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Iain Phillips      Chief Executive

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14<sup>th</sup> February 2007

Dear Councillor,

I hereby give you Notice that a Special Meeting of the **POLICY AND STRATEGIC DEVELOPMENT COMMITTEE** will be held in **the COUNCIL CHAMBER, CIVIC CENTRE, CROOK** on **THURSDAY, 22<sup>nd</sup> FEBRUARY 2007** at **10:00AM**.

### AGENDA

- |   | Page No. |
|---|----------|
| 1. Apologies for Absence.   |          |
| 2. To consider the Minutes of the Special Housing Services Committee held on 5 <sup>th</sup> February 2007 – copies to be circulated prior to the meeting.  |          |
| 3. To consider the Minutes of the Special Community Services Committee held on 5 <sup>th</sup> February 2007 – copies to be circulated prior to the meeting.  |          |
| 4. To consider the Minutes of the Special Regeneration Committee held on 6 <sup>th</sup> February 2007 – copies to be circulated prior to the meeting.  |          |
| 5. To consider the Minutes of the Special Central Resources Committee held on 6 <sup>th</sup> February 2007 – copies to be circulated prior to the meeting.   |          |
| 6. To consider the Minutes of the Sounding Meeting with invited representatives of the Wear Valley Local Strategic Partnership, Ratepayers and Voluntary Sector held on 8 <sup>th</sup> February 2007 – copies to be circulated prior to the meeting. |          |
| 7. To consider the 2007/08 draft Corporate Development Department Revenue Budget.   | 1 - 3    |
| 8. To consider the Budget 2007/08.  | 4 - 54   |
| 9. To consider a report on completing the Restructure.*   | 55 - 72  |

10. To consider a request for early retirement.\*

11. To consider a request for early retirement.\*

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\* It is likely that items 9, 10 and 11 will be taken in the closed part of the meeting in accordance with paragraph 2 of Part I of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information)(Variation)Order 2006.

Yours faithfully



**Chief Executive**

Members of this Committee : Councillors Mrs. Brown, Ferguson, Foote Wood, Gale, Grogan, Hayton, Mrs Jones\*, Kay, Kingston, Laurie, Mews, Murphy\*, Nevins, Perkins, Stonehouse, Townsend and Zair.

\*ex-officio, non-voting capacity.

Chair : Councillor Stonehouse

Deputy Chair : Councillor Kay

TO: All other Members of the Council for information.  
Management Team.



**SPECIAL POLICY AND STRATEGIC DEVELOPMENT  
COMMITTEE**

**22<sup>ND</sup> FEBRUARY 2007**

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Report of the Chief Executive

**ITEM REFERRED FOR CONSIDERATION FROM THE SPECIAL HOUSING  
SERVICES COMMITTEE HELD ON 5<sup>TH</sup> FEBRUARY 2007**

**purpose of the report**

1. To present for consideration the recommendations from the Special Housing Services Committee held on 5<sup>th</sup> February 2007 regarding the 2007/2008 revenue and capital budget for the Housing Revenue Account and the Draft Housing General Fund Revenue and Capital Budget.

**recommendations referred for consideration**

2. The following represent the recommendations of that Committee:-
  - to the Policy and Strategic Development Committee that the service development bid, fees and charges and capital programme proposals detailed within the report to the Special Housing Services Committee be approved, subject to the inclusion of a concessionary scheme, details of which to be considered by the Special Policy and Strategic Development Committee on 22<sup>nd</sup> February 2007;
  - to the Policy and Strategic Development Committee, that the cost improvements, service development bids and capital programme proposals detailed within the report, be approved.
3. The information which was submitted to the Special Housing Services Committee on 5<sup>th</sup> February 2007 detailing the above is also contained within the annexes of the report to the Special Policy and Strategic Development Committee on 22<sup>nd</sup> February 2007.

**RECOMMENDED**

that the Special Policy and Strategic Development Committee consider the above recommendations as part of the budget setting process for the Housing Revenue Account Draft Housing General Fund Revenue and Capital Budget.

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**Officer responsible for the report**

Iain Phillips  
Chief Executive

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**Author of the report**

Jocasta Lawton  
Committee Administrator  
Ext 309

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**SPECIAL POLICY AND STRATEGIC DEVELOPMENT  
COMMITTEE**

**22<sup>ND</sup> FEBRUARY 2007**

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Report of the Chief Executive

**ITEM REFERRED FOR CONSIDERATION FROM THE SPECIAL COMMUNITY  
SERVICES COMMITTEE HELD ON 5<sup>TH</sup> FEBRUARY 2007**

**purpose of the report**

1. To present for consideration the recommendations from the Special Community Services Committee held on 5<sup>th</sup> February 2007 regarding the 2007/2008 revenue and capital budget for the Community Services Department.

**recommendations referred for consideration**

2. The following represent the recommendations of that Committee:-
  - to the Policy and Strategic Development Committee, that the fees and charges detailed at Annex A of the report to the Special Community Services Committee be approved, with the exception of pages 1 and 2, referring to leisure complexes which should be revised and considered by the Special Policy and Strategic Development Committee;
  - to the Policy and Strategic Development Committee that the cost improvements, service development bids and capital programme proposals as detailed in the report to the Special Community Services Committee be approved, with the addition that the underspend remaining in respect of Bishop Barrington and Wolsingham schools, be carried forward to 2007/08, as a cushion to allow each school time to find alternative funding options.
3. The information which was submitted to the Special Community Services Committee on 5<sup>th</sup> February detailing the above is also contained within the annexes of the report to the Special Policy and Strategic Development Committee on 22<sup>nd</sup> February 2007.

**RECOMMENDED**

that the Special Policy and Strategic Development Committee consider the above recommendations as part of the budget setting process.

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**Officer responsible for the report**

Iain Phillips  
Chief Executive

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**Author of the report**

Jocasta Lawton  
Committee Administrator  
Ext 309

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**SPECIAL POLICY AND STRATEGIC DEVELOPMENT  
COMMITTEE**

**22<sup>ND</sup> FEBRUARY 2007**

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Report of the Chief Executive

**ITEM REFERRED FOR CONSIDERATION FROM THE SPECIAL  
REGENERATION COMMITTEE HELD ON 6<sup>TH</sup> FEBRUARY 2007**

**purpose of the report**

1. To present for consideration the recommendations from the Special Regeneration Committee held on 6<sup>th</sup> February 2007 regarding the 2007/2008 revenue and capital budget for the Regeneration Department.

**recommendations referred for consideration**

2. The following represent the recommendations of that Committee:-
  - the fees and charges detailed at Annex A of the report to the Special Regeneration Committee, be submitted to the Policy and Strategic Development Committee for consideration;
  - the cost improvements, service development bids and capital programme proposals detailed in the report to the Special Regeneration Committee, be submitted to the Policy and Strategic Development Committee for consideration;
3. The information which was submitted to the Special Regeneration Committee on 6<sup>th</sup> February detailing the above is also contained at within the report to the Special Policy and Strategic Development Committee on 22<sup>nd</sup> February 2007.

**RECOMMENDED**

that the Special Policy and Strategic Development Committee consider the above recommendations as part of the budget setting process.

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**Officer responsible for the report**

Iain Phillips  
Chief Executive

**Author of the report**

Jocasta Lawton  
Committee Administrator  
Ext 309

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**SPECIAL POLICY AND STRATEGIC DEVELOPMENT  
COMMITTEE**

**22<sup>ND</sup> FEBRUARY 2007**

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Report of the Chief Executive

**ITEM REFERRED FOR CONSIDERATION FROM THE SPECIAL CENTRAL  
RESOURCES COMMITTEE HELD ON 6<sup>TH</sup> FEBRUARY 2007**

**purpose of the report**

1. To present for consideration the recommendations from the Special Central Resources Committee held on 6<sup>th</sup> February 2007 regarding the 2007/2008 revenue and capital budget for the Central Resources Department.

**recommendations referred for consideration**

2. The following represent the recommendations of that Committee:-
  - the charges detailed at Annex A of the report to the Special Central Resources Committee, be submitted to the Policy and Strategic Development Committee for consideration;
  - the cost improvements and capital programme proposals detailed in the report to the Special Central Resources Committee, be submitted to the Policy and Strategic Development Committee for consideration;
3. The information which was submitted to the Special Central Resources Committee on 6<sup>th</sup> February detailing the above is also contained within the annexes of the report to the Special Policy and Strategic Development Committee on 22<sup>nd</sup> February 2007.

**RECOMMENDED**

that the Special Policy and Strategic Development Committee consider the above recommendations as part of the budget setting process.

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**Officer responsible for the report**

Iain Phillips  
Chief Executive

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**Author of the report**

Jocasta Lawton  
Committee Administrator  
Ext 309

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# SPECIAL POLICY AND STRATEGIC DEVELOPMENT COMMITTEE

22<sup>nd</sup> FEBRUARY 2007

## RATEPAYERS' / LSP CONSULTATIVE MEETING: 8TH FEBRUARY 2007

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PRESENT	Leader and Deputy Leader of the Council and Councillor Gale and Townsend
ALSO PRESENT	Thompson Mrs L
ADVISERS	I Phillips, Chief Executive; G Ridley, Director of Central Resources; RM Hope, Director of Regeneration, Mrs M Hall, LSP Manager and Miss S Spence, Head of Committee and Democratic Services
APOLOGIES	Elliott Mrs M

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### 1. 2007/08 BUDGET

Information on the budget giving the overall financial position of the Authority's General Fund and Housing Revenue Account was provided together with:

- General Fund Cost improvements
- General Fund Service development bids
- Departmental proposed fees and charges
- Capital Programme

In response to Mrs Thompson, the Chief Executive confirmed that the Council was investing in those areas identified by the public as important, for example, reducing crime and anti-social behaviour. The proposed Council Tax increase was one of the lowest in the County.

Mrs Thompson suggested that the Council should consider cutting the front and rear gardens on pensioners properties (Council). The Leader of the Council stated that the Council would be investigating whether a scheme could be set up using the Youth Engagement Service or people on Community Service Orders to undertake such work.

Following discussion Mrs Thompson felt that the Council's proposals were acceptable.





## **SPECIAL POLICY AND STRATEGIC DEVELOPMENT COMMITTEE**

22 FEBRUARY 2007

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Report of the Strategic Director for Resource Management

### **2007/08 DRAFT CORPORATE DEVELOPMENT DEPARTMENT REVENUE BUDGET**

#### **purpose of report**

1. To inform Members of the draft Corporate Development departmental Revenue budget for 2007/08 and to seek Member approval for its inclusion in the overall budget of the Authority.

#### **background**

2. Members will be aware of the Council's budget setting process that has developed in recent years. In particular, Members will be aware of:
  - (i) The need to invest in Council priorities as outlined in the Council Plan.
  - (ii) The need to create room for manoeuvre within existing departmental resources in order to fund priorities and service improvements. This has been achieved through exerting continued downward pressure on fixed and unit costs.
  - (iii) The need to invest in the capital infrastructure of both the Council and Wear Valley in pursuance of corporate objectives.
3. This report sets out the department's draft 2007/08 revenue budget including cost improvements. Cost improvement bids have been assessed by an inter-departmental group of Officers who have followed an agreed scoring process. This process takes into account issues such as links to corporate objectives and corporate themes, degree of external funding, impact upon performance etc.

#### **draft 2007/08 revenue budget**

4. The table below shows the draft Corporate Development departmental budget for 2007/08 prior to consideration of service development and cost improvements bids. It has been produced after taking into account the following:
  - (i) Known and anticipated pay awards, based on existing establishment levels.
  - (ii) Increases in contractual payments where appropriate.
  - (iii) Known external funding.

<b>Cost Centre Description</b>	<b>Estimate 2007/08 (£000)</b>
Policy Development	210
Service Improvement Fund	35
Best Value	102
Communications	102
Overview & Scrutiny	40
MSU - General	193
Consultancy	35
Community Planning	48
General Community Safety	54
Crime & Disorder Fund	50
Youth Group	45
<b>Total</b>	<b>914</b>

### cost improvements

5. The following cost improvements are proposed as the departmental contribution to creating scope for priorities as well as improving the efficiency of the department. Each cost improvement is considered in turn.

<b>Scheme</b>	<b>£000</b>	<b>Commentary</b>
Youth Fund	10	Fund will not be utilised in 2006/07 therefore sum offered as saving would still allow planned future projects such as a young peoples newsletter to be implemented within the remaining budget
Simalto	8	Consultation moved from an annual to a bi-ennial exercise
Citizen Satisfaction Survey	3	Discontinue method of consultation and introduce the general satisfaction questionnaire annually as a method of measuring the Council Plan and the balanced scorecard. Method approved by Audit Commission as a robust method of monitoring the Council Plan
Consultation Fees	2	Consultancy fee budget of £4,000 not spent. Anticipated that £2,000 will be used for the production of some strategies and policies but that the remaining £2,000 can be saved
<b>Total</b>	<b>23</b>	

### service development bids

6. The following service development bids are proposed in order to improve the achievement of both departmental and corporate aims and objectives. Each service development bid is considered in turn.

<b>Scheme</b>	<b>£000</b>	<b>Commentary</b>
Monitoring of CCTV in Bishop Auckland and Crook	39	To fund the full costs of monitoring CCTV cameras which are currently monitored 24:7 by Darlington Borough Council
Procurement Officer	35	To mainstream the post currently fixed term part funded by the Authority, Teesdale and North East Centre of Excellence
<b>Total</b>	<b>74</b>	

### conclusions

7. The above proposals represent the Department's anticipated resources for 2007/08. They have been subject to scrutiny by a cross section of the Authority's officers and are considered adequate with which to deliver the Council's priorities. The cost improvements are considered achievable and the revenue bids are considered deliverable.
8. The delivery of the above will be subject to regular monitoring at both Officer and Member level throughout 2007/08.

**RECOMMENDED** that Members approve the cost improvements and service development bids detailed within the report for inclusion in the overall budget of the Authority.

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**Officer responsible for the report**

Gary Ridley  
Strategic Director for Resource  
Management  
Ext 227

**Author of the report**

Gary Ridley  
Strategic Director for Resource  
Management  
Ext 227

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**SPECIAL POLICY & STRATEGIC DEVELOPMENT COMMITTEE**

22 FEBRUARY 2007

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Report of the Chief Executive and Management Team  
**BUDGET 2007/2008**

1. Setting the Councils budget for the forthcoming year is a complex process and in coming to a view, Members will want to take account of a range of factors which bear on the decision. From an initial consideration of the wider context in which the decisions which make up the budget sit, this report presents information upon:-

This paper is in 12 sections as follows:

- Part
- 1 - The context
  - 2 - Council's overall financial position
  - 3 - Council priorities
  - 4 - Cost improvements
  - 5 - Service developments
  - 6 - Public Opinion Research
  - 7 - Capital Programme
  - 8 - Housing Revenue Account
  - 9 - Fees and Charges
  - 10 - Section 151 officer
  - 11 - Council Tax
  - 12 - Recommendations of the Management Team

**part 1 – the context**

2. The challenges which face the Council remain considerable. Yet the Council is better placed to meet and master them than at any time in the recent past.
3. Given our position of ever-improving service performance - we now achieve more government targets at national top quartile performance than ever before, and, have significantly less in the bottom quartile than others – clearly, we are consolidating our ambition of becoming the best district council. Indeed our performance improvement is arguably amongst the best in the county and easily outstrips average performance in a comparator group of authorities. The most recent figures showing this will be presented to Members shortly.
4. In addition, we have developed and agreed detailed strategies in a great number of areas - as recommended by the Audit Commission - which are now forming the bedrock of daily practice. We have better resource management; a clearer focus on our priorities and we manage to allocate hard won additional resources to them; we have delivered more staff and member training; are actively, and purposively, engaged in issues as significant, yet diverse, as equalities and procurement, with positive results, and we have

helped define national best practice in activities like home insulation and benefits services.

5. We remain committed to delivering value for local people's money and continue to press down on operational and fixed costs to release resources for alternative investment and the fruits of this discipline are set out in the accompanying papers. Such measures are now an important part of our annual budget proposals. We are beginning to deliver newer models of community involvement in the management of community assets and in the development of new community assets in partnership with other providers. And we are pushing on with joint service development ideas with other local councils in Durham.
6. Our commitment to job creation and inward investment remains strong and following some disappointing preliminary work, we are finalising an imaginative yet realistic vision of the economic future of the District. And we are attracting financial support from other agencies in delivering it. Our support of the Local Strategic Partnership (of local stakeholders) remains undimmed and we continue to play our active part in the Durham Local Area Agreement (with government on service performance) and other partnership bodies. Further, we are poised to open debate on the introduction of a form of area arrangements to promote and enhance the role of local members as community leaders - as trailed in the recent government white paper.
7. Our most recent customer satisfaction rates are exceptionally pleasing. And most importantly, we are making some headway on social and economic deprivation with Wear Valley now lower in the national index than hitherto.
8. These few examples of success – others could have been selected – do help demonstrate our continued commitment to improvement and quality and constitute a story worth telling.
9. But of course, this is not the only story; the strategic context remains difficult. The reorganisation of local government in Durham has not left the horizon – it's almost a permanent spectre. This will continue to absorb time, consume energy and imagination and diminish capacity for other important tasks. Yet it cannot be ignored and the ambitions Members inject into the Council's budget for next year will need to take cognisance of it. Although the next national government comprehensive spending review (CSR) is likely to be tough, the government's appetite, for passing to local councils new responsibilities to discharge, is not sated. We have recently had changes to licensing legislation and the new Local Development Framework process and no doubt there are others in the pipeline – indeed, as part of the government's public sector modernising agenda, the recent white paper sets out a considerable agenda of challenge, and change, for local government. The new Regional Spatial Strategy (RSS) will have repercussions that will demand attention in the year ahead for which time will have to be available and, of course, during the life of this budget, there will be a new Prime Minister, and a new cabinet, perhaps with altered priorities and new political initiatives.
10. Closer to home, crime, drug abuse, anti-social behaviour, environmental cleanliness, town centre redevelopment, job creation, the Eastgate project and local health remain matters of concern to local people and continue to be

Council priorities. We still need to keep our eyes on population stability, average family income and skill training opportunities.

11. But closer than this is a continuing focus upon the organisational health and capability of the Council. Financial stability has been earned through some important disciplines and sacrifices yet we face considerable financial pressure, from the likely results of implementing the national job evaluation scheme. Capital resources although more plentiful than in the past, need to be used judiciously, if each pound is to deliver maximum value to all citizens, yet, paradoxically, must also be conserved, if it is to make a worthwhile contribution to satisfying future revenue needs and ameliorating the burden of local taxation. Of itself, this sets up some difficult choices.
12. Our best value and other external inspections have provided broadly consistent results, but still require further effort, if we are to accomplish the improved status in the eyes of external inspectors and the Audit Commission that we desire. And we will need resources to continue to meet targets and focus on performance in the proactive and muscular way we have so far if we are to retain, let alone better, our rate of improvement. Nor will we escape the consequences of predictable pressures, like the need for continuing investment in IT and fleet depreciation.
13. So, these aspirations, challenges, influences, contingencies, and pressures taken together provide the context within which the Council has to set its budget for the year ahead and give expression to its political priorities. Keeping the level of local taxation within limits affordable to local people, yet be sufficient to meet public aspirations, has been an abiding Council concern. If the above is the environment within which that concern is set, what follows, are the financial considerations which have a bearing on how you decide the outcome.
14. So there is much for members to think about. To aid the process and draw the threads together your Management Team have :-
  - built a picture of the Council's overall financial position, both revenue and capital (see paras. 15 – 19)
  - reviewed that expenditure against the Council's objectives and performance improvement needs (see table para. 20)
  - Annex A shows General Fund cost improvements, with accompanying narrative. The value of each improvement is shown with a cumulative total. These have been produced in order to create headroom to accommodate service development bids.
  - Annex B shows General Fund service development bids. These are in ranked order and show the value of each bid and a cumulative total. Annex B also includes accompanying narrative for each bid.
  - Annex C shows departmental proposed fees and charges. In general fees and charges have increased by approximately 5% overall. Within the detailed make up of Annex C you will notice that some fees and charges have increased by more than 5% and some less.

- Annex D shows all capital schemes, for Members consideration. The Annex shows three-year figures for each scheme where appropriate. Cumulative figures are also shown as well as accompanying narrative.
- Annex E shows Housing Revenue Account service development bids. Again, the value of each bid is shown as well as a cumulative total and accompanying narrative.
- taken into account the results of public opinion research commissioned to uncover residents views upon budget choices (see paras 27 – 29)
- reviewed potential Council Tax levels (see paras. 49 – 52)

and have formulated recommendations accordingly.

## part 2 - council's overall financial position

15. The Council's Medium Term Financial Plan sets out its overall financial position after taking into account local and national priorities. It is reviewed annually and provides the context for setting the budget. Individual budgets are linked to the strategy and the key messages contained within the strategy are included below. The overall spending plans, projected over a 3 year period, of the General Fund are as follows:

	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Spending	12.14	12.43	12.81
Less: R.S.G./NNDR	7.44	7.74	8.05
Council Tax	<u>4.21</u>	<u>4.33</u>	<u>4.46</u>
	11.65	12.07	12.51
Funded from reserves	<u>0.49</u>	<u>0.36</u>	<u>0.30</u>

16. The overall spending plans, projected over a 3 year period, of the HRA are as follows:

	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Spending	11.41	11.80	12.26
Less: Income	11.41	11.60	11.85
Funded from reserves	-	<u>0.20</u>	<u>0.41</u>

17. This will leave a working balance of £0.85m within the General Fund and £1.5m in the HRA respectively by 31 March 2008. This level of working balances are considered adequate and this issue is considered further in part 10. The 2007/08 budgets for the General Fund and HRA are balanced and takes into account cost pressures and the impact upon council tax and housing rents.

18. The Council has put considerable push behind measures to improve costs and the fruits of this are reflected in this budget. This downward pressure on costs is starting to become our standard operating practice.

19. There are a number of financial pressures likely to arise in 2008/9 and beyond. These include: the impact of job evaluation upon the salary budget, the impact of establishing an Arms Length Management Organisation (ALMO) for the housing stock, additional employers contributions to meet shortfalls in the pension fund following the triennial actuarial review, mainstreaming of grant aided expenditure and the impact of new legislation. Against this the Government will continue to set targets under the Gershon agenda which will require the Council to improve its cost effectiveness by a minimum 2.5% per year. This will represent a challenge in terms of ensuring that the Authority delivers on efficiency promises made as such promises would be subject to external scrutiny. To meet the above challenge, the Authority must continue to find cost improvements as well as focusing on its priorities. This will in part be achieved by the continued development of three-year rolling budget forecasts to allow the Authority to plan ahead more effectively.

### **part 3 – council priorities**

20. If this budget is to reflect the Council's ambitions and find the resources needed to attack local problems, respond to citizens wishes, improve performance and progress our CPA score, it must concentrate resources on our priorities and give lesser prominence to expenditures which are not our priorities. Following on from the aspirations of the LSP, the Council has adopted a set of corporate objectives to guide its priority setting and resource allocation processes. These are:

- *The Council will use its statutory powers, resources and influence to help create a balanced, vibrant and growing population, across the whole of Wear Valley District.*
- *The Council will enable the development of a continuously improving economic infrastructure and environment in Wear Valley.*
- *The Council will use its services to help improve the health and well being of Wear Valley residents and promote healthy lifestyles.*
- *The Council will design its services to increase community safety and crime prevention and work closely with key partners to improve crime reduction.*
- *The Council will aim to secure new public and private investment to improve the built and natural environment.*
- *The Council will encourage the development of continuous lifelong learning in Wear Valley.*

On this basis we have reviewed current spending patterns and the following table summarises the Authority's spending against the objectives set out above and for comparative purposes some other factors too:-



	General Fund %	H.R.A. %	External Funds e.g. NRF
Population	13%	9%	17%
Economy	6%	18%	35%
Health	27%	18%	6%
Crime	10%	9%	20%
Environment	26%	46%	16%
Learning	4%	-	6%
Statutory #	14%	-	-
Total	100%	100%	100%

# Statutory includes statutory service provision e.g. council tax collection.

#### **part 4 – cost improvements**

21. One of the principal goals of this year's process has again been to import greater flexibility in the deployment of the Council's scarce revenue and capital resources, and to create greater opportunities for choice between different options for spend. To give effect to this Departments have engaged in an exhaustive reassessment of their current expenditure profile. The results of this analysis have been used to generate a schedule of cost improvements across all departments.
22. These proposals are set out in Annex A (green paper) totalling £0.43m along with accompanying narrative.
23. The proposed cost improvements relate to expenditure patterns which are of lesser significance in terms of the achievement of corporate objectives.

#### **part 5 – service developments**

24. The essence of progress is change. All departmental and service development plans can be seen essentially as action to bring about certain service aspirations. Clearly these aspirations (and those of Members) will always exceed the resources available. This is normal and appropriate. Taken together these aspirations sum up to the Council's plans for the future. They thus form an important element in formulating the Council's budget.
25. All departments were therefore requested to put forward bids for resources to fund service development. To achieve this a scoring system was devised to rank all cost improvements and service development bids. The system allocated points (0 to 5) against the specific criteria viz:-

Criteria	Weighting
1. Is the bid a legal requirement?	2
2. Will it improve performance as measured by national performance indicators?	3
3. Does the bid create additional income?	1
4. Does the bid lever additional funding for the Authority?	1
5. What is the citizen demand/need for the proposed expenditure?	2
6. How much will it reduce social exclusion and deprivation?	2
7. Does the bid represent or improve value for money?	4
8. How much will it advance the achievement of corporate objectives and support the Council Plan?	5
9. How much does the bid support the Council's corporate values?	4

26. The result is Annex B (blue paper) which shows the service development bids proposed for inclusion in the budget, ranked in this order. They total £0.37m. Annex B also provides an accompanying narrative for each service development bid.

#### **part 6 – public opinion research**

27. The kernel of the Council's long term ambition is to better respond to the needs and wants of local people. This is also one of the main planks of the government's modernisation programme for the public sector. Members will recall the public consultation exercise in January 2003 and its subsequent impact on the 2003/04 budget e.g. 0% increase in council tax, creation of youth and crime funds etc. Further research (SIMALTO) was carried out in July/August 2006 and the results are as follows:

##### Public Spending Preferences:

- Street cleansing
- Youth activities
- Waste recycling
- Handyman Service
- Anti Social Behaviour.

28. The service development bids and capital programme proposals seek to respond to the above citizen wishes.
29. In relation to Council Tax, 50% of residents were prepared to opt for a council tax rise to achieve their personal allocations.

#### **part 7 – capital programme**

30. The estimated level of capital resources available to be used for 2007/08 is £5.88m. This includes £4.0m of ongoing commitments from 2006/07. Prudential indicators of affordability have been considered when developing the capital programme. This is discussed in more detail in part 10.

31. However, there remain insufficient capital resources to do all that Members would wish and a process of rationing is required. Again we propose that this be done on the basis of a scoring system as follows:

<b>SCORE (1-5)</b>	<b>WEIGHTING</b>
Does scheme relate to corporate objectives?	2
Does scheme support priorities set out in the Council Plan?	2
Can scheme be deferred without affecting the existing service or its development?	1
Does scheme satisfy customer/citizen demand?	1.5
Does the Authority have a legal obligation for the scheme to progress?	2
Does the scheme contribute to the health & safety of public & staff?	0.5
Does the scheme contribute to effective asset management within the Authority?	1
Does the scheme generate future revenue receipts/savings?	1
Does the scheme generate future capital receipts?	1
Does scheme promote partnership working?	1
Is scheme sustainable in terms of ongoing revenue costs?	2
Is the scheme partially externally funded?	1.5
Adequacy of staff and resources available to deliver the project?	1

32. Annex D (lilac paper) shows the proposed capital programme for both housing and non-housing. The funding of the proposed capital programme is set out below:

	2007/08	2008/09	2009/10
	£m	£m	£m
spend	5.9	6.0	5.3
Financed by:			
Borrowing	0.8	0.8	0.8
Grants	2.8	2.8	2.8
Capital receipts	1.7	2.4	1.7
Other	0.6	-	-
Total	5.9	6.0	5.3

### **part 8 – housing revenue account (HRA)**

33. A report on the issues relating to the Housing Revenue Account is attached at Annex F (white paper).
34. Members will be aware of the extensive improvement programme that the Housing Services Committee and Housing Services Department have been delivering since the Best Value Housing Inspection. For the purpose of this budget however three issues require consideration:-
- (i) the level of the Council's rent.
  - (ii) the need to agree service development bids necessary to move the service further forward.

- (iii) setting an appropriate level for HRA balances.

These decisions need to be taken within the context of the financial regime governing our involvement in the local housing market. Members should note that the detailed budgets relating to the functions which have been delegated to Dale and Valley Homes are separate to the HRA.

36. The main proposals for the Housing Revenue Account are as follows:
- (i) Average rent increase of 5.0%, in line with Government predictions.
  - (ii) Service development of £0.03m as outlined in the report and Annex E. (salmon paper).
  - (iii) To increase the working balance to a minimum £1.50m in the HRA by 31 March 2008.

### **part 9 – fees and charges**

37. Annex C (white paper) shows the proposed fees and charges for 2007/08.
38. This annex takes into account:-
- (i) the Audit Commission report “The Price is Right” which states it’s underlying principles as:
    - (a) all fees and charges should aim to cover the full cost of the service (including a share of central costs and a forecast for the effects of inflation) except where the Council determines that the level of charges shall be varied in line with specific factors.
    - (b) wherever possible, people on low incomes should be charged less to counter the regressive nature of local taxation.
    - (c) where charges are not made for a service, or are reduced from full cost recovery level, the reasons should be reconsidered as part of the annual review to ensure that they remain valid and that significant income is not being forgone.
  - (ii) prevailing inflation levels.
  - (iii) the need to generate additional revenue income.
39. Essentially, in doing so, the annex sets out a comprehensive range of changes to fees and charges to be levied by the Council.

### **part 10 – section 151 officer**

41. The Local Government Act 2003 places certain new responsibilities upon the Authority with respect to the setting of the 2007/08 budget. This section of the budget report outlines those responsibilities and makes recommendations for Member approval.

42. Part 1 of the Act relates to capital finance and requires the Authority to have regard to the Prudential Code for Capital Finance in Local Authorities, produced by the Chartered Institute of Public Finance and Accountancy. This code requires the Authority to produce and monitor various indicators relating to capital finance. Affordability indicators, which cover a 3 year period are set out below:

(i) Estimated Capital Finance Costs as % of Net Revenue Stream

	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
	<b>%</b>	<b>%</b>	<b>%</b>
General Fund	1.4	0.9	0.5
Housing Revenue Account	15.2	14.9	14.6

(ii) Estimated Incremental Impact of Capital Investment

	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Rent	50.66	50.66	50.66
Council Tax	201.80	201.80	201.80

(iii) Estimated Capital Expenditure

	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
General Fund	2.74	2.26	1.91
Housing Revenue Account	3.14	3.72	3.43

(iv) Estimated Capital Financing Requirement

	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
General Fund	12.73	12.23	11.73
Housing Revenue Account	30.54	30.94	31.34

(v) Authorised Limit

	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Overall	68	70	72

(vi) Operational Boundary

	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Overall	66	68	70

43. The Authority will monitor these indicators and report any contraventions to the Central Resources Committee as appropriate along with any necessary remedial actions.

44. In addition to the above the following indicators of prudence are required:

(i) Compliance with CIPFA Code of Practice on Treasury Management

The Authority has adopted and complies with the above Code.

(ii) Interest Rate Exposures

	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
The upper limit on fixed interest rate exposure is	65	67	70
The upper limit on variable interest rate exposure is	15	15	15

(iii) Maturity Structure of Borrowing

	<b>% (Upper)</b>	<b>% (Lower)</b>
Under 12 months	25	0
12 months within 24 months	25	0
24 months within 5 years	40	0
5 years within 10 years	40	0
10 years and above	65	0

45. Part 2 of the Act relates to the financial management of the Authority. This covers balances/reserves and the robustness of the budget as outlined below.

(i) Balances/Reserves (Section 26)

The Authority has previously considered guidance issued by the Chartered Institute of Public and Accountancy in relation to balances/reserves.

When setting the 2007/08 budget, the Authority has considered its level of balances/reserves and the following working balances will be maintained:

	<b>£m</b>
General Fund	0.85
HRA	1.50

These levels are considered adequate given the funds overall levels of expenditure, within the General Fund and Housing Revenue Account, previous budget outturns and operational and financial risks facing the Authority. The Authority will monitor the above balances and report any contraventions.

The following reserves/provisions are also planned to be held during 2007/08, along with the following planned additions/withdrawals. These reserves are based on an understanding of risks and needs facing the Authority and the opportunity cost of holding such reserves i.e. the estimated levels of reserves held generate an income stream for the Authority which is used to support the budget which is considered

against need to spend such resources in pursuit of corporate aims and objectives.

<b><u>Reserve</u></b>	<b>Estimated balance at 31.03.08 £000</b>	<b>Comment</b>
Asset Management Reserve	100	This is expected to be used in improving the Council's property portfolio.
DSO Relocation	50	This was set up as a general reserve in the event of depot relocation.
E-Government/IT	300	This is to assist in the implementation of e-government. An estimated £40,000 of this reserve will be used during 2007/08 as the Authority's contribution to the County Durham E-government Partnership and £50,000 to fund the replacement of hardware
Disability Discrimination Act	100	This will assist in meeting the requirements of the Disability Discrimination Act 1995. An estimated £50,000 of this reserve will be used up during 2007/08 in terms of improvements to assets, staff training etc.
In-house Training	82	This is a general reserve for staff development
Risk Management	40	This is to assist in taking the risk management agenda/strategy forward
Budget Support Fund	430	General provision for future service commitment
Economic Development Fund	154	This reserve is to be used to meet the corporate objective of improving the local economy
Youth Fund	47	This reserve is to be used for engaging with and providing activities for young people
Service Improvement Fund	83	This reserve is to support projects that will improve the delivery of services
Community Fund	25	This reserve is to support the activities of local organisations and community groups
Lifelong Learning	20	This reserve is to be used to meet the corporate objective of encouraging lifelong learning
Health Initiatives	27	This reserve is to be used to meet the corporate objective of improving health and well being
Single Housing Investment Pot (SHIP)	50	£50,000 will be used in 2007/08 to finance the debt charges arising from expenditure funded by the SHIP programme
Local Development Framework	70	To assist in funding the cost of compiling, publicising and implementing the Local Development Framework

<u>Reserve</u>	<b>Estimated balance at 31.03.08 £000</b>	<b>Comment</b>
Best Value	10	To fund activities that support the best value agenda

(i) Robustness of Budget (Section 25)

The 2007/08 budget has been produced after taking into account:

- (a) The effect of likely pay/price inflation.
- (b) Potential changes in external investment rates and estimated investment levels.
- (c) Potential changes in the rates of new borrowing/re-financing of existing loans.
- (d) The achievability of service reduction proposals included in the budget.
- (e) The achievability of fees and charges income.
- (f) The buoyancy of housing rents and council tax income levels.
- (g) The level of reserves available to support spending.
- (h) The achievability of cost improvements.
- (i) The impact of pension fund contributions.
- (j) Changes on the levels of ring-fenced grant funding to support service provision.

46. The above factors have been included in the 2007/08 budget based on the most likely scenario. In relation to future years, the impact of the comprehensive spending review, three year grant settlements and nationally set efficiency targets will all impact upon the robustness of the Council's financial position.
47. In addition to the above, further work has been undertaken to match resource allocation to policy/strategy outcomes. In particular, service development bids have been closely aligned to corporate and service priorities. Similarly, service cost improvements seek to move resources away from lower priority areas.
48. In relation to budgetary control, the introduction of the new Financial Management System has streamlined and improved the budgetary control process. Key volatile budgets will continue to be monitored by Management Team on a monthly basis. In addition to this, Members will continue to receive quarterly reports on the current year's revenue and capital budget.

**part 11 – council tax**



49. 2007/08 is the second year of a new system of distributing grant to local authorities. The system is designed to reflect the relative needs of individual authorities, the ability of each authority to raise income locally through council tax and recognition that there is a disproportionate financial burden falling upon smaller authorities in the provision of services.
50. The proposed levels of Council Tax to be set by precepting authorities have still to be notified to the Council. These will be received before the 26 February 2007 and the relevant information circulated at the meeting.
51. Drawing these matters together in terms of the collection of local council tax this means:-

(i) Wear Valley District Council:

	£
Net Expenditure	11,952,712
Less Applied from reserves	497,773
<b>= Wear Valley Budget requirement</b>	<b>11,454,939</b>
 Add Special Items (Parish Precepts)	 191,774
 Less - Total External Support	 7,441,241
Less - Estimated Surplus on Collection Fund	<u>60,000</u>
 <b>Wear Valley District Council Precept (Including Special Items)</b>	 <b>4,145,472</b>

(ii) The calculation of the Council Tax at Band 'D' excluding Special Items is:

	£ p
Durham County Council	to follow
Durham Police Authority	to follow
County Durham & Darlington Fire & Rescue Authority	to follow
Wear Valley District Council	3,953,698
 Divided by Tax Base	 19,592.16
 Band D Tax =	 £ to follow

52. This will lead to a surplus of £401,150 on the collection fund to be distributed as follows:-

	£
Wear Valley District Council	60,000
Durham County Council	288,175
Durham Police Authority	30,026
County Durham & Darlington Fire & Rescue Authority	22,949

**part 12 – recommendations of the management team with the endorsement of the Leader and Chairs of Committees**

53. Members are recommended as follows:-

- (i) that the cost improvements set out in Annex A be approved and implemented.
- (ii) that the service developments set out in Annex B and E be approved and funded.
- (iii) that the fees and charges as outlined in Annex C be approved.
- (iv) that the Capital Programme as outlined in Annex D be approved.
- (v) that a formal decision be taken confirming the Council's agreement to apply for planning permission under the Town and Country Planning General Regulations 4, where appropriate, for any item requiring such permission, which is included in the Capital Programme or revenue estimates.
- (vi) that business rate relief continues to be granted for 2007/08 in accordance with current policy.
- (vii) that the prudential indicators at part 10 of the report (i) to (vi) be approved. Any change in the predicted levels will need further authorisation.
- (viii) that Members endorse a rent increase of 5% together with the service development improvements and HRA balances set out in Annex F.
- (ix) that the Council levy a 2.4% increase in council tax for the year 2007/08.
- (x) that as a result of (i) to (ix) above that Council Tax for each Band and within each Parish/area be as set out at Annex G (to follow).

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**Officers responsible for the report**  
Iain Phillips and Management Team

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**Authors of the report**  
Iain Phillips and Gary Ridley

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**COST IMPROVEMENT BIDS 2007/08 BUDGET**

Ref.	Description	Department	Value (£)	Cumulative (£)	Narrative
1	Citizen Satisfaction Survey	MSU	3,000	3,000	Discontinue annual door-step citizen satisfaction survey. Reliance can be placed upon the general postal satisfaction questionnaire issued annually as a method of measuring the Council Plan and the balanced scorecard. This method is approved by the Audit Commission as a robust method for monitoring the Council Plan and still enables customer satisfaction levels to be obtained.
2	Policy & Development consultation Fees	MSU	2,000	5,000	Consultancy fee budget of £4,000 not spent. Anticipated that £2,000 will be used for the production of some strategies and policies but that the remaining £2,000 can be saved
3	Various	Central Resources	103,520	108,520	Various savings such as: reduced external consultancy fees, savings on running costs of the telephone system, staffing reductions reflecting increased part time working, changes to the regulations on rate relief, software licences etc.
4	Youth Fund	MSU	10,000	118,520	Fund will not be fully utilised in 06/07 therefore sum offered as saving would still allow planned future projects such as a young people's newsletter to be implemented within the remaining budget
5	Recycling	Community Services	50,000	168,520	Purchase of 30,000 wheeled bins from the Council's capital fund over 2 years to introduce a twin bin system of collection will allow a streamlining of the recycling service
6	Reduce Grass Cuts to 12	Community Services	15,000	183,520	Budget consultation (Simalto) indicated that a majority of residents support this proposal
7	Increase leisure charges by further 10%	Community Services	20,000	203,520	Budget consultation (Simalto) indicated that a majority of residents support this proposal
8	Reduction in maintenance of closed churchyards	Community Services	12,000	215,520	Budget consultation (Simalto) indicated that a majority of residents support this proposal. This would reduce the current cycle from 6 cuts per year to dealing with health and safety issues only
9	Replacement Seats	Community Services	3,300	218,820	Council owns approximately 300 seats in the District. Bid covers replacement of damaged/unrepairable seats with new.
10	Simalto	MSU	8,000	226,820	Budget consultation to become a biennial rather than annual exercise
11	Grants and Contributions	Community Services	40,000	266,820	Annual contributions to Bishop Barrington & Wolsingham Schools Sports Hall for facility hire (£20,000 each),
12	Sports Development	Community Services	2,000	268,820	Commitment of £4,000 to Durham Sport as partnership funding. Contributes to all of the partnership work to increase participation in sport and physical activity to improve health and reduce health inequalities. The Council benefit in a number of ways i.e. child protection policy, Clubmark, Equality Standards etc.
13	Homeline	Housing	90,000	358,820	Saving achievable through the transfer of the Homeline service to Sedgefield BC
14	Capitalisation of Econ Dev Fund	Regeneration	30,000	388,820	Contingency available to support economic development in the district
15	Regeneration IT Provision	Regeneration	14,000	402,820	Budget no longer required
16	Durham Dales Cont.	Regeneration	3,000	405,820	Saving possible through negotiation with DCC
17	Home Improvement Agency	Regeneration	3,000	408,820	Contribution could decrease due to joint working with Sedgefield BC.
18	Ending of Coundon SRI	Regeneration	24,610	433,430	Project ceases on 31st March 2007.
	<b>Total</b>		<b>433,430</b>		

ANNEX A

**GENERAL FUND SERVICE DEVELOPMENT BIDS 2007/08 BUDGET**

Ref.	Description	Department	Value (£)	Cumulative (£)	Narrative
1	Handyman (contribution to Age Concern)	Corporate	12,500	12,500	To respond to the results of Simalto
2	Drugs / Disorder	Corporate	37,500	50,000	To respond to the results of Simalto. Precise spending plans yet to be developed.
3	2 Street Wardens (50% charged to HRA)	Housing	25,000	75,000	To employ 2 additional street wardens in response to the results from Simalto.
4	Street Cleansing - Mobile Jetting Unit	Community Services	20,000	95,000	Liveability funding used to purchase a purpose built mobile facility that will include a high pressure washer for removal of graffiti, chewing gum and other unsightly stains from footpaths and fly posting on walls and posts. To provide oil, fuel and chemicals to be used in the operation of this machine and any repairs and maintenance together with specialist safety equipment.
5	Street Cleansing - Street Sweeper/Scrubber	Community Services	20,000	115,000	Liveability funding used to purchase a footpath sweeper/scrubbers for washing and sweeping all paths thus improving the profile and environment of all areas. To provide oil, fuel and chemicals to be used in the operation of this machine and any repairs and maintenance
6	Cont. to post of Durham Housing Market Director	Housing	11,187	126,187	To establish joint funding of a Housing Market Director with all Durham districts to ensure a strategic approach to developing and responding to regional housing issues and concerns
7	Community Physical Activity Co-ordinators	Community Services	57,054	183,241	To secure funding for 2 CPACs to encourage young people to become more involved in physical activity/exercise and to undertake relevant training
8	Mainstream Physical Activity Development Officer post	Community Services	28,125	211,366	Post currently funded by the Big Lottery Healthy Living Centre funding. Mainstreaming of this post would allow a continuation of the expansion of the Exercise Referral/Cardiac Rehabilitation scheme
9	Monitoring of CCTV in Bishop Auckland and Crook	MSU	39,000	250,366	To fund the full costs of monitoring CCTV cameras which are currently monitored 24:7 by Darlington BC
10	Apprentices	Community Services	20,000	270,366	To mainstream 4 apprentices to allow the authority to offer local young people the opportunity to become involved in front line services and the chance to gain employment or progression to other careers
11	Repairs to Grounds Allotments	Community Services	19,000	289,366	To bring allotments up to an acceptable standard as current budget falls short of even the most essential repairs
12	Procurement Officer	MSU	35,000	324,366	To mainstream the post currently fixed term part funded by the Authority, Teesdale and North East Centre of Excellence
13	Landlord Accreditation and Empty Property Officer	Community Services	36,831	361,197	To focus on bringing empty properties back into use as WV currently has the highest empty property rate in County Durham
14	Critical Tree Works	Community Services	10,000	371,197	To carry forward the survey on all trees in Council ownership and to maintain and manage its tree stock appropriately
	<b>Total</b>		<b>371,197</b>		

ANNEX B.

Community Services DepartmentProposed Fees and Charges 2008/2009

## ALLOTMENT GARDEN CHARGES

Service Area	Current Charge 2007/2008	Proposed Charge 2007/2008	Percentage Increase
Gross Charges per 250.85 sq metres	£36.75	£41.14	12%
Water per 250.84 sq. metres (reduction if not provided)	£7.15	£8.58	20%
Allotments - authorised use as garage site	£60.00	£60.00	0%
Use of land for housing animals or birds only (per sq metre)	£0.30	£0.33	10%

Increases due to water rates increase.

Community Department

Proposed Fees and Charges 2007/2008

**CEMETERY CHARGES**

Service Area	Current Charge 2006/2007	Proposed Charge 2007/2008
<b>INTERMENTS (including all charges for labour)</b>		
Stillborn/child up to 1 year old	FREE	FREE
Child between 1 and 16 years of age	£83.00	£83.00
A person whose age at the time of death exceeded 16 years - double depth	£100.00	£100.00
A person whose age at the time of death exceeded 16 years	£435.00	£435.00
Burial of cremated remains	£98.00	£98.00
<b>EXCLUSIVE RIGHT OF BURIAL</b>		
8 ft. x 3 ft.	£150.00	£150.00
8 ft. x 3 ft. with choice of ground	£158.00	£158.00
<b>MEMORIALS</b>		
Deed - right to erect:		
Flat Stone, Headstone, Re-position Headstone, Wooden Cross (less than 3ft.), Vase (8in. X 8 in. x 10 in. or larger)	£87.00	£87.00
Additional inscription	£39.00	£39.00
<b>OTHER CHARGES</b>		
Search fee	£11.00	£11.00
Certified Copy of Entry	£11.00	£11.00
<b>NON-RESIDENTS</b>		
Stillborn/child up to 1 year old	FREE	FREE
Child between 1 and 16 years of age	£166.00	£166.00
A person whose age at the time of death exceeded 16 years - double depth	£200.00	£200.00
Interment of a person whose age at the time of death exceeded 16 years	£900.00	£900.00
Burial of cremated remains	£196.00	£196.00
Exclusive Right - 8 ft. x 3 ft.	£300.00	£300.00
Flat Stone, Headstone, Re-position Headstone, Wooden Cross (less than 3ft.), Vase (8in. X 8 in. x 10 in. or larger)	£200.00	£200.00
Additional inscription	£78.00	£78.00

Community Services Department

Proposed Fees and Charges 2007/2008

**BISHOP AUCKLAND TOWN HALL**

<b>Service Area</b>	<b>Current Charge 2006/2007</b>	<b>Proposed Charge 2007/2008</b>	<b>Percentage Increase</b>
<b>EDEN THEATRE</b>			
General Room Hire - Per Hour	£17.00	£20.00	17.65%
Commercial Room Hire - Per Hour	£34.00	£40.00	17.65%
Conference Hire - Per Hour	£24.00	£25.00	4.17%
Commercial Sales (0900 to 1700)	£240.00	£250.00	4.17%
All Day Wedding	£60.00	£120.00	100.00%
Damage Deposit - Per Booking	£55.00	£55.00	0.00%
<b>LAUREL ROOM, ELGAR ROOM GALLERY</b>			
General Room Hire - Per Hour	£12.00	£13.00	8.33%
Commercial Room Hire - Per Hour	£26.00	£26.00	0.00%
Conference Hire - Per Hour	£17.00	£18.00	5.88%
Commercial Sales (0900 to 1700)	£160.00	£160.00	0.00%
<b>REGISTERED USERS MEMBERSHIP SCHEME</b>			
All Areas - per annum	£80.00	£80.00	0.00%
Elgar Room, Laurel Room only - per annum	£50.00	£50.00	0.00%

Community Services Department

Proposed Fees and Charges 2007/2008

STANHOPE TOWN HALL

Service Area	Current Charge 2006/2007	Proposed Charge 2007/2008	Percentage Increase
<b>ROOM HIRE</b>			
Meeting Room	£4.00	<b>£4.50</b>	12.50%
Function Room	£4.00	<b>£4.50</b>	12.50%
Commercial Hire - Function Room	£6.00	<b>£7.00</b>	16.67%



Community Services Department

Fees and Charges 2007/2008

LEISURE COMPLEXES

Service Area	Current Charge 2006/2007		Proposed Charge 2007/2008		Percentage Increase	
	Normal	Concession	Normal	Concession	Normal	Concession
<b>FITNESS ACTIVITIES / SESSIONS</b>						
Cardiac Rehab	£2.40	£1.40	Discontinued Price			
G P Referral Course	£2.40	£1.40	£2.60	£1.50	8.33%	7.14%
G P Referral/Cardiac Rehab Graduate Session	£2.50	£1.50	£2.70	£1.70	8.00%	13.33%
Fit Test	£12.00	£12.00	£12.00	£12.00	0.00%	0.00%
Visions Casual Use	£4.80	£3.60	£5.00	£4.00	4.17%	11.11%
Visions Weekday Members - Evening/Weekend Use	£2.40	£1.40	£2.50	£1.50	4.17%	7.14%
Adult Exercise to Music	£3.40	£1.90	£3.70	£2.10	8.82%	10.53%
Junior Exercise to Music	£1.90	£1.90	n/a	£2.10		10.53%
Kick Exercise to Music	£2.40	£1.40	£2.60	£1.60	8.33%	14.29%
<b>VISIONS MEMBERSHIP</b>						
Single Membership Weekdays	£198.00	£150.00	£216.00	£159.00	9.09%	6.00%
Renewal Single Membership Weekdays	£192.00	£144.00	£198.00	£150.00	3.13%	4.17%
Single Membership	£297.00	£198.00	£318.00	£216.00	7.07%	9.09%
Renewal Single Membership	£288.00	£186.00	£297.00	£198.00	3.13%	6.45%
Joint Membership	£546.00	£360.00	£594.00	£396.00	8.79%	10.00%
Renewal Joint Membership	£522.00	£336.00	£546.00	£360.00	4.60%	7.14%
Family Membership	£816.00	£540.00	£912.00	£612.00	11.76%	13.33%
Renewal Family Membership	£792.00	£504.00	£816.00	£540.00	3.03%	7.14%
Students Summer Membership	£78.00	£78.00	£85.00	£85.00	8.97%	8.97%
4 wk Membership	£32.00	£26.00	£35.00	£29.00	9.38%	11.54%
6 wk Membership	£38.00	£38.00	£42.00	£38.00	10.53%	0.00%
Half Year Membership	£198.00	£198.00	£216.00	£159.00	9.09%	-19.70%
Graduate Membership	£150.00	£114.00	£162.00	£126.00	8.00%	10.53%
Lunchtime Staff Membership (per month)	£10.00	£10.00	£11.00	n/a	10.00%	
All Day Staff Membership (per month)	£19.50	£19.50	£22.00	n/a	12.82%	
Visions Consultations	£10.00	£5.00	£11.00	£5.50	10.00%	10.00%
Renewal Single Deposit	£25.00	£20.00	Discontinued			
Renewal Joint Deposit	£40.00	£40.00	Discontinued			
<b>WEAR FIT CLUB</b>						
Adult District	£9.50	£9.50	£10.50	n/a	10.53%	
Adult Non District	£11.50	£11.50	£12.50	n/a	8.70%	
Adult Concession Non District	£6.50	£6.50	£7.00	n/a	7.69%	
Junior District	£5.50	£5.50	£6.00	n/a	9.09%	
Junior Non District	£6.50	£6.50	£7.00	n/a	7.69%	
Family District	£23.00	£23.00	£25.00	n/a	8.70%	
Family Non District	£27.00	£27.00	£30.00	n/a	11.11%	
Company	£95.00	£95.00	£105.00	n/a	10.53%	
Company Extra	£5.80	£5.80	£6.50	n/a	12.07%	
School/College	£2.80	£2.80	£3.00	n/a	7.14%	
Adult Supplement	£1.10	£0.60	£1.10	£0.60	0.00%	0.00%
Junior Supplement	£0.60	£0.60	£0.60	£0.60	0.00%	0.00%
Kick Membership	£30.00	£19.00	Discontinued			
Replacement Card	£3.00	£2.00	£3.00	£3.00	0.00%	50.00%
<b>GENERAL ACTIVITIES</b>						
Spectator	£1.10	£0.60	£1.10	£0.60	0.00%	0.00%
Fifty Plus Session	£2.40	£1.40	£2.60	£1.50	8.33%	7.14%
Ladies Session	£2.40	£1.40	£2.60	£1.50	8.33%	7.14%
Table Tennis	£3.50	£1.90	£4.00	£2.00	14.29%	5.26%
Soft Play Party	£42.00	£42.00	£42.00	£42.00	0.00%	0.00%
Flume Party	£35.00	£35.00	Discontinued			
Small Pool Party	£35.00	£35.00	£42.00	£42.00	20.00%	20.00%
Creche	£2.10	£2.10	£2.40	£2.40	14.29%	14.29%
<b>SAUNA</b>						
Sauna Session	£3.40	£1.90	£3.70	£2.10	8.82%	10.53%
Sauna Promotion	£2.40	£1.50	Discontinued			

Service Area	Current Charge 2006/2007		Proposed Charge 2007/2008		Percentage Increase	
	Normal	Concession	Normal	Concession	Normal	Concession
<b>SQUASH</b>						
Squash Court	£5.30	£2.60	£6.00	£3.00	13.21%	15.38%
<b>SUNBEDS</b>						
Sunshower Session	£4.70	£4.70	£4.70	£4.70	0.00%	0.00%
Sunshower Half Session	£2.60	£2.60	£2.60	£2.60	0.00%	0.00%
<b>SWIMMING</b>						
Adult Swim	£2.10	£1.10	£2.40	£1.20	14.29%	9.09%
Junior Swim	£1.10	£1.10	£1.20	£1.20	9.09%	9.09%
Swim Promotion	£1.60	£0.80	Discontinued			
Holiday Swim	£1.10	£1.10	£1.20	£1.20	9.09%	9.09%
Family Swim	£5.00	£3.00	£5.50	£3.30	10.00%	10.00%
Mother and Baby Session	£2.10	£1.10	£2.40	£1.20	14.29%	9.09%
Mother and Baby - Additional Child	£1.10	£0.60	£1.20	£1.20	9.09%	100.00%
Cardiac Rehab/Exercise Referral Swim	£2.10	£1.10	£2.40	£1.20	14.29%	9.09%
<b>SWIMMING INSTRUCTION</b>						
Swim Instruction Junior (per week)	£3.55	£3.55	£3.60	£3.60	1.41%	1.41%
Swim Instruction Adult (per week) - WCLC (1/2 hr)	£4.20	£2.70	£4.60	£3.00	9.52%	11.11%
Swim Instruction Adult (per week) - GLC (3/4 hr)	£6.25	£4.00	£6.90	£4.50	10.40%	12.50%
Swim Instruction Private (1)	£13.00	£13.00	£14.50	£14.50	11.54%	11.54%
Swim Instruction Private (2)	£17.00	£17.00	£18.70	£18.70	10.00%	10.00%
Swim Instruction Private (3)	£21.00	£21.00	£23.20	£23.20	10.48%	10.48%
Swim Instruction Private (4)	£25.00	£25.00	£28.00	£28.00	12.00%	12.00%
<b>POOL / ROOM HIRE</b>						
Pool Hire 1/2 hr	£13.00	£13.00	£15.00	n/a	15.38%	
Pool Hire 1 hr	£26.00	£26.00	£30.00	n/a	15.38%	
GLC Commercial Rate - Group Hire	£78.00	£78.00	£90.00	n/a	15.38%	
WCLC Commercial Rate - Group Hire	£95.00	£95.00	£110.00	n/a	15.79%	
Meeting Room Hire (WCLC)	£12.00	£12.00	£14.00	n/a	16.67%	

**Community Services Department**

**Proposed Fees and Charges 2007/2008**

**OUTDOOR LEISURE**

Service Area	Current Charge 2005/2006		Proposed Charge 2007/2008		Percentage Increase	
	Normal	Concession	Normal	Concession	Normal	Concession
<b>OUTDOOR ACTIVITIES</b>						
Bowls	£2.10	£1.10	£2.30	£1.20	9.52%	9.09%
Bowls Competition	£0.90	£0.90	£1.00	£1.00	11.11%	11.11%
Bowls Season Ticket - Non Resident	£42.00	£42.00	£46.50	£46.00	10.71%	9.52%
Bowls Season Ticket - Resident	£38.00	£38.00	£42.00	£42.00	10.53%	10.53%
Bowls Hire	£0.60		£0.70		16.67%	
Cricket Pitch	£42.00		£46.00		9.52%	
Cricket Pitch - Season - Hunwick	£190.00		£210.00		10.53%	
Cricket Pitch - Season - Leeholme	£405.00		£445.00		9.88%	
Football Pitch - Class 1 - Non District Per Season	£390.00		£430.00		10.26%	
Football Pitch - Class 1 - Per Match	£40.00		£45.00		12.50%	
Football Pitch - Class 1 - Per Season	£305.00		£335.00		9.84%	
Football Pitch - Class 3 - Non District Per Season	£200.00		£220.00		10.00%	
Football Pitch - Class 3 - Per Season	£145.00		£160.00		10.34%	
Fun Fair - Stanhope	£610.00		£670.00		9.84%	
Fun Fair - Adult Rides	£30.00		£33.00		10.00%	
Fun Fair - Other Rides, Stalls etc	£16.00		£18.00		12.50%	
Peases West - Adult Groups per Day	£80.00		£88.00		10.00%	
Peases West - Athletic Club	£375.00		£410.00		9.33%	
Peases West - Junior Groups per Day	£40.00		£44.00		10.00%	
Tennis - B/A Tennis Club	£430.00		£473.00		10.00%	
Tennis (per court per half hour)	£1.80	£1.00	£2.00	£1.10	11.11%	10.00%

## Hackney Carriage and Private Hire Licence Charges

## Review of Charges 2007 / 08

	Previous Year 2005 / 06	Current Year 2006 / 07	Proposed Charge 2007 / 08	% increase	Usage 2005/06	Estimated Usage 2007/08	Income 2005/06	Estimated Income 2007/08
HC/PH Joint Driver's Licence	£78.00	£80.00	£82.00	2.50%	244	260	£19,032	£21,320.00
Driver's Badge Deposit/Replacement badge	£10.00	£25.00	£25.00	0.00%	47	50	£470	£1,250.00
CRB Disclosure - at rate applicable		£36.00			72	70		
Vehicle Licences – under 7 years	£225.00	£240.00	£250.00	4.17%	164	180	£36,900	£45,000.00
Vehicles adapted for disabled access	£215.00	£225.00	£230.00	2.22%	3	4	£0	£920.00
Vehicle Licences – over 7 years	£245.00	£255.00	£265.00	3.92%	22	18	£5,390	£4,770.00
Vehicles reaching 7 or 10 yrs age limit in 1st 4 mths	£110.00	£115.00	£120.00	4.35%	2	2	£220	£240.00
Vehicles reaching 7 or 10 yrs age limit in 2nd 4 mths	£173.00	£180.00	£185.00	2.78%	3	3	£519	£555.00
Vehicles reaching 7 or 10 yrs age limit in last 4 mths	£243.00	£250.00	£255.00	2.00%	1	2	£243	£510.00
Vehicle retest	£45.00	£47.00	£48.00	2.13%	17	18	£765	£864.00
Default fee	£40.00	£45.00	£50.00	11.11%	49	46	£1,960	£2,300.00
Licence plate fee (annual)	£10.00	£12.00	£12.00	0.00%	196	200	£1,960	£2,400.00
Door Roundels Replacement	£8.00	£9.00	£10.00	11.11%	20	20	£160	£200.00
Private Hire Operator's Licence	£80.00	£85.00	£90.00	5.88%	21	20	£1,680	£1,800.00
Refund of HC/PH vehicle If surrendered within 3 mths of issue	50%	50%	50%	0.00%	6	5	£-560	£-608.00
Refund of HC/PH vehicle If surrendered within 6 mths of issue	25%	25%	25%	0.00%	15	13	£-393	£-608.00
Transfer of HC/PH licence (HC to PH vica versa or owner)	£48.00	£50.00	£52.00	4.00%	7	7	£336	£364.00
							<b>£68,682.50</b>	<b>£81,277.00</b>

## Markets Charges

## Review of Charges 2007 / 08

		Previous Year 2005 / 06	Current Year 2006 / 07	Proposed Charge 2007 / 08	% increase	Usage 2005/06	Estimated Usage 2007/08	Income 2005/06	Estimated Income 2007/08
<b>Crook/Bishop Auckland – (Trader provision)</b>									
Single stall incl. Cover		£16.00	£17.00	£17.00	0.00%		2236	£0.00	£38,012.00
½ stall unit or equivalent		£8.00	£8.50	£8.50	0.00%		982	£0.00	£8,347.00
<b>Stanhope</b>									
Single stall incl. Cover		£15.00	£16.00	£17.00	6.25%		36	£0.00	£612.00
½ stall unit or equivalent		£7.50	£8.00	£8.50	6.25%			£0.00	£0.00
<b>Jan. , Feb &amp; March</b>									
10 ft. frontage		£11.00	£11.50	£17.00	47.83%		360	£0.00	£6,120.00
½ stall unit or equivalent		£5.50	£5.80	£8.50	46.55%		40	£0.00	£340.00
Reservation fee per unit		£6.00	£6.30	£6.50	3.17%			£0.00	£0.00
Incliment weather fee		50%	50%	50%	0.00%		2000	£0.00	£1,000.00
<b>Farmers Markets</b>		N/A	£23.50	£23.50	0.00%	N/A	120	n/a	£2,820.00
								<b>£0.00</b>	<b>£57,251.00</b>

Jan/Feb/March - Full rate charged but if attend for 2weeks then 3rd week will be free.

## Pest Control Charges

## Review of Charges 2007 / 08

		Previous Year 2005 / 06	Current Year 2006 / 07	Proposed Charge 2007 / 08	% increase	Usage 2005/06	Estimated Usage 2007/08	Income 2005/06	Estimated Income 2007/08
Non-domestic (i.e. commercial)	per hour	£52.50	£55.00	£58.00	5.45%		75	£0.00	£4,350.00
		plus materials	plus materials	plus materials					
Domestic (per treatment) for wasps etc.		£29.00	£30.00	£31.50	5.00%		21	£0.00	£661.50
Domestic (per treatment) for wasps etc. - concession		£11.00	£12.00	£12.00	0.00%		34	N/A	£408.00
Removal & humane disposal of dog/cat		£33.50	£35.00	£37.00	5.71%		12	£0.00	£444.00
Domestic Treatment of Mice		£0.00	£20.00	Free				£0.00	
Domestic Treatment of Rats		£0.00	£20.00	Free				£0.00	
								<b>£0.00</b>	<b>£5,863.50</b>

<b>Street Trading Licence Charges</b>				
<b>Review of Charges 2007 / 08</b>				
Usage Figures (2006 / 07) where applicable shown against relevant current charge in brackets				
<b>Weekends (including Friday night)</b>				
Days	Month Current	Month Proposed	% Increase	
1	£78.00	£80.00	2.56%	
2	£148.00 (12)	£155.00 (12)	4.73%	
3	£215.00 (21)	£220.00 (24)	2.32%	
<b>All other Periods (Weekdays, excluding Friday Night)</b>				
Days	Month Current	Month Proposed	% Increase	
1	£68.00	£70.00	2.94%	
2	£122.00	£125.00	2.46%	
3	£170.00	£175.00	2.94%	
4	£200.00	£205.00	2.50%	
Anticipated Total Income 2006 / 07 from Street Trading Licences = £4500.00				
Anticipated Total Income 2007 / 08 from Street Trading Licences at above usage levels = £4890.00				
<b>Lay-By Areas</b>				
Day	Month Current	Month Proposed	% Increase	
1	£44.00	£45.00	2.27%	
2	£84.00	£86.00	2.38%	
3	£119.00 (12)	£122.00 (12)	2.52%	
4	£149.00	£153.00	2.68%	
5	£174.00 (12)	£179.00 (12)	2.87%	
6	£195.00	£200.00	2.56%	
7	£210.00	£215.00	2.38%	
Anticipated Total Income 2006 / 07 from Lay-By Areas Licences = £3516.00				
Anticipated Total Income 2007 / 08 from Lay-By Areas Licences at above usage levels = £3612.00				

## Licensing Act 2003

## Review of Charges 2007 / 08

	Previous Year 2005 / 06	Current Year 2006 / 07	Proposed Charge 2007 / 08	% increase	Usage 2005/06	Estimated Usage 2007/08	Income 2005/06	Estimated Income 2007/08
<b>LICENSING ACT 2003*</b>								
New premises/club licence or variation - Band A	£100.00	£100.00	£100.00	0.00%	118	23	£11,800.00	£2,300.00
New premises/club licence or variation - Band B	£190.00	£190.00	£190.00	0.00%	88	8	£16,720.00	£1,520.00
New premises/club licence or variation - Band C	£315.00	£315.00	£315.00	0.00%	12	2	£3,780.00	£630.00
New premises/club licence or variation - Band D	£450.00	£450.00	£450.00	0.00%	3	0	£1,350.00	£0.00
New premises/club licence or variation - Band E	£635.00	£635.00	£635.00	0.00%	3	0	£1,905.00	£0.00
Convert to premises licence with variation - Band A	£120.00	NA	NA	NA	19	NA	£2,280.00	NA
Convert to premises licence with variation - Band B	£250.00	NA	NA	NA	52	NA	£13,000.00	NA
Convert to premises licence with variation - Band C	£395.00	NA	NA	NA	3	NA	£1,185.00	NA
Convert to premises licence with variation - Band D	£550.00	NA	NA	NA	0	NA	£0.00	NA
Convert to premises licence with variation - Band E	£755.00	NA	NA	NA	0	NA	£0.00	NA
Annual charge - Band A	NA	£70.00	£70.00	0.00%	NA	154	NA	£10,780.00
Annual charge - Band B	NA	£180.00	£180.00	0.00%	NA	140	NA	£25,200.00
Annual charge - Band C	NA	£295.00	£295.00	0.00%	NA	14	NA	£4,130.00
Annual charge - Band D	NA	£320.00	£320.00	0.00%	NA	3	NA	£960.00
Annual charge - Band E	NA	£350.00	£350.00	0.00%	NA	3	NA	£1,050.00
Personal Licence	£37.00	£37.00	£37.00	0.00%	288	31	£10,656.00	£1,147.00
Temporary Event Notice	£21.00	£21.00	£21.00	0.00%	74	42	£1,554.00	£882.00
Transfer of Premises Licence	£23.00	£23.00	£23.00	0.00%	20	18	£460.00	£414.00
Vary Designated Premises Supervisor	£23.00	£23.00	£23.00	0.00%	34	31	£782.00	£713.00
Notification of name/address change	£10.50	£10.50	£10.50	0.00%	13	10	£136.50	£105.00
Notification of Interest in Premises	£21.00	£21.00	£21.00	0.00%	6	1	£126.00	£21.00
Application for Provisional Statement	£195.00	£195.00	£195.00	0.00%	0	0	£0.00	£0.00
							<b>£65,734.50</b>	<b>£49,852.00</b>

\* Charges set nationally

**Betting and Gaming**

**Review of Charges 2007 / 08**

	Previous Year 2005 / 06	Current Year 2006 / 07	Proposed Charge 2007 / 08	% increase	Usage 2005/06	Estimated Usage 2007/08	Income 2005/06	Estimated Income 2007/08
<b>Gaming Machine Permits* -</b>								
Premises providing alcohol	£32.00	£32.00	£32.00	0.00%	9	28	£288.00	£896.00
Premises not providing alcohol - S.34(1)	£32.00	£32.00	£32.00	0.00%	2	0	£64.00	£0.00
Premises not providing alcohol - S.34(5)	£250.00	£250.00	£250.00	0.00%	2	0	£500.00	£0.00
							£0.00	£0.00
<b>Lottery Licences* -</b>								
New	£35.00	£35.00	£35.00	0.00%	2	4	£70.00	£140.00
Renewal	£17.50	£17.50	£17.50	0.00%	140	140	£2,450.00	£2,450.00
							<b>£3,372.00</b>	<b>£3,486.00</b>

\* Charges set nationally



**Miscellaneous Licence Charges**

**Review of Charges 2007 / 08**

	Previous Year 2005 / 06	Current Year 2006 / 07	Proposed Charge 2007 / 08	% increase	Usage 2005/06	Estimated Usage 2007/08	Income 2005/06	Estimated Income 2007/08
Riding establishments	£65.00 + vet's fee	£70.00 + vet's fee	£75.00 + vet's fee	7.14%	4	4	£260.00	£300.00
Dangerous wild animals	£310.00 + vet's fee	£320.00 + vet's fee	£330.00 + vet's fee	3.12%	0	0	£0.00	£0.00
Pet Shops	£65.00 + vet's fee	£70.00 + vet's fee	£75.00 + vet's fee	7.14%	4	4	£260.00	£300.00
Boarding Kennels	£65.00 + vet's fee	£70.00 + vet's fee	£75.00 + vet's fee	7.14%	7	7	£455.00	£525.00
Dog Breeding	£65.00 + vet's fee	£70.00 + vet's fee	£75.00 + vet's fee	7.14%	1	1	£65.00	£75.00
Motor Salvage Registration (charge set nationally)	£70.00	£70.00	£70.00	0.00%	4	1	£280.00	£70.00
<b>All of the above –</b>								
After 1st August	£50.00 + vet's fee	£52.00 + vet's fee	£55.00 + vet's fee	5.77%	0	0	£0.00	£0.00
After 1 December	£40.00 + vet's fee	£42.00 + vet's fee	£44.00 + vet's fee	4.76%	0	0	£0.00	£0.00
Tattooing, Earpiercing, Electrolysis Registration	£90.00	£95.00	£100.00	5.26%	4	2	£360.00	£200.00
- Transfer of Registration	£55.00	£58.00	£60.00	3.45%	0	0	£0.00	£0.00
Sex Establishment	£5,000.00	£5,000.00	£5,000.00	0.00%	0	0	£0.00	£0.00
<b>FOOD PREMISES REGISTER</b>								
Copies to public (£5 min/£60 max. charge) - Per property	£0.25	£0.25	£0.25	0.00%	0	0	£0.00	£0.00
<b>FOOD CONDEMNATION CERTIFICATES</b>								
Voluntary Surrender (plus V.A.T.)	£35.00 + 1% of value	£35.00 + 1% of value	£35.00 + 1% of value	0.00%	1	1	£35.00	£0.00
							<b>£1,715.00</b>	<b>£1,470.00</b>

## Fishing Charges

### Review of Charges 2007 / 08

	Previous Year 2005 / 06	Current Year 2006 / 07	Proposed Charge 2007 / 08	% Increase	Usage 2005 / 06	Estimated Usage 2007 / 08	Income 2005 / 06	Estimated Income 2007 / 08
<b>B.A. Annual</b>								
<b>Residents</b>								
Full Rate	£27.00	£29.00	£30.00	3.40%	49	36		£1,080.00
Concession	£18.00	£19.00	£20.00	5.30%	37	31		£620.00
<b>Non-Residents</b>								
Full Rate	£30.00	£33.00	£35.00	6.60%	9	7		£245.00
Concession	£20.00	£22.00	£24.00	8.30%	14	12		£288.00
<b>Purchased from 1st November</b>								
<b>Residents</b>								
Full Rate			£20.00	New Charge		5		£100.00
Concession			£14.00	New Charge		5		£70.00
<b>Non-Residents</b>								
Full rate			£25.00	New Charge		2		£50.00
Concession			£16.00	New Charge		3		£48.00
<b>Family Ticket</b>								
<b>Residents</b>								
1Adult+1Child			£40.00	New Charge		3		£120.00
1Adult+2Children			£50.00	New Charge		2		£100.00
<b>Non-Residents</b>								
1Adult+1Child			£50.00	New Charge		2		£100.00
1Adult+2Children			£60.00	New Charge		1		£60.00
<b>B.A. Daily - 1st Sep- 31 Oct</b>								
Full Rate	£10.50	£11.00	£11.00	0.00%		1		£11.00
Concession	£6.50	£6.80	£6.80	0.00%		1		£6.80
<b>Other</b>								
Full Rate	£6.50	£6.80	£7.00	3.00%	14	12		£84.00
Concession	£3.50	£3.70	£3.75	1.40%	6	4		£15.00
							<b>£0.00</b>	<b>£2,997.80</b>

## Charges 2007/08

### Pest Control

Since the charge for rats and mice in domestic premises was introduced the number of treatments carried out has declined significantly. Rat treatments have decreased by 30% and Mice by 75%. Of the treatments carried out 95% have been for concessionary treatments.

In order to ensure that the number of rats and mice in the District does not increase due to non treatment it is proposed that the charge be removed and the service provided free of charge.

A problem has been encountered in the treatment of wasps occasionally. In that a report is received of a wasps nest at a property and when the officer arrives the swarm has gone but the visit has not been cancelled. This takes up valuable officer time at a busy period of the year. It is, therefore, proposed that the charge be a Call Out charge, which is payable even if the problem has gone. There will of course be no charge for anyone who cancels the visit.

### Markets

The numbers attending traditional markets have declined slightly and it is anticipated that if rents were increased that numbers would fall more significantly. For this reason it is proposed to keep the rents at the same level.

From January to March trade is traditionally reduced after the pre Christmas surge and with the advent of winter weather. Rents have therefore, been set at a reduced level to encourage traders to continue to attend. This has not been effective in recent years with greater numbers not attending or attendance being erratic. It is proposed to change the system for this period to one where full rent is charged with a free week given if the trader has attended the two previous markets. It is hoped this will lead to increased attendance.

During the year the Authority took responsibility for Farmers Markets which had previously been managed by Teesdale Marketing. These markets are held on a monthly basis at the Dales Centre in Stanhope. The Council provides and erects the stalls for the traders and so a higher rent is charged than for traditional markets. The numbers attending fell slightly at the beginning but have almost returned to their previous numbers. In order to establish the market and encourage new traders it is not proposed to increase the rent this year.

In order to run the market it was necessary to purchase new stalls. It is proposed that these stalls are made available on the traditional market and that the same fee of £23.50 be charged.

### Fishing

There are currently two different periods for licences. Residents licences run from February to January while non residents run from 1<sup>st</sup> June to 31<sup>st</sup> May. It is proposed that both licences run from April to March to coincide with the financial year and other charges.

It is also proposed to introduce a reduced fee for those who wish to obtain a licence after 31<sup>st</sup> October (the end of the trout season). It is hoped this will encourage late applications.

It is further proposed to introduce two different family tickets to enable parents and children to fish together at a reduced rate. This will enhance the scheme whereby schools may apply for 2 permits to be used as a trial experience for their students. The daily fishing rate has not been increased as it has reached the optimum figure that can be expected to pay for a single day's fishing.

#### Street Trading Licences

These charges have been increased at about the rate of inflation in order to maintain current occupation levels and not discourage existing traders.

#### Hackney Carriage and Private Hire Vehicles

These charges have been increased in line with the actual costs of delivering the service.

#### Miscellaneous Licensing Charges

Many of these charges are set nationally and have been set at the appropriate rate. Other miscellaneous licence charges have been set to reflect the actual cost of administering the service.

#### Car Parking Charges

These were last increased on 1<sup>st</sup> August 2006 and it is not proposed to increase them during the current financial year. It should be noted that any changes require an amendment to the relevant Traffic Regulation Order.



## Wear Valley District Council Building Control Fees and Charges

Fees and charges for Building Control are quite detailed. The figures below are a guide to the building works most frequently undertaken. Contact us if you require a more detailed quote.

If you opt for a full plans application you are required to pay for the plans to be checked when you submit your application, but you will receive an invoice for the inspection charge when the first site inspection has been made.

All amounts quoted include VAT.

### Schedule 1 – Erection of Buildings

	Full Plans Application			Building Notice £
	Plans £	Inspection £	Total £	
Erection of 1 Domestic Building	176.25	442.98		619.23
Erection of 2 Domestic Buildings	240.88	613.35		854.23
Erection of 3 Domestic Buildings	317.25	779.03		1096.28
Erection of 4 Domestic Buildings	393.63	900.05		1293.68
Erection of 5 Domestic Buildings	475.88	996.40		1472.28
Erection of 6 Domestic Buildings	558.13	1119.78		1677.91
Erection of 7 Domestic Buildings	581.63	1196.15		1777.78
Erection of 8 Domestic Buildings	605.13	1394.73		1999.86
Erection of 9 Domestic Buildings	628.63	1593.30		2221.93
Erection of 10 Domestic Buildings	634.50	1810.68		2445.18
Erection of 11 Domestic Buildings	640.38	1983.40		2623.78
Erection of 12 Domestic Buildings	646.25	2154.95		2801.20
Erection of 13 Domestic Buildings	652.13	2328.85		2980.98
Erection of 14 Domestic Buildings	658.00	2471.03		3129.03
Erection of 15 Domestic Buildings	663.88	2642.58		3306.46
Erection of 16 Domestic Buildings	669.75	2814.13		3483.88
Erection of 17 Domestic Buildings	675.63	2985.68		3661.31
Erection of 18 Domestic Buildings	681.50	3157.23		3838.73
Erection of 19 Domestic Buildings	687.38	3290.00		3977.38
Erection of 20 Domestic Buildings	693.25	3459.20		4152.45
Erection of 21 Domestic Buildings	705.00	3537.93		4242.93
Erection of 22 Domestic Buildings	716.75	3657.78		4374.53
Erection of 23 Domestic Buildings	728.50	3777.63		4506.13
Erection of 24 Domestic Buildings	740.25	3897.48		4637.73
Erection of 25 Domestic Buildings	752.00	4018.50		4770.50
Erection of 26 Domestic Buildings	763.75	4138.35		4902.10
Erection of 27 Domestic Buildings	775.50	4258.20		5033.70
Erection of 28 Domestic Buildings	787.25	4378.05		5165.30
Erection of 29 Domestic Buildings	799.00	4497.90		5296.90
Erection of 30 Domestic Buildings	810.75	4564.88		5375.63
Erection of 31 and Over	822.50	4629.50		
Plus	+	+		
Charge for each additional dwelling over 31	5.88	88.13		

## Schedule 2 – Small Buildings and Extensions

	Full Plans Application			Building Notice £
	Plan Charge £	Inspection Charge £	Total £	
Garages/carports up to 40m <sup>2</sup>	143.00			143.00
Garages/carports 40m <sup>2</sup> to 60m <sup>2</sup>	143.00	146.00	289.00	289.00
Extensions up to 10m <sup>2</sup>	143.00	146.00	289.00	289.00
Extensions 10m <sup>2</sup> to 40m <sup>2</sup>	143.00	281.00	424.00	424.00
Extensions 40m <sup>2</sup> to 60m <sup>2</sup>	143.00	424.00	567.00	567.00
Loft Conversions	143.00	281.00	424.00	424.00

NOTE: The following minimum charges apply

Where an extension to a dwelling the total floor area of which exceeds 60M<sup>2</sup> the sum of the plan charge and the inspection charge or the building notice charge must not be less than £567.00 (see extensions 40m<sup>2</sup> to 60m<sup>2</sup>)

Where an extension or alteration to a dwelling consists of the provision of one or more rooms in a roof space, the sum of the plan charge and the inspection charge or the building notice charge must not be less than £424.00 (see Loft Conversions).

## Schedule 3 – Charges based on cost of work not in Schedules 1 and 2

	Full Plans Application			Building Notice £
	Plan Charge £	Inspection Charge £	Total £	
Window Replacements – Domestic			70.00	70.00
Electrical Work – Domestic			250.00	250.00
Up to £1,000	58.75		58.75	58.75
Between £1001 and £2000	117.50		117.50	117.50
Between £2001 and £5000	193.88		193.88	193.88
Between £5001 and £20000	48.47	145.41		193.88
Plus	+	+		+
For each £1000 (or part) over £5000	2.65	7.93		10.58
Between £20001 and £100000	88.13	264.37		352.50
Plus	+	+		+
For each £1000 (or part) over £20000	2.35	7.05		9.40

If the work exceeds £100,000 please contact us for fee information on 01388 761132



# Wear Valley District Council

## The Town & Country Planning (Fees for Applications & Deemed Applications) Regulations 2005 Effective from 1st April 2005

Category of Development	Fee	Maximum
1. a) The erection or creation of a dwelling where the application is for Outline permission	a) the site area does not exceed 2.5 hectares, £265 for each 0.1 hectare b) the site area exceeds 2.5 hectares, £6,625 and an additional £80 for each 0.1 hectare in excess of 2.5 hectares	£25,000
1.b) The erection or creation of a dwelling	a) the number of dwellings to be created by the development is 50 or fewer, £265 for each dwelling b) the number of dwellings to be created exceeds 50, £13,250, and an additional £80 for each dwelling in excess of 50 dwellings.	£50,000
2. The erection of buildings (other than building in categories 1,3,4,5, or 7) Outline  The erection of buildings (other than buildings in categories 1,3,4,5, or 7)	a) the site area does not exceed 2.5 hectares, £265 for each 0.1 hectare b) the site area exceeds 2.5 hectares, £6,625 and an additional £80 for each 0.1 hectare in excess of 2.5 hectares  a) no floor space is created or the gross floor space created does not exceed 40sq.m, £135 b) the gross floor space created exceeds 40sq.m but does not exceed 75sq.m, £265 c) the gross floor space created exceeds 75sq.m but does not exceed 3750sq.m, £265 for each 75sq.m d) the development exceeds 3750sq.m, £13,250 then an additional £80 for each 75sq.m	£25,000  £50,000
3. The erection of buildings to be used for agricultural purposes on agricultural land (other than buildings in category 4) Outline  The erection of buildings to be used for agricultural purposes on agricultural land (other than buildings in category 4)	a) the site area does not exceed 2.5 hectares, £265 for each 0.1 hectare b) the site area exceeds 2.5 hectares, £6,625 and an additional £80 for each 0.1 hectare in excess of 2.5 hectares  a) the gross floor area does not exceed 465sq.m, £50 b) the gross floor space exceeds 465sq.m but does not exceed 540sq.m, £265 c) the floor area exceeds 540sq.m but does not exceed 4215sq.m, £265 then an additional £265 for each 75sq.m in excess of 540sq.m d) the gross floor area exceeds 4215sq.m, £13,250 and an additional £80 for each 75sq.m in excess of 4215sq.m	£25,000  £50,000
4. The erection of glasshouses on agricultural land	a) the gross floor space does not exceed 465sq.m, £50 b) the gross floor area exceeds 465sq.m, £1,495	
5. The erection, alteration or replacement of plant and machinery	a) the site area does not exceed 5 hectares, £265 for each 0.1 hectare b) the site area exceeds 5 hectares, £13,250 and an additional £80 for each 0.1 hectare in excess of 5 hectares	£50,000
6. The enlargement/alteration to a dwelling	a) 1 dwelling, £135 b) 2 or more dwellings, £265 flat rate	Flat rate
7. a) the carrying out of operations within the curtilage of a dwelling including the erection of walls/fences b) The construction of car parks, service roads and other means of access where the development is incidental to the existing use of the land.	£135  £135	Flat rate  Flat rate

8. The carrying out of any operations connected with exploratory drilling for oil or natural gas	a) The site area does not exceed 7.5 hectares, £265 for each 0.1 hectare. b) The site area exceeds 7.5 hectares, £19,875 and an additional £80 for each additional 0.1 hectare in excess of 7.5 hectares	£50,000
9. Other operations not coming within any other category	a) in the case of operations for the winning and working of minerals where the site area does not exceed 15 hectares, £135 for each 0.1 hectare. Where the site area exceeds 15 hectares, £20,250 and an additional £80 for each additional 0.1 hectare in excess of 15 hectares b) in any other case £135 for each 0.1 hectare	£50,000 £1,350
10. The change of use/conversion of a building to one or more dwellings	As category 1b creation of a dwelling	£50,000
11. The winning and working of minerals, waste disposal or external mineral storage	a) the site area does not exceed 15 hectares, £135 for each 0.1 hectare b) the site area exceeds 15 hectares £20,250 and an additional £80 for each 0.1 hectare in excess of 15 hectares	£50,000
12. Change of Use	£265	Flat rate
Variation of condition including renewals of temporary permissions	£135 (unless submitted within 12 months of permission – if so no fee)	
Reserved Matters where applicant's earlier reserved matters applications have incurred total fees equalling that for a full application for entire site	£265	
Advertisements specifically relating to the site where they are displayed or 'advance signs'	£75	
All other advertisements	£265	
Determination of Prior approval	£50	
Determination of Prior approval (telecommunications)	£265	
Playing fields for (sports clubs etc)	£265	
Lawful Development Certificates a) existing use b) proposed use	Normal fee Half normal fee	
Applications by Parish Councils	Half normal fee	
Applications crossing planning authority boundaries, requiring several applications	Only one fee, paid to the authority having the larger site but calculated for the whole scheme	
Alternative applications for one site	Highest of fees applicable for each alternative and a sum equal to half the rest	
Applications required only because of the removal of permitted development rights, by a condition restricting changes of use within a class, or by an Article 4 direction	No Fee	



Works to improve a disabled person's access to a public building, or to improve his/her access, safety, health or comfort at his/her dwelling house.	No Fee	
One revised or fresh application by the same applicant for the same character or description with 12 months of receiving permission or refusal, or the making of the earlier application if withdrawn.	No fee	

## HOUSING SERVICES

### Charges 2007/08

Category	Unit	Rate (£)	Rate (£)	%
		2006/07	2007/08	
Garage	week	5.21	5.45	4.6
Garage Plots	year	54.29	57.00	5.0
<b>Community Centres</b>				
Elderly & resident associations	hour	See concessions	See concessions	
Charitable/Voluntary Organisations for Fund raising Events	hour	No concessions	No concessions	
Other tenants & organisations	1 <sup>st</sup> hour	13.23	13.90	5.1
Each hour thereafter		4.41	4.60	4.3
Half day rate (4 hours)	½ day	24.26	25.45	4.9
Full day rate	day	39.69	41.65	4.9
Concessions	occ	12.00	7.00	-41.7
<b>RTB Building Society Fees</b>				
(incl VAT)	occ	75.00	75.00	0.0

## CENTRAL RESOURCES DEPARTMENT

### Charges 2007/08

#### NNDR/Council Tax Recovery Action Costs

These costs have to be agreed with the Clerk to the Magistrates Court. The charges include the fees of the court itself (prescribed by statute), an amount payable for the warrant with bail to be served, as well as the Council's own administrative expenses.

The charges for the Council's own administrative expenses have developed over time by regular increases. They have not been related specifically to the costs of the service. They have to be reasonable having regard to the cost of the service and should not be designed to be punitive as most often they do end up being borne by the less financially well off in the District. There are very few warrants issued. Bailiff charges are prescribed by law as per schedule overleaf.

	Wear Valley Current Charge 06/07	Wear Valley Proposed 07/08
	£	£
Summons	45.00	50.00
Committal Summons	45.00	50.00
Warrant (with bail)	55.00	60.00
Warrant (not backed with bail)	26.25	30.00

#### Comparison of Proposed 07/08 Local Taxation Recovery Costs within County Durham (Summons)

Chester le Street	Derwentside	Durham City	Easington	Sedgefield	Teesdale	Wear Valley
£	£	£	£	£	£	£
55.00	No plans	55.00	45.00 +	45.00 +	45.00	50.00

#### Land Charges

	Wear Valley Current Charge 06/07	Wear Valley Proposed 07/08
	£	£
Standard Search Fee	140.00	145.00
NLIS Search Fee	107.27	110.00

SCHEDULE

Regulation 8

\*SCHEDULE 5

CHARGES CONNECTED WITH DISTRESS

The sum in respect of charges connected with the distress which may be aggregated under regulation 45(2) shall be as set out in the following Table-

(1) <i>Matters connected with distress</i>	(2) <i>Charge</i>
A For making a visit to premises with a view to levying distress (where no levy is made)-	
(i) where the visit is the first or only such visit:	£22.50
(ii) where the visit is the second such visit:	£16.50
B For levying distress:	The lesser of-
	(i) the amount of the costs and fees reasonably incurred; and
	(ii) the relevant amount calculated under paragraph 2(1) with respect to the levy.
C For one attendance with a vehicle with a view to the removal of goods (where, following the levy, goods are not removed):	Reasonable costs and fees incurred.
D For the removal and storage of goods for the purposes of sale:	Reasonable costs and fees incurred.
E For the possession of goods as described in paragraph 2(2)-	
(i) for close possession (the man in possession to provide his own board):	£14.00 per day.
(ii) for walking possession:	£11.00.
F For appraisalment of an item distrained, at the request in writing of the debtor:	Reasonable fees and expenses of the broker appraising.
G For other expenses of, and commission on, a sale by auction-	
(i) where the sale is held on the auctioneer's premises:	The auctioneer's commission fee and out-of-pocket expenses (but not exceeding in aggregate 15 per cent. of the sum realised), together with reasonable costs and fees incurred in respect of advertising.
(ii) where the sale is held on the debtor's premises:	The auctioneer's commission fee (but not exceeding 7½ per cent. of the sum realised), together with the auctioneer's out-of-pocket expenses and reasonable costs and fees incurred in respect of advertising.
H Where no sale takes place by reason of payment or tender in the circumstances referred to in regulation 45(4):	Either-
	(i) £22.50 or
	(ii) the actual costs incurred, to a maximum of 5 per cent. of the amount in respect of which the liability order was made, whichever is the greater.

2. (1) In head B of the Table to paragraph 1, "the relevant amount" with respect to a levy means-
- (a) where the sum due at the time of the levy does not exceed £100, £22.50;
- (b) where the sum due at the time of the levy exceeds £100, 22.5 per cent. on the first £100 of the sum due, 4 per cent. on the next £400, 2½ per cent. on the next £1,500, 1 per cent. on the next £8,000 and ¼ per cent. on any additional sum;

and the sum due at any time for these purposes means so much of the amount in respect of which the liability order concerned was made as is outstanding at the time.

- 2A No charge shall be payable under head F of the Table to paragraph 1 in respect of the appraisalment of an item unless the debtor has been advised of the charge, and the manner of its calculation before the appraisalment is made.

**DRAFT CAPITAL PROGRAMME 2007/08 - 2009/10**

Ref.	Commitments Carried Forward from Previous Year	2007/08		2008/09		2009/10	
		Value (£)	Cumulative (£)	Value (£)	Cumulative (£)	Value (£)	Cumulative (£)
1	Twin Bin Refuse & Recycling Service	560,000	560,000	-	-	-	-
2	Structural Repairs	77,000	637,000	77,000	77,000	-	-
3	Major Repairs Allowance	2,650,000	3,287,000	2,650,000	2,727,000	2,650,000	2,650,000
4	Electrical Upgrades to Domestic properties	284,560	3,571,560	288,000	3,015,000	284,560	2,934,560
5	Disabled Facilities Grants	234,000	3,805,560	234,000	3,249,000	234,000	3,168,560
6	Public Sector Disabled Adaptations	173,800	3,979,360	173,800	3,422,800	173,800	3,342,360
7	IT / PC Replacement	100,000	4,079,360	73,000	3,495,800	73,000	3,415,360
8	Asset Management Backlog	30,000	4,109,360	70,000	3,565,800	70,000	3,485,360
9	BA Town Centre Development	300,000	4,409,360	475,000	4,040,800	200,000	3,685,360
10	West Auckland Improvement Scheme	23,000	4,432,360	7,000	4,047,800	-	3,685,360
11	Major and Minor Grants	100,000	4,532,360	200,000	4,247,800	200,000	3,885,360
12	Dene Valley Renewal Area	100,000	4,632,360	200,000	4,447,800	200,000	4,085,360
13	Contaminated Land	100,000	4,732,360	100,000	4,547,800	-	4,085,360
14	Eastgate Development	96,000	4,828,360	48,000	4,595,800	-	4,085,360
15	Wear Valley Building Enhancement Scheme	86,000	4,914,360	-	4,595,800	-	4,085,360
16	Replacement of Refuse Collection Vehicle	135,000	5,049,360	520,000	5,115,800	400,000	4,485,360
17	Street Cleansing Fleet Replacement	115,000	5,164,360	-	5,115,800	-	4,485,360
18	Demolition of surplus Housing Stock	100,000	5,264,360	300,000	5,415,800	300,000	4,785,360
19	Leisure Centre Improvements	50,000	5,314,360	50,000	5,465,800	50,000	4,835,360
20	Asbestos Surveys 2007 - 2010	30,000	5,344,360	30,000	5,495,800	25,000	4,860,360
21	Grounds Maintenance Fleet	180,000	5,524,360	180,000	5,675,800	180,000	5,040,360
22	Stock Condition Update	143,500	5,667,860	-	5,675,800	-	5,040,360
23	Capitalisation of Economic Development Fund	30,000	5,697,860	-	5,675,800	-	5,040,360
24	Alternative energy systems in public buildings	60,000	5,757,860	100,000	5,775,800	100,000	5,140,360
25	Renewable energy at Innovation House	22,500	5,780,360	-	5,775,800	-	5,140,360
26	Civic Centre - heating & lighting energy improvements	60,000	5,840,360	-	5,775,800	-	5,140,360
27	Battery back up system for emergency lighting and alarms with the Civic Centre	6,500	5,846,860	-	5,775,800	-	5,140,360
28	External Improvements to Housing Stock	-	5,846,860	200,000	5,975,800	200,000	5,340,360
29	Alternative energy grants	30,000	5,876,860	-	5,975,800	-	5,340,360
<b>GRAND TOTAL =</b>		<b>5,876,860</b>		<b>5,975,800</b>		<b>5,340,360</b>	

ANNEX D.

**DRAFT CAPITAL PROGRAMME 2007/08 - 2009/10**

Ref.	Scheme Name	Narrative
1	Twin Bin Refuse & Recycling Service	To introduce alternate weekly collections for recyclable and non-recyclable waste
2	Structural Repairs	Legal obligation to address structural defects and instal new damp courses
3	Major Repairs Allowance	To make council properties reach decent homes standard with updated modern facilities
4	Electrical Upgrades to Domestic properties	The Council owns a number of properties where the electrical systems are past their recommended lifespan. Accordingly to ensure customers health and safety are not put at risk there is a requirement to re-wire or upgrade a number of properties
5	Disabled Facilities Grants	The DFG regime is mandatory and plays a crucial role in the Government's Care in the Community strategy
6	Public Sector Disabled Adaptations	To deliver adaptations to Council owned properties where DCC Occupational Therapists have identified residents require works. The works can include ramps, grabrails, shower adaptations etc..
7	IT / PC Replacement Programme	It is important that staff have access to sufficiently powered PC's in order for them to carry out their duties. Failure to replace PC's will result in them becoming increasingly slow due to age and the introduction of new software thus leading to reduced staff efficiency.
8	Asset Management Backlog	To carry out backlog maintenance of corporate properties designated as below good standard (category A). These include leisure facilities, offices, community centres and common rooms. The monies will be used to carry out works such as replacement of windows, doors, central heating systems, roofs and external structural repairs as well as targeting measures that will enhance energy efficiency
9	BA Town Centre Development	To facilitate the redevelopment and regeneration of Bishop Auckland Town Centre
10	West Auckland Improvement Scheme	West Auckland suffers from high traffic levels, local problems of deprivation and a neglect of the environmental "capital" of the village. The scheme would address townscape and environmental issues to improve the appearance and image of the village, sustain its commercial attractiveness, increase pedestrian and resident safety and reduce vehicular traffic conflicts.
11	Major and Minor Grants	The grants are to enable customers who cannot afford to carry out essential repairs and/or upgrades to their homes to be able to access help and funding. Additional resources are required to reduce the waiting list.
12	Dene Valley Renewal Area	To continue the work already undertaken that has made a significant impact on the lives of customers who live within the area.
13	Contaminated Land	Under the Environmental Protection Act, the Council has an obligation to provide a programme for the identification and remediation of land that is posing unacceptable risks to health or the environment. Costs would be incurred for specific site investigation work and to undertake remedial action where there is danger of serious harm.
14	Eastgate Development	WVDC contribution towards redevelopment proposals for the Eastgate Renewable Energy Village. The proposal for a mixed-use residential, leisure and industrial development based around a renewable energy concept has been designed over the last 3 years since the announcement of the closure of the cement works with the loss of 150 jobs.
15	Wear Valley Building Enhancement Scheme	To continue and expand the current Weardale Building Enhancement Scheme and various shop front improvement schemes to ensure that grants continue to be available to the private sector to bring retail and commercial buildings back into economic use throughout the whole of Wear Valley.
16	Replacement of Refuse Collection Vehicle	Current vehicle used as spare to replace seven frontline vehicles when they are in need of service, repair or testing. First registered in 1999.
17	Street Cleansing Fleet Replacement	To replace two existing street cleansing vehicles which are seven and nine years old. Now having detrimental impact on service delivery owing to excessive down time.
18	Demolition of surplus Housing Stock	Continuation of demolition of unwanted, surplus housing stock. This has proven successful in removing targets for anti social behaviour, vandalism and providing extra sites for future development.
19	Leisure Centre Improvements	To improve the condition of leisure centres
20	Asbestos Surveys 2007 - 2010	Survey and identification of asbestos in Council owned dwellings. Under the Asbestos regulations 2002, the authority has a duty to identify all asbestos containing materials, record the location and condition, undertake a risk assessment and prepare and implement a plan to manage the risks.
21	Grounds Maintenance Fleet	Acquisition of equipment through a finance lease will allow the Council to reduce its revenue payments. Plant lasts between 3-5 years and is now due for renewal.
22	Stock Condition Update	A complete picture of condition is required to inform investment decisions that will direct the delivery of the Decent Homes Programme. To obtain a complete picture, it is proposed that 100% of properties are surveyed.
23	Capitalisation of Economic Development Fund	Capitalisation of revenue expenditure. Precise spending plans yet to be determined
24	Alternative energy systems in public buildings	To embrace renewable technologies at the same time taking steps to reduce the financial costs of heating and lighting places of public employment
25	Renewable energy at Innovation House	To carry out an energy survey and to explore sustainable renewable power
26	Civic Centre - heating & lighting energy improvements	Major works necessary to improve heating and lighting systems to reduce energy consumption and mitigate the impact of rising energy prices. It would also demonstrate the Council's commitment to tackling climate change following on from its signature to the Nottingham Declaration.
27	Battery back up system for emergency lighting and alarms with the Civic Centre	Current batteries have capacity to maintain emergency power supply for 1.5 hours. Failure to provide service would mean under Health and Safety in the Workplace Act, the authority could be found negligent for not maintaining safety systems within the workplace
28	External Improvements to Housing Stock	To commence a programme of replacement render to the most sustainable and needy properties for Dale and Valley Homes
29	Alternative energy grants	To encourage development of renewable energy systems to domestic households within the district

HOUSING REVENUE ACCOUNT SERVICE DEVELOPMENT BIDS 2007/08 BUDGET

<u>Ref.</u>	<u>Description</u>	<u>Department</u>	<u>Value (£)</u>	<u>Cumulative (£)</u>	<u>Narrative</u>
1	2 Street Wardens (50% charged to General Fund)	Housing	25,000	25,000	To employ 2 additional street wardens in response to the results from Simalto.
	<b>Total</b>		<b>25,000</b>		



## **SPECIAL HOUSING SERVICES COMMITTEE**

**5 FEBRUARY 2007**

### **Report of the Director of Resource Management and Director of Community HOUSING REVENUE ACCOUNT– 2007/08 BUDGET**

#### **purpose of the report**

1. To inform Members of the draft departmental revenue and capital budgets for 2007/08 in respect of the Housing Revenue Account (HRA) including proposals for rent levels and other fees and charges to be submitted to the Policy and Strategic Development Committee for consideration.

#### **background**

2. The Council is required under the 1989 Local Government and Housing Act to set tenant rents at a level that ensures that the HRA is in balance.
3. In the last three years, the HRA has been put on a more stable financial footing due in part to sound performance and careful financial management. Furthermore, changes to the housing subsidy finance system have been favourable to the Council in recent years resulting in significant additional resources. However, the 2007/08 subsidy settlement has been less generous indicating that the financial climate will become tougher in future years.
4. Latest estimates indicate a cumulative HRA balance of £1,540,120 as at 31<sup>st</sup> March 2007 that can be used to support expenditure in 2007/08. This compares to a cumulative balance for the HRA as at 31<sup>st</sup> March 2006 of £1,227,000. Therefore the financial position is estimated to improve by £313,120 during 2006/07. These figures exclude any surplus or deficit incurred by Dale and Valley Homes (D& VH) which is accounted for separately from the HRA.

#### **management fee**

5. On 3<sup>rd</sup> April 2006 D&VH became responsible for the management and maintenance functions previously performed by the Council in its role as a social landlord. Consequently, a management fee is payable to D&VH principally from the HRA for the functions that they perform on behalf of the Council.
6. Indicative figures for the management fee payable have been agreed with D&VH for the period 2007/08 – 2009/10. The fee is subject to change by joint agreement of the Council and D&VH. The sums agreed will sustain the financial viability of the HRA in the medium term whilst also providing income stability for D&VH.

#### **HRA subsidy**

7. The Government calculates annually the level of subsidy that the Council is to receive to support the activities of the HRA. This has a major impact upon the resources available for service delivery. The subsidy payable by the Authority is



based upon notional figures and is intended to represent the estimated surplus of income over expenditure. It is the sum of the following simplified formula:

(Rental income - management allowance - maintenance allowance - debt charges – rental constraint allowance)

### **rental income**

8. Assumed rental income is linked to the Government policy of rent restructuring that is detailed later. The government will reduce subsidy to the Council based upon rent levels increasing by 7%. However, rent restructuring dictates that actual rent levels that the Council will charge tenants will increase by only 5%. Consequently, the Government assumes the Council will receive more rental income than it will in practice resulting in a financial penalty to the Council.
9. Taking into account reducing stock numbers, this results in a gross loss of subsidy between 2006/07 and 2007/08 to the Council of £336,000.

### **management allowance**

10. The Council receives an allowance per property to cover the management of the housing stock. Wear Valley will receive an increase of 3.8% or £17.58 per property from 2006/07 to 2007/08.
11. In total the Council will receive £2,837 less in 2007/08 compared to 2006/07. The Council is 115th highest out of 217 authorities by level of management allowance received per property.

### **maintenance allowance**

12. The maintenance allowance is intended to cover the day to day cost of maintaining and repairing the housing stock. Wear Valley will receive an increase of 2.5% or £21.68 per property.
13. In total the Council will receive £58,985 less in 2007/08 compared to 2006/07. The Council is 158th highest out of 217 authorities by level of maintenance allowance received per property.

### **debt charges**

14. The subsidy paid for debt charges results in a beneficial impact of approximately £6,000. However, this merely compensates the Council for debt charges that it incurs from sums borrowed in the current and previous years to assist financing the Council's capital programme. The impact upon the HRA is therefore broadly neutral.

### **rental constraint allowance**

15. The Government has stated in the subsidy settlement that rents should rise by no more than 5% on average. However, applying the Government's rent restructuring formula results in average increases in excess of 5%. The Government has recognised the need to compensate authorities for keeping average rent increases to 5% through the subsidy system by payment of a rental constraint allowance. Unlike other elements of subsidy, it is not pre-fixed before the start of the year. The Government may alter the level of allowance paid upon receipt of information from authorities during the year as part of the subsidy claim process. Current indications

are that the rental constraint allowance received by Wear Valley will be £112,000 but this is subject to change.

### **subsidy summary**

16. In total, the impact of the subsidy system will decrease resources available to the HRA by £280,000 from 2006/07 to 2007/08.

### **rent restructuring**

17. Rent restructuring is the term used to describe the process of rent setting based upon a national formula that takes account of regional wage levels, property type and value of the property. It is intended to minimise differences in rent levels between councils and other registered social landlords for similar properties.
18. As well as resulting in differential rent changes for tenants within the authority, it also prescribes the Council's ability to set rent levels different from that assumed by the Government. The implications are linked to the HRA subsidy system. The Government assumes that rent levels under rent restructuring will rise on average by 5% in 2007/08. However as mentioned earlier, subsidy withdrawn from the Council is based upon rents increasing by 7% and the application of a rent restructuring formula which would result in average increases above 5%.
19. Government requires the Council through rent restructuring to set an average rent increase of 5%. The Council is also not permitted to increase the rent for an individual tenant by more than 4.1% plus £2 per week. Average increases above 8% would result in a financial penalty to the Council from withdrawal of rent rebates subsidy. This means that for every additional £1 increase in rent above 8%, the Government would claw back £0.59. Consequently, the options of increasing rents by other than 5% assumed by rent restructuring are limited.

### **rental income and voids**

20. As the HRA is ring fenced and cannot be funded by council taxpayers, its only major source of income aside from housing subsidy is via the rents paid by tenants. The income received depends upon the Council's ability to let its properties and collect the rent due.
21. Whilst "difficult to let" properties have been demolished and turnaround times for letting properties have improved, void rates continue to be relatively high at around 3.5%. This is a major drain upon the HRA finances. An increase in the void rate of 1% costs the Authority £112,000 in lost rental income. In paying subsidy, the Government assumes that each council has a void rate of 2%. If Wear Valley attained that rate, the additional income generated per annum would be £168,000.

### **bad debts**

22. The Council is required to set aside sums in the accounts to compensate for the likelihood of not collecting rent and related debts due. The amount set aside is determined by the level of rent arrears and related debts as well as the level of debt written off as uncollectable.
23. A provision of £446,149 is currently set aside within the accounts to compensate for non-payment and eventual write off. If arrears were to reduce, some of that provision

could be released to support the HRA. The budget figures as presented assume no increase in the bad debt provision that reflects improvements in rent collection.

### draft budget

24. The Council is obliged to set a budget, which avoids negative reserves. It cannot be cross-subsidised by the General Fund. At the start of 2006/07 the HRA held balances of £1,227,000. In setting the 2006/07 budget, a minimum working balance of £1,250,000 was considered necessary. Estimated reserves to carry forward to 2007/08 are £1,540,120.
25. It is important that the HRA has sufficient balances to cover future resource demands of the service. Recent experience has shown that balances can be used up very quickly due to unexpected spending pressures. As a young organisation, the future financial health of D&VH cannot be forecast with a high level of certainty. The disappointing 2007/08 subsidy settlement also compounds the need to be cautious about the future financial position of the HRA.
26. My judgement is that the Council should budget for a minimum reserve on the HRA of £1,500,000 as at the end of 2007/08 declining to approximately £1,000,000 by 2009/10. This level of reserve is in line with the average per property across all County Durham districts. This will provide a sensible cushion for the HRA as protection against unforeseen costs and allow reasonable levels of investment in 2007/08 and beyond through the management fee payable to D & VH and provide a sound base from which to invest in future improvements to the service.
27. The draft budget is shown in the table overleaf:

	<b>Actual 2005/06</b>	<b>Original Budget 2006/07</b>	<b>Revised Budget 2006/07</b>	<b>Draft Budget 2007/08</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Supervision & Management	2,676	599	531	647
Repairs & Maintenance	2,930	-	-	-
Management Fee	-	5,517	5,517	5,737
Debt Charges	1,799	1,780	1,764	1,785
Housing Subsidy	2,852	2,812	2,930	3,210
Bad Debts	17	100	50	-
<b>Total Expenditure</b>	<b>10,274</b>	<b>10,808</b>	<b>10,792</b>	<b>11,379</b>
Rental Income	(10,895)	(10,870)	(11,070)	(11,375)
Interest on balances	(45)	(50)	(35)	(30)
<b>Total Income</b>	<b>(10,940)</b>	<b>(10,920)</b>	<b>(11,105)</b>	<b>(11,405)</b>
<b>Deficit / (Surplus)</b>	<b>(666)</b>	<b>(112)</b>	<b>(313)</b>	<b>(26)</b>
<b>Balance brought forward</b>	<b>(561)</b>	<b>(1,120)</b>	<b>(1,227)</b>	<b>(1,540)</b>
<b>Balance carried forward</b>	<b>(1,227)</b>	<b>(1,232)</b>	<b>(1,540)</b>	<b>(1,566)</b>

28. The current draft budget assumes that rents will increase on average by 5%.

## medium term position

29. The forecasted financial position of the HRA is as below. The table takes into account:

- (i) future estimated pay awards and pension cost increases
- (ii) changes to the management fee payable to D&VH
- (iii) estimated number of right to buys and demolitions
- (iv) average rent increases of 5%
- (v) future changes to subsidy in line with the current year's settlement

	Draft Budget 2007/08	Draft Budget 2008/09	Draft Budget 2009/10
	£000	£000	£000
<b>Total Expenditure</b>	<b>11,379</b>	<b>11,766</b>	<b>12,231</b>
<b>Total Income</b>	<b>(11,405)</b>	<b>(11,603)</b>	<b>(11,845)</b>
<b>Deficit / (surplus)</b>	<b>(26)</b>	<b>163</b>	<b>386</b>
<b>Balance brought forward</b>	<b>(1,540)</b>	<b>(1,566)</b>	<b>(1,403)</b>
<b>Balance carried forward</b>	<b>(1,566)</b>	<b>(1,403)</b>	<b>(1,017)</b>

## rent increases

30. The table below indicates the impact upon the above figures of setting rents other than at 5%.

	0%	2%	5%	10 %
Average Increase Per week	-	£0.97	£2.41	£4.82
(loss) / gain in rental income	(£530,000)	(£320,000)	-	£530,000
Loss of Subsidy	-	-	-	£124,000
Net (loss) / gain in rental income	(£530,000)	(£320,000)	-	£406,000

31. The current average weekly rent is £48.25. Any increase above 8% would breach the Government guideline mentioned in paragraph 17 resulting in a loss of subsidy.

## summary of service development options

32. Service development and cost improvement options in respect of functions for which D & VH are responsible area matter for the board of D & VH and do not impact directly upon the HRA. There is one recommended service development option that applies to the HRA that is shown in the table below:

Option	Additional Growth (£)	Comment
Additional 2 Street Wardens (50%)	25,000	To provide an additional warden in recognition of public wishes as expressed

share)		through budget consultation
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33. If this service development item is accepted along with a 5% increase in rents, the 2007/08 budget results in budgeted reserves of £1,541,000 as at 31<sup>st</sup> March 2008.

### garage rents and other charges

34. It is recommended to increase garage rents and other charges in line with the 5% rent increase rounded to the nearest 5p. The exception is building society references, which is frozen due to the large increase in the previous year. The proposed charges are shown below:

Property Type	2006/07	Proposed 2007/08
Garage	£5.21 (weekly) – 49 wks	£5.45 (weekly) – 49 wks
Garage site	£54.29 (annual)	£57.00 (annual)
Community Centres:		
Elderly & resident associations	Free	Free
Other	£13.23 (hour) *	£13.90 (hour) *
Day rate	£39.69	£41.65
Half Day Rate (4 hours)	£24.26	£25.45
Building Society References	£75.00	£75.00

\* £4.60 for each hour thereafter from 1/4/07.

### capital programme

35. The following table shows the proposed capital programme for the department for 2007/08.

Scheme	£000	Commentary
Structural Repairs	77	Legal obligation to address structural defects and install new damp courses
Major Repairs Allowance	2,650	To make council properties reach decent homes standard with updated modern facilities
Electrical Upgrades to Domestic Properties	285	The Council owns a number of properties where the electrical systems are past their recommended lifespan. Accordingly to ensure customers health and safety are not put at risk there is a requirement to re-wire or upgrade a number of properties
Demolition of surplus housing stock	100	Continuation of demolition of unwanted, surplus housing stock. This has proven successful in removing targets for anti social behaviour, vandalism and providing extra sites for future development.
Asbestos Surveys	30	Survey and identification of asbestos in Council owned dwellings. Under the Asbestos regulations 2002, the authority has a duty to identify all asbestos containing materials, record the location and condition, undertake a risk assessment

<b>Scheme</b>	<b>£000</b>	<b>Commentary</b>
		and prepare and implement a plan to manage the risks.
<b>Total</b>	<b>3,142</b>	

### **conclusion**

36. If the service development bid highlighted in paragraph 32 were accepted amounting to a net cost of £25,000, a balance of £1,541,000 would result as at 31st March 2008. This meets the proposed requirement to have a minimum working balance of £1.50m.
37. The proposals relating to the revenue and capital budgets as well as rent levels and fees and charges have been subject to scrutiny by a cross-section of officers and are considered adequate to meet the Council's priorities.

### **RECOMMENDED**

1. Members submit the service development bid, fees and charges, and capital programme proposals detailed within the report to Policy and Strategic Development Committee for consideration.

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#### **Officer responsible for the report**

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