAG and P&G Cttee.

Appendix F

Issue	£ Scale	Likelihood 1 (low) – 5 (high)	Impact 1 (low) – 5 (high)	Total Score	Potential Annual Impact and sensitivity Analysis	Risk Areas	Controls and Actions in place
Asset base maintenance	£1.1m 06/07 Assess't	1	1	1	Annual budget is based on 35% of assessed maintenance.	Unexpected problems occurring with financial implications. Reducing budget levels.	Reserve funds set aside. 10 year maintenance planning carried out. Policy of reducing asset liabilities wherever possible.
Capital Investment resources	£0.8m balance at 31/03/11	2	2	4	Risks taken into account in the Capital Programme report.	Capital receipt levels low.	External funding sought wherever possible. Capital Investment priorities in place. Property Review being pursued to secure asset sales.
Disposal of surplus assets	£0.8m budget in plan (12/13)	2	2	4	Risks taken into account in the Capital Programme and Asset Maintenance report.	Planning conflict. Resources required to bring sites forward.	Land Owner/Planning protocols in place. In-house property team. Planned Property Review disposal programme.
Government Grant	£4.9m	5	4	20	£49k per 1% change	Government reduces grant levels or assumes a higher level of efficiencies in order to reduce grnt.	Adequate level of General Reserve held. Financial Plan assumes grant reduction phased across 4 years.

Agenda Item 5b

Issue	£ Scale	Likelihood 1 (low) – 5 (high)	Impact 1 (low) – 5 (high)	Total Score	Potential Annual Impact and sensitivity Analysis	Risk Areas	Controls and Actions in place
Council tax capping		3	1	3	£92k per 1% capping reduction	Council Tax frozen	Draft 10-year budget assumes no increase for 2012/13
Future Service Changes by Government		4	4	16		Additional services without consequent resources, e.g. Maint. of trees on common land.	Monitor proposals. Respond to consultation with local view.
Fuel cost increases for Direct Services	£0.5m	5	2	10	£21k overspend to October 2011.	Changes in global oil prices.	Continue to monitor fuel usage and efficiency.
Changes to external framework		2	2	4		Abolition of Audit Commission, change of external auditors	Plan responses to new initiatives well in advance. Ensure Council organisation design can meet challenges.

This page is intentionally left blank

Item 5(c) – Monitoring Officer’s Report

Standards Committee’s Recommendation to Council

At its meeting on 26 January 2012 the Standards Committee considered the matter as follows:

The Chairman explained that for the past two years the Monitoring Officer’s Annual Report had also been considered by the Performance and Governance Committee. This year the report would be considered by the Standards Committee and would then be presented to Full Council on 21 February 2012 for endorsement.

The Monitoring Officer highlighted that the number of complaints had reduced from 20 in 2010 to 7 in 2011 and the Ombudsman had found no cases of maladministration against the Council.

The report also outlined information surrounding the new standards regime which is likely to come into effect in the latter half of 2012.

Resolved: That the Monitoring Officer’s Annual Report be noted and that Full Council be recommended to note the Monitoring Officer’s Annual Report on 21 February 2012.

Text in bold relates to the Standards Committee recommendation to the Council.

This page is intentionally left blank

COUNCIL – 21 FEBRUARY 2012

MONITORING OFFICER'S ANNUAL REPORT

Report of the: Monitoring Officer

Also considered by: Standards Committee – 26 January 2012

Status: For consideration and decision

This report supports the Key Aim of effective management of Council resources.

Head of Service Mrs. Christine Nuttall - Head of Legal and Democratic Services

Recommendation: That the Monitoring Officer's Annual Report be noted.

Background

- 1 This is the seventh Annual Report of the Monitoring Officer as attached as an appendix to this report.

Introduction

- 2 The purpose of the Monitoring Officer's Report is to provide an overview of the work of the Monitoring Officer, the work of the Standards Committee and the general governance arrangements within the Council in the past year and to provide an opportunity to review and learn from experience.
- 3 The information contained within this Report will also provide Members of the Standards Committee, many of whom are Independent Members and Parish and Town Council Members, with an overview of the workings of the Council thus providing them with valuable information to facilitate the carrying out of their functions.

Substance of Report

- 4 The Monitoring Officer's Report sets out the Monitoring Officer's statutory responsibilities, summarises how these duties have been discharged during 2011 in accordance with the Council's Constitution, legislative requirements and draws attention to those issues that will require attention in the next calendar year.

Key Implications

Financial

- 5 The Monitoring Officer's Report has not identified any financial implications for this Council over and above normal requirements.

Agenda Item 5c

Impact on and Outcomes for the Community

- 6 The report sets out the work of the Monitoring Officer, Standards Committee and other governance arrangements monitored by other committees within the Council thus providing Members and the public with valuable information which should promote Member and Public confidence in the high ethical standards set by the Council.

Legal and Human Rights Implications

- 7 The Monitoring Officer's Report has not uncovered any illegality.

Resource (non financial)

- 8 No additional non financial resource implications are identified.

Value For Money and Asset Management

- 9 There are no identifiable value for money and asset management implications associated with the contents of this report.

Equality

- 10 This report has not identified any equality issues.

Sustainability Checklist

- 11 The contents of the Monitoring Officer's report should provide the public with confidence that robust systems exist to enable high ethical standards to be applied across all levels of the authority.

Conclusions

- 12 The Monitoring Officer's report sets out the elements of good governance and demonstrates that robust procedures are in place to raise ethical standards, identify problems and ensure that Members, Officers and the Public are aware of appropriate channels to raise concerns.

Risk Assessment Statement

- 13 The Monitoring Officer's Report increases awareness of the ethical framework and sets out the good governance arrangements that have been set in place. The Monitoring Officer's Report has not identified any illegalities and has not identified any potential illegalities for the next calendar year. The risk of impropriety remains low.

Sources of Information:

Information supplied by the Standards for England

Information supplied by various officers and sections of the Council

Ombudsman's Report

Contact Officer(s):

Christine Nuttall – ext. 7245

**Christine Nuttall
Monitoring Officer**

This page is intentionally left blank

**REPORT OF THE
MONITORING OFFICER
2011**

INTRODUCTION

This is the seventh Annual Report of the Monitoring Officer for the period December 2010 to December 2011. The purpose of the report is not only to provide an overview of the work of the Monitoring Officer in the past year, but also to provide an opportunity to review and learn from experience. This report therefore sets out the Monitoring Officer's statutory responsibilities and summarises how these duties have been discharged from the last Monitoring Officer's Report for the period November 2009 to November 2010. The Report also highlights the work of the Standards Committee.

1. RECOMMENDATIONS

That the Standards Committee comments on and notes the Monitoring Officer's Annual Report.

That the Full Council notes the Monitoring Officer's Annual Report.

2. THE ROLE OF THE MONITORING OFFICER

The role of the Monitoring Officer derives from the Local Government and Housing Act 1989. The Act requires local authorities to appoint a Monitoring Officer.

The Monitoring Officer has a broad role in ensuring the lawfulness and fairness of Council decision making, ensuring compliance with Codes and Protocols and promoting good governance and high ethical standards.

A Summary of the Monitoring Officer's Functions is as follows:

<u>Description</u>	<u>Source</u>
Report on contraventions or likely contraventions of any enactment or rule of law	Local Government and Housing Act 1989
Report on any maladministration or injustice where the Ombudsman has carried out an investigation	Local Government and Housing Act 1989
Appoint a Deputy	Local Government and Housing Act 1989
Establish and maintain the Register of Members' interests.	Local Government Act 2000
Report on sufficiency of resources.	Local Government and Housing Act 1989
Maintain the Constitution	The Constitution
Support the Standards Committee. Promote and maintain high standards of conduct.	Local Government Act 2000

<u>Description</u>	<u>Source</u>
Receive reports from Ethical Standards Officers and case Tribunals	Local Government Act 2000
Consulting with, supporting and advising the Head of Paid Service and Chief Finance Officer on issues of lawfulness and probity.	The Constitution
Legal Advisor to the Standards Committee when carrying out a local Determination Hearing.	Local Authorities (Code of Conduct) (Local Determination)(Amendment) Regulations 2003
Receive referrals from Ethical Standards Officers for local Investigations.	Local Authorities (Code of Conduct) (Local Determination)(Amendment) Regulations 2003
Advising the Standards Committee in relation to allegations of breaches of the Code of Conduct including carrying out local investigations and advising when matters are determined.	Standards Committee (England) Regulations 2008 and Guidance produced by Standards for England
Advise on whether executive decisions are within the Budget & Policy Framework.	The Constitution
Provide advice on vires issues, maladministration, financial impropriety, probity, Budget and Policy Framework issues to all members.	The Constitution
Advising on dispensations to Members regarding prejudicial interests.	The Standards Committee
Considering whether certain Information is exempt from disclosure under the Freedom of Information Act.	Freedom of Information Act 2000

3. THE CONSTITUTION

The Constitution sets out how the Council operates and how decisions are made. It sets out the procedures which are followed to ensure that these decisions are efficient, transparent and that those who make the decisions are accountable to local people. The Monitoring Officer is responsible for ensuring that the Constitution operates efficiently, is properly maintained and is adhered to.

3.1 Constitutional Review and Revision

Since the modular constitution was produced by the Secretary of State in 2000 there has never been any revision of that model. However, this Council has continued to update its Constitution as necessary with a re-write having taken place in 2007.

The Association of Council Secretaries and Solicitors (Acscs) is currently working to produce a new model Constitution in conjunction with Dickinson Dees who run a software platform produced by a software provider *Exari*. By this means a new model constitution will be produced, with the numerous variables that must be within it as Councils have the ability to move to differing systems of decision making under the Localism Act 2011. The design of the software will allow for production of a draft constitution, tailored to a relevant extent to differing councils' models of governance, quickly and easily. The Model and decision system will be assessed from a link on the Acscs website. Acscs members (the Monitoring Officer being one) may then use the package to produce a draft constitution from the model bank of precedents. As legislation requires further changes, the Acscs editorial board will determine and publish "best practice" in the use of variants within the Model. With all the changes being implemented by the Localism Act 2011 this model will no doubt prove a valuable asset that this Council may utilise.

3.2 Fitness for Purpose

The Constitution sets out in clear terms how the Council operates and how decisions are made. Some of these processes are required by law, while others are a matter for the Council to choose. The purpose of the Constitution is to:

- ensure that those responsible for decision making are clearly identifiable to local people and that they explain the reasons for decisions;
- support the active involvement of local people in local authority decision making;
- help Members represent local people more effectively;
- enable decisions to be taken efficiently and effectively; and
- hold decision makers to public account.

3.3 Managing the Constitution

Any significant changes to the Council's decision making arrangements and Committee structure need to be approved by full Council. The Council will monitor and review the operation of the Constitution to ensure that the aims and principles of the Constitution are given full effect.

4. LAWFULNESS AND MALADMINISTRATION

The Monitoring Officer is the Council's lead adviser on issues of lawfulness and the Council's powers and in consultation with the Head of Paid Service and the Chief Financial Officer advises on compliance with the Budget and Policy Framework. Part of this role involves monitoring Committee reports, agendas and decisions to ensure compliance with legislation and the Constitution. The Monitoring Officer ensures that

agendas, reports and minutes of all Council meetings are made publicly available unless there is a reason for exemption under the Local Government Act 1972. In addition Portfolio Holder decisions are also made publicly available subject to the same caveat as are all planning and licensing decisions made by Officers. All such decisions can be viewed by members of the public through the Council's website: www.sevenoaks.gov.uk.

If the Monitoring Officer considers that any proposal, decision or omission would give rise to unlawfulness or if any decision or omission has given rise to maladministration she must report to the full Council or where appropriate the Cabinet after first consulting with the Head of Paid Service and Chief Financial Officer. Any proposal or decision that is subject to such a report cannot be implemented until the report has been considered.

The sound governance arrangements operated by the Council ensure that the power to report potentially unlawful decision making is rarely used and the Monitoring Officer has not had to issue such a report throughout 2010/11.

4.1 Reports from the Local Government Ombudsman

The annual letter for 2010/11 from the Local Government Ombudsman sets out a summary of statistics on the complaints made to the Ombudsman about the Council for the year.

During the past year the Ombudsman has changed the way they communicate their findings. They no longer give tailored feedback unless there are concerns with an Authority. Instead they provide statistics on the number of enquiries and complaints that they receive and they show the time taken by an authority to respond to written enquiries in comparison with average response times by type of authority.

The statistics show that there were 22 enquiries and complaints in total, 4 of which were deemed to be premature. The Ombudsman provided advice to 3 other enquirers and 15 were forwarded to the investigative team.

When an investigation is complete the Ombudsman generally issues a report. However, this year the Ombudsman did not issue any reports against the Authority and only one of the complaints resulted in a local settlement being reached.

The average time taken by the Authority to reply to the Ombudsman's written enquires was 26 days, which is well within the target time of 29 to 35 days.

5. GOOD GOVERNANCE

The Monitoring Officer has a pro-active role in ensuring good practice, good procedures and good governance. This involves promoting networking, collaboration and joined-up working practices and decision making as well as ensuring standing orders, codes of practice, procedures are kept under review and up to date. Collaborative working entails regular monthly liaison meetings with the three Statutory Officers, Heads of Service/Management Team as well as working in partnership with other departments to develop and disseminate policies and procedures. There is also the work undertaken in partnership with other authorities.

Agenda Item 5c

The work this year has enabled the Council to win the Institute of Ratings, Revenue and Valuation (IRRV) Silver Aware for Excellence in Partnership Working.

6. THE ETHICAL FRAMEWORK AND WORK OF THE STANDARDS COMMITTEE

The Standards Committee currently comprises sixteen Members, six of whom are District Council Members, five Parish/Town Council Members and five Independent Members. Both the Chairman and Vice Chairman of the Committee are Independent Members.

The Standards Committee has a key role in facilitating and promoting the Ethical Framework and in promoting and maintaining high standards of conduct within the Authority. As well as policy development and implementation the Committee is also involved in advising Members including those within the Parish/Town Councils on propriety issues and applications for dispensations. The Standards Committee determine allegations of Member misconduct including Members from Parish/Town Councils. The maintenance of the Registers of Interests for the District as well as the Parish/Town Councils is the responsibility of the Monitoring Officer overseen by the Standards Committee.

The Local Assessment of Member Complaints was introduced on the 8th May 2008. The Local Assessment Sub-Committee and Review Sub-Committee of the Standards Committee can decide to refer a matter to the Monitoring Officer for Local Investigation and Determination. They can also direct the Monitoring Officer to undertake Other Action.

Examples of the Standards Committee's work during 2010/2011 is as follows:

- Annual Monitoring Officer's Report
- Considering Standards for England Case Review 2010
- Considering self-regulation following the abolition of the standards regime
- Election of a Chairman and Vice Chairman of the Committee for the ensuing municipal year
- Appointment of Sub-Committees in relation to the Local Assessment of Member Complaints
- Considering the Forward Work Programme
- Monitoring Complaints and Training
- Considering the Localism Bill and the future Code of Conduct
- Assessing complaints
- Induction process for new members
- Training and Development sessions for the Committee, Members including Parish/Town Council Members and Clerks
- Carrying out conciliation
- Keeping a watching brief on the future of the ethical framework

- Advice given to Members including Parish/Town Council Members, Clerks and the Public on Code of Conduct matters.

6.1 Maintaining a Register of Member Interests

The Monitoring Officer is responsible for establishing and maintaining a Register of Member Interests for the District and Parish/Town Councils. Registers for Parish/Town Councils are held within the Elections and Land Charges Section of the Council. Registers of the District Council are held within the Democratic Services Section. Gifts and hospitality worth £25 or over must be included in the Register of Member Interests. This means that gifts and hospitality are a personal interest and must be declared at any meeting where a matter relating to that interest is discussed. The Standards Committee has produced guidance on the acceptance and registration of gifts and hospitality.

It is a requirement that Members' Register of Interest forms are made available for public inspection during normal office hours. District Council Members' Register of Interests are now made available online.

6.2 Code of Conduct for Employees

The Code is based on an original draft published by the IDeA and has been updated since being implemented in 2006. The Code forms part of the employers' terms and conditions of employment. The Code is well publicised on the Council's internal intranet and is introduced to employees through the induction process.

Under the Code employees must declare to their Directors any non-financial or financial interests that they or members of their family have which they consider could conflict with the Council's interests. Directors and the Chief Executive declarations of non-financial or financial interests are declared to the Monitoring Officer.

All relationships of a business or private nature with external contractors, or potential contractors should be made known to the employees' Head of Service and Director.

All hospitality received and given should be appropriate and necessary and must, wherever possible, have the prior sanction of the Head of Service or Director and must be recorded in the Hospitality book kept within Corporate Resources. There is a Protocol on Corruption, Gifts and Hospitality contained within the Staff Code of Conduct.

6.3 Whistle Blowing

The Council's Whistle Blowing Policy sets out how to raise concerns within the organisations with employees encouraged in the first instance to raise concerns with their immediate manager or superior.

Concerns may be raised verbally or in writing and there is a dedicated telephone number which allows communication in confidence to the Audit and Fraud Team.

Agenda Item 5c

A record of concerns raised and the outcomes (but in a form which does not endanger confidentiality) is maintained and reported (in such a way as to preserve confidentiality), to the relevant committee of the Council.

The Policy is intended to provide an avenue within the Council to raise concerns. However, if it is felt that it is right to take the matter outside the Council contact points are given as follows:

- Public Concern at Work
- The Audit Commission
- Citizens Advice Bureau
- Relevant professional bodies or regulatory organisations
- Relevant voluntary organisation
- The police
- Trade Union representative
- Local Government Ombudsman

In the last calendar year no concerns have been raised under the existing Whistle Blowing Policy.

6.4 Human Resources Strategy and Workforce Plan

A Human Resources Strategy and Workforce Plan is available on the Council's internal intranet which incorporates many policies, strategies and procedures. These are regularly reviewed in line with legislative changes.

6.5 The Future of Standards for England and the Standards Framework

The Localism Bill became law on the 14th November 2011. Under the Act every authority including Parish and Town Councils will be under a duty to promote and maintain high standards of conduct by elected and co-opted members of the authority. The provisions apply to elected members and co-opted members when acting as members. There are no requirements in relation to private life.

The Government has now clarified the timetable for abolition of Standards for England which will take place through regulations. It is the Government's intention that abolition will take effect on 31st March 2012. Prior to this, the regulatory role in handling cases and issuing guidance will stop from a date that will be set out in regulations but anticipated to be 31st January 2012. From this date, Standard for England will no longer have powers to accept new referrals from local standards committees or conduct investigations into complaints against members. Any existing referrals or investigations will be transferred back to the relevant authority for completion. However, any complaints which are being handled locally on that date will need to continue through to a conclusion.

DCLG have advised that the Government envisage that the remaining local elements of the current regime will be abolished on 1st July 2012. From 1st July all standards matters including consideration and determination of outstanding complaints made during the period the Standards Board regime was operating will be the responsibility of local authorities, to be handled under the new arrangements. The 1st July 2012 will also see the implementation of the new standards arrangements, which include a 'Nolan-based' code, the involvement of an Independent Person in allegations of misconduct, and a new criminal offence for failing to declare or register interests, coming into force.

The special provisions for the establishment of statutory Standards Committees are removed in England. Any voluntary Standards Committee or Sub-committee established by the authority would be an ordinary committee or sub-committee established under the Local Government Act 1972. The role of independent members will change as the new Independent Persons would not be able to be voting members, unless the committee or sub-committee was merely advisory. Any such Standards Committee will now be subject to the normal proportionality rules. The Standards Committee would assist in discharging the duty of the authority to promote and maintain high standards of conduct.

Each authority is required to adopt a Code of Conduct. Authorities are free to determine what they put in or leave out of a Code though the Act requires the inclusion of the provisions the authority considers appropriate in respect of the registration in its register and disclosure, of interests. The requirement for members to give an undertaking to comply with the Code of Conduct is removed.

The District Council must have in place arrangements to deal with complaints of breach of its Code of Conduct, including arrangements for investigation of complaints and arrangements "under which decisions on allegations can be made". In the case of District Councils this also applies to allegations in respect of parish councillors in their area. Leading London Solicitors who specialise in this area of law believe that it is likely that most authorities will decide that they need a Standards Committee of some nature to undertake these functions at member level, even if some actions, such as removal from Committees will have to be applied by full Council.

The Act gives authorities no explicit powers to take any action in respect of a breach of a local Code. Accordingly, other than naming and shaming the individual member it is unclear at present whether the authority will be able to take any further action beyond administrative actions to secure that it can continue to discharge its functions effectively. A Counsel's opinion has been sought by the Association of Council Secretaries and Solicitors on the sanctions that would be available to a Local Authority under the new standards arrangements.

Every District Council must appoint one or more Independent Persons. Independent Persons would be appointed by advertisement and application and there are strict rules of appointment.

It is believed that a person cannot be appointed as an Independent Person if they have within the past 5 years been a co-opted voting member of a Committee of the authority. This means that all existing independent co-opted members of Standards Committees are ineligible to be appointed as Independent Persons. This has

Agenda Item 5c

become something of an issue for local government lawyers who are debating whether this result was intended or even achieved by the wording of the Act. The Association of Secretaries and Solicitors are seeking legal advice on this point and a Counsel's opinion on this has also been sought.

The Monitoring Officer is required to establish a register of members' interests for each authority including for parish councils within their area. The register must contain "pecuniary interests" not yet defined in Regulations. However, the Act also provides that an authority's Code must require registration of interests other than pecuniary interests, for which no definition is provided as yet.

The Monitoring Officer is responsible for ensuring that each authority's register of interests is kept within the principal authority's area at the principal authority's offices and on the authority's website. For Parish and Town Councils the District Council's Monitoring Officer must ensure that every parish council's register is available for inspection within the principal authority's, rather than the parish council's area and, if the Parish or Town Council has a website, the Parish/Town Council must ensure that the register is accessible on that website. The Parish/Town Council's register must also be published on the District Council's website.

Failure to register any disclosable pecuniary interests within 28 days of election or co-option, or the provision of misleading information on registration without reasonable excuse, will be criminal offences, potentially carrying a fine and or disqualification from being a councillor for up to five years. Prosecution will be at the instigation of the Director of Public Prosecutions.

Where an interest is already on the authority's register of interests, or is in the process of entry onto the register having been notified to the Monitoring Officer, the member is under no obligation to disclose the interest at the meeting. Where it is an unregistered interest, the member is required both to disclose it at the meeting and to register it within 28 days of the meeting at which relevant business is considered.

If a Member has a disclosable pecuniary interest he/she is simply barred from participating in discussion or voting on the matter at the meeting, or taking any steps in respect of the matter, other than referring it to someone else for determination. Participation in the discussion or the matter, or taking steps in respect of the matter, is also a criminal offence. The requirement for the member to withdraw from the meeting room may be dealt with in the authority's standing orders.

The ability for Members with a pecuniary interest to obtain a dispensation remain and has been extended. The function of granting dispensations can be delegated to a Standards Committee or a designated officer.

The rules on pre-determination have been clarified by the Localism Act. The Act provides that the decision maker is not to be taken to have had a closed mind "just because" the decision maker had previously done anything relevant to the decision, that directly or indirectly, indicated what view the decision-maker took, or would or might take, in relation to a matter. There is now a legislative presumption of "no closed mind" The provision on pre-determination is effective from 15th January 2012.

The Localism Act 2011 gives the Councils the ability to implement a streamlined system of promoting and maintaining high standards of conduct amongst Members of both District and Parish/Town Councils which Members of the Standards Committee will be working on in order to provide proposals for the Modern Local Government Group's and full Council's consideration in the forthcoming year.

6.6 Standards for England, Complaints and Determinations

The Monitoring Officer has been responsible for establishing and maintaining an effective working relationship with the soon to be abolished Standards for England. The Monitoring Officer has also been responsible for receiving reports from Ethical Standards Officers regarding investigations carried out by Standards for England into the conduct of Members. Such reports may need to be determined by the Council's Standards Committee.

The Standards Committee (England) Regulations 2008 came into force on 8th May 2008. The Regulations along with Guidance produced by Standards for England sets out the details of how the locally based system for the assessment of alleged complaints into breaches of the Code of Conduct would operate. The Assessment Sub-Committee and Review Sub-Committee of the Standards Committee can refer matters to the Monitoring Officer for Local Investigation and Determination or Other Action. In limited circumstances matters can be referred to Standards for England.

6.7 Allegations of Member Misconduct dealt with by the Assessment Sub-Committee of the Standards Committee between 1 December 2010 and 31 December 2011.

Total allegations made:	7
District Councillors	2
Parish/Town Councillors	5
Complaints in which no action was taken	5
Complaints where other action taken	3
Referred cases sent for local investigation and determination	0
Cases sent for Review	3

The number of Member misconduct allegations decreased this year from 20 last year to only 7 this year. No action was taken in relation to 5 cases and initially other action was recommended on 2 cases. Three cases went forward for Review and out of those 3 cases one case was further recommended for other action.

There were two complaints involving District Councillors brought by a member of the public which resulted in no action. The complaint involved an allegation of a lack of communication leading to the perception of being ignored but insufficient evidence was given to justify the allegation. These cases also went forward for Review resulted in the same decisions being given.

Agenda Item 5c

In relation to the 5 complaints involving Parish Councillors initially no action was taken in relation to 3 of the complaints. One of the complaints went forward for Review and on Review it was decided that other action should take place. The other action involved the Monitoring Officer being directed to offer a one to one training session to the subject member with help from a member of the standards committee or Deputy Monitoring Officer. This allegation related to the behaviour of the subject member towards the complainant whilst his contracting company were on site carrying out works and involved the subject member being accused of giving out false information and acting in a disrespectful manner whilst also giving the impression of acting on behalf of the Parish Council. Training successfully took place on the 20th October with the subject member reporting on the course assessment form that she was very impressed with the session and thanked everyone involved for the information provided.

In relation to the remaining two Parish Council complaints the following decisions were made:

1. The Monitoring Officer was directed to offer a conciliation session to the complainant and the subject member, with help from a member of the Standards Committee or Deputy Monitoring Officer.
2. That the Monitoring Officer liaises with the Clerk to the authority concerned to carry out mediation/conciliation for the whole of the Parish Council, but particularly between the complainant and the subject member.

In relation to the first direction by the assessment sub-committee although the panel had found prima facie evidence of a breach of the Code of Conduct in respect of one aspect of the complaint, they felt that a full investigation would not be appropriate/proportionate, but did decide that other appropriate action should be taken to try and ensure that the incident did not have implications in the longer term for the operation of the Parish Council. However, in this instance the subject member declined the approach made by the Monitoring Officer on the basis that the Parish Council had moved on and did not see the need for the offered session. As a result the Monitoring Officer asked the two members concerned to contact her if at any time in the future they felt any similar issues were building up to a level which could damage the operation of the Parish Council

In relation the second direction this was given on the basis that although the committee had felt that there was insufficient evidence to warrant investigation of the complaint they did pick up on some issues particularly around collective responsibility and communication that they felt deserved some action. Therefore the Monitoring Officer liaised with the Parish Clerk to carry out mediation/conciliation with the whole of the Parish Council and on the evening of 14th March 2011 the session took place. Seven of the nine members attended as well as the Parish Clerk. Although it was a controversial meeting the Clerk indicated afterwards that everyone had benefitted from the meeting and that relationships had improved. Since the meeting there have been no further complaints brought by one member of the Parish Council against fellow Councillors.

6.8 Local Assessment of Complaints into Member Misconduct

All Members on the Sevenoaks Standards Committee have been given extensive training on the Code of Conduct and how to effectively assess Member complaints. The training sessions have been well received with some of the Independent Members of the Council's Standards Committee cascading such training to the Kent and Medway Independent Standards Committee Members' Liaison Group.

Monthly meetings of the Assessment Sub-Committee are set in place so that Member misconduct complaints can be considered in a timely fashion.

6.9 Local Investigation & Determination Procedures for Complaints regarding the Conduct of Members

If a local assessment of Member misconduct results in a decision to investigate the Monitoring Officer may delegate other Council Officers to perform the function of investigation into the conduct of Councillors of the District and Parish/Town Councils. In appropriate cases, the Monitoring Officer will appoint the Deputy Monitoring Officer to undertake the investigation, but in other cases it may be appropriate to appoint an outside investigator, which could involve borrowing from another authority and there is a Protocol for Mutual Assistance by the Kent Monitoring Officers.

The Monitoring Officer may require any Council Officer to provide a statement, answer questions or supply information to assist in the conduct of an investigation and require Councillors to provide such statements, answer questions or supply information.

8. EQUALITIES AND THE PUBLIC SECTOR EQUALITY DUTY UNDER THE EQUALITY ACT 2010

As a community leader, service provider and employer Sevenoaks District Council is committed to eliminating discrimination on the grounds of age, disability, gender reassignment, pregnancy and maternity, race (including ethnic or national origins, colour or nationality), religion or belief (including lack of belief) and sex and sexual orientation. This means respecting the different needs of the district's community and ensuring the Council, its contractors and its delivery partners deliver against our commitments.

9. SUPPORT TO COUNCIL, CABINET, SCRUTINY AND COMMITTEE MEETINGS

The distribution and publication of committee reports, agendas and decisions is central to meeting the requirements of a key deliverable. It is the Monitoring Officer's responsibility to oversee the process and ensure that these documents comply with statutory and constitutional requirements.

This includes:

- Distributing and publishing all agendas within five clear working days of the meeting taking place and ensuring that all agendas are compliant with the access to information rules and exempt information is marked up accordingly.
- Advertising public meetings five clear days before the meeting date.

Agenda Item 5c

- Ensuring that papers are made reasonably available to the public.
- Drafting minutes for publication within nine working days.
- Publishing a record of all decisions including key decisions taken by Cabinet within 48 hours (2 working days) after the meeting.
- Ensuring that petitions are handled in accordance with the Council's Constitution including e-petitioning.
- Ensuring that meetings are accessible.

10. STATUTORY MEETINGS ANALYSIS

One of the explicit aims of the Council has been to try and streamline the decision making process to allow Councils to focus on service delivery.

Between the 1st December 2010 and 1st December 2011 the following were serviced:

Full Council Meetings (including 1 annual meeting)	7
Cabinet	11
Performance and Governance Committee	5
Electoral Arrangement Committee	1
Environment Select Committee	6
Services Select Committee	6
Social Affairs Select Committee	5
Modern Local Government Group	1
Development Control Committee	13
Standards Committee	2
Sevenoaks Joint Transportation Board	4
Licensing Committee	4

Other meetings serviced include 6 Licensing Committee hearings and 5 Assessment Sub-Committee and 2 Review Sub-Committee meetings of the Standards Committee

The volume of meetings represents a substantial commitment of both Councillors' and Officers' time and resources. It is of great importance that meetings constitute an effective use of time and resources; that they add value to corporate effectiveness and help in meeting the aims and objectives of the Constitution and the Community Plan.

The Localism Act 2011 will allow District Councils to move to the Committee System of Governance from any annual meeting of Council, provided that the Council has previously secured a resolution of Council to do so. This part of the Localism Act has not yet been implemented although it is the Government's intention is for this part of the Act to be in place by April 2012. The committee system was abolished by the Local Government Act 2000 which required all councils with a population of 85,000 or

more to choose either an elected mayor and cabinet or a leader and cabinet. Prior to the 2000 Act, local authorities could take all decisions to council or delegate decision-making to committees, sub-committees, other authorities or officers.

10.1 The Forward Plan

The co-ordination and maintenance of the Forward Plan is central to meeting the requirements of good governance as it enhances open and transparent decision making.

In compliance with Access to Information Procedure rules and the Constitution, the Forward Plan sets out key decisions which the Council plans to take in the next four months. A key decision is one which would result in expenditure or savings in excess of 50,000 pounds or which is significant in terms of its effects on communities living or working in two or more wards. The Forward plan sets out the date/period within which the decision will be taken. The Forward Plan is published and updated on a monthly basis.

10.2 Call-In requests

There were no call-in requests within 2010/11.

10.3 Overview and Scrutiny

The Council is required by Law to discharge certain overview and scrutiny functions. These functions are an essential component of local democracy. Overview and Scrutiny Committees are powerful committees that contribute to the development of Council policies and also hold the Executive to account for its decisions. Another key part of the overview and scrutiny role is to review existing policies, consider proposals for new policies and suggest new policies. The Council has three Scrutiny Committees, Services Select, Social Affairs and Environment Select that look at a wide range of issues within their terms of reference.

10.4 MEMBER TRAINING AND DEVELOPMENT

The Standards Committee oversees the provision of training to Members within the District and the Parish/Town Councils on the Code of Conduct. A training development programme for Members is also organised by the Democratic Services Team.

As 2011 was the year of the local authority elections an extensive programme of training took place as follows:

- On Saturday 9th April 2011 an informal session for Candidates for Election took place at the District Council Offices.
- On Monday 9th May 2011 there was an Induction Session for Newly Elected and Re-Elected Members which was repeated in the evening.
- On the 16th May 2011 there was specialist Code of Conduct training carried out in conjunction with Dartford Borough Council. Those Members who could

Agenda Item 5c

not attend the training at Sevenoaks were able to attend a similar training session at Dartford on the 23rd May 2011.

- Development Control Training for Members took place on the 2nd June 2011. For those Members who could not attend a further Planning seminar took place at Dartford Borough Council on the 26th May 2011.
- Finance Training took place on the 13th June 2011.
- Licensing Training took place on the 16th June 2011.
- Scrutiny Training for Environment Select took place on the 7th June 2011, Social Affairs on the 16th June 2011 and Services Select on the 21st June 2011.

Training for new Standards Committee Members took place as follows:

- 8th March 2011
- 16th March 2011
- 18th July 2011
- 27th July 2011
- 26th October 2011

On the 14th March 2011 conciliation and training took place at Brasted Parish Council.

Training for a Member of Knockholt Parish Council took place on the 20th October 2011.

Training for Shoreham Parish Council took place on the 6th December 2011.

There are 30 Parish and Town Councils within the District of Sevenoaks and the Monitoring Officer with Members of the Standards Committee often undertake training and or conciliation out of hours.

Training feedback forms are an essential part of the arrangements for training and are evaluated by the Standards Committee. This year those that have undertaken the training have agreed or strongly agreed the following:

- That the objectives of the session were met
- Attending was worth the effort
- They learnt something new and useful that they could apply to their position as Councillor or Clerk
- They are likely to recommend the training session to others
- The course material was helpful and informative.

The Monitoring Officer employs an open door policy allowing Members to call in at any time to receive advice. This facility is extensively used by Members of the District, Town and Parish Councils to try to resolve issues at an early stage.

The Standards Committee works as a cohesive group to promote high standards across the whole district. The drive and enthusiasm of the Committee is reflected by the fact that the Independent Chairman now chairs the Kent Association of Independent Members.

11 CONCLUSION

The Monitoring Officer's role in conjunction with the Standards Committee encompasses both proactive and reactive elements. The proactive role centres on raising standards, encouraging ethical behaviour, increasing awareness and utilisation of the elements of good governance and ensuring that robust procedures are in place.

The reactive role focuses on taking appropriate action to deal with issues and potential problems as they arise. The Monitoring Officer together with the Standards Committee's effectiveness in this role is in turn dependent on effective systems and procedures being in place to identify problems and ensure that Members, Officers and Public are aware of appropriate channels to raise concerns.

Christine Nuttall
Monitoring Officer

This page is intentionally left blank

Item 5(d) – Housing Strategy Action Plan

Services Select’s Recommendation to Cabinet

At its meeting on 31 January 2012, Services Select Committee considered the matter as follows:

“The Head of Housing and Communications reported that because the Council had been rated as excellent it was no longer required to produce a housing strategy, though it was still considered good practice to do so. The documents provided strategic direction and included a range of tactics to achieve strategic goals. It was a living document which if approved would be overseen by the Local Strategic Partnership’s (LSP) Strategic Housing Sub Group. The Local Strategic Partnership was a multi agency group consisting of 24 members including Kent County Council, the Home Improvement Agency and West Kent Housing. Progress reports would be taken to the LSP and this Committee. The Homes and Communities Agency (HCA) had very little available funding and Housing Associations required help with putting together business cases to look for funding elsewhere. There needed to be a lot of imagination and creativity as there were limited opportunities. The Plan would be revised again in 2013 along with the Council’s Community Plan.

Resolved: That the Housing Strategy Action Plan BE RECOMMENDED to Cabinet for approval.

Cabinet’s Recommendation to Council

This item was considered by Cabinet on 9 February 2012. The minutes of that meeting were not available at the time that the Council agenda went to print. An extract of the minutes will be available at the Council meeting.

This page is intentionally left blank

COUNCIL – 21 FEBRUARY 2012

HOUSING STRATEGY ACTION PLAN 2012

Also Considered by: Services Select Committee – 31 January 2012

Cabinet – 9 February 2012

Report of the: Deputy Chief Executive and Director for Community and Planning Services

Status: For Decision

Key Decision: Yes

This report supports the Key Aim of:

- i) Community Plan; and
- ii) Vision for Balanced Communities.

Portfolio Holder Cllr. Mrs Carol Clark

Head of Service Head of Housing and Communications - Mrs. Pat Smith

Recommendation to Services Select Committee: It be RESOLVED that Members recommend the Housing Strategy Action Plan (HSAP) to Cabinet for approval.

Recommendation to Cabinet: It be RESOLVED that Members recommend the HSAP to Full Council for approval.

Recommendation to Full Council: It be RESOLVED that Members adopt the HSAP as District Council policy.

Reason for recommendation: to agree strategic direction and related housing activity up to 2013.

Introduction

- 1 Local authorities are no longer required to produce housing strategies, though it is still considered good practice to do so. These documents provide strategic direction and include a range of tactics to achieve strategic goals.
- 2 The Draft HSAP (Appendix A) has been produced to reflect findings from consultation and latest intelligence, both of which provide an indication of future housing need and demand. Consideration is also given to financial and

Agenda Item 5d

non-financial capacity going forward, which is a key factor in the current and near-term economic environment.

- 3 If approved, delivery of the HSAP will be overseen by the Local Strategic Partnership's (LSP) Strategic Housing Sub-group, which is represented by District Council officers and a number of other partner organisations. Progress reports will be taken to the main LSP and Services Select Committee to update on strategic objectives.
- 4 Minor adjustments are likely to take place during the course of the action plan to reflect developing policy and the changing housing market. This will ensure that local housing strategy is routinely adapted to best effect. A full review and update of the HSAP will then take place in 2014.

Key Implications

Financial

The HSAP will be delivered from existing resources. Bids will be made for external funding to deliver some objectives, as set out in the HSAP.

Community Impact and Outcomes

The HSAP aims to meet housing need and demand across sectors and client groups, with a particular focus on the vulnerable. It also supports wider Community Plan outcomes, such as health, welfare, employment and training.

Legal, Human Rights etc.

This is compatible with the provisions of the Human Rights Act 1998 (HRA) and is not likely to result in any HRA implications.

Resource (non-financial)

The HSAP will be delivered using existing resources and there will be no additional non-financial implications.

Value For Money and Asset Management

- The HSAP provides opportunities to reduce the impact on District Council assets and will help to create savings.
- Working across local authority boundaries and with cross-sector partners, there is less consequent requirement for office space.
- The HSAP will not have a negative environmental impact - impact would be positive, though negligible.

Equality Impacts

Does the activity have the potential to cause adverse impact or discriminate against different groups in the community?

There is some positive discrimination to assist certain client groups and to equalise opportunities.

Does the activity make a positive contribution to promoting equality?

Yes - it aims to assist those who have fewer opportunities than the norm.

Summary of Impacts

Impacts are positive.

Sustainability Checklist

Completed and available by request.

Conclusions

The HSAP aims to make best use of limited financial and non-financial resources to deliver housing strategy to best effect - and without placing further strain on constrained local budgets by making best use of external funding and/or shared services, where possible.

Risk Assessment Statement

- There are a number of risks associated with **not** adopting the SDHAP, including:
- Not having a strategic document setting the way forward to meet housing requirements in the District and across West Kent; and
- A failure to demonstrate to the community that the District Council is actively working towards related Community Plan objectives.

Background Papers:

Sustainable Community Action Plan 2012-13

Vision for Balanced Communities

See: Supporting Evidence/Intelligence (Appendix A: SDHAP, p12)

Contact Officer(s):

Pat Smith, x7355

Gavin Missons, x7332

Kristen Paterson

Deputy Chief Executive and Director for Community and Planning Services

This page is intentionally left blank

SEVENOAKS DISTRICT COUNCIL

HOUSING STRATEGY ACTION PLAN (2012)

This publication is available in large print by calling 01732 227000

This publication can be explained in other languages by calling 01732 227000

www.sevenoaks.gov.uk

January 2012

Sevenoaks District Council | Council Offices | Argyle Road | Sevenoaks | Kent | TN13 1HG

If you would like to comment on this document, please contact the Housing Policy Team:

01732-227000

housing.policy@sevenoaks.gov.uk

Contents

Introduction	-
Governance and monitoring	-
Action Plan	
- Priority 1	-
- Priority 2	-
- Priority 3	-
- Other	-
Supporting evidence and intelligence	-
Key housing outputs	-
Abbreviations	-

Introduction

The District Council has undertaken a wide-range of consultation and considered feedback against an updated and improved evidence base. This has provided a clearer understanding of housing needs and aspirations across different sections of the community, both at present and looking forward to the future.

Three strategic objectives have been identified to meet current and future housing requirements in the Sevenoaks District, whilst also having regard to the wider West Kent housing market area:

- 1 Providing a good mix of decent and affordable homes across all tenures: offering households choice and sustaining communities
- 2 Improving the quality and use of existing housing and sustaining neighbourhoods
- 3 Meeting the needs of vulnerable and lower income households

In order to deliver the above, a number of policies, programmes and actions have been identified. These are set out in the Housing Strategy Action Plan (HSAP).

The HSAP contributes to a much wider set of outcomes such as economic mobility and development, community safety, and improving the community's health and well-being. It is a key supporting document of the Sevenoaks District Sustainable Community Plan - the District Council's long-term sustainable vision for the area.

The HSAP has been timed to correspond with the remainder of the Sustainable Community Action Plan, which will run until 2013. At that point, both plans will be fully updated and correspond from then onwards.

To avoid repetition of information, references are instead made to supporting surveys, studies and other documents, including numerous related internal and external policies, strategies and plans.

A summary of the District Council's strategic housing objectives is available on the District Council's website. This provides a general overview of housing strategy in an easy-read format.

See: www.sevenoaks.gov.uk/housing

Governance and monitoring

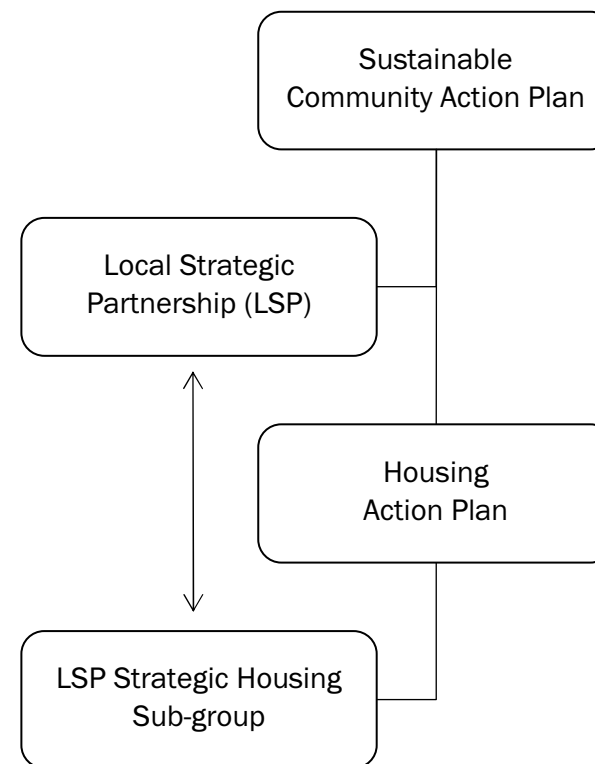
Housing strategy features strongly in the District Council's Sustainable Community Action Plan 2010-13 and this is reflected within the governance structures of the Local Strategic Partnership (LSP).

Monitoring of the HSAP will be undertaken by the LSP Strategic Housing Sub-group and progress reports will be provided to the main LSP. Reports will also be provided to the District Council's Services Select Committee to ensure that the work programme is adequately scrutinised by locally-elected members.

Strategic objectives will remain in place until 2013, though housing tactics will be reviewed regularly as policy develops, impacts are better understood, and new intelligence becomes available. Amendments will be developed by the sub-group and approval sought from the main LSP, when required.

This will see a much more responsive approach to housing strategy and ensure that limited resources continue to achieve maximum results.

A set of key output measures have been linked to a broad range of objectives to chart progress. These are set out on Page – and are available with supporting documentation on the District Council's website.



LSP/Housing Action Plan Structure

NO	OBJECTIVE	KEY DETAILS/TIMESCALES	RESOURCES	LEAD	KEY LINKS
PRIORITY: PROVIDING A GOOD MIX OF DECENT AND AFFORDABLE HOMES ACROSS ALL TENURES: OFFERING HOUSEHOLDS CHOICE AND SUSTAINING COMMUNITIES					
1	Enabling the delivery of market and affordable housing; maximising affordable housing contributions on qualifying sites	<ul style="list-style-type: none"> - Forecast delivery of 14 affordable dwellings in 11/12 (12/13 indicative: 48 units); - Agree target for 12/13 by 11/12: Q4; - Target negotiations to achieve Core Strategy affordable housing contributions; 15+ (40%), 10-14 (30%), 5-9 (20%), 1-4 (financial contribution based on target equivalent of 10% provision); - Target a 65/35 rent/intermediate split; - Review tenure split in response to affordable rent tenure by 11/12: Q4; 	<ul style="list-style-type: none"> - HCA grant; - RPs; - S106 contributions; 	<ul style="list-style-type: none"> - HPM; - DCM; - PPM; - HAs; 	<ul style="list-style-type: none"> - SCAP 8.5, 11.2 (LPI154), 11.3 (LPI155); - CS SP3, SP4; - CS Affordable housing SPD; - BC 1; - SHMA 11.6, p148; - SHMA 12.13, p171; - KFHS 1-5; - WK LIP obj. A;
2	Enabling the delivery of priority sites; development pipeline	<ul style="list-style-type: none"> - Undertake regular development reviews and prioritise LIP sites that deliver wider benefits, including economic growth, sustainability and regeneration; - Provide HCA with regular priority updates to ensure factored into business planning process; 	<ul style="list-style-type: none"> - HCA grant; - HAs; - S106 contributions; 	<ul style="list-style-type: none"> - HPM; - DCM; - HAs; 	<ul style="list-style-type: none"> - SCAP 11.1, 11.2, 11.3; - Major Development Protocol; - BC 1, 2; - KFHS 1; - WK LIP obj. A, E;
3	Delivering green housing and infrastructure	<ul style="list-style-type: none"> - Achieve CSH Level 3 on all new affordable housing schemes; - Investigate opportunities for new housing to incorporate decentralised energy sources; 	<ul style="list-style-type: none"> - HCA grant; - HAs; - S106 contributions; 	<ul style="list-style-type: none"> - HPM; - DCM; - HAs; 	<ul style="list-style-type: none"> - SCAP 6 (LPI185-188), 8, 9.1, 11; - CS SP2, SP9, SP10; - BC 2, 7, 8; - KFHS 1, 2; - WK LIP obj. E;
4	Providing decent quality affordable housing that meets minimum space and functionality requirements	<ul style="list-style-type: none"> - Affordable housing to achieve compliance with current HCA design standards; - Social/affordable rented units to meet LHS, subject to site constraints; - Develop target for affordable housing to meet wheelchair standards; - All new 2-bed housing to be 4-person units; 	<ul style="list-style-type: none"> - HCA grant; - HAs; - S106 contributions; 	<ul style="list-style-type: none"> - HPM; - DCM; - HAs; - CSU; 	<ul style="list-style-type: none"> - SCAP 1.1, 6.1, 6.3, 6.4, 8.4; - BC 1, 3; - KFHS 2; - WK LIP obj. A;
5	Promoting low cost home ownership and other intermediate housing choices	<ul style="list-style-type: none"> - Review intermediate provision in response to affordable rent tenure by 12/13: Q2; - Hold Zone Agent drop-in-day once pa (alternate between main reception, north and south local offices); 	<ul style="list-style-type: none"> - HCA grant; - HAs; - S106 contributions; - Private sector; 	<ul style="list-style-type: none"> - HPM; - HM; - DCM; - HAs; 	<ul style="list-style-type: none"> - SCAP 11.3 (NI155); - BC 1; - SHMA 12.13, p171; - SHMA 12.7.8, p168; - KFHS 3;

NO	OBJECTIVE	– KEY DETAILS/TIMESCALES	– RESOURCES	– LEAD	– KEY LINKS
		– Consider practical issues for intermediate rented housing by 12/13: Q2 (SHMA, p18, 1.16);			– WK LIP obj. A;
6	Delivering affordable and specialist housing through remodelling, reconfiguring and refurbishment of existing facilities	<ul style="list-style-type: none"> – Enable WKHA’s programme for re-modelling, improvement, demolition and new build of sheltered housing schemes, as per WKHA Emerald Strategy; – Work with Moat to enable the redevelopment of St Andrew’s Court to provide mixed tenure choice for older people by 13/14; – Undertake options appraisals in partnership with HAS for under-used and outdated social housing stock; by 12/13: Q4; – Consider reconfiguration of general needs to temporary, specialist and move-on accommodation; – Secure HA stock rationalisation disposals to locally-based HAS; 	<ul style="list-style-type: none"> – HCA grant; – HAS; – S106 contributions; 	<ul style="list-style-type: none"> – HPM; – HM; – DCM; – HAS; 	<ul style="list-style-type: none"> – SCAP 2.2, 11.5; – BC 1; – KFHS 1; – WK LIP obj. A, B; – WKHA Emerald Strategy;
7	Managing reduction in capital funding for affordable housing (reduced HCA funding 2011 onwards)	<ul style="list-style-type: none"> – Explore other delivery mechanisms and financial models for future delivery; – Consider claw-back mechanisms on S106 to maximise contributions post-recession; – Promote private sector partnerships and joint ventures - to consider land contributions in return for essential worker nominations (larger employers) as per essential worker report; 	<ul style="list-style-type: none"> – S106 contributions; – HAS; – HCA; – Cross-subsidy; – Private sector; 	<ul style="list-style-type: none"> – HPM; – DCM; – HAS; 	<ul style="list-style-type: none"> – SCAP 11.2 (LPI154), 11.3 (LPI155); – BC 1; – Grant-free Models for Essential Worker Housing; – KFHS 1;
8	Making best use of affordable housing planning gains	<ul style="list-style-type: none"> – To agree spending priorities with DC; develop criteria/procedures for best use of funds by 11/12: Q4; 	<ul style="list-style-type: none"> – S106 contributions; – SDC capital programme; 	<ul style="list-style-type: none"> – HPM; – DCM; 	<ul style="list-style-type: none"> – SCAP 11.3 (LPI155); – CS SP3; – BC 1; – Core Strategy; – KFHS 1;
9	Identifying and utilising surplus public/community sector land for the provision of affordable and specialist housing	<ul style="list-style-type: none"> – Assess remaining SDC-owned land for housing development; – Review status of surplus public sector land and partner sites; aim to secure land contributions as equity/grant-free provision; review public databases and HCA land directory; – Review SHLAA for sites consistent with CS on completion of Allocations and Development DPD by 11/12: Q4; 	<ul style="list-style-type: none"> – HCA grant; – HAS; – S106 contributions; 	<ul style="list-style-type: none"> – HPM; – DCM; – PPM; 	<ul style="list-style-type: none"> – SCAP 11.1, 11.2 (LPI154), 11.3 (LPI155); – BC 1, 7; – SHLAA; – KFHS 1;

NO	OBJECTIVE	KEY DETAILS/TIMESCALES	RESOURCES	LEAD	KEY LINKS
10	Enabling the delivery of affordable housing in rural settlements	<ul style="list-style-type: none"> - Complete 1 new need survey pa (2 in 2011/12); - Complete 1 new scheme by 13/14: Q3; - Consider additional community facilities alongside new rural housing schemes; - Develop operational procedure note with DC and Community Development (to cover initial project stages) by 12/13: Q2; - Review S106 local letting criteria by 11/12: Q4; - Continue to part-fund independent rural enabler post to 12/13 - to consider further funding from 13/14 onwards by 12/13: Q3; - Feed rural housing objectives into neighbourhood plan/parish plan process; - Consider reducing HAs to selected specialist partners by 11/12: Q4; - Arrange a promotional rural tour of the District for parish councils, ward members and the HCA; by 11/12: Q4; 	<ul style="list-style-type: none"> - HCA grant; - HAs; - S106 contributions; - Community trusts; 	<ul style="list-style-type: none"> - HPM; - DCM; - PPM; - HAs; - PCs; - ACRK; - ERHA; 	<ul style="list-style-type: none"> - SCAP 11.2 (LPI154), 11.3 (LPI155); - CS SP4; - BC 1, 2; - SHMA 12.12.5, p171; - KFHS 1, 2; - Rural Homes: Supporting Kent's Rural Communities - WK LIP obj. A;
11	Maximising opportunities for affordable housing development through effective partnerships; improving specialist knowledge and providers	<ul style="list-style-type: none"> - Review Preferred Partner Agreement/membership; to consider new agreement by 11/12: Q4; - Produce monthly affordable housing development schedule - circulate to partners; - Promote housing delivery and funding through the Kent, Essex and Sussex LEP; 	<ul style="list-style-type: none"> - Existing; 	<ul style="list-style-type: none"> - HPM; - DCM; - HAs; 	<ul style="list-style-type: none"> - SCAP 2.2, 11.3 (LPI155), 11.4; - BC 1; - Preferred Partner Agreement 2008; - KFHS 1; - WK LIP obj. C;
12	Sustaining lettings	<ul style="list-style-type: none"> - Develop KHG template sustainable lettings plans on new affordable housing developments to ensure mixed communities at first lets - to also consider on existing schemes, where appropriate (template subject to review by KHG in light of changing national policy); - Review each plan after 2-years - review and produce progress report on effectiveness of all plans to date by 12/13: Q4; - Work with Kent Consortium to develop strategic tenant policy in response to coalition policy (affordable rent/flexible tenancies) by 13/14: Q2; 	<ul style="list-style-type: none"> - Existing; 	<ul style="list-style-type: none"> - HM; - HAs; - HPM; 	<ul style="list-style-type: none"> - SCAP 11.4; - BC 1, 8; - KHG Building Sustainable Communities in Kent (SDC signatory); - KFHS 5;

NO	OBJECTIVE	KEY DETAILS/TIMESCALES	RESOURCES	LEAD	KEY LINKS
		<ul style="list-style-type: none"> Develop local sub-policy of Kent tenant policy by 13/14 Q2; Compare annual turnover rates and ability to meet need: affordable rent/social rent; produce report each Apr; All new lettings to be subject to the SDC template Nominations Agreement; 			
13	Utilising the private rented sector	<ul style="list-style-type: none"> Continue to operate the Sevenoaks DC Property Accreditation scheme; Work with partners to investigate establishment of institutional or private equity funded private rented sector (KFHS, p47); Hold quarterly sub-regional private landlord forums; Provide rent-in-advance and deposit bonds to enable access to the private rented sector; consider operating partner LA services to increase income by 12/13: Q4; Consider a private sector leasing scheme by 12/13; 	Existing;	<ul style="list-style-type: none"> HM; HPM; 	<ul style="list-style-type: none"> SCAP 11.4, 11.5, 11.6; BC 1; KFHS 2, 5; WK LIP obj. B;
14	Enabling the delivery of pitch provision for Gypsies/Travellers	<ul style="list-style-type: none"> Provide 4 x new pitches at SDC site (external CLG funding secured and planning consent in place) by 11/12: Q4; Provide new amenity blocks for all new and existing pitches; upgrade electrical supply, fire safety equip and drainage by 11/12: Q4; Explore further funding opportunities through the LIP to 13; 	<ul style="list-style-type: none"> CLG grant (funding in place); HCA; 	<ul style="list-style-type: none"> HM; DCM; HPM; PPM; 	<ul style="list-style-type: none"> SCAP 11.3 (LPI155), 11.4; BC 1; CS SP6; GTAA 2007; KFHS 1, 5; SHLAA; SE Plan; WK LIP obj. C;
PRIORITY: IMPROVING THE QUALITY AND USE OF EXISTING HOUSING AND SUSTAINING NEIGHBOURHOODS					
15	Delivering the Private Sector Housing Strategy; achieving and maintaining the Decent Homes Standard	<ul style="list-style-type: none"> Review and update sub-strategy following completion of SCS and outcome of LIP process by 12/13; Monitor DHS progress in social sector (c98% compliance at Dec 10); report progress each Apr; Analyse private sector stock condition survey to inform future private sector policy development by 12/13; Achieve full spend of remaining RHP programme by 11/12; 	<ul style="list-style-type: none"> RHP (N/W Kent); LIP (2011 onwards); 	<ul style="list-style-type: none"> HM; HPM; HAs; In-Touch; 	<ul style="list-style-type: none"> SCAP 6.1, 6.3, 11.4, 11.5, 11.6; BC 1, 7; PSHS 07; KFHS 4, 5; PSHAP 08; WK LIP obj. B; RP asset plans;

NO	OBJECTIVE	KEY DETAILS/TIMESCALES	RESOURCES	LEAD	KEY LINKS
		<ul style="list-style-type: none"> Review the Private Sector Housing Assistance Policy following completion of SCS by 12/13; Assess impact on private sector housing quality and availability to lower paid working households following HB capping by 12/13; Consider enhanced enforcement role in light of reduced grant programme by 12/13; 			
16	Delivering the Empty Homes Action Plan	<ul style="list-style-type: none"> Bring 15 long-term empty homes back into use pa; Review sub-strategy by 12/13: Q4; Transfer empty homes function to Housing Policy Team to build enabling services by 11/12; Utilise HCA grant funding for Kent initiative (funding decision due 09/11); 	<ul style="list-style-type: none"> RHP (N/W Kent); LIP (2011 onwards); KCC No Use Empty; 	<ul style="list-style-type: none"> HM; HAS; KCC; 	<ul style="list-style-type: none"> SCAP 6.1, 11.4, 11.5; BC 1, 7; EHAP 09; KFHS 2, 4, 5; WK LIP obj. B;
17	Reducing under-occupation and over-crowding	<ul style="list-style-type: none"> Contribute towards the Small is Beautiful scheme; Consider positive incentives to improve the turnover of family houses in the social sector (LSP sub-group set up) - produce interim plan by 11/12: Q4; Consider planning gains to fund additional under-occupation incentives (see obj. 6) by 12/13: Q4; Consider awarding higher priority to those under-occupying and looking to transfer (in review of SDHR); by 12/13: Q4; Asses impact of new benefit rules on over-crowding by 12/13: Q4; Participate in SSC in-depth scrutiny of under-occupation and deliver subsequent action plan by 12/13: Q3; 	<ul style="list-style-type: none"> WKHA; HAS; Existing budgets; KHG Innovation Fund; 	<ul style="list-style-type: none"> HAS; HM; HPM; 	<ul style="list-style-type: none"> SCAP 2.1, 2.2, 11.4, 11.6; BC 1, 7; SHMA 1.16, p18; KFHS 4;
18	Improving energy efficiency of existing housing stock; reducing carbon use and fuel poverty	<ul style="list-style-type: none"> Implement local, county, regional and national retrofit schemes; reduce carbon use in domestic sector (LPI186); reduce incidence of fuel poverty (LPI187); Produce domestic sector element of upcoming climate change strategy by 12/13: Q2; Complete phase 2/3 of Heatseekers programme by 11/12; Maximise uptake of national schemes: Warm front and CERT to 12/13; Support the delivery of related RP work plans; 	<ul style="list-style-type: none"> HAS; Various external; RHP (N/W Kent); LIP (2011 onwards); West Kent Fuel Poverty Partnership; 	<ul style="list-style-type: none"> HAS; ECO; HM; HPM; 	<ul style="list-style-type: none"> SCAP 2.2, 6.1, 6.3 (LPI186-188), 11.4, 11.5; BC 7; KFHS 4; KHAWs; KES; KAAP; WK LIP obj. B;

NO	OBJECTIVE	KEY DETAILS/TIMESCALES	RESOURCES	LEAD	KEY LINKS
		<ul style="list-style-type: none"> Work with KCC to introduce and facilitate Green Deal 12/13: Q3; Actively promote better use of developing systems and technologies; 			
PRIORITY: MEETING THE NEEDS OF VULNERABLE AND LOWER INCOME HOUSEHOLDS					
19	Improving housing interventions to prevent crises	<ul style="list-style-type: none"> Consider multi-agency referral scheme by 12/13; Raise awareness and identification of risks through regular training; 	<ul style="list-style-type: none"> TBC; 	<ul style="list-style-type: none"> HM; 	<ul style="list-style-type: none"> SCAP 2.1, 2.2, 11.6; BC 8; KFHS 5;
20	Enabling people to remain independent in their own homes; supporting vulnerable people in housing need	<ul style="list-style-type: none"> Achieve at least 95% annual DFG grant spend; Provide £250k pa to WKHA for tenant DFG programme; Increase the use of plug-and-place assistive technologies (to monitor); Support the delivery of the KCC Supporting People Strategy 2010-15; achieve assigned targets within timescales to 12/13: Q4; Review local impacts of cuts to SP by 11/12: Q4; Support the delivery of relevant client-specific action plans and protocols (as per JPPB); 	<ul style="list-style-type: none"> RHP (N/W Kent); LIP (2011 onwards); Pilot funding TBI; SP; 	<ul style="list-style-type: none"> WKHA; SP; HM; HPM; 	<ul style="list-style-type: none"> SCAP 2.1, 2.2, 11.4; BC 8; KFHS 5; BC 1; SPS;
21	Promoting sustainable lending	<ul style="list-style-type: none"> Facilitate access to Houseproud, Kent Savers and other reputable external lenders; Consider SDC mortgage finance and DIYSO initiatives by 11/12: Q4; 	<ul style="list-style-type: none"> Houseproud; 	<ul style="list-style-type: none"> HM; HPM; 	<ul style="list-style-type: none"> SCAP 2.1; KFHS 2, 5;
22	Ensuring equality of housing and related services	<ul style="list-style-type: none"> Complete housing EQIAs as per EAP; Review BME housing sub-strategy by 12/13; 	<ul style="list-style-type: none"> Existing; 	<ul style="list-style-type: none"> HM; HPM; DCM; PPM; 	<ul style="list-style-type: none"> SCAP 11.4; BC 8; Equality Action Plan; BME HS; KFHS 5;
23	Providing decent housing and related services to meet the needs of older people	<ul style="list-style-type: none"> Assess housing needs analysis of older people (to be undertaken through SILK, KMHS) by 11/12: Q4; Update housing chapter in COPS by 12/13; Consider future need for extra care provision (SHMA 10.7, p130); work with KHG older people's task and finish group to develop county strategy by 12/13; Promote the development of specialised housing to meet the needs of older people on suitable sites 	<ul style="list-style-type: none"> WKHA; Moat Group; Existing; KCC; NHS; KHG; 	<ul style="list-style-type: none"> HPM; HM; CD; KCC; PPM; 	<ul style="list-style-type: none"> SCAP 2.1, 2.2; CS SP5; BC 8; COPS 09; SHMA 1.16, p18; KFHS 5; WK LIP obj. C;

NO	OBJECTIVE	KEY DETAILS/TIMESCALES	RESOURCES	LEAD	KEY LINKS
		<ul style="list-style-type: none"> through the CS policy SP5 and site allocations in the Allocations and Development Management DPD; Review financial support services for older people (SHMA 1.7, p130) by 12/13; Develop and undertake pilot advice service for older people through KHG Older Adult Group by 11/12: Q4; 			
24	Providing decent housing and related services to meet the needs of younger people	<ul style="list-style-type: none"> Develop 9-bed housing scheme for vulnerable younger people; secure capital funding (potential site identified and revenue funding agreed) complete by 12/13: Q4 (SP Needs Analysis 09/09, p29); Work with WKHA to accommodate six younger people with support as an interim measure; 	<ul style="list-style-type: none"> HCA capital; SP; 	<ul style="list-style-type: none"> HPM; HM; SP; Moat; 	<ul style="list-style-type: none"> SCAP 3.1, 3.2, 4.5; BC 8; SPS; KFHS 5;
25	Preventing homelessness	<ul style="list-style-type: none"> Deliver West Kent Homelessness Strategy; WK Homelessness Group to update SHSG quarterly; 	<ul style="list-style-type: none"> WK LAs; 	<ul style="list-style-type: none"> HM; 	<ul style="list-style-type: none"> SCAP 11.6; BC 8; WK Homelessness Strategy; KFHS 5;
26	Providing an enhanced housing options service to link with wider community needs; responding proactively to the recession	<ul style="list-style-type: none"> Provide HERO surgeries across the District in partnership with Moat, WKHA and 3 x Children's Centres until 2012; Target those unemployed and at risk of losing their homes; Investigate opportunities to expand scheme; 	<ul style="list-style-type: none"> CLG (until 06/11); SDC (post CLG); HAs; 	<ul style="list-style-type: none"> HM; JCP; HAs; 	<ul style="list-style-type: none"> SCAP 4.2, 4.5, 9.1, 11.4, 11.6, 12.1, 12.3; BC 8; KFHS 5; WK LIP, obj D;
27	Implementing Home Choice CBL programme	<ul style="list-style-type: none"> Work with CBL partners to take forward cross-boundary nominations and common-assessment framework; Consider operational standard to support better mutual exchanges; Consider sharing a housing register to reduce operating costs as part of budget savings programme (excl. allocations policies) by 12/13: Q4; Update SDC Allocations Policy by 11/12: Q4; 	<ul style="list-style-type: none"> Participating LA contributions; CLG; Private; HAs; 	<ul style="list-style-type: none"> HM; HAs; 	<ul style="list-style-type: none"> SCAP 11.4, 11.6, 12.3; BC 8; KFHS 5;
28	Maintaining effective partnership working with WKHA (LSVT RP)	<ul style="list-style-type: none"> Review and update SLA (update document completed Dec 2010) - further review to take place by 12/13: Q3; Hold regular liaison meetings with WKHA Balanced Communities and Housing Director; 	<ul style="list-style-type: none"> WKHA; SDC; 	<ul style="list-style-type: none"> HM; WKHA; HHC; HPM; 	<ul style="list-style-type: none"> SCAP 11.4, 11.6; BC 1; SLA 2010; KFHS 1-5;

NO	OBJECTIVE	– KEY DETAILS/TIMESCALES	– RESOURCES	– LEAD	– KEY LINKS
		– Hold bi-annual liaison meetings with SDC Management Team and WKHA CE, directors and Board;			
29	Delivering the Domestic Abuse Housing Strategy	<ul style="list-style-type: none"> – Review sub-strategy action plan; by 12/13: Q4; – Develop a local women’s refuge - site and capital funding to be identified; SP revenue funding agreed; identify site by 13/14: Q2 (SP Needs Analysis 09/09, p53); – Support the delivery of related objectives in LSP Domestic Abuse Action Plan - report back progress to Domestic Abuse Working Group; – Assess level of need for additional refuge move-on accommodation by 12/13: Q3; 	<ul style="list-style-type: none"> – SP; – HCA; – HAs; – S106 contributions; – Churches Together; 	<ul style="list-style-type: none"> – HM; – HPM; 	<ul style="list-style-type: none"> – SCAP 11.4, 11.6; – BC 8; – KFHS 5; – KMDAS 2-4; – SPS; – WK LIP obj. C;
OTHER					
30	Increasing strategic housing capacity; building capacity of partners, local communities and groups	<ul style="list-style-type: none"> – Hold SHSG meetings quarterly; – Build further effective partnerships across sectors; – Complete skills audit; by 12/13: Q2; – Facilitate scrutiny groups on housing and related services; – Undertake SDC Business Process Review by 12/13; 	– Existing;	<ul style="list-style-type: none"> – HHC; – HAs; – HPM; – HM; 	<ul style="list-style-type: none"> – SCAP; – KFHS 1-5;
31	Delivering housing and related services sub-regionally	<ul style="list-style-type: none"> – Contribute to the West Kent LIP process; – Undertake common work projects in partnership with Dartford BC (as per project savings template); – Work with KCC to develop county survey process as part of budget savings measures; 	<ul style="list-style-type: none"> – WK LAs; – HCA; – HAs; 	<ul style="list-style-type: none"> – HHC; – HM; – HPM; 	<ul style="list-style-type: none"> – SCAP; – LIP;
32	Undertaking regular consultation	<ul style="list-style-type: none"> – Hold annual housing forums; – Ensure SDC New Homes Survey is undertaken for initial lets; – Consider other post-occupation consultation by 12/13; 	– Existing;	<ul style="list-style-type: none"> – HM; – HPM; 	– SCAP;
33	Responding to updated housing intelligence	<ul style="list-style-type: none"> – Update SHMA/HMNA (in-house); TBA; – Consider demographic change in 2011 Census (due 2012) against SHMA projections; – Assess findings of updated GTAA; to include needs of housed G/Ts by 12/13; 	– TBC;	<ul style="list-style-type: none"> – HM; – HPM; 	<ul style="list-style-type: none"> – SCAP; – SHMA 08; – HMNA 06; – GTAA 06;
34	Assessing/measuring	– Undertake benchmarking exercises with LSVT	– Existing;	– HM;	– SCAP;

NO	OBJECTIVE	KEY DETAILS/TIMESCALES	RESOURCES	LEAD	KEY LINKS
	performance	<ul style="list-style-type: none"> - Benchmarking Group; - Implement updated local performance targets and refocus local housing audit to reflect removal of CAA; - Consider measures to improve local data awareness; - Report progress against related SCAP objectives quarterly and provide full annual HSAP progress reports; 		<ul style="list-style-type: none"> - HPM; - HAs; 	<ul style="list-style-type: none"> - HIP; - ISIT; - CLG Business Plan 2011-15;
35	Ensuring emergency housing procedures are in place	<ul style="list-style-type: none"> - Relevant officers to undertake emergency planning rest centre training; - Provide emergency out-of-hours contact service; 	Existing;	<ul style="list-style-type: none"> - HHC; - HM; 	<ul style="list-style-type: none"> - SCAP; - Emergency Plan;
36	Ensuring major campsites are safe and habitable	<ul style="list-style-type: none"> - Undertake inspections at major Brands Hatch events; - Identify land intended for public campsites during Olympics; PSH to feed into SDC Olympic Working Group; 	Existing;	HM;	SCAP;
37	Review scope for developing shared services/joint approaches between local authorities	<ul style="list-style-type: none"> - To consider pooling resources, expertise, skills and joint procurement as an ongoing process. - Identify cross-cutting outcomes; 	Existing;	<ul style="list-style-type: none"> - HM; - HPM; 	SCAP;
<p>Note: actions without target timescales will be evaluated annually</p>					

SUPPORTING EVIDENCE AND INTELLIGENCE

Sustainable Community Action Plan (2010-13)	The long-term, sustainable vision for the Sevenoaks District and sets out the local community's priorities for action. http://www.sevenoaks.gov.uk/documents/sdc_comactionplan_final.pdf
Core Strategy (2010)	Sets out the vision and policies for future development in the Sevenoaks District over the period to 2026, as well as providing the policy context for other development plan documents. http://www.sevenoaks.gov.uk/documents/core_strategy_draft_for_submission_jan_2010_lores.pdf
Sevenoaks District Stock Condition Survey (2011)	Sets out the basic legislative, government and local reporting requirements on private sector housing, and details the local stock condition using various criteria. http://www.sevenoaks.gov.uk/housing/housing_improvement_and_repairs/default.asp
West Kent Strategic Housing Market Assessment (2008)	Provides an insight into how the local housing market operates both now and in the future. Also provides a basis on which to develop planning and housing policies by considering the characteristics of the housing market, how key factors work together, and the probable scale of change in future housing need and demand. http://www.sevenoaks.gov.uk/documents/west_kent_shma_final.pdf
West Kent Local Investment Plan (2010)	Sets out how the West Kent Local Investment Plan partnership will deliver a more effective and focused approach to regeneration, affordable housing, transport, and future employment growth in the Sevenoaks District and across West Kent (including the Maidstone Borough). http://www.sevenoaks.gov.uk/housing
Kent Supporting People Strategy (2010-15)	Provides the framework for the local planning, commissioning, regulation and funding of housing-related support services in the Sevenoaks District and across Kent. http://www.kenthousinggroup.org.uk/HousingStrategy.aspx
Kent Supporting People Needs Analysis (2009)	An analysis of need used to identify priorities and underpin the commissioning process. http://www.kenthousinggroup.org.uk/HousingStrategy.aspx
Kent Forum Housing Strategy (2011)	Sets out the major housing challenges facing Kent now and in the future, and offers solutions to address local issues having a county perspective. http://www.kenthousinggroup.org.uk/uploads/KMHSconsultationversion.pdf

NATIONAL POLICY FRAMEWORK – the Housing Strategy Action Plan has been developed having regard to developing policy, though regular reviews of housing tactics will be required as policy takes effect and impacts are better understood.

KEY HOUSING OUTPUTS (2011/12 - 2012/13)	2011/12 (Forecast)	2012/13 (Indicative)	Total
---	-----------------------	-------------------------	-------

OBJ	Providing a good mix of decent and affordable homes across all tenures: offering households choice and sustaining communities			
1	Affordable housing completions	14	48	62
1	Market housing completions	*	*	
6	Completion of social housing stock rationalisation transfers to other HAs (by unit)	12	0	12
10	Rural parish housing needs surveys undertaken	2	1	3
10	Rural housing completions (units)	0	14	14
13	Properties accredited	84	84	168
14	Provision of additional public G/T pitches	4	0	4

Agenda Item 5d

OBJ	Improving the quality and use of existing housing and sustaining neighbourhoods			
15	Dwellings made Decent	40	40	80
16	Properties where HHSRS Category 1 hazards removed	20	20	40
16	HMO inspections undertaken (units)	80	80	160
16	Mobile home park inspections undertaken	12	12	24
17	Long-term empty homes brought back into use through direct intervention	15	15	30
18	Social housing tenants assisted to down-size	*	*	*
18	Social sector over-crowding cases resolved	*	*	*
19	Energy grants to improve thermal efficiency	*	*	*

Page 124

OBJ	Meeting the needs of vulnerable and lower income households			
26	Rent-in-advance/deposit bond cases	60	60	120
21	DFGs completed	95	95	190
24	Older people: dwellings made Decent	3	3	6
26	Homelessness preventions	716	716	1432
27	HERO surgeries	240	240	480
28	Social housing lets	300	300	600

* to be agreed

ABREVIATIONS			
ACRK	ACTION WITH COMMUNITIES IN RURAL KENT	JCP	JOB CENTRE PLUS
BC	BALANCED COMMUNITIES	JPPB	JOINT POLICY AND PLANNING BOARD
CBL	CHOICE-BASED LETTINGS	KA2	KENT AGREEMENT 2
CD	COMMUNITY DEVELOPMENT	KAAP	KENT ADAPTATION ACTION PLAN
CIL	COMMUNITY INFRASTRUCTURE LEVY	KCC	KENT COUNTY COUNCIL
CLG	COMMUNITIES AND LOCAL GOVERNMENT	KES	KENT ENVIRONMENT STRATEGY
COPS	CORPORATE OLDER PERSONS' STRATEGY	KHAW5	KENT HEALTH AND AFFORDABLE WARMTH STRATEGY
CPA	COMPREHENSIVE PERFORMANCE ASSESSMENT	KHG	KENT HOUSING GROUP
CS	CORE STRATEGY (LDF)	KMDAS	KENT AND MEDWAY DOMESTIC ABUSE STRATEGY
CSH	CODE FOR SUSTAINABLE HOMES	KFHS	KENT FORUM HOUSING STRATEGY
CSU	COMMUNITY SAFETY UNIT	LHS	LIFETIME HOMES STANDARD
CSR	COMPREHENSIVE SPENDING REVIEW	LD	LEARNING DISABILITY
DAHS	DOMESTIC ABUSE HOUSING STRATEGY	LEP	LOCAL ENTERPRISE PARTNERSHIP
DC	DEVELOPMENT CONTROL	LIP	LOCAL INVESTMENT PLAN
DCM	DEVELOPMENT CONTROL MANAGER	LSVT	LARGE SCALE VOLUNTARY TRANSFER
DFG	DISABLED FACILITIES GRANT	LSP	LOCAL STRATEGIC PARTNERSHIP
DPD	DEVELOPMENT PLAN DOCUMENT	PPM	PLANNING POLICY MANAGER
ESCO	ENERGY CONSERVATION OFFICER	PSH	PRIVATE SECTOR HOUSING (TEAM)
EHAP	EMPTY HOMES ACTION PLAN	PSHAP	PRIVATE SECTOR HOUSING ASSISTANCE POLICY
ERHA	ENGLISH RURAL HOUSING ASSOCIATION	PSHS	PRIVATE SECTOR HOUSING STRATEGY
EAP	EQUALITY ACTION PLAN	RHP	REGIONAL HOUSING POT
EQIA	EQUALITY IMPACT ASSESSMENT	RP	REGISTERED PROVIDER
GTAA	GYPSY/TRAVELLER ACCOMMODATION ASSESSMENT	S106	SECTION 106
HA	HOUSING ASSOCIATION	SBD	SECURE BY DESIGN
HCA	HOMES AND COMMUNITIES AGENCY	SCAP	SUSTAINABLE COMMUNITY ACTION PLAN
HERO	HOUSING ENERGY RETRAINING OPTIONS	SDHR	SEVENOAKS DISTRICT HOUSING REGISTER
HHC	HEAD OF HOUSING AND COMMUNICATIONS	SHLAA	STRATEGIC HOUSING LAND AVAILABILITY ASSESSMENT
HM	HOUSING MANAGER (PRIVATE SECTOR AND SOCIAL TEAMS)	SHMA	STRATEGIC HOUSING MARKET ASSESSMENT
HMNA	HOUSING MARKET AND NEEDS ASSESSMENT	SHOE	SHARED-OWNERSHIP FOR THE ELDERLY
HMO	HOUSE IN MULTIPLE-OCCUPATION	SHSG	STRATEGIC HOUSING SUB-GROUP
HOLD	HOUSING FOR THOSE WITH LEARNING DISABILITIES	SILK	SOCIAL INNOVATION LAB FOR KENT
HPM	HOUSING POLICY MANAGER	SP/S	SUPPORTING PEOPLE/STRATEGY
HSAP	HOUSING STRATEGY ACTION PLAN	SPD	SUPPLEMENTARY PLANNING DOCUMENT
HSCS	HOUSING STOCK CONDITION SURVEY	WK LIP	WEST KENT LOCAL INVESTMENT PLAN

Item 5(e) – IT Strategy and Plan 2012-2015

This item was considered by Cabinet on 9 February 2012. The minutes of that meeting were not available at the time that the Council agenda went to print. An extract of the minutes will be available at the Council meeting.

This page is intentionally left blank

COUNCIL – 21 FEBRUARY 2012

IT STRATEGY AND PLAN 2012-2015

Report of the: Deputy Chief Executive and Director of Corporate Resources

Status: For Decision

Also considered by: Members IT Working Group – 3 and 30 November 2011

Services Select Committee – 31 January 2012

Cabinet – 9 February 2012

Executive Summary: This report outlines the IT Strategy and Plan 2012-2015, its scope and objectives it seeks to achieve through the use, management and development of technology by the Council.

This report supports the Key Aim of Effective use of Council Resources

Portfolio Holder Cllr. Fleming

Head of Service Head of IT and Facilities Management – Jim Carrington-West

Recommendation to Council: It be resolved that the IT Strategy and Plan 2012-2015 be approved and adopted.

Introduction and Background

- 1 The IT Strategy and Plan 2012-2015 sets out the Council's strategic approach to the management, use and development of technology. The Strategy sets out the vision and priorities, how we manage our services, and our plans for the next four years. Within the strategy consideration is given to the Council's strategic priorities, policies and other key strategies. The strategy also sets out key assumptions being made to deliver the required outcomes.
- 2 The draft IT Strategy and Plan 2012-2015 has already been considered by the Members IT Working Group and their comments have been taken into account and incorporated into the document. The group provided valuable input into shaping the content and relevance of the strategy.

IT Strategy and Plan 2012-2015

- 3 The IT Strategy and Plan 2009-2012, Community Plan, Corporate Performance Plan and Medium Term Financial Plan have all been used to inform the attached Strategy. As have the Members IT Working Group and the IT Steering Group.
- 4 The key objectives of this IT Strategy & Plan are:
 - To align existing and future technical solutions with business requirements, the District's Community Plan, the Council's Corporate Plan, and the Government's National Transformational Agenda.
 - To support current, planned and future use of operational ICT systems throughout the Council and to improve the technological environment provided for the Members and Officers of Sevenoaks District Council.
 - To ensure that the most comprehensive and appropriate set of access channels to Council services are made available to all citizens and customers.
 - To ensure that the Council's ICT service is delivering excellent quality and value for money to all its customers.
 - To contribute towards the Council's goal of providing first class services and maintaining its 'Excellent' status.
 - To ensure that all developments in ICT used throughout the Council are assessed in terms of the Council's equalities work.
- 5 The methods by which it is intended these objectives are met are explained through sections covering :
 - The Council's vision and priorities.
 - Managing our business, including Consultation and Engagement, Improving Outcomes for the Community, Customer Focus, Partners, Accessibility and Environmental Footprint.
 - Managing our resources. This covers Members, Council Staff, Performance Management, Investment and Asset Management.
- 6 The plan then details, in a three tier structure:
 - Strategic commitment and vision
 - Actions and commitments in support of the Strategy
 - Development Plan for 2012-2015

Key Implications

Financial

- 7 The delivery of the objectives defined within this Strategy and Plan relies on the existing commitment of budgets as agreed in the Councils 10 year budget and summarised in the Investment and Asset Management section of the Strategy itself.

Community Impact and Outcomes

- 8 The services and systems supported and developed as a result of this IT Strategy and Plan are used by all Council service areas to deliver their services to the public and as such this Strategy plays a key role in achieving the Council's key objectives.

Legal, Human Rights etc.

- 9 The maintenance and development of a fit-for-purpose technical environment contributes significantly to the ability of the Council to implement and comply with legislative changes across many service areas.

Resource (non-financial)

- 10 Sufficient available resources within the IT service are key to the delivery of the IT Strategy and Plan. Any future variations in resource will need to be assessed in terms of impact on delivery of these outcomes.

Value For Money

- 11 Having an agreed IT Strategy and Plan for the period 2012-2015 has a significant impact on ensuring effective value for money arrangements for the council. This is achieved by setting out a clear future direction for the use of technology and ensuring development and expenditure is co-ordinated across the council as a whole.

Equality Impacts

- 12 An equality impact assessment of the IT Strategy and Plan 2012-2015 has been completed. It highlighted one area of potential impact on those with visual impairments as a result of the development and promotion of web-based systems for customer interaction.
- 13 One of the key objectives stated in the IT Strategy is: "To ensure that all developments in ICT used throughout the Council are assessed in terms of the Council's equalities work."
- 14 As a result of this, the re-design of the corporate website currently underway includes moves to maintain and improve the compliance with accessibility standards. Consultation has taken place with Kent Association for the Blind to inform this process.

Conclusions

- 15 By committing to the previous IT Strategy and Plan 2009-2012, the council has achieved a well-planned, co-ordinated development of the use of technology across the organisation. The new IT Strategy and Plan 2012-2015 seeks to continue this development in line with corporate objectives and within funding and resource constraints.

Risk Assessment Statement

- 16 In the absence of an integrated policy and priority driven business process, it will become difficult for the Council to deliver on its priorities and maintain a sustainable technical environment.

Appendices Appendix A – IT Strategy and Plan 2012-2015

Background Papers: IT Strategy and Plan 2009-2012
Council's agreed 10 Year Budget

Contact Officer(s): Jim Carrington-West ext. 7286

Dr. Pav Ramewal
Deputy Chief Executive and Director of Corporate Resources

Sevenoaks District Council

Information Technology Strategy & Plan 2012-15



Our vision

To deliver quality, cost effective, responsive and visionary services that are customer focused and valued

We are always interested in ways to improve and welcome your suggestions

Contact us

Email:

service.desk@sevenoaks.gov.uk

Online: via the IT page on the SDC Intranet

Phone: Ext. 7444 or 01732 227444

Self Service:

<http://servicedesk.sevenoaks.gov.uk> or via the Members' Portal

Face to Face: 1st Floor, Argyle Road Offices, just opposite the Chief Executive and Leaders offices.

Publication details

Purpose of the Strategy & Plan

To inform Sevenoaks District Council Members, staff and stakeholders of the Council's IT operating environment, priorities and plans for 2012-15

Publication date

February 2012

Contents

	Page
Foreword	1
Framework	2
<ul style="list-style-type: none"> ■ Our vision and priorities ■ About the Council's IT Services 	
Managing our business	7
<ul style="list-style-type: none"> ■ Consultation and engagement ■ Improving outcomes for the community ■ Customer focus ■ Our partners ■ Accessibility ■ Our environmental footprint 	
Managing our resources	9
<ul style="list-style-type: none"> ■ Making IT happen together ■ Members ■ Council staff ■ Performance management ■ Our performance ■ Investment and Asset management 	
Tier 1: Strategic commitment and vision	13
Tier 2: Actions and commitments in support of the Strategy	14
Tier 3: Development Plan 2012-2015	22
Summary and Conclusions	25
Glossary of Terms	26

Foreword



Cllr Peter Fleming
Leader of the Council
and Portfolio Holder for
Information Technology



Jim Carrington-West
Head of Information
Technology and Facilities
Management

“This Strategy & Plan sets out how we plan to provide excellent IT services to enable you to deliver first class performance”

We are pleased to introduce to you Sevenoaks District Council’s IT Strategy & Plan 2012-15

This Strategy & Plan sets out our vision and priorities, how we manage our services, and our plans for the next four years.

It outlines in a realistic and practical manner, the current and future role of Information Communication Technology (ICT) within Sevenoaks District Council.

The Information Technology and Facilities Management service, part of the Corporate Resources Department, is responsible for identifying technology that would benefit the Council to support and enable the continuous improvement of Council services.

Technology covers all data (all electronically captured data, whether alphanumerical, image or sound), voice communication and the integration of these technologies to improve customer service.

Sevenoaks District Council does not seek to separate the IT part of the Council’s operations as a separate business unit, or see IT as a component without service objectives. Our challenge is to use technology with existing systems

throughout the Council to improve the service received by customers, whilst strengthening the Council’s business capability.

We are also supporting service areas through partnership working in the continuing aim to deliver quality services whilst maintaining or improving value for money.

“We live in a time when we as a council can’t deliver services without the IT systems we all use every day. To continue to deliver the highest possible quality services to our residents we need to constantly evolve and improve our IT systems.”

Cllr Peter Fleming
Leader of the Council
and Portfolio Holder for IT

IT – Innovation and Transformation enabling customer focused services

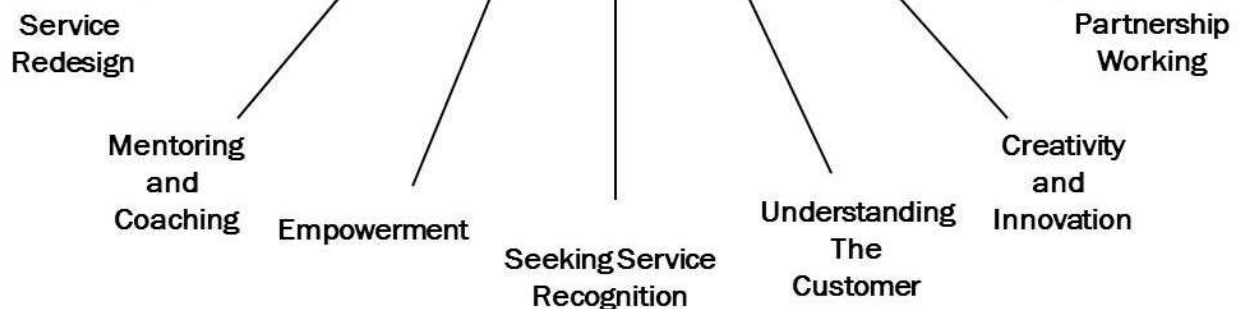
Our vision and priorities

Our **vision** sets out our focus for the coming years,

Our Vision

Delivering quality, cost effective, responsive and visionary services that are customer focused and valued

How will we achieve this



The **key objectives** of this IT Strategy & Plan are:

- To align existing and future technical solutions with business requirements, the District's Community Plan, the Council's Corporate Plan, and the Government's IT Strategy.
- To support current, planned and future use of operational ICT systems throughout the Council and to improve the technological environment provided for the Members and Officers of Sevenoaks District Council.
- To ensure that the most comprehensive and appropriate set of access channels to Council services are made available to all customers.
- To ensure that the Council's ICT service is delivering excellent quality and value for money to all its customers.
- To contribute towards the Council's goal of providing first class services.
- To ensure that all developments in ICT used throughout the Council are assessed in terms of the Council's equalities work.
- To ensure the continued support of partnership working initiatives in order to deliver quality services and value for money.
- To contribute towards the delivery of the Council's agreed ten year budget.

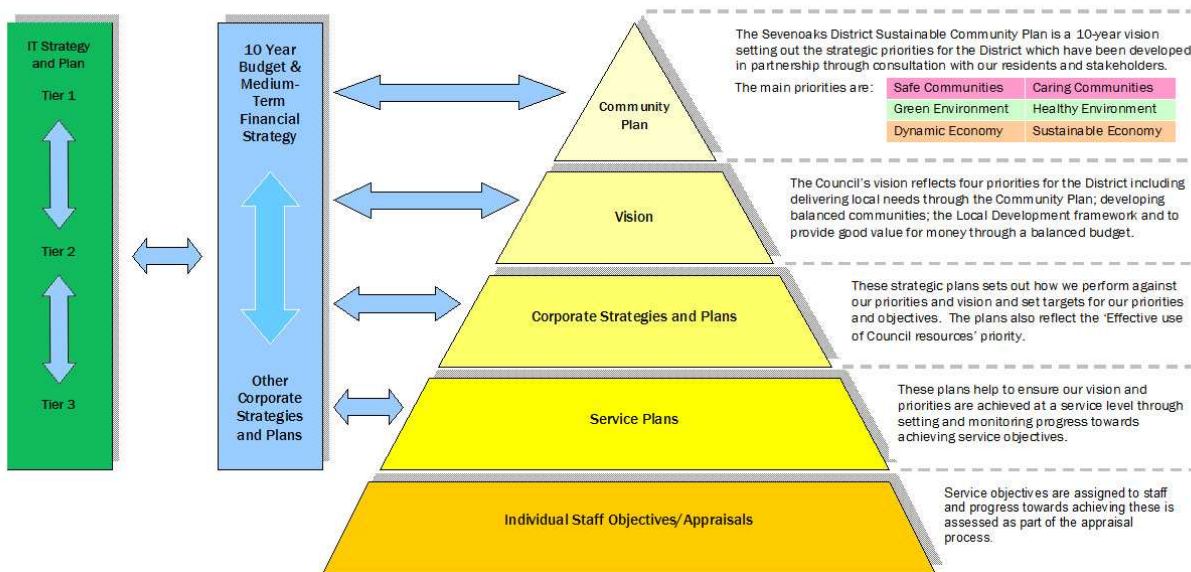
Agenda Item 5e

How our plans work together

The Council’s IT Strategy sets out how we will use information technology to support the achievement of the Council’s priorities. The financial implications included in the Strategy are reflected in the Financial Plan.

The vision for the use of IT services within the Council is one of a **service enabler**. We are committed to IT as an integral part of service redesign in order to produce maximum efficiency, quality and the highest outcomes for our community, yet recognising the limited resources.

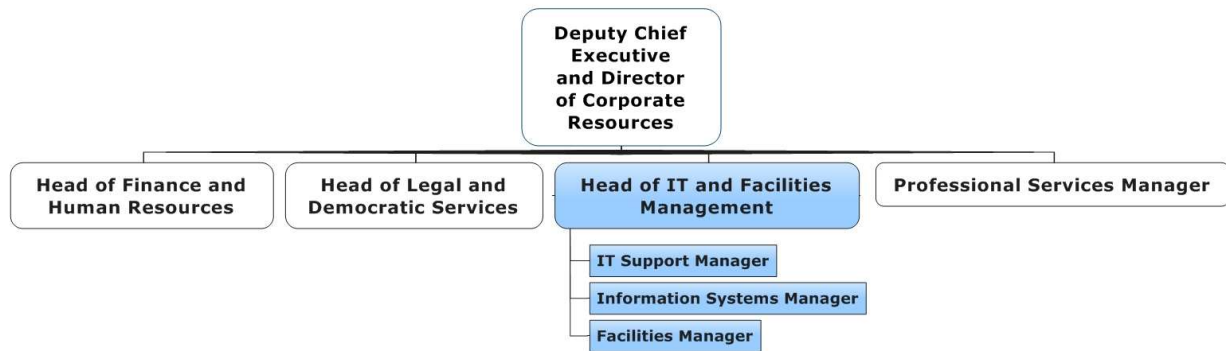
The vision is not restricted to the use of IT but more to the enabling role of technology in the use and interaction of information throughout the Council.



The IT Strategy and Plan itself comprises a three tier structure. This begins with the high level commitment and vision of the IT Service and how this supports the Council’s wider objectives. Tier two comprises the detail around the key initiatives that will contribute to achieving the Corporate goals. Finally, Tier three, is a more detailed plan of specific actions to be taken to contribute to these initiatives. In this way, each initiative, through exploiting IT as an enabler for transformation can be clearly linked to the aims set out by Members as the drivers for the Council as a whole.

		see page
Tier 1	Strategic commitment and vision	13
Tier 2	Actions and commitments in support of the Strategy	14
Tier 3	Development plan 2012-2015	22

About the Council's IT Services



IT Services is broken down into two key areas:

- **IT Support**
- **Information Systems**

IT Support team

The IT Support team comprises the Service Desk Supervisor, Service Desk Assistant, three Technical Support Engineers, an IT Developer and the IT Support Manager. They are the initial contact point with IT and will support you with any issues or questions you may have. The IT Support Manager is responsible for ensuring that IT delivers a first class service to all our customers.

We endeavour to:

- Act and communicate with our customers with a professional, can do manner
- Respond quickly with the correct solution to all problems
- Keep our customers regularly informed about how the resolution is progressing
- Be pro-active in foreseeing potential problems occurring and informing our customers
- Arm our customers with information and knowledge to make them more confident in using their IT systems

- Meet our agreed Service Level Agreements (SLAs)

The team is structured so that any issues can be quickly identified and escalated where necessary and the team can put in place any ideas that they feel will improve customer service.

The team ensures that the IT systems provided to the Council are fit for purpose, robust and well maintained. They also investigate new technologies that will assist the Council in becoming more efficient, enabling more effective communication with customers.

The team plays an active role, as part of Kent Connects, investigating and implementing partnership working and sharing knowledge across the county.

Information Systems team

The Information Systems team aim to ensure that the most efficient information systems and technology are in place to support Council services.

This is achieved through working with all areas of the Council to ensure that:

- The most appropriate technologies are being used
- The systems used complement each other
- All systems support the use and sharing of information within the Council.

Agenda Item 5e

About the Council's IT Services

More specifically the Information Systems Team will:

- Investigate innovative ways of using technology to support the use of information within the Council
- Be responsible for the end to end deployment of information systems, working with the IT Support Team during implementation and afterwards for day to day support
- Provide assistance and consultancy in the scoping and use of the Council's information systems
- Manage the GIS, UNI-form and IDOX systems and maximise their corporate use
- Manage the Local Land and Property Gazetteer and the use of address based information within the Council
- Provide a cartographic service delivering high quality mapping and map based analysis
- Provide innovative ways of using technology to improve the access of the community, including vulnerable and hard to reach groups, to the Council's services.

Our services

We provide many services to help with day to day work. For officers these include an online self service portal facility where you may log, view and update your IT Service Desk calls, look through our News Archive to find out about new developments and also our Frequently Asked Question (FAQ) system which will help you troubleshoot your own problems - this is great as a first point of call before contacting the IT Service Desk.

In addition to this daily support function, the team have implemented a number of key IT Systems across the Council that have had a major impact on the operation of the Authority and the Community it serves.

Examples include:

- Customer Relationship Management system, allowing over 70% of customers queries to be resolved at first point of contact.
- Consultee Access for Licensing allowing statutory Consultees and members of the public to consult on Licensing applications for Sevenoaks, Maidstone and Tunbridge Wells Councils through an automated online system, providing greater access and reducing the overhead on staff time.
- Automated Telephone Payments system, delivering more flexible methods and reduced time to process payments for Council Services. Currently 75% of Revenues and Benefits payments are received using this system.

Managing our business

Consultation and engagement

The engagement of our customers continues to ensure that technology is considered a key mechanism to enable the transformation of all Council services to better suit the needs of our community.

Improving outcomes for the community



By supporting the redesigning of services, the IT Service has a direct impact on improving outcomes for the community.

As an example, the IT Service has played a significant role in implementing public access for Planning and Licensing. Through IT assisting in the redesign of processes and the more effective use of technology, the Council has enabled the electronic submission of comments for Planning and Licensing applications and reduction in paper based processes, allowing for a simplified overall process.

IT systems also assist the Council in monitoring partnership plans in regard to initiatives such as the Community Safety Partnership.

The Council also seeks to engage with the Community using a wide range of available access channels. These include face to face, email, the Council's website, which is



currently in the process of being re-designed, and by utilising social media to publish information via twitter.

Customer focus

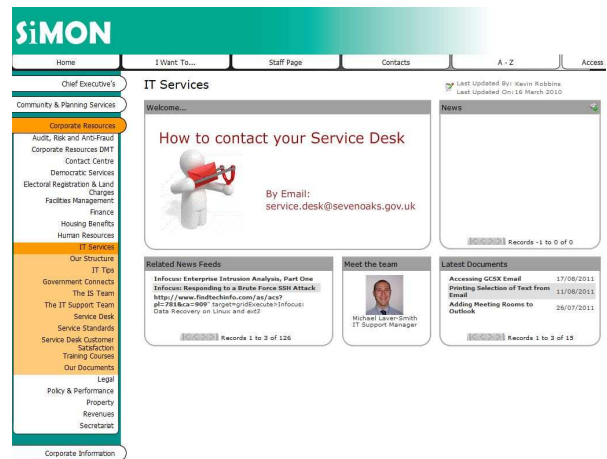


To ensure our internal and external customers get the best possible service, we set out the level of service our customers can expect in:

- the Council-wide customer standards leaflet
- our Service Level Agreement (SLA).

Our pages on the intranet also provide our customers with information about:

- our Service Desk call management process
- our definitions of priorities.



Our partners

IT Services work with many partners, including:

A Kent Wide partnership, delivering solutions including wide area network provision and disaster recovery services.



Jointly procured financial management system, hosted at Sevenoaks.



Joint Revenues and Benefits Service with a system hosted at Sevenoaks.



A three Council Licensing Partnership with IT Systems hosted at Sevenoaks.



We greatly value these partnerships and the significant contributions they make, ensuring value for money and sharing of best practice throughout the IT service.

Accessibility

We aim to ensure all our services are delivered without discrimination and take into account the needs of our local communities.

All ICT related deployments will be assessed at the planning stage to ensure equality groups are taken into account and systems cater for all groups appropriately.

In this regard we are constantly liaising with our public facing service areas to ensure the feedback they receive is reviewed, considered and improvements built into systems where necessary.

Our environmental footprint



We are committed to improving our environmental performance and reducing the environmental impact of our work.

The District Council aims to reduce its carbon emissions in line with Government targets and has developed processes to deliver improvement, and measure and report progress.

We are contributing to this aim by:

- increasing the energy efficiency of the IT equipment in use throughout the Council
- reducing waste and increasing sustainable procurement
- recycling redundant IT equipment according to WEEE regulations
- maintaining a constant awareness of new and emerging technologies that enable first class service delivery but not at the cost of the environment.

Our focus is direct reductions in carbon emissions, as soon as possible, rather than a reliance on indirect carbon offsetting to achieve carbon neutrality.

Managing our resources

Making IT happen together

Developments in technology continue rapidly. New technologies offering scope for new ways of working and improving service can present great opportunities.

Effective partnering between the IT team and the rest of the Council is essential to reap the benefits available through the use of technology.

Members

All members have access to Council information electronically via the Members' Portal, allowing them to carry out their public duty in the most effective manner, enabled by technology.

Members contribute actively to the ongoing use and development of IT across the organisation through the Members IT Working Group, providing a key advice and scrutiny function. The work of the Group has enabled a number of improvements across the Council in areas such as Strategic Direction, Business Continuity, Data Security and Infrastructure Replacement.

Council staff

The IT Service engages with Officers at all levels in order to provide a fundamental role in enabling service redesign and continuous improvement in terms of both efficiency and value for money.

This role is overseen by the IT Steering Group, which comprises a cross departmental representation of Officers up to and including Directors.

The Group meets on a monthly basis to review new and existing projects in terms of priority and cost. This is achieved through the use of documents contributed by relevant officers, based on the Prince2

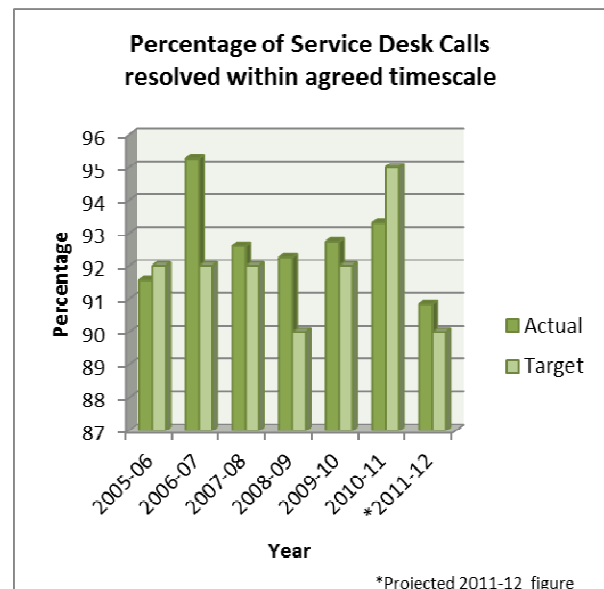
project management methodology and managed through an electronic performance management system.

Performance management

Our performance management arrangements, allow us to examine our performance, look for trends over time, compare our performance with other authorities and produce meaningful reports which can be used as a guide for improvements. We are also able to monitor targets to ensure they are both achievable and challenging.

Our performance

The IT Service has provided a consistently high level of service in relation to the amount of resources it has available. The service underwent a 26 % reduction in the budget over recent years, contributing significantly to the Council's efficiency agenda. Performance targets for 2011-12 continue to reflect the drive for a quality service delivered with available resources.



The IT Service at Sevenoaks continues to provide this high level of service at the same time as being the smallest IT Service in the county in terms of number of IT Staff per 1000 users.

Investment and Asset management

The Council currently has an allocation for ICT expenditure of around £1,000,000. This is annual expenditure that includes; staff costs, costs associated with software maintenance and licensing, network provision and hardware maintenance in order to ensure the IT infrastructure remains fit-for-purpose.

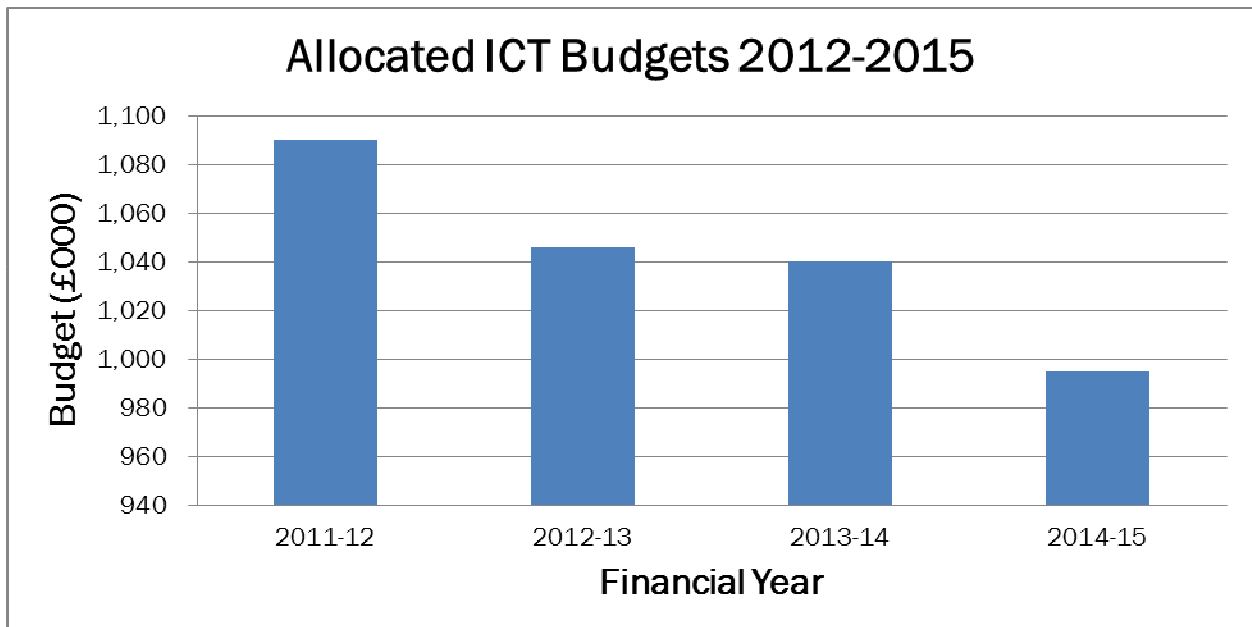
Using these resources we are committed to investigating new technologies in order to continually improve value for money and community outcomes. The server virtualisation programme is a key example of where more value was achieved from the budget allocation by utilising an alternative method of delivering a fit-for-purpose infrastructure.

Projects requiring major expenditure are overseen at an officer level by the IT Steering Group, following consultation with the Members IT Working Group. If necessary, a decision may be taken at Cabinet. In this way, Members and Officers together share the responsibility for investing in the future of technology within the Council.

The IT Financial plan for 2012-15 is taken directly from the Council’s agreed 10 year budget. Any proposed changes in one can be directly seen in the other to assess potential future impact.

This commitment to fund the development of technology within the Council to continually improve services, underlines the push for even greater and beneficial outcomes to the community.

IT Financial Plan 2012-15



Progress on the previous strategy

Achievements from the previous IT Strategy and Plan (2009-2012) include:

Maintain IT Service Desk customer satisfaction	100% of respondents express themselves “satisfied” or “very satisfied”
Replace user workstations within appropriate timescales to ensure fit-for-purpose hardware	All user workstations identified in the asset replacement programme have been replaced with new equipment
Replace existing Citrix and central servers within appropriate timescales to ensure fit-for-purpose hardware	New Citrix servers have been built, tested and implemented
Identify new business partners and develop detailed rules of engagement	Partnerships implemented and developed with other Local Authorities including; Dartford, Maidstone, Tunbridge Wells, Tandridge, Tonbridge and Malling
Research, procure and deploy a VOIP system integrated to the current network	Existing analogue telephone system replaced. VoIP system successfully deployed
Upgrade MS Office suite of applications to 2007	MS Office products upgraded to 2007
Migrate all remaining payment types onto new electronic payments system	New payments system implemented, improving efficiency in processing transactions. The old payment system has been decommissioned.
Review and redevelop intranet system (SiMON)	System is up to date and provides an efficient source of information to all service areas
Deploy automated system for taking payments via the telephone	System deployed and improved efficiency for citizen transactions. Around 70% of Council Tax card payments are now taken via this method
Provide meaningful, clear reports to IT Steering Group on progress of IT projects as well as the IT elements of non-IT projects	Prince2 based reports produced for IT Steering Group with support from the Covalent system for managing live actions.
Continually consider Council’s overall financial position and the financial implications on the annual budget and the medium and long term financial plans	IT and Facilities Management (FM) contributing £378k to the agreed 10 year budget framework
Complete Government Connects Code of Connection (CoCo) requirements and submit document	The council has achieved and remains CoCo compliant

Agenda Item 5e

Implement Uni-form Taxi Licensing module	A complete Uni-form based Licensing system has been implemented supporting Sevenoaks, Maidstone and Tunbridge Wells councils
Complete back-scanning exercise relating to Development Services Review	All appropriate information captured in electronic format
Contribute to and make full use of Kent Connects programme	A number of efficiencies have been achieved from initiatives identified through Kent Connects, including resilient internet links, email scanning, remote access
Upgrade Uni-form system to 7.5 to ensure continued support and reliability	All required Uni-form upgrades have been completed in order to ensure continued support, reliability and system development

Other notable achievements during this period include:

- Creation of a unified service desk providing a single point of access to all IT and FM related services
- Delivered the IT elements required to create a joint Revenues and Benefits team, located at Sevenoaks, providing services to residents of both Sevenoaks District and Dartford Borough, delivering £250k of corporate savings per annum.
- Provision of significant amounts of GIS mapping information for inclusion in the Local Development Framework (LDF) core strategy and associated supplementary documents
- Implementation of IT systems supporting the Licensing Partnership between Sevenoaks, Maidstone and Tunbridge Wells councils
- Liaised with Kent Police, delivering IT requirements for the Community Safety Unit (CSU) locating key police staff and the Sevenoaks police front counter within the Argyle Road offices
- Implemented integrated multifunction devices, rationalising the desktop printing estate and generating a more efficient printing environment
- Developed the online planning facilities to enable easier, more comprehensive access to planning information by members of the public
- Implemented an online consultee access system allowing more efficient processes for statutory and public consultees to comment on licensing applications
- Liaising with the Office of National Statistics (ONS) to assist in the delivery of the 2011 census
- Restructure of the Print Studio to enable more efficient processes for internal bulk printing, generation of increased external income and an ongoing agreement with Dartford Borough Council to provide bulk printing services

Tier 1: Strategic commitment and vision

The District's Community Plan focuses on *"improving the quality of life for people who live and work in the District"* and this Strategy aims to support the Community Plan by:

- improving the quality of the service provided and
- making a positive contribution to the efficiency, effectiveness and value for money of the Council's administration and delivery of services to the public.

This is achieved by bringing together the most appropriate technological tools with quality data and providing our customers and users with high quality support.

1.1 The Council will seek to e-enable as many of its services to citizens as appropriate and in line with government priorities and standards. Where available, e-pay and e-procurement initiatives will be deployed as required.

1.2 The Council will embrace all appropriate local and national projects that will add value to its services or provide efficiency savings.

1.3 The Council will seek to maintain standardised and secure technical infrastructures and applications that facilitate a range of cost effective and flexible working alternatives. Where appropriate, updates, upgrades and expansions to existing systems will be completed in line with service demands and/or support requirements.

1.4 To ensure that all new developments comply with the Council's strategic objectives. Operationally IT will be directed via an IT Steering Group representing all services of the Council. This group will assess all proposed developments and establish and review the relative priorities of projects within the overall IT programme.

1.5 The IT Strategy has been developed in consideration of the Council's overall financial position and its financial implications are contained within the agreed 10 year budget.

1.6 IT and Facilities Management will provide a comprehensive support service to users, providing adequate training, and Service Desk services.

1.7 Where required and authorised, each Council Officer and Member will be provided with a standard set of the most effective tools and access to information sources for them to complete their tasks. Non-standard (but supported) applications will be available where there is a clear business requirement.

1.8 IT and Facilities Management will assist in identifying IT training needs and core IT competencies required by the organisation.

1.9 Where appropriate, the Council will seek to comply with best practice and industry standards.

1.10 The Council will seek to achieve Value for Money in the procurement, implementation and on-going support of all IT systems and services through stringent procurement, product selection and negotiations as well as producing full cost benefit analysis for all major purchases.

1.11 The Council will, where appropriate, work with approved partners but, whether internally or externally developed, all initiatives will follow established standards for the Council's IT infrastructure and comply fully with statutory and other adopted standards for data handling.

1.12 The Council will adhere to guidance and legislation set out in regards to Equalities in all areas, including the development and use of IT and related systems.

Tier 2: Actions and commitments in support of the Strategy

<p>2.1 Supporting the Council’s main objectives The District’s Community Plan and the Council’s Corporate Plan identify four key themes:</p> <ul style="list-style-type: none"> <li style="display: inline-block; width: 45%; vertical-align: top;"> ■ Safe and Caring Communities <li style="display: inline-block; width: 45%; vertical-align: top;"> ■ Dynamic and Sustainable Economy <li style="display: inline-block; width: 45%; vertical-align: top;"> ■ Green and Healthy Environment <li style="display: inline-block; width: 45%; vertical-align: top;"> ■ Effective Management of Council Resources <p>The IT Strategy’s primary objective is to ensure that services and systems are fit-for-purpose in terms of having a direct or indirect impact on these strategic aims, whilst maintaining an agility to adapt to changing demands without an excessive reliance on pre-change documentation.</p>	Link to Tier 1
2.1a Safe and Caring Communities	
<ul style="list-style-type: none"> • We will utilise our membership of the Kent Connects partnership to provide fast and secure information exchanges vital to the success of partnership working in the District. 	1.2 1.11
<ul style="list-style-type: none"> • The Council website will continue to be used to promote and consult on community safety issues, and provide a self service facility for citizens requesting services from the Council. 	1.1 1.12
<ul style="list-style-type: none"> • All other access channels, including social media and SMS text messaging, will be considered and used as appropriate to provide timely information to the community. 	1.1 1.12
2.1b Green and Healthy Environment	
<ul style="list-style-type: none"> • The Planning Portal and 1App system enables full interaction with citizens and is fully integrated to the National Planning Portal. This enables citizens to participate actively in the planning process, supported further by the Council’s own <i>Publicaccess for Planning</i> system, influencing their local environment. 	1.1
<ul style="list-style-type: none"> • The Council has signed up to the National Land Information Service (NLIS) and other search providers and is able to receive electronic requests for searches and will continue to work towards a fully automated system. 	1.1
<ul style="list-style-type: none"> • We will seek to maximise the take up of Council services electronically, thereby eliminating the need for many postal or face-to-face interactions with their associated costs and environmental impact; this means we will be constantly seeking to enhance our website and self service systems. 	1.1

2.1c Dynamic and Sustainable Economy	
<ul style="list-style-type: none"> • E-commerce can help firms to lower costs – in procurement, production, selling and distribution – as well as to stimulate the development of new markets and services. 	1.1
<ul style="list-style-type: none"> • We will continue to abide by the principles laid out in the West Kent Area Investment Strategy. The Strategy provides a comprehensive picture of the West Kent economy as well as setting a clear agenda for action for all economic agencies and ensuring that the area wins recognition of its needs. The Strategy sets out three strategic objectives, which we will endeavour to support by the use of technology in further enabling public services: <ul style="list-style-type: none"> ○ Support the development of entrepreneurship and businesses - More active promotion of entrepreneurship and help for existing local businesses to maximise their competitiveness and growth and, in the medium-term, a drive to seek to attract appropriate inward investment ○ Support the development of labour force and skills base - Greater intervention in the labour market to address skills shortages and other constraints on the capacity of the West Kent economy to develop involving a focus on developing and expanding the FE/HE provision which already exists in West Kent to meet both current and emerging skills demand ○ Support the development of connectivity - Investment to improve aspects of connectivity within West Kent including broadband. 	1.2
2.1d Effective Management of Council Resources	
<ul style="list-style-type: none"> • We will ensure that we follow best practice guidelines in the procurement, delivery and support of the Council's IT resources. This will include: <ul style="list-style-type: none"> - Following Prince 2 methodology for all IT projects and IT elements of non-IT projects - Following ITIL (IT Infrastructure Library) approach to IT Service Management. - Storing all our information assets with respect to the guidance of the ISO/IEC 27000 series. - IT project and workload priorities to be set by IT Steering Group to ensure alignment with Council's own priorities, budgets and plans. 	1.9 1.9 1.9 1.4
2.2 Serving Citizens, Members and Officers	Link to Tier 1
2.2a IT Services	
<p>The IT and Facilities Management team has been subject to significant reductions in resources over recent years and is projected to reduce further over the period of this strategy in order to meet the Council's agreed 10 year budget. The team has been structured in a way that it will continue to commit to:</p> <ul style="list-style-type: none"> • Provide a quality customer service • Display a flexible 'can do' attitude • Communicate effectively • Working with, rather than for, our customers <p>Service Level Agreements are in place and these documents outline our commitment</p>	1.6

Agenda Item 5e

Tier 2: Actions and commitments in support of the Strategy

to:	1.6
<ul style="list-style-type: none"> Inform staff of all planned or other known about work that may affect system or network availability 	1.6
<ul style="list-style-type: none"> Analyse performance data and take proactive action to reduce downtime and minimise repeated incidents of problems 	1.6
<ul style="list-style-type: none"> Maintain and where possible further improve speed and availability of the systems 	1.6
<ul style="list-style-type: none"> Share information with all members of Information & Technology Services to achieve improved IT performance and responsiveness to customer problems. In addition, customers views will be assessed through formal surveys 	1.6
2.2b Change Management and Business Transformation	
<ul style="list-style-type: none"> The IT Service is committed to playing a major part in the review of all services with the aim of better utilising technology, flexible working and process redesign to transform the operation of the service and provide improved outcomes to the Community. 	1.1 1.2 1.3 1.4
<ul style="list-style-type: none"> The IT team will be involved in the identification, design, planning and implementation stages of reviewing all relevant services in order to produce the most effective outcomes. 	1.1 1.2 1.3 1.4
2.2c Flexible Working	
<ul style="list-style-type: none"> A strategy has been developed by the Council to aid the recruitment and retention of staff recognising the potential benefits that flexible working arrangements offer both the employee and the organisation. 	1.3
<ul style="list-style-type: none"> Remote access to the Council's core systems is available in several forms: <ul style="list-style-type: none"> Access to Council email available to all staff via a web based portal Full access to Council systems for nominated home workers Access to key information by Members through the Members' Portal Mobile access to specific Council systems enabling Officers to provide services "on the move" 	1.3
<ul style="list-style-type: none"> We will carry out further research and programmes required to improve "on the move" access to systems for those Officers with a genuine business requirement. 	1.3 1.10
<ul style="list-style-type: none"> The Council will endeavour to implement the most appropriate, cost effective mobile working solutions as they become available and required. This will include the use of suitable applications, hand held devices, laptops, mobile phones and tablet devices depending on needs of the customer but always ensuring full technical compatibility and remaining supportive of the overall strategic direction. 	1.3 1.10
2.2d Training	
<ul style="list-style-type: none"> We will provide incoming Members and Officers with suitable induction training based on the specific systems and services available to them. 	1.8
<ul style="list-style-type: none"> All staff will be given the opportunities to develop e-skills. Having achieved Investors in People accreditation, the Council takes seriously the role of both training and developing staff to attain full potential. 	1.6 1.8
<ul style="list-style-type: none"> All Officers have Internet access and will continue to be encouraged to utilise available networked training programmes on offer. 	1.7
<ul style="list-style-type: none"> Members of the IT and Facilities Management team will alert Human Resources of any training requirements required by specific Members or Officers highlighted through our Service Desk system. 	1.8
2.2e GIS	

Agenda Item 5e

Tier 2: Actions and commitments in support of the Strategy

<ul style="list-style-type: none"> The Council has a comprehensive Geographic Information System (GIS) and mapping system that is used for various tasks, particularly within the Development Control and Land Charges service areas, to support decision making processes. 	1.11
<ul style="list-style-type: none"> The Council is a member of the Public Sector Mapping Agreement (PSMA) for the supply, use and regular receipt of updated digital maps and information for the District. Access to these digital maps can be made available to staff requiring it. 	1.1 1.7 1.11
<ul style="list-style-type: none"> Wherever appropriate we will standardise our GIS and mapping applications on those provided by ESRI and GeoCortex, such as ArcGIS and ArcGIS Server, GeoCortex Essentials 	1.7
<ul style="list-style-type: none"> We will promote the use of Development Control and Licensing GIS information via the 'Public Access' website. 	1.1
2.2f Uni-form	
<ul style="list-style-type: none"> We will work to ensure that full value will be achieved through the significant investment the Council has made in the IDOX UNI-form system by using applicable modules to replace disparate systems where possible and appropriate. This system currently covers areas such as Planning, Environmental Health, Licensing and Land Charges 	1.3 1.10
2.2g Local Land and Property Gazetteer (LLPG)	
<ul style="list-style-type: none"> The Council will maintain a Local Land and Property Gazetteer (LLPG) for the District in BS7666 format. This will be maintained through the Gazetteer Management System module in the UNI-form system supplied by IDOX. 	1.7 1.9
<ul style="list-style-type: none"> The LLPG will be seen as the definitive land and property dataset for the District and will be maintained by the Information Systems team, within IT and Facilities Management. 	1.7
<ul style="list-style-type: none"> Daily updates will be provided to/from GeoPlace as the National Hub. 	1.3
<ul style="list-style-type: none"> Wherever appropriate we will standardise our land and property information systems on those provided within the UNI-form suite of applications. 	1.7
2.2h EDMS and Workflow	
<ul style="list-style-type: none"> The use of Electronic Document Management Systems (EDMS) and workflow can provide integration between the customer-facing front office and the data processing back-office functions. It can also provide efficiency benefits by improving the back-office processes. 	1.7 1.10
<ul style="list-style-type: none"> The Council currently uses EDMS and Workflow in Revenues and Benefits, Development Services, Building Control, Licensing, Finance, Land Charges and Electoral Services departments successfully. 	1.7
<ul style="list-style-type: none"> Further roll out to other areas will be considered on a case by case basis with appropriate regard to a business case. EDMS and Workflow has significantly enhanced our ability to undertake the administrative tasks associated with those services already using it and it will likely have a similar impact on the other service areas. Full integration with the relevant back-office system will form part of this plan where appropriate. 	1.3 1.7
2.2i Customer Relationship Management (CRM)	
<ul style="list-style-type: none"> The Council has researched and implemented the most appropriate and cost effective CRM solution - Lagan Frontline CRM - that integrates with core back-office systems. This will continue to be deployed to further service areas as appropriate and under the direction of the IT Steering Group. 	1.3 1.4 1.10
<ul style="list-style-type: none"> The CRM system will provide a single point of access to all citizen and property 	1.3

Agenda Item 5e

Tier 2: Actions and commitments in support of the Strategy

information held within the Council.	
2.2j Intranet	
<ul style="list-style-type: none"> The Council will use the corporate intranet as the main internal resource to find and share information. 	1.1
<ul style="list-style-type: none"> The intranet will be maintained, developed and enhanced by a combination of the IT team, service representatives and the IT Steering Group. 	1.6
2.2k Procurement	
<ul style="list-style-type: none"> E-Procurement saves time and resources. The Council will undertake those steps outlined in the Procurement Strategy that identified e-procurement as a key aim. Corporate purchase cards have been introduced and the electronic BACS system will be used for invoice payment where possible. 	1.1 1.10
<ul style="list-style-type: none"> We will continually review how enhanced use of e-procurement can be achieved and look to embrace the relevant national projects where appropriate. 	1.2
<ul style="list-style-type: none"> We will support the Kent Connects partnership and Kent Buying Consortium in developing and utilising potential procurement systems for Kent-wide use. 	1.2 1.10
<ul style="list-style-type: none"> We will provide secure authenticated transactions for citizens choosing to use electronic access channels. 	1.1
<ul style="list-style-type: none"> We will make use of Government Procurement Service agreed procurement programmes wherever available and beneficial to the Council. 	1.2 1.10
<ul style="list-style-type: none"> All IT systems and services will be procured centrally through the IT and Facilities Management team to ensure value for money, consistency and quality assurance. 	1.6 1.10
<ul style="list-style-type: none"> All IT payments systems will be maintained as PCI-DSS compliant where necessary 	1.9
2.2l Business Continuity / Disaster Recovery	
<ul style="list-style-type: none"> We will continue to provide a robust, tested, secure, flexible solution and plan for use in the event of a disaster. 	1.3 1.6
<ul style="list-style-type: none"> Wherever possible consideration will be given to the procurement of these services jointly through the Kent Connects partnership, as is the current solution, to ensure maximum value for money. 	1.2 1.3 1.9 1.10 1.11
<ul style="list-style-type: none"> We will provide a suitable and cost effective solution to ensure business continuity in the event of minor system or process failure. 	1.3 1.6 1.10

2.3 External Influences and Stakeholders	Link to Tier 1
2.3a Working in Partnership	
<ul style="list-style-type: none"> The Council recognises that working in partnership can bring significant benefits in terms of improved services, economies of scale and access to initiatives which would be impractical for a single District authority. There is tremendous potential for the public and private sector to work together in mutually beneficial partnerships. Cost savings may be available, as could additional capacity and capability, resulting in improved services and increased customer satisfaction. 	1.5 1.10 1.11
<ul style="list-style-type: none"> Current examples of local partnership working include: <ul style="list-style-type: none"> Environmental Health: Sevenoaks/Dartford Fraud and Audit: Sevenoaks/Dartford Revenues and Benefits: Sevenoaks/Dartford Licensing: Sevenoaks/Tunbridge Wells/Maidstone Development Control: Sevenoaks/Tunbridge Wells Building Control: Sevenoaks/Tonbridge and Malling Financial Systems: Sevenoaks/Tandridge Bulk Printing: Sevenoaks/Dartford 	1.5 1.10 1.11
2.3b Kent Connects	
<ul style="list-style-type: none"> From a technology perspective, our key partnership is with Kent Connects. They provide a number of key projects to the Council in those areas where partnership working of this nature is most appropriate. All fourteen local authorities in Kent have joined together with other public service providers, including Kent emergency services, to set up a partnership that aims to link up people and public services. By identifying and improving the IT infrastructure across the county, Kent Connects is effectively removing the barriers to joined up working. It offers solutions to practical issues that are common to all Kent's public service organisations. In sharing the costs and the risks of this investment, partners are also sharing ideas, skills and expertise across the county. 	1.2 1.5 1.10 1.11
<ul style="list-style-type: none"> In addition to Kent Connects, the Council will continue to establish partnerships with other local authorities, public services and private sector organisations where benefit for the Council can be achieved. 	1.2 1.5 1.10 1.11
2.4 Technical Environment and Direction	Link to Tier 1
2.4a Network Infrastructure	
<ul style="list-style-type: none"> Provision of Local Area Networks (LAN) within all Council offices and facilities requiring one. Each LAN to be Ethernet topology. A minimum of 100Mbps should be provided to the desktop, whilst working towards 1000Mbps where required. 	1.3
<ul style="list-style-type: none"> Provision of wireless network connections in all Council offices and facilities with a genuine requirement, including a separate "public" wireless network for access by non-council staff in the Argyle Road building. 	1.3 1.7
<ul style="list-style-type: none"> Provision of a Wide Area Network (WAN) linking the Argyle Road office to every Council office and facility, with appropriate bandwidth required for use. 	1.3 1.7
<ul style="list-style-type: none"> Provision of low cost backup solution to the WAN to enable some communication between the sites and some essential work to be performed when the main WAN is not operational. 	1.3 1.7 1.10

Agenda Item 5e

Tier 2: Actions and commitments in support of the Strategy

<ul style="list-style-type: none"> • Connection to the Kent Connects network to enable current and future joined up services to be provided with and between other local authorities in Kent. 	<p>1.2 1.3 1.5 1.11</p>
<ul style="list-style-type: none"> • Provision of a corporate connection to the Internet with a minimum of 100Mbs bandwidth. Connection to be via the most cost effective and resilient route, which is currently via the Kent Public Services Network (KPSN). Need to monitor usage and plan for future requirements together with other Kent Connects partners. 	<p>1.1 1.2 1.3 1.11</p>
<ul style="list-style-type: none"> • Standardisation on the use of CISCO routers throughout the Council, wherever practical, to enable compatibility, resilience and ease of installation and support. 	<p>1.3</p>
<ul style="list-style-type: none"> • Standardisation on the use of 3COM network switches throughout the Council, wherever practical, to enable value for money, compatibility, resilience, network monitoring and ease of installation and support. 	<p>1.3 1.10</p>
<ul style="list-style-type: none"> • Provision of a fit-for-purpose IP based Telephony system (VoIP) to ensure maximum compatibility with partners and value for money in terms of both equipment and call charges 	<p>1.3</p>
<ul style="list-style-type: none"> • Infrastructure design is such that it ensures capability is in place to accommodate voice as well as data traffic. 	<p>1.3</p>
2.4b Network Operation and Security	
<ul style="list-style-type: none"> • The standard server operating system will be the latest proven Microsoft server operating system, currently Server 2008. 	<p>1.3</p>
<ul style="list-style-type: none"> • Provision of firewalls and demilitarised zones (DMZ) where required to prevent unauthorised access to Council data from outside the authority. 	<p>1.3</p>
<ul style="list-style-type: none"> • Provision of a unique username and password to each member of staff to gain access to the network. Renewal of network passwords will be enforced at an appropriate interval. Separate username and/or password security will also be required for access to specific operational applications. 	<p>1.3</p>
<ul style="list-style-type: none"> • All staff, members and contractors will be directed to a copy of the Council's IT Security Policy which must be adhered to. 	<p>1.3</p>
<ul style="list-style-type: none"> • Anti-virus protection to servers and PCs will be maintained with the most appropriate and effective solution. 	<p>1.3 1.9</p>
<ul style="list-style-type: none"> • The IT Infrastructure and systems will be maintained as per the standards required of the Government Connects Code of Connection 	<p>1.9</p>
2.4c Desktop Facilities	
<ul style="list-style-type: none"> • Where required and authorised, each Officer to be provided with a desktop PC or laptop purchased from the Council's main supplier at the time. 	<p>1.7</p>
<ul style="list-style-type: none"> • Renewal of desktop PCs and laptops to be on an appropriate cycle to ensure they remain fit-for-purpose at the same time as maximising value for money. 	<p>1.7 1.10</p>
<ul style="list-style-type: none"> • PCs and laptops to run the Microsoft operating system, which will be standardised on Windows 7 but will be updated as appropriate. 	<p>1.7</p>
<ul style="list-style-type: none"> • Each member of staff using a PC will normally have access to the following facilities as a minimum: <ul style="list-style-type: none"> - MS Outlook (for email, calendar, contacts, tasks etc) - MS Office (for Word, Excel, PowerPoint, Access) - MS Internet Explorer (for access to the Internet) - Intranet - Adobe Acrobat reader 	<p>1.7</p>

Agenda Item 5e

Tier 2: Actions and commitments in support of the Strategy

<ul style="list-style-type: none"> - Central network drives for document storage - Access to suitable printing solutions - Any other licensed software application where requirements exist (e.g. MS Project) 	
<ul style="list-style-type: none"> • Applications will be deployed through the use of Citrix thin-client technology. 	1.3
<ul style="list-style-type: none"> • Access to the Internet will be provided to all staff, subject to compliance with the IT Security Policy guidelines around acceptable Internet usage. 	1.7
<ul style="list-style-type: none"> • Standardisation on the use of Canon Multifunction printers throughout the Council, wherever practical, to enable value for money, compatibility, resilience and ease of installation and support. 	1.7 1.10
<ul style="list-style-type: none"> • Renewal of printers and other desktop equipment will be on an ad-hoc basis when necessary. Criteria for renewal will include increasing unreliability, current/future incompatibility, excessive maintenance costs or no longer meeting business needs. 	1.7 1.10
2.4d Servers	
<ul style="list-style-type: none"> • All central servers will be located within a secured environment, with appropriate power, air conditioning and space. 	1.3
<ul style="list-style-type: none"> • Standardisation on DELL servers running a VMWare virtual environment to ensure value for money, compatibility, resilience and ease of installation and support. 	1.3 1.10
<ul style="list-style-type: none"> • All central server data will be backed up on a daily basis according to the back up procedures and the latest copies will be secured in a fire proof safe located in an appropriate location onsite. Previous weekly and monthly copies of data will be stored in the fireproof safe located in a secure offsite location. 	1.3
<ul style="list-style-type: none"> • Servers will be renewed on a 3-5 year replacement programme where appropriate. 	1.3 1.10
2.4e Applications	
<ul style="list-style-type: none"> • In addition to the standard desktop applications, certain Council staff have access to various systems where a business need has been highlighted. Amongst others these may include: <ul style="list-style-type: none"> - UNI-form - IDOX Electronic Document Management System - Lagan Frontline Customer Relationship Management System - Agresso Financial Management System - Committee Minutes System - Covalent Performance Management System - Selima Payroll / HR - Strand Electoral services - BACS-IP (Albany) - Capita Academy Revenues and Benefits System 	1.7
<ul style="list-style-type: none"> • The Council will be committed to reducing the number of ad-hoc systems deployed within the Council to reduce support overheads, improve consistency of service and remove duplication of similar systems with particular attention given to ensuring that full value for money is gained from our commitment to the UNI-form suite of applications. 	1.1 1.10

Tier 3: Development Plan 2012-2015

	Actions	Target	By When	Link to Tier two
3.1 Service Performance				
3.1a	Maintain IT Service Desk customer satisfaction (see 2.1d)	95% expressing themselves “satisfied” or “very satisfied”	Ongoing	2.2a
3.1b	Work with Human Resources to ensure all staff have received adequate training in the full use of core office systems	100%	Ongoing	2.2d
3.1c	Achieve agreed level of Service Desk calls resolved with agreed timescales	90% of Service Desk calls resolved within agreed timescales	Ongoing	2.2a
3.2 Infrastructure				
3.2a	Replace user workstations within appropriate timescales to ensure fit-for-purpose hardware	100%	Ongoing	2.4c
3.2b	Replace existing Citrix servers within appropriate timescales to ensure fit-for-purpose hardware	New servers built, tested and live	April 2012	2.4c 2.4d
3.2c	Identify new business partners and develop detailed rules of engagement	New partners identified	Ongoing	2.3e
3.2d	Maintain a single integrated infrastructure for data, voice and image	System maintained and tested to provide single voice/data/image infrastructure	Ongoing	2.2b 2.4a
3.2e	Research, procure and deploy replacement core network infrastructure.	Existing core infrastructure replaced and successfully deployed	March 2014	2.1d 2.2c 2.2k 2.4a
3.3 Applications				
3.3a	Upgrade MS Office suite of applications to 2010	All MS Office products upgraded to 2010	December 2012	2.4c

3.3b	Migrate all appropriate remaining payment types onto new automated telephone payments system	New automated telephone payments system improving efficiency in processing transactions	March 2013	2.1d 2.2b 2.2i
3.3c	Deploy self service e-forms and knowledge solution to the corporate website	Solution deployed and more services available through self-service to citizens.	April 2012	2.1a/b 2.2b/i
3.3d	Review and redevelop intranet system (SiMON)	System is up to date and provides an efficient source of information to all service areas	March 2013	2.1d 2.2j 2.4e
3.4 Project Management				
3.4a	Prince 2 methodology and templates used by SDC to be reviewed to ensure they continue to meet the Council's Project Management needs	Templates to be amended where appropriate	January 2013	2.1d
3.4b	Continue to provide meaningful, clear reports to IT Steering Group on progress of IT projects as well as the IT elements of non-IT projects through Covalent.	Format of reports approved and used comprehensively	Ongoing	2.1d
3.5 Local and National Projects				
3.5a	Contribute to and make full use of Kent Connects programme	Achieve efficiency gains and cost savings in yet to be determined areas	Immediately and ongoing	2.2b 2.3f
3.5b	Research and make full use of national projects available to SDC and also make SDC available for national pilot projects	Achieve efficiency gains and cost savings in yet to be determined areas	Immediately and ongoing	2.2b 2.3c
3.6 Administration and Security				
3.6a	Reduce the amount of printed output through awareness and promotion of alternatives	15% reduction (based on the quantity of paper used)	March 2013	2.1d
3.6b	Maintain an up to date IT Security Policy and related documents	Ensure information held by SDC is secure in an appropriate manner in accordance with ISO guidance	Ongoing	2.1d 2.4b
3.6c	Continually consider Council's overall financial position and the	Ensure annual budget targets are achieved without	Ongoing	2.2k

	financial implications on the annual budget and the medium and long term financial plans	negative impact on service delivery through the use of monthly monitoring and annual planning		
3.6d	Complete annual Government Connects CoCo requirements and submit document	Compliance with all CoCo requirements	March 2012 and Ongoing	2.1d 2.3a
3.7 UNI-form and GIS				
3.7a	Complete data capture exercise for Total Land Charges (TLC)	100% of all data available within TLC system	December 2012	2.2g
3.7b	Upgrade Uni-form system to 8.2 to ensure continued support and reliability	Upgrade completed and tested	June 2012	2.2f 2.4e
3.7c	Implement and develop replacement Intranet and Internet Mapping solution	System implemented and tested to provide mapping to staff and the public	March 2012	2.2e 2.2f 2.4e
3.8 Flexible Working				
3.8a	Deploy a softphone solution to expand flexible/remote working while reducing costs to the Council	Achieve efficiency gains and cost savings, scope yet to be determined	September 2012	2.2b 2.2c

Summary and Conclusions

The 2009-2012 IT Strategy and Plan has enabled the IT Service to become a key enabler in the transformation of services across the Council. In this period, the IT Service has played a fundamental role in assisting the Council to achieve the following:

- Level 4 2009 Use of Resources (Audit Commission Rating)
- Investors in People Gold Status
- 2010 Best Public Sector Place to Work – Best Local Authority
- Licensing Partnership (Sevenoaks/Tunbridge Wells/Maidstone)
- Shared Revenues and Benefits Service (Sevenoaks/Dartford)
- IRRV Silver Award for Excellence in Partnership Working
- Shared Audit, Risk and Anti-Fraud Service (Sevenoaks/Dartford)
- A new Community Safety Unit and Reception space shared with Police
- Bulk Printing Service for Dartford BC

The 2012-2015 IT Strategy and Plan sets out to continue this level of performance. We aim to achieve the delivery of the Council's vision whilst maintaining the smallest IT team in the County and an IT Revenue budget which, based on 2010 figures, was 6.9% of the Council's total net budget as compared to a National Average of 9.2% for Shire Districts.¹

This will be achieved in an environment where business agility, the ability to deliver business transformation, is key to the success of delivering improving public services in a recessionary economic environment.

¹ Based on Society of Information Technology Management (SOCITM) benchmarking figures 2010

BACS (Bankers' Automated Clearing Services) - the not-for-profit, membership-based industry body is owned by 16 of the leading banks and building societies in the UK, Europe and US. Responsible for the schemes behind the clearing and settlement of automated payments in the UK including Direct Debit and BACS Direct Credit.

CSU - The Sevenoaks District Community Safety Unit (CSU) is a new initiative jointly run by Sevenoaks District Council and West Kent Police and is based in Sevenoaks District Council's Argyle Road Offices. Residents can use the unit to report various Community Safety Issues.

DMZ - (sometimes referred to as a perimeter network) is a physical or logical subnetwork that contains and exposes an organisation's external services to a larger untrusted network, usually the Internet. The purpose of a DMZ is to add an additional layer of security to an organisation's local area network (LAN).

Ethernet - A family of computer networking technologies for local area networks (LANs) commercially introduced in 1980.

FE/HE – Further Education/Higher Education

Firewall - a device or set of devices designed to permit or deny network transmissions based upon a set of rules, frequently used to protect networks from unauthorised access while permitting legitimate communications to pass.

FM – Facilities Management

GIS – Geographical Information Systems. Systems used for plotting data to produce a map based output.

Government Procurement Service - Government Procurement Service is an executive agency of the Cabinet Office. It's overall priority is to provide procurement savings for the UK Public Sector as a whole.

ISO/IEC - the International Organization for Standardization (ISO) and by the International Electrotechnical Commission (IEC) who in this context publish information security standards

IT/ICT – Information Technology/Information and Communication Technology

LAN - A local area network (LAN) is a computer network that interconnects computers in a limited area such as an office building. The defining characteristics of LANs, in contrast to wide area networks (WANs), include their usually higher data-transfer rates, smaller geographic area, and lack of a need for leased telecommunication lines.

LDF (Local Development Framework) - a set of local planning documents, which set out the strategy for future development in Sevenoaks District.

Agenda Item 5e

PCI DSS (Payment Card Industry Data Security Standard - an information security standard for organisations that handle cardholder information for debit and credit cards.

Prince 2 - (PProjects IN Controlled Environments) is a process-based method for effective project management. PRINCE2 is a de facto standard used extensively by the UK Government and is widely recognised and used in the private sector, both in the UK and internationally.

Softphone - A softphone is a software program for making telephone calls over the Internet using a general purpose computer, rather than using dedicated hardware. Often a softphone is designed to behave like a traditional telephone, sometimes appearing as an image of a phone, with a display panel and buttons with which the user can interact. A softphone is usually used with a headset connected to the PC.

SiMON – The council’s internal intranet, providing information to officers.

VoIP - Voice over Internet Protocol (Voice over IP, VoIP) is a family of technologies, methodologies, communication protocols, and transmission techniques for the delivery of voice communications and multimedia sessions over Internet Protocol (IP) networks, such as the Internet or an internal company network.

WAN - A wide area network (WAN) is a telecommunication network that covers a broad area. Business and government entities utilise WANs to relay data among employees, clients, buyers, and suppliers from various geographical locations. In essence this mode of telecommunication allows a business to effectively carry out its daily function regardless of location.

WEEE (Waste Electrical and Electronic Equipment Directive) - is the European Community directive on waste electrical and electronic equipment (WEEE) which became European Law in February 2003, setting collection, recycling and recovery targets for all types of electrical goods.

Sevenoaks District Information Technology Strategy & Plan 2012-15

If you have any comments about this document or require further copies, please contact:

Email: service.desk@sevenoaks.gov.uk

Online: [via the IT page on the SDC intranet](#)

Phone: Ext. 7444 or 01732 227444

Self Service: <http://servicedesk.sevenoaks.gov.uk>
or via the Members' Portal

Face to Face: 1st Floor, Argyle Road Offices -
just opposite the Chief Executive's and
Leader's offices.

The Strategy & Plan is available on the SDC
intranet and is published on the Council
Website:

<http://www.sevenoaks.gov.uk>

Other formats:

This publication is available in
large print.

For a copy call 01732 227414.

If you need help communicating with
us or understanding this document,
we can arrange for an interpreter to
help you. Please contact us on
01732 227414 stating your language
and telephone number.

www.sevenoaks.gov.uk

February 2012



COUNCIL – 21 FEBRUARY 2012

BUDGET AND COUNCIL TAX SETTING 2012/13

Report of the: Deputy Chief Executive & Director of Corporate Resources

Status: For Decision

Executive Summary:

This report sets out the factors that need to be considered in order to set the Council Tax for 2012/13 and to approve the 2012/13 budgets. These factors include:

- Precepts received from other authorities;
- Collection Fund position;
- Corporate Budget Update; and
- Opinion on the robustness of the budget and the adequacy of the reserves.

At the time of writing this report, the figures relating to the major precepting authorities were only provisional, as their formal meetings also take place during February. Appendices 6 and 7 have been prepared on the basis of the provisional figures produced by the precepting authorities. If their final approved figures differ, Members will be provided with amended Appendices.

This report supports all the Council's key themes and objectives.

Portfolio Holder Cllr. Ramsay

Head of Service Head of Finance and Human Resources – Tricia Marshall

Recommendation:

Due to their length and complexity, the recommendations have been produced as a separate document (Appendices 6 and 7).

Background

- 1 The Localism Act 2011 has made significant changes to the Local Government Finance Act 1992 and now requires the billing authority to calculate a Council Tax Requirement for the year rather than its Budget Requirement, as previously.

Agenda Item 6a

- 2 The tax base figures used in this report are those calculated and approved at the Cabinet meeting on 12 January 2012.
- 3 This report has the following appendices relating to the budget and council tax setting process:
 - Appendix 1 – Town and Parish Council precepts.
 - Appendix 2 – Summary of Council Expenditure and Council Tax (Cabinet 9 February 2012).
 - Appendices 3a and 3b – Ten Year Budget 2011/12 to 2021/22 (Cabinet 9 February 2012).
 - Appendix 4 – Statement of Reserves and Provisions (Cabinet 8 December 2011).
 - Appendix 5 – Financial Strategy Statement 2011/22.
 - Appendix 6 – **Provisional** council tax setting recommendations (subject to confirmation by the major precepting authorities).
 - Appendix 7 – **Provisional** council tax rates across the District (subject to confirmation by the major precepting authorities).

Latest Information on Precepting Authorities

Town and Parish Councils

- 4 A list of town and parish council precepts is attached at Appendix 1 and total £3,402,236. The increase in the average band D council tax for Town and Parish Councils is 0.5% and results in an average band D council tax figure of £66.89 for 2012/13.

Kent County Council

- 5 Kent County Council meets on 9 February 2012 and their recommended precept is £53,290,122, with no adjustment for a collection fund surplus or deficit. This will result in a band D council tax of £1,047.78.

Kent Police Authority

- 6 Kent Police Authority meets on 8 February 2012 and their recommended precept is £7,053,269, with no adjustment for a collection fund surplus or deficit. This will result in a band D council tax of £138.68.

Kent and Medway Towns Fire Authority

- 7 Kent and Medway Towns Fire Authority meets on 15 February 2012 and their recommended precept is £3,455,939, with no adjustment for a collection fund surplus or deficit. This will result in a band D council tax of £67.95.

Collection Fund Surplus/Deficit Calculation

- 8 Rules governing the operation of the collection fund require the Council to make an estimate on 15 January (or the next working day) each year of the fund's likely difference at the end of the current financial year, in respect of council tax transactions. The amount so estimated is to be shared between

the District Council, County Council and Fire and Police Authorities in proportion to their precepts on the collection fund. Each authority's share is to be taken into account by the authority in calculating its council tax for the year following the year in which the surplus or deficit has been estimated.

- 9 The actual deficit balance on the collection fund at 31st March 2011 was £1,381.68. The actual balance is very small in the context of the gross council tax collectible during 2010/11 of £76m.
- 10 My calculation at 15 January 2012 estimates a nil balance on the collection fund at 31 March 2012. This is based on the tax bills issued for the year, current collection performance and the level of bad debt provision held.

New information

- 11 The Government has now announced the final 2012/13 settlement figure of £4.186m which is the same as the provisional figure announced in December.

Opinion under the Local Government Act 2003 (LGA 2003)

- 12 Under the LGA 2003 the Statutory Finance Officer (Deputy Chief Executive and Director of Corporate Resources) is required to give Members an opinion on the robustness of the budget estimates and the adequacy of reserves.
- 13 In terms of the robustness of the budget, the following sources of assurance were taken into account:
- The Strategic Business and Financial Planning process used for the 2012/13 budget, with clear links to the Sustainable Community Action Plan, the Council's Vision and other key corporate plans.
 - The Financial Strategy, including a 10-year Budget, clear financial objectives, sensitivity analysis and the existing 4-year savings package.
 - Scrutiny of savings proposals by the Select Committees.
 - The strong financial control structure and effective performance management within the Council, confirmed by previous Use of Resources assessments and other feedback from external auditors.
 - Clear budget responsibilities at individual officer level.
 - Effective monitoring regime giving early notification of potential financial issues through the use of the specialist Finance Advisory Group.
 - Effective Internal/External audit system, with risk-based audits, reporting through the Performance and Governance Committee.

Agenda Item 6a

- Set aside of earmarked funds for potential liabilities in the medium term.
- Effective strategic and operational risk management.

14 As is the case every year, inevitably there are a number of risk factors within the 2012/13 budget proposals; these are set out in some detail in Appendix F to the Budget Report to Cabinet on 9 February 2012. This report was also considered by the Finance Advisory Group on 25 January. Some of the more significant items are set out below.

a) Pay costs (£12.5m)

Pay costs are budgeted on 100% basis, with no inflationary pay award assumed for 2012/13 and with a separate vacancy target saving of £100,000. With controls over the appointment of any staff and monitoring of staff numbers as well as costs, pay costs are subject to a high level of control.

Staff turnover has reduced significantly in recent years, making it more difficult to achieve the vacancy target saving. It is expected that, due to the recession, staff turnover will remain low in 2012/13. However, the target saving has remained at £100,000.

b) Achievement of savings (£0.8m planned for 2012/13)

In recognition of the uncertainty surrounding the timing and achievement of partnership savings, it is recommended that the Council continue with the approach of transferring any year-end underspend on the revenue budget to the Budget Stabilisation Reserve, to be used to meet any one-off shortfall in the achievement of such savings in 2012/13. Furthermore, the Budget Stabilisation Reserve will accommodate any slippage in the 10 year budget as well as any earlier than anticipated savings.

c) Income

In the build-up of the budget there are a number of major income streams with risks attached, including:

- Car parks and off street parking (£2.7m)
- Land Charges (£0.2m)
- Development Control (£0.6m)
- Building Control (£0.5m)

The last three are particularly dependant on local economic and market fluctuations. In-depth monitoring of these budgets will continue throughout the year and will be given regular consideration by the Finance Advisory Group.

d) Non pay costs

The 10 year budget assumed an inflation rate of 2.5% for non-pay costs in 2012/13. At December CPI was 4.2% and RPI was 4.8%, so keeping cost increases within budget will be challenging. The Council continues to review its procurement practices and the budget assumes that savings

e) Pensions funding

The next actuarial valuation will take effect from 2014/15.

f) Investment receipts (£0.173m)

Interest rates have remained low in 2011/12 and are not expected to increase in the near future. The Council is only making shorter term investments (up to one year) in the present market conditions; this does make it more vulnerable to interest rate fluctuations. The Investment Strategy will be kept under review and brought back to Members for consideration as necessary during the year. The proposed Strategy for 2012/13 is reported separately on this Agenda.

g) Impact of economic climate

Earlier reports on the budget have highlighted the impact on the Council's finances of the current economic downturn. Many of the risks are set out above, but there has also been an impact on the Council through increased demand for services such as Benefits and Housing.

h) Growth

The 10 year budget has no allowance for growth as it is anticipated that where possible this will be met through additional savings or the Stabilisation Reserve. However, any significant financial implications arising from a change in Government policy may need to be considered by Members separately.

i) Impact of new legislation

Previous budget reports have set out the impact of new legislation on the Council, including the Localism Act and the localisation of council tax benefit. It has been assumed for 2012/13 that any costs arising from the implementation of new legislation are either negligible or that the implementation costs will be met by the Government under the 'new burdens' arrangements. No provision has therefore been made within the 2012/13 budget for such costs.

- 15 Members will recognise that budget risk cannot be avoided completely. However, the structures already in place and the actions being put in place should ensure that next year's overall revenue spend figure is achieved, particularly through the Council's flexible approach to budgeting allowing the risk areas to be compensated by those that are under-spent or overachieve on income.

Adequacy of reserves

16 Ensuring the adequacy and sustainability of the Council's reserves continues to be a key part of the budget process. Individual balances have been reviewed as part of writing this report and the detailed work is set out at Appendix 4. This review should ensure that all provisions and earmarked reserves are adequate for their purposes.

17 The key issue on which comment must be made relates to the General Fund Reserve:

	£000
Actual balance 1 st April 2011	3,713
Estimated balance 1 st April 2012	3,713

18 It is recommended that the Council hold a minimum General Fund reserve balance of 10% of its net Revenue Budget, for emergencies. The remainder of the General Fund reserve is the only resource not ear-marked to a particular future need.

19 The strong formal advice of the Section 151 officer to the Council is that every effort must be made to achieve the agreed savings plan in order to ensure financial sustainability and preserve the level of reserves for future commitments. The Council should avoid, at all costs, the General Fund Reserve balance reducing below 10% of its Net Service Expenditure (for 2012/13 this equates to £1.3m).

Referendums relating to council tax increases

20 Section 72 of the Localism Act 2011 inserts a new Section 52ZB into the Local Government Finance Act 1992. This sets out the duty on billing authorities, major precepting authorities and local precepting authorities to each determine whether their relevant basic amount of council tax for a financial year is excessive. If an authority's relevant basic amount of council tax is excessive, the provisions in relation to the duty to hold a referendum apply. The Secretary of State has published principles in relation to 2012/13 council tax levels, resulting in an increase above 3.5% for most authorities being declared excessive. Slightly different figures apply to the City of London, the GLA, Police and Fire Authorities. No equivalent principles are being proposed for Town and Parish Councils.

Conclusions

21 The recommendations are set out in the formal council tax resolution in Appendices 6 and 7.

- 22 If the resolution is approved, and if the major precepting authorities' recommended figures are confirmed, the total band D council tax will be as follows:

	2011/12	2012/13	Increase
	£	£	%
Sevenoaks District Council	181.89	181.89	0.00
Kent County Council	1,047.78	1,047.78	0.00
Kent Police Authority	138.68	138.68	0.00
Kent and Medway Towns Fire Authority	67.95	67.95	0.00
Sub-total	1,436.30	1,436.30	0.00
Town and Parish Council (Average)	66.56	66.89	0.50
Total	1,502.86	1,503.19	0.02

RISK ASSESSMENT STATEMENT

- 23 A detailed risk assessment was attached as Appendix F to the Revenue Budget and Council Tax 2012/13 report to the Cabinet meeting on 9 February 2012.

Sources of Information:

Draft Budget 2012/13 report to Cabinet 8 December 2011.

Calculation of Council Taxbase 2012/13 report to Cabinet 12 January 2012.

2012/13 Budget reports to Cabinet 9 February 2012.

Localism Act 2011

Contact Officer(s):

Tricia Marshall ext 7205

Adrian Rowbotham ext 7153

Agenda Item 6a

Dr Pav Ramewal

Deputy Chief Executive & Corporate Resources Director

TOWN & PARISH COUNCIL PRECEPTS							
	2011/12			2012/13			
Town / Parish Council	Tax Base	Precept £	Council Tax Band D (£)	Tax Base	Precept £	Council Tax Band D (£)	Band D Change (%)
Ash-cum-Ridley	2,555.06	67,000	26.22	2,550.68	68,500	26.86	2.44
Brasted	755.90	29,000	38.36	757.79	35,500	46.85	22.13
Chevening	1,459.17	59,809	40.99	1,459.76	59,809	40.97	-0.05
Chiddingstone	593.92	28,500	47.99	601.38	28,500	47.39	-1.25
Cowden	410.64	16,720	40.72	422.68	18,596	44.00	8.06
Crockenhill	703.96	57,800	82.11	704.56	57,800	82.04	-0.09
Dunton Green	900.08	56,130	62.36	908.63	57,255	63.01	1.04
Edenbridge	3,624.98	435,324	120.09	3,651.85	438,552	120.09	0.00
Eynsford	944.85	67,800	71.76	944.65	67,800	71.77	0.01
Farningham	629.64	33,800	53.68	636.50	33,300	52.32	-2.53
Fawkham	286.66	7,004	24.43	286.36	7,004	24.46	0.12
Halstead	764.96	40,275	52.65	780.58	41,523	53.20	1.04
Hartley	2,591.48	112,000	43.22	2,589.29	114,700	44.30	2.50
Hever	616.30	24,000	38.94	621.48	26,000	41.84	7.45
Hextable	1,712.10	135,907	79.38	1,705.33	135,369	79.38	0.00
Horton Kirby & S Darenth	1,342.85	88,000	65.53	1,379.27	88,000	63.80	-2.64
Kemsing	1,861.65	79,000	42.44	1,878.86	85,000	45.24	6.60
Knockholt	614.91	35,767	58.17	619.39	35,767	57.75	-0.72
Leigh	844.76	18,500	21.90	842.37	18,500	21.96	0.27
Otford	1,743.54	125,000	71.69	1,737.97	135,000	77.68	8.36
Penshurst	823.66	20,745	25.19	847.24	24,163	28.52	13.22
Riverhead	1,242.36	48,000	38.64	1,241.36	48,000	38.67	0.08
Seal	1,231.81	59,680	48.45	1,237.28	59,680	48.23	-0.45
Sevenoaks Town	9,226.73	715,000	77.49	9,282.55	719,300	77.49	0.00
Sevenoaks Weald	626.55	35,700	56.98	627.15	35,700	56.92	-0.11
Shoreham	1,021.17	45,000	44.07	1,025.55	40,000	39.00	-11.50
Sundridge	945.45	53,000	56.06	950.23	53,000	55.78	-0.50
Swanley	6,050.79	632,300	104.50	6,090.99	630,418	103.50	-0.96
Westerham	2,049.40	152,500	74.41	2,072.09	152,500	73.60	-1.09
West Kingsdown	2,399.24	87,000	36.26	2,406.21	87,000	36.16	-0.28
Totals	50,574.57	3,366,261		50,860.03	3,402,236		
Average			66.56			66.89	0.50

This page is intentionally left blank

Summary of Council Expenditure & Council Tax

	<i>2011/12</i> <i>Budget Net</i> <i>Expenditure</i> <i>£000</i>	2012/13 Budget Net Expenditure £000
Service expenditure before Support Services and Capital Charges including trading accounts (see Appendix D)	14,039	13,688
Capital Charges and Support Services charged outside the General Fund	(268)	(245)
Sub Total	13,771	13,443
Non allocated expenditure:		
Collection Fund adjustment	0	0
Net Service Expenditure excluding Capital Charges	13,771	13,443
Government Grant	(4,912)	(4,186)
Council Tax Requirement - Sevenoaks DC	(9,199)	(9,251)
Government support to offset Council Tax freeze	(229)	(460)
Grant & Council Tax income	(14,340)	(13,897)
Net Expenditure after Grant & Council Tax, before interest	(569)	(454)
Less: Interest and Investment income	(153)	(173)
Amount to be met from Reserves	(722)	(627)
Contributions (to) / from reserves		
Earmarked Reserves		
Capital	(330)	(330)
Action and Development	14	0
Reorganisation	(141)	0
Budget Stabilisation	(265)	(885)
Financial Plan	0	588
Planned contribution from Gen Fund Res	0	0
	(722)	(627)

	<i>2010/11</i>	<i>2011/12</i>	2012/13
Taxbase	50,427	50,575	50,860
	£	£	£
Council Tax @ Band D	181.89	181.89	181.89

Council Tax Summary

			%	
Band D charge				
Kent County	1,047.78	1,047.78	69.7	
Kent Fire	67.95	67.95	4.5	
Kent Police	138.68	138.68	9.2	
	1,254.41	1,254.41	83.5	0.00
Sevenoaks District	181.89	181.89	12.1	
Average Town/Parish	64.91	66.56	4.4	
	1,501.21	1,502.86	100.0	0.00

Interest Receipts Summary

Investment interest	186	206
Mortgage and other interest	2	2
Allocations to Provisions	(35)	(35)
Net Revenue contribution	153	173

This page is intentionally left blank

Ten Year Budget - Revenue

	Budget 2011/12	Plan 2012/13	Plan 2013/14	Plan 2014/15	Plan 2015/16	Plan 2016/17	Plan 2017/18	Plan 2018/19	Plan 2019/20	Plan 2020/21	Plan 2021/22
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure											
Net Service Expenditure c/f	13,771	13,771	13,443	13,628	14,662	15,110	15,531	15,935	16,197	16,569	16,934
Inflation		468	621	633	565	564	566	563	558	552	339
Pension Fund deficit: actuarial increase		0	0	520							
Net savings (approved in previous years)		(796)	(436)	(119)	(117)	(143)	(162)	(301)	(186)	(187)	0
New growth and savings		0									
Net Service Expenditure b/f	13,771	13,443	13,628	14,662	15,110	15,531	15,935	16,197	16,569	16,934	17,273
Financing Sources											
Government Support	(4,912)	(4,186)	(3,805)	(3,424)	(3,527)	(3,633)	(3,742)	(3,854)	(3,970)	(4,089)	(4,212)
Govt Support to offset 2011/12 C Tax freeze	(229)	(229)	(229)	(229)							
Govt Support to offset 2012/13 C Tax freeze		(231)									
Council Tax	(9,199)	(9,251)	(9,529)	(9,815)	(10,208)	(10,616)	(11,041)	(11,483)	(11,942)	(12,420)	(12,917)
Interest Receipts	(153)	(173)	(243)	(530)	(712)	(656)	(599)	(543)	(489)	(415)	(415)
Contributions to Reserves	471	330	430	330	330	330	330	330	330	330	330
Contributions from Reserves	(14)	(536)	(534)	(532)	(529)	(527)	(524)	(521)	(519)	(516)	(513)
Total Financing	(14,036)	(14,276)	(13,910)	(14,200)	(14,646)	(15,102)	(15,576)	(16,071)	(16,590)	(17,110)	(17,727)
Contribution to/(from) Stabilisation Reserve	265	833	282	(462)	(464)	(429)	(359)	(126)	21	176	454
Budget Gap	0	0	0	0	0	0	0	0	0	0	0

Cumulative position (surplus)/deficit: (191)

Ten Year Budget - Balance Sheet

Balance Sheet	31/3/11	31/3/12	31/3/13	31/3/14	31/3/15	31/3/16	31/3/17	31/3/18	31/3/19	31/3/20	31/3/21	31/3/22
	Actual	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Long Term Assets												
Property, Plant and Equipment	16,584	16,331	16,057	15,804	15,466	15,213	14,960	14,707	14,454	14,201	13,948	13,695
Investment Property	3,047	3,047	2,914	777	777	777	777	777	777	777	777	777
Long Term Investments	2,560	0	0	0	0	0	0	0	0	0	0	0
Long Term Debtors	570	526	482	442	413	384	355	326	316	312	308	304
	22,761	19,904	19,453	17,023	16,656	16,374	16,092	15,810	15,547	15,290	15,033	14,776
Current Assets												
Short-term Investments	13,257	12,675	14,309	14,872	13,158	10,911	9,575	8,432	7,506	6,663	6,123	5,879
Cash and Cash Equivalents	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828
Inventories	36	36	36	36	36	36	36	36	36	36	36	36
Short Term Debtors	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226
Payments in Advance	171	171	171	171	171	171	171	171	171	171	171	171
	22,518	21,936	23,570	24,133	22,419	20,172	18,836	17,693	16,767	15,924	15,384	15,140
Current Liabilities												
Receipts in Advance	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)
Short Term Creditors	(2,626)	(963)	(964)	(965)	(966)	(967)	(968)	(969)	(970)	(971)	(972)	(973)
Short Term Provisions	(238)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)
	(3,622)	(1,873)	(1,874)	(1,875)	(1,876)	(1,877)	(1,878)	(1,879)	(1,880)	(1,881)	(1,882)	(1,883)
NET CURRENT ASSETS	18,896	20,063	21,696	22,258	20,543	18,295	16,958	15,814	14,887	14,043	13,502	13,257
Long Term Liabilities												
Long Term Creditors	(370)	(369)	(368)	(367)	(366)	(365)	(364)	(363)	(362)	(361)	(360)	(359)
Long Term Provisions	(2,481)	0	0	0	0	0	0	0	0	0	0	0
Net Pensions Liability	(34,512)	(33,162)	(31,742)	(30,252)	(28,762)	(27,272)	(25,782)	(24,292)	(22,802)	(21,312)	(19,822)	(18,332)
Capital Grants Receipts in Advance	(486)	0	0	0	0	0	0	0	0	0	0	0
	(37,849)	(33,531)	(32,110)	(30,619)	(29,128)	(27,637)	(26,146)	(24,655)	(23,164)	(21,673)	(20,182)	(18,691)
TOTAL NET ASSETS	3,808	6,436	9,039	8,662	8,071	7,032	6,904	6,969	7,270	7,660	8,353	9,342
USABLE RESERVES												
Usable Capital Receipts Reserve	763	461	1,317	2,668	2,725	2,625	2,525	2,425	2,325	2,225	2,125	2,025
Earmarked Reserves	13,998	15,971	16,724	15,911	14,115	11,943	10,682	9,614	8,782	8,039	7,599	7,455
General Fund	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713
	18,474	20,145	21,754	22,292	20,553	18,281	16,920	15,752	14,820	13,977	13,437	13,193
UNUSABLE RESERVES												
Capital Adjustment Account	15,592	15,217	14,810	12,420	12,082	11,829	11,576	11,323	11,070	10,817	10,564	10,311
Revaluation Reserve	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161
Accumulated Absences Account	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)
Pensions Reserve	(34,512)	(33,162)	(31,742)	(30,252)	(28,762)	(27,272)	(25,782)	(24,292)	(22,802)	(21,312)	(19,822)	(18,332)
Deferred Capital receipts	245	227	208	193	189	185	181	177	173	169	165	161
	(14,666)	(13,709)	(12,715)	(13,630)	(12,482)	(11,249)	(10,016)	(8,783)	(7,550)	(6,317)	(5,084)	(3,851)
TOTAL RESERVES	3,808	6,436	9,039	8,662	8,071	7,032	6,904	6,969	7,270	7,660	8,353	9,342

Council 21 February 2012

Item No. 6a – Appendix 4

Statement of Reserves and Provisions

1. This appendix sets out details of the reserves and provisions held by the council. These balances have been subject to a detailed review as part of the budget process. **The items in bold show the changes that are being recommended.**
2. One of the requirements of the Financial Planning Strategy is to have flexible use of the Budget Stabilisation Reserve. The fund would incorporate any annual under-spends and absorb any annual over-spends. **It is recommended that any favourable variance achieved in the 2011/12 budget is put into this reserve.**
3. Council agreed at their meeting on 26 July 2011 with Cabinet's recommendation that the £35,000 underspend in the Community Development Budget 2010/11 be set aside as an earmarked reserve to support the Paralympics Cycling event. **It is recommended that £35,000 be transferred from the Budget Stabilisation Reserve to a new Paralympics Reserve.**
4. The last First Time Sewerage scheme was completed in 1998/99 and the water companies have not requested any payments in recent years. Due to the reducing likelihood of the full amount being required **it is recommended that the balance on the First Time Sewerage Provision is moved to a new First Time Sewerage Reserve which will be reviewed on an annual basis.**
5. The Transportation Reserve was set up due to the uncertainty of annual costs of the concessionary fares scheme and to fund any extra expenditure resulting from the transfer of concessionary fares to Kent County Council on 31/03/11. No further costs are expected. **It is recommended that the Transportation Reserve is closed and the £80,000 balance moved to the Budget Stabilisation Reserve.**
6. Council has agreed that implementation costs incurred by the Environmental Health Partnership and Revenues, Benefits, Audit & Anti Fraud Partnership will be funded from the General Fund Reserve.
7. No movement on the General Fund Reserve is currently planned in 2012/13.
8. The following table set out the reserves and provisions held by the Council at 1st April 2011.

	01/04/11	Purpose
Provisions	£000	
Edenbridge Relief Road	1,566	Future compensation costs in relation to the scheme.
First Time Sewerage Schemes	915	Ongoing guarantee payments for FTS schemes carried out in previous years.
Accumulated Absences	152	Absorbs the difference that would otherwise arise on the General Fund Balance from accruing for compensated absences (e.g. annual leave) earned but not taken in the year.
Other	85	Redundancies agreed before 31/03/11 and to cover potential restitutionary claims in respect of personal search fees of the land register.
Sub Total	2,718	
Capital Receipts		
Capital Receipts	763	Balance from previous asset sales and mortgage repayments. Can be used to fund future capital expenditure.
Earmarked Reserves		
Action and Development	314	To fund ad hoc expenditure, e.g. resulting from an emergency.
Asset Maintenance	1,000	To fund emergency works to assets.
Budget Stabilisation	2,265	Favourable variances achieved on the 2009/10 and 2010/11 budget have been put into this reserve to support the decisions required to continue to produce a balanced budget in future years in spite of expected funding reductions.
Carry Forward Items	341	For specific items agreed by Cabinet, e.g. if a project has slipped between years.
Community Development	418	External funding received for ongoing and future projects.
District Elections	82	To finance local elections.
Financial Plan	5,884	The remaining balances from the Asset Maintenance Reserve and Employer's Superannuation Reserve have been moved here and will be used over the ten-year period equally to smooth the rundown of these reserves.
Homelessness Prevention	60	For preventing homelessness.
Housing Benefit Section	89	To meet the varying demands of administering Housing Benefits.
Housing Benefit Subsidy	1,192	Provides a cushion against large movements in the subsidy claim each year.
Local Plan/LDF	574	To help support the Local Plan and Local Development Framework.
Local Strategic Partnership	111	Grant received for the Local Area Agreement to be passed on to Local Strategic Partnerships.
Rent Deposit Guarantees	179	To support the homeless etc, by providing their initial deposit and guarantee for a property.
Re-organisation	358	To fund actions taken to achieve annual budget savings.
Transportation	80	For uncertainty relating to the Concessionary Fares transfer to Kent County Council.
Vehicle Insurance	264	Own vehicle damage for the commercial vehicle fleet. Contributions are made from the trading accounts.
Vehicle Renewal	564	Vehicle replacement for the commercial vehicle fleet. Contributions are made from the revenue trading accounts each year.
Others	223	Mainly reserves where contributions are made annually from revenue, to meet specific periodic costs - e.g. community safety audit, civic expenses transport.
Sub Total	13,998	
General Fund	3,713	Acts as a working balance to meet unexpected issues during the year, for which a minimum of 10% of net service expenditure recommended. It also meets any planned deficits on the revenue account.
TOTAL	21,192	

Council 21 February 2012

Item No. 6a – Appendix 4

Definitions:

Provisions – cash set aside for liabilities or losses which are known obligations, but are uncertain as to amounts or dates. Expenditure can be charged direct against the Provision without being reflected in the Revenue Account.

Capital Receipts – cash received from the sale of assets (normally land and buildings) and the repayment of grants and advances (e.g. mortgage repayments). Such receipts can only be used to repay debt, or to finance capital investment.

Earmarked Reserve – amounts set aside for purposes falling outside the definition of Provisions. Expenditure should not be charged direct to reserves, but shown in the Revenue Account with the transfer to or from the reserve distinguished from service expenditure. For each reserve the purpose, usage and basis of transactions should be clearly identified.

Unallocated Reserve – the General Fund balance. Sums not set-aside for a specific purpose. The only transaction should be the surplus or deficit on the General Fund each year.

This page is intentionally left blank

Sevenoaks District Council

Financial Strategy 2011-22



Our vision

To lead the whole community in meeting its needs; and to work in partnership to improve the quality of life within the District

Strategic priorities

Balanced communities Tackling the need for a range of housing within the District and building community cohesion.

The Sustainable Community Plan Allowing the community priorities to be at the heart of the District Council.

The Local Development Framework The Sustainable Community Plan objectives in a spatial form.

A Sustainable budget Understanding the burden of Council Tax and providing top quality services that the public want at a price they can afford.

We are always interested in ways to improve our Strategy, and the way we present our financial information, and would welcome your suggestions

Contact us

Financial Services
Sevenoaks District Council
Argyle Road
Sevenoaks
Kent TN13 1HG

01732 227000
finance@sevenoaks.gov.uk

Publication details

Purpose of the Strategy

To inform Sevenoaks District residents and stakeholders of the Council's financial performance and plans for 2011-22

Publication date

February 2012

	Page
Foreword	1
Summary	2
<hr/>	
Our finances	
■ Where the money comes from	3
■ How the money is spent	4
■ Looking back	4
■ How our plans work together	5
<hr/>	
Managing our money	
■ Our Strategy	6
■ Objectives, assumptions and risks	7
■ Budget strategy and process	9
■ Budget monitoring	9
■ Other key financial policies	9
<hr/>	
Managing our business	
■ Control framework and assurance	11
■ Our performance	11
■ Value for Money, savings and efficiency	12
■ Our partners	13
■ Risk Management	13
<hr/>	
Managing our resources	
■ Performance Management	14
■ Managing people	14
■ Making IT happen together	15
■ Capital investment and Asset Management	15
■ Our environmental footprint	16
<hr/>	
Annex 1	
Ten-year Budget	18
Glossary	20



Cllr Brian Ramsay
Cabinet Member and
Portfolio holder for Value for
Money

Welcome to [Sevenoaks District Council's Financial Strategy 2011-22](#) which sets out the key financial policies, risks and assumptions which are shaping our approach for the medium and long term.

In 2011/12 the Council implemented a 10-year budget strategy in recognition of the changing economic environment and the need to have longer and more sustainable plans.

The Coalition Government continues to be faced with a significant financial and economic challenge and has started to put in place strategies to address this, with implications for all areas of the public sector. A combination of national and local factors means that District local government in general, and Sevenoaks District Council in particular, face a completely unprecedented challenge, which requires unprecedented solutions.

Between 2005/06 and 2011/12 the Council has made over £8.5m of savings but has been able to maintain the majority of services and during this period has improved performance, productivity and quality of services across the board. The Council is nationally recognised for its financial management, value for money and performance, however the sheer size of the savings required means we will continue to face some very difficult decisions.

The aim of this Strategy is to ensure that the Council's limited financial resources are used wisely and in a sustainable way, to best support residents' priorities. In order to effectively manage the very difficult financial position a number of key innovations have been introduced, and these have been incorporated into the Strategy:

- A 10-year budget;
- Flexibility between years through the use of a Budget Stabilisation Reserve;
- More effective use of earmarked reserves and capital receipts; and
- The review and tighter management of inflationary pressures.

Purpose

This Strategy aims to:

- support our vision and priorities
- set out the Council’s future financial prospects, with a ten-year budget as an integral part
- ensure a strategic approach is taken to the management of the Council’s finances, Council Tax, and budget setting
- assist the Council’s strategic planning and policy making
- demonstrate stewardship of community resources and
- provide details of our key financial policies

Contribution to delivering the Council’s objectives

As a result of its Financial Strategy, the Council has been successful over the past six years in increasing financial sustainability and in releasing resources for high priority services through:

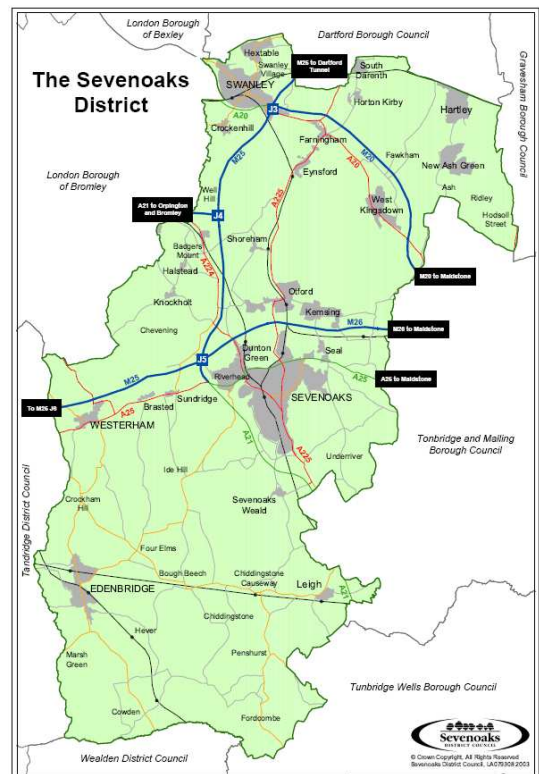
- improved value for money; and
- the movement of resources away from low priority services.

This has enabled the Council to focus on delivering high quality services based on Members’ priorities and consultation with residents and stakeholders through the Community Plan. In financial terms it has allowed the Council to move away from its reliance on general fund reserves to the tune of around £2 million a year, which has ensured that the general fund reserves have remained largely unchanged.

Key financial objectives

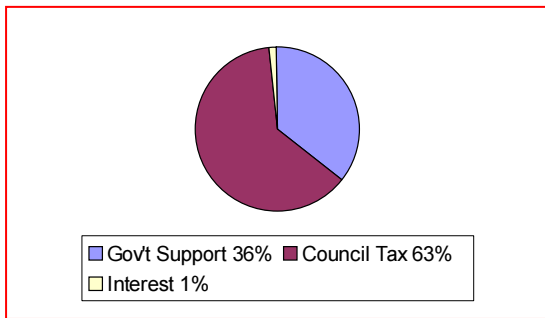
The Council will:

- implement a streamlined service and financial planning process
- agree a 10-year budget plan with flexibility between years, which makes effective use of earmarked reserves and capital receipts, in order to secure a sound financial base for the District
- ensure a minimum General Fund Reserve level of 10% of net service expenditure is maintained
- review and more tightly manage inflationary pressures
- continually review services to deliver them in a “value-for-money” way



This section explains how Sevenoaks District Council raises its income and where we spend money.

Where the money comes from

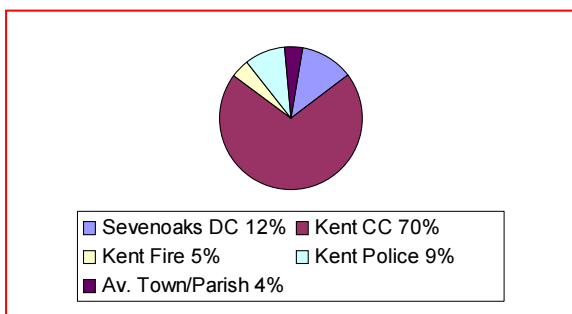


Council Tax collection

Sevenoaks District Council collects the Council Tax charge, on behalf of Government, not only for itself but also for Kent County Council, Kent Fire & Rescue Service, Kent Police and all the local town and parish councils.

Each authority sets its own charge that contributes to the total. In 2011-12 the total average charge, at band D, for all these authorities is £1,502.86. Sevenoaks District Council's part of the charge is £181.89, 12% of the total. Sevenoaks' Council Tax did not increase in 2011-12.

Council Tax raises about £9.1million for the Council.



Government funding

Of all the 12 district councils in Kent, Sevenoaks District Council receives the second lowest grant from Government per head of population.

For 2011-12 Sevenoaks District Council gets £42.69 per head of population. The Kent average is £60.10 and the highest grant is £79.71.

Government support provides about £5.1million to Sevenoaks District Council, a 17% reduction compared to 2010/11.

Reserves

The Council has about £21million in the bank and has been debt-free for many years. However, only £3.7million of this (the General Fund) could be used to help balance the budget, which would be quickly used up unless the Council's element of Council Tax is increased or spending is reduced.

Most of the reserves are earmarked, or set-aside, for particular purposes. £5.8million is set aside to support the 10-year budget. £2.7million is for specific provisions and £0.8million is money from asset sales which cannot be spent on the running cost of services.

Reserves as at 1 April 2011:

10-year budget	£5.8m
General fund	£3.7m
Other earmarked	£8.2m
Provisions	£2.7m
Capital receipts	£0.8m
Total	£21.2m

How the money is spent

In 2011-12 the Council will spend about £13.8million on services for local people.

Service	2011-12
Community Development	£1.8m
Development Services	£3.4m
Environmental & Operational	£5.4m
Housing & Communications	£1.6m
Housing Benefits & Local Tax	£0.8m
Democracy	£0.8m
Total	£13.8m



More information is available from our website at www.sevenoaks.gov.uk, including our Statement of Accounts and summary.

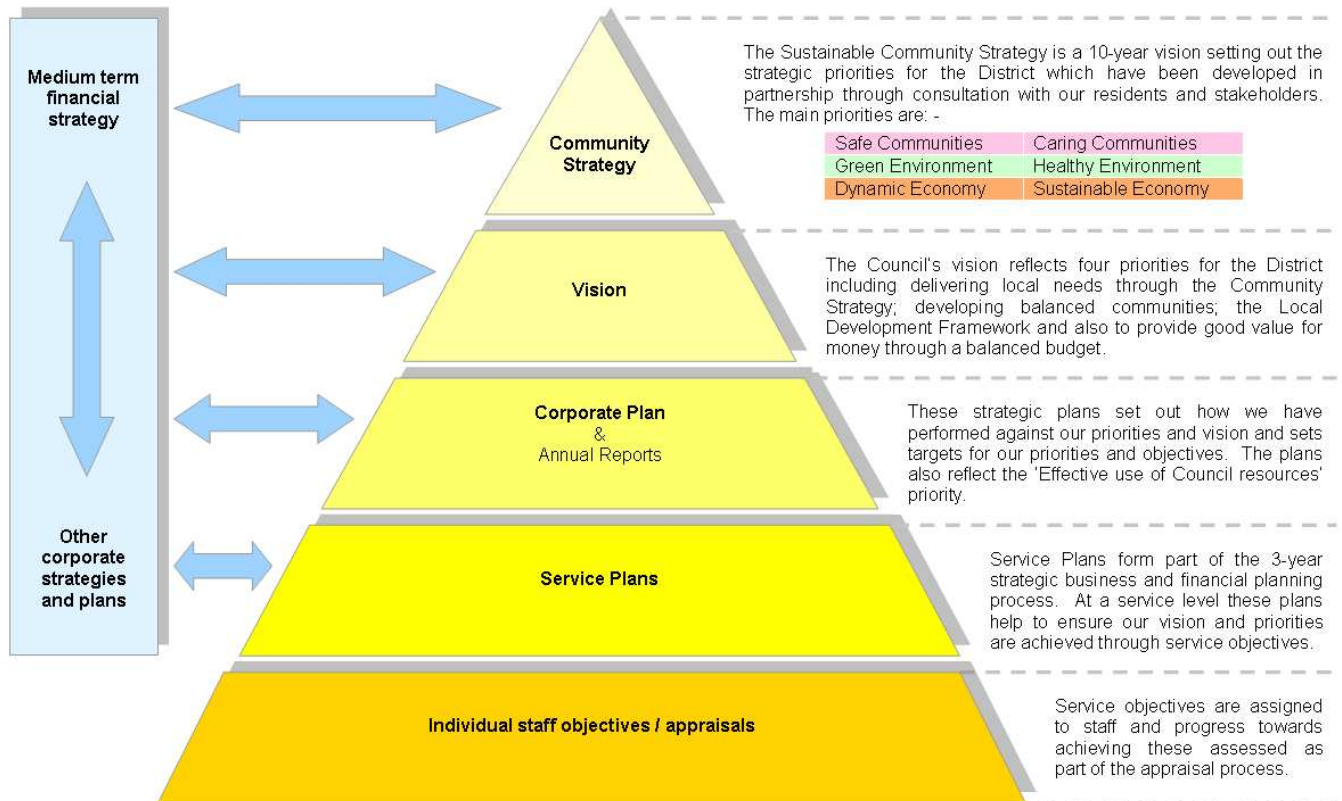
Looking back

The Council's financial strategy over the past six years has been successful in increasing financial sustainability and in releasing resources for high priority areas through:

- improved value for money; and
- the movement of resources away from low priority services.

This has enabled the Council to focus on delivering high quality services based on Members' priorities and consultation with residents and stakeholders through the Community Plan. In financial terms it has allowed the Council to move away from its reliance on general fund reserves to the tune of around £2 million a year, which has ensured that the general fund reserves have remained largely unchanged.

How our plans work together



The medium to long term **financial strategy 2011-22** enables the Council to deliver its corporate objectives by setting out the financial framework within which the Council's vision is delivered. Its key financial objectives provide the Council with the financial stability required to develop long term plans with its partners.

The **10-Year Budget** within this Strategy takes into account the financial implications of actions agreed by the Council to deliver its vision. It informs and is informed by the Service Plans, which set out, for each service, the key service objectives, resources required and performance information.

The Council's **IT Strategy** sets out how we will use information technology to support the achievement of the Council's priorities. The financial implications included in that Strategy are reflected in the Financial Plan.

Similarly, the **Workforce Development Plan** sets out how the Council makes sure it has the best workforce to deliver its priorities. The financial implications of that Plan, such as employee terms and conditions and the Recruitment & Retention Policy, are also taken into account in the Financial Plan.

Managing our money

Our Strategy

Sevenoaks District Council developed its first medium term Financial Strategy in 2005. The Strategy is reviewed, updated and rolled forward each year. Our 10-year Budget coincides with this Strategy and is managed in the same way.

The Strategy for 2011-22 has been updated to include the 2011-12 budget and sets out the key financial policies, risks and assumptions for the next ten years.

Although Council finance can be complex, Sevenoaks District Council is keen to help keep stakeholders informed about how we manage money.

Purpose

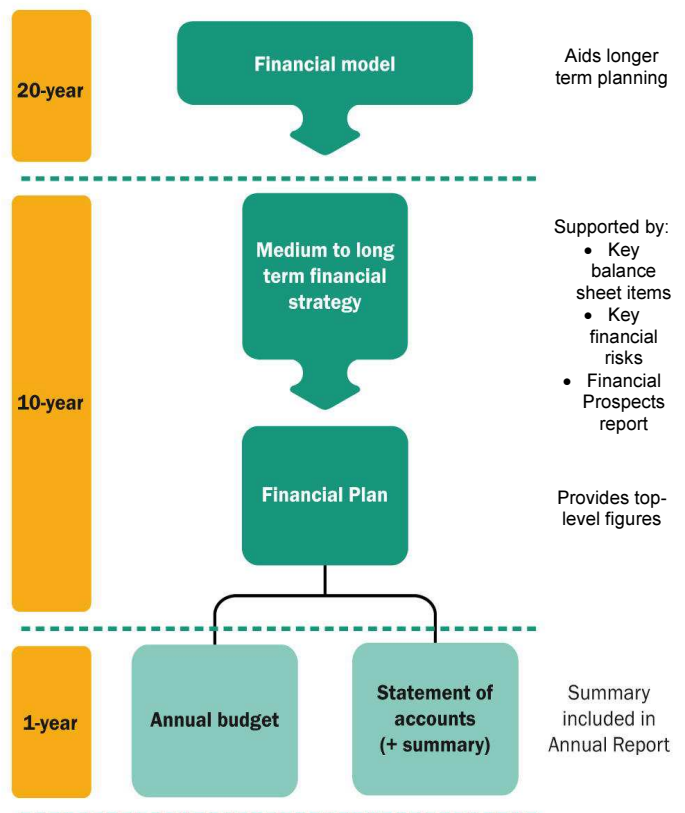
The Strategy aims to:

- support our vision, aims and priorities
- set out the Council’s future financial prospects, with the 10-year Budget as an integral part
- assist the Council’s strategic planning and policy making
- ensure a strategic approach is taken to the management of the Council’s finances, Council Tax, and budget setting
- demonstrate stewardship of community resources
- provide details of our key financial policies

Timing

The Strategy relates to current and future years. The Council has detailed budgets for revenue expenditure for 2011-12 and for capital investment for three years to 2013-14. It also has a summary level 10-year Budget to 2021-22, together with a linked Balance Sheet, again to 2022.

The 10-year Budget has been developed to aid longer term planning, through the identification of longer term trends and pressures. This allows for the financial strategy to be tested for sensitivity and for issues and developments with financial impacts to be managed. As with all prediction tools, the level of accuracy and precision reduces in years beyond





Managing the Strategy

The following processes are in place to manage the strategy:

- The Strategy will be produced for our stakeholders with their involvement. The Strategy aims to be clear and easily understood.
- The Strategy will be reviewed annually as part of the budget and 10-year financial planning process, to update it and to assess the contribution it makes to the achievement of the Council's priorities.
- Achievement of savings will be monitored in addition to normal financial monitoring.
- Growth items and service pressures will be dealt with separately as part of the budget planning process.
- Flexibility between budgets and between years is built in, through the Council's Finance Procedure Rules. This is key to the successful delivery of the Financial Plan.

Objectives, assumptions and risks

Financial objectives

Given the difficult national financial position, the Council revised its financial objectives in 2011, in order to ensure it is best placed to deliver a resilient, flexible and more long term Financial Strategy. The new objectives built on work in previous

years and focused on key issues such as reduced ear-marked reserves, increased instability and uncertainty and reduced government funding.

The Council will continue to:

- **Streamline its service and financial planning process** – the revised process is less bureaucratic which frees up Member and officer time. A key component of the revised process was the recognition of the need to make a high proportion of savings in the first year (2011/12), thus reducing the overall level of savings required.
- **Set a 10-year balanced budget** – using a longer timeframe enables the Council to manage peaks and troughs more effectively and also highlights longer term pressures that are masked by focussing on a shorter timeframe.
- **Make flexible use of the Budget Stabilisation Fund** – within a structured and balanced budget the ability to use underspends to absorb overspends in later years increases resilience at a time of increased uncertainty.
- **Make more effective use of earmarked reserves** – using a longer planning timeframe highlighted the consequences of current reserve depletion. Instead the use of these reserves will be smoothed over the 10-year Budget, allowing more time to find sustainable solutions to financial pressures.
- **Structure its use of capital receipts** – this allows the capital programme to receive some level of realistic, predictable and long-term funding.
- **Review and more tightly manage its inflationary pressures** – the use of the 10-year Budget timeframe highlights the Council's structural inflationary gap and the pressure this places on its budget. Inflationary pressures are being reviewed and managed to reduce this pressure, though this remains a key risk area for the Council.



In the context of these objectives, the Council will continue to:

- ensure a minimum General Fund Reserve level of 10% of net service expenditure is maintained
- aim to preserve priority services by diverting resources from non-priority services
- respond to new demands and pressures for services in the most cost-effective way
- apply project appraisal, business planning and affordability processes including whole life costings to any significant new developments
- consider alternative ways of delivering services, including partnership working, where appropriate
- look for efficiency improvements and to review charges for services
- bid for external funding, recognising that some service enhancements can only be achieved in this way
- ensure service priorities are included in its Capital Investment Strategy, and that this is fully funded
- looks for best value from developers in terms of Section 106 contributions for community interest

Key assumptions

Prior to setting the budget each year the Council considers its financial position through a review of its financial prospects, this Financial Strategy and the 10-year Budget. The Budget is reviewed and rolled forward each year.

The Council's current assumptions are:

- continued Government constraints on the budget through reduced spending targets, cash releasing efficiency assumptions, reduced grant and limits on Council Tax increases
- capital expenditure to be based on the presently approved programme with no change in finance rules
- liabilities arising from future improvement/renovation of Council assets will be financed increasingly from revenue budgets rather than from revenue reserves set aside
- the effects of inflation each year on the Council's budget will be identified and managed, and any inflationary pressures offset by savings/income increases
- the Budget is in line with the Council's plan to reduce reliance on the use of reserves
- there is flexibility via the Budget Stabilisation Reserve to offset overspends in one year against underspends in other years

Looking at specific major items, key assumptions for 2012/13 are:

- pay cost inflation award 0%
- non-pay costs inflation of 2.5%
- Income increasing by 3%
- 0.8% return on investments
- Council Tax increase of 0%
- Government Grant reduction of 15%

- An additional Government grant of 2.5% for one year as a reward for a Council Tax freeze in 2012/13

Key financial risks

The key financial risks identified by the Council are:

- Grant settlement worse than estimated
- pay cost inflation above assumption
- energy and fuel cost inflation above assumption
- variable income sources not hitting budget targets
- Pension Fund deficit funding
- Asset Maintenance funding
- delivery of the high number of planned savings over future years
- new Government requirements without adequate funding

These risks, their possible impact on the Council and the actions in place to mitigate them are set out in more detail in the budget reports.

Budget strategy and process

The Strategic Service and Budget Planning Process is reviewed and updated each year, taking into account current best practice and lessons learnt from previous years.

Its key components are:

- Clear Vision – The Council's ambitions and aspirations for the District are set out under the theses of the Community Plan which in turn has helped to inform and develop a three to five year Council vision.
- This Financial Strategy and a review of future financial prospects.
- Forecast of Resources (ten-year budget for revenue, capital and reserves)
- Service Prioritisation – Although the Council has a clear focus in delivering its three to five year vision, it also has a number of other balancing priorities which would need to be taken into consideration in service prioritisation,

for example, the requirement to deliver statutory services. Therefore, a robust system for service prioritisation is an essential component.

- Budget Strategy – This sets out the key information, approach and ground rules for the budget setting process and refers to key elements of the medium term financial strategy, the financial plan, service prioritisation and service planning, including risk issues.
- Member involvement and challenge, through consideration of options at Scrutiny Committees, review of risks by the Finance Advisory Group and approval of the overall strategy by the Performance and Governance Committee.



Prioritisation and Allocation of Resources

The Council's strategic service prioritisation process ensures resource allocation is service-driven rather than finance-led in order to:

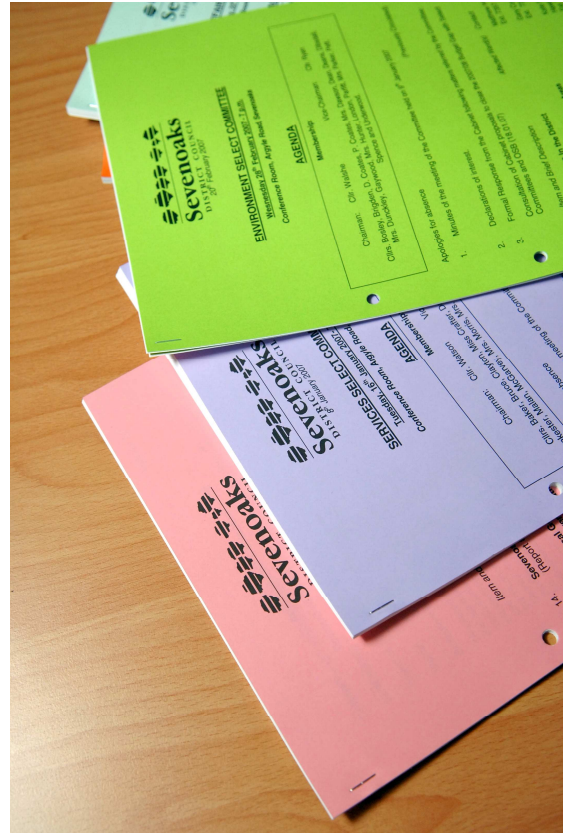
- maintain focus on priorities
- communicate and engage with the public and partners
- align resources to priorities
- support decision-making in a difficult financial climate

Budget monitoring

All budgets are the responsibility of Heads of Service, and are managed on that basis.

Comprehensive financial monitoring information is reported monthly to Heads of Service. Service level summary reports are made to Management Team, Cabinet Members, and the Finance Advisory Group, and is available to all Members electronically. Strategic summary information is reviewed by the Performance & Governance Committee.

The Finance Advisory Group assists both Cabinet and the Performance & Governance Committee in monitoring financial performance by identifying areas of significant financial concern. Where variations are identified through the monitoring process, actions is taken within or across services to bring overall expenditure back in line with budget, to ensure the financial plan targets are met.



Other Key Financial Policies

Investment Strategy

The Council is required to set out its treasury strategy for borrowing and to prepare an annual investment strategy. That strategy sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments. A similar requirement is contained in the Council's Finance Procedure Rules.

The strategy covers prospects for interest rates, Investment policy and strategy, current treasury position and suggested matrices and limits.

The full Strategy is approved by Council each year as part of the budget process. The decisions made by Members are then fed into the calculation of expected investment income included in the 10-year Budget.

Control framework and Assurance

Section 151 Officer

Section 151 of the Local Government Act 1972 requires the Council to make arrangements for the proper administration of its financial affairs and requires one officer to be nominated to take responsibility for the administration of those affairs. At Sevenoaks, Dr Pav Ramewal, Deputy Chief Executive and Director of Corporate Resources, is the Section 151 Officer.

The Section 151 Officer has a number of duties, these include:

- Ensuring lawfulness and financial prudence of decision-making
- Administration of financial affairs
- Contributing to corporate management
- Providing advice
- Giving financial information

As part of the annual budget process the Section 151 Officer makes a statutory statement on the robustness of the Council's budget, and the adequacy of the reserves.

Audit and inspection



The Audit Commission is an independent watchdog (sponsored by the Government) driving economy, efficiency and effectiveness in local public services to deliver better

outcomes for everyone.

The Audit Commission is charged with responsibility for conducting/arranging the external audit and inspection visits of local authorities; in order to assess their compliance with sound accounting principles including other regulatory

requirements and overall performance, and effectiveness.

From 2010-11 onwards the Audit Commission has arranged for its own auditors to conduct the necessary audits and inspections for Sevenoaks District Council.

The Council's statutory Statement of Accounts is prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom and audited by the Audit Commission.

Finance Advisory Group

As well as reviewing the monthly monitoring reports, this cross-party Group feeds back comments and concerns to both Executive and Scrutiny functions. It is led by the VfM Portfolio Holder and investigates identified areas of financial concern. It also reviews the Council's overall financial health using a range of financial indicators.

Our performance

The Council's Organisational Assessment (December 2009) set out the outcome of the new, much broader Organisational Assessment for 2008/09. The Council achieved the top score of 4 for both Use of Resources and Managing Performance. These scores combined gave the Council an overall Organisational Assessment score of 4, 'Performs Excellently'.

2008/09 was the last year that local authorities were assessed in this manner. Reports produced by the external auditors since then have continued to include positive comments about the financial management of the council.

Area of assessment	Score
Managing finances (including financial planning and reporting, and the achievement of efficiencies)	4 out of 4
Governing the business (including procurement, governance, information use, risk management and internal control)	3 out of 4
Managing resources (including workforce planning and management)	4 out of 4
Overall score for Use of Resources	4 out of 4
Managing performance	4 out of 4

- the role of the Value for Money Portfolio Holder
- considering alternative methods of service delivery, such as partnership working or the use of external contractors
- challenging the need to replace staff when posts become vacant
- streamlining back-office functions
- carrying out indepth scrutiny reviews of a number of services each year, led by Scrutiny Committee Members
- ensuring that Members and Managers are equipped and supported to make high quality financial decisions, through tailored training, effective and customer focussed financial reporting and analysis, and service specialisms within the Finance Team.
- comparing service costs with those at similar authorities, to check whether learning from other sites could lead to further efficiencies at Sevenoaks

Value for Money, savings and efficiencies

Sevenoaks District Council is committed to delivering value for money as an integral part of its corporate strategy. While it has a specific responsibility to achieve VfM from its use of public funds, this principle extends to all sources of funding. Similarly, the responsibility for pursuing VfM lies with all staff, and not just those with financial duties.

The practical measures adopted by the Council to maintain this momentum include:

- having financial procedures and rules that encourage managers to manage their services responsibly
- having clearly defined responsible budget managers
- effective use of technology
- having financial reporting arrangements that are clear, transparent and timely, all of which promotes accountability to elected Members and the public
- ensuring that contractual terms deliver efficiency gains from contractors and Direct Services



Our Partners

The Council is committed to open and clear communication with all of our stakeholders. Transparency and accountability are key strands of our approach. We will seek to consult with and involve our stakeholders; and welcome views on how we shape our services.

The Council uses:

- its website
- In Shape (Council publication distributed to all households)
- press releases
- local forums and groups
- staff meetings and
- its own democratic processes to promote the widest possible public financial accountability.

Summarised budget and outturn information is published along with an Annual Report to ensure the highest levels of stewardship reporting.



Partnership working

Sevenoaks District Council works with many partner agencies, other local authorities, the voluntary and community, business and private sectors, the faith community and the 30 town and parish councils across the District.

These links are greatly valued by the Council and contribute significantly to the provision of services and community well-being.

The Council has developed a **Partnership Toolkit** which outlines the approaches to be applied when considering both introducing new partnerships and reviewing existing arrangements. It provides a basis for examining the key issues that require consideration, to ensure that any potential problems identified in relation to partnership working are confronted, assessed, overcome and avoided in the future.

Risk Management

Sevenoaks District Council recognises that it has a responsibility to manage hazards and risks and supports a structured and focused approach to managing them by approval of the **Risk Management Strategy and Plan**.

Sevenoaks District Council is aware that some risks will always exist and will not be eliminated. However, where appropriate, actions can be taken to mitigate these risks.

The Council works hard to identify positive risks (opportunities) that could enable it to enhance the service it provides to its residents.

Performance management

Our performance management arrangements, supported by a dedicated software system, allow us to look for trends over time, compare our performance with other authorities and produce meaningful reports which can be used as a guide for community, organisational, service and individual improvements. We are also able to monitor targets to ensure they are both achievable and challenging.

In order to ensure that we can trust our data we have introduced a Data Quality Policy and identified areas we need to improve and these are set out in our Data Quality Action Plan, which is monitored on a regular basis. These arrangements are scrutinised by the Audit Commission and scored to encourage continuous improvement.

For details of our latest performance visit www.sevenoaks.gov.uk/performance

Managing people

As a major employer, the District Council recognises that our staff are our main asset.

We recognise that both Members and Officers are integral to achieving our vision and priorities, through working together in an open, honest and co-operative way.

We set ourselves high standards and recognise that we can only achieve these through the skill and motivation of our staff and therefore seek to make working for the Council a rewarding experience where everyone's contribution is valued.

The [Workforce Development Plan](#) is about ensuring that the Council, within its financial framework, has a flexible, developed and motivated workforce,



capable of delivering its priorities over the coming years, and making Sevenoaks District Council a place where all staff:

- understand and feel committed to the aims of the Council
- achieve their full potential
- treat customers, colleagues and Members with respect
- feel enabled and rewarded for what they do

To achieve this, the Strategy focuses on:

- Leadership
- Continuous improvement and learning
- Communication and involvement
- Developing a competent and motivated workforce
- Excellence in customer service
- Developing a healthy organisation

Making IT happen together

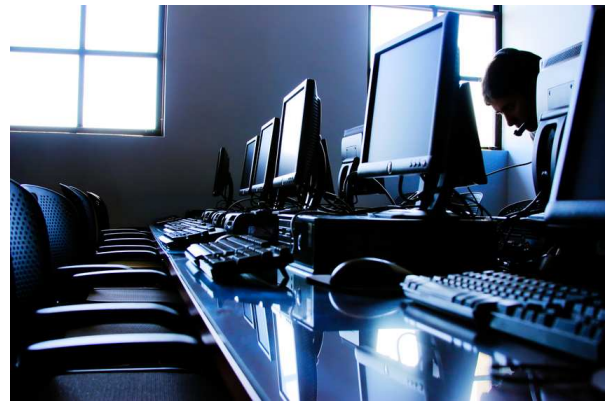
Developments in technology continue to be as rapid as always. New technologies offering scope for new ways of working and improving service present great opportunities if adopted in the right places, at the right time, for the right reasons.

Effective partnering between technology and the rest of the Council is essential, as the only way the Council will reap the benefits is if those responsible for the delivery of services fully understand the opportunities that are available to them through the use of technology.

Any changes to systems need to be co-ordinated with the existing Council infrastructure so current technology will be a key consideration in future developments. The consolidation of existing IT projects is just as important and the planning of future work.

The key objectives of this IT Strategy are:

- To support current, planned and future use of operational IT systems throughout the Council and to improve the technological environment provided for Members and Officers
- To align existing and future technical solutions with business requirements, the Council's key priorities and the Community Plan
- To ensure the most comprehensive and appropriate set of access channels to Council services are made available to all citizens
- To ensure that IT is delivering excellent services to all its customers
- To contribute directly towards the Council's Value for Money initiatives



Capital investment and Asset management

The Council is required to “have regard to” the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council’s capital investment plans are affordable, prudent and sustainable.

The Council has agreed that any new provision for **capital schemes** must be subject to formal appraisal processes. The Council's base capital programme covers mandatory improvement grants, IT investment and commercial vehicle replacements.

Capital Programme 2011/12:	£000
Vehicle replacements	1,266
Housing improvement grants	699
Hever Road Gypsy Site	343
Blighs Phase 2	175
Parish projects	71
Playground improvements	59
Modern Govt Document Management System	16
Total	2,629

The Council’s housing stock was transferred to West Kent Housing Association in 1989 and therefore the **housing investment funding** allocated by the Government is directed, with the Council’s agreement, through local Registered Social Landlords.

“Strategic Asset Management is the activity that seeks to align the asset base with the organisation's corporate goals and objectives. It ensures that the land and buildings asset base of an organisation is

optimately structured in the best corporate interest on the organisation concerned”

RICS Public Sector Asset Management Guidelines 2008

The Council reviews all its property holdings continuously, with a view to reducing the amount of surplus property, and promotes the transfer of local amenity land to the local town and parish councils if it is considered that that would provide more effective local management.

The Council works with social housing providers to, wherever possible, provide land to enable all ranges of social housing to be constructed especially in rural areas.

Annual **asset maintenance** costs are now included in the revenue budget with an earmarked reserve set aside for emergencies. Also a sustainable renewal fund is in place for the Council's commercial vehicle fleet.

The Asset Maintenance Action Plan and the 10-year asset maintenance assessments ensure that asset use and capital investment decisions are in line with key priorities and achieve value for money.

Asset Management is a major area of expenditure on the Council's assets. The largest part of this expenditure is made in conjunction with partners, particularly Sencio Leisure, and is used in a way that gives service improvements alongside essential maintenance.



Our environmental footprint



We are committed to improving our environmental performance and reducing the environmental impact of our work.

The Council, along with its partners and the local community, made a commitment to tackle **climate change** by signing up to the Nottingham Declaration on Climate Change (NDCC) in October 2007. Working with all sectors and industries in the local community the Council will aim to reduce energy use and congestion, improving the local environment and tackling fuel poverty.

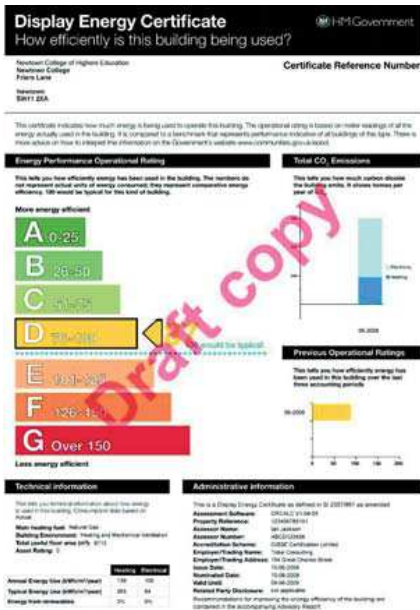
The Council aims to reduce its **carbon emissions** in line with Government targets.

Reductions in carbon use will be achieved by reducing travel, increasing the energy efficiency of our buildings and plant, reducing waste and increasing sustainable procurement. The focus will be on direct reductions in carbon emissions, as soon as possible, rather than a reliance on indirect carbon offsetting to achieve carbon neutrality.

Display Energy Certificate (DEC)

The Council, as public sector occupiers of buildings over 1,000m², are required to display Display Energy Certificates (DECs) in prominent places, clearly visible to the public - as part of the Energy Performance of Buildings (EPBD) (Certificates and Inspections) (England and Wales) Regulations 2007.

A Display Energy Certificate shows the energy performance of a building based on the actual energy consumption as recorded annually.



Energy and water

We measure our energy and water consumption – more information is available from our Annual Report.

Our vehicle fleet uses sulphur-free diesel and new vehicles purchased comply with the latest European standards for engine efficiency and reductions in pollution. Fuel use per vehicle is monitored, to identify potential for further efficiencies.

Waste

Currently, we do not measure the amount of waste we generate at our office and depot. However we do recycle a significant proportion of our waste paper, cardboard, plastic bottles, cans and printer cartridges.

Ten Year Budget 2011-12 to 2021-22

Revenue	Budget 2011/12	Plan 2012/13	Plan 2013/14	Plan 2014/15	Plan 2015/16	Plan 2016/17	Plan 2017/18	Plan 2018/19	Plan 2019/20	Plan 2020/21	Plan 2021/22
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure											
Net Service Expenditure c/f	13,771	13,771	13,443	13,628	14,662	15,110	15,531	15,935	16,197	16,569	16,934
Inflation		468	621	633	565	564	566	563	558	552	339
Pension Fund deficit: actuarial increase		0	0	520							
Net savings (approved in previous years)		(796)	(436)	(119)	(117)	(143)	(162)	(301)	(186)	(187)	0
New growth and savings		0									
Net Service Expenditure b/f	13,771	13,443	13,628	14,662	15,110	15,531	15,935	16,197	16,569	16,934	17,273
Financing Sources											
Government Support	(4,912)	(4,186)	(3,805)	(3,424)	(3,527)	(3,633)	(3,742)	(3,854)	(3,970)	(4,089)	(4,212)
Govt Support to offset 2011/12 C Tax freeze	(229)	(229)	(229)	(229)							
Govt Support to offset 2012/13 C Tax freeze		(231)									
Council Tax	(9,199)	(9,251)	(9,529)	(9,815)	(10,208)	(10,616)	(11,041)	(11,483)	(11,942)	(12,420)	(12,917)
Interest Receipts	(153)	(173)	(243)	(530)	(712)	(656)	(599)	(543)	(489)	(415)	(415)
Contributions to Reserves	471	330	430	330	330	330	330	330	330	330	330
Contributions from Reserves	(14)	(536)	(534)	(532)	(529)	(527)	(524)	(521)	(519)	(516)	(513)
Total Financing	(14,036)	(14,276)	(13,910)	(14,200)	(14,646)	(15,102)	(15,576)	(16,071)	(16,590)	(17,110)	(17,727)
Contribution to/(from) Stabilisation Reserve	265	833	282	(462)	(464)	(429)	(359)	(126)	21	176	454
Budget Gap	0	0	0	0	0	0	0	0	0	0	0

Cumulative position (surplus)/deficit: (194)

Assumptions

Government Support: -14.8% in 12/13, -9.1% in 13/14, -10% in 14/15, +3% later years
 Council Tax: 0% in 12/13, 3% in 13/14 & 14/15, 4% later years
 Interest Receipts: 12/13 0.8%, 13/14 1%, 14/15 2%, 2.8% later years
 Pay award: 0% in 12/13, 1% in 13/14, 1.5% in 14/15, 2% later years

Increments: 1.5% in all years
 Other costs: 2.5% in 12/13, 3.5% in 13/14, 3% in 14/15 1.75% later years
 Income: 3% in 12/13, 3.5% in later years

Last updated 23 January 2012

Agenda Item 6a

Balance Sheet	31/3/11 Actual	31/3/12 Plan	31/3/13 Plan	31/3/14 Plan	31/3/15 Plan	31/3/16 Plan	31/3/17 Plan	31/3/18 Plan	31/3/19 Plan	31/3/20 Plan	31/3/21 Plan	31/3/22 Plan
Long Term Assets	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Property, Plant and Equipment	16,584	16,331	16,057	15,804	15,466	15,213	14,960	14,707	14,454	14,201	13,948	13,695
Investment Property	3,047	3,047	2,914	777	777	777	777	777	777	777	777	777
Long Term Investments	2,560	0	0	0	0	0	0	0	0	0	0	0
Long Term Debtors	570	526	482	442	413	384	355	326	316	312	308	304
	22,761	19,904	19,453	17,023	16,656	16,374	16,092	15,810	15,547	15,290	15,033	14,776
Current Assets												
Short-term Investments	13,257	12,675	14,309	14,872	13,158	10,911	9,575	8,432	7,506	6,663	6,123	5,879
Cash and Cash Equivalents	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828	5,828
Inventories	36	36	36	36	36	36	36	36	36	36	36	36
Short Term Debtors	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226
Payments in Advance	171	171	171	171	171	171	171	171	171	171	171	171
	22,518	21,936	23,570	24,133	22,419	20,172	18,836	17,693	16,767	15,924	15,384	15,140
Current Liabilities												
Receipts in Advance	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)	(758)
Short Term Creditors	(2,626)	(963)	(964)	(965)	(966)	(967)	(968)	(969)	(970)	(971)	(972)	(973)
Short Term Provisions	(238)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)
	(3,622)	(1,873)	(1,874)	(1,875)	(1,876)	(1,877)	(1,878)	(1,879)	(1,880)	(1,881)	(1,882)	(1,883)
NET CURRENT ASSETS	18,896	20,063	21,696	22,258	20,543	18,295	16,958	15,814	14,887	14,043	13,502	13,257
Long Term Liabilities												
Long Term Creditors	(370)	(369)	(368)	(367)	(366)	(365)	(364)	(363)	(362)	(361)	(360)	(359)
Long Term Provisions	(2,481)	0	0	0	0	0	0	0	0	0	0	0
Net Pensions Liability	(34,512)	(33,162)	(31,742)	(30,252)	(28,762)	(27,272)	(25,782)	(24,292)	(22,802)	(21,312)	(19,822)	(18,332)
Capital Grants Receipts in Adv.	(486)	0	0	0	0	0	0	0	0	0	0	0
	(37,849)	(33,531)	(32,110)	(30,619)	(29,128)	(27,637)	(26,146)	(24,655)	(23,164)	(21,673)	(20,182)	(18,691)
TOTAL NET ASSETS	3,808	6,436	9,039	8,662	8,071	7,032	6,904	6,969	7,270	7,660	8,353	9,342
USABLE RESERVES												
Usable Capital Receipts Reserve	763	461	1,317	2,668	2,725	2,625	2,525	2,425	2,325	2,225	2,125	2,025
Earmarked Reserves	13,998	15,971	16,724	15,911	14,115	11,943	10,682	9,614	8,782	8,039	7,599	7,455
General Fund	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713	3,713
UNUSABLE RESERVES												
Capital Adjustment Account	15,592	15,217	14,810	12,420	12,082	11,829	11,576	11,323	11,070	10,817	10,564	10,311
Revaluation Reserve	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161	4,161
Accumulated Absences Account	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)
Pensions Reserve	(34,512)	(33,162)	(31,742)	(30,252)	(28,762)	(27,272)	(25,782)	(24,292)	(22,802)	(21,312)	(19,822)	(18,332)
Deferred Capital receipts	245	227	208	193	189	185	181	177	173	169	165	161
TOTAL RESERVES	3,808	6,436	9,039	8,662	8,071	7,032	6,904	6,969	7,270	7,660	8,353	9,342

Glossary of terms	
Budget	A statement of the Council's plans for net revenue and capital expenditure over a specified period of time.
Capital Expenditure	The acquisition, construction, enhancement or replacement of tangible fixed assets (i.e. land, buildings, structures etc), the acquisition of investments and the making of grants, advances or other financial assistance towards expenditure by other persons on tangible fixed assets or investments.
Capital Programme	The capital projects the Council proposes to undertake over a set period of time.
Capital Receipts	Money obtained on the sale of a capital asset.
Collection Fund	The fund into which council tax and non-domestic rates are paid, and from which we meet demands by preceptors and payments to the non-domestic rates pool.
Council Tax	A local tax set by Councils to help pay for local services. There is one bill per dwelling based on its relative value compared to others in the area. There are discounts, including where only one adult lives in the dwelling. Bills will also be reduced for properties with people on low incomes, some people with disabilities and some other special cases.
Creditors	People or organisations from whom we have received goods or services and as a consequence owe money.
Debtors	People or organisations owe money to the Council.
Deferred Capital Receipts	Capital Receipts which will accrue in the future, such as mortgage repayments.
General Fund	The main revenue fund of the Council from which payments are made to provide services and into which receipts are paid, including the District Council's share of council tax income.
Government Grants	Payments by government towards either the revenue or capital cost of local authority services. These may be either in respect of particular services called specific grants, e.g. housing benefits, or in aid of local services generally, e.g. revenue support grant.
Provisions	Funds to provide for liabilities or losses which are known obligations, but are uncertain as to amounts or dates.
Reserves	The general capital and revenue balances of the Council. There are two types of reserves which might be described as either available or not available to finance expenditure. Revenue reserves which result from monies being set aside, surpluses or delayed expenditure can be spent or earmarked at the discretion of the Council. The usable capital receipts reserve is also available to the extent allowed by statute. However, other capital reserves are not available to meet expenditure, e.g. the reserves brought about by the new capital accounting system.

Agenda Item 6a

If you have any comments about this document or require further copies, please contact:

Finance
Sevenoaks District Council
Argyle Road
Sevenoaks
Kent
TN13 1HG

Telephone 01732 227000

E-mail finance@sevenoaks.gov.uk

The Strategy is available on our website:
www.sevenoaks.gov.uk

Other formats:

This publication is available in large print.

For a copy call 01732 227414.

If you need help communicating with us or understanding this document, we can arrange for an interpreter to help you. Please contact us on 01732 227414 stating your language and telephone number.

www.sevenoaks.gov.uk

February 2012



COUNCIL 21 FEBRUARY 2012

COUNCIL TAX SETTING

RECOMMENDATIONS

- (a) *That the Summary of Council Expenditure and Council Tax 2012/13 be approved (Cabinet 9 February 2012) (attached at Appendix 2);*
- (b) *that the 10 Year budget 2011/12 to 2021/22 including the growth and savings proposals set out be approved and that wherever possible any variations during and between years be met from the Budget Stabilisation Reserve (Cabinet 9 February 2012) (attached at Appendix 3);*
- (c) *that any changes in the taxbase and collection fund and other minor variations be transferred to/from the Budget Stabilisation Reserve (Cabinet 9 February 2012);*
- (d) *that the changes to reserves and provisions set out in Appendix 4 be approved (Cabinet 8 December 2011);*
- (e) *that the Capital Programme 2012/15, and Asset Maintenance 2012/13 budget of £372,000 be approved (Cabinet 9 February 2012);*
- (f) *that the Financial Strategy be approved (attached at Appendix 5);*
- (g) *that it be noted that at the Cabinet meeting on 12 January 2012 the Council calculated as its council tax base for the year 2012/13:*
 - (i) *for the whole Council area as 50,860.03 being Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended, (the "Act"); and*
 - (ii) *for dwellings in those parts of its area to which a parish precept relates as in the attached Appendix 1;*
- (h) *that the council tax requirement for the Council's own purpose for 2012/13 (excluding Town and Parish precepts) be calculated as £181.89;*
- (i) *that the following amounts be calculated for the year 2012/13 in accordance with Sections 31 to 36 of the Act:*
 - (i) *£59,232,241 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Town and Parish Councils.*

Item No. 6a

Appendix 6

- (ii) £46,579,074 *being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.*

- (iii) £12,653,167 *being the amount by which the aggregate at (i)(i) above exceeds the aggregate at (i)(ii) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its council tax requirement for the year (Item R in the formula in Section 31B of the Act).*

- (iv) £248.78 *being the amount at (i)(iii) above (Item R), all divided by (g)(i) above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its council tax for the year (including Town and Parish precepts).*

- (v) £3,402,236 *being the aggregate amount of all special items (Town and Parish precepts) referred to in Section 34 (1) of the Act (as per the attached Appendix 1).*

- (vi) £181.89 *being the amount at (i)(iv) above, less the result given by dividing the amount at (i)(v) above by the amount at (g)(i) above (Item T), calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its council tax for the year for dwellings in those parts of its area to which no Town or Parish precept relates.*

- (j) *that it be noted that for the year 2012/13 the Kent County Council, the Kent Police Authority and the Kent & Medway Towns Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each category of dwellings in the Council's area as indicated in the table below:-*

<u>Valuation Bands</u>	<u>Precepting Authority</u>			
	Sevenoaks District Council £	Kent County Council £	Kent Police Authority £	Kent & Medway Towns Fire Authority £
A	121.26	698.52	92.45	45.30
B	141.47	814.94	107.86	52.85
C	161.68	931.36	123.27	60.40
D	181.89	1,047.78	138.68	67.95
E	222.31	1,280.62	169.50	83.05
F	262.73	1,513.46	200.32	98.15
G	303.15	1,746.30	231.13	113.25
H	363.78	2,095.56	277.36	135.90

- (k) *that the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in Appendix 7 as the amounts of council tax for the year 2012/13 for each part of its area and for each of the categories of dwellings; and*

- (l) *that the Council's basic amount of council tax for 2012/13, shown in (i)(vi) above, is not excessive in accordance with principles approved under Section 52ZB of the Local Government Finance Act 1992.*

NOTES ON COUNCIL TAX RECOMMENDATIONS

<u>Recommendation</u>	<u>Note</u>
(g)	This is the tax base in terms of band D equivalents approved by the Cabinet on 12 January 2012.
(h)	The District's council tax requirement (band D).
(i)(i)	Estimated gross revenue expenditure for 2012/13 including reserves and parish precepts.
(i)(ii)	Estimated gross revenue income for 2012/13 including exchequer support (redistributed NNDR and revenue support grant).
(i)(iii)	Net council tax requirement in cash terms including Town and Parish precepts.
(i)(iv)	Net council tax requirement in band D terms including Town and Parish precepts.
(i)(v)	Total of Town and Parish precepts.
(i)(vi)	The District's council tax requirement (band D).
(j)	The District Council, County Council, Police Authority and Fire Authority precepts expressed for each valuation band.
(k)	The aggregate tax demand set out over each valuation band. Shown in a separate Appendix in case of last minute amendments.
(l)	Confirmation that any increase in the council tax requirement is not excessive and, hence, that no referendum is required.

PARISHES ONLY									
Part of the Council's area	Valuation Bands								
	A	B	C	D	E	F	G	H	
	£	£	£	£	£	£	£	£	£
Ash-cum-Ridley	17.91	20.89	23.88	26.86	32.83	38.80	44.77	53.72	
Brasted	31.23	36.44	41.64	46.85	57.26	67.67	78.08	93.70	
Chevening	27.31	31.87	36.42	40.97	50.07	59.18	68.28	81.94	
Chiddingstone	31.59	36.86	42.12	47.39	57.92	68.45	78.98	94.78	
Cowden	29.33	34.22	39.11	44.00	53.78	63.56	73.33	88.00	
Crockenhill	54.69	63.81	72.92	82.04	100.27	118.50	136.73	164.08	
Dunton Green	42.01	49.01	56.01	63.01	77.01	91.01	105.02	126.02	
Edenbridge	80.06	93.40	106.75	120.09	146.78	173.46	200.15	240.18	
Eynsford	47.85	55.82	63.80	71.77	87.72	103.67	119.62	143.54	
Farningham	34.88	40.69	46.51	52.32	63.95	75.57	87.20	104.64	
Fawkham	16.31	19.02	21.74	24.46	29.90	35.33	40.77	48.92	
Halstead	35.47	41.38	47.29	53.20	65.02	76.84	88.67	106.40	
Hartley	29.53	34.46	39.38	44.30	54.14	63.99	73.83	88.60	
Hever	27.89	32.54	37.19	41.84	51.14	60.44	69.73	83.68	
Hextable	52.92	61.74	70.56	79.38	97.02	114.66	132.30	158.76	
Horton Kirby & S Darent	42.53	49.62	56.71	63.80	77.98	92.16	106.33	127.60	
Kemsing	30.16	35.19	40.21	45.24	55.29	65.35	75.40	90.48	
Knockholt	38.50	44.92	51.33	57.75	70.58	83.42	96.25	115.50	
Leigh	14.64	17.08	19.52	21.96	26.84	31.72	36.60	43.92	
Otford	51.79	60.42	69.05	77.68	94.94	112.20	129.47	155.36	
Penshurst	19.01	22.18	25.35	28.52	34.86	41.20	47.53	57.04	
Riverhead	25.78	30.08	34.37	38.67	47.26	55.86	64.45	77.34	
Seal	32.15	37.51	42.87	48.23	58.95	69.67	80.38	96.46	
Sevenoaks Town	51.66	60.27	68.88	77.49	94.71	111.93	129.15	154.98	
Sevenoaks Weald	37.95	44.27	50.60	56.92	69.57	82.22	94.87	113.84	
Shoreham	26.00	30.33	34.67	39.00	47.67	56.33	65.00	78.00	
Sundridge	37.19	43.38	49.58	55.78	68.18	80.57	92.97	111.56	
Swanley	69.00	80.50	92.00	103.50	126.50	149.50	172.50	207.00	
Westerham	49.07	57.24	65.42	73.60	89.96	106.31	122.67	147.20	
West Kingsdown	24.11	28.12	32.14	36.16	44.20	52.23	60.27	72.32	

GRAND TOTAL								
Part of the Council's area	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Ash-cum-Ridley	975.44	1,138.01	1,300.59	1,463.16	1,788.31	2,113.46	2,438.60	2,926.32
Brasted	988.76	1,153.56	1,318.35	1,483.15	1,812.74	2,142.33	2,471.91	2,966.30
Chevening	984.84	1,148.99	1,313.13	1,477.27	1,805.55	2,133.84	2,462.11	2,954.54
Chiddingstone	989.12	1,153.98	1,318.83	1,483.69	1,813.40	2,143.11	2,472.81	2,967.38
Cowden	986.86	1,151.34	1,315.82	1,480.30	1,809.26	2,138.22	2,467.16	2,960.60
Crockenhill	1,012.22	1,180.93	1,349.63	1,518.34	1,855.75	2,193.16	2,530.56	3,036.68
Dunton Green	999.54	1,166.13	1,332.72	1,499.31	1,832.49	2,165.67	2,498.85	2,998.62
Edenbridge	1,037.59	1,210.52	1,383.46	1,556.39	1,902.26	2,248.12	2,593.98	3,112.78
Eynsford	1,005.38	1,172.94	1,340.51	1,508.07	1,843.20	2,178.33	2,513.45	3,016.14
Farningham	992.41	1,157.81	1,323.22	1,488.62	1,819.43	2,150.23	2,481.03	2,977.24
Fawkham	973.84	1,136.14	1,298.45	1,460.76	1,785.38	2,109.99	2,434.60	2,921.52
Halstead	993.00	1,158.50	1,324.00	1,489.50	1,820.50	2,151.50	2,482.50	2,979.00
Hartley	987.06	1,151.58	1,316.09	1,480.60	1,809.62	2,138.65	2,467.66	2,961.20
Hever	985.42	1,149.66	1,313.90	1,478.14	1,806.62	2,135.10	2,463.56	2,956.28
Hextable	1,010.45	1,178.86	1,347.27	1,515.68	1,852.50	2,189.32	2,526.13	3,031.36
Horton Kirby & S Darenth	1,000.06	1,166.74	1,333.42	1,500.10	1,833.46	2,166.82	2,500.16	3,000.20
Kemsing	987.69	1,152.31	1,316.92	1,481.54	1,810.77	2,140.01	2,469.23	2,963.08
Knockholt	996.03	1,162.04	1,328.04	1,494.05	1,826.06	2,158.08	2,490.08	2,988.10
Leigh	972.17	1,134.20	1,296.23	1,458.26	1,782.32	2,106.38	2,430.43	2,916.52
Otford	1,009.32	1,177.54	1,345.76	1,513.98	1,850.42	2,186.86	2,523.30	3,027.96
Penshurst	976.54	1,139.30	1,302.06	1,464.82	1,790.34	2,115.86	2,441.36	2,929.64
Riverhead	983.31	1,147.20	1,311.08	1,474.97	1,802.74	2,130.52	2,458.28	2,949.94
Seal	989.68	1,154.63	1,319.58	1,484.53	1,814.43	2,144.33	2,474.21	2,969.06
Sevenoaks Town	1,009.19	1,177.39	1,345.59	1,513.79	1,850.19	2,186.59	2,522.98	3,027.58
Sevenoaks Weald	995.48	1,161.39	1,327.31	1,493.22	1,825.05	2,156.88	2,488.70	2,986.44
Shoreham	983.53	1,147.45	1,311.38	1,475.30	1,803.15	2,130.99	2,458.83	2,950.60
Sundridge	994.72	1,160.50	1,326.29	1,492.08	1,823.66	2,155.23	2,486.80	2,984.16
Swanley	1,026.53	1,197.62	1,368.71	1,539.80	1,881.98	2,224.16	2,566.33	3,079.60
Westerham	1,006.60	1,174.36	1,342.13	1,509.90	1,845.44	2,180.97	2,516.50	3,019.80
West Kingsdown	981.64	1,145.24	1,308.85	1,472.46	1,799.68	2,126.89	2,454.10	2,944.92
For Information:								
Kent County Council	698.52	814.94	931.36	1,047.78	1,280.62	1,513.46	1,746.30	2,095.56
Kent Police Authority	92.45	107.86	123.27	138.68	169.50	200.32	231.13	277.36
Kent Fire Authority	45.30	52.85	60.40	67.95	83.05	98.15	113.25	135.90
Sevenoaks District Council	121.26	141.47	161.68	181.89	222.31	262.73	303.15	363.78

COUNCIL – 21 FEBRUARY 2012

PAY POLICY STATEMENT

Report of the: Deputy Chief Executive and Director of Corporate Resources

Status: For consideration and decision

This report supports the Key Aim of effective management of Council resources.

Portfolio Holder Cllr. Ramsay

Head of Service Head of Finance & Human Resources – Tricia Marshall

Recommendation:

The Pay Policy Statement be adopted by the Council and published on the Council's website.

Background & Introduction

- 1 The Localism Act 2011 is considered to be the largest piece of legislation effecting local government for 100 years. Gaining its Royal Assent in November 2011 it introduces, amongst a range of other duties, a requirement for local authorities to publish a Pay Policy Statement by 31 March 2012.
- 2 Pay Policy Statements require local authorities to be more accountable and transparent about their policies on senior officer pay and delivers on a Coalition Agreement commitment to strengthen councillors' powers on salary packages for council officers.
- 3 Nothing in the pay accountability provisions supersede existing responsibilities and duties placed on local authorities in their role as employers. Government recognise that local authorities are individual employers in their own right and have the autonomy to make decisions on pay that are appropriate to their local circumstances and which deliver value for money for local taxpayers.

Pay Policy Statement

- 4 The draft Pay Policy Statement is attached at Appendix 1 to this report for Members consideration. It's content is defined by the regulations set out within sections 38 to 43 of the Localism Act 2011 and associated guidance issued by the Secretary of State for Communities and Local Government (CLG). At the time of writing CLG had only published draft guidance, but no significant changes are anticipated when the final guidance is published.

Agenda Item 6b

- 5 The Pay Policy Statement is required to set out the authority's policies relating to the remuneration of each of its chief officers, the remuneration of its lowest paid employees and the relationship between the two.
- 6 As Members will be aware much of the information contained within this report reflects on data that is already publically available. The Council's website records pay transparency data and detailed information about senior officer pay is also included in the Statement of Accounts.
- 7 Many of the requirements of the Localism Act with regard to Pay Policy have arisen from the recommendations of the Hutton Report, an independent review of 'Fair Pay in the Public Sector' which was published in March 2011. A key recommendation from the report was to publish a pay multiple to express the gap in pay between the lowest and the highest paid in organisations.
- 8 The pay multiple between the Chief Executive and the mean average salary at Sevenoaks District Council is just 5.1.
- 9 The Council's Pay Policy Statement must be approved by Council by 31 March 2012 and will take effect from 1 April 2012. The Policy is forward looking and any recruitment decisions taken between 1 April 2012 and 31 March 2013 regarding Chief Officers must take account of the commitments made in the Policy Statement.
- 10 For Members information provided at Appendix 2 to this report are the Pay Scales for Officers that will have effect from 1 April 2012 and the Sevenoaks District Council Chief Officer and Directors and Chief Executive pay scale.
- 11 It is a requirement of the Localism Act that the Pay Policy Statement is approved annually by full Council, and this is a function that cannot be delegated. As a minimum, once the Statement is approved, it must be published on the Council website.

Key Implications

Financial

- 12 The Pay Policy Statement sets out the policies by which senior officers will be remunerated by the Council. Any such decisions on recruitment would be made within the wider context of the Council's budget and savings plan and create no new burdens on financial resources.

Impact on and Outcomes for the Community

- 13 The Pay Policy Statement makes information about senior officer pay decisions more transparent to the Community and improves accountability.

Legal and Human Rights Implications

- 14 Failure to publish a Pay Policy Statement, approved by full Council, by 31 March 2012 will be a breach of the Localism Act 2011.

Value For Money

- 15 The Council strives to provide value for money within its recruitment processes and endeavours to attract high quality officers to the organisation at the right levels of pay.

Equality

- 16 *Does the activity have the potential to cause adverse impact or discriminate against different groups?*

The Pay Policy Statement is a document that overarches a number of pre-existing Human Resources policies that determine how people are recruited to the organisation, how they are paid and how they are treated whilst an employee of the Council. Although a high majority of these policies have been subject to Equality Impact Assessments (EQIA), there is some potential for adverse or discriminatory impacts as a result of statements included in the Pay Policy Statement, that would warrant its own EQIA.

- 17 *Does the activity make a positive contribution to promoting equality?*

The Pay Policy Statement focuses on roles within the authority rather than the individuals that currently perform those roles or may perform those roles in the future. The Policies applicable to those posts apply to any person who may wish to fulfil them and therefore may be considered to promote equality.

- 18 *Summary of Impacts*

A full EQIA will be prepared by Officers in advance of the Council meeting and any significant impacts will be reported verbally to Members.

Conclusions

- 19 The Pay Policy Statement sets out the elements of senior officer pay that enable the Council to attract high quality officers whilst protecting value for money to the community. It's approval by Council and publication on the Council website will improve transparency and accountability whilst ensuring adherence to the Localism Act 2011.

Risk Assessment Statement

- 20 Failure to produce, approve and publish a Pay Policy Statement will be a breach of the Localism Act 2011. Governance arrangements are in place through the Constitution to ensure proper processes are adopted in the recruitment of senior officers.

Sources of Information:

Localism Act, Chapter 8, Pay Policy Statements

Openness and accountability in local pay: Draft guidance under section 40 of the Localism Act

Agenda Item 6b

(Communities and Local Government)

Contact Officer(s):

Syreetta Gill, Human Resources Manager.
Ext 7403

Lee Banks, Policy & Performance Manager.
Ext. 7161

Dr. Pav Ramewal
Deputy Chief Executive and Director of Corporate Resources

Sevenoaks District Council Pay Policy Statement

1. Introduction

- 1.1 The Council's Pay Policy Statement sets out its policies for 2012/13 relating to:
- The remuneration of its chief officers,
 - The remuneration of its lowest-paid officers, and
 - The relationship between the remuneration of its chief officers and the remuneration of its employees who are not chief officers.
- 1.2 The Pay Policy Statement is prepared in accordance with the requirements of the Localism Act 2011 and associated guidance published by the Secretary of State for Communities and Local Government.
- 1.3 The Statement has been approved by resolution of the full Council and the commitments made in the Pay Policy Statement will be applied to remuneration of chief officers during 2012/13.

2. Definitions

- 2.1 The following definitions have been applied in preparing the Pay Policy Statement:
- (a) Remuneration – the officers salary¹, any bonuses payable, any charges, fees or allowances payable, any benefits in kind, any increase or enhancement to pension entitlement and any amounts payable to the officer on them leaving the authority².
 - (b) Chief Officers – the Head of Paid Service (the 'Chief Executive'), Deputies to the Head of Paid Service ('Deputy Chief Executives'), the Section 151 Officer and the Monitoring Officer.
 - (c) Lowest-paid officers – this corresponds to the lowest pay point on which a full time, permanent officer can be appointed to when joining the Council. It does not relate to an individual job role. This definition has been adopted as a true and fair representation of the lowest paid salary point offered by the Council, although it does not necessarily mean that any officer working for the Council currently receives this level of pay. This definition provides a fair and accurate description for an entry level position into the authority, roles that require full supervision that have little, if any responsibility.

¹ In the case where an officer is engaged under a contract for services, the salary is equal to the payments made by the Council to the officer for those services.

² Other than amounts that may be payable by virtue of any enactment

3. Terms and Conditions

- 3.1 The general terms and conditions of employment are in accordance with those agreed by the National Joint Council for Local Government Services.
- 3.2 As Head of Paid Service, the Chief Executive shall have responsibility for the management of all officers, including the number and grade of officers and their organisations and structures.
- 3.3 The Council shall appoint such officers as it thinks necessary for the proper discharge of its functions or of another local authority's functions as fall to be discharged by the Council. All appointments shall be made on merit and in accordance with the Council's agreed policies and procedures.
- 3.4 Only under exceptional circumstances, where there is a proven benefit that will deliver clear value for money to residents, will the Council re-employ officers who have left with a severance or redundancy payment or are in receipt of a pension under the Local Government Pension Scheme. This may include re-engagement on a self employed basis with a contract for services. This Policy applies to both ex-employees of Sevenoaks District Council and of other local government organisations.

4. Remuneration of Chief Officers

4.1 Head of Paid Service

- 4.1.1 The Head of Paid Service holds the title of Chief Executive or any equivalent as determined by Council.
- 4.1.2 The Head of Paid Service is one of three statutorily required posts at the Council, alongside the Chief Finance Officer (Section 151 Officer) and the Monitoring Officer. The Head of Paid Service holds overall responsibility for corporate management and operational functions. This includes:
 - Overall management responsibility for all Officers;
 - Provision of professional advice to all parties in the decision-making process;
 - Advising whether decisions of the Cabinet are in accordance with the budget and policy framework (in consultation with the Chief Finance Officer and the Monitoring Officer);
 - Providing advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all Members (in consultation with the Chief Finance Officer and the Monitoring Officer);

- To be the Returning Officer and Electoral Registration Officer for the Council; and
 - To represent the Council on partnership and external bodies as required by statute or the Council.
- 4.1.3 The remuneration for the Head of Paid Service will include:
- Salary in line with the Sevenoaks District Council Chief Officer and Directors pay scale;
 - Car Allowance of £6,000 per annum;
 - A one-off payment for acting as the Returning Officer at all elections. Payments are determined by the size of the electorate in the district, with the payment for national elections being set nationally and the payment for local elections set at county level; and
 - An employer contribution to their pension of the amount required under the nationally determined terms of the Local Government Pension Scheme.
- 4.1.4 At the point of recruitment the salary of the Head of Paid Service will be determined by the level of skill and experience that they are evaluated as bringing to the role. In any case the salary will not exceed the top pay point of the Sevenoaks District Council Chief Officer pay scale.
- 4.1.5 The Head of Paid Service will, like all other officers, be able to increase their salary on an annual basis by demonstrating excellent performance when assessed through full participation in the Council's appraisal scheme, until the top point of the pay band is reached. The Head of Paid Service will also be entitled to receive any national pay award determined by the National Joint Council. No other increases or additions to their remuneration will be payable without a resolution of Council.
- 4.1.6 The Council does not adopt a performance related pay system for any officers outside of the appraisal scheme, including the Head of Paid Service.
- 4.1.7 The Council does not pay bonuses for any officers, including the Head of Paid Service, other than those determined by the appraisal scheme upon achieving outstanding performance.
- 4.1.8 The Council will not make payment to the Head of Paid Service if they are summarily dismissed.
- 4.1.9 If the Council makes the Head of Paid Service redundant a payment will be made to them based on their length of service (up to a maximum of 20 years) based on their actual weeks pay.
- 4.1.10 If the Head of Paid Service resigns their post they will not be entitled to any compensatory payment from the Council.

4.1.11 The following terms and conditions will also apply to the Head of Paid Service:

- The Head of Paid Service may be the Chief Finance Officer, but may not be the Council's Monitoring Officer; and
- The post of Head of Paid Service is politically restricted.

4.2 Deputies to the Head of Paid Service

4.2.1 The deputies to the Head of Paid Service hold the titles of Deputy Chief Executive and Director of Corporate Resources and Deputy Chief Executive and Director of Community and Planning Services or any equivalent as determined by Council.

4.2.2 The remuneration for an officer holding the post of a deputy to the Head of Paid Service will include:

- Salary in line with the Sevenoaks District Council Chief Officer and Directors pay scale;
- Car Allowance of £5,100 per annum; and
- An employer contribution to their pension of the amount required under the nationally determined terms of the Local Government Pension Scheme.

4.2.3 At the point of recruitment an officer holding the post of a deputy to the Head of Paid Service will be determined by the level of skill and experience that they are evaluated as bringing to the role. In any case the salary will not exceed the top pay point of the Sevenoaks District Council Directors pay scale.

4.2.4 An officer holding the post of a deputy to the Head of Paid Service will, like all other officers, be able to increase their salary on an annual basis by demonstrating excellent performance when assessed through full participation in the Council's appraisal scheme, until the top point of the pay band is reached. An officer holding the post of a deputy to the Head of Paid Service will also be entitled to receive any national pay award determined by the National Joint Council. No other increases or additions to their remuneration will be payable without a resolution of Council.

4.2.5 The Council does not adopt a performance related pay system for any officers outside of the appraisal scheme, including officers holding the post of a deputy to the Head of Paid Service.

4.2.6 The Council does not pay bonuses for any officers, including officers holding the post of a deputy to the Head of Paid Service, other than those determined by the appraisal scheme upon achieving outstanding performance.

- 4.2.7 The Council will not make payment to officers holding the post of a deputy to the Head of Paid Service if they are summarily dismissed.
- 4.2.8 If the Council makes a deputy to the Head of Paid Service redundant a payment will be made to them based on their length of service (up to a maximum of 20 years) based on their actual weeks pay.
- 4.2.9 If an officer holding the post of a deputy to the Head of Paid Service resigns their post they will not be entitled to any compensatory payment from the Council.
- 4.2.10 The following terms and conditions will also apply to an officer holding the post of a deputy to the Head of Paid Service:
- The post of a deputy to the Head of Paid Service is politically restricted.
- 4.3 Monitoring Officer
- 4.3.1 The Monitoring Officer holds the title of Head of Legal and Democratic Services or any equivalent as determined by the Head of Paid Service.
- 4.3.2 The Monitoring Officer is one of three statutorily required posts at the Council, alongside the Head of Paid Service and the Chief Finance Officer (Section 151 Officer). The Monitoring Officer is responsible for:
- Maintaining the consultation;
 - Ensuring lawfulness and fairness of decision making;
 - Supporting the Standards Committee;
 - Advising whether decisions of the Cabinet are in accordance with the budget and policy framework (in consultation with the Head of Paid Service and the Chief Finance Officer); and
 - Providing advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all Members (in consultation with the Head of Paid Service and the Chief Finance Officer)
- 4.3.3 The remuneration for the Monitoring Officer will include:
- Salary at Band J of the National Joint Council scale;
 - A lease car or cash equivalent allowance;
 - Consideration of a market supplement; and
 - An employer contribution to their pension of the amount required by the Local Government Pension Scheme.
- 4.3.4 At the point of recruitment the salary of the Monitoring Officer will be determined by the level of skill and experience that they are evaluated

as bringing to the role. In any case the salary will not exceed the top pay point of Band J on the National Joint Council salary scales.

- 4.3.5 The Monitoring Officer will, like all other officers, be able to increase their salary on an annual basis by demonstrating excellent performance when assessed through full participation in the Council's appraisal scheme, until the top point of the pay band is reached. The Monitoring Officer will also be entitled to receive any national pay award determined by the National Joint Council. No other increases or additions to their remuneration will be payable without a resolution of Council.
- 4.3.6 The Council does not adopt a performance related pay system for any officers, including the Monitoring Officer.
- 4.3.7 The Council does not pay bonuses for any officers, including the Monitoring Officer, other than those determined by the appraisal scheme upon achieving outstanding performance.
- 4.3.8 The Council will not make any payment to the Monitoring Officer if they are summarily dismissed.
- 4.3.9 If the Council make the Monitoring Officer redundant a payment will be made to them based on their length of service (up to a maximum of 20 weeks) based on their actual weeks pay.
- 4.3.10 If the Monitoring Officer resigns their post they will not be entitled to any compensatory payment from the Council.
- 4.3.11 The following terms and conditions will also apply to the Monitoring Officer post:
- The post of the Monitoring Officer is politically restricted; and
 - The Monitoring Officer cannot be the Chief Finance Officer or the Head of Paid Service.
- 4.4 Chief Finance Officer (Section 151 Officer)
- 4.4.1 The Chief Finance Officer is one of three statutorily required posts at the Council, alongside the Head of Paid Service and the Monitoring Officer. The post of the Chief Finance Officer is currently assigned to an officer holding the post of deputy to the Head of Paid Service.
- 4.4.2 The Chief Finance Officer is responsible for:
- Ensuring Lawfulness and Financial Prudence of Decision-Making;
 - Administration of Financial Affairs;
 - Contributing to Corporate Management;

- Providing advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all Members and will support and advise Members and Officers in their respective roles; and
 - Providing financial information to the media, members of the public and the community.
- 4.4.3 The pay policies applicable to this post are detailed at section 4.2 above.
- 4.4.4 The following terms and conditions will also apply to the Chief Finance Officer post:
- The post of the Chief Finance Officer is politically restricted; and
 - The Chief Finance Officer cannot be the Monitoring Officer but may hold the post of Head of Paid Service.
5. Transparency and Publication of Chief Officer Salaries
- 5.1 Further information about responsibilities and appointment of Chief Officers is published in the Council's Constitution. The provisions within this Pay Policy Statement do not alter the requirements and powers, which the Constitution sets out.
- 5.2 Further information about the salaries of Chief Officers is available on the Council's website. The Council's Statement of Accounts is published annually and includes a full breakdown of payments made to Chief Officers for the past year.
- 5.3 The transparency section of the Council's website includes the publication of the pay scales of all officers at the council who receive a full time equivalent salary in excess of £58,200.
6. Remuneration of lowest-paid officers.
- 6.1 The salary of the lowest-paid role at the Council will be equivalent to the lowest pay point within Band A of the National Joint Council salary scales.
- 6.2 All Council officers are able to increase their salary on an annual basis, until the top point of the pay band is reached by demonstrating excellent performance when assessed through full participation in the Council's appraisal scheme. All officers are also entitled to receive any national pay award determined by the National Joint Council. There are no other performance related or bonus payments payable to officers.
- 6.3 All Council officers are eligible to join the Local Government Pension Scheme. As their employer the Council will contribute to each officers

pension the amount required by the Local Government Pension Scheme.

7. The Pay Relationship
 - 7.1 The NJC scale offers a fair and non-discriminatory approach to pay and grading reflected through the NJC job evaluation scheme. Each role is individually assessed and evaluated to ensure an accurate level of pay. The result of evaluations reflects the level of responsibility associated with each respective post.
 - 7.2 The mean average salary at Sevenoaks District Council in 2011/12 was £24,981, which is approximately spinal point 29 of Band D. The median salary for the same period was £22,221, which lies at spinal point 26 of Band C.
 - 7.3 The pay multiple between the Chief Executive and the mean average salary at Sevenoaks District Council is 5.1. Using the median salary point the pay multiple is 5.7.
 - 7.4 The Council is clear that pay at all levels is properly assessed and evaluated to ensure it accurately and fairly reflects the level of skill and responsibility associated with each respective post. Maintaining this approach will ensure that the Council is committed to a fair pay relationship and maintaining a proportionate pay ratio between the average pay level and that of the Chief Executive.

SEVENOAKS DISTRICT COUNCIL PAY SCALES

• Officer Pay Scales – Band A to Band J

As agreed by Council at their meeting of 18 October 2011, with effect from 1st April 2012 the salary bands will be made up of the underlined SCP points only. All salaries are inclusive of the Outer Fringe Allowance.

Band A		Band B		Band C	
Scp	Salary £	Scp	Salary £	Scp	Salary £
4	12700	12	15594	18	17716
5	12867	13	15999	19	18357
6	13044	14	16280	20	19008
7	13342	15	16609	21	19681
8	13744	16	16995	22	20176
9	14144				
10	14429	<u>17</u>	<u>17385</u>	<u>23</u>	<u>20753</u>
11	15288	<u>18</u>	<u>17716</u>	<u>24</u>	<u>21413</u>
		<u>19</u>	<u>18357</u>	<u>25</u>	<u>22074</u>
<u>12</u>	<u>15594</u>	<u>20</u>	<u>19008</u>	<u>26</u>	<u>22776</u>
<u>13</u>	<u>15999</u>	21	19681*	27	23513*
<u>14</u>	<u>16280</u>	22	20176*	28	24263*
<u>15</u>	<u>16609</u>				
16	16995*				
17	17385*				

Band D		Band E		Band F	
Scp	Salary £	Scp	Salary £	Scp	Salary £
23	20753	29	25201	35	29791
24	21413	30	26027	36	30566
25	22074	31	26831	37	31406
26	22776	32	27607	38	32309
27	23513	33	28404	39	33355
28	24263	34	29191	40	34216
		35	29791		
<u>29</u>	<u>25201</u>	<u>36</u>	<u>30566</u>	<u>41</u>	<u>35104</u>
<u>30</u>	<u>26027</u>	<u>37</u>	<u>31406</u>	<u>42</u>	<u>35985</u>
<u>31</u>	<u>26831</u>	<u>38</u>	<u>32309</u>	<u>43</u>	<u>36868</u>
<u>32</u>	<u>27607</u>	<u>39</u>	<u>33355</u>	<u>44</u>	<u>37761</u>
33	28404*	40	34216*	45	38597*
34	29191*	41	35104*	46	39516*

Band G		Band H		Band I	
Scp	Salary	Scp	Salary	Scp	Salary
	£		£		£
42	35985	47	40410	53	45667
43	36868	48	41296	54	46574
44	37761	49	42171	55	47489
45	38597	50	43054	56	48435
46	39516	51	43918	57	49377
<u>47</u>	<u>40410</u>	52	44789	58	50363
<u>48</u>	<u>41296</u>	<u>53</u>	<u>45667</u>	<u>59</u>	<u>51355</u>
<u>49</u>	<u>42171</u>	<u>54</u>	<u>46574</u>	<u>60</u>	<u>52373</u>
<u>50</u>	<u>43054</u>	<u>55</u>	<u>47489</u>	<u>61</u>	<u>53410</u>
51	43918*	<u>56</u>	<u>48435</u>	<u>62</u>	<u>54728</u>
52	44789*	57	49377*	63	56083*
		58	50363*	64	57469*

Band J	
Scp	Salary
	£
59	51355
60	52373
61	53410
62	54728
63	56083
64	57469
<u>65</u>	<u>58895</u>
<u>66</u>	<u>60346</u>
<u>67</u>	<u>61845</u>
<u>68</u>	<u>63380</u>
69	64953*
70	66564*

- Directors Pay Scale – Band Y

Band Y	
Scp	Salary
	£
11	74489
12	77813
13	81290
<u>14</u>	<u>85122</u>
<u>15</u>	<u>89139</u>
<u>16</u>	<u>93343</u>
<u>17</u>	<u>97749</u>
18	102365
19	107200

- Chief Executive Pay Scale – Band X

Band X	
Scp	Salary
	£
3	93442
4	97160
5	101029
<u>6</u>	<u>105048</u>
<u>7</u>	<u>109226</u>
<u>8</u>	<u>113573</u>
<u>9</u>	<u>118094</u>
10	122796
11	127683

This page is intentionally left blank



COUNCIL – 21 February 2012

Report by Leader of the Council

This is my report to Council on the work undertaken by the Leader and the Cabinet in the period 16 November 2011 to 10 February 2012. I am listing below the agenda items discussed since Members will have received the minutes of those meetings.

Cabinet – 8 December 2011

- Draft Budget 2012/2013
- Local Development Framework – Annual Monitoring Report
- Argyle Road Offices – Accommodation for Kent Police
- 2012 Olympic and Paralympic Games Dressing

Cabinet – 12 January 2012

- Calculation of Council Tax Base
- Conservation Area Appraisal and Management Plan, Chiddingstone Hoath
- Locality Boards
- Big Community Fund – Allocation of Funding for December Appraisal Round and Additional Members for Appraisal Panel
- West Kent Cold Store Section 106 Community Facilities Funding

The work of the Leader – Meetings held and attended:

21 – 30 November 2011

- Meeting with Roger House and Robert Hardy, Federation of Small Businesses to discuss a number of initiatives including Leadership in the Local Economy, the West Kent Enterprise Club, and the Centre for Micro Business
- Meeting with Mike Hill, Cabinet Member, Kent County Council regarding the Youth Service and Locality Boards, and Libraries
- Meeting with Mary Boyle, Head Teacher, Knole Academy
- Meeting with Lord De L'Isle, Lord Lieutenant of Kent
- Communications Portfolio meeting

December 2011

- Visit England Tourism Summit, Canterbury Cathedral
- Launch of Improvement and Efficiency South East (IESE) Limited
- Sevenoaks Cycle Strategy meeting
- Edenbridge Town Council reception

Agenda Item 9

January 2012

- Visit to the Council by Lord Freud, Minister for Welfare Reform
- Visit and tour of Fort Halstead
- Visit Kent reception at Penshurst Place
- West Kent Partnership meeting
- Meeting with Graham Gibbens, Cabinet Member, Kent County Council regarding Public Health provision
- Meeting with Debra Exall, Strategic Relationship Adviser, Kent County Council

1 to 10 February 2012

- Communications Portfolio briefing
- Sevenoaks Cycle Strategy meeting
- South East England Councils (SEEC) meeting
- Kent Forum
- K College event – Apprenticeship week

Social Affairs Select – Report of a Meeting held on 24th January 2012

The committee meeting was held at the Sevenoaks Leisure Centre and was preceded by a tour of the facilities concentrating on the provision of services such as Primetime and other leisure opportunities of particular benefit to older people.

The theme of the meeting concentrated on those aspects of the Council's Community Plan pertinent to the committee's remit which related to the needs of the over 50s and to the Partner Organisations which help to deliver the services.

As life expectancy increases, with the expectation that by 2030, 25% of the population will be aged over 65, it is important not only to plan ahead but also to develop sophisticated ways of providing the support necessary to allow people to live independent lives in their own homes for as long as possible. On the positive side however older people have much to contribute, passing on their knowledge and skills, providing care and support, volunteering, looking after grandchildren etc.

Prior to the meeting members had undertaken various visits to gain useful background knowledge. These included a meeting with Mandy Wynne at Voluntary Action West Kent (VAWK), looking at transport provision, in particular the Dial 2 Drive Scheme, a visit to Hollybush Court Day Centre and a tour of the South East Coast Ambulance Head Office in Maidstone.

The committee received three presentations from the Alzheimer and Dementia support Service (ADSS), Age UK and K.C.C. Adult Services. Common themes echoed by all the contributors included the importance of partnership involvement, the value placed on volunteers, the ever growing demand for service provision, the need for constant innovation, better facilities and a steady drain on resources already diminished.

Alison Cook

Chairman

This page is intentionally left blank

Environment Select Committee Report - Meeting - 17 January 2012

There were no interests to be noted.

The response from the Cabinet in respect of the 2012/13 Budget and Service Plan were noted.

Future Business -The work Plan 2011/12

The Development Management Plan will now be presented in March due to outside delays and as such was agreed to move the Excessive Street Furniture, Railways and Trains, Edenbridge CAMP and Local Listing , until June 2012. Also in June a request for an up-to-date report for arrangement for the Olympics and Paralympics be presented at that meeting.

Bus Services

In addition to the Public Transport Planner (KCC) there were 4 bus operators in attendance all of whom gave reports as what each of their companies are doing, individual schemes and plans. It was a very full and informative discussion. It was suggested that SDC should consider the Quality Bus Partnership. Details are to be obtained.

Gatwick Master Plan SDC Response.

This looked towards 2020 when the passenger throughput could reach 40 million. Access to and noise from the airport figured high in the debate. Edenbridge TC had made an excellent response, and suggested that funds from the legal agreement could be used to fund the reintroduction of the rail line from Tonbridge Gatwick .A coach service was also to be introduced. It was resolved to submit the response once agreed by the portfolio holder.

It was reported that due to the slight delay in the National Planning Framework (NPPF) our Development Plan be held up to ensure that it will comply with the NPPF, and thereby be strong and robust and not therefore fail. This also adjusted our LDF timetable.

Cllr. Ian Bosley
Chairman

This page is intentionally left blank

PERFORMANCE AND GOVERNANCE COMMITTEE
10 JANUARY 2012

The Committee received an internal audit progress report and noted the efforts being made to address the staffing challenges faced by the audit team. Members were particularly concerned about the review of car parking income and wanted more information about progress in the implementation of the recommendations, which it was agreed should be referred to the appropriate committee for further action.

A report proved the Committee with a summary of the Councils risk management process and plans for the improvement to the Risk management Framework with an update on the current strategic risks facing the Council. It was agreed that Members would benefit from further training in this subject and this has been arranged, at no cost to the council, with our insurers Zurich Municipal. Subsequent to the meeting the date for this training was agreed for Friday 17 February.

The District Auditor Andy Mack, presented the Annual Audit letter for 2010/2011 to the Committee. It was noted that the report supported the key aim of effective management of the Council resources. The Committee were pleased to note the positive comments made by the District Auditor about the Councils performance in the challenging financial environment in which is operating and commended the report to the Cabinet.

The Treasury Management Strategy for 2012/13 was considered and a great deal of debate went on identifying how best to maintain investment plans that were affordable, prudent and sustainable. The points identified were referred to the Finance Advisory Group for further consideration before going to Cabinet.

Mark Fittock
8 February 2012

This page is intentionally left blank