

Agenda Item 5(a)

STATUS PUBLIC

Portfolio Member/Director/Head of Service Councillor Woods/Director of Strategic Services	Portfolio Environment
Subject Proposal to use electric vehicles as hackney carriages	Date 26 November 2008
	Forward Plan No
Contact Officer – Licensing Manager – Jane Kevan Tel: 0191 3018786; email: jkevan@durhamcity.gov.uk	Previous Minutes
Purpose of Report – To consider licensing two electric buggy vehicles as hackney carriages to provide a shuttle service in and around Durham City centre.	
Executive Summary <p>In July 2008 the Council received a proposal regarding the licensing of an electric buggy shuttle service. The vehicles would be subject to British Single Vehicle Approval, and further information on the buggy and proposal is attached as Appendix 1.</p> <p>The Applicants attended a meeting of the Licensing Panel on 3rd September, having been advised the number of hackney carriage licences is currently restricted to 74 and that approval would have to be sought by the Panel and Cabinet if it was considered appropriate to increase this number.</p> <p>The Licensing Panel agreed in principle that this service, similar to the one previously approved for pedicabs, would offer little competition to the existing hackney carriage proprietors as it will be a distinct service operated only within two miles of Durham City centre.</p> <p>If the Council were minded to approve the application, it would have the power to impose conditions on a licence under sections 47 and 59 of the Local Government (Miscellaneous Provisions) Act 1976.</p> <p>Whilst the Authority has discretion as to whether to implement a maximum tariff of fares to be applied (as it does for other hackney carriages), it is not considered appropriate to seek to apply this same tariff to these electric vehicles. It is suggested that, if licences are granted, the Authority monitor the situation and reserve the right to impose a tariff if and when it is felt there is reason to do so.</p> <p>The drivers of these vehicles would have to be licensed, but it may be agreed they may be exempt from being required to pass the locality test if they do not drive conventional hackney carriages.</p>	

Portfolio Member Recommendations or Items Requiring a Cabinet Decision

1. It is agreed that up to two of these electric vehicles may be licensed as hackney carriages, subject to the following conditions:

- Such licences being explicitly restricted to electric buggy vehicles and being non-transferable
- Hackney carriage driver licences may be issued to drive these vehicles with the applicant exempted from the need to pass a locality test, subject to these driver licences being restricted so that the licence holder may not drive other licensed hackney carriages.

Reasons for Recommendations

Licensing these electric vehicles will provide a choice of transport to the public and may enhance the attractiveness of Durham City as a tourist destination. Due to the limited range of the vehicles, and the restrictive conditions attached to the licences, the impact upon other licensed vehicles will be minimal.

Alternative Options to be Considered –

The Council could refuse to license the vehicles. A survey in respect of unmet demand for hackney carriage vehicles earlier this year was conducted and as a consequence of the survey five additional hackney carriage licences were issued.

Consultation

This report has been considered by the Council's Officers' Management Team and also the Council's Sustainable Development Manager, the Transport Manager, and Durham Constabulary.

The three Durham taxi associations have also been advised of this proposal. Durham Independent Taxi Association advises their members are very concerned about a further dilution of their work and that there may be potential problems regarding parking, charges, any exemption from the locality test, and disabled accessibility. The City of Durham Taxi Association has asked about vehicle type approval and expressed concern about the lack of doors to the vehicle. No comments have been received from the Durham Taxi Association.

LGR Implications

Officers have been working with the Licensing Sub-group of the Better Regulation workstream to prepare a taxi licensing policy for the new unitary authority. The contents of this report do not conflict with the contents of the draft policy, which will be released for public consultation by Durham County Council in the near future.

Financial, Legal and Risk Implications

There are no financial risks to the Council as a consequence of this report. Officers are also of the opinion that, notwithstanding the comments from the Durham Independent Taxi Association, the current trade will not be adversely affected should the vehicles be licensed as the new vehicles will be severely limited in the service they can offer.

The Council is conscious that the vehicles are unusual, however the Council's Transport Manager is satisfied that they are safe to be licensed, provided that they secure British Single Vehicle Approval. Conditions will be attached to the licences of these vehicles to ensure that the safety of the public is guaranteed.

As the Council currently limits the number of hackney carriage vehicles it licences, there is the potential that offering two additional licences to these particular vehicles could be subject to challenge by way of judicial review by those currently licensed, given that the Council has recently issued 5 additional licences in response to a survey of unmet demand for taxis in the City (Cabinet minute no. 92, 9th July 2008). It is considered that the risk of challenge is minimal given the specific type of vehicle which is proposed to be licensed and the limitations which have been suggested should Cabinet be minded to issue the additional licences.

Resource Implications

The issuing of the licences, if granted, will be accommodated from within the existing licensing section resources.

Timescale for Action – N/A

Associated Policies and Plans – N/A

Supporting Documents – Appendix 1 – Information supporting the application to licence 2 electric golf buggies as hackney carriage vehicles.

Background Papers

Report to Licensing Committee on 3rd September 2008

Electric vehicle



Statement of Intention – the idea

How it would work

We wish to provide an efficient shuttle service in and around Durham city using an eco-friendly electric vehicle. This service will be available both during the daytime and evenings as long as the necessary consents are in place. We have not decided on any tariffs as we wish to be guided by you on this

What we require

2 Dual licenses. To start out, we intend to use 1 four seated vehicle. Then, once established, use 1 six seated vehicle too. We will require the facility to pick people up that flag us down and also people to phone us. We will be operating within a radius of the city centre of about 2 miles (encompassing university campuses)

What we will give



Electric powered vehicle with the following specification:

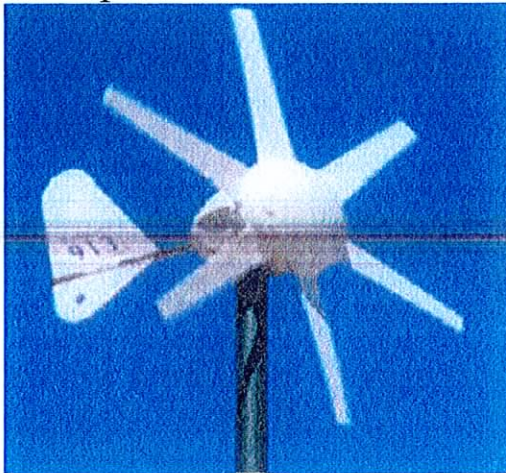
48v US batteries

- GE Controller
- Advanced DC Motor
- Full Light Kit
- Canopy Top Windscreen

- 25 m.p.h. top speed
- Four Wheel Braking
- Seat Belts
- Speedometer
- Wing Mirrors
- 30 plus miles range
- 10 inch Aluminium Wheels
- Lockable Boot

This electric, street legal vehicle is available in: Pristine White, Blaze Red, Hunter Green, Deep Blue, and Pitch Black
Dimensions: L3200mm. W1200mm. H1860mm

Wind power



This is by the form of a Rutland 913 Wind Charger.
It can provide continuous operation, working on the gentlest of breezes, but is combined with a solar panel, thus providing a balanced year round power supply. The full specification (without taking solar into consideration) is as follows:

- Low wind speed start up of just 5 knots
- Generates 90w @ 19 knots, 24w @10 knots
- Delivers up to 300w
- One way only fit fine profile efficient aerofoil blades
- Three phase Rutland “unique” generator design
- Automatic thermostat protection in prolonged gales

Micro generate from a turbine - no motor - 100% efficient - 12v system
69136.TEE.C

- Powerful, efficient, robust
- Generates up to 300w
- Output: 7.5A @ 19 knots (12v system)
- Turbine dial:910mm
- Weight: 10.5kg

We forecast that on average the wind charger system will produce between 45% and 60% of the energy we require

Disabled/infirm

We have sourced some attachments for the vehicle that will enable us to carry wheelchairs if required

Guidance from Local Authority

As we are very new to dealing with the local authority and how it works, we are willing to be guided in this venture by you

Insurance

This will need to be a specialist policy and we currently have two brokers looking into this for us

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Agenda Item 5(b)

STATUS PUBLIC

Portfolio Member/Director/Head of Service Councillor Dennis Southwell/ Paul Darby	Portfolio Finance
Subject Half Yearly Report on the Treasury Management Service and Actual Prudential Indicators 2008-09	Date 26 November 2008
	Forward Plan No
Contact Officer Paul Darby, Director of Financial Services Tel : 0191 301 8622 Email : pdarby@durhamcity.gov.uk	Previous Minutes Minute Number 224 – 15/10/2008
Purpose of Report The purpose of this report is to present details of the treasury management activity undertaken and actual performance against the associated prudential indicators for 2008/09 during the 6 month period to 30 September 2008. The report is prepared in the context of the Treasury Management and Investment Strategies approved by Council on 26 February 2008 and is further to the report to Cabinet 15 October 2008, which detailed the position at the end of quarter one.	
Executive Summary This report shows that the Council fully complied with its legislative and regulatory requirements in terms of its treasury management activity for the period covered by the report. It sets out details of the Council's Capital Expenditure plans, the impact of the Capital Expenditure on Council Tax and Rents and highlights changes to the financing of the Capital Programme. It also confirms that borrowing was only undertaken for a capital purpose and that the Statutory borrowing limit and the Authorised Limit was and has not been breached. Finally it provides information regarding borrowing and investments in the period and confirms they were made in full accordance with the Treasury Management Strategy.	
Portfolio Member Recommendations or items Requiring a Cabinet Decision That Cabinet note and approve the Treasury Management stewardship report and performance against the prudential indicators for 2008/09, during the period 1 April 2008 to 30 September 2008, as set out in Appendix A.	
Reasons for Recommendations This report is a requirement of the Council's reporting procedures and is in line with both the CIPFA code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003.	

<p>Alternative Options to be Considered</p> <p>None – the reporting of performance against the Treasury Management and Investment strategies approved by Council is a key corporate and financial governance requirement and therefore not reporting performance is not an option.</p>
<p>Consultation</p> <p>The content of this report and the associated appendix has been considered and approved by the Council's Officers Management Team, including the three statutory Officers, and follows guidance received from the Council's appointed Treasury Management Consultants.</p>
<p>Financial, Legal and Risk Implications</p> <p>There are no specific financial, legal or risk implications risks associated with this report.</p> <p>Financial, legal and risk implications, particularly minimising exposure to risk, underpin the Councils internal controls and procedures within the Treasury Management service. The policies and procedures in place reflect the strategies approved by Council and are subject to close and regular scrutiny.</p>
<p>Resource Implications</p> <p>There are no specific resource implications associated with the approval of this report.</p>
<p>Timescale for Action</p> <p>Not applicable – the recommendations in this report are not time specific.</p>
<p>Associated Policies and Plans</p> <ul style="list-style-type: none"> • Treasury Management Strategy and Prudential Indicators 2008/09
<p>Supporting Documents</p> <ul style="list-style-type: none"> • Appendix A – Half Yearly Report on the Treasury Management Service and Actual Prudential Indicators 2008/09 – Position at 30/09/2008
<p>Background Papers</p> <ul style="list-style-type: none"> • Prudential Capital Code for Capital Finance in Local Authorities – Prudential Indicators 2008-09 – Report to Council 26 February 2008 • Quarterly Report on the Treasury Management Service and Actual Prudential Indicators 2008/2009 – Position at 30 June 2008 • Treasury Management & Investment Strategy 2008/09 – Report to Council 26 February 2008 • Prudential Indicators 2008/09 – Report to Council 26 February 2008 • Guidance from Councils appointed Treasury Management Consultants – Butlers • Agresso Financial Management system and associated working papers



**Half-Yearly
Report on the
Treasury
Management
Service and
Actual Prudential
Indicators
2008/09**

Paul Darby, Director of Financial Services
November 2008

1. Introduction

- 1.1 The purpose of this report is to review the performance of the Council's Treasury Management activities during the first 6 months of 2008/09. One of the requirements of the Prudential Code is to ensure adequate monitoring of the capital expenditure plans, the Council's prudential indicators (PIs) and treasury management response to these plans. This report fulfils that requirement and is based on performance against the Council's Treasury Strategy and PIs, approved by Council on 26 February 2008.

2. Capital Expenditure

- 2.1 This table shows the Actual Capital Expenditure programme for 2007/08 and the changes between the original capital programme and the current position for 2008/09.

2007/08 Actual £000	Capital Expenditure by Service	2008/09 Original Estimate £000	2008/09 Revised Estimate £000
5,154	Housing Capital Expenditure	4,704	4,859
1,403	Flourishing Communities	895	1,601
3,277	Quality Public Services	1,006	2,138
880	Capital City	240	404
139	Admin Fees	0	0
10,853	Total	6,845	9,002

The approved capital programmes have been amended to reflect the carry forward of underspends in 2007/08 as detailed in the Statement of Accounts approved by Council in June 2008. The revised estimates also include in year amendment to the capital programmes, as approved by Cabinet and subject to Business as Usual consent from Durham County Council.

2.2 Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements for this capital expenditure. The borrowing element of the table increases the underlying indebtedness of the Council in the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt.

2007/08 Actual £000	Capital Expenditure	2008/09 Original Estimate £000	2008/09 Revised Estimate £000
5,134	Non-HRA Capital Expenditure	2,141	4,143
5,154	HRA Capital	4,704	4,859
10,288	Total spend	6,845	9,002
	Financed by:		
248	Supported	248	248
1,117	Capital receipts	1,172	2,202
4,399	Capital grants & Contributions	5,013	6,000
3,330	Capital Reserves	0	61
1,194	Revenue	412	491
10,288	Total	6,845	9,002

2.3 Prudential Indicators - Impact of Capital Expenditure Plans

Impact on Council Taxpayer

This indicator estimates the incremental impact of capital investment decisions on the council tax and identifies the trend in the cost of changes in the three year capital programme compared to the Council's original budget commitments. The assumptions will invariably include some areas, such as the level of government support, which is not published over a three year period.

2007/08 Actual £ p	Council Tax	2008/09 Original Estimate £ p	2008/09 Revised Estimate £ p
77.14	Band D	3.64	4.38

The 2008/2009 revised indicator reflects the additional capital receipts required to fund carry over commitments on the 2008/2009 capital programme.

Impact on Council Tenants

This indicator identifies the incremental impact of capital investment decisions on housing rent levels and is similar to the Council tax calculation in that it takes into account the trend in the cost of changes in the housing capital programme compared to the Council's original commitments, expressed as a change in weekly rent levels.

2007/08 Actual £ p	Housing	2008/09 Original Estimate £ p	2008/09 Revised Estimate £ p
0.75	Weekly Rents	1.45	1.19

2.4 Changes to the Capital Financing Requirement and the External Debt

The table shows the CFR, which is the Council's underlying external need to borrow for a capital purpose. It is increased each year by any new borrowing need (as above), and decreased by any statutory revenue charge for the repayment of debt (the Minimum Revenue Provision).

2007/08 Actual £000		2008/09 Original Estimate £000	2008/09 Revised Estimate £000
3,889	CFR – Non Housing	3,734	3,734
18,793	CFR – Housing	19,041	19,041
22,682	Total CFR	22,775	22,775
+86	Net movement in CFR (Year on Year)	+93	+93

2.5 Limits to Borrowing Activity

The first key control over the Council's activity is a Prudential Indicator to ensure that over the medium term, net borrowing will only be for a capital purpose. Net external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2008/09. This allows some flexibility for limited early borrowing for future years.

2007/08 Actual £000		2008/09 Original Estimate £000	2008/09 Revised Estimate £000
22,153	Gross Borrowing	21,322	21,322
4,787	Investments	5,207	5,207
17,366	Net Borrowing	16,115	16,115
22,597	CFR (Previous Year Only)	22,682	22,682

As can be seen, net external borrowing remains well within the Council's CFR and there are no difficulties envisaged for the current or future years – taking into account current commitments and existing plans.

2.6 A further two PIs measure the overall level of borrowing which support. These are:

The **Authorised Limit**, representing the limit beyond which borrowing is prohibited, and needs to be set and revised by members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

The **Operational Boundary**, which is based on the probable external debt during the course of the year; it is not a limit and actual borrowing could vary around this boundary for short times during the year. CIPFA anticipate that this should act as an indicator to ensure the authorised limit is not breached.

2007/08 Actual £000		2008/09 Original Estimate £000	2008/09 Revised Estimate £000
28,782	Authorised limit for external debt	28,875	28,875
26,182	Operational boundary for external debt	26,275	26,275

2.7 Borrowing & Repayment

The Director of Financial Services, under delegated powers, will continue to take the most appropriate form of borrowing depending on the prevailing interest rates at the time, taking into account the risks shown in the forecast above. It is likely that longer term fixed rates will be considered if borrowing levels remain relatively low. This may include borrowing in advance of future years requirements.

2.8 Analysis of All Long Term Loan Transactions

Type of Institution	Balance at 01/04/08 £000	Borrowed £000	Repaid £000	Premature Repayments £000	Balance at 30/06/08 £000	Estimated Balance 31/03/09
PWLB						
- Annuity	4,164	Nil	(365)	Nil	3,799	3,472
- Maturity	15,500	Nil	Nil	Nil	15,500	15,500
Depfa	2,000	Nil	Nil	Nil	2,000	2,000
Other	350	Nil	Nil	Nil	350	350
Total	22,014	Nil	(365)	Nil	21,649	21,322

2.9 Expectations on the Economy and Interest Rate Movements

The outlook for the UK economy has deteriorated and the Bank of England has indicated that monetary policy will err on the side of caution, at least until it is confident that inflation has peaked and is headed substantially lower.

Domestic activity is set to continue to decelerate sharply in the next few quarters and a recession is now a distinct threat. A host of reasons have been identified for this downturn. The main causes can be itemised as follows: a substantial fall in personal disposable income as the higher cost of living and debt servicing costs in the wake of the 2007 financial crisis take effect; a slump in housing activity; a collapse in business investment; the weak international backdrop and low public sector spending growth.

The situation is not expected to improve in the near term. Consumer spending is in danger of falling more markedly in the months ahead, especially on the back of the slump in consumer confidence. In addition to this, the parlous state of public sector finances means there is no room for a substantial and meaningful fiscal boost.

Inflation remains under upward pressure and the MPC is warning that CPI will spike above 5% and remain above the 3% upper limit of the Government's target range until well into 2009. This could have worrying implications for the future wage demands and corporate pricing behaviour. Ultimately, the impact this might have upon inflation will depend upon company pricing power, which will be determined by the strength of retail spending.

In the mean time, the MPC will remain cautious for the balance of this year. But the combination of weak growth and an easing in inflation pressures should provide scope for some relaxation of domestic monetary policy.

Concerns about the health of the financial sector evidenced by Bear Stearns, Lehman Brothers, HBOS, Bradford and Bingley etc., will persist for some time, and in addition, the weaker growth outlook on a global as well as domestic basis should lead to a moderating bias to fixed interest rates.

However, two considerations will militate against much of a decline from current levels. In the first place, concerns that the performance of inflation will remain an on-going problem for the industrialised nations over the medium term will deter investors from chasing interest rates to the low levels seen previously.

Second, the UK, the bond markets face the additional burden of the Government's exceptionally heavy funding programme.

Medium-Term Rate Forecasts (Averages)

Annual Average %	Bank Rate	LIBOR		Gilt-Edged Yields		
		3 month	1 year	5 year	20 year	50 year
2008/09	4.9	5.6	5.8	4.6	4.7	4.3
2009/10	4.2	4.7	4.6	4.3	4.5	4.3
2010/11	4.5	4.9	5.0	4.5	4.8	4.5
2011/12	5.0	5.2	5.4	5.1	5.2	4.9

2.10 Borrowing and Debt Rescheduling

The uncertainty over future interest rates increases the risks associated with treasury activity. As a result the Council will take a cautious approach to its treasury strategy.

Long-term fixed interest rates are now expected to remain relatively flat. The Bank Rate is expected to fall from its current 5.00% to 4.00% over the next 18 months. The Director of Financial Services, under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates at the time, taking into account the risks shown in the forecast above. It is likely that longer term fixed rates will be considered if borrowing levels remain relatively low. This may include borrowing in advance of future years requirements.

3 Investments

3.1 Officers assess the Council's cash flows on a daily basis, taking into account detailed forecasts of funds needed throughout the year, and invest surplus funds and in accordance with approved Treasury Management Practices (TMP's) and only to authorised counter parties. Fixed investments are made for sums of £500,000 plus and for varying periods up to 364 days. Excess funds that are held temporarily for only a few days, for cash flow purposes, are invested in either the Co-Operative Banks Call Account or 7 Day Account held by the Council.

The key objective of the Council's investment strategy is the safeguarding the repayment of the principal and interest of its investments on time – the investment return being a secondary objective. Following on from the economic background above the current investment climate has one over-riding risk consideration, that of counterparty risk. As a result of these underlying concerns officers are implementing an operational investment strategy which tightens the controls already in place in the approved investment strategy. It is tightening control by utilising the best available counterparties and reviewing the time monies are lent.

Expected future activity - Shorter-term interest rates, on which investment decisions are based, continue to be exceptionally high compared to official rates due to the international credit squeeze prompted by the US sub-prime mortgage difficulties and subsequent corporate difficulties. The Council's investment decisions are based on comparisons between the rises priced into market rates against the Council's and advisers own forecasts. It is likely that investment decisions will be made for longer periods with fixed investments rates to lock in good value and security of return if opportunities arise and if the available counterparties are considered very secure. The Director of Financial Services, under delegated powers, will undertake the most appropriate form of investments depending on the prevailing interest rates at the time, taking into account the risks shown in the forecast above.

The total external investments (excluding funds held within the Co-op Bank) at the start of the year were £3.25m which has decreased to £2.25m as at 30 September 2008. An analysis of the investments is shown in Appendix B.

Treasury Management Practices set out in the Local Code establish strict controls governing the day-to-day investment activity of the Council. All investments in the year were made in accordance with these practices in terms of the authorised counter parties that the Council deals with and the maximum deposits / control totals applying to those

individual institutions and the investment periods. The Local Code sets a maximum investment period of 364 days and maximum amounts that can be invested with individual counter parties. An analysis of the investment maturity profile at 30 September 2008 is shown at Appendix C.

The projected outturn for Interest Receivable is approximately £65,000 lower than originally anticipated. This is a combination of 2 factors, the level of investments is lower than originally anticipated due to the reduced cash flow from RTB sales and the average interest rates earned are lower than originally forecast.

2007/08 Actual £000	Interest Received	2008/09 Original Estimate £000	2008/09 Revised Estimate £000
770	Interest	656	591

3.2 Ratio of financing costs to net revenue stream

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

2007/08 Actual		2008/09 Original Estimate	2008/09 Revised Estimate
0%	Non-HRA	-0.92%	-0.44%
13%	HRA	19.01%	13.13%

3.3 Other Treasury Management Prudential Indicators

Upper Limits On Variable Rate Exposure – This indicator identifies a maximum limit for variable interest rates based upon the debt position net of investments.

Upper Limits On Fixed Rate Exposure – Similar to the previous indicator this covers a maximum limit on fixed interest rates.

2007/08 Actual		2008/09 Original Estimate	2008/09 Revised Estimate
98.4%	Limits on fixed interest rates	100%	100%
1.6%	Limits on variable interest rates	50%	50%

Maturity Structures Of Borrowing – These gross limits are set to reduce the Council's exposure to large fixed rate loans (those instruments which carry a fixed interest rate for the duration of the instrument) falling due for refinancing. In addition to the required

indicator this Council also monitors the entire maturity profile including both fixed and variable rate loans. These limits are shown below the required limits.

2007/08 Actual		2008/09 Original Estimate	2008/09 Revised Estimate
20%	Under 12 months	20%	20%
20%	12 months to 2 years	20%	20%
50%	2 years to 5 years	50%	50%
75%	5 years to 10 years	75%	75%
90%	10 years and above	90%	90%

Total Principal Funds Invested – These limits are set to reduce the need for early sale of an investment, and show limits to be placed on investments with final maturities beyond each year-end.

2007/08 Actual		2008/09 Original Estimate	2008/09 Revised Estimate
£5m	Maximum principal sums invested > 364 days ¹	£5m	£5m
£0m	Actual Position	£0m	£0m

Maximum limit of 100% applies to each period. The principal amount given is the limit for investments that have maturities of longer than one year at any one time. This format is necessary to ensure the Council's Strategy clearly adheres to the wording of the Investment Strategy Guidelines for England and Wales.

4. Regulatory Framework, Risk and Performance

- 4.1 The Council's treasury management activities are regulated by a variety of professional codes and statutes and guidance:
- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
 - The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing which may be undertaken (although no restrictions were made in 2006/07);
 - Statutory Instrument (SI) 3146 2003, as amended, develops the controls and powers within the Act;
 - The SI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities;

- The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services;
 - Under the Act the ODPM (now DCLG) has issued Investment Guidance to structure and regulate the Council's investment activities.
- 4.2** The Council has complied with all of the above relevant statutory and regulatory requirements which limit the levels of risk associated with its treasury management activities. In particular its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means both that its capital expenditure is prudent, affordable and sustainable, and its treasury practices demonstrate a low risk approach.
- 4.3** The Council is aware of the risks of passive management of the treasury portfolio and, with the support of Butlers, the Council's advisers, has proactively managed its treasury position. The Council has continued to utilise historically low borrowing costs and has complied with its internal and external procedural requirements. There is little risk of volatility of costs in the current debt portfolio as the interest rates are predominantly fixed, utilising long-term loans.
- 4.4** Shorter-term rates and likely future movements in these rates predominantly determine the Council's investment return. These returns can therefore be volatile and, whilst the risk of loss of principal is minimised through the annual investment strategy, accurately forecasting future returns can be difficult

5 Estimated and Actual Treasury Position and Prudential Indicators

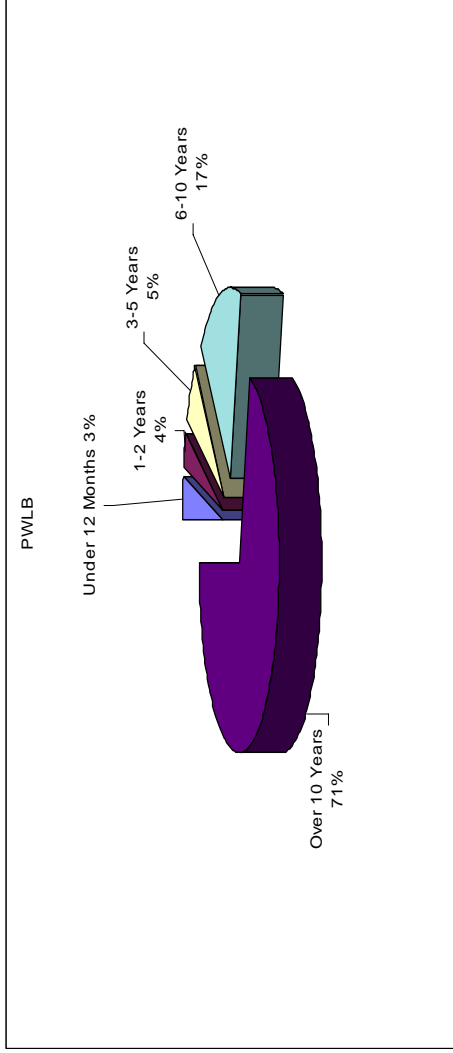
2007/08 Actual	Figures are for the financial year end unless otherwise titled in italics	2008/09 Original Indicator	2008/09 Revised
£10.3m	Capital Expenditure	£6.8m	£9m
£18.8m	Capital Financing Requirement (CFR) at 31 March		
	Housing	£19.1m	£19.1m
£3.9m	Non Housing	£3.7m	£3.7m
£22.6m	Total	£22.8m	£22.8m
	Treasury Position at 31 March		
£22.1m	Borrowing	£21.3m	£21.3m
£0.0m	Other long term liabilities	£0.0m	£0.0m
£22.1m	Total Debt	£21.3m	£21.3m
£4.8m	Investments	£5.2m	£5.2m
£17.3m	Net Borrowing	£16.1m	£16.1m
£22.5m	Maximum Debt (Actual) compared to Authorised Limit (Original Indicator)	£22.1m	£22.1m
£22.3m	Average Debt compared to Operational Boundary (Original Indicator)	£21.7m	£21.7m

2007/08 Actual	Figures are for the financial year end unless otherwise titled in italics	2008/09 Original Indicator	2008/09 Revised
0%	Ratio of financing costs to net revenue stream – General Fund	-0.92%	-0.44%
13%	Ratio of financing costs to net revenue stream – HRA (note 1)	19.01%	13.13%
£77.14	Incremental impact of capital investment decisions on the Band D Council tax (note 2)	£3.64	£4.38
£0.75	Incremental impact of capital investment decisions on the housing rent levels (note 3)	£1.45	£1.19
98.4%	Upper limits on fixed interest rates (<i>against maximum position</i>) as above	100%	98.4%
1.6%	Upper limits on variable interest rates (<i>against maximum position</i>) as above	25%	1.6%
Actual % Split	Maturity structure fixed rate borrowing (%)	Max	Actual % Split
3.2	% Maturing Under 12 months	20	4.7
2.6	% Maturing 12 months to 2 years	20	3.0
5.1	% Maturing 2 years to 5 years	50	4.8
16.7	% Maturing 5 years to 10 years	75	15.1
72.4	% Maturing 10 years and above	90	72.4
£0m	Maximum principal funds invested (against maximum position) for longer than 364 days	£0m	£0m

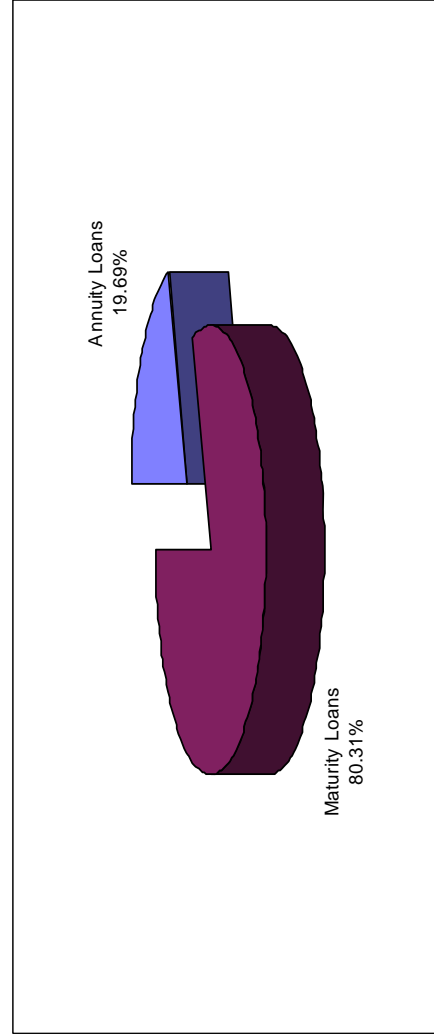
APPENDIX A

Analysis of PWLB Loans as at 30 September 2008

Period to Maturity	Amount Outstanding
Under 12 Months	670,343
1 – 2 Years	640,114
2 – 5 Years	1,032,077
6 – 10 Years	3,265,346
Over 10 Years	13,691,234
Total	19,299,114



Loan Type	Amount Outstanding £
Annuity Loans	3,799,114
Maturity Loans	15,500,000
Total	19,299,114



APPENDIX B

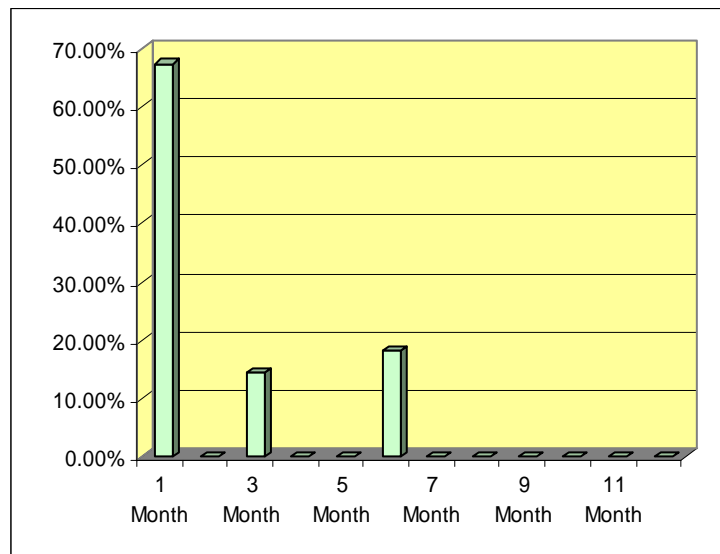
Durham City Council – Summary of Investments as at 30 September 2008

Date of Loan	Borrower	Value (£)	% Total	Interest Rate	Loan Period (Days)	Date Repaid
BANKING SECTOR						
N/a	Co-op Call Account	3,608,580	52.28%	4.95%	N/a	N/a
N/a	Co-op 7 Day Account	1,043,773	15.12%	5.0%	N/a	N/a
	SUB TOTAL – BANKING SECTOR	4,652,353	67.40%			
BANKS & BUILDING SOCIETY SECTOR						
03/03/08	West Brom Building Society	1,250,000	18.11%	5.7%	364	02/03/09
31/03/08	EBS Building Society	1,000,000	14.49%	6.0%	275	31/12/08
	SUB TOTAL – BUILDING SOCIETIES	2,250,000	32.60%			
	GRAND TOTAL	6,902,353	100.00%			

APPENDIX C

Maturity Profile of External Investments at 30 September 2008

Period to Maturity	Value of Investment (£)	% Total Investments
1 Month	4,652,353	67.4%
2 Months	NIL	N/A
3 Months	1,000,000	14.49%
4 Months	NIL	N/a
5 Months	NIL	N/a
6 Months	1,250,000	18.11%
7 Months	NIL	N/a
8 Months	NIL	N/a
9 Months	NIL	N/a
10 Months	NIL	N/a
11 Months	NIL	N/a
12 Months	NIL	N/a
	6,902,353	



Agenda Item 5(c)

STATUS PUBLIC

Portfolio Member/Director/Head of Service Councillor Dennis Southwell/Paul Darby	Portfolio Finance
Subject Local Average Interest Rate	Date 26 November 2008
	Forward Plan No
Contact Officer Paul Darby, Director of Financial Services Tel: 0191 3018622 E-mail: pdarby@durhamcity.gov.uk	Previous Minutes Not Applicable
Purpose of Report To revise and update the City Council's Local Average Interest Rate – applicable to all mortgages held by the City Council – with effect from 1 April 2008.	
Executive Summary <p>Each year the Council is obliged to review the interest rate it charges and inform the mortgagees of any change in the interest rate, and subsequently any changes to their monthly repayments. The Council only has two mortgages with outstanding balances at 31 March 2008.</p> <p>Under the provisions of Section 16 of the Housing Act 1985 it is necessary for the Council to declare a local average interest rate, to be applied to all its mortgagees. This is the sum of the Consolidated Rate of Interest (CRI) paid by the Council on its external borrowing, plus an allowance (0.25%) for administration, or the Standard National Rate (SNR). The higher of these two figures is used/applied to the Council's mortgagees.</p> <p>In 2007/2008, the interest rate applied to mortgagees was 8.75% (a CRI of 8.50% + 0.25% for administration). The SNR set for that period was 6.28%.</p> <p>The Secretary of State is currently reviewing the SNR, which was set at 6.89% with effect from 12 February 2007. However, the CRI for 2008/2009 has been calculated at 8.02%. This together with a 0.25% administration charge would make the local average interest rate 8.27% for 2008/2009.</p> <p>As the local average interest rate is the higher of the two this should be applied to the Council's mortgages for 2008/2009.</p>	
Portfolio Member Recommendations or Items Requiring a Cabinet Decision That the annual interest rate for mortgages be reduced from 8.75% to 8.27% for 2008/2009.	
Reasons for Recommendations Under the provisions of Section 16 for the Housing Act 1985 it is necessary for the Council to declare a local average interest rate on an annual basis and notify mortgagees of any changes.	

Alternative Options To Be Considered

None.

Consultation

Correspondence received from the Department for Communities and Local Government, together with details of the Council's CRI calculation have been sufficient in terms of preparing this report for Cabinet's consideration. No further consultation has been undertaken or is deemed necessary for the purposes of this report.

LGR Implications

There are no LGR or Business as Usual implications arising from this report.

Financial, Legal and Risk Implications

In terms of financial and risk implications the City Council would obviously lose investment income (interest) on the mortgage amount over the term of the mortgage. However, not reviewing/updating the local average interest rate is in breach of the provisions of Section 16 for the Housing Act 1985.

Resource Implications

There are very minimal cash flow implications arising from the reduction in the interest receivable by the City Council, however, this is considered to be negligible.

Timescale for Action

Mortgagees will be informed of the reduction in the annual interest rate by letter immediately after Cabinet approval and the rate will apply from 1 April 2008.

Associated Policies and Plans

None.

Supporting Documents

None.

Background Papers

- 2008/2009 Revenue and Capital Budget Working Papers
- Department for Communities and Local Government letter of 5 February 2007

Agenda Item 5(d)

STATUS PUBLIC

Portfolio Member/Director/Head of Service Cllr Sue Pitts/ Tracey Ingle	Portfolio
Subject Durham Regatta future use of Durham Town Hall	Date 26 th November 2008
	Forward Plan No
Contact Officer Jen Straughan (0191) 3018223 jstraughan@durhamcity.gov.uk	Previous Minutes
<p>Purpose of Report</p> <p>This report seeks Members approval to continue the long running support offered by the City Council to Durham Regatta by seeking a more formal arrangement for the future use of Durham Town Hall. Given the demise of the City Council this proposal will need to be taken to the County Council under the "Business as Usual Protocol".</p>	
<p>Executive Summary</p> <p>The 175th Durham Regatta took place on Saturday 14th and Sunday 15th June 2008. The event was a great success and culminated in the prize giving in the Main Hall in the Town Hall. This was, as usual, a busy and hectic occasion conducted with good humor and with great pride.</p> <p>As Members may know Durham Regatta dates back to 1834. At this time a small number of trophies were competed for over three days. Today, the Regatta takes place over two days. Dozens of trophies are competed for. It is a favorite amongst Durham University, Durham School and Durham Amateur Rowing Club, who have competed regularly since the early days.</p> <p>The Regatta is one of the City's most prestigious events and a firm favorite in the annual events calendar. Its reputation means it attracts crews from the UK and abroad and is extremely competitive. The racecourse and riverbanks have a family festival atmosphere with other attractions alongside the racing.</p> <p>Traditionally the City Council have offered free use of the Town Hall for all the organising committee meetings and of course the Main Hall for the presentation of the hard won trophies. As members are aware there is a protocol in place which allows one off applications for Free Use to be considered by the Leader. An application has been made by the Durham Regatta Committee and the Leader has granted free use of Durham Town Hall in 2008. It is the continuation of this support that will be sought from the Unitary Authority under the Business as Usual protocol. Given the importance of the Regatta it is believed that a special case needs to be made to make a more formal and long lasting commitment.</p>	

Portfolio Member Recommendations or Items Requiring a Cabinet Decision

It is recommended that the Regatta Committee be afforded free use of the Town Hall for relevant meetings and the usual Prize-giving for years 2009 onwards.

Reasons for Recommendations

To ensure future support for Durham Regatta post Vesting Day.

Alternative Options To Be Considered

Do nothing: this may add further pressure to the Regatta funding which could threaten future viability.

Grant this year only: this is tantamount to doing nothing.

Consultation

The Durham Regatta Committee approached the City Council with a request for free use this year and a further request to ensure future support can be garnered from the Unitary Council.

LGR Implications

As there will be a future liability passed to the continuing authority a "Business as Usual" request will be forwarded alongside this report to the County Council which will detail the usual costs charged for hire of the rooms.

Financial, Legal and Risk Implications

If the Regatta Committee were charged for use of the rooms booked under the current Hire and Charges Policy the cost would be £956. As the Committee have not been charged for use of the Town Hall in the past there is no subsequent drop in income by continuing free use. The direct costs are minimal and as such supports the approach by the Committee to ensure future free use.

Resource Implications

There is a cost to staff, heat and light the building. However this is largely within our standard opening hours so does not incur an additional revenue burden.

Timescale for Action

If approved the report would take effect if the "Business as Usual" case is agreed by the County Council.

Associated Policies and Plans

Durham Town Hall Hire Policy

Supporting Documents

None

Background Papers

None

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TOWN HALL HIRE POLICY

1. All letting arrangements shall be under the control of the Head of Cultural Services.
2. Only exceptionally shall free use of the Main Hall, Lantern Room or Kitchen shall be agreed and only with the sanction of the Council Leader and Vice-Chair of Cabinet in consultation with the Executive Director.
3. All hirers are required to pay the Council's fixed scale of charges in full upon demand (without prejudice to any right to apply for a refund of such charges or any part thereof). The Head of Cultural Services reserves the right to ask for a non returnable deposit to secure the booking and a kitchen cleaning bond returnable at the end of the hire period so long as cleanliness standards are met.
4. Where a booking is cancelled by the hirer and the period of notice given of the cancellation is 28 days or less, then the whole of the booking fee will be forfeit (Minute 1454 (iii), 13th December 1982). The Town Hall is licensed for the consumption of alcohol and performance of live music, if however further licenses are required then the appropriate License Fee must be paid by the hirer.
5. Any alcohol consumed on the premises must be purchased from the Council.
6. All hirers who request the use of Bar facilities must hire the Lantern Room and may be required to pay any appropriate License Fee.
7. Hirers must hire the Lantern Room whenever they wish to use the kitchen and the kitchen must be used whenever refreshments or meals are served.
8. The Council cannot accept any responsibility for loss, damage or theft of any property belonging to the hirer or to a third party whilst it is in the Town Hall. Hirers leaving property unattended and/or overnight (the later to be pre-arranged) do so entirely at their own risk.
9. The hirers are responsible for providing stewards. For a dance or ball the minimum is four and they must be on duty throughout the dance or ball. When the dance or ball is open to the public on a Saturday, two extra stewards in the paid employment of the hirers must be provided. For a private party the minimum is two. Duties include control of admission; checking that exits are not obstructed in the event of an emergency; and general supervision of conduct of patrons in the building.
10. Hirers shall not use or permit the rooms to be used for the performance in public of any dramatic musical or other work in which copyright exists or for the delivery in public of any lecture in which copyright subsists without the consent of the owner of the said copyright, nor shall they in any other manner

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TOWN HALL HIRE POLICY

infringe any subsisting copyright. Hirers shall indemnify the Council against all sums of money which the Council may have to pay be reason of any infringement of copyright occurring during periods of hire.

Where music in any form comprises part of the event a form of return (obtainable from the Head of Cultural Services) showing particulars of musical items performed as required by the Performing Rights Society, shall be completed and signed and returned to the Head of Cultural Services within seven days of the performance thereof.

11. It is a condition of letting that no advertisements may be displayed on the **exterior** of the building without the express consent of the Head of Cultural Services. The Town Hall Staff are empowered to remove any unsuitable notices posted **within** the building. Hirers are also reminded that formal consent from the Local Planning Authority may be necessary for any advertisements/notices relating to events/functions taking place in the Town Hall, which the hirer or others may wish to display, except within a building, the Town Hall steps, or on a public notice board. Should any **external** advertising be intended, hirers are, therefore, requested to contact the Head of Planning Services, 17 Claypath, Durham (Telephone 3018801) in order that details can be discussed and agreed before such advertising takes place.
12. No driving or fixing of nails, screws or bolts into the floors or paneling or other parts of any of the rooms: no hanging of any items from any part of the internal finishes i.e. banners, pictures, balloons etc; nor any alterations in the electric, gas or other fittings, seats, tables, platforms, or otherwise is allowed.
13. In case any damage other than by accidental fire, shall be done to the rooms, to the gas, electric or other fittings, seats, tables, platforms, pictures or paintings therein, during the occupancy by any hirer by himself/ herself or by their guests or any other person, the amount of damage (to be assessed by the Head of Cultural Services in consultation with the Director of Finance) and charges for Estimates that need to be obtained from specialist restorers/contractors shall be forthwith paid by the hirer and, in addition, the Head of Cultural Services in consultation with the Chair and Vice-Chair of Cabinet shall be entitled, at their discretion, to cancel any subsequent letting or lettings to that hirer or such person or persons believed by the Council to be responsible for any damage.
14. To comply with the Electricity at Work Act 1989 all items of electrical equipment brought onto the Council's premises from outside agencies and hires must have a current test certificate. Copies of test certificates for each item of electrical equipment must be forwarded to the Town Hall Manager at the Town Hall prior to the hire period. The Council will not allow the use of uncertified electrical apparatus on the premises.

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City of Durham Council
TOWN HALL HIRE POLICY

The hirers must on no account undertake any works or alterations to the fixed electrical installation of the building.

15. No firearms, explosives, chemicals or other materials likely to cause concussion, fumes or damage in or to the rooms, or to the pictures, paintings or window therein, will be allowed to be used therein.

NOTES

1. The Main Hall measures 70 feet (21 Meters) by 36 feet (11 Meters) and, with or without the Lantern Room, will be let for approved purpose.
2. The Lantern Room measures 30 feet (9 Meters) by 35 feet (10 Meters) adjacent to which is a kitchen /preparation room and a bar.
3. The Lantern Room communicates with the Main Hall.

IMPORTANT

The maximum number of persons allowed to use the premises at one time shall be: -

(a) Separate use (i.e. only one hall in use at one time)

Maximum Seating Capacity (separate Use)

Lantern Room-	60
Main hall -	160

(b) Joint Use (i.e. both halls in use at one time)

Lantern Room/Main hall 260

Maximum seating capacity (Joint Use)

Lantern Room -	60
Main Hall -	200

Hire Charges Monday - Saturday

Main Hall & Lantern Room

Commercial Hire	Standard Hire	Charity Hire
Day hire (9am-5pm) £840 - £735	Day hire (9am-5pm) £462-£404	Day hire (9am-5pm) £384
Evening hire (6pm-12pm) £630- £577	Evening hire (6pm-12pm) £346.50 - £317	Evening hire (6pm-12pm) £288
Hourly Rate (Minimum 3 hours) £105 per hour	Hourly Rate (Minimum 3 hours) £57.75 per hour	Hourly Rate (Minimum 3 hours) £48.00 per hour

Main Hall

Commercial Hire	Standard Hire	Charity Hire
Day hire (9am-5pm) £630 - £551	Day hire (9am-5pm) £462 - £413.70	Day hire (9am-5pm) £344
Evening hire (6pm-12pm) £420 - £380	Evening hire (6pm-12pm) £346.50 - £322	Evening hire (6pm-12pm) £258
Hourly Rate (Minimum 3 hours) £78.75 per hour	Hourly Rate (Minimum 3 hours) £48.30 per hour	Hourly Rate (Minimum 3 hours) £43.00per hour

Lantern Room

Commercial Hire	Standard Hire	Charity Hire
Day hire (9am-5pm) £420	Day hire (9am-5pm) £277.20	Day hire (9am-5pm) £240
Evening hire (6pm-12pm) £315	Evening hire (6pm-12pm) £207.90	Evening hire (6pm-12pm) £180
Hourly Rate (Minimum 3 hours) £52.50 per hour	Hourly Rate (Minimum 3 hours) £34.65 per hour	Hourly Rate (Minimum 3 hours) £30.00per hour

Burlison Gallery

Commercial Hire	Standard Hire	Charity Hire
Day hire (9am-5pm) £420	Day hire (9am-5pm) £277.20	Day hire (9am-5pm) £240
Evening hire (6pm-12pm) £315	Evening hire (6pm-12pm) £207.90	Evening hire (6pm-12pm) £180
Hourly Rate (Minimum 3 hours) £52.50 per hour	Hourly Rate (Minimum 3 hours) £34.65 per hour	Hourly Rate (Minimum 3 hours) £30.00per hour

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TOWN HALL HIRE POLICY

NOTES

There is an opportunity to hire blocks of time at a reduced rate. The reduction in charges will be at the discretion of the Head of Cultural Services or the Town Hall Manager.

Rooms and equipment must be left in the same condition as found. Adequate time must be booked to include preparation and removal time i.e. from the time entering the building to the time leaving the building.

When equipment is left unattended overnight and/or during the day, a charge equivalent to 3 hours at the standard rate will apply for each day and each night. The council accepts no liability whatsoever for any items left and hirers do so entirely at their own risk.

PLEASE NOTE

- i) The Lantern Room must also be hired when the bar/kitchen is required.*
- ii) The charges relate to hire for Mondays – Saturdays.*
- iii) The Executive Director is authorised to decide charges for hire on Sundays, Bank Holidays or other public holidays.*
- iv) If the Kitchen is hired a refundable deposit of £200.00 is payable in advance.*

Catering

Tea / Coffee & Biscuits	Tea / Coffee & Geo Bar	Fruit Juice
£1.20 per serving	£1.50 per serving	£0.90 per serving

All refreshment charges are subject to VAT

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Agenda Item 5(e)

STATUS PUBLIC

Portfolio Member/Director/Head of Service Cllr Sue Pitts/ Tracey Ingle	Portfolio Leisure and Culture
Subject Esh Winning Miners Memorial Hall : Update Report	Date
	Forward Plan No
Contact Officer Tracey Ingle, Head of Cultural Services (0191 30188800)	Previous Minutes Minute 600
Purpose of Report <p>The purpose of this report is to update Members on the current discussions regarding Esh Winning Miners Memorial Hall which is a Listed Building at risk. Members will recall a Cabinet report in April 2008 (minute number 600) which approved the serving of an Urgent Works Notice under Section 54 of the 1990 Planning (Listed Buildings and Conservation Areas) Act, hereafter called the 1990 Act.</p>	
Executive Summary	
<p>Esh Winning Miners Memorial Hall is a Grade II Listed Building built in 1928 as a social meeting and entertainment space for the local mining community. It is the only listed building within Esh Winning and one of the few listed structures associated with the District's mining heritage. The last main use of the building was as a bingo hall. This closed in the early 1970s, since which time it has been sporadically used for storage but generally left unoccupied and un-maintained. The Darlington office of Smiths Gore is acting for the owners whilst the building is leased to 2019.</p> <p>The building is in a very poor physical state and subject to regular monitoring from Heritage and Design and Building Control sections of the Council. Discussions between the Council's Heritage and Design Section and the owner's agents have been ongoing since February 2008. The approval to serve a Section 54 Notice has resulted in some repairs and further works to the building outlined below. The Hall has been placed on the open market since May 2008. (See Advertisement, Appendix 1). This has been supported by a Conservation and Planning Brief produced by the Heritage and Design Section (Appendix 2) to assist potential purchasers. There have been further discussions to secure a structural report from the owner to help understand the issues, risks to public health and safety and the options for future reuse to secure the continued survival of the building. At this stage the owners agents have expressed their preferred option is to seek consent to demolish the Hall.</p> <p>Presently Officers from Cultural Services and Planning Services are working with the owners to hold the continuing decay of the building and to explore the full options for potential future re-use options. The approval of Cabinet to serve an Urgent Works Notice has had a positive effect in as much as the owner's agents have put some urgent repairs, fencing works and temporary works in place to secure public health and safety. Given this intervention it was believed unnecessary to serve the Notice over the summer. None-the-less the Hall remains open to the elements, is pigeon infested and, without further intervention, will continue to degrade and become of imminent threat to public health and safety. The Council needs to be mindful of Government advice within Planning Policy Guidance 15: Planning and the Historic Environment. Within this all avenues need to be explored prior to the consideration of any</p>	

future application for Listed Building Consent to demolish the Hall.

There is a further power of intervention the Council have recourse to. Section 48 of the 1990 Act allows an Authority to serve a Full Repairs Notice on the owner. This is a significant intervention as the full repair can be imposed. As a balance the owner has the right to require the Council to purchase the building at full market value. Whilst this value is not expected to be high the future liability for the Council and its successor authority is high. It is for this reason that use of this power is usually used only when a Building Preservation Trust (BPT) is standing by to acquire the building directly from an authority on a back to back legal agreement. In Durham County there are no BPTs who are active and able to take on the repair and restoration of the Hall. For this reason use of this power is not yet recommended and the following course of action is proposed as described below:

Portfolio Member Recommendations or Items Requiring a Cabinet Decision

1. To confirm that an Urgent Works Notice will be served to secure the building should the owner and their agents not undertake the necessary and further works voluntarily. If required the Council will undertake the temporary works to secure the building
2. To continue to work with the owners agents to explore all further third party options for the Hall.
3. On the completion of the two steps above to strongly encourage the owner and their agent to formalise their future intention by making appropriate Listed Building Consent with full structural justification to test the principle of demolition.

Reasons for Recommendations

To secure the future preservation of a Listed Building within the District which is recorded on the Council's Building at Risk Register and to comply with the statutory duty to secure the preservation of buildings and their character under the 1990 Act in the discharge of the Council's statutory planning powers.

To secure the future preservation of a Listed Building within the District which is recorded on the Council's Building at Risk Register and to comply with the statutory duty to secure the preservation of buildings and their character under the 1990 Act in the discharge of the Council's statutory planning powers.

Alternative Options To Be Considered

Do nothing - this would result in the further decline of the building and increasing risk to the safety of the public with no further consideration of alternatives and with the potential for criticism or liability for the Council.

Serve notices under the relevant building and environmental health acts to ensure public safety only. This would not encourage preservation of the building and the seeking of alternative options for repair and use.

Serve a Repairs Notice under Section 48 of the 1990 Planning (Listed Building and Conservation Areas) Act. This is not recommended due the potential of high repair and restoration costs for the Council.

Consultation

- English Heritage
- Parish Council Members
- Local Members
- Save Britain's Heritage

LGR Implications

The action recommended has been approved in April 2007 so no further 'Business as Usual' consents are required. Should the action required exceed the current recommendation then it will have LGR implications and need Unitary authority approval to proceed.

Financial, Legal and Risk Implications

There is risk attached to the potentially significant outlay and continuing costs arising from securing the site with fencing or scaffold and for other works. Although the cost of such work is recoverable should the Council step in to carry them out, the risk is of not recovering these from the building or site owners. The cost is unknown but could be in the order of some thousands of pounds. Further works may be required after structural survey.

The further risk is in demolition costs should the building deteriorate to such poor condition that safety is prejudiced. The cost of this is unknown but would be substantial and rest with the owners.

Resource Implications

Officer time would be required to continue with the proposed action but this can be covered within existing resources. If repairs and subsequent recovery of costs are pursued directly by the Council the call on staff time will be more substantial.

Timescale for Action

Immediate work to secure future voluntary works to the Hall with the option to serve the Urgent Works Notice under Section 54 and seek cost recovery under Section 55 if works are not in train within 12 weeks

Associated Policies and Plans

Durham Local Plan, Policy E23

Supporting Documents

Appendix 1: Sale Advertisement
Appendix 2: Planning and Conservation Brief produced by the Council to assist future purchasers.

Background Papers

Extracts of Heritage and Design File: Miners Hall, Esh Winning Listed Building under Threat PH1/216.1



Esh Winning, Durham

Esh Winning Miners Memorial Hall is an imposing Grade II Listed building requiring complete refurbishment but offering considerable potential for alternative uses which may include residential conversion subject to all necessary consents. City of Durham Council wish to work with interested parties/ developers in order to preserve the building.

Offers invited



rightmove.co.uk

The UK's number one property website



Esh Winning Memorial Hall Informal Conservation Brief



21st May 2008

Report produced by:

Cultural Services
City of Durham Council
17 Claypath
Durham
DH1 1RH



Tracy Ingle
Head of Cultural Services

Introduction

This document is produced by City of Durham Council's Heritage and Design section (part of the Cultural Services directorate) in response to a request from the Darlington office of Smiths Gore, who represent the owners of the Esh Winning Memorial Hall, Esh Winning Durham.

It is intended for any prospective purchaser of the property and outlines the salient listed building issues relating to the property and the Council's approach to them and possible solutions. The information contained within is made without prejudice and should be seen as the first step in a process of conversion and conservation.

1. Location and ownership

- 1.1 The Esh Winning Miners Memorial Hall is situated within the former colliery village of Esh Winning, County Durham. It is situated in the Deerness Valley five miles to the west of Durham. The full address of the hall is:

Esh Winning Miners Memorial Hall
Brandon Road
Esh Winning
Co. Durham
DH7 9PH

- 1.2 For the purposes of this document the owners are represented by:

Esh Winning Memorial Hall Limited
c/o J A Cowie
Smiths Gore
26 Coniscliffe Road
Darlington
DL3 7JX

2. Listed status, significance and recent history

- 2.1 Esh Winning Miners Memorial Hall is a grade II listed building built in 1923 as a social meeting and entertainment space for the local mining community. It is the only listed building within Esh Winning and one of the few listed structures associated with the mining heritage of the City of Durham District. The list description of the building is appended and more information on its history can be obtained on request.

- 2.2 The last main use of the building was as a bingo hall. This closed in the early 1970s, since which time it has been sporadically used for storage but generally left unoccupied and un-maintained. Approval for converting the hall into a nursing home was granted in 1990 and renewed in 1996, yet never implemented.
- 2.3 The Council's concern over the long term use of the building stretches back at least to the mid 1980s. Efforts to find an active use for the building have continually met with disinterest and the building has been left un-used with only the bare minimum of maintenance. In 2000 and 2001 ancillary buildings to the rear of the hall were demolished and window openings blocked up by the leaseholder following pressure from the Council. Similar moves by the Council in 2006 led to a temporary roof covering being installed and further openings being blocked up. The feasibility of converting the Hall to a new use is cited within the implementation plan of the emerging Esh Winning Master Plan (2007).

3. **Structural Condition**

- 3.1 It is not the purpose of the report to comment in detail or with authority on the structural condition of the building. Rather it is acknowledged that there are serious structural issues relating to this building and this will affect the way the Council views proposals to change the property.
- 3.2 The initial structural appraisal carried out by Smiths Gore in February 2008 is the only recent survey of the building. Whilst it is a good initial starting point from which to discuss these issues it is clear that more in-depth analysis will have to be undertaken. In summary the main readily observable problems are:
- A building that is unoccupied and in a dangerous condition.
 - An exterior with serious wall-tie failure to the rear and loose sections of decorative brickwork to the front, most of which are at high level.
 - A roof that is not weather-tight, though netted in part to avoid slates slipping
 - An interior that is pigeon infested and been subject to repeated cases of vandalism.

4. **The Special Architectural and Historic Value of the Listed Building and its various parts**

- 4.1 A listed building is defined within the Planning (Listed Buildings and Conservation Areas) Act 1990 as a building of special architectural or historical interest which it is desirable to preserve or enhance. The Council maintains that the building is still sufficiently intact to maintain its listed status and that it is still desirable to preserve the structure.

- 4.2 It is normal for the various areas of a listed structure to be of differing levels of sensitivity and an understanding of such informs decisions about the level of change that is acceptable. The Memorial Hall can be summarised as follows:

Exterior

- 4.3 Front Elevation – An ornate and ordered example of Renaissance revival style that largely defines the external appearance of the building. An unusual and highly significant contribution to the building form of the village. The frontage is largely intact albeit with areas of un-bonded or slipping decorative features. *High sensitivity*
- 4.4 Rear and side elevation – Plain elevations that contrast markedly with the front. Whilst some historic windows remain to the rear its original character was plain and had been subsequently undermined by later additions, now removed. *Low sensitivity*.

Interior

- 4.5 The value of the interior has been markedly decreased by later uses and a subsequent lack of maintenance, vandalism and pigeon infestation. Though not quite a shell the historic value of the interior is limited and what is left can be best described as items that can be recorded and removed / filled in (such as projectors or the swimming bath) and those which it is desirable to maintain at least some aspect (such as decorative plaster work). The present un-safe state of the property does not allow a full assessment of the interior to be made yet it is thought that the removable items are few in number whilst decorative elements have survived only to the upper sections of the building. *Medium sensitivity*

5. Uses and Approach to Conversion

Uses

- 5.1 It is generally advised that the best use for a listed building is the one it was designed for. Considering the rather time-specific purpose of the building compared with current property trends, the paucity of the interior and the degree of work that needs to be done on the property this is not felt to be viable or desirable.
- 5.2 In listed building terms conversion to a wide variety of uses will be considered. Of the most probable conversion to residential has been discussed with the Council's Forward Plans department who have raised no in-principle objection whilst the County Highways department were positive, albeit unable to comment in detail without the number of units known.

- 5.3 Initial discussions with the Forward Plans section of the Council have been supportive of most uses except for retail or bar use. It should be noted that the building is situated in a residential area and opposite a primary school.
- 5.4 The wider community and social context of the area, as well as the buildings place within the Esh Winning Master Plan can be discussed with the Community Services Team of the City Council.

Degree of acceptable change

- 5.5 It is impossible to outline the degree to which change will be acceptable in the building without knowing a use and level of use. However it is acknowledged that for this building to be brought back into viable and economic use change will have to be significant. It is envisaged that the majority of change will arise from the re-ordering of the interior. The rear elevation is more limited mostly due to the size of the rear plot yet again it is capable of alteration and extension. The frontage is seen as not capable of great change and the Council would wish to seek its repair and refurbishment as part of a scheme.
- 5.6 The above approach seeks to maintain building's frontage, its shell and where possible decorative details within its interior. This approaches but is not facadism, where only the front of a building is preserved tacked on to new development. The degree to which elements of the interior can be incorporated would need to be assessed with a specific proposal where the condition of such features as well as their relationship to a new layout is considered. The Heritage and Design section is committed to working through these issues at every stage and will encourage pre-application discussions.

6. Extensions

- 6.1 There is no in-principle conservation objection to extending the building to the rear. However it should be noted that the building adjoins residential terraces on its southern side. Whilst the rear is of marginal value we would still wish to maintain the dominance of the main building and ensure that any extension relates well to the building in terms of materials and form.
- 6.2 Extending upwards is problematic in design terms because the building is such a cohesive 'set-piece' of design. A low-level, recessed upward extension in a contemporary design is an often used solution to this problem. Such an approach would not initially be favoured and is generally only suitable on buildings of much greater height. However the Council would not completely rule out an upwards extension and would consider such proposals.

7. Demolition

- 7.1 The Heritage and Design section of the Council will not consider supporting an application for demolition at this time. The criteria for demolishing a listed building is stated within Planning Policy Guidance Notes 15 and relies on a clear detailed case being made on why it is no longer viable, structurally and financially to keep the building. Though seeking a re-use for the building the Council's Heritage and Design Section can advise on this process.

8. Building Preservation Trusts

- 8.1 The Council would welcome the sale of the building to a recognised building preservation trust or new trust that has been founded according to best practices.

9. Urgent work and stabilising works

- 9.1 The Council will continue to monitor the condition of the building and where it is felt that urgent action is required to preserve the building from further serious decay the Council will consider the use of an Urgent Works Notice under Section 54 of the Planning (Listed Building and Conservation Areas) Act 1990. This would involve the Council undertaking the work and recovering the costs and any continuing costs from the owner or leaseholder. Should the building become an imminent threat to human safety steps will be taken to remove that threat.

Conclusion

Esh Winning Miners Memorial Hall is a listed building that has suffered from a protracted period of neglect and is now in such a bad state of repair as to make its re-use a pressing issue. It is an important and well-regarded structure within the village and its re-use would be seen as a very positive project.

At present the Council is not in a position to offer financial assistance and it is unlikely that English Heritage would be able to offer grant aid. Whilst there may be other streams of funding available it seems probable that the building's conversion relies on buying the property at the correct value and then finding a financially viable end use.

The Council will seek to work with any new owner or developer at every stage and be open in discussion to schemes and ideas.

Contact

For further information or an informal discussion please contact:

Listed Building and General Enquiries

Martin Lowe
Senior Conservation Officer
City of Durham Council
17 Claypath
Durham
DH1 1RH

Tel: 0191 3018447
Email: mlope@durhamcity.gov.uk

Planning Policy

Gavin Scott
Policy & Regeneration Manager,
Planning Services
17 Claypath

Tel: 0191 3018713
Email: GScott@durhamcity.gov.uk

APPENDIX

LISTED BUILDING DESCRIPTION



Location: ESH WINNING MINERS' MEMORIAL HALL, BRANDON ROAD (south side)

BRANDON AND BYSHOTTLES, DURHAM, DURHAM

Date listed: 30 January 1976

Date of last amendment: 30 January 1976

Grade II

BRANDON AND BYSHOTTLES BRANDON ROAD, Esh Winning NZ 14 SE (East side) 2/3 Esh Winning Miners' 30/1/76 Memorial Hall

BRANDON AND BYSHOTTLES BRANDON ROAD, Esh Winning NZ 14 SE (East side) 2/3 Esh Winning Miners' 30/1/76 Memorial Hall II Former Miners' Memorial Hall and village community centre. Erected in memory of First World War victims. 1928 by J.A. Robson. Rock-faced stone basement. Light-red engineering brick in stretcher bond and elaborate, yellow terracotta dressings above. Plain, tiled roof. Late example of Edwardian Baroque. 2 storeys plus basement. Symmetrical 3+2+1+2+3-bay facade. Centre and end sections break forward. Basement crowned by string course. First floor and eaves have friezes with enriched cornices: Parapet has balustraded panels. Ground-floor sashes, in architraves, have aprons, moulded sills and margined glazing bars. First floor has round-headed sashes in eared architraves with swept bases, shaped tops and triple keystones. Central section has double door in porch with open segmental pediment, squat columns and angular capitals. Porch flanked by rusticated pilasters on stone pedestals. 2 sashes above under large, open segmental

pediment on panelled pilasters. Shaped false gable and central clock face above. Wood lantern and cupola on roof ridge. Set-back, flanking 2-bay sections. End sections have open-pedimented centre bay which breaks forward and is framed by rusticated pilasters with panelled pilasters above. Centre bay has wide ground-floor window; first-floor tripartite window, with pedimented centre light and radial glazed head, in surround with triple keystone and semicircular archivolt on pilasters with angular capitals. Flat-topped, hipped roof has steeply-pitched sides and breaks forward over projecting sections of facade. Building exhibits high quality materials and workmanship.

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Agenda Item 5(f)

STATUS PUBLIC

Portfolio Member/Director Councillor Dennis Southwell/ Paul Darby	Portfolio Finance
Subject Financial Report for the Period 01.04.08 to 30.09.08 – Incorporating a Probable Outturn Position at 31.03.09	Date 26 November 2008
	Forward Plan No
Contact Officer Paul Darby, Director of Financial Services Tel: 0191 301 8622 Email: pdarby@durhamcity.gov.uk	Previous Minutes Minute Number 163 - 03/09/2008
Purpose of Report <p>The purpose of this report is to consider the City Council's financial performance for the period 1 April 2008 to 30 September 2008, highlighting areas of over and under spend against the year to date budgets and projecting this to the year end, taking into account known actions and issues for the remaining months of this financial year for the following:</p> <ul style="list-style-type: none"> ◆ General Fund Revenue Account ◆ Housing Revenue Account ◆ General Fund Capital Programme ◆ HRA Housing Business Plan – Capital Expenditure <p>The report also provides details of the position against a range of additional “balance sheet” financial information at 30 September 2008. Reporting of such data is a key requirement of the Audit Commission's Use of Resources assessment framework.</p>	
Executive Summary <p>General Fund Revenue Account For the period 1 April to 30 September 2008, the City Council's net expenditure stands at £6,799,609 compared to a profiled budget for this period of £6,944,892, £145,783 or 2.1%, less than anticipated.</p> <p>The City Council's anticipated General Fund net expenditure at 31 March 2009 is £14,968,596 against an original budget (gross of planned use of balances) of £14,377,771 an estimated budget deficit, after taking into account the allocated use of reserves in respect of LGR transition issues and job evaluation implementation costs of £590,825 or 4.11%.</p> <p>Housing Revenue Account Gross expenditure on Council Housing at the end of September 2008, including HRA negative subsidy payable to the Government, was £8,568,152 compared to a profiled budget of £8,364,991 – a £203,161 over spend; or 2.43%. Gross income from Housing Rents and other income, stands at £8,284,396 compared to a profiled budget of £8,174,809 – additional income of £109,587 or 1.37%. The net overspend on the HRA therefore standing at £93,574 at the end of September 2008, compared to an anticipated deficit position of £190,182.</p>	

Executive Summary (Continued...)

The probable outturn for the HRA at 31 March 2009 has been calculated using the September position. Gross expenditure on Council Housing at the end of the financial year, including HRA negative subsidy payable to the Government, is anticipated to be £17,209,834 compared to a budget of £17,056,676 – a £153,158 over spend; or 0.90%. Gross income from Housing Rents and other income for the end of the year are estimated to be £17,232,364, compared to a budget of £17,056,676 – additional income of £175,688; or 1.03%. Therefore the HRA is forecast to return a net £22,530 underspend at the year end.

General Fund Capital Programme

Gross expenditure at 30 September 2008 amounted to £1,325,779, which equates to approximately 43% of the (revised) planned total General Fund capital expenditure for the year of £3,060,950. The revised capital programme includes underspends brought forward from 2007/08. Of the balance left to spend direct payments in respect of the Freeman's Quay LC (principally payments to DVRC in respect of capital grants and contributions payable to the City Council) amounting to £530,555 account for 30.6% of the remaining budget; £301,246 (or 17.4%) is in relation to Disabled Facilities Grants and Home Repair Loans; and £321,551 (18.5%) is in respect of schemes directed towards the regeneration of Public Spaces (environmental improvements and play areas etc).

HRA Housing Business Plan – Capital Expenditure

Gross expenditure at 30 September 2008 against the HRA Housing Business Plan (Capital Expenditure only) amounted to £2,641,119, compared with the revised annual total gross expenditure of £4,859,209. Therefore at the end of September, approximately 54.4% of the planned total HRA Housing Business Plan (Capital Expenditure only) had been incurred.

Ushaw Moor Community Investment Fund

At 30 September 2008 no expenditure has been incurred against the approved schemes in the Ushaw Moor Community Investment Fund. It is anticipated that the outstanding commitments of £319,560 will be fully expended by the end of the financial year.

Bowburn Community Investment Funds

Gross expenditure at 30 September 2008 against the Bowburn Community Investment Fund amounted to £34,425, compared with the revised annual total gross expenditure of £718,280. Therefore at the end of September, approximately 4.8% of the planned total expenditure for the year had been incurred. Of the balance left to spend, the Bowburn Park Refurbishment scheme, accounts for 86% of the unspent balance at 30 September, which is planned for completion in three phases, with partnership funding secured for Phases I and II, and which are due to be completed in 2008/09. Phase III will follow in 2009/10 providing partnership funding is secured. The Council's match funding towards this scheme has been carried forward to 2009/10. It is anticipated that all outstanding commitments will be fully expended by the end of the financial year.

A full report detailing the Council's financial position and the reasons for any under or over spending across each budget head can be found at Appendix A. This report and its associated Annexes also set out full details of the revisions to the Capital Programmes and the position against a range of additional "balance sheet" financial information at 30 September 2008 – with comparative figures provided for 30 September 2007 and 31 March 2008.

Portfolio Member Recommendations or items Requiring a Cabinet Decision

That Cabinet note the financial performance in the period 1 April to 30 September 2008, the estimated outturn position at 31 March 2009 and the projected year-end balances in terms of the General Fund Reserve, the Housing Revenue Account Working Balance and other Earmarked Funds and Reserves;

That Cabinet note and agree the Programmes and Financing arrangements as set out in the Appendix in terms of the General Fund Capital Programme and Housing Business Plan; and

That Cabinet note the year to date position for the various key balance sheet items reported, including the movement on earmarked and non-earmarked funds;

Reasons for Recommendations

To present and account for the City Council's financial performance to 30 September and project this to the year-end to give Members an estimated outturn position and the estimated impact that this will have on its reserves and balances.

To ensure that Members are aware of areas of over and under spend against its approved budgets and the reasons for this, together with any mitigating actions that is being taken to address any issues that have arisen.

This report is an integral part of the Council's Corporate and Financial Governance arrangements.

Alternative Options to be Considered

Members may wish to ignore or amend the adjustments made to the capital programme, or ignore the advice of Officers regarding application of reserves and balances. However, the figures included in the report are factual and the amendments to Capital programmes and its financing are in line with decisions taken by Council (26 February 2008 – re approval of the budget framework and 30 June 2008 – re carry forward of underspends in 2007/08).

LGR Implications

There are no issues relating to this report that warrant any further clarification or approval from Durham County Council under the provisions of Local Government and Involvement in Health Act.

Members should note however that the County Treasurer has been requested to include summary details of the District Councils financial performance against its 2008/09 budgets, together with details of general and earmarked reserves and balances held, use of these and forecast position at 31 March 2009 with the financial monitoring reports considered by the County Council Cabinet on a quarterly basis.

Summary information setting out the year to date financial performance and estimated outturn position for the General Fund; HRA and the Capital Programmes, together with a full schedule of reserves and balances at 1 April 2008 and forecast position at 31 March 2009 has been provided to the County Treasurer.

Consultation

Each budget is assigned to a responsible Officer and relevant Director / Head of Service – these are deemed the “budget holders”. Once approved by Council, all budgets are loaded and profiled within the Council’s Financial Management Information System based on anticipated spending patterns within various services. Monthly budget reports are produced directly from the financial management system and considered within departmental management teams on a monthly basis. A summary overall year to date position is considered by Officers’ Management Team on a monthly basis.

Service Managers have investigated and provided reasons for year to date variances and have been fully involved in the preparation of outturn projections. In addition, the Council’s Officers’ Management Team have considered and approved this report as both a true reflection of the Council’s financial performance to 30 September 2008.

Financial, Legal and Risk Implications

There are no specific legal risks associated with this report.

Financial risks from a forecast reduction in Right to Buy capital receipts have been mitigated through revisions to the Capital Programmes as set out above and in the attached appendices. Officers’ Management Team will continue to monitor this situation closely on a monthly basis.

In terms of the General Fund Revenue position, Members will note that the current housing market conditions have had a significant impact on the 2008/09 budgets. Indeed, the provisional outturn forecast, and it should be stressed that this is a provisional (through prudent), shows a requirement to transfer £347K from the Strategic Emergency Reserve to cover the shortfall in resources within the General Reserve. This will take the balance on this reserve below the minimum level approved by Council. Officers’ Management Team and Budget Holders are closely monitoring the situation on a monthly basis and are taking all necessary action to mitigate against this eventually and reduce the overspend forecast at this time. An updated position will be presented to Cabinet in February/March.

Members should also note that there is a contingent liability held within the 2007/08 Statement of Accounts relating to the potential costs (reclaimed ERDF) in respect of the Millennium City development. Total potential liability exposure amounts to £1.172M, which is not reflected in this report. As Members will recall, Central Government (through the Government Office North East) are disputing this on behalf of the City Council. The outcome of the appeal is unknown and will not potentially be known for some months to come.

The quality of the information included in this report is to a great extent based on the quality of the data contained within the financial management system and is therefore reliant on the internal controls and performance management frameworks within the Council to ensure this is accurate and reliable. The internal control environment that exists within the Council provides for regular (weekly / monthly) reconciliation’s of key business critical systems. These controls extend to detailed procedures notes and their application is tested via internal and external audit. No significant issues have been identified.

Resource Implications

The financial performance to 30 September 2008, impact on reserves and balances, details of the revisions to the capital programmes and the current position in respect of key balance sheet items are set out in detail in Appendix A. There are no other resource implications arising from this report.

Timescale for Action

Not applicable – the recommendations contained within this report are not time related, save for the 2008/09 financial year end being 31 March 2009.

Associated Policies and Plans

- Annual Statement of Accounts 2007/08 (Approved by Council 30 June 2008);
- Revenue and Capital Budgets 2008/09 (Approved by Council 26 February 2008);

Supporting Documents

- Appendix A – Financial Report for the Period 01/07/08 to 30/09/08 – Incorporating Probable Outturn position at 31 March 2009.

Background Papers

- Financial Report for the Period 01/04/08 to 30/06/08 – Incorporating a Probable Outturn Position at 31/03/09
- Monthly Budgetary Control Reports to Officers' Management Team; and
- Agresso Financial Management System – Monthly Budgetary Control Reports



**Financial Report for the
Period 01.04.08 to
30.09.08 – Incorporating a
Probable Outturn
Position at 31.03.09**

**Paul Darby, CPFA
Director of Financial Services**




1.0 INTRODUCTION

1.1 The purpose of this report is to consider the City Council's financial performance for the period 1 April 2008 to 30 September 2008, highlighting areas of over and under spend against the year to date budgets and projecting this to the year end, taking into account known actions and issues for the remaining months of this financial year for the following:

- General Fund Revenue Account
- Housing Revenue Account
- General Fund Capital Programme
- HRA Housing Business Plan – Capital Expenditure

1.2 The report also includes a range of additional "balance sheet" financial information at 30 September 2008 – with the comparative position shown at 30 September 2007 and 31 March 2008 for these items. In year balance sheet reporting helps to improve the Council's financial and corporate governance arrangements and is a key requirement of the Audit Commissions Use of Resources assessment framework. The balance sheet items contained in the report build on other financial information provided to Cabinet, such as Treasury Management activity in terms of external loans and investments (reported in the quarterly Treasury Management reports to Cabinet) and bad debts provisions, outlined within write off reports considered by Cabinet.

1.3 The Annexes attached provide details (on a cost centre / budget head by budget head basis) of the position at 30 September and the projected outturn position at the year-end. To assist understanding and focus attention in terms of action planning, the annexes attached include a flag to indicate the following: -

- 1 A 'Green Arrow' [] indicates a variance of less than £10,000 and 10%, no action is required in these circumstances and no specific comment is made within the report to members.
- 2 An 'Amber Triangle' [] indicates a variance of either more than £10,000 or 10%, in this circumstance the variance will be investigated but may result in no action or no comment in the report
- 3 A 'Red Circle' [] indicates a variance of more than £10,000 and 10%, in these circumstances the variance will be fully investigated and an explanation will be given in the report

2.0 GENERAL FUND REVENUE ACCOUNT

2.1 For the period 1 April to 30 September 2008, the City Council's net expenditure stands at £6,799,609 compared to a profiled budget for this period of £6,944,892, £145,783, or 2.1%, less than anticipated. A detailed summary is attached at Annex - Item 1. This includes the impact of a full reappraisal of central support services recharges budgets at 30 September and therefore shows the year to date actual position with any under and overspends against central support services taken fully into account.

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- 2.2 A point worthy of note is that the actual spend position as at the 30 September 2008 is understated. Whilst the budgets include salaries and wages inclusive of an estimated 2.5% pay award, this is yet to be finalised, and therefore actual employee related costs in the year to date position remain at 2007/08 prices. A 2.5% pay award equates to approximately £226,000 for the period 1 April to 30 September 2008, of which approximately £148,000 relates to the General Fund and £78,000 to the HRA. Members should note that a pay award in excess of 2.5% would result in an over spend on staff salaries in 2008/09. Once agreed the pay award will be applied from 1 April and offset against any deductions in respect of the Industrial Action in July (members will note that deductions for those employees who participated in the industrial action have been deferred until the pay award and back pay is finalized) and therefore the current anomaly with the year to date position will disappear from future reports.
- 2.3 As in Quarter 1 this monitoring report includes a detailed projection in terms of the probable outturn position for the financial year-end. Action has been taken across a number of budgets to manage the position presented for Members consideration and Officers' Management Team continue to work to mitigate, as far as possible, the impact of the current economic circumstances.
- 2.4 Finance Officers have worked closely with all budget holders to determine the reasons for any over and under spending at 30 September and to forecast, based on existing planned activity and current economic conditions, whether this will be a feature at the year-end. Based on this work, the City Council's anticipated General Fund net expenditure at 31 March 2009 is forecast at £14,968,596. This can be compared with the base budget position of £14,377,771 – a budget deficit of £590,825 or 4.11%. This assumes that no further allocations are made from the Business Continuity / Services Initiatives budget and that this therefore underspends by £232,394. Adding the £590,825 to the planned use of General Reserves within the budget framework (£502,637) results in a forecast total call on General Fund balances of £1,093,462 at the year end. Full details are also shown in Annex - Item 1, with further analysis of the impact of General reserves shown at Annex – Item 8.
- 2.5 The net under spend at 30 September (£145,783 in Annex Item 1) can be explained by a number of factors, one of which is due to budget phasing, which can often be difficult to predict, particularly in areas where expenditure is irregular through the year. Some of the variances identified in the appendix are as a result of the expenditure not matching the budget phasing but the most significant variances are detailed below, together with commentary on their estimated impact on the forecast outturn position where appropriate: -

Other Recharges to Services

- The year to date underspends are primarily budget phasing issues and are due to timing of invoices yet to be paid;
- Savings on insurance premiums are anticipated at the end of the year and this has been factored into the support service recharges and is therefore reflected in the outturn positions for service budgets;
- Underspends on Information Technology are due to the reduction in levels of maintenance agreements in some systems and timing issues. Again, these

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savings have been factored into the support service recharges and are therefore reflected in the outturn positions for service budgets;

Corporate and Democratic Core

- Corporate Management costs are £5,813 underspent at 30 September and forecast to rise to an overspend of £27,984 at the year-end. This is as a result of unbudgeted expenditure in respect of the contribution to the Coalfield Communities initiative and additional legal costs;
- The Local Government Review overspend of £4,721 relate to costs regarding the Congleton Borough Council judicial review;
- Collectively, Civic Buildings are overspent by £11,897 at 30 September 2008, however, this is primarily due to budget phasing and unbudgeted costs incurred in respect of Byland Lodge. The forecast outturn position is a net overspend of £81,023, which reflects increased utility charges across the Civic Buildings and the unbudgeted costs of Byland Lodge.

Non Distributed Costs

- The outturn underspend on this budget is forecast at £102,711 which is a change to the previously reported outturn position of a net overspend of £74,623, the change is as a result of correcting posting entries to the HRA and DSO. These adjustments have been fully reflected in the outturn positions for the DSO and the HRA.

Central Services to the Public

- Council Tax Collection costs show an underspend of £65,421 at 30 September, however, this is skewed by underspends on revenues staffing and budgeted phasing issues that will not impact on the outturn position. Court cost fee income is slightly above target. The outturn position is expected to be £48,342 below budget as a result of higher than anticipated fee income;
- NNDR Collection shows an underspend of £10,160 at 30 September, which reflects higher income from fees and charges. The outturn is expected to be as budget.
- Council Tax Benefits are underspent by £11,620 at 30 September, and this is expected to rise to £14,746 by the year end, primarily as a result in staff savings;
- The costs of the Unitary Council Elections at 30 September (£6,491) will be offset by recharges to the County Council and therefore does not feature in the outturn position;
- Local Land Charges is showing an overspend of £65,569 at 30 September due to a shortfall in search fee income following changes in legislation, a downturn in the housing market and increased competition from the Private Sector. This shortfall is forecast to increase to £136,980 at year end;

Other Operating Income and Expenditure

- Accrued income from interest on investments is slightly above budget at 30 September 2008; this is due budget phasing issues which is masking decreased interest being achieved on the lower level of cash balances in the first half of the year. It also includes amounts due from DVRC in respect of the finance agreement with them in relation to the £2M capital contribution in 2007/08; The forecast interest at 31 March 09 is £65,300 less than budgeted as reported the Quarterly Treasury Management report to Cabinet dated 15 October 2008.
- Members will note that DVRC dividends, which are accrued in March each year and therefore are not a feature of the quarter two position, were budgeted at £750,000. Following a review of the DVRC business plan, factoring in the impact of the significant slowdown in the housing market, not least of which as a result of the “credit crunch” and rising oil prices, forecast dividends have reduced to just £50,000. This is the reason for the £700,000 shortfall forecast for 2008/09;

Highways Roads and Transport Services

- The car parks budget is £33,318 overspent at 30 September, which is a combination of budget phasing issues relating some elements of expenditure and less than anticipated levels of car parking and enforcement charges income. The outturn projection is a reduction in car parking income of £63,515.

Housing Services

- Housing Strategy and Development is showing an overspend of £24,470 at 30 September, due to unbudgeted costs in relation to a contribution to a Travellers Needs Assessment and a contribution towards Durham Housing and Neighbourhoods Group. The outturn position is an overspend of £24,468;
- The Homelessness and Housing Action Partnership are £6,113 underspent at 30 September, this is expected to increase to £31,127 at the end of the year due to additional Homelessness Grant and charges being anticipated:
- The Welfare Benefits budget is £127,624 under spent at the end of quarter two and is expected to be a net underspend of £98,370 at the year end. This is due to staff savings and additional income from overpaid housing benefit recovery;

Environmental Services

- Refuse collection and recycling is currently showing an overspend of £36,100 as a higher than anticipated fleet costs. The outturn position is forecast to be a net underspend of £3,717:
- Door-to-Door recycling is currently overspent by £48,586 due to unbudgeted transport costs and outstanding recycling credits due from County Council not yet being drawn down. The forecast outturn position at this time is £8,985;
- The Public Health budget is showing a £27,233 underspend due to a combination of staff savings and additional income being received. The outturn position shows a £46,425 underspend and includes the allocation of £50,000 from the HMO Licensing Reserve in 2008/09;

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- Income from the Joint Committee of the Durham Crematorium is predicted to be £100,000 greater than the budgeted position due to delays in opening the rival crematoria in the Wear Valley area and therefore no loss of revenue, as was taken into account in the base projections;
- The Licenses and Certificates budget is £19,328 underspent at 30 September due to additional licensing income being received in the first six months and budget phasing issues in relation to supplies and services expenditure. The outturn position is a net £73,398 underspend for the year;
- The Community Safety Budget is £10,254 underspent at 30 September due to spend on community safety schemes not yet being incurred. The outturn position is a net £4,954 overspend;
- Other Environmental Health is currently overspent by £17,694 due to expenditure on unbudgeted consultancy costs. The outturn position is a overspend of 16,587;
- Neighbourhood Wardens is underspent by £16,700 due to staff turnovers savings. The outturn position is a net £19,362 underspend;

Planning and Development Services

- Earlier in the year the Council was notified of its provisional Housing and Planning Delivery Grant allocations. Amounts receivable in 2008/09 are 20% less than anticipated and this has had an adverse effect on the Planning Services' revenue accounts. In addition, costs associated with the recent failed planning appeal have also needed to be taken into account in outturn projections. On a more positive note, the increases in statutory planning fees have somewhat compensated for a reduction in the number of planning applications;
- Taking these issues into account, Members will note that Development Control is £76,033 overspent at 30 September. Outturn projections forecast a £108,127 overspend at the year end. Careful monitoring of planning fee income levels is being undertaken;
- Building Control is showing a slight underspend of £9,092 at the end of September, however, taking into account market conditions a prudent projection of a £68,315 overspend at the year end has been included in the probable outturn statements;
- Industrial Development is currently showing an underspend of £19,141 due to a timing issue of payments to Financial Incentives. The outturn position has been calculated to be an overspend of £7,672 at the year-end due to rental income on industrial units being below budget;
- Community Development is below budget by £32,731 mainly due to staffing vacancies and pay award savings in the year to date position. Factoring in the pay award etc. this is expected to rise slightly to £47,620 by the year year-end;

Cultural Services

- City Centre Visioning is currently £56,126 overspent, however this is a phasing issue and therefore will be offset by grant income and will not feature in the outturn position;
- The Gala Theatre is £9,476 underspend currently with the year end position being a forecast £15,091 overspend, primarily due to additional operating costs (utilities etc.) not being fully covered by the increased income levels being experienced currently.
- Leisure Development is £49,640 underspent at 30 September due to staff vacancy savings and pay award issues. Factoring in the pay award etc. this is expected fall to an underspend of £36,330 by the year year-end;
- Indoor sports and recreation is £103,317 overspent at 30 September and is expected to rise to an overspend of £159,200 by the year end, due to reductions in fees and charges income, increased utility charges and additional expenditure being incurred on Elvet Waterside Swimming Pool;
- Parks, Cemeteries & Allotments is currently £113,373 underspent due to budget phasing issues, savings on staff and underspends on premises related expenses the outturn position is anticipated to be on budget.

2.6 The General Fund Balance was £1,366,760 at 31 March 2008 - £666,760 held in the General Reserve and £700,000 in the Strategic Emergency Reserve. Unallocated balances on the Flourishing Communities earmarked reserve totalling £37,711 have been transferred into the General Reserve, taking the position prior to consideration of the outturn to £1,404,471.

2.7 The probable outturn position for the General Fund (see 2.3 above) shows an estimated budget deficit of £590,825, taken with the already planned use of General Fund balances within the 2008/09 budget framework, this results in a total use of General Fund balances of £1,093,462. This would decrease the General Fund balance to £311,009 at the year-end. Full details of the movement on all reserves and balances, together with detailed forecasts of the position at 31 March 2009 for each is set out in Annex – Item 8).

3.0 HOUSING REVENUE ACCOUNT

3.1 Gross expenditure on Council Housing at the end of September 2008, including HRA negative subsidy payable to the Government, was £8,568,152 compared to a profiled budget of £8,364,991 – a £203,161 over spend; or 2.43%. Gross income from Housing Rents and other income, stands at £8,284,396 compared to a profiled budget of £8,174,809 – additional income of £109,587 or 1.34%. The net overspend on the HRA therefore standing at £93,574 at the end of September 2008, compared to an anticipated deficit position of £190,182. Full details are shown in Annex - Item 2.

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- 3.2 Finance Officers have again worked closely with all budget holders to determine the reasons for any over and under spending at 30 September and to forecast, based on existing planned activity, whether this will be a feature at the year-end. Gross expenditure on Council Housing at the end of the financial year, including HRA negative subsidy payable to the Government, is anticipated to be £17,209,834 compared to a budget of £17,056,676 – a £153,158 over spend; or 0.90%. Gross income from Housing Rents and other income for the end of the year are estimated to be £17,232,364 compared to a budget of £17,056,676 – additional income of £175,688; or 1.03%. Therefore the HRA is forecast to return a net £22,530 underspend at the year-end. Full details are also shown in Annex - Item 2.
- 3.3 The net overspend against the phased budget to 30 September 2008 (£93,574) is due to a combination of factors, the main issues as detailed below: -
- Net dwelling and garage income is £88,810 greater than budgeted due to a higher level of housing stock than anticipated as a result of lower than expected Right to Buy sales in the second quarter of this financial year and reduced sales in the last quarter of 2007/08. Rental income lost through voids is just under 1.50% of gross rents, which is broadly inline with the level budgeted. The outturn projection, based on the current level of Right to Buy completions continuing throughout the year (see item 8.2 to 8.4 for details) is for additional income of £155,019.
 - Repairs and maintenance expenditure is £190,957 higher than budgeted at the end of quarter two, primarily as a result of increased costs pressures being faced by the building sector. A forecast outturn position shows an overall overspend of £223,356 on Housing repairs and maintenance expenditure for 2008/09. To offset this position, the provision for business continuity / transition issues will not be spent this year, with the consequent underspend being offset against this position. Careful control will need to be exercised over this budget to ensure that the spend is curtailed within these parameters;
- 3.4 The HRA Working Balance was £851,299 at 31 March 2008, and taking into account the outturn position set out above is expected to rise to £873,828 at 31 March 2009. Full details of the movement on all reserves and balances, together with detailed forecasts of the position at 31 March 2009 for each is set out in Annex – Item 8).

4.0 CAPITAL PROGRAMMES – FINANCING ISSUES AND OVERALL CONTROL TOTALS

- 4.1 The total original gross budgeted spend in 2008/09 was £6.845M.
- 4.2 The approved capital programmes have been amended to reflect the carry forward of underspends in 2007/08 – which totalled £2.038M, as detailed in the Statement of Accounts approved by Council in June 2008. Further amendments (reductions) in relation to underspend of commitments against the Town Hall refurbishment scheme and the carry forward of resources in respect of Bowburn Park refurbishment Phase III, have also been taken into account.
- 4.3 An updated schedule of projected land sales and RTB receipts are set out in Annex – Item 3.

- 4.4 Taking into carry over and amendments to the approved programme detailed above the revised gross capital expenditure is expected to be £9,002M. Summary details of the revised Capital Programmes and the financing statement to support this are set out in Annex - Item 4. The only carry over assumed at this stage is in respect of resources available to match fund Phase III works at Bowburn Park in 2009/10, which is unlikely but prudent at this stage in terms of capital financing.

5.0 GENERAL FUND CAPITAL PROGRAMME

- 5.1 Taking into account the amendments outlined above the revised gross expenditure target for 2008/09 is £3,060,950 (see attached Annex – Item 5). Gross expenditure at 30 September 2008 against the General Fund Capital Programme amounted to £1,325,779. Therefore at the end of September, approximately 43% of the revised planned total General Fund capital expenditure for the year had been incurred.
- 5.2 Of the balance left to spend direct payments in respect of the Freeman's Quay LC (principally payments to DVRC in respect of capital grants and contributions payable to the City Council) amounting to £530,555 account for 30.6% of the remaining budget; £301,246 (or 17.4%) is in relation to Disabled Facilities Grants and Home Repair Loans; and £321,551 (18.5%) is in respect of schemes directed towards the regeneration of Public Spaces (environmental improvements and play areas etc).
- 5.3 The General Fund Capital Programme, approved by Council in February 2008, as revised to take into carry over amounts and updated financing arrangements, continues to be monitored and reviewed in detail on a monthly basis.

6.0 HRA HOUSING BUSINESS PLAN – CAPITAL EXPENDITURE

- 6.1 Gross expenditure at 30 September 2008 against the HRA Housing Business Plan (Capital Expenditure only) amounted to £2,641,119, compared with the revised annual total gross expenditure of £4,859,209. Therefore at the end of September, approximately 54.4% of the planned total HRA Housing Business Plan (Capital Expenditure only) had been incurred, as shown in Annex - Item 6.
- 6.2 The HRA Housing Business Plan Capital Programme, approved by Council in February 2008, as revised to take into carry over amounts and updated financing arrangements, continues to be monitored and reviewed in detail on a monthly basis.

7.0 EARMARKED COMMUNITY INVESTMENT FUNDS EXPENDITURE

- 7.1 Details of commitments and spend against the Ushaw Moor Community Investment Fund and Bowburn Community Investment Funds are shown in Annex - Item 7.

Ushaw Moor Community Investment Fund

At 30 September 2008 £142,857 (44.7%) expenditure has been incurred against the approved schemes in the Ushaw Moor Community Investment Fund. It is anticipated that

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the outstanding commitments of £319,560 will be fully expended by the end of the financial year, as shown in Annex - Item 7.

Bowburn Community Investment Funds

Gross expenditure at 30 September 2008 against the Bowburn Community Investment Fund amounted to £34,425, compared with the revised annual total gross expenditure of £718,280. Therefore at the end of September, approximately 4.8% of the planned total expenditure for the year had been incurred.

The Bowburn Park Refurbishment scheme, which accounts for 86% of the unspent balance at 30 September, is planned for completion in three phases, with partnership funding secured for Phases I and II, which are due to be completed in 2008/09. Phase III will follow in 2009/10 providing partnership funding is secured. The Council's match funding towards this scheme has been carried forward to 2009/10. It is anticipated that all outstanding commitments will be fully expended by the end of the financial year as shown in Annex - Item 7.

- 7.2 Spend against the budgets allocated to these areas is also monitored and reviewed on a monthly basis.

8.0 BALANCE SHEET REPORTING – KEY ITEMS

- 8.1 The position for the key balance sheet items as at 30 September 2008 is set at in the table below, together with the position at 31 March 2008 (and as at 30 September 2007 where available) for comparison purposes: -

Position at 30.09.07 £'000	Position at 31.03.08 £'000		Position at 30.09.08 £'000
788	264	Bank Balance	44
273	244	Cash in Transit	461
(1656)	(670)	Unpresented Cheques / BACS in Transit / Purchasing Cards	(1,817)
(595)	(162)	Balance Sheet "Bank"	(1,312)
13,152	4,706	Short Term Investments	6,902
(22,362)	(22,014)	Long Terms Borrowing (Total Loans Outstanding)	21,322
		Creditors – Accounts Payable System (Agresso):	
(157)	(14)	- Amounts Registered but Not Due	(398)
(49)	(4)	- Amounts Registered: Due 31 to 60 Days	(1)
2	11	- Amounts Registered: Due 61 to 90 Days	4
(27)	4	- Amounts Registered: Due 91 + Days	(14)
(231)	(3)		(409)

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Position at 30.09.07 £'000	Position at 31.03.08 £'000		Position at 30.09.08 £'000
		Key / Significant Debtors:	
15,618	1,947	- Net Council Tax Arrears	16,126
11,207	1,013	- Net NNDR Arrears	13,041
734	676	- Net HRA Housing Rent Arrears – Current Tenants	680
561	709	- Net HRA Housing Rent Arrears – Former Tenants	734
536	720	- Invoiced Debtors Arrears – General (Agresso)	552
321	270	- Invoiced Debtors Arrears – Overpaid HB (Northgate SX3)	298
28,977	5,335		31,431
2,267	1,608	Usable Capital Receipts Reserve	382

- 8.2 The Council sold 6 dwellings under the Right to Buy (RTB) in the period 1 April to 30 September 2008. The HRA housing stock at 30 September 2008 stood at 6154 dwellings (there were 6,160 dwellings at 31 March 2008). Budgeted overall Right to Buy, other sales and demolitions for the year totaled 55 when the budgets were prepared. At 6 the second quarter position is well below what was budgeted and indeed if this trend continues for the remainder of the year then only 12 RTB completions will be made by 31 March 2009.
- 8.3 The gross valuation of dwellings sold under the RTB in the first 6 months (as assessed by the City Council's External Valuer) was £548,000 giving an average valuation per RTB completion of £91,333. The average discount allowed was 24%, which produced net receipts of £416,000 – giving an average "sale price" per RTB completion of £69,333. After allowable deductions for RTB Administration and works to these dwellings over the last three years, the City Council retained £92,655 (25.25%) of the net proceeds of the RTB completions in the period to the end of September 2008 with £274.364 payable directly to the Government under the national pooling arrangement.
- 8.4 In 2008/09 the Council budgeted to retain £750,000 of total RTB receipts, however, based on the position during the second quarter and taking into account current market conditions, it is now estimated that usable RTB receipts will be around £185,000 a shortfall of approximately £565,000 of capital resources available to the Council.

9.0 Supporting Documents

- Annex – Item 1: General Fund Revenue Account Financial Summary
- Annex – Item 2: Housing Revenue Account Financial Summary
- Annex – Item 3: Updated Forecast – Capital Receipts 2008/09

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- Annex – Item 4: Overall Capital Programmes and Financing 2008/09
- Annex – Item 5: General Fund Capital Programme
- Annex – Item 6: Housing Business Plan Capital Programme
- Annex – Item 7: Flourishing Communities / Earmarked Community Investment Funds
- Annex – Item 8: Summary of Movement on Reserves and Balances

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BUDGET MONITORING REPORT FOR THE PERIOD 1 APRIL TO 30 SEPTEMBER 2008

Base Budget 2008/09 £'000	Service	Profiled Budget Apr-Sept £'000	Actual Spend Apr-Sept £'000	Year to Date Over/(Under) Spend £'000	Flag	Probable Outturn 2008/09 £'000	Variance to Base Budget £'000
	Other Recharges to Services						
-	Postage	-	(15)	(15)	●	-	-
-	Information Technology	104	104	-	→	-	-
-	Building Cleaning	-	(9)	(9)	▲	-	-
-	Telephones	11	3	(8)	▲	-	-
-	Mobile Phones	(5)	(7)	(2)	▲	-	-
-	Insurance & Risk Management	79	81	2	→	-	-
-		189	157	(32)		-	-
	Corporate and Democratic Core						
227	Members	107	101	(6)	→	216	(11)
103	Members Discretionary Payments	34	41	7	▲	103	-
45	Civic Functions	28	26	(2)	→	48	3
231	Democratic Services	107	100	(7)	→	223	(8)
109	Town Hall	57	54	(3)	→	115	6
136	Human Resources & Central Training	7	(2)	(9)	▲	136	-
5	Push Ahead	3	11	8	▲	5	-
845	Corporate Management	407	402	(5)	→	873	28
-	Local Government Review	-	5	5	●	2	2
19	Bank Charges	10	10	-	→	19	-
96	Audit Fees	48	48	-	→	96	-
8	Treasury Management	(3)	(4)	(1)	→	8	-
44	Subscriptions to LA Associations	29	29	-	→	44	-
-	Civic Buildings	(40)	(28)	12	●	81	81
1,868		794	793	(1)		1,969	101
	Non Distributed Costs						
1	Other Land and Buildings	1	(4)	(5)	▲	(1)	(2)
6	Non-Operational Assets	3	3	-	→	6	-
297	Superannuation – Pensions Increase	100	102	2	→	293	(4)
555	Contributions to meet Pensions Fund Deficit	277	263	(14)	▲	527	(28)
328	Restructure Costs	70	70	-	→	225	(103)
-	RTB Administration	-	-	-		-	-
821	Non-Distributed Deferred Charges	410	411	1	→	821	-
2,008		861	845	(16)		1,871	(137)
	Central Services to the Public						
594	Council Tax Collection	297	232	(65)	●	546	(48)
20	NNDR Collection	10	-	(10)	●	20	-
-	Revenues	1	1	-	→	-	-
-	Customer Services	-	(6)	(6)	▲	(11)	(11)
199	Council Tax Benefits	73	62	(11)	▲	184	(15)
60	NNDR Discretionary Relief	60	54	(6)	→	60	-
(64)	NWA Collection Allowance	(32)	(41)	(9)	▲	(70)	(6)
112	Grants and Donations	93	90	(3)	→	112	-
28	Registration of Electors	14	15	1	→	31	3
3	Electoral Matters	3	2	(1)	▲	2	(1)
-	Unitary Council Elections	-	6	6	▲	-	-
(248)	Local Land Charges	(124)	(58)	66	●	(111)	137
704		395	357	(38)		763	59
	Other Operating Income & Expenditure						
(1,358)	Interest & Dividends	(304)	(313)	(9)	→	(593)	765
-	DSO Profits	-	-	-		-	-
-	Local Authority Business Grant Initiative	-	-	-		-	-
(1,358)		(304)	(313)	(9)		(593)	765
	Highways, Roads & Transport Services						
(191)	Car Parks	(104)	(70)	34	●	(127)	64
1	Footpath Lighting	1	(1)	(2)	▲	1	-
(13)	Garage Sites	(13)	(9)	4	▲	(12)	1
44	Bus Shelters	26	21	(5)	▲	43	(1)
898	Concessionary Bus Permits	399	400	1	→	898	-
739		309	341	32		803	64

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BUDGET MONITORING REPORT FOR THE PERIOD 1 APRIL TO 30 SEPTEMBER 2008

Base Budget 2008/09 £'000	Service	Profiled Budget Apr-Sept £'000	Actual Spend Apr-Sept £'000	Year to Date Over/(Under) Spend £'000	Flag	Probable Outturn 2008/09 £'000	Variance to Base Budget £'000
	Housing General Fund Services						
72	Housing Strategy & Development	36	60	24	●	97	25
298	Improvement Grants	149	149	-	➡	298	-
10	Home Improvement Agency	-	-	-	➡	10	-
-	HAP	(70)	(70)	-	➡	-	-
81	Homelessness	-	(5)	(5)	▲	50	(31)
372	City Care	160	150	(10)	▲	372	-
-	Gypsy Site	4	3	(1)	➡	1	1
237	Welfare Benefits	188	60	(128)	●	138	(99)
1,070		467	347	(120)		966	(104)
	Environmental Services						
116	Sustainable Development	58	57	(1)	➡	116	-
136	Public Conveniences	68	67	(1)	➡	138	2
1,383	Refuse Collection and Recycling	671	707	36	▲	1,380	(3)
140	Door to Door Recycling	107	156	49	●	149	9
695	Public Health	332	304	(28)	▲	649	(46)
-	Smoking Legislation	-	-	-		-	-
1,042	Street Sweeping and Cleaning	521	516	(5)	➡	1,052	10
(200)	Crematorium Joint Committee	(100)	(100)	-	➡	(300)	(100)
43	Licences / Certificates	10	(10)	(20)	●	(31)	(74)
128	Community Safety	64	53	(11)	●	133	5
20	Other Environmental Health	10	28	18	●	37	17
71	Neighbourhood Wardens	35	19	(16)	●	51	(20)
-	Garage	(1)	2	3	▲	-	-
3,574		1,775	1,799	24		3,374	(200)
	Planning & Development Services						
210	Planning Policy & Regeneration	147	147	-	➡	204	(6)
256	Building Control	128	119	(9)	➡	325	69
215	Statutory Planning Control	107	183	76	●	324	109
142	Industrial Development	71	52	(19)	●	149	7
(15)	Markets	(4)	(6)	(2)	▲	(15)	-
825	Community Development	412	380	(32)	▲	777	(48)
1,633		861	875	14		1,764	131
	Cultural and Related Services						
55	Enlightenment Festival	10	10	-	➡	55	-
408	Conservation	206	211	5	➡	417	9
50	City Centre Visioning	25	81	56	●	50	-
550	Gala Theatre Operating Subsidy	275	266	(9)	➡	565	15
531	Millenium City	-	-	-	➡	531	-
123	Arts, Development and Support	42	41	(1)	➡	122	(1)
288	Leisure Develop. and Comm. Recreation	144	94	(50)	●	252	(36)
1,543	Indoor Sports & Recreation Facilities	740	843	103	●	1,702	159
1,505	Parks, Cemeteries and Allotments	881	767	(114)	●	1,505	-
440	Tourism and Conference Promotion	223	235	12	▲	439	(1)
70	Christmas Lights/Decorations	14	14	-	➡	70	-
5,563		2,560	2,562	2		5,708	145
(1,926)	Capital Financing Charges	(963)	(963)	-		(1,926)	-
	Contingency						
300	Implementation of Single Status	-	-	-		300	-
232	Contingency - Business Continuity/Service Initiatives Fund - unallocated	-	-	-		-	(232)
532		-	-	-		300	(232)
14,407	Net Expenditure – Before Application of Earmarked Reserves and Balances	6,944	6,800	(144)		14,999	592
	Use of Balances						
(30)	- Corporate & Service Initiatives Fund	-	-	-		(30)	-
(300)	- Job Evaluation Earmarked Reserve	-	-	-		(300)	-
(51)	- General Fund - Central Training	-	-	-		(51)	-
(75)	- General Fund - Freemans Quay	-	-	-		(75)	-
(72)	- General Fund - Kerbside Recycling	-	-	-		(72)	-
(305)	- General Fund - Other	-	-	-		(305)	-
(833)		-	-	-		(833)	-
13,574	Total Net Expenditure	6,944	6,800	(144)		14,166	592

HOUSING REVENUE ACCOUNT**BUDGET MONITORING REPORT FOR THE PERIOD 1 APRIL TO 30 SEPTEMBER 2008**

Base Budget 2008/09 £'000		Profiled Budget Apr - Sept £'000	Actual Spend Apr - Sept £'000	Year to Date Over / Under Spend £'000	Flag	Probable Outturn at the Year £'000	Est. Outturn Over/ £'000
3,629	Repairs and Maintenance	1,821	2,012	191	●	3,852	223
5,271	Supervision and Management	2,581	2,594	13	▲	5,275	4
30	Council Tax on Void Properties	0	(2)	(2)	→	6	(24)
	Agency Payments & Other External Fees	0	1	1	→	0	0
100	Implementation of Single Status					100	0
	Business Continuity/Service Initiatives						
100	Provision			0		0	(100)
100	Provision for Bad and Doubtful Debts	50	50	0	→	100	0
1,521	Capital Charges – Item 8 Debit	760	760	0	→	1,521	0
3,866	Capital Charges – Depreciation (MRA)	1,933	1,933	0	→	3,866	0
	Baliff Charges	0	0	0	→	0	0
163	Capital Charges – Premia on Redemption	82	82	0	→	163	0
67	Debt Management Expenses	34	33	(1)	→	67	0
312	Direct Revenue Financing	156	156	0	→	362	50
1,897	Negative Subsidy Payable to ODPM	948	948	0	→	1,897	0
-							
17,056	Total Expenditure	8,365	8,567	202		17,209	153
16,938	Dwelling and Garage Rents (Net of Voids)	8,116	8,205	89	▲	17,093	155
16	Non-Dwelling Rents	8	16	8	▲	21	5
31	Heating Charges	15	13	(2)	→	28	(3)
23	Other Charges for Services	12	12	0	→	14	(9)
48	Item 8 Credit	24	24	0	→	48	0
	Court Costs Recovered	0	12	12	→	22	22
	Other Income	0	1	1	→	6	6
17,056	Total Income	8,175	8,283	108		17,232	176
0	Total Net Expenditure / (Income)	190	284	94		(23)	(23)

UPDATED FORECAST - CAPITAL RECEIPTS 2008/09

Forecast / Budgeted Capital Receipts	£000	Notes
Right to Buys (Based on Position re RTB's to date – see note below)	185	1
Sale of Land – New Brancepeth	50	2
Sale of Land – Witton Gilbert	260	3
Sale of Land – Quarrington Hill & Coxhoe	50	4
Other land Sales (Unspecified Areas)	50	5
Usable Capital Receipts Reserve BFWD	1,608	6
Total Available Capital Receipts	2,203	
Total Required re Current Programme	(2,132)	7
Usable Capital Receipts Reserve Carried Forward	71	8

NOTES

- 1) Budget based on RTB sales of 55, at an estimated gross valuation of £50,000. By the end of September it would have been expected that CoD would have sold 18 dwellings under the RTB and that retained usable receipts generated would be £381,K (£13,636 per dwelling). Actual sales to 30 September 2008 were only 6, with usable elements amounting to £93K (£15,442 per dwelling). Based on the actual position to date the RTB receipts have been re-forecast on a prudent basis to be £185K this year.
- 2) Relates to land at Waltons Terrace and land at 124/126 Braunespath Estate New Brancepeth. Valuations and marketing underway. Receipts assumed as budgeted at this stage.
- 3) Relates to land at Front Street, Witton Gilbert, land next to Glenville House, land at Rose Lea and land next to The Cottage. Valuations and marketing underway. Receipts assumed as budgeted at this stage.
- 4) Relates to land at 24 Neil Crescent and land 16 David Terrace Quarrington Hill and land at Landsdowne Road, Coxhoe. Valuations and marketing underway. Receipts assumed as budgeted at this stage.
- 5) Receipts assumed as budgeted at this stage.
- 6) Receipts assumed as budgeted at this stage.
- 7) Capital receipts required for capital financing in 2008/09, are as follows: -

	£'000
General Fund Capital Programme	(939)
HRA Housing Business Plan Capital Programme	(290)
Ushaw Moor Community Investment Fund	(282)
Bowburn Community Investment Fund	(602)
Flourishing Communities Fund	(19)
Total Capital Receipts Required – 2008/09	(2,132)

- 8) Based on the above revised position re forecast capital receipts, the Usable Capital Receipts Reserve will have a balance of approximately £71K after financing the 2008/09 Capital Programme commitments.

BUDGETED CAPITAL PROGRAMMES AND FINANCING 2008/09

Budgeted Capital Expenditure (Including Carry Over and Other Adj.s)	£000
General Fund	3,061
Housing Business Plan	4,859
Flourishing Communities Fund	44
Bowburn Community Investment Fund	718
Ushaw Moor Community Investment Fund	320
Total Gross Budgeted Spend	9,002
Capital Financing (Revised Programme)	
	£000
Capital Receipts (See Below)	2,132
Supported Borrowing Approvals	248
Revenue Contributions – General Fund	129
Revenue Contributions – HRA	362
Government Grants (DFG and SHIP 3)	367
Major Repairs Allowance	3,866
Use of Section 106 Agreements / Planning Consents	70
Other Capital Grants and Contributions	1,767
Use of Earmarked Reserves and Balances	61
	9,002

Detail - Forecast / Budgeted Capital Receipts (See Item 3)	£000
Right to Buys (Based on Position re RTB's to date – see note below)	185
Sale of Land – New Brancepeth	50
Sale of Land – Witton Gilbert	260
Sale of Land – Quarrington Hill	50
Other land Sales (Unspecified Areas)	50
Usable Capital Receipts Reserve (Balancing Figure)	1,537
	2,132

CITY OF DURHAM
GENERAL FUND CAPITAL PROGRAMME 2008/09
FINANCIAL REPORT FOR THE PERIOD 1 APRIL 2008 TO 30 SEPTEMBER 2008

	Funding Ref	Budget Holder	2008/09 Original Estimate £	Slippage B/Fwd 07/08	Other Adjustments £	Slippage to 2009/10	2008/09 Adjusted Estimate £	Income / Expenditure to Date (Gross) £	Balance to Spend £
Flourishing Communities									
Disabled Facilities Grants	1	N. Laws	295,000	32,636	-	-	327,636	177,450	150,186
Home Repair Loans	9	N. Laws	180,000	11,350	-	-	191,350	40,290	151,060
			475,000	43,986	-	-	518,986	217,740	301,246
Quality Public Services									
Other IEG / ICT schemes:									
Flexibility & Security (Time and Attendance)		M Shanks	-	11,822	-	-	11,822	267	11,555
Housing Management System		A Moscardini	-	91,098	-	-	91,098	55,702	35,396
Additional - IT (PC's)		D. Wallace	-	32,541	-	-	32,541	10,445	22,096
Waste Recycling Schemes		C. Tomlinson	41,000	-	-	-	41,000	2,575	38,425
Land Drainage		A. Young	-	10,913	-	-	10,913	168	10,745
Office Accommodation Works		S. Hawley	-	45,778	-	-	45,778	14,659	31,119
Gala Blue Room - Seating Refurbishment	14	S. Stallworthy	-	-	29,000	-	29,000	29,854	(854)
City Centre Streetscape									
Riverbank Consolidation		M. Hurlow	-	5,000	-	-	5,000	-	5,000
Canoe Access Agreement Works	12	M. Hurlow	-	18,750	-	-	18,750	-	18,750
Palace Green Toilets	11	M. Hurlow	-	10,000	-	-	10,000	-	10,000
Regeneration of Public Spaces									
Kelbie Recreation Ground landscaping		C. Tomlinson	-	1,735	-	-	1,735	1,735	-
Holiday Park Landscaping		C. Tomlinson	-	3,727	-	-	3,727	-	3,727
Meadowfield Cemetery landscaping		C. Tomlinson	-	6,000	-	-	6,000	-	6,000
Churchyard Improvements	4	C. Tomlinson	42,390	4,045	-	-	46,435	3,600	42,835
Ludworth Fun Zone		S. Hawley	-	4,607	-	-	4,607	-	4,607
Sherburn Hill Env Imp	8	P.Lee / C. Tomlinson	-	10,055	-	-	10,055	-	10,055
Belmont Park - Tennis Court Fencing & Surfacing		P.Lee / C. Tomlinson	-	6,308	-	-	6,308	990	5,318
Playing Pitch Improvements - Drainage		P.Lee / C. Tomlinson	-	9,500	-	-	9,500	9,500	-
Lowes Barn Park - Fencing Repairs		P.Lee / C. Tomlinson	-	3,353	-	-	3,353	1,717	1,636
Brandon Play Area - Multi Games Unit		P.Lee / C. Tomlinson	37,500	-	-	-	37,500	-	37,500
South Road Cemetery - Additional Car Parking		P.Lee / C. Tomlinson	-	20,000	-	-	20,000	20,000	-
Esh Winning - Multi Games Area		P.Lee / C. Tomlinson	37,500	-	-	-	37,500	-	37,500
Works at Belmont Bowling Green	3	P.Lee / C. Tomlinson	-	20,000	-	-	20,000	17,500	2,500
Multi Games Areas - Gilesgate or Pelaw		C. Tomlinson	38,000	-	-	-	38,000	26,627	11,373
Multi Games Areas - Ludworth		C. Tomlinson	38,000	-	-	-	38,000	-	38,000
Eyegore Site - Wifon Gilbert Garage		J. Dodds	25,000	-	-	-	25,000	-	25,000
Fencing Esh Winning/Wifon Gilbert/ Richmond Road		M. Bates	34,500	-	-	-	34,500	-	34,500
Off Street Parking - Mill Lane Gilesgate		S. Hawley	18,000	-	6,000	-	24,000	-	24,000
Off Street Parking - Kirkham Road Newton Hall		S. Hawley	7,000	-	-	-	7,000	-	7,000
Contribution to Sherburn Conservation works (FC Funded)		C. Tomlinson	-	30,000	-	-	30,000	-	30,000
Freemans Quay									
Freemans Quay Leisure Centre - CoD Dir Pymt to DVRC	9	D. Marrs	690,000	347,273	-	-	1,037,273	520,000	517,273
Freemans Quay Leisure Centre - Art Work	9	D. Marrs	-	75,023	-	-	75,023	61,741	13,282

CITY OF DURHAM
GENERAL FUND CAPITAL PROGRAMME 2008/09
FINANCIAL REPORT FOR THE PERIOD 1 APRIL 2008 TO 30 SEPTEMBER 2008

	Funding Ref	Budget Holder	2008/09 Original Estimate £	Slippage B/Fwd 07/08	Other Adjustments £	Slippage to 2009/10	2008/09 Adjusted Estimate £	Income / Expenditure to Date (Gross) £	Balance to Spend £
Environmental Improvements - Parks									
Car park Resurfacing - Bearpark Community Centre	15	C. Tomlinson	-	9,298	-	-	9,298	-	9,298
Parkhill Play Area		J. Tindale	-	-	317,496	-	317,496	117,734	199,762
			1,008,890	776,826	352,496	-	2,138,212	894,814	1,243,398
A. Capital City									
Town Hall Improvements		S. Hawley	-	137,342	(56,000)	-	81,342	18,176	63,166
Millennium Art - The Journey	10	M. Bates	140,000	13,000	-	-	153,000	93,030	59,970
Pride in Durham	4	C. Tomlinson/ M. Bates	210	7,420	-	-	7,630	5,861	1,769
Replacement Bus Shelters	13	M. Bates	54,000	-	14,880	-	68,880	63,404	5,476
Litter & Dog Bins		C. Tomlinson	4,000	-	-	-	4,000	4,000	-
Roadside Seats		C. Tomlinson	2,400	-	-	-	2,400	2,400	-
Parish Plans		D. Marrs	25,000	-	-	-	25,000	24,000	1,000
Ludworth Community Centre Alteration - DDA		S. Hawley	11,500	-	-	-	11,500	2,354	9,146
Durham Riverbanks Garden Project		M. Hurlow	-	50,000	-	-	50,000	-	50,000
			237,110	207,762	(41,120)	-	403,752	213,225	190,527
TOTAL GROSS EXPENDITURE			1,721,000	1,028,574	311,377	-	3,060,950	1,325,779	1,735,171
CAPITAL FINANCING									
Capital Receipts			424,000	565,014	(50,000)	-	939,014	795,434	143,580
Direct Revenue Financing	14		100,000	-	29,000	-	129,000	33,956	95,044
DFG Subsidy/SCA	1		177,000	-	-	-	177,000	106,470	70,530
Section 106 Ags - AMEC Development (Millennium Art)	2		50,000	-	-	-	50,000	-	50,000
Section 106 - Various	3		-	20,000	-	-	20,000	17,500	2,500
Earmarked Reserves and Balances									
Corporate & Service Initiative Fund - Churchyard Improvements	4		-	4,045	-	-	4,045	-	4,045
Earmarked Reserve - Pride in Durham	5		-	57,420	-	-	57,420	57,420	-
Other Grants and Contributions									
Freemans Quay Leisure Centre - Competition Line	6		440,000	285,024	-	-	725,024	220,000	505,024
Freemans Quay Leisure Centre - Sport England Grant	6		250,000	-	-	-	250,000	-	250,000
Freemans Quay (Art) - Banks	7		-	30,000	-	-	30,000	-	30,000
URRI - Sherburn Hill Env Imps	8		-	10,321	-	-	10,321	-	10,321
DEFRA - Sherburn Hill Env Imps	8		-	15,000	-	-	15,000	-	15,000
SHIP 3 Grant - Obj 3 - Private Sector Loans	9		80,000	-	-	-	80,000	40,000	40,000
SHIP 3 Grant - Obj 3 - DFGs	1		110,000	-	-	-	110,000	55,000	55,000
The Journey Trust - Millennium Place Statue	10		90,000	13,000	-	-	103,000	-	103,000
Palace Green Toilets - University	11		-	10,000	-	-	10,000	-	10,000
Environment Agency - Canoe Access	12		-	18,750	-	-	18,750	-	18,750
Parish Contributions to replacement bus shelters	13		-	-	14,881	-	14,881	-	14,881
Parkhill Play Area	15		-	-	43,219	-	43,219	-	43,219
-Sport England	15		-	-	50,000	-	50,000	-	50,000
-Big Lottery Fund	15		-	-	5,000	-	5,000	-	5,000
-Awards for All	15		-	-	6,500	-	6,500	-	6,500
-Parish Council	15		-	-	4,000	-	4,000	-	4,000
-Revenue (Members)	15		-	-	208,777	-	208,777	-	208,777
-DVRC	15		-	-	-	-	-	-	-
TOTAL FUNDING			1,721,000	1,028,574	311,377	-	3,060,951	1,325,780	1,735,171

**CITY OF DURHAM
HOUSING BUSINESS PLAN 2008/09
FINANCIAL REPORT FOR THE PERIOD 1 APRIL 2008 TO 30 SEPTEMBER 2008**

	Budget Holder	2008/09 Original Estimate £	Slippage B/Fwd 2007/08 £	Other Adjustments £	Slippage (to)/ from 2009/10 £	Revised Estimate £	Expenditure Total £	Balance To Spend £
Professional Admin. Fees	A.Moscardini	479,719	-	-	-	479,719	239,862	239,857
DSHI Programme 2007/08								
Framwellgate Moor	A.Moscardini	-	-	3,510.00	-	3,510	3,510	-
Gilesgate	A.Moscardini	-	-	422.00	-	422	422	-
Ushaw Moor	A.Moscardini	-	-	1,469.00	-	1,469	1,469	-
Sherburn Village	A.Moscardini	-	-	19,673.00	-	19,673	19,673	-
Total		-	-	25,074	-	25,074	25,074	-
DSHI Programme 2008/09								
Bearpark	A.Moscardini	420,000	(227)	-	-	419,773	398,858	20,915
Brasside	A.Moscardini	59,000	-	-	-	59,000	40,952	18,048
Claypath	A.Moscardini	53,000	-	-	-	53,000	10,734	42,266
Coxhoe	A.Moscardini	62,000	-	-	-	62,000	1,603	60,397
Croxdale	A.Moscardini	139,000	(8,114)	8,318	-	139,204	139,076	128
Elvet	A.Moscardini	223,000	-	(8,043)	-	214,957	41,950	173,007
Esh Winning	A.Moscardini	200,000	(366)	-	-	199,634	122,585	77,049
Framwellgate Moor	A.Moscardini	867,000	(14,058)	(17,385)	-	835,557	331,238	504,319
Gilesgate	A.Moscardini	103,000	(1,205)	-	-	101,795	3,628	98,167
Kelroe	A.Moscardini	340,000	-	-	-	340,000	227,355	112,645
Meadowfield	A.Moscardini	160,000	-	-	-	160,000	1,329	158,671
Shadforth	A.Moscardini	102,000	-	-	-	102,000	48,663	53,337
Sherburn Road	A.Moscardini	223,000	-	-	-	223,000	4,910	218,090
Heating Replacements	A.Moscardini	702,000	64,790	(7,964)	-	758,826	689,325	69,501
Adhocs	A.Moscardini	113,012	-	-	-	113,012	63,850	49,162
Total		3,766,012	40,820	(25,074)	-	3,781,758	2,126,056	1,655,702
Planned Repairs: Capital								
Gas Renewals	A.Moscardini	100,000	-	-	-	100,000	36,091	63,909
Energy Budget	A.Moscardini/H.	20,000	-	15,909	-	35,909	3,611	32,298
Total		120,000	-	15,909	-	135,909	39,702	96,207
Miscellaneous: Capital								
District Discretionary Fund	A.Moscardini	-	12,000	-	-	12,000	-	12,000
Medical Adaptations (Gross)	N. Mohammad	288,000	6,834	-	-	294,834	188,043	106,791
DDA Works	A.Moscardini	-	58,105	-	-	58,105	22,369	35,736
Off Street Parking Initiatives	A.Moscardini	50,000	2,454	(6,000)	-	46,454	13	46,441
Parking Initiative - Henry Avenue Bowburn	M. Lee	-	21,650	-	-	21,650	-	21,650
Parking Initiative - Parkhill Estate Coxhoe	M. Lee	-	2,656	-	-	2,656	-	2,656
Parking Initiative - Frank Street Gilesgate	M. Lee	-	1,050	-	-	1,050	-	1,050
Total		338,000	104,749	(6,000)	-	436,749	210,425	226,324
TOTAL CAPITAL EXPENDITURE		4,703,731	145,569	9,909	-	4,859,209	2,641,119	2,218,090
FINANCING - CAPITAL								
Capital Receipts		277,460	68,779	(56,000)	-	290,239	338,193	(47,954)
MRA		3,866,012	-	-	-	3,866,012	1,933,006	1,933,006
Direct Revenue Financing		312,259	-	50,000	-	362,259	181,130	181,129
Supported Borrowing (Inc SHIP)		248,000	-	-	-	248,000	124,000	124,000
DRF - Member Discretionary Scheme		-	-	-	-	-	-	12,000
Energy Efficiency Grant		-	12,000	-	-	12,000	-	12,000
Total		4,703,731	145,569	9,909	-	4,859,209	2,641,119	2,218,090

CITY OF DURHAM
USHAW MOOR COMMUNITY INVESTMENT FUND 2008/09
FINANCIAL REPORT FOR THE PERIOD 1 APRIL 2008 TO 30 SEPTEMBER 2008

Budget Holder	Original Approval £	Spend in previous Years (i.e to 31/03/08) £	Slippage B/Fwd From 2007/08	2008/09 Approved Grants £	Other Adjustments £	Slippage CFWD to 2009/10	Adjusted Estimate £	Income / Expenditure to Date (Gross) £	Balance to Spend £
Deerness Valley School - Fit for Employment	25,000	25,000	-	-	-	-	-	-	-
New Brancepeth Homezone	85,000	85,000	-	-	-	-	-	-	-
DAMLA - Bungalows at Hunters Gate (DVRC Direct)	40,000	40,000	-	-	-	-	-	-	-
DCC - Broom Lane	80,000	80,000	-	-	-	-	-	-	-
Deerness Valley School - Football Facility	75,000	75,000	-	-	-	-	-	-	-
DCC - Auton Suite	108,000	108,000	-	-	-	-	-	-	-
Frontage 2 Station Road	31,500	31,500	-	-	-	-	-	-	-
Env Works at Flass Tce, Highfield Tce & Whitehouse	90,000	-	90,000	-	-	-	90,000	93,651	3,651
Play Area at New Brancepeth	102,560	-	102,560	-	-	-	102,560	49,206	53,354
Broom Rd & Station Rd crossroad enhancement	72,000	-	72,000	-	-	-	72,000	-	72,000
Deerness Sports Centre Parking	55,000	-	55,000	-	-	-	55,000	-	55,000
	764,060	444,500	319,560	-	-	-	319,560	142,857	176,703
TOTAL GROSS EXPENDITURE	764,060	444,500	319,560	-	-	-	319,560	142,857	176,703
GRANTS AND FUNDING									
Members Discretionary Fund (Flass/Highfield/Whitehouse)	12,000	-	12,000	-	-	-	12,000	-	12,000
Cont. from Brandon & Byshtottes PC (Flass/Highfield/Whitehouse)	3,000	-	3,000	-	-	-	3,000	-	3,000
Cont. from Community Development (Flass/Highfield/Whitehouse)	1,500	-	1,500	-	-	-	1,500	-	1,500
SRB6 Grant Allocation (Flass/Highfield/Whitehouse)	1,500	-	1,500	-	-	-	1,500	-	1,500
Durham County Council - URR1	20,000	-	20,000	-	-	-	20,000	-	20,000
DVRC Capital Receipt	726,060	444,500	281,560	-	-	-	281,560	142,857	138,703
TOTAL FUNDING	764,060	444,500	319,560	-	-	-	319,560	142,857	176,703

CITY OF DURHAM
BOWBURN COMMUNITY INVESTMENT FUND 2008/09
FINANCIAL REPORT FOR THE PERIOD 1 APRIL 2008 TO 30 SEPTEMBER 2008

Budget Holder	Original Approval £	Spend in previous Years (i.e to 31/03/08) £	Slippage B/Fwd From 2007/08	2008/09 Approved Grants £	Other Adjustments £	Slippage CFWD to 2009/10	Adjusted Estimate £	Income / Expenditure to Date (Gross) £	Balance to Spend £
Bowburn Community Chest	100,000	78,146	21,854	-	-	-	21,854	17,219	4,635
Bowburn Park Refurbishment	720,000	5,117	713,758	-	-	(96,000)	617,758	17,206	600,552
Other Unallocated Schemes	78,668	0	78,668	-	-	-	78,668	-	78,668
Administration Costs	1,332	1,332	-	-	-	-	-	-	-
	900,000	84,594	814,280	0	0	(96,000)	718,280	34,425	683,855
TOTAL GROSS EXPENDITURE	900,000	84,594	814,280	0	0	(96,000)	718,280	34,425	683,855
GRANTS AND FUNDING									
DVRC Capital Receipt	900,000	84,594	814,280	-	(116,000)	(96,000)	602,280	34,425	567,855
Capital Grant - Bowburn Partnership Ctee	-	-	-	-	116,000	-	116,000	-	116,000
TOTAL FUNDING	900,000	84,594	814,280	0	0	(96,000)	718,280	34,425	683,855

**CITY OF DURHAM
FLOURISHING COMMUNITIES FUND 2008/09
FINANCIAL REPORT FOR THE PERIOD 1 APRIL 2008 TO 30 SEPTEMBER 2008**

Budget Holder	Original Approval £	Spend in previous Years (i.e to 31/03/08) £	Slippage B/Fwd From 2007/08	2008/09 Approved Grants £	Other Adjustments £	Slippage CFWd to 2009/10	Adjusted Estimate £	Income / Expenditure to Date (Gross) £	Balance to Spend £
Schemes Approved by Flourishing Communities Exec Board									
Belmont Parish Hall Association - Parish Hall Project	63,000	63,000	-	-	-	-	-	-	-
Sherburn OAK - Play Equipment	20,000	20,000	-	-	-	-	-	-	-
Witton Gilbert - Roof & Security	98,921	98,921	-	-	-	-	-	-	-
Brandon Community Club - Security Fencing	30,889	30,889	-	-	-	-	-	-	-
Coxhoe Community Partnership - Sensory Gardens	25,000	25,000	-	-	-	-	-	-	-
Belmont Skate Park *	32,000	32,000	-	-	-	-	-	-	-
Witton Gilbert Environmental Improvements	50,250	50,250	-	-	-	-	-	-	-
Sherburn Village Environmental Improvements*	50,914	50,914	-	-	-	-	-	-	-
Esh Winning Environmental Improvements	80,000	80,000	-	-	-	-	-	-	-
Ludworth Green Space Project*	20,755	20,755	-	-	-	-	-	-	-
Abbey Skate Park	8,970	8,970	-	-	-	-	-	-	-
Meadowfield Skate Park*	43,030	43,030	-	-	-	-	-	-	-
Durham Amateur Rowing Club (CGF)	50,000	50,000	-	-	-	-	-	-	-
All Saints Methodist Church	10,000	10,000	-	-	-	-	-	-	-
Kelloe Village Community Partnership	25,000	5,102	19,898	-	-	-	19,898	-	19,898
Esh Winning Cricket Club	10,000	10,000	-	-	-	-	-	-	-
Finchale Training College - Memorial Garden	9,000	-	9,000	-	-	-	9,000	9,000	-
Moorfield & Cheveley Park Play Area	50,000	35,004	14,996	-	-	-	14,996	-	14,996
Unspecified / Unallocated	29,912	-	29,912	100,000	(129,912)	-	-	-	-
Site Investigation and Disposal Costs									
Administration	106,072	106,072	-	-	-	-	-	-	-
Site Investigation and Disposal Costs	85,600	85,600	-	-	-	-	-	-	-
	899,313	825,507	73,806	100,000	129,912	-	43,894	9,000	34,894
TOTAL GROSS EXPENDITURE	899,313	825,507	73,806	100,000	129,912	-	43,894	9,000	34,894
GRANTS AND FUNDING									
DVRC Capital Receipt	670,098	659,003	11,095	100,000	(92,201)	-	18,894	9,000	9,894
s106 Agreements Applied - Moorfield & Cheverley	10,000	-	10,000	-	-	-	10,000	-	10,000
Other Capital Grants - Belmont PC	15,000	-	15,000	-	-	-	15,000	-	15,000
Flourishing Communities Fund - Capital Grants Fund	204,215	166,504	37,711	-	(37,711)	-	-	-	-
TOTAL FUNDING	899,313	825,507	73,806	100,000	129,912	-	43,894	9,000	34,894

FINANCIAL REPORT FOR THE PERIOD 1 APRIL TO 30 SEPTEMBER 2008**FORECAST SUMMARY OF MOVEMENT IN RESERVES AND BALANCES 2008/09**

	Actual Balance at 1 April 2008	Transfers / Contributions to the Fund 2008/09	Transfers from and Commitments Against the Fund 2008/09	Forecast Balance at Year End – 30 September 2008	Notes
	£000	£000	£000	£000	
Earmarked Funds and Balances :					
Insurance and Risk Management Fund	500	93	(143)	450	1
Redundancy Strain	464	460	(464)	460	2
Job Evaluation – Contingency Provision	300		(300)	-	3
FCF (LABGIS – Small Grants)	40		(40)	-	4
Flourishing Communities Fund (General)	38		(38)	-	5
Section 106 Agreements	206		(70)	136	6
Pride In Durham	57		(57)	-	7
Corporate & Service Initiatives	34		(34)	-	8
HMO Licensing Reserve	150		(50)	100	9
City Centre Visioning	100		-	100	10
Total Earmarked Reserves & Balances	1,889	553	(1,196)	1,246	
Strategic Emergency Reserve	700	-	(389)	311	11
General Reserve	667	427	(1,094)	-	11
Total General Fund Reserves & Balances	3,256	980	(2,679)	1,557	
Housing Revenue Account	851	23	-	874	12
Usable Capital Receipts Reserve	1,608	595	(2,132)	71	13
Total Reserves and Balances	5,715	1,598	(4,811)	2,502	

NOTES

1) Insurance and Risk Management Fund

The fund is increased / decreased every year to reflect any net under and overspends on the insurance claims provision and premiums budgeted for within the revenue accounts. The estimated balance at 31 March 2009 is within the approved strategy approved by Council on 27 September 2007 of maintaining a minimum balance of £400,000 on this Fund.

2) Redundancy Strain

This fund relates to the costs associated with the strain on the pension fund as a result of early retirements in previous years and reflects the major restructuring of the Council in 2004/05 primarily and subsequent mini-restructuring following consideration of requests for early retirement on the grounds of efficiency. The contributions to this fund relate to the costs of early retirement pension fund strain which is charged to the revenue accounts over a five year period. Allocations from this fund relate to cash payments made into the Durham County Pension Fund on an annual basis.

3) Job Evaluation – Contingency Provision

This Fund was created at 31 March 2008. It reflects the savings achieved in 2007/08 against the budget for the potential General Fund costs of implementing a single status / job evaluation agreement in 2007/08, which was to be financed from anticipated Local Authority Business Growth Incentive Scheme (LABGIS) last year. Whilst the LABGIS grant was received in 2007/08 an agreement was not entered into in terms of single status / job evaluation and therefore an earmarked fund was created at the year end to passport the original identified resources into 2008/09. A contingency expenditure sum of £300,000 is included within the 2008/09 budget framework to cover the estimated General Fund additional costs of implementing an agreement in 2008/09, offset by the application of the earmarked reserve to finance this. It is anticipated at this stage that this Fund will be applied to finance its original purpose.

4) Flourishing Communities Fund (Small Grants)

This Fund was created at 31 March 2006 and is earmarked for Small Grant awards under the City Council's Flourishing Communities Initiative. The fund was created by setting aside an element of the Local Authority Business Growth Incentive Scheme Grant received in 2005/06. All available resources have now been committed and no new applications are now being considered. It is anticipated that the fund will be fully expended by the year end.

5) Flourishing Communities Fund (General Grants)

This Fund was also created at 31 March 2006 and was earmarked for Grant awards under the City Council's Flourishing Communities Initiative. The fund complimented the application of capital receipts earmarked and allocated to the Flourishing

Communities initiative and for Community Investments as part of the “Achieving the Vision” report and subsequent Village Appraisals. All residual commitments in 2008/09 will be financed by earmarked capital receipts and no new applications are now being considered. The unallocated balance has been transferred to the General Reserve.

6) Section 106 Agreements

These relate to cash received from developers as part of planning conditions. They are held for application against the provision of community recreation and other facilities and the amounts held relate to: -

	Actual Brought Forward 01/04/08	Received in Year	Applied / Allocated in Year	To Be Carried Forward 31/03/09
	£	£	£	£
S106 Rock Terrace, New Brancepeth	3,645	-	-	3,645
S106 Lowland House	14,985	-	(13,520)	1,465
S106 Keipier Woods	6,480	-	(6,480)	-
S106 Chesterton Homes, Court Lane, Durham	6,075	-	-	6,075
S106 Browns Bus Development, New Brancepeth	8,100	-	-	8,100
S106 Cheserton Homes	6,885	-	-	6,885
S106 Dryburn Hospital	37,405	-	-	37,405
S106 Brancepeth Castle Development	4,455	-	-	4,455
S106 Shepard Homes, Rainton Lodge	(4,860)	-	-	(4,860)
S106 Shepard Homes, Cock of the North	17,010	-	-	17,010
S106 AMEC Millennium Place	50,000	-	(50,000)	-
S106 New Durham Courtyard	7,290	-	-	7,290
S106 Rear of Marshall Terrace	12,960	-	-	12,960
S106 Angerstein Court	4,455	-	-	4,455
S106 Gentoo Ventures Ltd.	10,935	-	-	10,935
S106 Persimmon Plc	20,000	-	-	20,000
Totals	205,820	-	(70,000)	135,820

7) Pride in Durham

This Fund was created at 31 March 2006 to supplement investments factored into the General Fund Capital Programme. The full £57,420 brought forward on 1 April 2008 is held against brought forward spending commitments in the 2008/09 General Fund Capital Programme and therefore it is anticipated that the fund will be fully expended by the year end.

8) Corporate and Services Initiatives Fund

This Fund (previously called the Budget Support Fund) was set aside to finance initiatives (both revenue and capital) not included within the base budget. It was a contingency fund that could be accessed to relieve short term and unexpected pressures and was used to finance one off non-recurring items. The balance brought forward at 1 April reflected unspent commitments brought forward from 2007/08. The commitments against the Fund (which have been built into the financial figures included in the Annexes to Appendix A - Items 1 to 5), together with an indication of the uncommitted sums at 30 September 2008, are as follows: -

	Revenue / Capital	Amounts Available / Allocated in Year £
Balance Brought Forward 1 April 2008		34,065
Commitments – Approved Carry Over		
Marketing Costs – Freemans Quay LC	Revenue	(11,073)
Churchyard / Headstone Improvements	Capital	(4,045)
Service Improvement and Awards	Revenue	(6,794)
City Care Equipment Upgrades	Revenue	(12,153)
Uncommitted Sums at 30 September 2008		-

9) HMO Licensing Reserve

Houses in Multiple Occupation required licensing / inspecting from 1 April 2006. The licence is issued for a period of 5 years, therefore this reserve is to off set 4 years of expenditure before the license is re-issued. The reserve was established at 31 March 2007 and represents the unspent HMO Licensing income in 2006/07. Allocations of £50,000 per annum are made from this fund into the Public Health Revenue account to cover the re-issue and inspection costs associated with the HMO Licensing administration.

10) City Centre Visioning Fund

The reserve was established at 31 March 2007 from an underspend on the 2006/07 Durham City Visioning Budget. A further contribution of £50,000, representing the underspend in 2007/08 was made into the fund at 31 March 2008. This fund is

available to match fund projects within the visioning in 2008/09 and beyond, the timing of which is uncertain and dependent on partner contributions.

11) Strategic Emergency Reserve and General Reserve

In terms of the General Fund Non-Earmarked Reserve, the Local Government Act 2003 requires all Local Authorities to reach and maintain a minimum level of resources. The Comprehensive Performance Assessment Framework gives an indication of the likely minimum requirement. The level of General Fund Reserves is set at 5% of Net Operating Expenditure, plus the Bellwin Scheme. For the City Council, this would lead to a minimum reserve requirement of approximately £700,000 at 31 March 2009. The Council, at its meeting of 27 September 2007, resolved to maintain a minimum Strategic Emergency Reserve of £700,000.

In setting the minimum level of reserves, each Council must take into account the risks they actually face. Council, at its Meeting of 27 September 2007 also approved that a General Reserve (for budget support purposes) be set aside. In setting the 2008/09 budgets this reserve was forecast to have a balance of £559,693 at 31 March 2008 and £502,637 was allocated towards support to the budget framework. £198,000 was allocated to finance specific on-off issues such as the implementation costs associated with the new kerbside recycling scheme and the year one costs associated with business build for the new Freeman's Quay LC. £304,637 was allocated to offset a contingency budget of £460,000 for transition costs and unforeseen events in 2008/09. To date, £227,606 has been allocated from this contingency towards transition related issues. Leaving an unallocated sum of £232,394 at 30 September 2008, which is forecast to remain unallocated at the year end.

As noted above, the unallocated balance on the Flourishing Communities earmarked reserve (totalling £37,711) has been transferred into the General Reserve, taking the combined position, prior to consideration of the outturn, to £1,404,471.

The projected outturn position shows an estimated overspend of £590,825 on the General Fund Revenue account in 2008/09. Adding the £502,637 planned use of balances factored into the 2008/09 budget framework results in a total required use of General Fund balances of £1,093,462. The projected outturn position means that no further sums can be allocated from the contingency provision, indeed a £388,991 transfer from the Strategic Emergency Reserve will be necessary, taking the estimated position at 31 March 2009 down to £311,009 - below the minimum threshold approved by Council in September 2007. As noted in the detailed report, Officers will work to bring the position in below the level anticipated in the report, with further projections being made as the year progresses.

12) Housing Revenue Account Balance

This reserve is earmarked for HRA purposes. The transfer into the fund in 2008/09 reflects the forecast underspend on the Housing Revenue Account in 2008/09.

13) Usable Capital Receipts Reserve

Please see Annex – Item 3 for detailed breakdown and explanation of movements on this Fund in 2008/09

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Agenda Item 5(g)

STATUS PUBLIC

Portfolio Member/Director/Head of Service Councillor Woods / Clare Greenlay	Portfolio Deputy Leader
Subject – The Traffic Management Act 2004 and proposed revocation of The City of Durham (Off-Street) Parking Places Order 1995 (as amended).	Date 26 th November, 2008
	Forward Plan No
Contact Officer Clare Greenlay 0191 301 8878	Previous Minutes n/a
Purpose of Report To advise Cabinet of the implications of the Road Traffic Management Act 2004 and to obtain authority to formally revoke The City of Durham (Off-Street) Parking Places Order 1995 (as amended).	
Executive Summary <p>The Council currently administers and enforces car parking arrangements at The Sands, Providence Row and Sidegate car parks in accordance with The City of Durham (Off-Street) Parking Places Order 1995 (as amended).</p> <p>The Traffic Management Act 2004 radically changes the ways in which local authorities deal with parking provision and enforcement and in particular, it decriminalises parking enforcement and enables Councils to take up their own civil enforcement powers with the prior approval of the Secretary of State.</p> <p>Durham County Council currently administers and enforces its on-street parking via a contract with National Car Parks Ltd (NCP). In the past, the City Council have benefited from this contract as NCP have supplied enforcement services to the Council at the same price provided to the County Council.</p> <p>Durham County Council has now sought and obtained approval to taking up civil enforcement powers and as a consequence has re-negotiated its contract with NCP. It is intending to publish an Order in respect of its Civil Enforcement Powers in early November. From then onwards, the Council will no longer be able to benefit from the contract between NCP and Durham County Council due to the requirement for investment in technology to facilitate enforcement. Accordingly, the Council must either obtain its own enforcement powers or engage the services of a third party to administer and enforce parking arrangements at its own car parks.</p> <p>Given local government reorganisation, it is neither practical nor desirable for the Council to seek its own enforcement powers. As a consequence, the option of engaging a third party in respect of parking services has been investigated.</p> <p>The most practical course of action will be for Durham County Council to take over the management of the Councils car parks, with the Council retaining ownership of and liability for the three car parks. The Council will continue to receive income from the car parks and contribute to the cost of the enforcement at the car parks.</p>	

In the event that it is agreed that the management of the car parks is passed to Durham County Council upon an agency basis, it is recommended that, for the avoidance of confusion, the Council formally revoke its current Off-Street Parking Places Order.

Portfolio Member Recommendations or Items Requiring a Cabinet Decision

1. That Cabinet appoint Durham County Council as the Councils agents for the purpose of managing the Councils car parks at Sidegate, Providence Row and the Sands.
2. That Cabinet revoke the City of Durham (Off-Street) Parking Places Order 1995 (as amended).

Reasons for Recommendations

Durham County Council have gained Civil Enforcement Powers in respect of parking within Durham and as a consequence have renegotiated their contract with NCP. This means that the Council is no longer able to secure enforcement services from NCP. Given that the Council will demise on 31st March 2009 and responsibility for control of the Councils car parks will transfer to Durham County Council, it is not viable for an alternative enforcement contract to be entered into. Accordingly, the most prudent option is to pass responsibility for the management of the car parks to Durham County Council.

Alternative Options To Be Considered

1. Do nothing. This is not considered to be an option. With no enforcement action being taken, revenue from the car parks will decline rapidly, jeopardising the Councils income.
2. Bring enforcement services in house – this is not considered an option. The Council does not have sufficient staffing capacity to provide this service at present, and given LGR and Durham County Councils own contract with NCP, consent under the Business As Usual protocol for additional staff to provide this service would not be likely to be granted.

Consultation

Officers have consulted with colleagues within Durham County Council in the preparation of this report.

LGR Implications

The content of this report does not fall within the direction issued by the Secretary of State for Communities and Local Government on 29th February 2008 and accordingly does not require the consent of any other body prior to a decision being made by Cabinet. Approving the recommendations however will ensure that car parking services within Durham are as far as possible integrated with those provided by Durham County Council in advance of 31st March 2009. In the event that the recommendations are not approved, integration will take place once the Council demises.

Financial, Legal and Risk Implications

It is a financial risk to the Council if the revenue provided by the car parks is jeopardised. Accordingly, arrangements must be made for enforcement to ensure that the income from the car parks is maintained.

The legal risk to the Council in entering into the agreement proposed above with Durham County Council, especially given that the unitary authority will be responsible for the car parks from 1st April 2009, is minimal.

Durham County Council will be responsible for providing parking services at the car parks, but the Council will retain the ownership of and liability for the same until it demises.

Resource Implications

Both the agency agreement to formalise the relationship between the Council and Durham County Council and the revocation of the City of Durham (Off-Street) Parking Places Order 1995 (as amended) can be accommodated within existing resources.

Timescale for Action

Forthwith.

Associated Policies and Plans

Not applicable.

Supporting Documents

Not applicable.

Background Papers

City of Durham (Off-Street) Parking Places Order 1995 (as amended).

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Agenda Item 6(a)

SCRUTINY COMMITTEE

REPORT OF THE COMMUNITY SERVICES SCRUTINY PANEL

REVIEW OF SCRUTINY OF CLOSED CHURCHYARDS

1. Background

- 1.1 The Panel had initially scrutinised closed churchyards and graveyards to obtain an overview of the Council's responsibilities.
- 1.2 The subsequent report made five recommendations and was approved and adopted by Cabinet in November, 2007.

2. Actions

- 2.1 The Councils Technical Support Manager (Environment & Leisure Services) provided the Panel with a briefing note outlining the current situation regarding the new Unitary Authority and workstreams.

3. Outcomes

- 3.1 The Streetscene workstream has not yet considered the issue of churchyard management, however it is a statutory duty for local authorities to take on certain grounds maintenance responsibilities for churchyards once they are officially closed.
- 3.2 The Unitary Authority will therefore assume responsibility for this function from 1st April, 2009.
- 3.3 It is expected that all existing grounds maintenance responsibilities, including headstone inspections will continue to be carried out with no great change from current policy and practice as this is a statutory responsibility.

4. Recommendations

- 4.1 That the report and the recommendations of the Scrutiny of Graveyards, October, 2007, be forwarded to the new Unitary Authority and that attention be drawn to the work of neighbourhood wardens and Environmental Services in order that grounds maintenance continues to be carried out to the current high standards.

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Agenda Item 8(a)

Report to:	Cabinet
Date	26 th November 2008
Reporting Officer	Head of Legal & Strategic Services
Contact Officer	Clare Greenlay 0191 3018878
Subject	City Status

Purpose

To inform Cabinet of the progress in respect of the application to preserve City Status as a consequence of local government review.

Recommendations

That the report be noted

Information

Further to the report provided to Cabinet on 3rd September 2008, it is confirmed that the Ministry of Justice have indicated that the granting of letters patent is not necessary to protect the City status of Durham, provided that Charter Trustees are set up. Letters patent would however need to be applied for in the event that the Charter Trustees were abolished.

Assurances are therefore being sought from the Secretary of State for Communities and Local Government that Charter Trustees will (in some form) be created for the City of Durham area in anticipation of local government reorganisation coming into effect from 1st April 2009.

Clare L. Greenlay
Head of Legal & Strategic Services

17th October 2008

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Agenda Item 8(b)

Report to:	Cabinet
Date	26 November 2008
Reporting Officer	Executive Director Tel: 0191 3018867 email: dmarrs@durhamcity.gov.uk
Contact Officer	Kay Laidlaw – Legal & Complaints Officer Tel: 0191 3018876 email: klaidlaw@durhamcity.gov.uk
Subject	Local Government Ombudsman Cases

Purpose

For Members' Information, I attach at Appendix A, schedule of successful defences of complaints referred to the Commission for Local Administration in England

Recommendations

That the report be noted.

Signature **D Marrs**

TITLE Executive Director

Date: 13 November 2008

City of Durham

CABINET

26 November 2008

Report of the Executive Director - For Information

Schedule of Successful Defences Referred to the Commission for Local Administration in England

<u>L.O. Case Ref. No.</u>	<u>Summary of the Nature of the Complaint</u>	<u>Local Ombudsman's Findings/Decision</u>
08 010 578	<p>The summary of the complaint is that the council repeatedly refused the complainant permission for a fence around his front garden, but has given permission for similar fences to many of his neighbours</p>	<p>The Ombudsman's provisional view was that the evidence that was presented indicated that the council properly considered applications for fencing to the front of the complainant's property, and that it then came to the decision that it should not give permission. The reasons given for this decision include the fact this would encroach onto the walkway and the council wanted to maintain the open aspect to this area of the estate. These were valid reasons for refusing permission for the fence.</p> <p>The Local Government Act 1974 says that the Ombudsman may not question the merits of council decisions if they have been taken without maladministration. The evidence presented satisfies the Ombudsman that there was no maladministration in the decision of the council.</p> <p>Reason for termination: No or insufficient evidence of maladministration.</p>