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Michael Laing Chief Executive

26th February 2008

Dear Councillor,

I hereby give you Notice that a Meeting of the **CENTRAL RESOURCES COMMITTEE** will be held in the **COUNCIL CHAMBER, CIVIC CENTRE, CROOK** on **WEDNESDAY 5th MARCH 2008 at 6.00 P.M.**

AGENDA

Page No.

1. Apologies for absence.
2. Declarations Of Interest

Members are invited to declare any personal and/or prejudicial interests in matters appearing on the agenda and the nature of their interest.

Members should use either of the following declarations:

Personal Interest – to be used where a Member will be remaining and participating in the debate and any vote:

I have a personal interest in agenda item (...) regarding the report on (...) because I am (...)

Personal and Prejudicial Interest – to be used where a Member will be withdrawing from the room for that item:

I have a personal and prejudicial interest in agenda item (...) regarding the report on (...) because I am (...)

Officers are also invited to declare any interest in any matters appearing on the agenda.

NOTE: Members are requested to complete the enclosed declarations form and, after declaring interests verbally, to hand the form in to the Committee Administrator.

3. To consider the Minutes of the last Meeting of the Committee held on 16th January 2008 and the Special Meeting of the Committee held on 5th February 2008 as true records.

Copies
attached

- | | | |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| 4. | To consider the Treasury Management Strategy statement and Annual Investment Strategy 2008/09. | 1 - 10 |
| 5. | To consider the development of Customer Services. | 11 - 12 |
| 6. | To consider Disabled Adaptations budgets 2007/08. | 13 - 15 |
| 7. | To consider the Report of the Land Disposals Sub-Committee held on 14 th February 2008. | 16 - 17 |
| 8. | To consider the Resource Management Service Plan 2008/09. | 18 - 55 |
| 9. | To consider a national non-domestic rate write off.* | 56 |
| 10. | To consider former tenants arrears.* | 57 - 60 |
| 11. | To consider managing Human Resources in the Council.* | |
| 12. | To consider such other items of business which, by reason of special circumstances so specified, the Chairman of the meeting is of the opinion should be considered as a matter of urgency. | |

* It is likely that items 9, 10 and 11 will be taken in the closed part of the meeting in accordance with paragraph 1 of Part I of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006.

Yours faithfully



Chief Executive

Members of this Committee: Councillors Buckham, Mrs Burn, Harrison, Hayton, Grogan, Kay, Kingston, Mairs, Mowbray, Murphy*, Miss Ord, Mrs Pinkney, Mrs Seabury*, Shuttleworth, Stonehouse, Taylor and Zair

*Ex-officio, non-voting capacity

Chair: Councillor Hayton

Deputy Chair: Councillor Mrs Pinkney

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

DECLARATIONS OF INTEREST FORM

NAME AND DATE OF COMMITTEE	AGENDA ITEM NUMBER	NATURE OF INTEREST AND REASONS	PRINT NAME	SIGNATURE



WEAR
VALLEY
DISTRICT COUNCIL

CENTRAL RESOURCES COMMITTEE

05 MARCH 2008

Report of the Assistant Director – Finance & I.T.

TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2008/09

purpose of the report

1. To advise Members and to seek their agreement on the above for the 2008/09 financial year.

background

2. The Local Government Act 2003 requires the Council to have regard to the Prudential Code for Treasury Management and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. As part of the 2008/09 budget setting process the Council set a number of Prudential Indicators and these are set out in paragraph 10 of this report.
3. The Act therefore requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy; this sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

2008/09 strategy

4. The suggested strategy for 2008/09 in respect of the following aspects of the treasury management function is based upon officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury advisor. The strategy covers:
 - Treasury limits in force which will limit the treasury risk and activities of the Council;
 - Prudential Indicators;
 - The current treasury position;
 - The borrowing requirement
 - Prospects for interest rates;
 - The borrowing strategy;
 - Debt rescheduling;
 - The investment strategy;
 - Other issues.

5. It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, for the Council to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:-
 - (i) Increases in interest charges caused by increased borrowing to finance additional capital expenditure, and
 - (ii) Any increases in running costs from new capital projectsare limited to a level which is affordable within the projected income of the Council for the foreseeable future.

treasury limits for 2008/09 to 2010/11

6. It is a statutory duty under Section 3 of the Local Government Act 2003 and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the "Affordable Borrowing Limit". This is covered in paragraph 10.
7. The Council must have regard to the Prudential Code of Treasury Management when setting the Affordable Borrowing Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax and council rent levels is 'acceptable'.
8. Whilst termed an "Affordable Borrowing Limit", the capital plans to be considered for inclusion incorporate financing by both external borrowing and other forms of liability, such as credit arrangements. The affordable borrowing limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years.

prudential indicators for 2008/09 – 2010/11

9. The following prudential indicators set out below are relevant for the purposes of setting an integrated treasury management strategy.
10. The Council is also required to indicate if it has adopted the CIPFA Code of Practice on Treasury Management. This was adopted in 1996 by the full Council. The following are the Council's indicators as required under the CIPFA Code relating to Prudential Borrowing.

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

	2008/09	2009/10	2010/11
	%	%	%
General Fund	7.7	8.0	7.7
Housing Revenue Account	18.0	18.0	18.0

(ii) Estimated Incremental Impact of Capital Investment

	2008/09	2009/10	2010/11
	£	£	£
Rent	53.42	53.42	53.42
Council Tax	201.80	201.80	201.80

(iii) Estimated Capital Expenditure

	2008/09	2009/10	2010/11
	£m	£m	£m
General Fund	3.9	2.7	3.6
Housing Revenue Account	9.3	9.0	8.0

(iv) Estimated Capital Financing Requirement

	2008/09	2009/10	2010/11
	£m	£m	£m
General Fund	14.12	13.61	13.07
Housing Revenue Account	39.09	44.59	49.59

(v) Authorised Limit / Affordable Borrowing Limit

	2008/09	2009/10	2010/11
	£m	£m	£m
Overall	68	70	72

(vi) Operational Boundary

	2008/09	2009/10	2010/11
	£m	£m	£m
Overall	66	68	70

(vii) Maturity Structure of Borrowing

	% (Upper)	% (Lower)
Under 12 months	25	0
12 months within 24 months	25	0
24 months within 5 years	40	0
5 years within 10 years	40	0

current treasury position

11. The estimated Council's treasury portfolio position at 31 March 2008 comprises:

	Principal		Ave. rate
		£m	%
Fixed rate funding – maturity	PWLB	28,500,000	
	Market	<u>40,000,000</u>	5.20
		11,500,000	
Fixed rate funding – Annuity	PWLB		
	Market	<u>-</u>	10.10
Other long term liabilities		-	
TOTAL DEBT		<u>36,124,160</u>	5.8
TOTAL INVESTMENTS		31,230,000	5.95

borrowing requirement

12. Estimated borrowing requirements are shown below.

	2006/07	2007/08	2008/09
	£'000	£'000	£'000
	actual	probable	estimate
New borrowing	1,740	8,000	4,800
Alternative financing arrangements	-	-	-
Replacement borrowing	9,760	1,000	-
TOTAL	11,500	9,000	4,800

prospects for interest rates

13. The Council has appointed Sector Treasury Services as treasury adviser to the Council and part of their service is to assist the Council to formulate a view on interest rates. The following table gives the Sector central view of interest rate projections.

Sector View: Interest rate forecast

	Q/E1 2008	Q/E2 2008	Q/E3 2008	Q/E4 2008	Q/E1 2009	Q/E2 2009	Q/E3 2009	Q/E4 2009	Q/E1 2010	Q/E2 2010	Q/E3 2010	Q/E4 2010	Q/E1 2011	Q/E2 2011
Bank Rate	5.25%	5.00%	4.75%	4.75%	4.75%	4.75%	4.75%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5yr PWLB rate	4.55%	4.55%	4.50%	4.50%	4.55%	4.65%	4.70%	4.75%	4.80%	4.85%	4.85%	4.85%	4.85%	4.85%
10yr PWLB rate	4.60%	4.55%	4.50%	4.50%	4.55%	4.55%	4.65%	4.70%	4.75%	4.80%	4.85%	4.85%	4.85%	4.80%
25yr PWLB rate	4.55%	4.50%	4.50%	4.50%	4.50%	4.55%	4.60%	4.65%	4.70%	4.70%	4.75%	4.75%	4.75%	4.75%
50yr PWLB rate	4.50%	4.45%	4.45%	4.45%	4.45%	4.50%	4.55%	4.60%	4.60%	4.65%	4.65%	4.65%	4.65%	4.60%

Sector's current interest rate view is that the Bank Rate:-

- started on a downward trend from 5.75% to 5.50% in December 2007
- to be followed by further cuts in Q1 2008 to 5.25%, to 5.00% in Q2 2008 and to 4.75% in Q3 2008
- then unchanged until an increase in Q4 2009 to 5.0%
- unchanged then for the rest of the forecast period
- there is downside risk to this forecast if inflation concerns subside and therefore opens the way for the MPC to be able to make further cuts in the Bank Rate

economic background

14. The following points outline the current UK and international factors which may impact upon interest rates.

- The US, UK and EU economies have all been on the upswing of the economic cycle during 2005 and 2006 and so interest rates were successively raised in order to cool their economies and to counter the build up of inflationary pressures.
- The US is ahead of both the UK and EU in the business cycle and started on the downswing of the economic cycle during 2007. The Fed. rate peaked at 5.25% and was first cut in September by 0.5% to 4.75%. This was a response to the rapidly deteriorating prospects for the economy in the face of the downturn in the housing market, the sub prime mortgage crisis and the ensuing liquidity crisis which started in August 2007 and has subsequently resulted in banks making major write offs of losses on debt instruments containing sub prime mortgages. Banks have also tightened their lending criteria which has hit hard those consumers with poor credit standing.
- The Fed cut its rate again, to 4.5% in October 2007 and to 4.25% in December. A steep plunge in equity markets around the world in January precipitated by widespread concerns as to recession in the US, the financial viability of bond insurers in the US as a result of the sub-prime crisis and the unwinding of huge unauthorised positions taken by a rogue trader at the French bank SocGen, triggered an emergency between meetings cut of 0.75% by the Fed followed by another cut of 0.50% at its regular meeting a few days later on 30 January.
- More cuts may be required to try to further stimulate the economy and to ameliorate the extent of the expected downturn. However, the speed and extent of these cuts may be inhibited by inflationary pressures arising from oil prices, the falling dollar increasing the costs of imports, etc. The US could be heading into stagflation in 2008 – a combination of inflation and a static economy (but the economy could even tip into recession if the housing downturn becomes severe enough).
- The major feature of the US economy is a steepening downturn in the housing market which is being undermined by an excess stock of unsold houses stoked by defaulting sub prime borrowers pushed into forced sales. Falling house prices will also undermine household wealth and so

lead to an increase in savings (which fell while house prices were rising healthily) and so conversely will lead to a fall in consumer expenditure. Petrol prices have trebled since 2003 and, with similar increases in the price of home heating oil, this will also depress consumer spending with knock on effects on house building, employment etc.

- The downturn in economic growth in the US in 2008 will depress world growth, (especially in the western economies), which will also suffer directly under the impact of high oil prices. However, strong growth in China and India will partially counteract some of this negative pressure.
- EU growth has been strong during 2006 and 2007 but will be caught by the general downturn in world growth in 2008.

UK

- GDP: growth has been strong during 2007 and hit 3.3% year on year in Q3 and 2.9% in Q4 despite expectations of a significant slowdown in the pace of the economy. Growth is expected to cool to 2.0% in 2008.
- Higher than expected immigration from Eastern Europe has underpinned strong growth and dampened wage inflation.
- House prices started on the downswing in Q3 2007 and this is expected to continue into 2008.
- The combination of increases in Bank Rate and hence mortgage rates, short term mortgage fixes expiring and being renewed at higher rates, food prices rising at their fastest rate since 1993 and increases in petrol prices, have all put consumer spending power under major pressure.
- Banks have also tightened their lending criteria since the sub prime crisis started and that will also dampen consumer expenditure via credit cards and on buying houses through obtaining mortgages.
- Government expenditure will be held under a tight reign for the next few years, undermining one of the main props of strong growth during this decade.
- The MPC is very concerned at the build up of inflationary pressures, especially the rise in the oil price to reach \$90 – 100 per barrel from time to time (was \$30 in 2003) and the consequent likely knock on effects on general prices. The prices of UK manufactured goods have risen at the fastest rate in 16 years in December 2007 – 5.0%. Food prices have also risen at their fastest rate for fourteen years (7.4% annual increase) driven by strong demand from China and India. Consequently, the MPC is going to be much more cautious about cutting rates compared to the Fed in the face of these very visible inflationary pressures. In addition, UK growth was still strong in Q4 (despite expectations of a significant cooling off). The downward trend in Bank Rate is now expected to be faster than at first thought after the initial cut in December 2007 to 5.50% in view of the MPC minutes which showed a unanimous MPC vote for a cut and the consideration given to a half per cent cut. This demonstrated how concerned the MPC is at the potential impact of the credit crunch on the economies of the western world. However, the MPC's room for cutting rates is currently limited by concerns over inflationary pressures. If those pressures subside, then there is further downward risk to the Sector

forecast which currently only allows for 0.25% cuts to reach 4.75% in Q3 2008

borrowing strategy

15. The Sector forecast is as follows:-

- The 50 year PWLB rate is expected to fall marginally from 4.50% in Q1 2008 to 4.45% in Q2 2008 before rising back again to 4.50% in Q2 2009 to eventually reach 4.65% in Q2 2010.
- The 25 year PWLB rate is expected to fall from 4.55% to 4.50% in Q2 2008 and then to rise in gradual steps from Q2 2009 to reach 4.75% in Q3 2010.
- The 10 year PWLB rate is expected to fall from 4.60% in Q1 2008 to 4.55% in Q2 and to 4.50% in Q3 2008 and to then gradually rise from Q1 2009 to reach 4.85% in Q3 2010.
- The 5 year PWLB rate is expected to fall from 4.55% in Q2 2008 to 4.50% in Q3 2008 and to then gradually rise starting in Q1 2009 to reach 4.85% in Q2 2010.

16. This forecast indicates, therefore, that there is a range of options available for the borrowing strategy for 2008/09. Variable rate borrowing is expected to be more expensive than long term borrowing and will therefore be unattractive throughout the financial year compared to taking fixed rate borrowing. There is expected to be little difference between 5 – 50 year PWLB rates so this may open up a range of choices for new borrowing if the Council wishes to spread its debt maturities away from a concentration in long dated debt. There is also expected to be little variation in rates during the year so borrowing could be undertaken at any time in the year.

17. In order to minimise debt interest costs, the main strategy is therefore as follows:

- Undertake new borrowing from the PWLB at a 50 year maturity to provide the cheapest rates. However, despite the minimally more expensive new borrowing rates expected in the 25 – 30 year period, these should also be used as the spread between the PWLB new borrowing and early repayment rates is considerably less. This then maximises the potential for debt rescheduling at a later time by minimising the spread between these two rates. As little variation is expected during the year, borrowing could be undertaken at any time in the year.
- This strategy would also mean that after some years of focusing on borrowing at or near the 50 year period, local authorities would be able to undertake borrowing in a markedly different period and so achieve a better spread in their debt maturity profile.
- There is expected to be little difference between PWLB rates in the 5 – 30 year range so consideration will also be given to creating a greater spread of maturities in the debt portfolio by taking an element of new borrowing at shorter periods.
- When PWLB rates fall back to the central forecast rate of about 4.50%, borrowing should be made at any time in the financial year. A suitable

trigger point for considering new fixed rate long term borrowing, therefore, would be 4.50%. The central forecast rate will be reviewed in the light of movements in the slope of the yield curve, spreads between PWLB new borrowing and early payment rates, and any further changes that the PWLB may introduce to their lending policy and operations.

- Consideration will also be given to borrowing fixed rate market loans at 25 – 50 basis points below the PWLB target rate.

18. Against this background caution will be adopted with the 2008/09 treasury operations. The Assistant Director - Finance & I.T. will monitor the interest rate market and adopt a pragmatic approach to changing circumstances, reporting any decisions to members at the next available opportunity.

sensitivity of the forecast

19. The main sensitivities of the forecast are likely to be the two scenarios below. The Council officers, in conjunction with the treasury advisers, will continually monitor both the prevailing interest rates and the market forecasts, adopting the following responses to a change of sentiment:

- if it were felt that there was a significant risk of a sharp rise in long and short term rates, perhaps arising from a greater than expected increase in world economic activity or further increases in inflation, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates were still relatively cheap.
- if it were felt that there was a significant risk of a sharp fall in long and short term rates, due to e.g. growth rates weakening, then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term funding will be considered.

debt rescheduling

20. The introduction of different PWLB rates on 1 November 2007 for new borrowing as opposed to early repayment of debt, and the setting of a spread between the two rates (of about 40 – 50 basis points for the longest period loans narrowing down to 25 – 30 basis points for the shortest loans), has meant that PWLB to PWLB debt restructuring is now much less attractive than before that date. However, significant interest savings will still be achievable through using LOBOs (Lenders Option Borrowers Option) loans and other market loans.

21. As average PWLB rates are expected to be minimally higher at the start of the financial year than later on in the year, and as Bank Rate is expected to fall more than longer term borrowing rates during the year, this will mean that the differential between long and short rates will narrow during the year and that there should therefore be greater potential for making interest rate savings on debt by doing debt restructuring earlier on in the year.

22. The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;

- help fulfil the strategy outlined in paragraph 7 above; and
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

23. All rescheduling will be reported to members as part of the six monthly update on treasury management activities.

investment strategy

Investment policy

24. The Council will have regard to the ODPM's Guidance on Local Government Investments ("the Guidance") issued in March 2004 and CIPFA's Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities are: -

- (a) the security of capital and
- (b) the liquidity of its investments.

25. The Council will also aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The borrowing of monies purely to invest or on-lend and make a return is unlawful and this Council will not engage in such activity.

26. Investment instruments identified for use in the financial year are listed below under the 'Specified' and 'Non-Specified' Investments categories. Counterparty limits will be as set through the Council's Treasury Management Practices – Schedules.

Specified investments

27. All such investments will be sterling denominated, with maturities up to maximum of 24 months, meeting the minimum 'high' rating criteria where applicable.

Maximum Loan per Organisation

(i)	UK Clearing Banks & their Wholly Owned Subsidiaries	£3M
(ii)	Banks and Building Societies - Top 10 UK and the Republic of Ireland, rated either F1 or P1 as per Fitch and Moody's ratings	£3M
(iii)	Local Authorities	£3M

The criteria which the Council uses is to put the emphasis on the safety of the investment.

investment strategy

28. In-house funds: The Council's in-house managed funds are mainly cash flow derived and investments will accordingly be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 24 months)
29. Bank Rate started on a downward trend from 5.75% with the first cut to 5.50% in December 2007. This is forecast to continue with further cuts to 5.25% in Q1 2008, 5.00% in Q2 and 4.75% in Q3 2008. It is then expected to rise back to 5.0% in Q4 2009 and stabilise there for the foreseeable future. The Council will therefore seek to lock in longer period investments at higher rates ahead of these cuts for some element of their investment portfolio which represents their core balances.
30. Members will receive a report six monthly on the Council's investment activity.

legal implications

31. The Authority's treasury management activities are carried out in accordance with statutory provisions as outlined in the report.

financial implications

32. The 2008/09 budget includes sums for external interest payments and investment income. Should these budgets be exceeded, this will be reported to Members as part of the budget monitoring process.

human resources implications

33. Senior officers within the Department are responsible for the execution of the Treasury Management policy, as outlined in the Authority's treasury management practice statements.

RECOMMENDED that Members note the report and agree the Treasury Management Strategy Statement and Annual Investment Strategy for 2008/09.

Officer responsible for the report

Stuart Reid
AD – Finance & I.T.
Ext 258

Author of the report

Stuart Reid
AD – Finance & I.T.
Ext 258

CENTRAL RESOURCES COMMITTEE

05 MARCH 2008

Report of the Strategic Director for Resource Management
DEVELOPMENT OF CUSTOMER SERVICES

purpose of the report

1. To propose physical alterations and staff moves in the offices immediately adjacent to the mall area.

report

2. The customer services team currently occupy 3 areas – the front reception desk, the switchboard room and the CRM (customer relationship manager) workstations which are located to the right of the main doors. This arrangement is unsuitable in that it fragments the department, making it difficult to ensure sufficient staff cover at each workstation.
3. The ideal arrangement would be for all customer service staff to be able to handle all activities. The development of CRM means that the customer services team are handling gradually more enquiries. This expansion will only be possible if the team has the flexibility to respond to customers. It is therefore proposed that the team be located together in one room, immediately behind the reception desk (where the switchboard operates).
4. This arrangement would have a knock-on benefit for the Regeneration Department who would be able to occupy the area vacated by customer services to the right of the main entrance. This would allow them to make various consequential staff moves and provide much needed space for Regeneration staff.
5. The room which currently houses the switchboard would become the main customer services area. This room would have a central desk for all operators to work at. They would be able to take CRM and switchboard calls. The front reception desk would continue to operate but staff at this desk would have the ability to take CRM calls, when not serving face to face customers. It is estimated that the works would take about 4 weeks.
6. There is, naturally, some concern over the future delivery of customer service and CRM with local government re-organisation. At first glance, it may seem inappropriate to carry out capital works when it is not known whether there will be any need for the service to operate from the building in 12 months time.

However, it seems likely that there will continue to be a presence in the Civic Centre for the foreseeable future. Additionally, the initial feedback from the access to services group would appear to indicate that CRM will continue to operate at District centres, at least initially. It would seem likely therefore that there will be a need for these works for at least the next 2 years, if not longer.

7. The Unitary bid involves not only maintaining but improving access to services for all County Durham citizens and businesses. It is anticipated that the Civic Centre at Crook will continue to operate as a Face to Face access point. Decisions have not as yet been made regarding call centre facilities, however the possession of a contact centre will improve Customer Service in resourcing terms and will allow further integration including Environmental Services and the further development of Planning and Environmental Health as well as the recording of all generic enquiries. The establishment of this Contact centre will allow more robust monitoring of performance as recommended through Sir David Varney's report on the operation of all public call centres including those operated by Wear Valley.

costs

8. There is no current budget provision for these works and they have not been put forward for consideration for next year's programme. It is proposed that they be financed from underspend on this year's budget. The costs of this proposal are –

<u>Essential Items</u>	£
Movement of switch	421.42
BT engineer time	225
Call centre desk (8-seater)	2620
Manager's desk	145
Capital works (estimate)	22760
IT cabling	360
Total	<u>26531</u>

<u>Optional Items</u>	
Flat Monitors	4480
Scanner	120
Telephone logger	4085
Telephone call recorder	8434
Total	<u>17119</u>

Total cost of works	<u><u>43650</u></u>
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RECOMMENDED that the works outlined above are approved and commissioned immediately.

Officer responsible for the report

Gary Ridley
Strategic Director for Resource
Management
Ext 306

Author of the report

Anna Barker
AD – Legal & Admin Services
Ext 310

Dorothy Emerson
Corporate Customer Care Officer
Ext 296



CENTRAL RESOURCES COMMITTEE

05 MARCH 2008

Report of the Strategic Director for the Community
DISABLED ADAPTATIONS BUDGETS 2007/08

purpose of the report

1. To request Committee's approval to carry forward underspend on this current year's budgets into the forthcoming year's allocation.

background

2. Council have recognised the need to deliver a programme of works for disabled and vulnerable residents that improves the livelihood of an ever increasing elderly population. To support this the gross budget allocation for 2007/08 was initially set at £408,000
3. Members will recall an additional capital allocation of £400,000 to deliver an increased programme of disabled facility grants (DFG's) to the most vulnerable of our society. This was agreed by Council on 4 September 2007.
4. Delivery of these works were initially targeted at private properties, as these are seen as the more time-consuming in terms of assessments and approvals. The programme was overseen by the Dales Home Improvement Agency (HIA) with support and advice from the Primary Care Trust (PCT) and Social Services.
5. The list of private sector individuals wanting adaptations has been cleared and newly arising cases are dealt with immediately. The HIA are now concentrating on the public sector adaptations and are progressing through a waiting list of approximately 100 cases.
6. Council have already agreed to allocate £100,000 of the additional £400,000 towards major repairs grants and a further £100,000 towards disabled adaptations within the Council's own stock. Major repair grants are also targeted at the vulnerable residents and assist in the Council achieving improvement in the decency standard of private sector housing.

delivery to date

7. Up to the end of January 2008, the actual delivery overseen by the HIA and the Council's Private Sector Team was:-

		Numbers	£
• Private sector DFGs	- completed	40	135,000
	- ongoing	44	166,500

<ul style="list-style-type: none"> Public sector adaptations - completed - on going 	33(major)	120,300
	123 (minor)	
	24	88,000
<ul style="list-style-type: none"> Major repair grants - completed - on going/schedules 	3	35,000
	20	165,000

8. Fees at 10%, are also chargeable on both the Private Sector and Public Sector adaptations, in the sum of £51,000

9. It is therefore anticipated that the total spend on disabled adaptations and major repairs is £761,000 before the end of the current financial year.

financial implications

10. The current approved budgets for these schemes are:

- Private Sector DFG's - £434,000
- Public sector disabled - £289,000
- Major repairs grants - £200,000

Total £923,000

11. From this, it can be seen that there is an anticipated underspend on this current year's budget of approximately £162,000. This underspend has arisen through a number of different factors, including:-

- Clearing existing waiting lists
- Capacity of local builders
- Availability of Occupational Therapists, and
- Time taken to carry out necessary checks

proposals

12. It is proposed that the estimated underspend on these budgets is carried forward into this forthcoming year's budget (2008/09) and is used to continue to deliver a continuation of the disabled adaptations and major repair grants programme. These works will continue to be overseen by the HIA as before.

13. This should result in a continuation of a programme of works that will seek to keep waiting lists to a minimum on both private sector and public sector adaptations and improvements.

hr implications

14. The delivery of the revised programme of works will be overseen by the existing staff in the HIA. There is sufficient budgetary allowance in the forthcoming year's budget to cover the staffing costs.

summary

15. It is proposed that the projected underspend on this current year's budget is carried into the forthcoming year's budget to enable the current level of disabled adaptations and improvements to continue.

RECOMMENDED that Committee approves the proposal to carry forward the potential underspend from this current year's budget into the forthcoming year (2008/09) budget for disabled adaptations.

Officer responsible for the report
Michael Laing
Strategic Director for the Community
Ext 368

Author of the report
David Milburn
AD Policy and Resources
Ext 379



CENTRAL RESOURCES COMMITTEE

05 MARCH 2008

Report of the Land Sub-Committee held on 14th February 2008

MEMBERS OF THE SUB-COMMITTEE: Cllrs Hayton (Chair), Mrs Pinkney, Taylor, Mrs Burn, J Shuttleworth.

background

1. In response to a suggestion made by the Leader at the Central Resources Committee meeting on 26 September 2007, consideration was given to the establishment of a Land Disposals Sub-Committee. At the Central Resources Committee meeting on 14 November 2007 Members authorised the establishment of the Land Disposals Sub-Committee to determine all requests relating to the disposal of land and to determine appeals against the refusal of requests made under delegated powers. Cllrs Hayton, Mrs Pinkney, Taylor, Mrs Burn and J. Shuttleworth have been nominated to the Sub-Committee.

report

2. The Committee met for the first time on 14th February, the previous meeting having been cancelled due to inclement weather. At the meeting, members determined the following applications –

Application	Decision
(rear of former Queens Head Public House), Witton Park for Mr K Refearn.	Request approved
To consider a request to purchase land adjacent to 33 Fern Valley, Crook for Miss D Halliday.	Request refused
To consider a request to acquire land to rear of 1 & 2 High Street, Eldon Lane for Dene Valley Community Transport Limited.	Request approved
To consider disposal of the bungalow at Leeholme Recreation Ground.	Request approved
To consider the disposal of surplus land at St Stephens Close, Willington.	Deferred
To consider granting a drainage easement at land at Church Hill, Crook for nil consideration.	Approved grant of easement at market value.
To consider a request to purchase land at Stanley, Crook.	Approved transfer to Stanley

	Village Hall Association
To consider a request to purchase land west of Dent Street, Tindale Crescent, Bishop Auckland.	Request approved

RECOMMENDED that members note the report.

Officer responsible for the report	Authors of the report
Gary Ridley Director of Resource Management Ext 227	Anna Barker AD Legal & Administration Ext 310



**WEAR
VALLEY**
DISTRICT COUNCIL

CENTRAL RESOURCES COMMITTEE

05 MARCH 2008

Report of the Director of Resource Management
RESOURCE MANAGEMENT SERVICE PLAN 2008/09

purpose of the report

1. To seek Member approval for the Department's Service Plan.

background

2. The Department has produced a service plan in line with the corporately agreed framework. The plan is shown at Annex A.

consultation

3. Staff have been consulted on the Plan, especially in relation to the setting of action plans.

human resources/financial implications

4. The Department considers that there are sufficient resources (staff, asset, money etc.) to deliver the performance levels and targets set out in the Service Plan. The plan will be monitored by members after 6 months.

RECOMMENDED that Members agree the Resource Management Service Plan at Annex A.

Officer responsible for the report

Gary Ridley
Director of Resource Management
Ext 227

Authors of the report

Anna Barker – AD Legal & Administration
Stuart Reid – AD Finance & I.T.
Exts 310/258

RESOURCE MANAGEMENT DEPARTMENT

SERVICE PLAN 2008/09

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CHAIRMAN'S STATEMENT

The activities of the Resource Management Department contribute to meeting all of the Council's corporate objectives. The Department will continue to support the Council Plan by serving the needs of external customers such as benefit claimants, council tax and non-domestic rate payers, users of electoral services and callers to our first stop shop as well as internal customers through the provision of expertise in the areas of finance, I.T., legal, members' services and asset management.

This must be achieved whilst ensuring value for money which is a considerable challenge. The Department has a key role to play in facilitating efficiencies throughout the Council. This is achieved through robust financial management, maximising the use of information technology and providing professional advice to support other departments. The Department will continue to develop staff through both formal and informal training to ensure our employees maximise their potential so that they can perform their job effectively.

There have been some notable successes in the last twelve months. We received external recognition of our efforts to increase take up of direct debit amongst council taxpayers by winning a national award and supporting the needs of small businesses by promotion of small business rate relief. As a result of our efforts, significant sums of money were paid to residents entitled to housing/council tax benefit who had previously not claimed. We have continued to renew our IT infrastructure to keep up to date with technology and provide employees with the best tools to do the job so that we can give our customers the best possible service. We also received an improved assessment from the Audit Commission on the effectiveness of our financial management arrangements.

Local Government re-organisation will affect us all. However, through this plan we will ensure that we uphold our existing high professional standards through continually striving for improvement and continually checking that we are delivering what our customers want.

DIRECTOR'S STATEMENT

This plan sets out the activities of the Resource Management Department. Covering the period 2008/09 and follows the corporately agreed format.

To become the best District Council in England, Wear Valley's Resource Management Department must provide services, both internally and externally, which encompass the concepts of economy, efficiency, effectiveness and quality as a means of achieving corporate objectives. This is achieved through articulating in this plan the targets, plans and actions to be undertaken during the period covered by the plan.

The vision for the Department is to ensure service delivery which:

- (i) Is citizen focused and centred around customers

- (ii) Is speedy and accurate
- (iii) Seeks to reduce the risk of errors and fraud
- (iv) Is accessible
- (v) Encourages good performance
- (vi) Is accountable to stakeholders.

Within this the following standards will apply:

- (i) The principles of good customer care
- (ii) Services provided objectively without personal bias or discrimination
- (iii) Due care and competence applied at all times
- (iv) Constructive relationships fostered both internally and externally
- (v) Confidentiality will be observed.

The aims of the Departmental Service Plan document are:

- (i) To clarify the Department's contribution to the Council Plan.
- (ii) To clarify to our customers, both internal and external, the services which we provide and the standards of service that they can expect. This is achieved through the setting and monitoring of challenging yet realistic targets.
- (iii) To make the department's performance more visible to all stakeholders so as to provide a platform for service improvement.
- (iv) To make staff aware of the wider environment in which they fulfill their duties and responsibilities and how their role contributes to achieving departmental objectives.
- (v) To give staff ownership of the processes and procedures which they operate.

The above can only be achieved by:

- (i) Measuring where we are today.
- (ii) Deciding where we want to be in the future.
- (iii) Planning on how to get there.

A key element of achieving the above is via customer surveys which will give the Department invaluable feedback in terms of service delivery and also identify areas for improvement. All key service areas will carry out customer surveys during the lifetime of this document. This will ensure that a focus of meeting the needs of the customer (either internal or external to the Council) is embedded into the culture of the Department.

The performance targets that are set are challenging and based upon the ethos of seeking continuous improvement in the efficiency and quality of service delivery.

Staff commitment and effective empowerment is a key to continuous improvement. The Department will continue to induct all new members of staff and produce Personal Review and Development Plans for all staff annually which are linked to our performance targets. Training budgets will reflect the development needs of staff, who will be supported in attaining external/professional qualifications relevant to their post.

The Department has to tackle a considerable agenda. First and foremost it will continue to ensure that the Council has the resources to carry out the activities contained within the Council Plan so that our corporate objectives can be met. This is a significant challenge with tightening financial limits and uncertainty over the future of external funding upon which the Council relies heavily. Our Medium Term Financial Strategy determines how this is to be achieved. Financial stability will be supported by efficient and effective collection of monies due such as Council tax which are used to fund services.

The benefits service will continue to consolidate upon the significant improvements achieved in recent years. The partnership with Teesdale District Council demonstrates our willingness and ability to be innovative and promote value for money in service delivery to maximise benefit to the customer.

Efficient service delivery will become ever more dependent upon continual investment in I.T services. The department will continue to play a leading role in the promotion of technology to increase customer access to services. We will also continue to manage our buildings effectively and target resources where they will make the biggest impact.

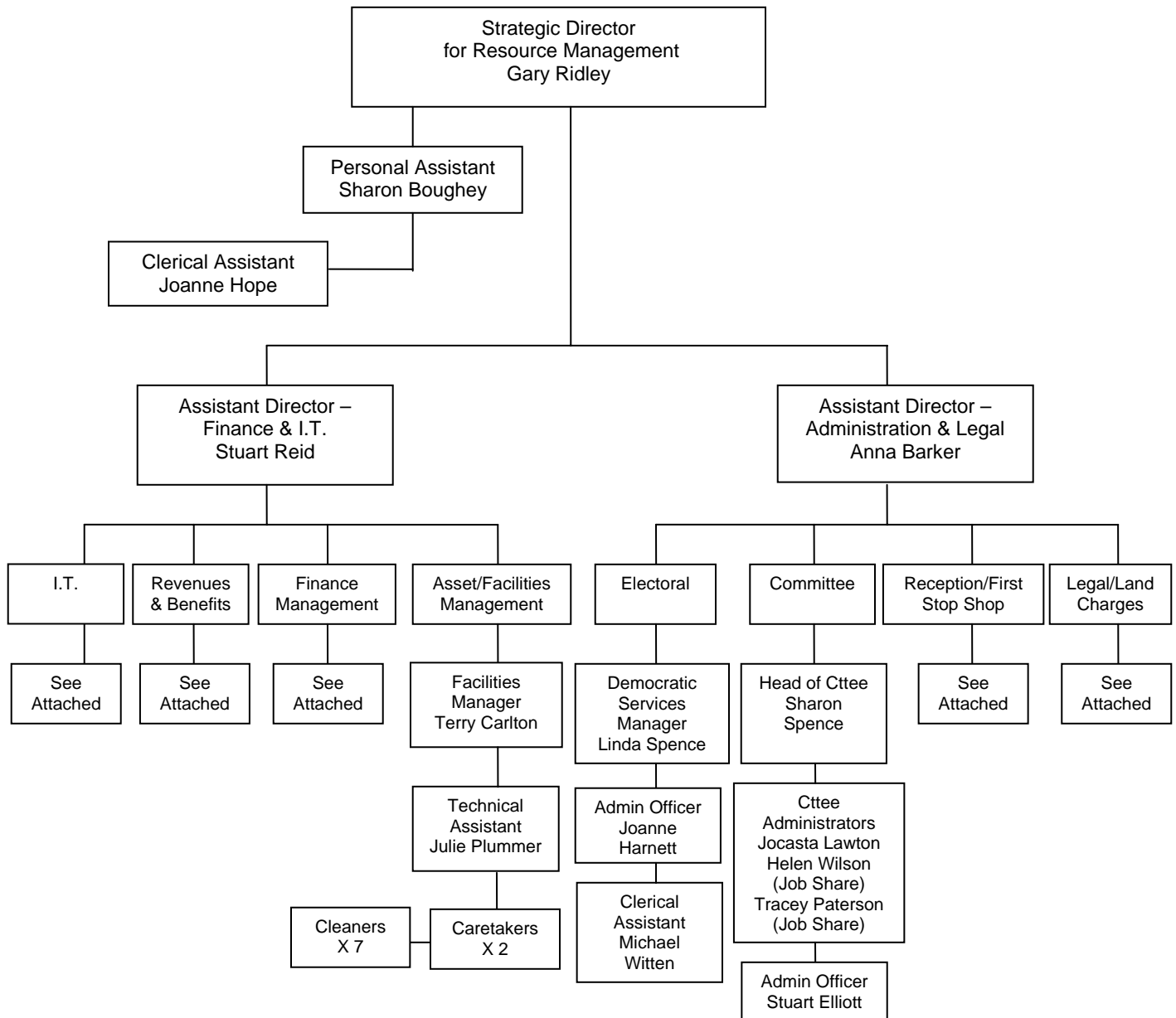
The Department's activities will contribute towards meeting our corporate objectives and support the Council's ambition to have its improvements recognised externally through the Audit Commission's assessment process.

This is a time of great uncertainty due to local government re-organisation. Nevertheless, staff commitment remains undimmed. We will continue to focus upon service delivery to meet customer expectations in 2008/09 and build a strong foundation for ongoing improvement within a new unitary authority.

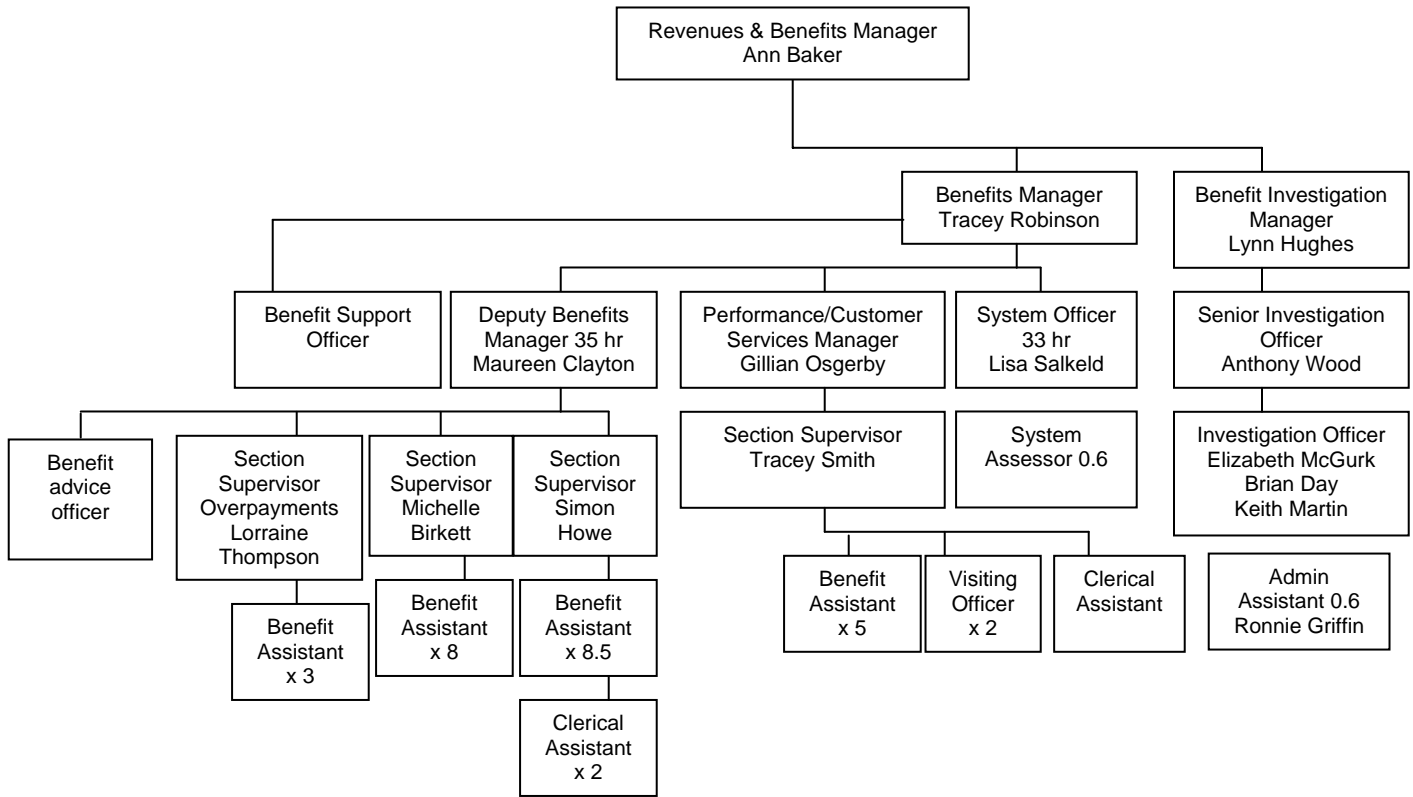
2 DEPARTMENTAL PROFILE

2.1 Activities

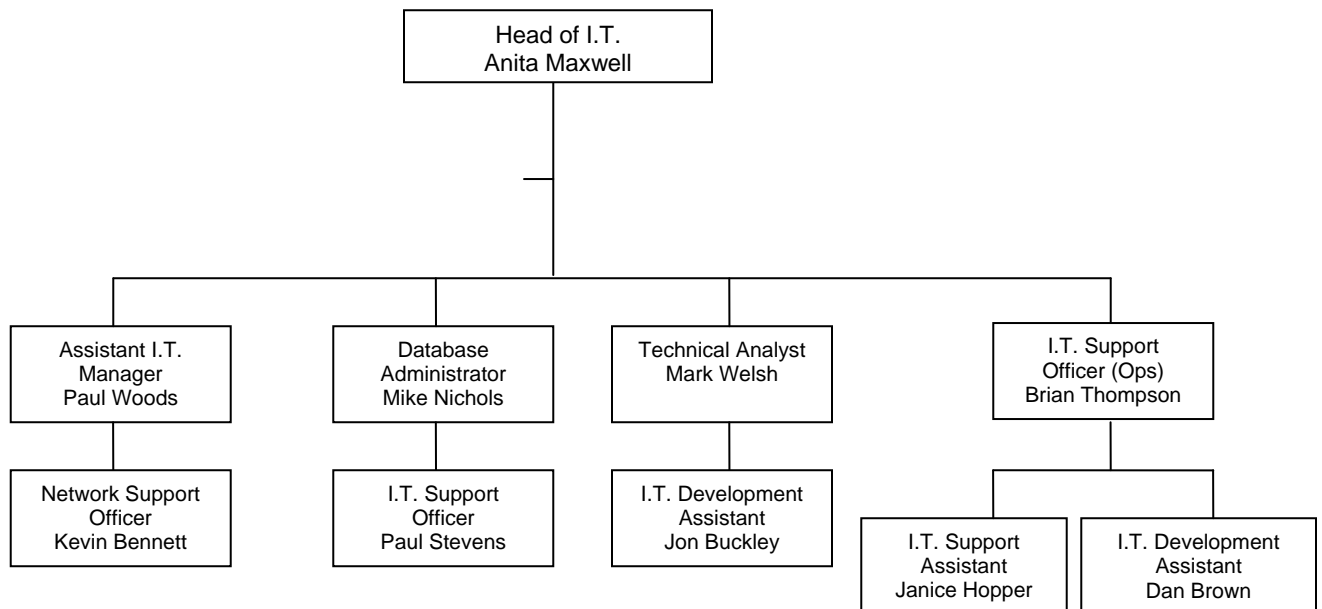
The basic structure of the Department is shown in the following diagram:



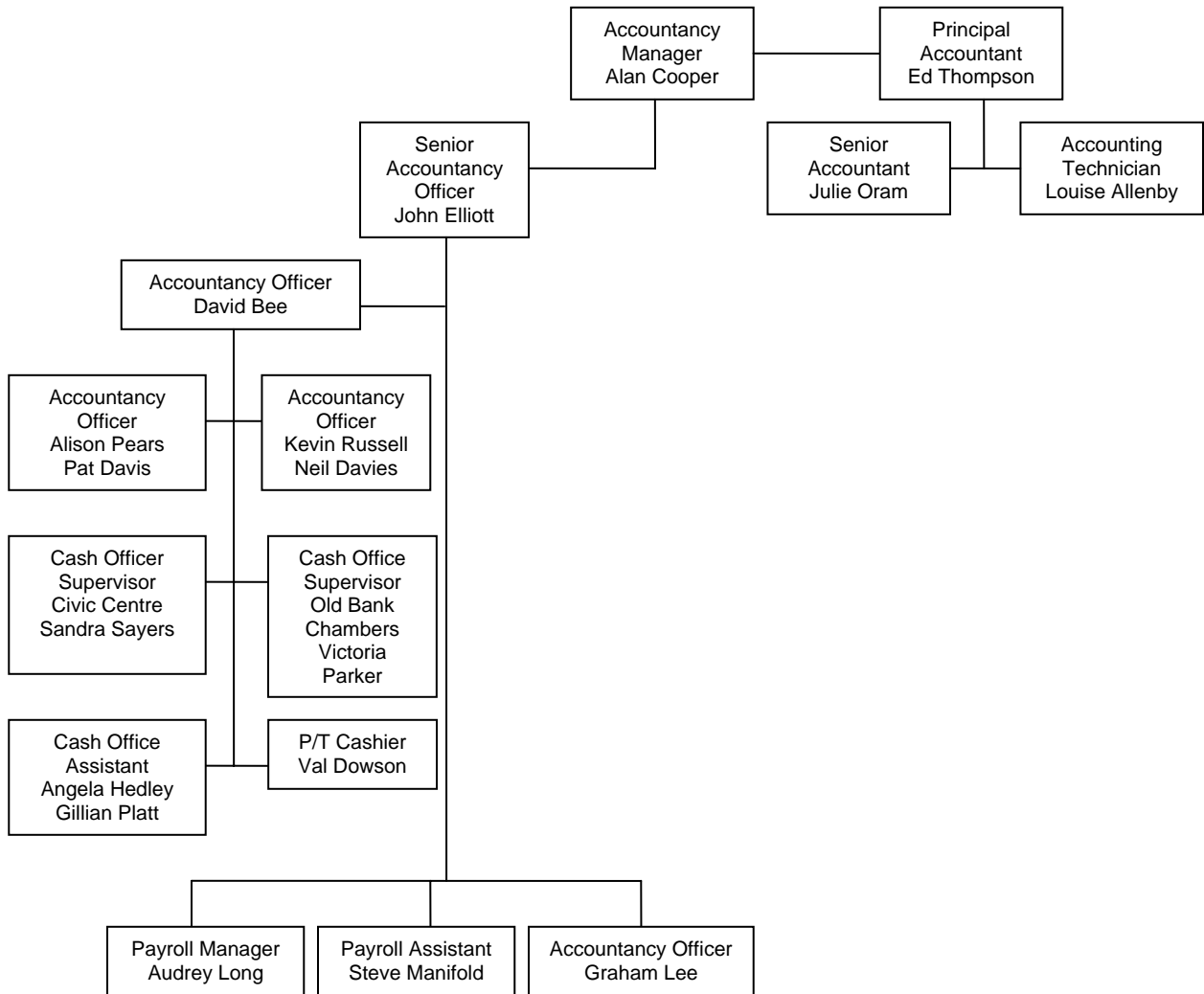
BENEFITS, FRAUD, COUNCIL TAX, RECOVERY AND NNDR



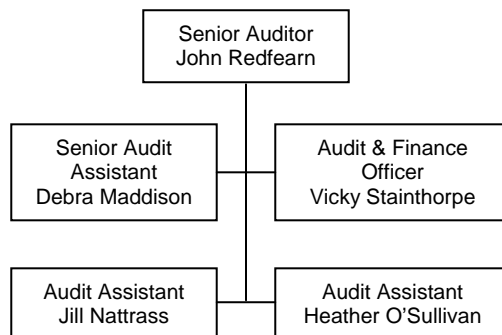
I.T SECTION



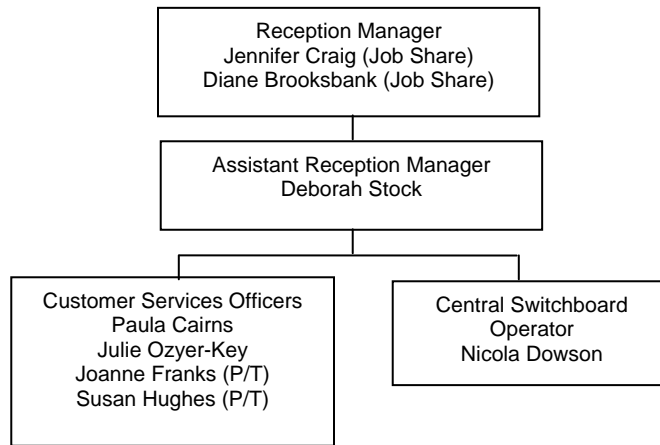
FINANCE FUNCTION AND AUDIT



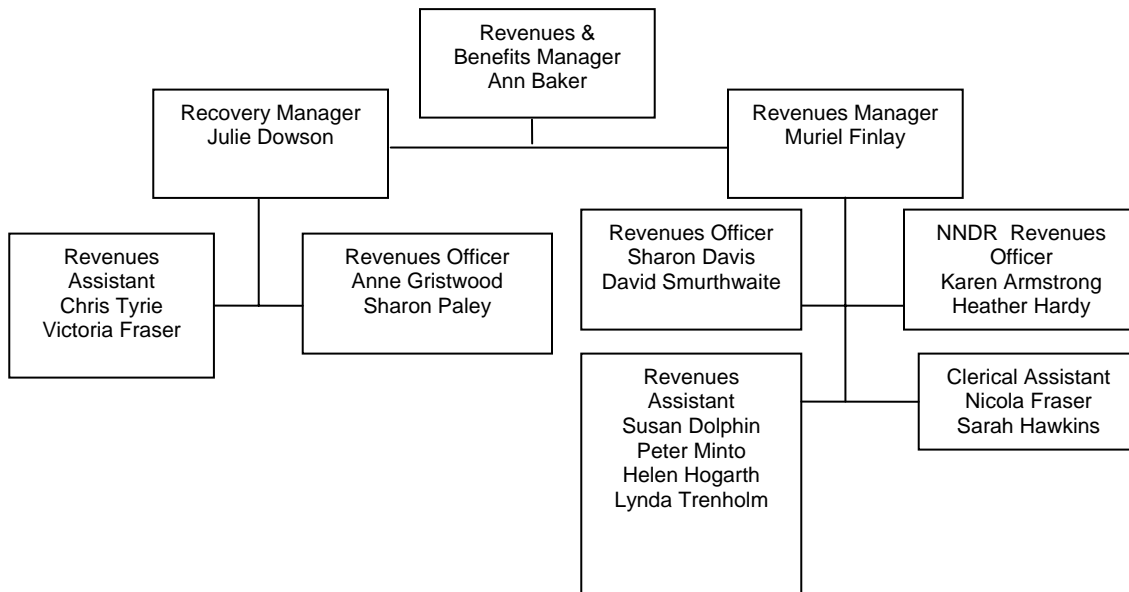
AUDIT



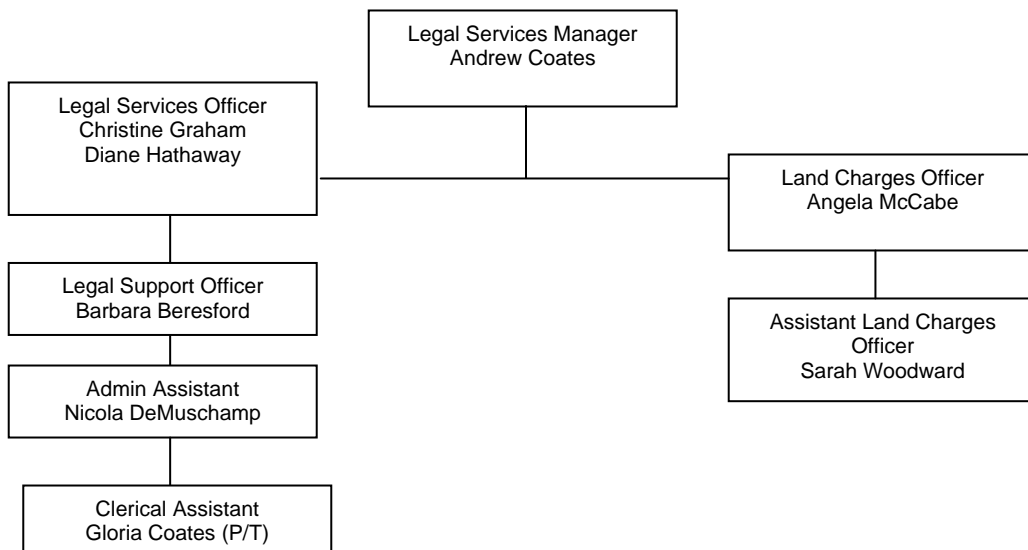
RECEPTION/FIRST STOP SHOP



COUNCIL TAX, RECOVERY AND NNDR



LEGAL SERVICES/LAND CHARGES



2.3 Financial Resources

The table below shows the total departmental revenue cost of providing services.

Cost Centre Description	Estimate 2008/09 (£000)
Treasury Management	21
Council Tax Administration	494
NNDR – Administration	(20)
Land Charges	(104)
Support to Community Organisations	158
Local Elections	5
Electoral Registration	123
Concessionary Travel	956
Housing Benefit Administration	519
Council tax Benefits	(50)
Benefit Investigation Unit	142
Housing Benefit Rent Allowance	(80)
Housing Benefit - Rent Rebates	(50)
Precepts and Levies	192
Cashiers	5
Accountancy	(13)
Unapportionable Overheads e.g.	206
Corporate Management	358
Members Allowances	397
Members Support	153
Asset Management Revenue Account	429
Investment Income	(1220)
Consolidated Revenue Account	579
CCTV	13
Royal Corner	(7)
Civic Centre	7
Old Bank Chambers	(4)
Statutory exclusions	(621)
Total	2,588

Equality and Diversity

The Department recognises its obligations under legislation to promote equality and diversity in the areas of gender, ethnicity and disability. Through investment, it will ensure that its public buildings are compliant with the Disability Discrimination Act. A programme has been compiled to carry out impact assessments upon the Department's policies and procedures to ensure that there are no barriers to customers accessing services either implicitly or explicitly and that treatment is non-discriminatory. The table below shows the 3 year timetable as agreed by Committee:

Function	2007/08	2008/09	2009/10
Accountancy and Cashier Payments		X	
Benefits	DONE		
Concessionary Travel			X
Council Tax	DONE		
Electoral Services		X	
ICT			X
Land Charges			X
Legal		X	
Non-Domestic Rates	DONE		

Impact assessments will be carried out following a corporately agreed process and will involve external expert consultation as appropriate.

REVIEW OF YEAR

Ref.	What We Planned to Do	What We did Do
Accountancy		
1	To improve the Council's CPA score	Overall score of 3 attained for Use of resources assessment. Contributed to preparation for corporate inspection.
2	Completed and reported final accounts by end of June 2007	Completed by deadline and no audit issues raised
3	More efficient processing of sundry debt	Feasible only to extend direct debit as method of payment to commercial rent payers. Invitation letters issued.
4	More efficient collection of rents	Automated processes for setting up direct debits being introduced. Awaiting approval from bank.
5	To streamline exchequer processes	Data from external parties e.g. bailiffs now updated automatically
6	To streamline the process of income accounting	Income from leisure centres updated automatically into corporate accounting system
7	To improve and formalize the budget preparation process	Budget preparation data collated in hours as opposed to days through use of financial management system reporting tools

Ref.	What We Planned to Do	What We did Do
Internal Audit		
1	To comply with CIPFA Code on Internal Audit	Unlikely to meet target of 90% audit recommendations implemented. Internal Audit Manager attending departmental management teams to ensure agreed work carried out.
2	To support revised arrangements for demonstrating Value for Money in the Council's budget	Audit work includes consideration of efficiency of procedures but not involved in formal value for money work e.g. PIT teams
3	To contribute towards improved assessment under CPA	Improved score on internal control section of Use of Resources assessment
4	Raise Internal Audit profile and demonstrate effectiveness to internal customers	Regular reports on internal audit activity given to members, and corporate management team
5	To maximize completion of audit plan	Audit plan not fully completed due to staff sickness
6	To support the Council's data quality arrangements	The calculation of a number of performance indicators reviewed.

Ref.	What We Planned to Do	What We did Do
Revenues and Benefits		
1	To improve customer service to all benefit claimants	Introduced increased number of access points following establishment of partnership with Teesdale District Council and revised procedures for dealing with face to face enquiries
2	To improve the recovery of benefit overpayments	New measures introduced following staff workshop including greater use of legal action
3	To increase the instances of claim information submitted correctly by the customer first time	Revised claim form piloted. Initial results suggest improved response rate from customers.
4	To attain above average performance for all benefit fraud measures	Investigation and sanctions numbers will exceed national average
5	To encourage payment of council tax and NNDR by most cost efficient methods	Direct debit campaign ran. Significant increase in take up resulting in national award from BACS.
6	To ensure council tax and NNDR billing is adhering to best practice	Compliance with best practice guidelines increased
7	To ensure recovery of council tax and NNDR is adhering to best practice	Compliance with best practice guidelines increased
8	To improve responsiveness to customer enquiries and management information	Document imaging and workflow not implemented due to problems with IT supplier. Supplier problems now resolved and system to be implemented by May 2008
9	To update customer accounts promptly	Automated processes for updating accounts of direct debit customers implemented.

Ref.	What We Planned to Do	What We did Do
Information Technology		
1	To further develop CRM system	Additional services added to CRM system including population of names and addresses
2	Further develop IT security / disaster recovery	Disaster recovery site at Chilton now fully functioning. Briefings provided to all staff on data security.
3	To tailor service to meet customer needs	Internal survey conducted and action taken e.g. greater accountability for Help Desk performance
4	To enhance performance management within the I.T. function	Data comparisons made with other authorities

Ref.	What We Planned to Do	What We did Do
Asset/Facilities Management		
1	To update the Asset Management Plan and ensure all actions carried out	Reasonable progress but hindered by failure to recruit Asset Management Officer
2	To increase staff capacity in asset management	Asset management officer not recruited. Some support received from external consultancy.
3	To improve the condition of the public buildings portfolio	Investment made into public buildings e.g. leisure facilities, Civic Centre and common rooms
4	To minimize energy consumption within public buildings and promote green energy use	Contract placed for renewal of civic centre lighting and energy awareness sessions ran for all staff

Ref.	What We Planned to Do	What We did Do
Committee Services & Member Support		
1	To revise working practices to ensure that service is delivered in the most effective and efficient manner	The section moved location and, following the appointment of a new member of staff, some duties have been re-allocated between staff members. The remainder of the review is still ongoing.
2	To ensure that all members are aware of their responsibilities and are confident in their role	An effective induction programme was delivered following the election in May 2007 and an ongoing training programme is being delivered.
3	To promote the Members Charter	Work is continuing towards achievement of the charter.

Ref.	What We Planned to Do	What We did Do
Election Services		
1	To revise working practices to ensure that service is delivered in the most effective and efficient manner	The review is still ongoing.
2	To increase return rate of Electoral Canvass forms to 97% by improving training to canvassers.	Training programme successfully delivered.
3	To maximise the return of Personal Identifier information in respect of Absent Voters, in order to reduce the incidences of fraud in this area by issuing reminders to postal/proxy voters to prompt return of information	Completed

4	To encourage greater voter turnout at Local and Parish Elections by increasing the use of media to promote the election	Advertising increased but did not make a significant impact on turnout. Further research is taking place to seek to improve performance prior to next elections.
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Ref.	What We Planned to Do	What We did Do
Land Charges		
1	To revise working practices to ensure that service is delivered in the most effective and efficient manner	Review completed and adjustments made to service.
2	To process local searches as quickly and efficiently as possible and to achieve BVPI of percentage searches conducted within 10 days of 99.4%	This is no longer a BVPI but performance is still monitored. Target has been achieved.
3	To adapt the service to respond to the statutory Home Information Packs scheme (in force 1st June 2007)	There was a delay in the introduction of HIPs but the service adjustments were completed in time.
4	To adapt the service to respond to the likely changes to the national form Enquiries (Con 29)	New form successfully implemented.

Ref.	What We Planned to Do	What We did Do
Legal Services		
1	To revise working practices to ensure that service is delivered in the most effective and efficient manner	Partially completed and remainder ongoing.
2	To tailor service to meet customer needs and to conduct detailed customer survey & act upon results, inc. the introduction of routine work service standards	Customer survey was replaced by in-depth department meetings to establish customer priorities until March 2009.
	To develop and implement a land disposal policy and procedure	Policy adopted by Council and implemented.
	Devise and implement a procedure to ensure that Home Information Packs are produced for sales of all misc. dwellings	Delayed due to revised government guidance. On target to meet revised guidance
	To process section 106 agreements as swiftly as possible to assist in achieving BVPI's in relation to planning applications by developing and implementing a procedure for processing section 106 agreements	Procedures have been put in place, standard documentation introduced and training delivered.
	To fulfil the Council's objectives in relation to car parking by drafting and implementing a new Off Street Car Parking Order	This has been stayed, pending the implementation of the decision to transfer car parks to the Town Council.

Ref.	What We Planned to Do	What We did Do
1st Stop Shop		
1	To revise working practices to ensure that service is delivered in the most effective and efficient manner	This has been completed and is now being implemented (dependent on physical alterations to office)
2	To improve satisfaction with customer interactions by extending the use of CRM to manage customer enquiries and interactions	Ongoing – increased range of services being developed and implemented. Programme of service extension agreed.
3	To monitor and improve service efficiency and effectiveness by devising & implementing appropriate performance indicators, performance monitoring and reporting procedures	Indicators and procedures currently being developed.

The majority of last year's plan was completed. Those activities not carried out will be completed in the forthcoming financial year.

External Inspections/Assessments

The Council received a score of 3 "good" for its annual use of resources assessment. The Council's financial accounts also received an unqualified opinion from our external auditors.

The Department continued to perform well as measured by national indicators. Of the 13 indicators that will be the prime responsibility of the Department in the coming year 11 are forecast to be amongst the top 25% nationally, the remaining 2 expected to be above average.

COUNCIL PLAN/BALANCED SCORECARD

The Department has lead responsibility for a number of actions contained within the Council Plan. It will also contribute towards a variety of others as shown below:

<u>Council Plan/ Balanced Scorecard</u>	<u>Target</u>	<u>Responsible Officer/Team</u>	<u>Comment</u>
People satisfied with Wear Valley as a place to live	60% of indicators met on Quality of Life indicators	All Departments	Ongoing surveys conducted for housing benefits and council tax customers continue to indicate high levels of satisfaction
No. of employees with accredited qualifications	42 additional staff in 2007/08 with qualifications	Director of Resource Management/ Corporate Development Unit	Several benefits staff have gained qualification as IRRV technician.
Improved well being of citizens	15 individuals signed up to benefit entitlement £10,000 value of additional benefit paid	Asst. Dir. – Finance and IT	39 individuals signed up and £84,000 value of additional benefits paid
Improved value for money	Government efficiency targets achieved	Director of Resource Management/ Corporate Management Team	Progress to be monitored during year. 2007/08 target will be achieved.
Improved CPA score	Year on year improvement in score	Resource Management/ Corporate Management Team	Action plan formulated for Use of resources assessment and being carried out

CUSTOMERS AND CONSULTATION

The Department is committed to identifying customer needs and addressing these. Planned consultation for the coming year is shown below:

<u>Area of Consultation</u>	<u>Responsible Officer</u>	<u>Timeline</u>	<u>Use and Resource Implications</u>
Information Technology	Head of I.T.	During 2008/09	To conduct follow up survey of internal customers of the I.T service. Managed internally.
Sundry Debtors	Accountancy Manager	July 2008	Postal survey of internal / external customers
Internal Audit	Senior Internal Auditor	After each audit	Auditees surveyed on content and usefulness of audit
Revenues	Revenues and Benefits Manager	During 2008/09	Rolling postal survey of customer satisfaction
Revenues / Benefits	Revenues and Benefits Manager	Scheduled liaison with Citizens Advice Bureau	To share information and act upon concerns
Benefits	Revenues and Benefits Manager	During 2008/09	Rolling postal survey of customer satisfaction
Benefits	Revenues and Benefits Manager	Scheduled liaison with Wear Valley Landlords Forum	To share information and act upon concerns
Benefits	Revenues and Benefits Manager	Scheduled liaison with Dale and Valley Homes	To share information and act upon concerns
1 st Stop Shop	Corporate Customer Care Officer	During 2008/09	To conduct internal and external customer surveys for both telephone and face to face contacts.

SERVICE BASED ACTION PLANS

Service improvement can only be made by identifying specific actions and officers responsible for ensuring they are implemented. All of the activities support the Council Plan by contributing towards meeting corporate objectives or exemplifying the Council as a centre of management and organizational excellence. The detailed plans are shown below:

Accountancy Action Plan 2008/09

No.	Objective	Action	Responsible Officer	Success Measures
1	To maintain the Council's CPA score	To formulate and ensure implementation of an action plan for the Use of Resources assessment	Asst. Dir. – Finance and I.T.	To attain a minimum score of "good"
2	Completion and reporting of Final Accounts by end of June 2008	Close down on high level estimates and carry out early reconciliation of data	Accountancy Manager	Completion by deadline and accounts unqualified after audit
3	To introduce best practice into sundry debt collection	To implement recommendations set out in Revenues best Value Review	Senior Accountancy Officer	%age of recommendations implemented
4	More efficient collection of rents	To introduce the use of AUDDIS and paperless direct debit	Accountancy Officer (DB)	To reduce costs of rent collection
5	To deliver effective service to external customers	To respond flexibly to changing demands from Dale and Valley Homes regarding banking and accounting arrangements	Principal Accountant	Customer satisfaction level
6	Ensure accounting data is held on robust and secure systems	To support the migration of accountancy data to new computer servers	Principal Accountant	Data transfer successful

Revenues and Benefits Action Plan 2008/09

No.	Objective	Action	Responsible Officer	Success Measures
1	To improve customer service to all benefit claimants	As per Benefits Business Plan.	Benefits Manager	%age of customers satisfied
2	To increase benefit take up	As per Benefits Business Plan	Benefits Manager	Additional benefit paid
3	To meet best practice in council tax and NNDR billing and collection	To implement recommendations set out in Revenues best Value Review	Revenues Manager / Recovery Manager	%age of recommendations implemented
4	To provide a more seamless service to customers	To improve inter-sectional communication and review working practices	Revenues Manager / Benefits Manager	To achieve target
5	To improve responsiveness to customer enquiries and management of information	To implement Dip and workflow technology	Revenues Manager / Recovery Manager	System implemented successfully
6	To achieve local PI targets for benefit fraud activity	To manage and monitor team performance	Benefit Fraud Investigation Manager	PI targets met

I.T. Action Plan 2008/09

No.	Objective	Action	Responsible Officer	Success Measures
1	To deliver effective service to external customers	To respond flexibly to changing demands from Dale and Valley Homes regarding implementation of new computer modules	I.T. Manager	Customer satisfaction level
2	To support the transfer of data to other computer systems as part of the preparation for LGR	Ensure IT representation on relevant workstreams	I.T. Manager	Maintenance of ongoing service delivery and integrity and accuracy of data

Internal Audit Action Plan 2008/09

No.	Objective	Action	Responsible Officer	Success Measures
1	To comply with CIPFA Code on Internal Audit	Ensure 90% of audit recommendations are implemented	All audit staff	To meet target
2	To contribute towards improved assessment under CPA	To support improvement work relating to Use of Resources Assessment especially internal control	Internal Audit Manager	Audit Commission judgement on Use of Resources assessment
3	To support the Council's data quality arrangements in the transition to LGR	To support work on revisions to systems and data transfer	All audit staff	Score achieved on data quality KLOE's

Asset/Facilities Management 2008/09

No.	Objective	Action	Responsible Officer	Success Measures
1	To update the Asset Management Plan and ensure all actions carried out	To secure joint ownership and responsibility through the Asset Management Group	Asset Management Group	Actions within plan carried out
2	To improve the condition of the public buildings portfolio	To project manage the asset management backlog capital budget	Asset Management Group	Building conditions improved
3	To minimise energy consumption within public buildings and promote green energy use	Continue implementation of energy action plan	Asset Management Group	All actions carried out

Committee Services & Member Support

No.	Objective	Action	Responsible Officer	Success Measures
1	To achieve the Members Charter	To implement the action plan to achieve the Members Charter in accordance with national accreditation scheme	Committee Services Manager	Charter Achieved
2.	To produce a key decisions framework	To bring forward a scheme (and implement subject to approval) to voluntarily implement a key decisions framework	Committee Services Manager	Report prepared
3.	To comply with the local filter arrangements	To work with the other Co. Durham authorities to implement a scheme to introduce the local filter scheme	A.D. Legal & Admin Services/ Committee Services Manager	Local Filter operating

Election Services

No.	Objective	Action	Responsible Officer	Success Measures
1	Successful election in May 2008	Working in partnership with other Co. Durham authorities, to prepare for and carry out elections in May 2008	Democratic Services Manager	Election conducted without incident
2		Preparation and submission of election accounts	Democratic Services Manager	Accounts prepared and submitted correctly
3	To increase turnout at election and participation in democratic process	Improve PR in relation to democracy and right to vote	Democratic Services Manager	Increased turnout and improved canvas returns

Land Charges

No.	Objective	Action	Responsible Officer	Success Measures
1	To process local searches as quickly and efficiently as possible	To continue to achieve a level of percentage searches conducted within 10 days of 99.4%, consistent with the previous BVPI target	Land Charges Officer	Target of 99.4% achieved
2		Improved usage of SX3 and GIS systems	Land Charges Officer	Target of 99.4% achieved

Legal Services

No.	Objective	Action	Responsible Officer	Success Measures
1	To implement Council priorities	To prepare and implement a detailed work plan to ensure completion of projects identified by client departments as being priorities for completion by March 2009	AD – Administration & Legal / Legal Services Manager	Work plan completed
2		To prepare & implement a plan for the disposal of surplus land as identified by the Asset Management Group	AD – Administration & Legal / Legal Services Manager	Surplus sites disposed of in priority order.
3	To prepare for the implementation of local government review	To ensure that property information is accurate and appropriately recorded on GIS system	Legal Services Manager	All land holdings plotted on GIS by March 2009

1st Stop Shop

No.	Objective	Action	Responsible Officer	Success Measures
1	To develop the delivery of excellent customer services	To extend the use of CRM in accordance with the agreed timetable for service delivery	Corporate Customer Care Officer/ Customer Services Manager	New CRM services operated successfully
2		To manage the physical changes to the layout of section	Corporate Customer Care Officer/ Customer Services Manager	New service area fully functional
3		To implement new complaints system	Corporate Customer Care Officer/ Customer Services Manager	System in place and functional

SERVICE PERFORMANCE TARGETS

The Council has a duty under “Best Value” to continuously improve its performance. A number of statutory indicators have been created and some abolished. Many of the latter are being retained as local indicators. Below is a table of the national performance indicators (NPI’s) that will apply in 2008/09. Where comparisons are available for a local indicator, the quartile is also shown as per the key below:

Q1 = best 25% of all district authorities in the country Q2 = above average of all district authorities in the country
 Q3 = below average of all district authorities in the country Q4 = worst 25% of all district authorities in the country

<u>NPI</u>	<u>Description</u>	<u>Link to Corporate objective</u>	<u>Responsible Officer</u>	<u>Prior Year Performance</u>	<u>2008/09 Target</u>
179	Net Value of on-going cash releasing value for money gains	Value for Money	AD – Finance & I.T.	£413,000	£381,000
180	Changes in HB/CTB entitlements within the year	Health & Well-Being	Revenues and Benefits Manager	N/A	8,000
181	Time taken to process HB/CTB new claims	Health & Well-Being	Revenues and Benefits Manager	11 days	10 days

Local Performance Indicators

<u>LPI</u>	<u>Description</u>	<u>Link to Corporate objective</u>	<u>Responsible Officer</u>	<u>Prior Year Performance</u>	<u>2008/09 Target</u>
9	Council tax collection	Supports corporate value of being citizen focused	Revenues and Benefits Manager	99.2 (Q1)	99.3
10	NNDR Collection	Supports	Revenues	99.1 (Q2)	99.2

<u>LPI</u>	<u>Description</u>	<u>Link to Corporate objective</u>	<u>Responsible Officer</u>	<u>Prior Year Performance</u>	<u>2008/09 Target</u>
		corporate value of being citizen focused	and Benefits Manager		
11	No. of fraud investigations/1,000	Crime and disorder	Revenues and Benefits Manager	80 (Q1)	80
12	No. of prosecutions and sanctions/1,000	Crime and disorder	Revenues and Benefits Manager	8.5 (Q1)	8.5
13	Housing benefit over payment recovered during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the period, plus amount of HB overpayments identified during the period	Supports corporate value of being citizen focused	Revenues and Benefits Manager	45 (Q1)	50
14	HB overpayments created as %age of gross benefits paid	Supports corporate value of being citizen focused	Revenues and Benefits Manager	1.3%	1%
15	Benefits – Overall satisfaction (%)	Health and Well being	Revenues and Benefits Manager	86%	90%
16	% of benefit customers seen	Health and Well being	Benefits Manager	94%	98%

<u>LPI</u>	<u>Description</u>	<u>Link to Corporate objective</u>	<u>Responsible Officer</u>	<u>Prior Year Performance</u>	<u>2008/09 Target</u>
	within 15 minutes of arrival				
17	% of council tax / NNDR bills issued in 10 working days of change being notified	Citizen focused	Revenues Manager	91%	92%
18	% of council tax / NNDR refunds issued in 7 working days of change being notified	Citizen focused	Revenues Manager	99%	99%

USE OF RESOURCES

1. **Value for Money**

The Department is committed to achieving value for money in all its activities. It is responsible for a number of actions set out in the Council's approved value for money strategy. We will monitor both the cost and performance of all our services and compare these with other authorities using robust data. The targeted cost and performance data for some of the Department's services are shown below:

Service	Cost Driver	Cost Performance	Performance Measure	Last year's Performance	Target Performance	Customer Satisfaction	Target Performance
Housing Benefits	Claims	Per claim	LPI	£45.00	£45.00	82%	90%
Council Tax	Households	Per household	LPI	£15.70	£15.80	94%	95%
Sundry Debt	Invoices	Per Invoice	LPI	£6.00	£6.20	4.18 out of 5	4.20

Assets

The table below gives information relating to assets used by the Department.

Asset	Value	Service provided by Asset	Link to Corporate Objective	Replacement Strategy
Civic Centre	£1,080,000	Council headquarters	All	Maintenance to suitable standard
Royal Corner	£349,000	IT and HR functions as well as let to external bodies	All	Maintenance to suitable standard
Old Bank Chambers	£140,000	Cashiering and tenancy enforcement functions	Tenancy enforcement – crime	Future use to be reviewed with possible relocation of services

Capital Programme

Scheme Description	Value (£)	Responsible Officer	Link to Corporate Objective	Outcomes/Outputs
IT / PC Replacement	73,000	Head of IT	Management Excellence	Replacement of 100 PC's
Asset Management Backlog	130,000	Facilities Manager	Management Excellence	To improve condition of public buildings portfolio
Civic Centre – improvements	60,000	Facilities Manager	Management Excellence	To improve condition of building
DDA Compliance	50,000	Facilities Manager	Management Excellence	To alter buildings to enhance accessibility
Royal Corner – Replacement Fire Alarm System	10,000	Facilities Manager	Management Excellence	To ensure the health and safety of staff and building users
Periodic Electrical Inspections	40,000	Facilities Manager	Management Excellence	To comply new electrical safety standards
Digital maps	25,000	Facilities Manager	Management Excellence	To improve the accessibility of information and generate office space

RISK

1. **Council Plan Risks**

Council Plan Action	Responsible Officer	Risks	Risk Management Action
Improve customer satisfaction	All departments	Data collection and fact finding becomes end in itself	Ensure follow up to results and findings
To increase the number of employees with accredited qualifications	Director of Resource Management	Lack of staff awareness of opportunities available	Raise awareness through PRAD process
To increase the income of those reliant upon state benefits	AD – Finance & I.T.	Benefit assessment is prioritised at the expense of take up activity	Monitor work against agreed actions in take up strategy
Deliver Value for Money savings	AD – Finance & I.T.	Savings impact upon service quality	Target areas of budget where minimal impact upon customer satisfaction and service quality
Improved CPA score	Director of Resource Management	Effort is misdirected	Continued liaison with external audit to target areas of improvement

2. **Departmental Risks**

Risk Heading	Responsible Officer	Risks	Risk Management Actions
Asset Management and Capital Investment	Asst. Dir. Of Finance and I.T	Failure to effectively manage/maintain assets leading to reduced efficiency and increased costs	Update Asset Management Plan and Capital Strategy
Budgetary Control and Financial Management	Asst. Dir. Of Finance and I.T	Lack of effective budgetary control leading to poor allocation and control of resources	Established budget process followed. Quarterly reports on budget submitted to members.
Treasury Management	Asst. Dir. Of Finance and I.T	Risk of losing investment leading to monetary loss and	Adopt CIPFA treasury management practices and ensure regular

Risk Heading	Responsible Officer	Risks	Risk Management Actions
		loss of reputation	bank reconciliation
Staff Security (revenues and benefits)	Revenues and Benefits Manager	Possibility of staff assault/accident whilst working alone	Review lone worker policy
Benefit Payment	Revenues and Benefits Manager	Failure to process benefit on time	Performance data monitored weekly and prompt response to prevent backlogs
Collection Rates	Revenues and Benefits Manager	Failure to collect NNDR and Council Tax leading to financial loss	Effective recovery procedures necessary/ staff training /collection rates monitored monthly
Physical Damage to Computer Room Equipment	Head of I.T.	Flood, fire, sabotage etc. resulting in loss of service	<ul style="list-style-type: none"> • Reduce effect of disaster • Control access to computer room • Disaster Recovery Plan
I.T Security	Head of I.T.	Corruption of data and/or programs via malicious or accidental means	<ul style="list-style-type: none"> • Security Policy • Security Handbook for Users
Systems Implementation Failure	Head of I.T.	Systems not installed on time/ budget and/or not producing required functionality	<ul style="list-style-type: none"> • Requirements Specification • Project Planning • Acceptance Testing • Post Implementation review(s)

Statement of Internal Control (Annual Governance Statement)

1. Fulfilment Of Corporate Responsibilities

Reference	Area of Responsibility	Confirmation (Yes / No)	Evidence	Exceptions & Action Plan
1.1.	<ul style="list-style-type: none"> key controls over systems and arrangements are in place to ensure Council assets are safeguarded from error or irregularity key controls are kept under review and action taken to address internal control weaknesses identified. 	<p>Yes</p> <p>Yes</p>	<ul style="list-style-type: none"> Segregation of duties Up to date procedures Regular bank reconciliation Asset Management plan Budget monitoring Internal audit reviews Team meetings Action plans 	
1.2	<ul style="list-style-type: none"> All resources are deployed in the achievement of Council corporate objectives the use of resources is kept under review and action taken to address any instances of ineffective, inefficient and uneconomic use. 	<p>Yes</p> <p>Yes</p>	<ul style="list-style-type: none"> Budget process Service planning Service plan review Budgetary control Benchmarking to assess value for money Performance management 	

Reference	Area of Responsibility	Confirmation (Yes / No)	Evidence	Exceptions & Action Plan
1.3	<p>The departmental service plan contributes to the Council's wider business priorities and is reflective of existing policies and strategies. This can be demonstrated by:</p> <ul style="list-style-type: none"> • Key performance targets and indicators • Budget setting and allocation of resources • Identifiable improvements in service, including achievement of explicit outputs and/or milestones • Action plans prepared to assist with achievement of objectives, further improvements in service delivery and performance, or to overcome service delivery and performance failures. 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<ul style="list-style-type: none"> • Benefits service business plan • Evaluation of budget bids • PI's in top quartile • Customer survey results • Actions contained within service plans • Departmental service plan • Action plans e.g. energy use, performance standards compliance etc. 	

Reference	Area of Responsibility	Confirmation (Yes / No)	Evidence	Exceptions & Action Plan
1.4	<p>With regard to business risk management:</p> <ul style="list-style-type: none"> • business risks are identified and assessed arising from new initiatives • action is taken to manage and review business risks that are within my department • These business risks are included in the Department's Risk Register 	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<ul style="list-style-type: none"> • Option appraisal • Use of risk matrix • Regular risk management update to members • Regular risk management update to members 	
1.5	<p>All staff have access to, are familiar with and work in accordance with the following and that action is taken where non-compliance is identified:</p> <ul style="list-style-type: none"> • The Council's Financial Regulations and Procedures • Employee Code of Conduct • Standing Orders Relating To Contracts 	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<ul style="list-style-type: none"> • Financial regulations available on lotus notes database • Standing orders available on lotus notes database • Report writing protocol • Staff training 	

Reference	Area of Responsibility	Confirmation (Yes / No)	Evidence	Exceptions & Action Plan
	<ul style="list-style-type: none"> • General Scheme of Delegation 	Yes		
1.6	<p>decisions are taken and the activities of the department are done with due regard for:</p> <ul style="list-style-type: none"> • The Councils' corporate objectives • Value for money and service improvement • Legality • Financial implications • Staffing & other resource implications • Equal opportunities implications • Community safety implications • Health & Safety improvement implications • Asset Management implications • Anti-Fraud & Corruption implications • Business risk. 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<ul style="list-style-type: none"> • Integration of service plan with council plan • Benchmarking of activities • Report writing protocol • Ongoing liaison with HR function • H & S standing item on team meeting agenda • Asset Management Plan • Anti-fraud and Corruption Strategy • Risk management strategy 	

2. Accounts - Financial and Legal Implications

Reference	Accounts - Financial and Legal Implications	Confirmed (Yes / No)	Evidence	Exceptions & Action Plan
2.1	There are no instances of non-compliance with laws or regulations that are likely to have a significant effect on the finances or operations of the Council.	Yes	<ul style="list-style-type: none"> • Report writing protocol • Unqualified accounts • Annual audit letter 	
2.2	There are no pending claims, proceedings or litigation that are likely to have a significant effect on the finances or operations of the Council.	Yes	No ongoing litigation	
2.3	There are no other significant transactions with related parties other than those already disclosed.	Yes	None	
2.4	There are no instances of known error, irregularity, including fraud, which are likely to have a significant effect on the finances or operations of the Council.	Yes	No known instances	

Data Quality

Source	Responsible Officer	Data Quality Issue
IBS Revenues and Benefits system	Revenues and Benefits Manager	Accuracy of performance indicators. Verified through sample checking
Agresso Financial System	Accountancy Manager	Accounts are accurate. Verified through budget monitoring, reconciliations and work of external audit
All systems (electronic and manual)	Senior Internal Auditor	Records are accurate. Samples verified during audit process

Partnership Profile

Name of Partnership	Purpose/Outputs	Authority financial contribution (£'s)	Contribution to Objectives	Specifying/monitoring arrangements
Teesdale and Wear Valley Shared Services	To administer housing and council tax benefit services for both authorities and provide I.T support to Teesdale District Council (TDC) revenues services	Fee payable by TDC	Management excellence	Quarterly joint member committee and officer board
County Durham e-Government Partnership (CDeGP)	To progress the e-government agenda across County Durham	£60,000 per annum	Supports corporate value of being citizen focused through improving access to services	Scheduled meetings of the partnership board on which there is officer and member representation
County Durham Partnership Against Poverty (CDPAP)	To maximise benefit take up	Staff time only	Health and well-being	Attendance at CDPAP Officer groups Regular attendance at events/venues plus publicity given out
I.T. Management	To share management expertise and skills	£25,000 per annum	Management excellence	Regular meetings with Head of I.T.