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Gary Ridley Acting Chief Executive

7th July 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 **TUESDAY 15th JULY 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.

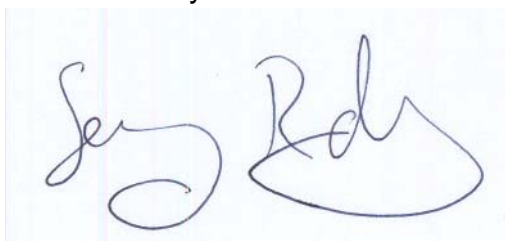
3. To consider the Minutes of the last Meeting of the Committee held on 28th May 2008 as a true record.

Copies
attached

- | | | |
|-----|---|---------|
| 4. | To consider the Report of the Land Disposal Sub Committee held on 26 th June 2008. | 1 - 3 |
| 5. | To consider the final report arising from the best value review into the revenues function. | 4 - 9 |
| 6. | To consider Capital Programme 2007/08 underspends. | 10 - 11 |
| 7. | To consider service complaints 2007/08. | 12 – 14 |
| 8. | To consider the performance of the Council's 2007/08 capital programme. | 15 – 18 |
| 9. | To consider the revenue expenditure of the Authority for the period 1 April 2008 to 30 June 2008, against budget. | 19 – 23 |
| 10. | To consider the progress of the 2008/09 capital programme. | 24 – 29 |
| 11. | To consider two requests for flexible retirement.* | 30 - 31 |
| 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 item 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



Acting Chief Executive

Members of this Committee: Councillors Mrs Burn, Ferguson*, Grogan, Harrison, Hayton, Kay, Kingston, Mairs, Mowbray, Murphy, Perkins, Mrs Pinkney, J Shuttleworth, Stonehouse, Taylor, Mrs Todd* and Zair.

*Ex-officio, non-voting capacity

Chair: Councillor Harrison

Deputy Chair: Councillor Mairs

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



CENTRAL RESOURCES COMMITTEE

15 JULY 2008

Report of the Land Disposal Sub Committee meeting held on 26th June 2008.

MEMBERS OF THE SUB-COMMITTEE

Councillors Mrs Burn, Hayton, Mairs and Taylor

ALSO PRESENT

Councillor Mrs A Bolam
A Coates, Legal Services Manager
S Elliot, Administration Officer

LAND TO THE REAR OF RECTORY GARDENS, WILLINGTON

Members instruction were sought regarding a request from Mrs L Jackson of 4 Rectory Gardens, Willington and seven of her neighbours to purchase of land to the Rear of Rectory Gardens.

Mr Gower, objector, addressed the Committee stating that the sale of this land would destroy a mature green area, with a rare species of tree. The area is also home to local wildlife, and any change to the use of this land that would arise from the purchase would infringe on their privacy. Since living in the area Mr Gower had not witnessed any anti-social behaviour.

Mrs Flatman, for the applicants, addressed Committee stating that the report failed to show the extent of anti-social behaviour that she and her neighbours had experienced. Any fence erected would sit behind a solid hedge and any gaps in this would be replaced with hedges designed to attract wildlife, and that they would not be removing any trees.

Speaking as Ward Member, Councillor Mrs Pinkney stated that if there was a problem with anti-social behaviour, this should be dealt with by the police. She could not see why the sale of this land should proceed and agreed with the comments from the Strategic Director for Environment and Regeneration.

Councillor Mrs Pinkney, seconded by Councillor Mairs, moved that the request be refused.

RESOLVED

that the request to purchase land at the rear of Rectory Gardens, as detailed in the report, be refused.

LAND TO THE REAR OF BRIARMEDE, 3 EAST END, STANHOPE

Members instructions were sought to the application to Licence land at Briarmede, 3 East End, Stanhope from Mr S Roddam.

Mr Irwin, objector, speaking on behalf of a group of neighbours stated that they were against the change of use for this land, as there would be no way of monitoring the parking around their properties if the application for Licence was approved, especially as there was plenty of parking on the main road.

Mr Roddam, for applicant, stated that due to the bungalows elevated position there was access problems to the property, especially for someone who has mobility problems. Not only would personal access problems be solved, but it would make taking the wheelie bin out on collection day easier, as at present it needs to be taken down a number of steps.

The Ward Councillor accepted there was access problems with the property, and had seen other properties in the area with access over footpaths, and therefore supported the application.

Councillor Mrs Pinkney, seconded by Councillor Mairs, moved the Licence application be refused.

RESOLVED that the Licence application for Briarmede, 3 East End, Stanhope, as detailed in the report, be refused.

LAND TO THE REAR OF 20 KIRKHAM WAY, AUCKLAND PARK, BISHOP AUCKLAND

Members considered an appeal from Miss R Peart to purchase a piece of land to the rear of 20 Kirkham Way, Auckland Park, Bishop Auckland. The original request was dealt with under delegated powers.

Mr Alainis, for applicant, addressed the Committee, where he stated that the reason for the purchase of this piece of land was to maintain an unsightly piece of land and make it presentable. He has had to replace parts of the railway fence, and strengthen his own fence as people are constantly climbing over it as a short cut into the adjoining estate.

In response to Members the Legal Services Manager stated that the railway fence was not the responsibility of the Council, and that the area of land requested was still under covenant and if the land was to be sold it would have to be offered to the original developers company first.

Councillor Shuttleworth, seconded by Councillor Mrs Pinkney, moved that the item be deferred to see if planning permission was granted and brought back to Committee to look at the sale once again.

RESOLVED

that the request to purchase land to the rear to 20 Kirkham Way, Auckland Park, as detailed in the report, be deferred for the applicant to consider obtaining Planning Permission and if successful the matter be brought back to Committee at a later date.

LAND ADJACENT TO GLEN LEA, SAXON GREEN, ESCOMB

The request to purchase the land adjacent to Glen Lea, Saxon Green was withdrawn..

Officer responsible for the report

Stuart Reid
Acting Strategic Director Resource
Management
Ext 227

Author of the report

Stuart Elliot
Administration Officer
Ext 341

CENTRAL RESOURCES COMMITTEE

15 JULY 2008

Report of the Acting Strategic Director for Resource Management
REVENUES BEST VALUE REVIEW

purpose of the report

1. To seek Member approval for the final report arising from the best value review into the revenues function.

background

2. Under the Local Government Act 1999, Councils have a statutory duty to carry out best value reviews. Best Value is a challenging framework designed to improve local services.
3. The Council has carried out a programme of best value reviews over a number of years. In July 2007, Corporate Management Team decided that a review into the Council's revenues and billing collection function be carried out.

best value review

4. The review was undertaken by a number of staff not all of whom work within the service. The review also had significant input from a variety of external stakeholders. The final report arising from the review is 86 pages long. An executive summary has been produced at Annex A to allow members to understand the main points of the review.
5. Annex A also includes the detailed action plan arising from the review. Subject to member approval implementation of this plan will improve the service and realise the major benefit from carrying out the review.

RECOMMENDED that Members approve the findings of the review and associated action plan as shown in Annex A.

Officer responsible for the report
Stuart Reid
Acting Strategic Director for Resource
Management
Ext 258

Author of the report
Stuart Reid
Acting Strategic Director for Resource
Management
Ext 258

Revenues Best Value Review – Executive Summary

Introduction

1. The Best Value Review of Revenues has been carried out as part of Wear Valley District Council's programme of best value reviews. The purpose of the review is to enable the Council to see how well it is performing in this area and identify areas for improvement.
2. The terms of reference of the review were to consider the Council's objectives, approach and performance in respect of debt billing and collection. The review encompassed all debt types e.g. council tax, Non-Domestic rates, sundry debt and housing benefit overpayments. Due to the timescale available housing rents were excluded from the review.
3. A scoping event was held involving a wide range of participants including external stakeholders. This event allowed the priorities for the review to be determined. The key issues are discussed further in the remainder of this summary.

Organisational Structure

4. An assessment of the current structure was undertaken to determine whether it supported or was an obstacle to effective service. Current billing and collection is split over a number of sections.
5. There are a number of different organisational structures operated by Councils for revenues billing and collection. Examples include having a combined debt unit responsible for all debts. There are no structures that are held up as best practice.
7. A variety of other authorities were contacted with different structures and their performance reviewed. This indicated that there were no links between structure and performance.
8. However, it is recognised that our current structure of separate sections whilst promoting expertise in management of individual debt types, does not readily assist customers who have multiple debts with the Council. It was considered that debt collection would benefit from closer working between the sections to co-ordinate response and assistance to customers who have multiple debts.

Customer Service

9. We acknowledge that everything we do should be centred around the customer. This applies equally to revenue billing and collection as well as any other service.

10. Our customers are extremely varied according to the type of debt. Consequently there is no typical customer.
11. Our customer care standards are set down in a service standards leaflet and debt management strategy. These cover how we should communicate with customers and our response times for key activities e.g. issue of a revised council tax bill.
12. The majority of contact is via telephone. Unlike many other authorities, queries are dealt with by staff based within the section as opposed to through a corporate contact centre. Customer contact also takes the form of written correspondence, face to face and e-mail.
13. The service is also pro-active in communicating with its customers. A council tax leaflet is issued to all households when they receive their annual bill. This provides information on how council taxpayers money is used as well as the availability of discounts and exemptions which can reduce the amounts that customers have to pay.
14. The Council has been very active in promoting the uptake of council tax benefit as a means of reducing the tax burden on households. Over £160,000 has been awarded in additional council tax benefit in the last three years due to efforts of the Council to encourage take-up.
15. Customer satisfaction as measured by surveys is high. Indeed council tax achieved ratings in excess of 90%.
16. Equality impact assessments have been carried out to identify whether we are deliberately or unintentionally discriminating against sections of the community through our policies and procedures. The results indicate that there are some areas of improvement such as promoting the availability of some documents in other languages. However, analysis of satisfaction surveys indicates no bias against any section of the community.
17. The service provides facilities to meet the special needs of any customer. For example, major office buildings comply with the Disability Discrimination Act 1995 and we have access to interpreters and lipspeakers.
18. The service provides a variety of methods of payment to customers. Direct debit is the most effective and efficient payment method. This is continuously promoted. The Council Tax section won a national award as a result of its efforts in this area. The Council was also praised by the federation of Small Business for its work in promoting rate relief for small businesses.
19. Comparison with best practice identified some measures the Council could take. These include promotion of on-line and video conferencing facilities and providing more customer information on our web site.

Partnership

20. The revenues function is involved with a variety of partnerships. These allow us to become more efficient and provide channels through which customer views and needs can be expressed.
21. The revenues function works with a number of external partners such as the Valuation Office, certificated bailiffs and Citizens Advice Bureau. The revenues function also works with a number of "internal" customers in the form of other section and departments. This partnership working allows information and data to be shared and procedures to become more efficient.
22. The existing service was compared with a variety of best practice on partnership working produced by IPF, DWP and the Audit Commission. Overall this indicated that we followed best practice e.g. host CAB surgeries within the Civic Centre.
23. Partnership working also includes elected members. Due to its impact on every household, a briefing on the council tax system to members was suggested.

Performance & Value for Money

24. In order to continuously improve and become more efficient, an organisation must constantly review its performance and value for money which it offers. Performance and value for money are inter-linked.
25. The Council manage performance through an agreed Performance Management Framework. A part of that framework is the establishment of objectives and targets. These are expressed through annual departmental service plans.
26. Targets for the revenues function are set against existing best value indicators. These are supplemented by a number of local indicators which incorporate cost in recognition of the need to improve value for money. Performance is reported regularly to members and senior officers.
27. Performance for the collection of debt types covered by this review were analysed. Our performance in respect of council tax is excellent as we are one of the highest performers in the country. Our costs are also broadly comparable with other authorities.
28. In respect of NNDR, we are amongst the top 25% performing authorities nationally for collection. Similar to council tax, our costs are broadly average compared to other authorities.
29. Our collection rate for housing benefit overpayments also compares very favourably although we were compelled to write off a significant portion of debt following changes to the method of collection and our costs appear relatively high.
30. Performance comparisons for sundry debt collection are difficult to ascertain due to a dearth of comparative information. The figures available suggest that our performance is relatively weak in this area but we are extremely low cost. This

conclusion is subject to the caveat that there are no national data sets on collection.

31. Staff are integral to effective performance and significant levels of training and development are provided. A satisfaction survey of staff working within the revenues function was carried out which indicated that staff were very aware of performance issues such as targets although some concern was expressed about communication.
32. IPF set out a number of best practice statements against which the existing service was compared. The Council complied with the majority of these statements. We concluded after consideration that some items of best practice were not appropriate.

Competition

33. Central Government expect local authorities to assess the most economic and effective way of delivering services and not to have a biased presumption in favour of in-house delivery. Whilst the majority of the revenues functions are carried out in-house, some elements are provided externally e.g. bailiff services. Others parts of the service are provided through other models e.g. housing benefit overpayments are recovered in partnership with Teesdale District Council.
34. When consulted, our stakeholders were concerned about the impact on the quality of service if major elements of the function were carried out by another provider. Other partners such as the Valuation Office also highlighted the potential damage to existing working relationships if major parts of the service were outsourced.
35. Collection performance amongst authorities who have outsourced their billing and collection function was compared to performance achieved by Wear Valley. This demonstrated that our collection performance where statistics were available was significantly better. However, the sample analysed was small and authorities who outsource their revenues services namely London Boroughs do not make the best comparisons with Wear Valley.
36. The advantages and disadvantages of a number of different models of service delivery such as direct in-house provision, joint venture, contracting out and partnership with another authority were examined. It was concluded that the costs of externalising the service would be high and very disruptive particularly within the context of local government re-organisation.

Conclusion

37. The review was very thorough and involved a wide range of individuals and organisations. By comparing ourselves with best practice, a number of measures for improvement were identified although it also confirmed that many of our systems and procedures comply with best practice.

38. An action plan has been drawn up. Through its implementation (some of which has already taken place), the service to the customer and our ability to collect the sums due will improve.

CENTRAL RESOURCES COMMITTEE

15 JULY 2008

Report of the Acting Strategic Director for Resource Management
CAPITAL PROGRAMME 2007/08 UNDERSPENDS

purpose of the report

1. To request approval on a number of capital schemes to carry forward the unspent balance from financial year 2007/08 to 2008/09.

background

2. Members approved the 2007/08 capital programme in February 2007. The programme covered a variety of schemes due to start that year.
3. In October 2007, members also approved a number of supplementary schemes. As approval was only given 6 months into the financial year, it was extremely challenging to spend and difficult for all those schemes to be delivered by the end of the financial year, March 2008.

carry forward requests

4. The Council's financial regulations require the transfer of funds to the following financial year to be approved by members.
5. There are five schemes for which a request to carry forward unspent funds is made. A number of these schemes consist of a variety of smaller schemes. These are described below with progress on each scheme outlined.

Table 1

Scheme Name	Original Budget (£)	Spend in 07/08 (£)	Carry Forward Requested (£)	Planned Use of Carry Forward Funding
Civic Centre Alterations	60,000	13,916	46,084	To part fund the replacement of lights with energy efficient bulbs within the 1 st and 2 nd floor of the Civic Centre as previously approved by members
Youth Sport	37,000	13,000	24,000	Grants to be paid to a

Scheme Name	Original Budget (£)	Spend in 07/08 (£)	Carry Forward Requested (£)	Planned Use of Carry Forward Funding
and Recreation Provision				variety of sporting organisations as previously approved by members
Community Transport	200,000	0	200,000	£100,000 due to be paid to Coundon and Leeholme Community Partnership for purchase of bus as previously approved by members. £100,000 remaining to be allocated.
Enhancement of Small Villages	600,000	113,296	486,704	To fund a variety of infrastructure schemes throughout the district as previously approved by members
Community Capital Fund	500,000	118,000	382,000	To fund a variety of building projects throughout the district as previously approved by members

financial implications

6. Due to underspends in the 2007/08 capital programme, funding is available to cover the costs of these schemes in 2008/09.

RECOMMENDED that Members approve the carry forward of funds to 2008/09 on the schemes outlined in table 1.

Officer responsible for the report

Stuart Reid
Acting Strategic Director for Resource
Management
Ext 258

Author of the report

Stuart Reid
Acting Strategic Director for Resource
Management
Ext 258

CENTRAL RESOURCES COMMITTEE

15 JULY 2008

Report of the Acting Strategic Director for Resource Management **SERVICE COMPLAINTS 2007/08**

purpose of the report

1. To update Members on the complaints received in relation to the Resource Management department.

background

2. Members will be aware of the corporate complaints policy and its importance as a tool for driving service improvement, identifying service deficiencies and improving customer care. Revisions to implementation of the policy have been made to ensure that individual complaints are more rigorously monitored so that responses are given to customers within the timescale set out in the policy.
3. This report sets out the complaints received during 2007/08 and the extent to which they were dealt with in accordance with the corporately agreed procedure.
4. An overview of the complaints procedure is set out below:

Stage 1

- (a) Acknowledgement letter sent within 2 working days by customer services
- (b) Service Manager to investigate
- (c) Response within 10 working days

Stage 2

- (a) Service Director to investigate
- (b) Acknowledgement letter sent within 2 working days
- (c) Investigate and reply given within 10 working days

Stage 3

Chief Executive to investigate

- (a) Acknowledgement letter sent within 2 working days
- (b) Investigate and reply given within 25 working days

Stage 4

(a) Refer to Local Government Ombudsman

5. The table below sets out all departmental complaints received during the financial year 2007/08.

Service	Nature of Complaint	Days to Respond	Comment / Action Taken
Benefits	Delays in processing claim	8	Using workflow technology, better able to monitor the progress of claims
Benefits	Delays in processing claim + overpayment	10	Using workflow technology, better able to monitor the progress of claims. Explanation provided for overpayment
Benefits	Claim suspended	9	Changes made to working practices
Benefits	Delays in processing claim	1	Using workflow technology, better able to monitor the progress of claims
Council Tax	Recovery Action	7	Explanation provided of amounts due
Council Tax	Follow up enquiries into customer's claim for single persons discount	7	Explained to customer reason for enquiries
Council Tax	Staff manner in dealing with customer	1	Verified with member of staff that customer dealt with professionally
Legal	Sale of Council Land	1	Revision made to systems of consultation
Legal	Sale of Council Land	1	Revision made to systems of consultation
Legal	Sale of Council Land	6	Explanation provided of the procedures followed to determine Council decisions on whether to approve requests to purchase parcels of land

6. From the above table, it can be seen that all complaints received by the department were dealt with within prescribed timescales.

conclusion

7. Due to the nature of some of the services carried out by the Department e.g. council tax collection, some customer complaints will be inevitable. Nevertheless, the department treats every complaint seriously and investigates fully so that a

comprehensive response can be made to the complainant and any learning points for the relevant service identified and acted upon.

RECOMMENDED that Members note the report.

Officer responsible for the report	Author of the report
Stuart Reid	Stuart Reid
Acting Strategic Director for Resource Management	Acting Strategic Director for Resource Management
Ext 258	Ext 258

CENTRAL RESOURCES COMMITTEE

15 JULY 2008

Report of the Acting Strategic Director for Resource Management 2007/08 CAPITAL PROGRAMME OUTTURN

purpose of the report

1. To advise members on the performance of the Council's 2007/08 capital programme.

background

2. The Council set its 2007/08 capital programme in February 2007. This was a multi-million pound programme formulated to play a major part in supporting the Council's corporate objectives and delivering its priorities as set out in the Council Plan.
3. It is recognised best practice that capital schemes are reviewed upon completion. Such a review includes determining whether they delivered the intended outcomes, kept within budget and were completed on time. This also addresses part of one of the Audit Commission's Key Lines of Enquiry within its annual use of resources assessment.

capital outturn 2007/08

4. Details of the outputs and outcomes of the capital programme (including the impact upon service delivery) are shown in Annex B. It also shows the original budget for the scheme, the revised budget taking into account transfers from other schemes (and carry forward of unspent funds from previous years). Actual expenditure is also shown as well as the under/over spend against the revised budget.
5. A number of schemes are multi-year and therefore were not scheduled for completion in 2007/08. Of those that were due to be completed in 2007/08 and where approval had been granted in February 2007, the majority were completed on time and on budget.

scheme outcomes

6. Delivery on these schemes has played an integral part in delivering the Council's objectives. Services which many residents regard as priority such as refuse collection and street cleaning can only be delivered effectively by continually renewing the associated plant and vehicles. Environmental improvements which

impact upon the quality of life of residents have also been delivered in a variety of neighbourhoods.

financial implications

7. Total expenditure of £9.5m has been incurred in the delivery of these schemes. This is within the agreed 2008/09 capital programme budget of £14.7m. There has been slippage in a number of schemes. Subject to member approval, unspent funds on specific schemes will be carried forward to supplement the 2008/09 capital programme. This has already been agreed for a number of schemes.

lgr implications

8. None

it implications

9. Delivery of the PC replacement programme ensures that employees are using reliable and up to date technology to carry out their work and downtime is minimised.

equality and diversity implications

10. Delivery of schemes such as disabled adaptations to tenants' properties demonstrates the Authority's commitment to equality and diversity.

conclusion

11. The capital programme has helped to deliver a number of service improvements especially around the corporate priorities of health and improving the built environment. However, the level of slippage within the 2007/08 programme will exacerbate the difficulty in completing these schemes as well as any new schemes approved as part of the 2008/09 capital programme. This will be monitored closely by officer and members during the financial year.

RECOMMENDED that members note the performance of the 2007/08 capital programme as per Annex B.

Officer responsible for the report

Stuart Reid
Acting Strategic Director for Resource
Management
Ext 258

Authors of the report

Stuart Reid
Acting Strategic Director for Resource
Management
Ext 258

CENTRAL RESOURCES COMMITTEE

15 JULY 2008

Report of the Acting Strategic Director for Resource Management **REVENUE BUDGET MONITORING**

purpose of the report

1. To compare the revenue expenditure of the Authority for the period 1 April 2008 to 30 June 2008, against budget.

background

2. This report covers the revenue expenditure of the Authority financed by the General Fund and the Housing Revenue Account (HRA).
3. The summary revenue position for financial year 2008/09 as at the end of 30 June 2008 for the General Fund is shown in Annex C. The figures for the HRA are shown in Annex D. The annexes compare the approved budget as amended by authorised budget transfers for each service, against the expected out turn for 2008-09. Major over and under spends within each service are noted and an indication given of reasons for these differences.

general fund

4. The forecasted outturn for the General Fund indicates an under spend of £10,000 for 2008/09 against budget at this stage. This represents an under-spend of 0.07% on the overall budget. Members should be aware that as we are in the early stages of the financial year all variances from budgets may not have yet emerged. In particular investment interest and interest payable are dependent upon how quickly the capital programme is completed, Local government reorganisation may result in further savings because of an increase in vacant posts and with the downturn in the economy certain income streams such as income from land charges may decline further.
5. Action plans must be prepared by budget holders to analyse and control areas of major over spends. These plans should be presented to forthcoming Committee meetings and disclosed at performance clinics. Expenditure budgets must continue to be managed scrupulously.
6. The notes for each Service that form part of the Annexes highlight only the major budget differences and exclude minor ones.
7. The projected spend on the General Fund for the year will not impact upon the Council's policy of maintaining a minimum reserve balance of £850,000.

housing revenue account

8. The forecasted outturn for the HRA is £248,000 better than budget. This is largely due to increased rental income caused by a dramatic decline in Right to Buy sales. The projected spend on the HRA for the year will not impact upon achieving a desired minimum balance of £1.50m.

conclusion

9. The projected under spends in 2008/09 are relatively small compared to the overall budgets. Budgets will continue to be monitored closely.

RECOMMENDED that Members note the report.

Officer responsible for the report

Stuart Reid
Acting Strategic Director for Resource
Management
Ext 258

Author of the report

Alan Cooper
Accountancy Manager
Ext 361

CENTRAL RESOURCES COMMITTEE

15 JULY 2008

Report of the Acting Strategic Director for Resource Management **2008/09 CAPITAL PROGRAMME MONITORING**

purpose of the report

1. To advise members on the progress of the 2008/09 capital programme.

background

2. The Council set its 2008/09 capital programme in February 2008. With the addition of decent homes funding and the slippage in schemes originally approved in October 2007, the 2008/09 programme is the largest ever undertaken by the Council.
3. The completion of many of these schemes is integral to ongoing service delivery but also to the creation of a legacy for the Wear Valley area prior to its demise on 31st March 2009. Unless schemes have been completed or have progressed sufficiently that it would be impractical for them to cease, there is a risk that the democratic wishes of Wear Valley residents as expressed through local members in agreeing the 2008/09 capital programme will not be carried out. The new unitary authority may take the view that resources will re-allocated to other parts of the county in setting its 2009/10 capital budget. Consequently, it is critical to monitor progress in delivery of these schemes on a regular basis.

monitoring mechanisms

4. It is proposed that a report be provided to each meeting of this Committee as well as a monthly report being presented to the Corporate Management Team on the progress of each scheme. This will show the following information:
 - Scheme budget
 - Scheme spend to date
 - Activities to date

financial implications

5. Progress of each scheme is shown in Annex E. As at 17th June, approximately £1.3m of the available capital budget of £17.4m had been spent. However it is anticipated that the full budget will have been spent by the end of the financial year. The capital budget includes £4.2m carried forward from slippage in the previous year.

6. Historically, spend in the first few months of the financial year is slow as details of schemes are finalised and procurement exercises commence. Nevertheless, officers will remain vigilant that progress is being made in each scheme.

delivery risks

7. Potential risks exist in respect of some schemes due to the initial allocation of monies without a clear plan on their utilisation. This has delayed the preparation of specifications, and subsequent award of contracts.
8. A further risk is the volume of work required from staff in designing schemes, producing specifications, awarding contracts and subsequent management. This is exacerbated by ongoing requests for application of section 106 monies. Expenditure on these schemes tends to require input from the same members of staff.

it implications

9. Delivery of the PC replacement programme ensures that employees are using reliable and up to date technology to carry out their work and downtime is minimised.

equality and diversity implications

10. Delivery of schemes such as disabled adaptations to tenants' properties demonstrates the Authority's commitment to equality and diversity.

RECOMMENDED that the Capital Budget monitoring report for the period 1 April 2008-17 June 2008 as per Annex E be approved.

Officer responsible for the report

Stuart Reid
ASD – Resource Management
Ext 258

Authors of the report

Alan Cooper
Accountancy Manager
Ext 361

2007/08 Capital Programme Performance

Annex A

Scheme Description	Original Budget	Revised Budget	Actual	Over / (Under) spend	Outputs	Outcomes
	£	£	£	£		
Renovation / Disabled Facility Grants	937,800	937,800	632,304	(305,496)	Approx. 350 households benefitted from renovation and adaptations to their homes	Improved quality of life for residents who can continue to live in their own homes and improved access and functionality for council tenants
Eldon Lane Renewal Area	100,000	100,000	91,258	(8,742)	Refurbishment works to a variety of properties	Improved natural and built environment
Purchase of Refuse Vehicle	135,000	135,000	126,095	(8,905)	Vehicle purchased	Improved reliability, reduced maintenance costs and reduced carbon emissions
Civic Centre Alterations Total	60,000	60,000	13,916	(46,084)	Tender specification drawn up, bids evaluated and supplier selected. Programme of light replacement to commence shortly	Reduce Council's carbon footprint and contribute towards tackling climate change
Purchase of Grounds Maintenance Plant	175,500	175,500	175,595	95	Plant purchased	Improved natural environment and potential customer satisfaction
Purchase of Street Cleansing Fleet	115,000	115,000	111,952	(3,048)	Two vehicles purchased	Improved reliability and reduced maintenance costs
Contaminated Land	100,000	100,000	6,458	(93,542)	500 sites assessed and prioritised according to risk	Improved natural environment
Wolsingham Business Park	50,000	0	0	0	None. Budget re-allocated to Eastgate Scheme	None
Bracks Farm	145,000	145,000	0	(145,000)	Delays in relation to land acquisition. Sum carried forward to 2008/09 programme	None as yet
Car Park Improvements Programme	100,000	100,000	33,836	(66,164)	Improvements carried out to car park at Crook Medical Centre	Improved built environment
South West Crook Industrial Extension	249,406	249,406	0	(249,406)	Initial land acquisition financed by external funding. Sum carried forward to 2008/09	None as yet
West Auckland Improvement Scheme	53,000	53,000	20,918	(32,082)	Contribution made towards cost of project	Improved built environment
Eastgate - Stage 3	96,000	146,000	74,593	(71,407)	Preparatory work on redevelopment of site	Improved built and natural environment and employment once scheme is completed
Twin Bin Refuse and Recycling Service	560,000	560,000	291,554	(268,446)	15,000 bins purchased. Remainder of spend deferred pending political decision.	None as yet
Asset Management	30,000	30,000	20,410	(9,590)	Variety of improvement works to community facilities	Improved user satisfaction of facilities
Wear Valley Building Enhancement Scheme	86,000	86,000	86,000	0	Feasibility work on a number of industrial estates and various environmental improvements	Improved built and natural environment
Positional Accuracy Tool	17,860	17,860	6,309	(11,551)	Software purchased	Improvements to the efficiency of the planning process
Economic Development Fund	30,000	0	0	0	None	None
BA Town Centre Renaissance	300,000	300,000	85,116	(214,884)	Feasibility and development work carried out	Improved built environment and economic regeneration
PC Replacement Programme	90,000	90,000	88,143	(1,857)	144 PC's replaced	Improved reliability of PC's and assurance that they can operate using the latest software
Leisure Centre Improvements	50,000	50,000	50,000	0	Removal of slide and creation of training pool at Woodhouse Close Leisure Centre	Improved customer satisfaction and use of facility
Battery Back Up System for Civic Centre	6,500	6,500	5,804	(696)	Original back up system dated from 1987 replaced	Improved health and safety for building users
Alternative Energy Systems in Public Buildings	60,000	60,000	3,490	(56,510)	None	Reduce Council's carbon footprint and contribute towards tackling climate change

2007/08 Capital Programme Performance

Annex A

Scheme Description	Original Budget	Revised Budget	Actual	Over / (Under) spend	Outputs	Outcomes
	£	£	£	£		
Renewable Energy at Innovation House	22,500	22,500	1,800	(20,700)	Feasibility work commenced	Reduce Council's carbon footprint and contribute towards tackling climate change
Alternative Energy Grants	30,000	30,000	19,224	(10,776)	12 grants made to householders	Reduces carbon footprint and contributes towards tackling climate change
Elite Hall Improvement Programme	500,000	500,000	0	(500,000)	Sum carried forward to 2008/09	None as yet
Leeholme Travellers	20,000	20,000	34,069	14,069	Improved security around site	Reduced crime and disorder
Hope Street Improvements	500,000	530,000	36,823	(493,177)	Contribution made towards cost of project	None as yet
Retail Premises/Living Above Shops	200,000	200,000	0	(200,000)	Sum to be carried forward to 2008/09	None as yet
Youth Sport & Recreation Provision	300,000	300,000	85,887	(214,113)	To renovate Spectrum leisure centre and provide grants made to various organisations	Enhanced youth activities and access to improved leisure facilities
Community Transport	200,000	200,000	0	(200,000)	£100,000 awarded (but not yet paid) to Coundon and Leeholme Community Partnership for purchase of coach	To enhance access to low cost transport
Enhancement of Small Villages	600,000	600,000	113,296	(486,704)	Various environmental improvements across the district	Improved built and natural environment
Community Capital Fund	500,000	500,000	118,000	(382,000)	Improvements to a variety of facilities across the district	Improved built environment
Theatre Corner Improvements Bishop Auckland	100,000	100,000	65,049	(34,951)	Financial contribution made to cost of scheme	Improved built environment
Improvements to Parks	50,000	50,000	0	(50,000)	None as yet. Unspent balance carried forward to 2008/09	None as yet
Replacement Recycling Vehicles	80,000	80,000	59,887	(20,113)	Vehicles purchased	Improved reliability, reduced maintenance costs and reduced carbon emissions
Bus Turning Circle	35,000	35,000	35,199	199	Bus turning circle created at Gent Street, Bishop Auckland	Improved transport facilities and greater road safety for local residents
Woodhouse Close Estate Improvements	110,000	110,000	113,257	3,257	Improved streetscene	Improved safety and environmental outlook for residents in the locality
Environmental Improvements	120,000	120,000	146,991	26,991	Community based one off projects such as traffic improvements and environmental schemes	Improved safety and environmental outlook for residents in the locality
Shared leisure facilities Bishop Auckland	50,000	50,000	97	(49,903)	None as yet	None as yet
Improvements to Glenholme Leisure Complex	40,000	40,000	0	(40,000)	Work did not commence till after year end	To improve customer satisfaction of facilities and encourage participation in exercise
St Johns Chapel Gym Equipment	4,500	4,500	4,500	0	To assist in setting up legacy gym	Improved access to leisure activities
Estate Demolitions	75,000	75,000	88,190	13,190	Approximately 20 properties demolished	Reduction in unwanted vacant properties also giving rise to improved security and an improved
Decent Homes Programme	7,650,000	7,650,000	6,678,222	(971,778)	Over 1,000 dwellings benefitted from either new bathrooms, kitchens, doors/ windows or a combination	Improved accomodation and living standards for Council Tenants
Grand Total	£14,734,066	£14,734,066	£9,524,242	(5,209,824)		

General Fund Budget Monitoring Statement for Period
April 2008 – June 2008

Service	Budget £000	Projected Outturn £000	Over/ (Under) spend £000	%age Over/ (Under) spend	Note
Highways	837	837	-	-	
Recreation and Tourism	3339	3,299	(40)	(1%)	1
Environmental Health	628	613	(15)	(2%)	2
Refuse Collection and Disposal	1,799	1,799	-	-	
Housing Services (General Fund)	691	713	22	3%	3
Corporate and Other Services	4,230	4,155	(75)	(2%)	4
Planning and Economic Development	1,924	2,022	98	5%	5
TOTAL	13,448	13,438	(10)	(0.07%)	

Funding:			
Government Grant	7,554	7,554	-
Council Tax	4,354	4,354	-
Earmarked Reserves	329	329	-
Reserves	1,211	1211	-
TOTAL	13448	13,448	-

Total under spend £10,000

Recreation and Tourism - Note 1

- (i) Community Department – Under spend on salary budgets because of delay in filling vacant posts - **£40,000 under spend**

Environmental Health – Note 2

- (i) Recycling – Under spend on salary budgets because of delay in filling vacant posts - **£15,000 under spend**

Housing Services (General Fund) – Note 3

- (i) Street Wardens – Over spend on salary budgets because of prospective re-grading. - **£22,000 over spend**

Corporate and Other services – Note 4

- (i) Housing Benefit Administration – Under spend on salary budgets because of delay in filling vacant posts - **£35,000 under spend**

- (ii) Corporate Development Department – Under spend on payroll costs due to delays in filling vacant posts. - **£140,000 under spend**
- (iii) Legal Services – Over spend on professional fees arising because of staff illness. - **£30,000 over spend.**
- (iv) Land Charges – Lower than expected fees because of fall in housing market - **£70,000 over spend**

Planning and Economic Development – Note 5

- (i) Building Control Fees – Fall in demand linked to decline in the economy - **£20,000 over spend**
- (ii) Payroll costs - Savings due to delays in filling vacant posts within Building Control, Planning Applications and Development Plans cost centres. - **£22,000 under spend**
- (iii) Planning applications – Costs of reimbursing planning appeal costs not included in budget - **£100,000 over spend**

**Housing Revenue Account Budget Monitoring Statement for
Period April 2008 – June 2008**

	Budget 2008/09	Projected Outturn 2008/09	Overspend/ (Underspend)
	£000	£000	£000
Supervision & Management	3,466	3,463	(3)
Repairs & Maintenance	3,436	3,436	0
Debt Charges	2,155	2,155	0
Housing Subsidy	3,000	3,000	0
Total Expenditure	12,057	12,054	(3)
Rental Income	(11,350)	(11,595)	(245)
Other Income	(205)	(205)	0
Interest on Balances	(70)	(70)	0
Total Income	(11,625)	(11,870)	(245)
Deficit / (Surplus)	432	184	(248)

Capital Programme Monitoring Report as at 17-06-08

Ref.	Description	Budget Holder	Approved Budget	Actual to 17th June 2008	Any Change to Budget	Activities to date
C118	Twin Bin Refuse and Recycling Service	Peter O'Neil	268,446	(927)	None anticipated at this stage	Options for increasing recycling rates being examined
C152	Elite Hall Improvement Programme	Dave Milburn	500,000	(33,135)	None anticipated at this stage	Bids from architects have now been received and are being assessed. Intention is that project will be handed over to architect to work with the group to establish which of their requirements can be met from existing resources and which should be put on hold pending their ability to secure further funding.
C196	Sports Facility / DDA Improvements	Dave Milburn	100,000	0	None anticipated at this stage	Works currently being identified
C122	Asset Management	Stuart Reid	130,000	3,721	None anticipated at this stage	Programme of works being compiled for public buildings
C168	Community Transport	Stuart Reid	200,000	0	£200,000 carry forward from previous year subject to member approval	£100,000 allocated to Coundon and Leeholme Community Partnership to acquire bus.
C169	Enhancement of Small Villages	Stuart Reid	487,000	0	£487,000 carry forward from previous year subject to member approval	A variety of schemes approved and specifications drawn up for some. Responsibility for progressing some of these schemes has been allocated to individual officers.
C170	Community Capital Fund	Stuart Reid	382,000	17,261	£382,000 carry forward from previous year subject to member approval	Project consultants procured in order to prepare drawings and tender for Escomb. Tenders received for demolition of existing building at Escomb. Spec being drawn up for extension to Tow law pavilion. Works completed at Bankfoot Community Centre
C066	Bracks Farm	Sue Dawson	145,000	0	None anticipated at this stage	Worked with developer to support the scheme, grant offer issued
C089	South West Crook Industrial Extension	Sue Dawson	225,000	(68,293)	None anticipated at this stage - although additional external funding resources are being sought	Worked with developer to support the proposed scheme; outline planning application submitted for site; on-going legal negotiations
C193	Coundon / Dene Valley Renewal	Bob Hope	230,000	0	None anticipated at this stage	English Partnership funding expected late summer. Council's input delayed until EP funding secured.
C203	Environmental Improvements - St Johns Chapel	Bob Hope	40,000	0	None anticipated at this stage	DCC scheme now completed. Awaiting invoice for WVDC contribution.
C003	Disabled Facility Grants	Richard Roddam	509,496	(220,823)	None anticipated at this stage	Work underway through Home Imp't Agency

Capital Programme Monitoring Report as at 17-06-08

Ref.	Description	Budget Holder	Approved Budget	Actual to 17th June 2008	Any Change to Budget	Activities to date
C5*	Decent Homes Programme	Amanda Senior	8,960,000	1,181,513	None anticipated at this stage	Working on 2008/09 schemes
C059	Contaminated Land	Sandra Robertson	193,542	4,036	None anticipated at this stage	Baselining of data / knowledge about sites; development of priorities (draft)
C174	Improvements to Parks	Dave Milburn	50,000	0	None anticipated at this stage	Groundwork trust organising number of 'friends of park' activities towards green flag. Design complete for works - due to commence soon.
C177	Woodhouse Close Estate Improvements	Chris Cowen	200,000	0	None anticipated at this stage	Works on site. Works complete mid July.
C199	EGGP Upgrade	Dave Townsend	10,000	0	None anticipated at this stage	Not started
C205	Submit a Plan	Dave Townsend	10,000	0	None anticipated at this stage	Not started
C167	Youth Sport & Recreation Provision	Stuart Reid	28,000	19,000	None anticipated at this stage	Grant paid to Tow law FC
C189	Youth Provision (SLAM)	Stuart Reid	186,003	50,898	None anticipated at this stage	Discussions with SLAM co-ordinator and clarification on type of expenditure which the Council would support
C109	Eastgate - Stage 3	Sue Dawson	171,407	16,947	None anticipated at this stage - although additional external funding resources are being sought	Significant development work over 6 year period (including detailed feasibility and investigative work) culminating in the submission of a planning application for the scheme
C194	Stanhope Regeneration	Sue Dawson	50,000	0	Application of funds was unsuccessful, alternative resources now being sought	"Retail Distinctiveness" feasibility work completed to draft stage and detailed design to commence
C195	Employment Land and Premises	Sue Dawson	325,000	0	Non anticipated at this stage - although additional external funding resources are being sought	Various initial feasibility work building upon the recommendations of the Employment Land Review; preparation of action plan priorities
C048	Disabled Discrimination Act	Terry Carlton	50,000	505	None anticipated at this stage	None
C014	Eldon Lane Renewal Area	Richard Roddam	200,000	4,433	None anticipated at this stage	Currently working on 08/09 Scheme
C128	BA Town Centre Renaissance	Alan Weston	689,885	(24,371)	Non anticipated at this stage	Development work on all phases; Fore Bondgate Phase commenced
C165	Hope Street Improvements	Alan Weston	493,117	0	None anticipated at this stage	Design work completed; implementation work commenced and on-going
C207	Digital Maps & Additional Server	Anita Maxwell	25,000	0	None anticipated at this stage	None
C093	West Auckland Improvement Scheme	Sandra Robertson	39,082	0	None anticipated at this stage	Design work completed; implementation work commenced and on-going

Capital Programme Monitoring Report as at 17-06-08

Ref.	Description	Budget Holder	Approved Budget	Actual to 17th June 2008	Any Change to Budget	Activities to date
C166	Retail Premises/Living Above Shops	Sandra Robertson	200,000	12,896	200,000 2007-2008	6 schemes offered. Work is well advanced on site on 5 schemes .Request for inspection and payments in hand or expected soon. Offered £120,000 of grant, further £40,000 pending.
C184	Improvements to Glenholme Leisure Complex	Colin Rooney	145,000	11,661	None anticipated at this stage	Pool Changing Rooms converted into changing village, Café top converted into multi use space, Sauna Lounge upgrades commenced
C041	Purchase of Refuse Vehicles	Dave Milburn	520,000	0	None anticipated at this stage	Report on procurement agreed by CMT and JIT
C055	Purchase of Grounds Maintenance Plant	Dave Milburn	120,000	101,192	None anticipated at this stage	Budget nearly fully spent. New machines ordered and, generally, already in operation.
C173	Extension & adaptations to 34 Gent Road	Richard Roddam	29,175	12,273	None anticipated at this stage	Report to Community Committee requesting carry forward of budget allocation. Works complete - invoice expected soon.
C183	Shared leisure facilities Bishop Auckland	Dave Milburn	49,903	62,516	None anticipated at this stage	Design works progressing and draft programme provided.
C198	Planned Tree Management	Ian MacDonald	50,000	8,499	None anticipated at this stage	Works on going
C523	Estate Demolitions	Dave Milburn	100,000	10,332	May be worth considering either increasing DV budget or re-allocation.	No demolitions undertaken by D&VH and unlikely that future demolition works will be carried out by WVDC
C529	Asbestos Survey	Dave Milburn	30,000	(37,370)	As for demolitions above, but may be better to retain for continuation of surveys to public buildings.	Not started
C126	Positional Accuracy Tool	Dave Townsend	11,551	9,463	None	Work completed
C201	Willington CCTV	Elaine Baker	30,000	0	Committed expenditure of £29,664.64	CCTV chosen
C202	Wolsingham School Pool Equipment	Stuart Reid	19,000	12,000	None anticipated at this stage	Initial payment made for purchase of climbing wall
C149	Alternative Energy Systems in Public Buildings	Sue Dawson	156,510	0	Proportion of budget to fund replacement of lights at Civic Centre	Assessments complete and activities agreed
C150	Renewable Energy at Innovation House	Sue Dawson	20,700	29,898	None anticipated at this stage - although additional external funding resources are being sought	Feasibility work completed and preferred "renewable" option established; planning application submitted
C151	Alternative Energy Grants	Sue Dawson	70,776	(4,046)	None anticipated at this stage	On-going grant scheme
C171	Theatre Corner Improvements Bishop Auckland	Sue Dawson	34,951	0	None anticipated at this stage	Design work completed; public realm implementation completed
C197	Building Investment Scheme	Sue Dawson	200,000	0	None anticipated at this stage	New scheme building upon the Living Over The Shops and Workspace Improvement Schemes operated previously

Capital Programme Monitoring Report as at 17-06-08

Ref.	Description	Budget Holder	Approved Budget	Actual to 17th June 2008	Any Change to Budget	Activities to date
C042	Civic Centre Alterations	Terry Carlton	106,000	19,446	£46,000 carry forward from previous year subject to member approval	Order placed for replacement of light fittings in Civic Centre. Work to commence soon. Ground floor renovations carried out to relocate CRM changes
C200	Royal Corner - Replacement Fire Alarm System	Terry Carlton	10,000	0	None anticipated at this stage	Specification completed
C204	Periodic Electrical Inspections	Terry Carlton	40,000	0	None anticipated at this stage	None
C206	Replacement Chairs - Members Lounge & Canteen	Terry Carlton	10,000	0	None anticipated at this stage	None
C001	Renovation Grants	Richard Roddam	250,000	63,738	None anticipated at this stage	£40k of work completed to date - £30k WIP
C527	Disabled Facilities Grants - Public	Richard Roddam	173,800	52,558	None anticipated at this stage	Work Underway with Home Imp't Agency
C130	PC Replacement Programme	Anita Maxwell	73,000	67	None anticipated at this stage	Schedule of PC and Server replacements drawn up
C077	Car Park Improvements Programme	Sandra Robertson	66,164	0	None anticipated at this stage	Design work completed; implementation work commenced and on-going
	Total		17,414,508	1,315,888		