



CABINET

20 November 2014

A meeting of the CABINET will be held on Thursday, 27th November, 2014, 6.00 pm in Committee Room 1 Marmion House, Lichfield Street, Tamworth

A G E N D A

NON CONFIDENTIAL

1 Apologies for Absence

2 Minutes of the Previous Meeting (Pages 5 - 8)

3 Declarations of Interest

To receive any declarations of Members' interests (pecuniary and non-pecuniary) in any matters which are to be considered at this meeting.

When Members are declaring a pecuniary or non-pecuniary interest in respect of which they have dispensation, they should specify the nature of such interest. Members should leave the room if they have a pecuniary or non-pecuniary interest in respect of which they do not have a dispensation.

4 Question Time:

To answer questions from members of the public pursuant to Executive Procedure Rule No. 13

5 Matters Referred to the Cabinet in Accordance with the Overview and Scrutiny Procedure Rules

None

6 Draft Base Budget Forecasts 2015/16 to 2019/20 (Pages 9 - 46)
(Report of the Leader of the Council)

7 Quarter Two 2014/15 Performance Report (Pages 47 - 108)
(Report of the Leader of the Council)

- 8 Treasury Management Strategy Statement and Annual Investment Strategy Mid-year Review Report 2014/15** (Pages 109 - 128)
(Report of the Portfolio Holder for Operations and Assets)
- 9 Council Taxbase 2015/16** (Pages 129 - 132)
(Report of the Portfolio Holder for Operations and Assets)
- 10 Cabinet Report for Write Offs 01/4/14 - 30/9/14** (Pages 133 - 140)
(Report of the Portfolio Holder for Operations and Assets)
- 11 I am Tamworth** (Pages 141 - 164)
(Report of the Portfolio Holder for Economy and Education)
- 12 Tamworth Castle Accreditation Supplementary** (Pages 165 - 344)
(Report of the Portfolio Holder for Economy and Education)
- 13 Exclusion of the Press and Public** (Pages 345 - 350)
To consider excluding the Press and Public from the meeting by passing the following resolution:-

“That in accordance with the provisions of the Local Authorities (Executive Arrangements) (Meeting and Access to Information) (England) Regulations 2012, and Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during the consideration of the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public”

At the time this agenda is published two representations have been received that this part of the meeting should be open to the public.
- 14 Golf Course Disposal of Asset** (Pages 351 - 378)
(Portfolio Holder for Economy and Education)

Yours faithfully



Chief Executive

Access arrangements

If you have any particular access requirements when attending the meeting, please contact Democratic Services on 01827 709267 or e-mail democratic-services@tamworth.gov.uk. We can then endeavour to ensure that any particular requirements you may have are catered for.

Filming of Meetings

The public part of this meeting may be filmed and broadcast. Please refer to the Council's Protocol on Filming, Videoing, Photography and Audio Recording at Council meetings which can be found [here](#) for further information.

If a member of the public is particularly concerned about being filmed, please contact a member of Democratic Services before selecting a seat.

FAQs

For further information about the Council's Committee arrangements please see the FAQ page [here](#)

To Councillors: D Cook, R Pritchard, S Claymore, S Doyle and M Cook.

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**MINUTES OF A MEETING OF THE
CABINET
HELD ON 6th NOVEMBER 2014**

PRESENT: Councillor D Cook (Chair), Councillors R Pritchard, S Claymore, S Doyle and M Thurgood

The following officers were present: Anthony E Goodwin (Chief Executive), Rob Barnes (Director - Housing and Health) and Andrew Barratt (Director - Assets and Environment)

56 APOLOGIES FOR ABSENCE

None

57 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 23rd October 2014 were approved and signed as a correct record.

(Moved by Councillor R Pritchard and seconded by Councillor M Thurgood)

58 DECLARATIONS OF INTEREST

There were no Declarations of Interest.

59 QUESTION TIME:

There were no questions from the public.

**60 MATTERS REFERRED TO THE CABINET IN ACCORDANCE WITH THE
OVERVIEW AND SCRUTINY PROCEDURE RULES**

None

61 COUNCIL HOUSING TENANTS' ANNUAL REPORT 2013/14

The Report of the Portfolio Holder for Community Development and Voluntary Sector seeking to provide details of the Council's Landlord Performance for

2013/2014 as required under the Homes & Community Agency Landlord Regulatory Framework 2012 was considered.

RESOLVED: That:

1. the Council's Landlord Annual Tenants' Report (2013/14) be endorsed, and;
2. Cabinet endorsed the distribution of the Annual Tenants' Report and Open House as e publications, available on line as well as targeted hard copy.

(Moved by Councillor S Doyle and seconded by Councillor D Cook)

62 PREPARATION OF COMPULSORY PURCHASE ORDERS FOR LAND AND PROPERTY ON THE TINKERS GREEN AND KERRIA REGENERATION SITES

The Report of the Leader of the Council seeking to set out the current position in the preparation of compulsory purchase orders for land and property on the Tinkers Green & Kerria regeneration sites was considered.

RESOLVED: That:

1. the current position of land and asset acquisitions on the two regeneration sites be endorsed;
2. the making in principle of a compulsory purchase order under section 17 of the Housing Act 1985 in respect of the acquisition of all remaining outstanding interests in the Kerria as shown edged red on the plan at appendix A, including authority to realign the red line should land currently identified not be required to deliver a viable regeneration scheme be endorsed;
3. the making in principle of a compulsory purchase order (CPO) in respect of acquisition of all the remaining interests on the Tinkers Green site (shown edged in red on the plan at Appendix 2) under section 17 of the Housing Act 1985 or in the alternative section 226 (1)(a) of the Town Planning Act 1990 (precise power to be finalised prior to making) be endorsed;
4. delegated authority be given to the Director of Assets and Environment in consultation with the Solicitor to the Council, to take all such steps as are necessary to bring the above recommendations into effect including (but not limited to) land referencing and service of notices under section 16 of the Local Government (Miscellaneous Provisions) Act 1976;
5. delegated authority be given to the Director of Assets and

Environment to grant written authority to officers to enter onto the land or other land for the purposes of carrying out surveys pursuant to section 15 of the Local Government (miscellaneous Provisions) Act 1976;

6. delegated authority be given to the Director of Assets and Environment to continue with the process to voluntary negotiate all interests in land required in advance of making the above mentioned CPOs, and;
7. a further report be produced to seek full authority to the making of the above CPOs if voluntary negotiations to acquire all the interests in the sites are not successful.

(Moved by Councillor D Cook and Seconded by Councillor R Pritchard)

Leader

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27th November 2014

REPORT OF THE LEADER OF THE COUNCIL

DRAFT BASE BUDGET FORECASTS 2015/16 to 2019/20

Purpose

To inform Members of the re-priced base budget for 2015/16, base budget forecasts for the period 2015/16 to 2019/20 (the 5 Year Medium Term Planning Period) and the underlying assumptions and to consider the future strategy to address the financial trends.

Recommendations

That:

- 1. the technical adjustments and re-priced base budget figures for 2015/16 & indicative budgets to 2019/20 be approved (as attached at Appendix B, C, D, E, F & G);**
- 2. consideration be given to the proposed Policy Changes and Capital Programmes, as detailed within the report;**
- 3. consideration be given to the planned Council Tax and Housing Rent increases for 2015/16, as detailed within the report; and**
- 4. in compliance with the Constitution of the Council, the Joint Scrutiny Budget Workshop be asked to consider the budget proposals contained within this report.**

Executive Summary

The following detailed budget information is contained within the report:

- Re-priced base budget information (& the associated technical adjustments) for 2015/16 in respect of the General Fund and Housing Revenue Account (HRA);
- A five year, medium term financial forecast for the General Fund and HRA;
- The associated strategy to address the financial trends & projection;
- The Provisional Capital Programmes for the General Fund and Housing Revenue Account for the period 2015/16 to 2019/20.

The Medium Term Financial Planning process is being challenged by the ongoing uncertain economic conditions. The attached forecast is based on a 5 year period, but does contain a number of uncertainties. The forecast grant reductions will put significant pressure on the ability of the Council to publish a balanced 5 Year Medium Term Financial Strategy (MTFS) – it may have to be a 3 or 4 year MTFS, in compliance with the Prudential Code.

Currently projections identify:

1. a General Fund shortfall of £0.7m over 3 years (with a shortfall of £5.8m over 5 years), including the minimum approved level of £0.5m;
2. a HRA shortfall of £0.3m over 3 years (with a shortfall of £1.0m over 5 years) including the minimum recommended balances of £0.5m.

The key uncertainties which will inform further budget considerations before the final budget proposals are developed are:

- a) Potential changes to future New Homes bonus levels following the announcement that the Government will be reviewing the scheme again;
- b) Future Revenue Support Grant levels following indications as part of the *Local Government Finance Settlement 2014-15 and 2015-16* issued by the DCLG in January 2014 (which indicated a revenue support grant reduction of 31.8% in 2015/16) – the provisional grant proposals are expected in December 2014 following the Chancellor's Autumn Statement on 3rd December 2014;
- c) The impact of Business Rate Reform from 1st April 2013 and the associated forecast business rates receivable in 2014/15 and future years – of which the Council's budget will receive 40% (subject to 20% levy reduction on 'excess' rates payable to the Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP) after deduction of the 50% central share, 9% County Council and 1% Fire & Rescue Authority share;
- d) The calculation of the level of business rate appeal costs – of which the Council has to fund 40% from its own budgets – a provision of £983k was set aside in 2013/14 (40% of which relates to the Council);
- e) Future Pension contribution levels - following the triennial review carried out by the Actuaries employed by the Pension Fund - indicative *ongoing* annual increases in Employer's contributions of c.2% p.a. for the next 3 years have been included. This now includes an ongoing lump sum (with an annual increase) relating to past liabilities and a set rate for future employer contributions of 16.5% p.a.

The Council has also made savings of c.£84k through pre-payment of pension contributions for the next 3 years;

- f) The impact of Pension Auto-Enrolment and the single tier pension from 2016/17 – no additional cost associated with auto enrolment has been included as salary budgets are prepared on a full cost basis (and then reduced by the 5% vacancy allowance).

An increase in Employer's National Insurance contributions of 3.4% p.a. have been included from 2016/17 when the single-tier pension starts as the State Second Pension scheme will close and contracting out will end;

- g) While the Government announced a pay cap for 2014/15 & 2015/16, a 2.2% increase (plus other changes) has recently been agreed from 1st January 2015. The impact of inflation on pay settlements and other contractual arrangements for future years is less certain;

- h) Proposed changes set out in the Welfare Reform Act 2012 and the introduction of Universal Credit – impact on housing benefits and associated income receipts (including Housing Rents) of the council;
- i) The impact of any further uncertainty over future interest rate levels and their impact on investment income / treasury management;
- j) The severity of the recession and the impact it has had and still could have on the Council's income streams (including the impact of the Local Council Tax Scheme on council tax collection levels);
- k) Due to uncertainties around the Better Care Fund, a significant risk on the current grant funding for Disabled Facilities Grants (DFG) is highlighted after 2015/16. A grant of £224k p.a. has been assumed to be redistributed – in line with the funding notified for 2015/16.
- l) Finalisation of the expected outcomes and impact on the Council's financial position from the programme of short-term and medium-term workstream reviews commissioned by Cabinet in August 2013 as part of the 'Plan for a Sustainable Future' overarching strategy to identify measures to help the Council cope with grant & income reductions in the coming years - potential savings arising from the Sustainability Plan workstreams have been included – it is anticipated that further review outcomes will be reported as policy changes in the next phase of the budget process;
- m) Review and finalisation of the revised budgets/policy changes and feedback from the Scrutiny process.

Resource Implications

The detailed financial & budgetary implications are outlined in detail within the report, however:

- The Central Forecast projects a General Fund shortfall of £0.7m over 3 years (£5.8m over 5 years), including the minimum approved level of £0.5m – assuming annual Council Tax increases of below 2% p.a. - in line with the 2% cap set by the Department for Communities & Local Government (DCLG) for 2014/15. This excludes any further potential savings arising from the Sustainability Plan workstreams at this stage – which will be reported as policy changes in the next phase of the budget process;

Key issues arising from the base budget review are detailed within the report and summarised below:

- a) Impact of Committee decisions on the 2014/15 budget – a General Fund net cost reduction of £1.1m;

b) Budget issues 2014/15:

- Marmion House – achievement of additional planned income generated through the Agile Working Project has been delayed, projected overspend of £59k;
- Assembly Rooms Bar - £24k overspend;
- Joint Waste Contingency budget not required (£34k);
- Corporate Finance – 2014/15 pensions saving arising from pre-payment of costs for 3 years (£49k);
- Commercial & Industrial Property Management - £61k additional rent income;
- Development Control - £50k projected additional Planning Applications income.

c) Base Budget review:

- Commercial & Industrial Rents – increased income of £50k;
 - New Homes Bonus – reduced grant income of £63k;
 - Reduced Housing Benefits costs of £41k.
- The current forecast projects a Housing Revenue Account (HRA) shortfall of £0.3m over 3 years (£1.0m over 5 years) including the minimum recommended balances of £0.5m.

However this includes contributions to capital spend of £5.1m over 3 years (£7.8m over the next 5 years) and the regeneration reserve of £7.0m over 3 years (£10.6m over 5 years) - resulting in balances of £1.0m over 3 years (£5.8m over 5 years).

a) Impact of Committee decisions on the 2014/15 budget – a net cost increase of £1.5m;

b) Budget issues 2014/15:

- Rent income is projected to exceed budget by £95k for the year due to lower than budgeted void levels;
- The budgeted increase in bad debts due to the impact of Welfare Benefit Reforms is being contained by robust and effective arrears recovery – pending implementation of Universal Credit.

c) Base Budget review:

- Reduced Income from Housing Rents of £646k arising from a reduced inflation factor in the rent calculation;
- Increased Interest income receivable on HRA balances of £68k.

Legal / Risk Implications

The Council's constitution requires Cabinet publish initial proposals for the budget, having first canvassed the views of local stakeholders as appropriate - budget proposals will be referred to the Joint Scrutiny Committee (Budget) for further advice and consideration.

In line with the constitution a Joint Scrutiny Budget Workshop has been arranged for 2nd December 2014.

In order to allow Scrutiny Committees to respond to the Cabinet on the outcome of their deliberations, a meeting of the Scrutiny Committee (Budget) has been arranged for 27th January 2015.

Proposed amendments to the 2014/15 base budget, approved by Council on 25th February 2014, are detailed within the report.

Risks to Forecasts:

Risk	Control Measure
Major variances to the level of grant / subsidy from the Government (including specific grants e.g. Benefits administration, Business Rates Section 31 funding); (High)	Sensitivity modelling undertaken to assess the potential impact in the estimation of future grant levels; (Medium / High)
New Homes Bonus grant levels lower than estimated; Continuation of the scheme in its current form is uncertain – a further review is planned. (High/Medium)	Future levels included on a risk based approach in order to offset further grant reductions / uncertainty over additional property numbers; (Medium)
Potential 'capping' of council tax increases by the Government or local Council Tax veto / referendum; (Medium)	Current indications are that increases of 2% and above risk 'capping' (confirmed as 2% for 2014/15); (Low)
The achievement of substantial savings / efficiencies will be needed to ensure sufficient resources will be available to deliver the Council's objectives through years 4 to 5. Ongoing; (High)	A robust & critical review of savings proposals will be required / undertaken before inclusion within the forecast; A minimum General Fund capital balance of £500k is a requirement – this has been financed in the past by revenue contributions (held in a revenue reserve). (High/Medium)
Pay awards greater than forecast; (Medium)	Forecast assumes a 2% increase p.a.; (Medium / Low)

Risk	Control Measure
<p>Pension costs higher than planned / adverse performance of pension fund;</p> <p>(Medium)</p>	<p>Regular update meetings with Actuary; Increases of c.2% p.a. with a new 'lump sum' element have been included with agreement made with Pension Fund following triennial review (during 2013 for 2014/15) for next 3 years;</p> <p>(Medium)</p>
<p>Assessment of business rates collection levels to inform the forecast / budget (NNDR1) and estimates of appeals, mandatory & discretionary reliefs, cost of collection, bad debts and collection levels;</p> <p>New burdens (Section 31) grant funding for Central Government policy changes – including impact on levy calculation;</p> <p>Potential changes to the Business Rates Retention system by the DCLG in support of Town Centre Regeneration / equalisation of the scheme; (High)</p>	<p>Robust estimates included to arrive at collection target. Ongoing proactive management & monitoring will continue;</p> <p>Business Rates Collection Reserve - provision of reserve funding to mitigate impact of any changes in business rate income levels;</p> <p>Monitoring of the situation / regular reporting;</p> <p>(High / Medium)</p>
<p>Local Council Tax Reduction scheme implementation – potential yield changes and maintenance of collection levels;</p> <p>(High)</p>	<p>Robust estimates included. Ongoing proactive management & monitoring (including a quarterly healthcheck on the implications on the organisation – capacity / finance) will continue;</p> <p>(High / Medium)</p>
<p>Achievement of income streams in line with targets e.g. treasury management interest, car parking, planning, commercial & industrial rents etc.; (High / Medium)</p>	<p>Robust estimates using a zero based budgeting approach have been included;</p> <p>(Medium)</p>
<p>Insurance arrangements are due for re-tendering during 2015/16 – a hardening market may see significant premium increases above inflation;</p> <p>(High / Medium)</p>	<p>The tender will include options around excess levels and further use of self insurance.</p> <p>(Medium)</p>
<p>Delivery of the capital programme (GF / HRA – including Regeneration schemes) dependent on funding through capital receipts and grants (including DFG funding through the Better Care Fund); (High / Medium)</p>	<p>Robust monitoring and evaluation – should funds not be available then schemes would not progress.</p> <p>(Medium)</p>

If Members would like further information or clarification prior to the meeting please contact Stefan Garner, Director of Finance Ext. 242.

Background Papers:-	Budget & Medium Term Financial Strategy 2014/15 – 2016/17, Council 25 th February 2014
	Budget and Medium Term Financial Planning Process, Cabinet 21 st August 2014
	Budget Consultation Report, Cabinet 23 rd October 2014

Base Budget Forecast 2015/16 to 2019/20

Revisions / updates have been made to the 2014/15 base budget in order to produce an adjusted base for 2015/16 and forecast base for 2016/17 onwards.

General Fund Revenue

Forecast – When the budget for 2014/15, and indicative budgets for 2015/16 to 2016/17, were approved by Council in February 2014 it was anticipated that balances would remain above the minimum approved level of £500k for the 3 year period.

However, a number of issues have now arisen & will need to be considered:

Budget Issues 2014/15

Significant items currently identified relating to outturn overspends/under achievement of income are,

- Marmion House – achievement of additional planned income generated through the Agile Working Project has been delayed, projected £59k overspend;
- Assembly Rooms bar - £24k overspend.

Significant items mitigating the financial impact of the above and contributing to the outturn position,

- Joint Waste Contingency budget not required, £34k;
- Corporate Finance – 2014/15 pensions saving arising from pre-payment of lump sum costs over 3 years of £49k;
- Commercial & Industrial Property Management - £61k additional rent income;
- Development Control - £50k projected additional Planning Applications income.

Base Budget

Key issues arising from the base budget review are detailed within the report and summarised below:

- Commercial & Industrial Rents – increased rent income of £50k;
- New Homes Bonus – reduced income of £63k following completion of CTB1 return, mainly due to increased levels of empty homes in the Borough;
- Reduced Housing Benefits costs of £41k.

Issues for the Medium Term

The central forecast projects a General Fund shortfall of £0.7m over 3 years (£5.8m over 5 years), including the minimum approved level of £0.5m – assuming annual council tax increases of c.1.99% p.a. - in line with the 2% cap set by the Department for Communities & Local Government (DCLG). This excludes any further potential savings arising from the Sustainability Plan workstreams at this stage.

Implications & Options

It is currently estimated that further savings of around £230k per annum will be required over the next 3 years (based on annual c.1.99% increases in Council tax).

Consideration of the level of Council tax increases over the 5-year period is needed to account for potential 'capping' by the Government or a local referendum / veto and to ensure that balances are maintained at the minimum approved level of £0.5m.

Decisions on future funding will need to be made with reference to the Council's Corporate Priorities together with the feedback & issues raised by the budget consultation exercise.

There is a need to consider how the limited resources can be 'prioritised' (& whether service improvements in a priority area should be met from service reductions elsewhere).

Responses / indications from Scrutiny Committees on priority areas for the future allocation of resources will be sought, as part of the consultation required by the constitution.

Housing Revenue Account

Forecast – When the budget for 2014/15, and indicative budgets for 2015/16 to 2018/19, were approved by Council in February 2014 it was anticipated that balances would remain above the minimum approved level of £500k for the 5-year period, with significant planned contributions to a regeneration reserve.

Budget Issues 2014/15

Significant items currently identified relating to underspends/over achievement of income are,

- Rent income is projected to exceed budget by £95k for the year due to lower than budgeted void levels;
- The budgeted increase in bad debts due to the impact of Welfare Benefit Reforms is being contained by robust and effective arrears recovery – pending implementation of Universal Credit.

Base Budget

Key issues arising from the base budget review are detailed within the report and summarised below:

- Reduced Income from Housing Rents arising from a revised inflationary increase – when the budget for 2014/15 and provisional budgets for 2015/16 onwards were set, CPI inflation was expected to be 2.5% p.a. For September 2014 (the month when the Government suggest the guideline increase) CPI was just 1.2% - a reduction of 1.3%; The impact is detailed in the following table:

	2014/15 Planned Increase	MTFS £'000	2015/16 Draft Increase	Draft MTFS £'000	Reduced income £'000
2015/16	3.50%	18,664	2.20%	18,297	367
2016/17	3.00%	19,005	2.50%	18,541	464
2017/18	3.00%	19,349	2.75%	18,832	517
2018/19	3.00%	19,697	3.00%	19,171	526
2019/20	3.00%	20,048	3.00%	19,514	534
Total					2,408

- Increased Interest income receivable on HRA balances of £68k.

There is still a degree of uncertainty over the future financial position of the HRA arising from:

- Update / finalisation of the costs / income associated with the regeneration / redevelopment schemes – to inform the likely need from the Regeneration Reserve;
- The impact of restructuring following Supporting People funding reductions;
- The effect of potential service charges implementation following the ongoing review;
- Results of ongoing structural surveys e.g. High Rise;
- The impact of Welfare Benefit Reform on rent collection levels – limited so far but further measures are to be rolled out (e.g. Universal Credit);
- Future impact of the Government's increased discounts to promote Right to Buy sales on housing stock numbers and associated income levels – 50 sales p.a. have been assumed in future years. There is also still uncertainty over retained receipt levels (pending further Government guidance) and spending plans.

The current forecast projects a HRA shortfall of £0.3m over 3 years (£1.0m over 5 years) including the minimum recommended balances of £0.5m.

However this includes contributions to capital spend of £5.1m over 3 years (£7.8m over 5 years) and the regeneration reserve of £7.0m over 3 years (£10.6m over 5 years) - resulting in balances of £1.0m over 3 years (£5.8m over 5 years).

Consideration of the level of Housing Rent increases over the 5-year period is needed to inform the budget setting process and to ensure that balances are maintained at the minimum approved level of £0.5m.

Detailed Considerations

Base Budget Forecasts 2015/16 to 2019/20

Revisions / updates have been made to the 2014/15 base budget in order to produce an adjusted base for 2015/16 and forecast base for 2016/17 onwards. These changes, known as technical adjustments, have been informed by feedback from budget managers and calculated to take account of:

- virements approved since the base budget was set;
- the removal of non-recurring budgets from the base;
- the effect of inflation;
- changes in payroll costs and annual payroll increments;
- changes in expenditure and income following decisions made by the Council;
- other changes outside the control of the Council such as changes in insurance costs and reduction in grant income;
- The 'Zero base budgeting' review of income levels.

General Fund – Technical Adjustments Summary

Technical Adjustments	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Base Budget B/Fwd	9,132	8,242	8,344	8,612	8,842
Committee Decisions	(1,099)	(291)	86	65	-
Inflation	36	47	50	52	52
Other	(75)	(69)	(76)	(90)	65
Pay Adjustments (Including pay award / reduction of 5% for vacancy allowance)	192	415	208	203	207
Revised charges for non-general fund activities	56	-	-	-	-
Virements	-	-	-	-	-
Total / Revised Base Budget	8,242	8,344	8,612	8,842	9,166

The technical adjustments are shown in detail at **Appendix B** with a summary by Directorate at **Appendix D**. The key assumptions made during the exercise are summarised at **Appendix A**.

Future Revenue Support Grant & Business Rate income

Given the current economic climate and further anticipated reductions in Central Government Grant support together with the uncertainty around the impact of the Business Rate Retention scheme, detailed modelling has been carried out in consultation with other Local Councils and with the support of LG Futures – who have also provided detailed estimates of the potential impact of further austerity cuts in Local Government funding.

The 2015/16 settlement

The final Local Government finance settlement figures for Tamworth for 2014/15 and the provisional figures for 2015/16 were announced in February 2014. They show that the Government funding assessment (Revenue Support Grant (RSG) plus the new business rates baseline retained income) totals £4.423m for 2014/15 (£5.114m 2013/14) and £3.736m for 2015/16.

External Finance	2014/15 £'000	2015/16 £'000
Business Rates Baseline	2,083	2,140
Revenue Support Grant	2,340	1,596
Total Funding Assessment	4,423	3,736
% Change (Increase) / Decrease	13.5%	15.5%

The Council's actual reduction in combined Revenue Support Grant / assessed Business Rates baseline funding need was 13.5% for 2014/15 (which means that Government support decreased by £0.69m over 2013/14) with a further reduction of 15.5% (£0.69m) planned in 2015/16.

Business Rates

Additional monthly monitoring has been implemented since the implementation of business rate retention from 2013/14 – following approval of the NNDR1 form (Business Rates estimates) by Cabinet in January 2014.

The Council received additional business rates during 2013/14 (above forecast / baseline) and had to pay a levy of £386k to the Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP). The latest estimates indicate additional business rates receivable above the baseline in 2014/15 and future years – of which the Council will receive 40% less the Government set tariff payment of c.£11m (and a 20% levy on any surplus over the baseline to the GBSLEP) - after deduction of the 50% Central Share, 9% County & 1% Fire & Rescue Authority shares).

This is mainly due to the additional rates income generated from the warehouse site at Bitterscote – however, the future position for 2015/16 is less certain. A robust check & challenge approach has been taken of any increases on the base figure, including a risk assessed collection level.

New Burdens (Section 31) grant is receivable for additional reliefs given by the Government relating to business rates from 1st April 2014 e.g. Small Business Rate Relief – of which 50% of any in excess of the baseline will be payable in levy to the GBSLEP. A prudent approach has been taken in respect of any new burdens funding – and, due to uncertainties & risk, the creation of an associated Business Rates Collection reserve to mitigate fluctuation in income.

For future years, in light of indications of further grant reductions, it has been assumed that there will be a reduction in Revenue Support Grant as detailed below. It is expected that should grant levels deteriorate further than anticipated, this would be mitigated as New Homes Bonus funding has been included on a risk based approach.

External Finance	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Revenue Support Grant	2,340	1,596	1,196	861	647	547
% Change Increase/(Decrease)	(23.8)%	(31.8)%	(25.1)%	(28.0)%	(24.9)%	(15.5)%

Forecast

Using the central case funding forecast and assuming increases in Council Tax of c.2.0% per annum for 2015/16 onwards, the five year base budget forecast is as follows:

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Estimated Net Cost of Services	8,242	8,344	8,612	8,842	9,166
Proposed Policy Changes / Additional Costs Identified (Detailed at Appendix B)	277	75	75	55	52
Net Expenditure	8,519	8,419	8,687	8,897	9,218
Financing:					
RSG	(1,596)	(1,196)	(861)	(647)	(547)
Collection Fund Surplus	-	-	-	-	-
Collection Fund Surplus (Business Rates)	(492)	(240)	-	-	-
Business Rates S.31 Grants (75%, 75% then 50% p.a.)	(388)	(329)	(238)	(256)	(274)
Business Rates Levy	485	507	406	320	243
Tariff Payable	10,640	10,853	11,070	11,291	11,517
Non Domestic Ratepayers	(13,234)	(13,611)	(13,633)	(13,691)	(13,771)
Council Tax Income	(3,272)	(3,354)	(3,448)	(3,544)	(3,642)
Gross Financing	(7,857)	(7,370)	(6,704)	(6,527)	(6,474)
Surplus(-) / Deficit	662	1,049	1,983	2,370	2,744
Balances Remaining (-) / Overdrawn	(2,847)	(1,798)	185	2,555	5,299
Per Council, 25 th February 2014	(1,968)	(500)	-	-	-

Indicating a potential shortfall in General fund balances of approx. £0.7m over 3 years (£3.1m over 4 years & £5.8m over the 5 year period) - including the minimum approved level of £0.5m.

Balances are forecast to be £3.51m at 31st March 2015.

A detailed summary of the budget for 2015/16 is attached at **Appendix F** with 5 years attached at **Appendix G**.

Future Strategy

Due to the adverse financial forecast, there is a need to reconsider the inclusion of items contained within the forecast / budget:

1) Variations to Council Tax Policy/Strategy

The Government indicated that it would offer grant support for the 4 year Comprehensive Spending Review (CSR) period should the Council freeze Council Tax levels for 2011/12. There was no mention that this arrangement would continue thereafter. A subsequent offer was announced for 2012/13 but with Government grant support for one year, 2012/13 only. A similar offer was announced for 2013/14 & 2014/15 where Government grant support equivalent to 2% of a Council Tax increase would be payable over a 2 year period (i.e. 1% p.a.). It is anticipated that a similar scheme will operate for 2015/16 should the Council freeze the Council Tax level.

Also, for future years potential 'capping' of the increase by the Government or a proposed local council tax referendum/veto needs to be considered when setting future Council Tax increases. The Council's Council Tax is currently £155.50 which is below the average of the council tax charges of similar councils (from the Cipfa nearest neighbour grouping).

The indication is that the 'capping' threshold will be 2.0% - following a freeze in 2011/12 & 2012/13 and a below 2% increase for 2013/14 & 2014/15, the impact of a lower than 2% p.a. increase (Band D) is outlined below:

Model 1 Impact of 1.99% increase in Council tax in 2015/16 (followed by inflationary increases of c.1.99% p.a.)

Year:	2015/16	2016/17	2017/18	2018/19	2019/20
Forecast:	£'000	£'000	£'000	£'000	£'000
Surplus (-) /Deficit	662	1,049	1,983	2,369	2,744
Balances Remaining (-) / Overdrawn	(2,847)	(1,798)	185	2,555	5,299
£ Increase	3.10	3.15	3.20	3.25	3.35
% Increase	1.99%	1.99%	1.98%	1.97%	1.99%
Note: Resulting Band D Council Tax	158.60	161.75	164.95	168.20	171.55

which indicates a potential shortfall in balances of £0.7m over 3 years, £5.8m over 5 years - further savings of approx. £1.2m per annum would have to be identified.

In order to take advantage of the potential Council Tax Freeze grant, the following scenarios have been modelled:

Model 1a Impact of 0% increase in Council tax in 2015/16 (followed by increases of c.1.99% p.a.)

Year:	2015/16	2016/17	2017/18	2018/19	2019/20
Forecast:	£'000	£'000	£'000	£'000	£'000
Reduction in Council Tax £	63	64	65	66	68
Revised Surplus (-) / Deficit	725	1,113	2,048	2,435	2,812
Balances Remaining (-) / Overdrawn	(2,785)	(1,672)	376	2,812	5,624
£ Increase	-	3.10	3.15	3.20	3.25
% Increase	0.0%	1.99%	1.99%	1.98%	1.97%
Note: Resulting Band D Council Tax	155.5	158.60	161.75	164.95	168.20

Less £70k freeze grant - indicates a potential shortfall in balances of £0.9m over 3 years, £6.1m over 5 years - further savings of approx. £1.2m per annum would have to be identified.

Further indicative models are outlined below:

Model 2 Impact of 2.5% increase in Council tax in 2014/15 (followed by increases of 2.5% thereafter)

Year:	2015/16	2016/17	2017/18	2018/19	2019/20
Forecast:	£'000	£'000	£'000	£'000	£'000
Increase in Council Tax £	(18)	(36)	(55)	(74)	(93)
Revised Surplus/(Deficit)	644	1,013	1,928	2,295	2,651
Balances Remaining (-) / Overdrawn	(2,866)	(1,853)	75	2,371	5,022
£ Increase	3.90	4.00	4.10	4.20	4.30
% Increase	2.5%	2.5%	2.5%	2.5%	2.5%
Note: Resulting Band D Council Tax	159.40	163.40	167.50	171.70	176.00

which indicates a potential shortfall in balances of £0.4m over 3 years, £5.5m over 5 years - further savings of approx. £1.1m per annum would have to be identified.

However, given the announced 2% cap, a referendum would be required at this level which is not considered feasible given the risk & associated costs.

Model 3 Impact of 0% increase in Council tax in 2014/15 (followed by increases of 0% thereafter)

Year:	2014/15	2015/16	2016/17	2017/18	2018/19
Forecast:	£'000	£'000	£'000	£'000	£'000
Reduction in Council Tax £	64	129	196	264	335
Revised Surplus/(Deficit)	726	1,178	2,179	2,633	3,079
Balances Remaining (-) / Overdrawn	(2,783)	(1,605)	574	3,208	6,287
£ Increase	-	-	-	-	-
% Increase	-	-	-	-	-
Note: Resulting Band D Council Tax	155.50	155.50	155.50	155.50	155.50

Less £70k freeze grant - indicates a potential shortfall in balances of £1.1m over 3 years, £6.7m over 5 years - further savings of approx. £1.3m per annum would have to be identified.

Model 4 Impact of 1% increase in Council tax in 2014/15 (followed by increases of 1% thereafter)

Year:	2014/15	2015/16	2016/17	2017/18	2018/19
Forecast:	£'000	£'000	£'000	£'000	£'000
Reduction in Council Tax £	32	65	99	134	171
Revised Surplus/(Deficit)	694	1,114	2,082	2,503	2,915
Balances Remaining (-) / Overdrawn	(2,815)	(1,701)	381	2,885	5,800
£ Increase	1.55	1.57	1.58	1.60	1.61
% Increase	1.00%	1.00%	1.00%	1.00%	1.00%
Note: Resulting Band D Council Tax	157.05	158.62	160.20	161.80	163.41

which indicates a potential shortfall in balances of £0.9m over 3 years, £6.3m over 5 years - further savings of approx. £1.3million per annum would have to be identified.

2) *Potential Savings / additional costs*

Potential revenue policy changes are highlighted below:

Policy Changes Identified	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
There is a requirement to increase the ICT budget (Application Software) to cover upgrade costs for Microsoft products. This requirement is for £35K p.a.	35.0	35.0	35.0	35.0	35.0
Contingency budget to allow for 'in year' decisions to be made by Cabinet & to provide for any potential further reductions in income as a result of the financial climate	100.0	-	-	-	-
Revised budgetary contribution required re Staffs Connects partnership & continued development of CRM system - as per Staffs Connects Strategic Advisory report and revised budget proposals agreed March 2014.	10.0	10.0	10.0	(10.5)	(12.8)
Agile Working Project - Deferral of receipt of projected income for Marmion House	102.3	-	-	-	-
Estimated increase in costs for Street Scene equipment when new contract let	30.0	30.0	30.0	30.0	30.0
Total New Items / Amendments	277.25	75.0	75.0	(54.5)	(52.2)

As part of the planned review & scrutiny process leading up to formal presentation of the budget, Executive Management Team will consider feedback received from the Budget Consultation process, the Joint Scrutiny Budget workshop and the Joint Budget Scrutiny Committee (planned for 27th January 2015) in order to inform the next stages of the budget process:

- a review of the proposals including:
 - Reference to the Council's corporate priorities together with the feedback & issues raised by the budget consultation exercise.
 - Consideration of how the limited resources can be 'rationed' (& whether service improvements in a priority area should be met from service reductions elsewhere).
- Inclusion of any further potential savings arising from the Sustainability Plan workstreams in order to mitigate the forecast budget shortfall. This process is ongoing and will be reported as policy changes in the next phase of the budget process in order to formulate a balanced medium term financial strategy for approval by Cabinet & Council in February 2015.

Housing Revenue Account – Technical Adjustments Summary

Technical Adjustments	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Base Budget	984	3,187	658	604	446
Committee Decisions	1,509	(3,212)	100	-	-
Inflation	127	143	148	151	156
Other	556	407	(369)	(374)	(383)
Pay Adjustments	61	133	67	65	57
Revised charges for non-general fund activities	(50)	-	-	-	-
Virements	-	-	-	-	-
Total / Revised Base Budget	3,187	658	604	446	276

The detail of the technical adjustments are shown in Appendix C with a more detailed summary of the HRA Technical Adjustments at Appendix E. Assuming increases in Rent in line with Government guidance (Consumer price index plus 1.0% from 2015/16), the five year base budget forecast is as follows:

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Estimated Net (Surplus) / Deficit	3,187	658	604	446	276
Proposed Policy Changes / Additional Costs Identified	(7)	(7)	(7)	(7)	(7)
Surplus (-) / Deficit	3,180	651	597	439	269
Balances Remaining (-) / Overdrawn	(1,460)	(809)	(212)	227	496

Per Council, 25 th February 2014	(1,394)	(1,265)	(1,285)	(1,492)	-
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Indicating a Housing Revenue Account (HRA) shortfall of £0.3m over 3 years (with a shortfall of £1.0m over the next 5 years) including the minimum recommended balances of £0.5m.

However this includes contributions to capital spend of £5.1m over 3 years (£7.8m over the next 5 years) and the regeneration reserve of £7.0m over 3 years (£10.6m over 5 years) - resulting in balances of £1.0m over 3 years (£5.8m over 5 years).

A summary of the HRA over the 5 year period is shown at **Appendix H**.

There is still a degree of uncertainty over the future financial position of the HRA arising from:

- Update / finalisation of the costs / income associated with the regeneration / redevelopment schemes – to inform the likely need from the Regeneration reserve;

- The impact of restructuring following Supporting People funding reductions;
- The effect of potential service charges implementation following the ongoing review;
- Results of ongoing structural surveys e.g. High Rise;
- The impact of Welfare Benefit Reform on rent collection levels – limited so far but further measures are to be rolled out (e.g. Universal Credit);
- Future impact of the Government’s increased discounts to promote right to buy sales on housing stock numbers and associated income levels – 50 sales p.a. have been assumed in future years. There is also still uncertainty over retained receipt levels (pending further Government guidance) and spending plans.

Potential revenue policy changes for the HRA are highlighted below:

Policy Changes Identified	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Potential savings arising from Service Review options - Delete apprenticeship post in Investment team	(6.6)	(6.6)	(6.6)	(6.6)	(6.6)
Reduced PTP budget to transfer funds from PTP to Capital to fund Energy Efficiency Improvements	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)
Contribution to Capital Programme - to transfer funds from PTP to Capital to fund Energy Efficiency Improvements	50.0	50.0	50.0	50.0	50.0
Total New Items / Amendments	(6.6)	(6.6)	(6.6)	(6.6)	(6.6)

Rent Restructuring

The introduction of rent restructuring in April 2003 required the Council to calculate rents in accordance with a formula on a property by property basis and account separately for rental payments and payments which are for services (for example grounds maintenance, upkeep of communal areas, caretaking) within the total amounts charged.

This framework removed the flexibility to independently set rent levels from Social Landlords and replaced it with a fixed formula (RPI plus 0.5% plus £2.00) based on the value of the property and local incomes. The aim of the framework was to ensure that by a pre-set date all social landlord rents have reached a ‘target rent’ for each property that will reflect the quality of accommodation and levels of local earnings. In achieving this target rent councils were also annually set a “limit rent” which restricted the level of rent increase in any one year.

Housing rents were increased in accordance with the Rent Restructuring Framework for 2014/15. However, from 2015/16, it is for the Council to decide locally at what level to increase rents. An increase in line with CPI plus 1% has been assumed following receipt of Government Guidance.

However, should the Council agree to vary this level, **for 2015/16 only**, the alternative increases outlined below could generate additional funding to support increased maintenance costs and the regeneration of key housing areas within the Borough.

	2014/15 £	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Option 1: CPI + 1% (capped at Formula Rent)						
Actual Rent (52 Weeks)	79.94	80.87	82.89	85.17	87.73	90.36
Actual Rent (48 Weeks)	86.60	87.61	89.80	92.27	95.04	97.89
% Increase		1.17%	2.50%	2.75%	3.00%	3.00%
Option 2: CPI + 1% + £2 (capped at Formula Rent)						
Actual Rent (52 Weeks)	79.94	81.51	83.55	85.84	88.42	91.07
Actual Rent (48 Weeks)	86.60	88.30	90.51	93.00	95.79	98.66
% Increase		1.96%	2.50%	2.75%	3.00%	3.00%
Increased Rent compared to Option 1		144,100	146,030	148,320	151,000	153,690
				5 year impact		743,140
Option 3: All at Formula Rent						
Actual Rent (52 Weeks)	79.94	82.56	84.62	86.95	89.56	92.25
Actual Rent (48 Weeks)	86.60	89.44	91.68	94.20	97.02	99.93
% Increase		3.28%	2.50%	2.75%	3.00%	3.00%
Increased Rent compared to Option 1		382,190	387,300	393,360	400,460	407,600
				5 year impact		1,970,910
Inflation at CPI + 1%	3.20%	2.20%	2.50%	2.75%	3.00%	3.00%
February 2014 MTFS Expected increase	3.20%	3.50%	3.00%	3.00%	3.00%	3.00%

However, it should be noted that an increase to Formula Rent could mean a substantial increase in rents for individual properties – where the current rent is significantly below the formula rent level.

In addition, under Benefit regulations and circulars issued by the DWP, the Rent Rebate Subsidy Limitation scheme penalises the Council should the average rent be above the notified limit rent – for 2014/15 this was £80.85 (per circular HB S5/14 received in June 2014, after rent setting for 2014/15). The guidance on rent increases stated a CPI + 1% increase which, when applied to the 2014/15 limit rent, would give a limit rent for 2015/16 of £82.63 which would suggest that the above increases would not mean a loss of Housing Benefit subsidy grant.

It should also be noted that when the budget for 2015/16 and provisional budgets for 2016/17 onwards were set, CPI inflation was expected to be 2.5% p.a. For September 2014 (the month when the Government suggest the guideline increase) CPI was just 1.2% - a reduction of 1.3% which has impacted on forecast rent income for 2015/16 and future years.

Capital Programme

Following a review of the Capital Programme approved by Council on 25th February 2014, a revised programme has been formulated including additional schemes which have been put forward for inclusion.

Each scheme has been assessed with regard to:

- the contribution its delivery makes towards the achievement of the Council's corporate priorities;
- the achievement of Government priorities and grant or other funding availability;
- the benefits in terms of the contribution to the Council's Corporate Objectives and compliance with the Corporate Capital Strategy requirements of:
 1. Invest to save
 2. Maintenance of services and assets
 3. Protection of income streams
 4. Avoidance of cost.

The current de-minimus for capital expenditure is £10k per capital scheme.

General Fund

It is estimated that approximately £2.2m (excluding the £0.5m approved minimum balance) will be needed during the period to 2019/20 for future capital spending (including the usable capital receipts generated from the sale of council housing).

A shortfall over 3 years of £35k is highlighted, £333k over 5 years. This allows for the current Agile Working & Assembly Rooms commitments to be continued, subject to revised business case submissions.

Details of the proposed capital programme are shown in **Appendix I**.

The capital programme has been reviewed and updated:

a) **Technology Replacement**

A revised capital submission had been prepared for £60k p.a. from 2015/16 (the provisional programme included £70k p.a. from 2016/17);

b) **Agile Working**

The provisional programme included £80k for refurbishment and £48k for new furniture for 2015/16 (as well as £128k in 2014/15) in addition to the 7th floor scheme in 2013/14;

As the 2014/15 budget will not be spent by March 2015 it will be forecast to underspend – with a new business case to be prepared;

c) **Disabled Facilities Grants**

No changes have been made. However, due to current demand, it is likely that an increased budget will be needed – subject to the usual funding constraints.

d) CCTV Camera Renewals

Required for the rolling replacement of cameras, subject to funding constraints.

e) Assembly Rooms

The scheme business case has not been revised to reflect the current bid/s for funding from the single local growth fund, HLF, ERDF etc.

An update on the Cultural Quarter is due to be presented to Cabinet in January following notification of the results of the bids.

As a substantial element of the 2014/15 budget will not be spent by March 2015 it will be forecast to underspend – with, subject to a successful bid, a new business case to be prepared.

f) Gateways

The inclusion of £83k in 2013/14 followed by £50k p.a. from TBC thereafter has drawn in funding and professional support from SCC – with plans for significant capital works in 2015/16 (funded mainly by SCC through their section 106 funds) and future years.

g) Contingency

It was agreed that a £50k contingency budget would be required for 2015/16 – to be re-profiled from the unspent 2014/15 budget.

Housing

The proposed 5 year Housing Capital Programme is attached at **Appendix J**.

It is estimated that approximately £51.85m (excluding the £0.5m approved minimum balance) will be needed during the period to 2019/20 for future capital spending (including revenue contributions from the HRA of £11.3m, Regeneration reserve balances of £7.4m & additional borrowing of £7.2m – the ‘headroom’ in line with the HRA Government debt cap is £11.3m) - resulting in balances of £1.0m over 3 years (£5.8m over 5 years).

The capital programme has been reviewed and updated to include the new year 5 costs – with costs then smoothed over the new 5 year planning period. In addition, certain demand led schemes have been reviewed and updated to reflect current trends:

a) Disabled Adaptations

The budget had been increased from c.£200k p.a. to c.£300k p.a. to reflect increased demand.

b) Structural Works

The budget for 2015/16 only had been increased from £100k to £200k to address the backlog.

c) Fire Upgrades (Sprinklers)

The budget of £565k had been re-profiled over 2 years.

d) High Rise Balconies

The budget had been increased from £60k p.a. to £525k p.a. for 4 years, subject to the results of the ongoing survey / confirmation of the costs.

e) Sheltered Schemes

A new budget of £250k had been included as a contingency pending the results of a review / survey.

f) General Estate Works

The budget had been reduced from c.£250k p.a. to £200k p.a.

g) Regeneration Schemes

The budgets for Tinkers Green & Kerria have not yet changed but will be updated to reflect final scheme designs.

Main Assumptions

Inflationary Factors	2015/16	2016/17	2017/18	2018/19	2019/20
Inflation Rate - Pay Awards	2.20%	2.00%	2.00%	2.00%	2.00%
National Insurance	7.10%	10.50%	10.50%	10.50%	10.50%
Superannuation	16.50%	16.50%	16.50%	16.50%	16.50%
Inflation Rate (RPI)	2.50%	2.75%	2.75%	2.75%	2.75%
Inflation Rate (CPI)	2.00%	2.00%	2.00%	2.00%	2.00%
Investment Rates	1.25%	2.25%	2.75%	3.25%	3.25%
Base Interest Rates	1.00%	1.75%	2.25%	2.75%	2.75%

1. Pay award – it has been assumed that public sector pay will rise in line with the latest consultation for 2014/15 & 2015/16 (generally 2.2% from 1st January 2015 plus other one-off payments) and is estimated to mirror the Government's inflation target of 2% thereafter.
2. Overall Fees and Charges will rise generally by 2.5% annually except where a proposal has otherwise been made (car parking charges, corporate & industrial property rental income, statutory set planning fees, leisure fees);
3. No effect of any Prudential Borrowing has been included;
4. Revised estimates for rent allowance / rent rebate subsidy levels have been included;
5. Changes to the level of recharges between funds has been included;
6. Within the Local Government Finance Settlement for 2014/15 and the provisional settlement for 2015/16 announced in February 2014, the Government proposed cuts of 15.5% to the Councils funding streams for 2015/16 – revised annual grant reductions have been included.
7. The Government has not yet indicated its policy regarding council tax bills being frozen for the next year. It is anticipated that a grant will be available to authorities that agree to freeze or reduce Council Tax in 2015/16;
8. The major changes to the previously approved policy changes are included within this forecast – Directors were issued with the provisional information in August to review, confirm & resubmit by the end of September;
9. Annual year-on-year increases of c.2% in the pension lump sum element for past liabilities have been included (for 3 years following SCC triennial review).
10. Increases in rent levels are restricted by the Government guidelines & current indications that sales of council houses will be approximately 50 per annum.

Technical Adjustments Analysis – General Fund

	£	£	£
Chief Executive			
Virements		-	
Committee Decisions		-	
Inflation		160	
Other			
2015/16 BWP 005 Corporate Services Car Allowances	(620)		
2015/16 BWP 028 Insurance Budgets	180		
2015/16 BWP 031 Vacancy Allowance	(210)	(650)	
Pay Adjustments		5,780	
Changes in External Recharges		(5,310)	
			(20)
Executive Director Corporate Services			
Virements		-	
Committee Decisions			
2014/15 Policy Change ED2 New Burdens - Local Council Tax Scheme Grant	73,710	73,710	
Inflation		(640)	
Other			
2015/16 BWP 005 Car Allowances	(1,250)		
2015/16 BWP 014 Benefits Welfare Benefits & Fairer Charging	(8,950)		
2015/16 BWP 016 Benefits Estimates	(41,280)		
2015/16 BWP 028 Insurance Budgets	930		
2015/16 BWP 029 Bank Charges	(530)		
2015/16 BWP 031 Vacancy Allowance	(640)	(51,720)	
Pay Adjustments		16,360	
Changes in External Recharges		(13,230)	
			24,480
Director of Finance			
Virements		-	
Committee Decisions			
2011/12 Policy Change Removal Council Tax Freeze Grant	87,130		
2012/13 Policy Change FER1 New Homes Bonus Grant Income	(57,000)		
2013/14 Policy Change DF1 New Homes Bonus	(29,350)		
2013/14 Policy Change DF2 Remove Part General Contingency	(80,000)		
2014/15 Policy Change DF2 Remove General Contingency	(100,000)		
2014/15 Policy Change DF5 Remove NNDR Provisional Levy Payment	(145,080)	(324,300)	
Inflation		3,050	

	£	£	£
Other	Reversal of impact 2011/12 Policy Change as budget already removed	(87,130)	
	2014/15 BWP 019 Debt Management Expenses	250	
	2014/15 BWP 025 Treasury Management	(37,200)	
	2014/15 BWP Contingencies	80,000	
	2015/16 BWP 005 Corporate Services Car Allowances	(1,450)	
	2015/16 BWP 010 Cost of Collection Grant	50	
	2015/16 BWP 011 Revenues Court Costs Income	(17,150)	
	2015/16 BWP 013 Pensions	(9,300)	
	2015/16 BWP 018 Ext Audit Fee	(11,780)	
	2015/16 BWP 019 Interest SOCH/HAA	20	
	2015/16 BWP 024 Depreciation	116,290	
	2015/16 BWP 028 Insurance Budgets	3,510	
	2015/16 BWP 029 Bank Charges	(3,370)	
	2015/16 BWP 031 Vacancy Allowance	(820)	
	2015/16 BWP 037 Finance Leasing Interest	(843,750)	
	2015/16 BWP 038 New Homes Bonus	62,980	
	2015/16 BWP 040 Treasury Management	52,030	(696,820)
Pay Adjustments			20,950
Changes in External Recharges			(59,120)
			(1,056,240)
Director of Technology & Corporate Programmes			
	Virements		-
	Committee Decisions		-
	Inflation		11,720
	Other		
	2015/16 BWP 005 Corporate Services Car Allowances	80	
	2015/16 BWP 024 Depreciation	(83,640)	
	2015/16 BWP 028 Insurance Budgets	1,710	
	2015/16 BWP 031 Vacancy Allowance	(900)	
	2015/16 BWP 035 Procurement Savings	(3,000)	(85,750)
Pay Adjustments			17,990
Changes in External Recharges			56,150
			110
Solicitor to the Council			
	Virements		-
	Committee Decisions		-
	Inflation		4,520
	Other		
	2015/16 BWP 003 Members Allowances	(460)	
	2015/16 BWP 005 Corporate Services Car Allowances	80	
	2015/16 BWP 017 NNDR TBC Properties	20	
	2015/16 BWP 028 Insurance Budgets	380	
	2015/16 BWP 029 Bank Charges	10	
	2015/16 BWP 031 Vacancy Allowance	100	130

	£	£	£
Pay Adjustments		9,430	
Changes in External Recharges		(20,860)	
			(6,780)
Director of Transformation & Corporate Performance			
Virements		-	
Committee Decisions			
2014/15 Policy Changes TCP2 Service Review Savings Customer Services	(50,380)	(50,380)	
Inflation		2,630	
Other			
2015/16 BWP 005 Corporate Services Car Allowances	(1,170)		
2015/16 BWP 007 Staff Health Insurance	3,320		
2015/16 BWP 028 Insurance Budgets	730		
2015/16 BWP 029 Bank Charges	(660)		
2015/16 BWP 031 Vacancy Allowance	1,800		
2015/16 BWP 035 Procurement Savings	(3,000)	1,020	
Pay Adjustments		19,240	
Changes in External Recharges		24,910	
			(2,580)
Director of Communities, Planning & Partnerships			
Virements		-	
Committee Decisions			
2013/14 Policy Change CPP 1 County's Strategic Partnership Post	700		
2013/14 Policy Change CPP3 Small Grants Cabinet 11/09/14 Closure of the Golf Course	1,000		
	(86,310)	(84,610)	
Inflation		(1,850)	
Other			
2014/15 BWP 025 Treasury Management	-		
2014/15 BWP 036 Quick Wins Reduce Salaries Budget	(7,540)		
2015/16 BWP 017 NNDR TBC Properties	5,300		
2015/16 BWP 024 Depreciation	(1,440)		
2015/16 BWP 027 Income Targets	10,460		
2015/16 BWP 028 Insurance Budgets	(30)		
2015/16 BWP 029 Bank Charges	(1,420)		
2015/16 BWP 031 Vacancy Allowance	(1,810)		
2015/16 BWP 032 Community Services Car Allowances	(2,180)	1,340	
Pay Adjustments		42,800	
Changes in External Recharges		(52,820)	
			(95,140)
Director of Housing & Health			
Virements		-	
Committee Decisions			
2013/14 Policy Changes HH1 Preventing Homelessness	(162,000)		
2014/15 Policy Change HH1 Service Review Savings Strategic Housing	(21,710)	(183,710)	

	£	£	£
Inflation		1,010	
Other			
2014/15 BWP 036 Quick Wins Homelessness Prevention Grant	11,460		
2015/16 BWP 028 Insurance Budgets	510		
2015/16 BWP 031 Vacancy Allowance	(600)		
2015/16 BWP 032 Community Services Car Allowances	20	11,390	
Pay Adjustments		4,370	
Changes in External Recharges		88,630	
			(78,310)
Director of Assets & Environment			
Virements		-	
Committee Decisions			
2014/15 Policy Change AE1 Additional Rent Marmion House	(74,750)		
2014/15 Policy Change AE1 Additional Service Charges from Marmion House	(27,500)		
2014/15 Policy Change AE5 Waste Management Revised Organic Waste	(145,000)		
SOD Oct 14 Kettlebrook CC declared surplus asset to be included in local plan for housing	5,500		
Cabinet 21/08/14 Service Review Savings Public Conveniences	(71,270)		
Cabinet 21/08/14 Service Review Savings CCTV and Street Wardens	(217,120)	(530,140)	
Inflation		15,190	
Other			
2015/16 BWP 017 NNDR TBC Properties	(14,030)		
2015/16 BWP 021 Marmion House Rents and Service Charges	24,810		
2015/16 BWP 024 Depreciation	(31,210)		
2015/16 BWP 026 Income Targets	(15,070)		
2015/16 BWP 028 Insurance Budgets	2,580		
2015/16 BWP 029 Bank Charges	1,240		
2015/16 BWP 031 Vacancy Allowance	9,030		
2015/16 BWP 032 Community Services Car Allowances	(890)		
2015/16 BWP 036 Joint Waste Management Arrangement	(4,230)		
2015/16 BWP 037 Finance Leasing Interest	843,750		
2015/16 BWP 039 Commercial and Industrial Rents	(50,000)		
2015/16 BWP 041 Car Park Income and Expenditure	(15,390)		
2015/16 BWP 042 Environmental Health Vehicle Hire	(4,170)	746,420	
Pay Adjustments		54,780	
Changes in External Recharges		37,930	
			324,180
TOTAL			(890,300)

() denotes saving

	£	£	£
Director of Housing and Health			
Virements		-	
Committee Decisions:			
2014/15 Policy Change HH1 Service Review Savings Strategic Housing	(10,450)	(10,450)	
Inflation		31,770	
Other			
2014/15 BWP 023 External Audit Fees	(6,550)		
2014/15 BWP 029 HRA SP Alarm Call Charges	(1,320)		
2015/16 BWP 007 Healthshield Staff Health Insurance	1,810		
2015/16 BWP 017 NNDR TBC Properties	70		
2015/16 BWP 024 Depreciation	(2,870)		
2015/16 BWP 028 Insurance Budgets	5,580		
2015/16 BWP 029 Bank Charges	(340)		
2015/16 BWP 031 Vacancy Allowance	(3,250)		
2015/16 BWP 033 Car Allowances	(730)	(7,600)	
Pay Adjustments		57,610	
Changes in External Recharges		(59,210)	
			12,120
Director of Assets & Environment			
Virements		-	
Committee Decisions:			
2014/15 Policy Change AE7 Service Review Savings Housing Investments	(13,510)	(13,510)	
Inflation		190	
Other			
2015/16 BWP 028 Insurance Budgets	50		
2015/16 BWP 031 Vacancy Allowance	510		
2015/16 BWP 033 Car Allowances	(40)	520	
Pay Adjustments		3,730	
Changes in External Recharges		9,080	
			10
Housing Revenue Account Summary			
Virements		-	
Committee Decisions:			
2012/13 POLICY CHANGES HRA2B Rent Increase	(704,360)		
2012/13 POLICY CHANGES HRA2D Increase in Interest Costs	3,680		
2012/13 POLICY CHANGES HRA7 Contribution to Regeneration Reserve	2,546,000		
2012/13 Policy Changes HRA2 Reduction in Revenue Contribution to Capital Outlay	(712,150)		
2013/14 Policy Changes HRA11 Contribution to Regeneration Reserve	400,000	1,533,170	
Inflation		94,680	

	£	£	£
Other			
2014/15 BWP 019 Debt Management Expenses	1,460		
2014/15 BWP 025 Treasury Management	(67,550)		
2015/16 BWP 013 Pensions	(720)		
2015/16 BWP 019 Interest SOCH/HAA	(60)		
2015/16 BWP 024 Depreciation	(8,010)		
2015/16 BWP 030 HRA Garage Rents	540		
2015/16 BWP 034 Housing Rents	645,680		
2015/16 BWP 040 Treasury Management	(8,060)	563,280	
Pay Adjustments		-	
Changes in External Recharges		-	
			2,191,130
			2,203,260

General Fund

<i>Figures exclude internal recharges which have no bottom line impact</i>	Budget 2014/15	Technical Adjustments						External Recharge Changes (non-GF Activities) £	Total Adjustments £	Total Adjusted Base 2015/16
		Virements £	Committee Decisions £	Inflation £	Other £	Pay Adjustments £				
Chief Executive	156,670	-	-	160	(650)	5,780	(2,210)	3,080	159,750	
Executive Director Corporate Services	340,230	-	73,710	(640)	(51,720)	16,360	2,230	39,940	380,170	
Director of Finance	79,920	-	(324,300)	3,050	(696,820)	20,950	(15,700)	(1,012,820)	(932,900)	
Director of Technology & Corporate Programmes	894,590	-	-	11,720	(85,750)	17,990	17,690	(38,350)	856,240	
Solicitor to the Council	554,580	-	-	4,520	130	9,430	(5,440)	8,640	563,220	
Director of Transformation & Corporate Performance	939,450	-	(50,380)	2,630	1,020	19,240	(17,700)	(45,190)	894,260	
Director of Communities, Planning & Partnerships	2,337,010	-	(84,610)	(1,850)	1,340	42,800	-	(42,320)	2,294,690	
Director of Housing & Health	1,033,190	-	(183,710)	1,010	11,390	4,370	76,500	(90,440)	942,750	
Director of Assets & Environment	2,796,590	-	(530,140)	15,190	746,420	54,780	910	287,160	3,083,750	
Grand Total	9,132,230	-	(1,099,430)	35,790	(74,640)	191,700	56,280	(890,300)	8,241,930	

Housing Revenue Account

	Budget 2014/15	Technical Adjustments						Total Adjustments £	Total Adjusted Base 2015/16
		Virements £	Committee Decisions £	Inflation £	Other £	Pay Adjustments £	External Recharge Changes (non-HRA Activities) £		
<i>Figures exclude internal recharges which have no bottom line impact</i>									
Director of Housing & Health	4,052,290	-	(10,450)	31,770	(7,600)	57,610	(59,210)	12,120	4,064,410
Director of Assets & Environment	12,280	-	(13,510)	190	520	3,730	9,080	10	12,290
HRA Summary	(3,080,310)	-	1,533,170	94,680	563,280	-	-	2,191,130	(889,180)
Grand Total	984,260	-	1,509,210	126,640	556,200	61,340	(50,130)	2,203,260	3,187,520

General Fund Summary Budgets – 2015/16

<i>Figures exclude internal recharges which have no bottom line impact.</i>	Base Budget 2014/15 £	Technical Adjustments £	Policy Changes £	Budget 2015/16 £
Chief Executive	156,670	3,080	-	159,750
Executive Director Corporate Services	340,230	39,940	-	380,170
Director of Finance	79,920	(1,012,820)	100,000	(832,900)
Director of Technology & Corporate Programmes	894,590	(38,350)	35,000	891,240
Solicitor to the Council	554,580	8,640	-	563,220
Director of Transformation & Corporate Performance	939,450	(45,190)	10,000	904,260
Director of Communities, Planning & Partnerships	2,337,010	(42,320)	-	2,294,690
Director of Housing & Health	1,033,190	(90,440)	-	942,750
Director of Assets & Environment	2,796,590	287,160	132,250	3,216,000
	9,132,230	(890,300)	277,250	8,519,180

General Fund Summary Budgets – 2014/15 to 2019/20

<i>Figures exclude internal recharges which have no bottom line impact.</i>	Base Budget 2014/15 £	Budget 2015/16 £	Budget 2016/17 £	Budget 2017/18 £	Budget 2018/19 £	Budget 2019/20 £
Chief Executive	156,670	159,760	168,100	171,830	175,630	179,500
Executive Director Corporate Services	340,230	380,160	394,930	406,730	418,300	430,110
Director of Finance	79,920	(932,920)	(1,106,930)	(1,058,900)	(1,041,980)	(936,100)
Director of Technology & Corporate Programmes	894,590	856,240	892,840	917,770	943,300	968,400
Solicitor to the Council	554,580	563,210	583,840	598,210	611,880	625,840
Director of Transformation & Corporate Performance	939,450	894,260	893,660	916,340	939,710	963,900
Director of Communities, Planning & Partnerships	2,337,010	2,294,690	2,328,090	2,367,290	2,400,800	2,442,670
Director of Housing & Health	1,033,190	942,760	953,320	958,810	964,470	970,290
Director of Assets & Environment	2,796,590	3,083,770	3,235,950	3,333,760	3,429,570	3,521,480
	9,132,230	8,241,930	8,343,800	8,611,840	8,841,680	9,166,090

Housing Revenue Account 2015/16 to 2019/20

<i>Figures exclude internal recharges which have no bottom line impact.</i>	Base Budget 2014/15 £	Budget 2015/16 £	Budget 2016/17 £	Budget 2017/18 £	Budget 2018/19 £	Budget 2019/20 £
Director of Housing & Health	4,073,760	4,088,800	4,241,440	4,336,080	4,430,980	4,520,390
Director of Assets & Environment	(9,190)	(12,100)	(5,160)	(1,320)	1,590	4,580
HRA Summary	(3,080,310)	(889,180)	(3,577,840)	(3,731,250)	(3,986,570)	(4,249,040)
Grand Total	984,260	3,187,520	658,440	603,510	446,000	275,930

Draft General Fund Capital Programme 2015/16 to 2019/20

	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	Total £
<u>General Fund Capital Programme</u>						
Technology Replacement	60,000	60,000	60,000	60,000	60,000	300,000
Agile Working - Floor Refurbishment	80,000	-	-	-	-	80,000
Agile Working - Furniture	48,000	-	-	-	-	48,000
Subtotal	188,000	60,000	60,000	60,000	60,000	428,000
Private Sector Grants - Disabled Facilities Grants	300,000	250,000	250,000	250,000	250,000	1,300,000
CCTV Camera Renewals	15,000	15,000	15,000	15,000	15,000	75,000
Assembly rooms development	100,000	-	-	-	-	100,000
Gateways	50,000	50,000	50,000	50,000	50,000	250,000
Contingency	-	-	-	-	-	-
Subtotal	465,000	315,000	315,000	315,000	315,000	1,725,000
Total General Fund Capital	653,000	375,000	375,000	375,000	375,000	2,153,000
<u>Proposed Financing:</u>						
Supported Capital Expenditure	-	-	-	-	-	-
Grants - Disabled Facilities	224,000	224,000	224,000	224,000	224,000	1,120,000
General Fund Capital Receipts	100,000	146,900	73,500	4,400	-	324,800
Sale of Council House Receipts	190,000	4,100	21,900	-	-	216,000
General Fund Capital Reserve	81,000	-	20,200	-	-	101,200
Revenue Contribution to Capital Outlay in Year	58,000	-	-	-	-	58,000
Unsupported Borrowing			35,400	146,600	151,000	333,000
Total	653,000	375,000	375,000	375,000	375,000	2,153,000

Draft Housing Revenue Account Capital Programme 2015/16 to 2019/20

	2015/16	2016/17	2017/18	2018/19	2019/20	TOTAL
	£	£	£	£	£	£
<u>Housing Revenue Account</u>						
<u>Capital Programme</u>						
Bathroom Renewals Disabled Facilities Adaptations	755,370	774,250	795,540	817,420	839,900	3,982,480
Gas Central Heating Upgrades and Renewals	300,000	307,500	315,960	324,650	333,580	1,581,690
Kitchen Renewals	557,560	569,830	582,360	595,170	608,260	2,913,180
Kitchen Renewals	897,000	919,430	944,710	970,690	997,380	4,729,210
High Rise Lift Renewal Major Roofing Overhaul and Renewals	335,090	342,460	349,990	-	-	1,027,540
High Rise Lift Renewal Major Roofing Overhaul and Renewals	152,950	156,770	161,080	165,510	170,060	806,370
Fencing/Boundary Walls	30,000	30,000	30,000	30,000	30,660	150,660
Fire Upgrades to Flats	300,000	265,460	-	-	-	565,460
Structural Works	200,000	100,000	100,000	100,000	100,000	600,000
High Rise Balconies	525,000	525,000	525,000	525,000	-	2,100,000
Sheltered Schemes	250,000	-	-	-	-	250,000
General Estate Works Energy Efficiency Improvements	200,000	200,000	200,000	200,000	200,000	1,000,000
General Estate Works Energy Efficiency Improvements	50,000	50,000	50,000	50,000	50,000	250,000
Window and Door Renewals	292,310	298,740	305,310	312,030	318,900	1,527,290
Gas Heating at Belgrave	284,820	-	-	-	-	284,820
Contingency	100,000	100,000	100,000	100,000	100,000	500,000
Capital Salaries	165,670	169,310	173,040	176,840	180,730	865,590
CDM Fees	9,950	10,170	10,390	10,620	10,850	51,980
Regeneration Schemes						-
Kerria	2,930,000	3,845,000	-	-	-	6,775,000
Tinkers Green	4,890,000	5,239,000	5,339,000	-	-	15,468,000
Redevelopment of Garage sites and other acquisitions	1,605,000	1,605,000	1,605,000	1,605,000	-	6,420,000
Total HRA Capital	14,830,720	15,507,920	11,587,380	5,982,930	3,940,320	51,849,270

	2015/16	2016/17	2017/18	2018/19	2019/20	TOTAL
	£	£	£	£	£	£
<u>Proposed Financing:</u>						
Major Repairs Reserve	4,482,060	4,482,060	4,482,060	4,327,930	3,890,320	21,664,430
Revenue Contribution to Capital Outlay in Year	923,660	336,860	161,320	50,000	50,000	1,521,840
Capital Receipts from add Council House Sales	1,000,000	1,000,000	1,000,000	-	-	3,000,000
Sale proceeds	-	649,000	649,000	-	-	1,298,000
Regeneration Revenue Reserves	3,312,000	2,000,000	1,840,000	200,000		7,352,000
Revenue Contribution to Capital Outlay in Year	2,871,000	2,068,000	3,455,000	1,405,000	-	9,799,000
Unsupported Borrowing	2,242,000	4,972,000	-	-	-	7,214,000
Shortfall						-
Total	14,830,720	15,507,920	11,587,380	5,982,930	3,940,320	51,849,270

THURSDAY, 27 NOVEMBER 2014

REPORT OF THE LEADER OF THE COUNCIL

QUARTER TWO 2014/15 PERFORMANCE REPORT

EXEMPT INFORMATION

Not applicable

PURPOSE

This report aims to provide Cabinet with a performance health-check

RECOMMENDATIONS

That Cabinet endorses the contents of this report

EXECUTIVE SUMMARY

This report looks at

1. High level corporate plan projects/programmes,
2. Key Service Performance Indicators,
3. Impact of welfare benefit reform,
4. Performance management framework,
5. Corporate risks,
6. LGA Corporate Peer Challenge,
7. Sustainability Strategy,
8. Financial health check

OPTIONS CONSIDERED

Not applicable

RESOURCE IMPLICATIONS

There are none

LEGAL/RISK IMPLICATIONS BACKGROUND

There are none

SUSTAINABILITY IMPLICATIONS

There are none

BACKGROUND INFORMATION

REPORT AUTHOR

John Day

LIST OF BACKGROUND PAPERS

APPENDICES

Quarter Two Performance Report

1. High level corporate plan projects/programmes

Corporate Priority
1.To Aspire and Prosper in Tamworth

Corporate Project/Programme	Milestone/Measure of Success	Latest update
Cultural Quarter Project	Business case	A business case has been submitted
	External funding bids	The Heritage Lottery Fund has accepted an extension to the application for lottery funding. A further submission has been made for the Single Local Growth Fund Bid.
Growth and Regeneration Plan	Business support	Continued focus on key projects working in partnership with internal and external stakeholders.
	People: Skills and employment	Continued focus on key projects working in partnership with internal and external stakeholders.
	Place: town centre employment sites housing transport	Continued focus on key projects working in partnership with internal and external stakeholders.
Improve the green environment including management and maintenance of local nature reserves, open spaces and parks, and to provide an efficient waste collection service	The waste collection service delivers further efficiencies throughout the year that complement opportunities created by the new energy from waste disposal facility.	The changes in the way organic waste is collected were introduced in the summer.
	Achieving a gold award in the "Heart of England in Bloom" competition, and receiving acknowledgement in the national Britain in Bloom	Tamworth achieved a gold award for the fifth year running in the Heart of England in Bloom

Corporate Project/Programme	Milestone/Measure of Success	Latest update
	judging	competition.
	Works to make Broad Meadow accessible and completion of the LNR designation	The tender document was released in August 2014 and is currently being evaluated.
	Town Wall gaining designation as a Local Nature Reserve by March 2014	The issue regarding land ownership is still ongoing.
Local Plan	1. Consultation draft	Completed. A pre-submission draft of the Local Plan went to Council on 8th October 2014. Six weeks consultation will follow this; following which a submission will be made to The Secretary of State.
	2. Submission document	
	3. Examination	
	4. Adopted Local Plan	

Corporate Priority

2. To be healthier and safer in Tamworth

Corporate Project/Programme	Milestone/Measure of Success	Latest update
Healthy Tamworth	Formal establishment of Steering group	The Public Health Commissioning Prospectus provides funding to Voluntary and Community Sector organisations for projects which improve health outcomes for residents of Tamworth; projects are funded for 1 year. The prospectus is £68,000 of funding provided by Public Health Staffordshire and Tamworth Borough Council and has funded 5 Voluntary and Community Sector groups in 2014. These
	Development of the delivery framework	
	Community engagement completed	

Corporate Project/Programme	Milestone/Measure of Success	Latest update
		<p>were: C.H.O.I.C.E.S Ltd, Community Together CIC, Staffordshire-Safety.Net, The Samaritans of Tamworth and Tamworth Cornerstone Housing Association.</p> <p>Additional activity has seen a 'nudge' workshop to inform partners how behavioural insight can be used to change behaviour to get residents to make positive life choices.</p> <p>In 2014, all 4 training modules of Let's Work Together were delivered; Olive Branch and Be Safe, Feel Secure, Make Every Contact Count and Financial Difficulties, Medicine, Isolation and Carers, Housing and Slips, Trips and Falls.</p> <p>A review of Let's Work Together has been undertaken to see how it is delivered in the future.</p>
Housing Regeneration – Kerria and Tinkers Green	Decant commences	<p>Regeneration of Tinkers Green and Kerria Centre is progressing in accordance with project plan.</p> <p>The bungalows at Cottage Walk have been demolished.</p> <p>The decanting of tenants from Hastings Close is progressing well and successful consultation with residents has been undertaken for both areas. Outcomes from the consultation will be</p>

Corporate Project/Programme	Milestone/Measure of Success	Latest update
		<p>utilised in master planning exercise along with technical data. Further work with architects is progressing and financial modelling is underway.</p>
	Consultation complete	<p>Regeneration of Tinkers Green and Kerria Centre is progressing in accordance with project plan. The bungalows at Cottage Walk have been demolished. The decanting of tenants from Hastings Close is progressing well and successful consultation with residents has been undertaken for both areas. Outcomes from the consultation will be utilised in master planning exercise along with technical data. Further work with architects is progressing and financial modelling is underway</p>
	Outline planning permission submitted- December 2014	
Implementation of the new Allocations Policy	Implementation plan in place	<p>Implementation of the Council's new allocations policy is underway with training of staff completed and IT systems updated and tested. Letters have been sent to all existing applicants to enable re-banding to take place. Successful delivery of the implementation to be completed in line with project milestones.</p>
	IT Systems updated	<p>Implementation of the Council's new allocations policy is underway with training of staff completed and IT systems updated and tested. Letters have been sent to all existing applicants</p>

Corporate Project/Programme	Milestone/Measure of Success	Latest update
		to enable re-banding to take place. Successful delivery of the implementation to be completed in line with project milestones.
	New policy implemented and publicised	
To ensure all regulatory functions provided by the Council are delivered in a transparent, consistent and fair manner to promote public safety and to minimise the burden to businesses.	A reduction in workplace accident investigations	Work is ongoing throughout the year.
	Air Quality Improved	Work is ongoing throughout the year.
	All Licensing applications processed in a timely fashion, with any appeals dealt with in a professional manner	Work is ongoing throughout the year.
	All planned food and health and safety inspections completed	Work is ongoing throughout the year.
	Statutory nuisance investigations/actions completed within acceptable timescales	Work is ongoing throughout the year.

Corporate Priority

3. Approachable, Accountable and Visible

Corporate Project/Programme	Milestone/Measure of Success	Latest update
Budget / Council Tax Setting – Key Budget milestones completed in line with the agreed timetable	Executive Board (additional) meetings timetabled	Completed
	Budget Consultation Process reviewed	Completed
	Budget Process approval	Approved by Cabinet 21/8/14
	Budget Consultation results to CMT / EB	Circulated to CMT 2nd October 2014. Due for Cabinet consideration 23rd October 2014
	Circulation of Revised recharges to CMT/ADs/Managers for review/challenge	
	Consideration of Initial Capital Programme proposals by CMT/EB	
	Consideration of Initial Policy Changes by CMT/EB	

Corporate Project/Programme	Milestone/Measure of Success	Latest update
	Approval of Council Taxbase	
	Base Budget forecast to CMT/EB	
	Council Members Budget Workshop (instead of 1 Joint Budget Scrutiny Committee)	
	Joint Budget Scrutiny Committee	
	Approval of Budget by Council	
	Council Tax Leaflet published	
	Treasury Management Policy & Prudential Indicators / Limits reported & set	
	Completion of Statutory Returns to ODPM (Revenue Estimates / Budget Requirement / capital estimates	
Corporate Information Security Development	Development of security policies and procedures	The Records Management Policy was approved by Cabinet in September 2014. It will be externally assessed in January 2015.
	Information security training	Training is to be provided in the following areas: Information security and management, Data protection, Freedom of information. The training will be designed internally but delivered by an external provider. It is anticipated quotes will be sought for this work in January/February 2015 with delivery in 2015/16 financial year.
	Management of vendors and suppliers	This is an ongoing activity through out the year.
	Review security monitoring tools, particularly in line with obligations	Work is still ongoing on the gold tool as it is

Corporate Project/Programme	Milestone/Measure of Success	Latest update
	defined by the Government Code of Connection	felt this will be able to incorporate most elements of security. Also looking at anti-virus renewal to encompass all four facets of firewall, anti-virus, web filter and mobile development management.
	Risk assessment and response to incident	This is an ongoing activity through out the year.
Customer Service and Access Strategy	Agreement of strategy at Corporate Management Team	Agreed at CMT on 14th July 2014.
	'Quick win' action plan agreed by Corporate Management Team	Agreed at Corporate Management Team on 8th September 2014.
	Action plan developed for delivery of strategy	
	£50k savings achieved by 31st March 2016	
	£100k savings achieved by 31st March 2017.	
	80% of customer contact dealt with by Customer Services Centre by March 2017.	
	E-mail enquiries increased from 12,500 a year to 25,000 a year by March 2017	
	Face to face interactions reduced from 91,720 to 17,000 a year by March 2017.	
	Self service processes increased from 1 to 5,000 by March 2017	
	Telephone calls into Tamworth Borough Council reduced from 30,000 per year to 5,000 per year by March 2017.	
	Text messages sent out increased from 2,000 a year to 5,000 a year by March 2017	
The number of hits on website increased from 597,000 a year.		

Corporate Project/Programme	Milestone/Measure of Success	Latest update
Elections 2014	Election Meetings begin	All milestones completed
	Election preparation begins	
	Prepare Candidates & Agents Packs including Nomination Papers	
	Complete Staffing	
	Write to Police SPOC (Gary Lote) with details of Polling Stations	
	Absent Voter Refresh period	
	Press Release Agents meeting	
	LIVE poll card data and	
	LIVE postal vote data deadline	
	Candidates and Agents Meeting	
	Poll cards approval, sort and delivery	
	Notice of Election	
	Pre-election period begins	
	Nomination Period	
	7 Apr - 24 April	
	Last day for the publication of the Statement of Persons Nominated	
	Ballot Boxes preparation begins + Count preparations + Postal Vote opening and Issue leading up to Polling Day	
28th April - 19th May		
Ballot Papers proofs, checking printing delivery		
Last day for withdrawal of candidature		
Last day for receipt of Notice of Appointment of Election Agents		
Staff Training events		
Notice of Poll Deadline		
Deadline for new registrations		

Corporate Project/Programme	Milestone/Measure of Success	Latest update
	Deadline to apply, amend or cancel a postal vote or postal-proxy Deadline to amend or cancel an existing proxy vote	
	Postal Vote date deadline	
	Checking of Postal Packs for despatch	
	Count at close of Poll	
Implementation of Self Serve – Human Resources/ Payroll Module	Scope project	The project is now scoped.
	Implement	
	Review	
Individual Electoral Registration	Publication of revised register in England	Completed
	EROs to conduct delayed 2013 canvass period. Information to be published to keep public informed Oct 2013 – Feb 2014	Completed
	New software installation to support IER and electoral process going forward Feb – April 2014	Completed
	Seconded post to be filled to assist process April 2014 ongoing	
	Data-matching underway on the final pre-IER register EROs write-out to those on the final pre-IER register to assure them that they are confirmed as registered under the new system, or to invite them to supply their personal identifiers	Confirmation Live Run completed 14 July 2014.
	Electoral Commission public awareness campaign goes live across England, Scotland and Wales in time to support the write-out and other registration activity undertaken by electoral registration officers.	National and Local advertising campaign started in July 2014
	IER goes live; new applicants will be registered under IER.	

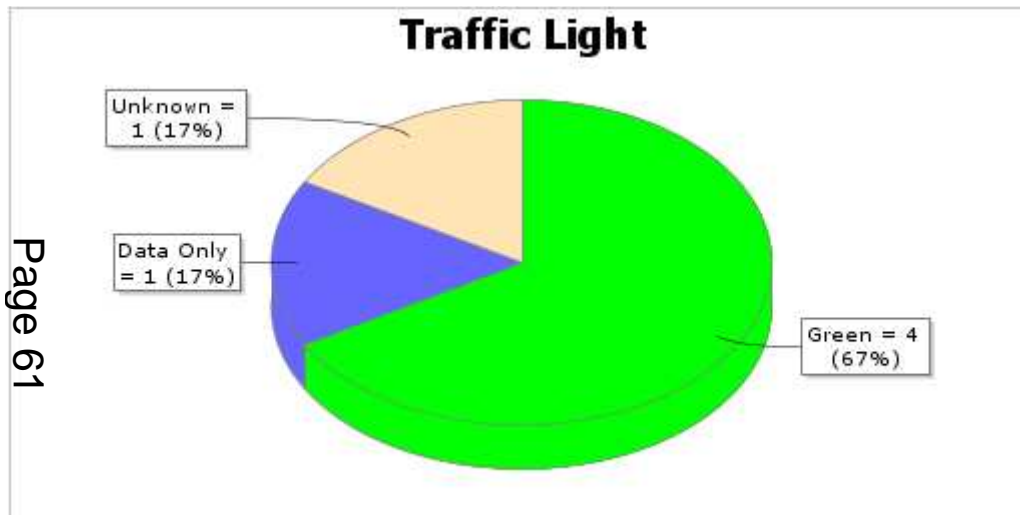
Corporate Project/Programme	Milestone/Measure of Success	Latest update
	Rolling registration continues March to Sept 2014	
	Publication of revised register. Estimated project will be complete by December 2015	
Legal Spend Review	Initial approach made to external service providers	Completed
	Options looked at to decide the most appropriate source of legal support	Completed
	Meetings with stakeholders to discuss operation of service	Completed
	Meeting with Lichfield Legal Services to explore larger shared service option	Completed
	Scheme of Delegation Report for approval to enter shared service agreement	Completed
	Draft shared service agreement to be agreed	Final draft of agreement reached with Birmingham City Council. Lichfield District Council is not taking part at this point in time.
	Ongoing co-ordination through legal services of legal spend across TBC	Proposals taken to heads of service meeting and implemented with services.
Maximisation of income/collection Council Tax, Non-Domestic Rates, Debtors and Mortgages. Improved cash flow and local collection targets achieved – including monitoring of the impact of Welfare Benefit Reform.	In year % collection of Debtors – 95%	Current year is ahead of target by 17% Debts over 6 months old are behind due to several aged debts – an analysis of aged debt is being prepared with options for the way forward
	In year % collection of Council Tax – 97.5%	Council Tax current year is ahead of target by 0.2% at 30 September.

Corporate Project/Programme	Milestone/Measure of Success	Latest update
		Court costs income is ahead of target by £32k Arrears slightly behind target but will continue to target additional income wherever possible.
	In year % collection of Non-Domestic Rates – 98%	Current year collection is significantly behind target by 3.5% (£1.2m) at 30 September. This is due to the take up of 12 monthly instalments by large companies. Income for February/March 2014 was £619k – it is projected for Feb/March 15 to be £1,380,929.12 in February and £1,162,837.00 in March. There is also £168k in arrangement amounts due during those months. At this stage there is not a concern Costs slightly behind target (£1k) Arrears ahead of target
Monitor the effects of changes to Benefits regulations & their impact on the collection & recovery of Council Tax and Monitoring of arrangements for localisation of Non-domestic rates	In year % collection of Debtors – 95%	Current year is ahead of target by 17% Debts over 6 months old are behind due to several aged debts – an analysis of aged debt is being prepared with options for the way forward
	In year % collection of Council Tax – 97.5%	Council Tax current year is ahead of target by 0.2% at 30 September. Court costs income is ahead of target by £32k Arrears slightly behind target but will continue to target additional income wherever possible.
	In year % collection of Non-Domestic Rates – 98%	Current year collection is significantly behind target by 3.5% (£1.2m) at 30 September. This is due to the take up of 12 monthly instalments by large companies. Income for February/March 2014 was £619k – it is projected for Feb/March

Corporate Project/Programme	Milestone/Measure of Success	Latest update
		15 to be £1,380,929.12 in February and £1,162,837.00 in March. There is also £168k in arrangement amounts due during those months. At this stage there is not a concern Costs slightly behind target (£1k) Arrears ahead of target
Provision of financial advice, assistance and business support for Directorates & budget managers & preparation of monthly financial performance management reports for CMT & Quarterly for Cabinet	Bank Reconciliation completed within 10days (Payments Account) / 15 days (General Account) of period end	Bank Reconciliation completed within 7days (General Account) / 15 days (Payments Account) for August 2014
	Ledgers closed down within 5 working days of period end	Financial ledger (efinancials) and Collaborative Planning budget setting & monitoring updated as at 30 September 2014 on 1 October 2014
	Spending maintained within approved budget and without significant underspends – target range of up to 5% underspend.	First Quarter financial healthcheck reported to CMT / Cabinet August 2014, Second Quarter healthcheck due to be reported to CMT / Cabinet November 2014
To complete the Final Accounts process with an unqualified audit opinion	Preparation of Draft Accounts by 30th June	Final accounts prepared & provided to External Auditors and Audit & Governance Committee on 26 June 2014
	Completion of Statutory Returns to ODPM (Revenue Out-turn / Capital Out-turn / WGA return) by 30th July	Completed
	Approval by Audit & Governance Committee by statutory deadline of 30th September	Approved by Audit & Governance Committee on 25th September 2014
	Publication by statutory deadline of 30th September	Completed
	Publication by statutory deadline of 30th September	Completed


2. Key Service Performance Indicators

Assets and Environment Key Service Performance Indicators 2014/15







Assets & Environment



PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_A&E_KPI001 Monitor the local air quality in Tamworth, taking any necessary action as dictated by the results	✔	Yes	2013/14	Yes		16-Jul-2014 Air Quality Management Area (AMQA) was designated by Cabinet in March 2014
LPI_A&E_KPI002 Work with	?		2014/15	Yes		02-Oct-2014 Work is still underway with letting available space.

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
other public sector organisations to offer co-location in strategic council premises						There has been increased co-location with Staffordshire County Council and the Community Safety Hub
LPI_A&E_KPI003 Deliver 100% of the Housing Capital Programme		100%	2013/14	100%		

Environmental Health & Regulatory Services

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_EHRS001 The number of 1 and 2 star rated businesses		53	Q2 2014/15			10-Oct-2014 Increased number of businesses opening not meeting standards and lower risk businesses standards falling due to other work priorities.
LPI_EHRS003 The annual percentage of planned high risk inspections undertaken		100%	Q2 2014/15	50%		

Waste Management

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
NI 192 Percentage of household waste sent for reuse, recycling and composting (Tamworth)		56.00%	Q1 2014/15	50.00%		





Communities Planning and Partnerships Key Service Performance Indicators 2014/15























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Community Development













PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_CEPCDCD001am The number of partners delivering services in response to agreed issues - Amington	✔	31	Q2 2014/15	27	▬	
LPI_CEPCDCD001bg The number of partners delivering services in response to agreed issues - Belgrave	✔	30	Q2 2014/15	27	▬	21-Oct-2014 No change from last quarter - partnership involvement sustained.

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_CEPCDCD001gl The number of partners delivering services in response to agreed issues- Glascote		29	Q1 2014/15	27		24-Jul-2014 <i>Partners as at June 2014</i> Staffs Library Service, Children's Centre, Glascote Primary School, School Farm parents group, Home start, Staffs College, Healthwatch, Waistlines, St Peters Church, TBC Caretaking, St Wardens, Staffs Police, Midland Heart, Bancroft Community Centre, Silver Court Residents Group, Staffs College, Healthwatch, Community Organiser, FEI, Steps to Work, TBC Housing, Oakhill School, Midland Psychology, Community Together CIC, Staffs Youth Service, Tamworth Volunteer Centre, (26) Burgess Nature Park, FARS, Affinity Sutton
LPI_CEPCDCD001st The number of partners delivering services in response to agreed issues - Stonydelph		30	Q1 2014/15	27		







Community Leisure

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_CPP_GOLF_023 Total Pay and Play rounds - 9 hole (Tamworth Golf Course)		694	Q2 2014/15	853		
LPI_CPP_GOLF_024 Total Pay and Play rounds - 18 hole (Tamworth Golf Course)		536	Q2 2014/15	799		
LPI_CPP_GOLF_025 Total Membership (Tamworth Golf Course)		163	2014/15	229		
LPI_CSPCDCLAR003 Total Attendance Overall - Assembly Rooms		6,558	Q2 2014/15	15,000		
LPI_CSPCDCLAR015 Customer Satisfaction - Assembly Rooms		99%	April 2014	96%		
LPI_CSPDCLOE001 Visitor Numbers (Outdoor Events)		15,982	Q2 2014/15	14,000		
LPI_CSPCDCLTC002 Total Number of visits/usages - Tamworth Castle		9,762	Q1 2014/15	9,100		
LPI_CSPCDCLTC020 Trip Advisor Rating - Tamworth Castle		4.5	2013/14	4.5		
LPI_PCPCL001 Total 16+ attending organised activity across the Borough		80,654	Q1 2014/15	25,000		
LPI_PCPCL002 Total under 16 attending organised activity across the Borough		66,912	Q1 2014/15	24,500		







Community Safety

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_CSPDCDCS001 Burglary Dwelling		47	Q2 2014/15	49		
LPI_CSPDCDCS008 Incidents of Anti-Social Behaviour		613	Q2 2014/15	643		
LPI_CSPDCDCS011 Serious Violence		12	Q2 2014/15	7		
LPI_CSPDCDCS011a Less Serious Violence		149	Q2 2014/15	149		
LPI_CSPDCDCS012 Serious Acquisitive Crime		141	Q2 2014/15	120		
LPI_CSPDCDCS018 Violence with injury		161	Q2 2014/15	156		





Development Control

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
BV109a NI 157a Processing of planning applications: Major applications (Tamworth)		100.00%	Q2 2014/15	60.00%		The performance of 100% was achieved by determining all 3 major applications decided in the quarter within 13 weeks
BV109b NI 157b Processing of planning applications: Minor applications (Tamworth)		78.26%	Q2 2014/15	65.00%		The performance level of 78.2 % was achieved by determining 18 out of 23 applications within the 8 week target time
BV109c NI 157c Processing of planning applications: Other applications (Tamworth)		91.83%	Q2 2014/15	80.00%		The performance level of 91.83% was achieved by determining 45 out of 49 applications within the 8 week target time





Economic Development

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_CPPSPDED005 Percentage of working age population claiming Job Seekers Allowance		0.9%	Q2 2014/15	1.6%		21-Oct-2014 448 people claiming JSA. 2.8% in West Midlands 2.2% in Great Britain
LPI_CPPSPDED006 Percentage of total rateable value of commercial floorspace that is unoccupied		5.15%	Q2 2014/15	8.67%		The drop from 8.7% at the end of quarter 1 is largely attributable to the reoccupation by Hermes of the empty part of the Tamworth 594 unit. This represents an historic low for this indicator since we began monitoring it and is symptomatic of a strong local economic recovery .
LPI_CPPSPDED007 Percentage change in rateable value of commercial buildings		0%	Q2 2014/15	0.50%		





Partnerships & Community Development



PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_PCDCFS_001 The number of reported concerns - Children		9	Q2 2014/15	6.25		
LPI_PCDCFS_002 The number of reported concerns - Adults		13	Q2 2014/15	7.5		

Partnerships Support & Development

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_CSBDs_005 20 new jobs created in existing organisations per annum directly attributable to interventions under the Contract (BDS – Infrastructure Support for business and third sector)		12	Q2 2014/15	5		
LPI_CSBDs_006 10 first-time business start ups over two years with information broken down by sector and level of support provided (BDS – Infrastructure Support for business and third sector)		0	Q2 2014/15	2.5		28-Jul-2014 We have negotiated with BDS not to provide these targets in Year 1 (2014/15) due to a duplicate service being provided by Blue Orchid. The target is to be achieved in Year 2 (2015/16) of the Contract.

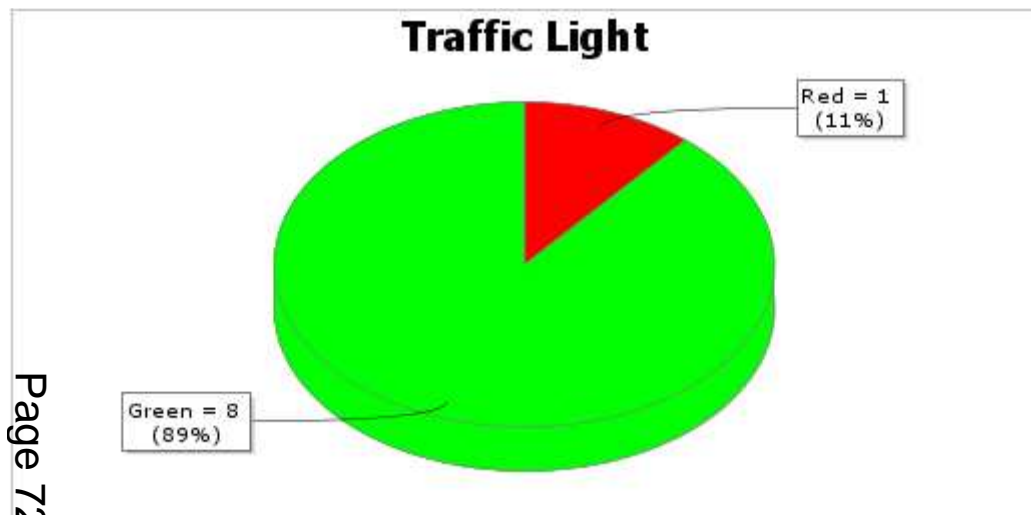
Planning and Regeneration

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_SP1_1d_003 The occupancy levels of Town Centre retail outlets		86%	Q1 2014/15	91%		<p>28-Jul-2014 There are 42 vacant units within the town centre boundary; this gives an occupancy rate of 87%. A slight fall of 1% in the occupancy level in the town centre. A breakdown of use classes across the town centre is listed below:</p> <p>A1 147 A2 48 A3 21 A4 13 A5 11 B1 1 C1 3 C3 1 D1 6 D2 0 Sui generis 9</p> <p>Vacant 42</p>
NI 154 Net additional homes provided (Tamworth)		50	2013/14	216		<p>23-Jul-2014 Completions for the year 2013/14 are 50 units. This marks the 3rd year in a row of falling total completions across the Borough. The Council's role in providing new homes is setting the right environment for house building by producing an up to date and sound Local Plan and the approval planning applications for sustainable development.</p> <p>Without the availability of large housing allocations it can be difficult to bring forward large amounts of additional housing. The current supply within Tamworth is predominantly made up of small application sites; the only remaining large site is Anker Valley, which is current in with Development Management as a planning application. Without a constant supply of larger sites there will be peaks and slumps of completions.</p> <p>Despite the set back of withdrawing the Local Plan from examination in 2013, good progress has been made in the new draft Local Plan. A wider range of large allocations have been proposed and smaller sites within the urban area are also being proposed for allocation. The</p>

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
						<p>Local Plan will be specific to the supply of housing within the borough for the next 15 years.</p> <p>Planning & Regeneration will continue to work with the development industry in a productive manner to bring forward more housing within Tamworth.</p> <p>Despite the low completion rate, there still remains a supply of smaller applications sites; however progress by the house building industry has been slowed to bring forward these applications to completion.</p>
<p>Page 70</p> <p>NI 155 Number of affordable homes delivered (gross) (Tamworth)</p>		7	2013/14	117		<p>23-Jul-2014 Affordable completions for the year 2013/14 is 7 units. The Council's role in providing new homes is setting the right environment for house building by producing an up to date and sound Local Plan and the approval planning applications for sustainable development.</p> <p>Without the availability of large housing allocations it can be difficult to bring forward large amounts of additional housing. The current supply within Tamworth is predominantly made up of small application sites; the only remaining large site is Anker Valley, which is current in with Development Management as a planning application. Without a constant supply of larger sites there will be peaks and slumps of completions.</p> <p>Despite the set back of withdrawing the Local Plan from examination in 2013, good progress has been made in the new draft Local Plan. A wider range of large allocations have been proposed and smaller sites within the urban area are also being proposed for allocation. The Local Plan will be specific to the supply of housing within the borough for the next 15 years.</p> <p>Planning & Regeneration will continue to work with the development industry in a productive manner to bring forward more housing within Tamworth.</p> <p>Despite the low completion rate, there still remains a supply of smaller applications sites; however progress by the house building industry has been slowed to bring forward these applications to completion.</p> <p>The situation for affordable housing is worse than that of general market housing because the current planning policy requires only</p>

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
						<p>sites of 14 or more units to contribute to affordable housing provision. Without the larger sites affordable homes will not come forward. The draft Local Plan sets this threshold much lower and requires smaller sites to make a contribution to affordable housing provision.</p> <p>However, at the 1st April 14 there were 38 affordable units under construction with a further supply of 82 units with consent.</p>







Finance Key Service Performance Indicators 2014/15









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Corporate Finance

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_AAV_002 Achievement of an unqualified audit opinion on the financial statements		Yes	2013/14	Yes		06-Oct-2014 Unqualified Audit opinion signed by Grant Thornton 25th September 2014. Audit Conclusion certificate issued 2nd October 2014
LPI_RDCF001 Spending maintained within approved budget and without significant underspends		0.74%	August 2014	-5%		
LPI_RDCF002 Number of material final account audit adjustments		0	2013/14	0		

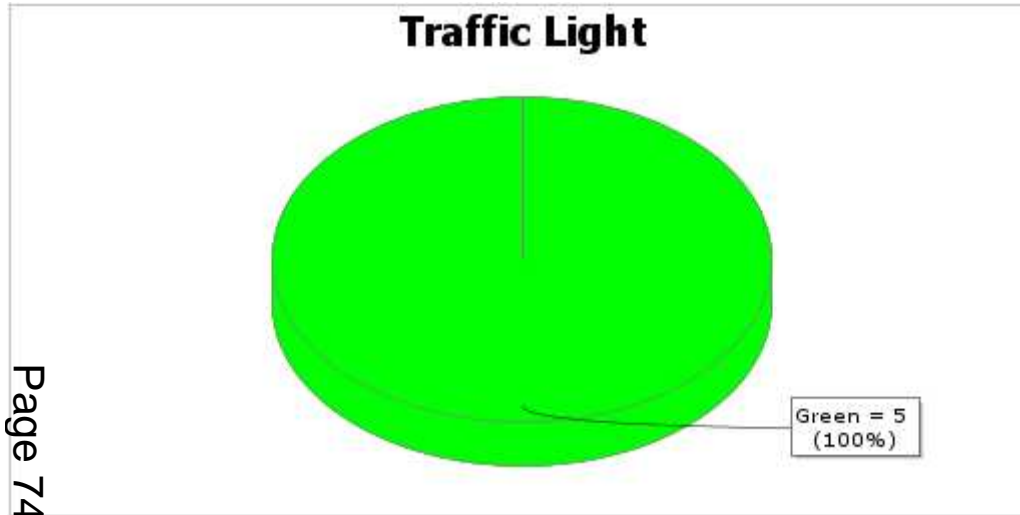
PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_RDCF025 Ledgers closed down within 5 working days of period end		1	Q2 2014/15	5		
LPI_RDCF026a Bank Reconciliation completed within 10 days (Payments Account)		6.5	Q2 2014/15	10		
LPI_RDCF026b Bank Reconciliation completed within 15 days (General Account) of period end		12	Q2 2014/15	15		

Revenues Services

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
BV10 Percentage of Non-domestic Rates Collected		55.40%	Q2 2014/15	58.90%		23-Oct-2014 Greater than anticipated take up of extended instalments. Approx £2.6m due in Feb/ Mar 2015 compared to £600k collected Feb/ Mar 2014. Also a number of large new bills, e.g. Hermes reoccupied, £400k debit raised all due Nov-Mar
BV9 % of Council Tax collected		58.10%	Q2 2014/15	57.90%		
LPI_RDFOREV009 Debtors current year collection		97.33%	Q2 2014/15	80%		

Housing and Health Key Service Performance Indicators 2014/15



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Housing Empty Property Management

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI BV212 Average number of days taken to re-let local authority housing (Standard Empty Homes)	✓	15	Q2 2014/15	16	■	
LPI_CSHSEPM009 The percentage of customers satisfied with the "Finding a Home" Service	✓	100%	September 2014	80%	■	03-Oct-2014 During September we received 10 completed surveys of which all rated the service as good or above

Housing Estate Management

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_CSHSCS001 Percentage of offensive graffiti removed within 48 hours		100%	Q2 2014/15	100%		

Housing Maintenance

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_HMLSHMM001 Overall percentage of tenant satisfaction with the responsive repairs service provided by Mears		94.4%	August 2014	85%		
LPI_HMLSHMM003 Percentage of all responsive repairs completed within target		98.6%	Q2 2014/15	97%		

Legal and Democratic Key Service Performance Indicators 2014/15

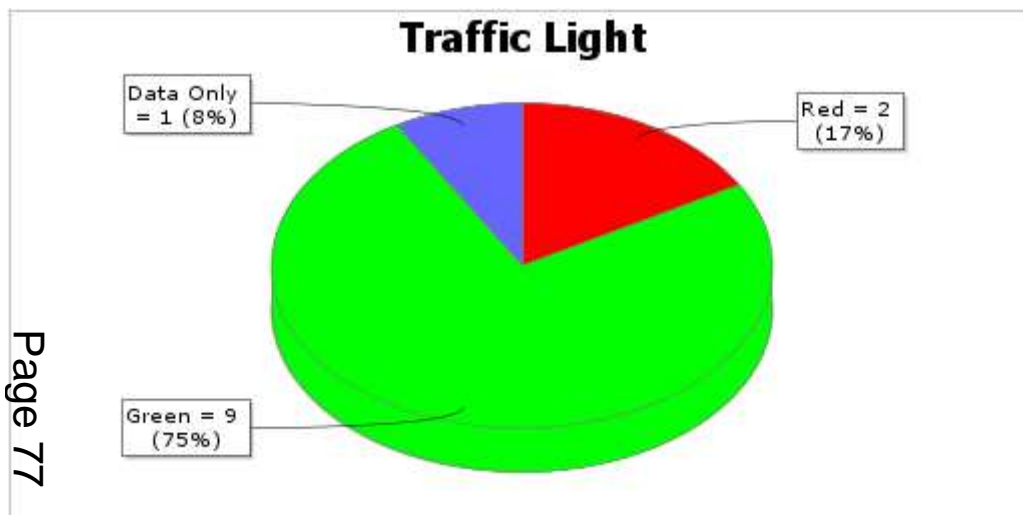
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Solicitor and Monitoring Officer

















PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_SMO001 Number of Standard Searches carried out		363	Q2 2014/15			06-Oct-2014 **enter note here** 116 full searches 247 personal searches
LPI_SMO002 The number of exempt items presented to meetings		12	Q2 2014/15			03-Oct-2014 There were 12 confidential reports for Q2 2014/15
LPI_SMO003 Percentage of Household Enquiry Forms returned			Q4 2013/14			14-May-2014 Household Enquiry Forms will not be in use until June 2014 so collection of this indicator will not commence until after then.
LPI_SMO004 Percentage of Individual Elector Registration Forms returned		88%	Q2 2014/15			30-Sep-2014 This is a good rate of return for the new individual registration system.

Technology and Corporate Programmes Key Service Performance Indicators 2014/15

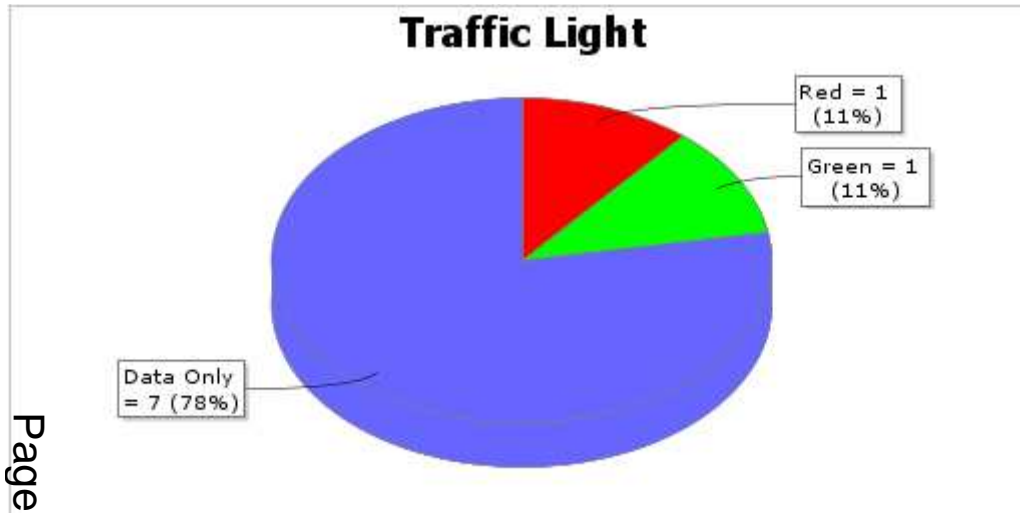


Technology & Corporate Programmes

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_RDICT001 Percentage of incidents fixed by ICT	✓	89.05%	Q2 2014/15	70%	↓	
LPI_RDICT002 Incidents Responded within SLA	✓	93.66%	Q2 2014/15	90%	↓	
LPI_RDICT003 Incidents Resolved within SLA	✓	97.13%	Q2 2014/15	90%	↓	
LPI_RDICT004 ICT Backups	⬮	91.44%	Q2 2014/15	100%	↑	

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_RDICT005 Service Availability		99.84%	Q2 2014/15	99%		
LPI_RDICT006 Maintain accreditation against ISO20000		Yes	2012/13	Yes		
LPI_RDICT007 Maintain accreditation against ISO27001		Yes	2012/13	Yes		
LPI_RDICT008 Freedom of Information Requests Responded To Within legislative timescales		100%	Q1 2014/15	100%		
LPI_RDICT015 ICT Support Desk - Percentage of calls answered within 15 seconds		92.35%	Q2 2014/15	92%		
LPI_RDICT016 ICT Support Desk - Percentage of calls abandoned		3.8%	Q2 2014/15	3%		
LPI_RDICT017 ICT Service Desk - Outstanding Incidents		52	June 2014			
LPI_RDICT018 LLPG Quality		3	August 2014	5		10-Sep-2014 Staffs Highways deleted 17 footways for the NSG before consulting. Corresponding footways were deleted from the LLPG as soon as aware however Geoplace had already run reports.

Transformation and Corporate Performance Key Service Performance Indicators 2014/15





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Health and Safety

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_ACEODHS001 Number of accidents to employees reported		11	Q2 2014/15		↓	
LPI_ACEODHS002 Number of accidents to non-employees reported		1	Q2 2014/15		↑	
LPI_ACEODHS004 Number of HSE notifications/interactions		2	Q2 2014/15		↓	
LPI_ACEODHS005 Number of violent/threatening incidents		4	Q2 2014/15		↓	







Human Resources

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
BV12 Working Days Lost Due to Sickness Absence		3.27	Q2 2014/15	4.25		

Payroll

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_T&CP_005 The number of payroll errors		1	Q2 2014/15			

Transformation and Corporate Performance

PI Code & Short Name	PI Status	Current Value	Last Update	Current Target	Performance compared to last reporting period	Latest Notes
LPI_T&CP_001 The number of hits on the website		287,871	Q2 2014/15			
LPI_T&CP_002 Average time spent on the website		3.44	Q2 2014/15			
LPI_T&CP_003 SoCITM Website score		1	2013/14	4		01-May-2014 This was assessed in November 2013, therefore was on our old website. We have since launched a new website so this score is not reflective of our current situation.

3. Impact of Welfare Benefit Reform on Council services

Quarterly updates are presented to monitor the impact of welfare benefit reform changes on Council services including customer demand via customer services monitoring of calls/contacts together with the financial impact of collection and demand for benefits and effect on income streams such as rent, council tax and business rates.

Quarterly updates are presented to monitor the impact of welfare benefit reform changes on Council services including customer demand via customer services monitoring of calls/contacts together with the financial impact of collection and demand for benefits and effect on income streams such as rent, council tax and business rates.

Benefits

DHP claims are underspent by £44k with 228 successful claims from 360 applications (compared to 67 successful claims from 182 applications at September 2013).

Live caseload figures are in line with 2013/14 – currently 6919 (6922 at September 2013) although there is a 4 week backlog (3 weeks as at 30 September 2013) with claims still to be processed which will increase this figure.

NNDR

Reminders (538 at 30 September) are higher than 2013/14 levels (469 at 30 September 2013) although summons, liability orders and Enforcement Agent referrals are lower.

Current year collection is significantly behind target by 3.5% (£1.2m) at 30 September.

This is due to the take up of 12 monthly instalments by large companies. Income for February/March 2014 was £619k - it is projected for February/March 2015 to be £1.4m in February and £1.2m in March. There is also £168k in arrangement amounts due during those months. At this stage there is not a concern.

Costs are slightly behind target (£1k).

Council Tax

Reminders etc. are lower than 2013/14 levels although Enforcement Agent referrals are higher (364 additional referrals as at September 2014).

Current year is 0.2% ahead of the collection target (97.5% for 2014/15).

Court cost income is ahead of target by £32k.

Collection Fund – Estimated surplus £24k for the year.

LCTS projected underspend of £37k (total £60k).

Customer Services (last updated July 2014)

Visits to Marmion House - since the increased levels in 2013/14, visits in the months to July 2014 were significantly lower, 2705 visits in July 2014 compared to 4036 in July 2013.

Enquiries for council tax & benefits enquiries have also been lower than in 2013/14.

Housing

Total **Rent** arrears (excluding former tenants) at 30th June 2014 are £486k compared to £412k at 31st March 2014 – an increase of £74k (compared to a £172k increase as at 30th September 2013).

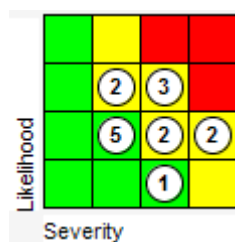
Total arrears (including garages etc.) are £1.46m at 30th September 2014, compared to £1.31m at 31st March 2014, an increase of £152k (compared to a £210k increase between 31st March 2013 and 30th September 2013).

(Total arrears (including garages etc.) were £1.31m - £125k higher at 31 March 2014 compared to 31 March 2013 - £1.18m).

4. Corporate Risk register

The Corporate Risk register is reviewed and updated by the Corporate Management Team.

There are currently fifteen risks on the Corporate Risk Register, none of which are high risks and the “heat map” below indicates the current position of their risk status



5. Performance Management Framework

Activity in quarter two 2014/15 saw:

- Performance and financial healthcheck report at Cabinet,
- Commencement of the budgeting process,
- Public budget consultation.

6. LGA Corporate Peer Challenge Reaction Plan Update

High Level Reaction Plan in Relation to LGA Peer Challenge Feedback

1. Local Context & Priority Setting

Action	Latest Note	Owner	Assigned To
a) Review and prioritise all major actions detailed in both the Sustainability Strategy and Corporate Change Programme	06–Oct–2014 A planned quarterly update was discussed at the CMT meeting on 1st October 2014 and the MTFS monitoring model updated to reflect the current forecasts / position regarding the implementation of the Sustainability Strategy actions and their associated timetable.	CMT for discussion and endorsement from Cabinet	Corporate Management Team
b) Maintain focus and resourcing to ensure timely sign-off of Local Plan having regard to the need and significance of our neighbours “Duty to Co-operate”.	03–Oct–2014 Continue to prioritise the Local Plan timetable. Additional resources put in place to adhere to the duty to cooperate and adhere to the timetable.	Director CPPs/Strategic Planning Team Support: CEO/Portfolio Member/Leader Director H&H/Director A&E	Rob Mitchell
c) Review “bottom up” connectivity between partners and TBC resources at locality level and their senior representatives at TSP Board level	22–Jul–2014 This has been completed.	Director CPPs/Community Development Team (External/Peer support may be necessary). Support from relevant partnership organisations/data & intelligence sources/Elected Members	Rob Mitchell

2. Financial Planning & Viability

Action	Latest Note	Owner	Assigned To
a) Monitor income flows and encourage innovative income generation options	<p>15-Jul-2014 A successful bid for grant funding from Improvement and Efficiency West Midlands (IEWM) was made, to support the development of a multi-agency approach to Commissioning for outcomes in Tamworth, and the exploration and development of a Tamworth Borough Council approach to Commissioning</p> <p>In achieving these aims the Council drew up a specification for the provision of 'Commercial Skills' training (i.e. commissioning services, costing and responding to tender opportunities) for staff who may be involved in commissioning services or potentially providing services to other organisations. Thornton & Lowe successfully won the 'Quick Quote' process to develop a training course tailored to our requirements to run as a 'pilot' in March 2014. A further training day has since been held, and the success/relevance of the course is to be evaluated to inform decision-making around further training/responding to skills gaps identified.</p> <p>The need for changes to the Council's Constitution & Scheme of Delegation and</p>	All CMT members with income generation capability/Service Heads/All Staff.	Corporate Management Team

Action	Latest Note	Owner	Assigned To
	<p>Standing Orders/Financial Guidance was identified, to enable Directors to be more commercial / allow them to act quickly where an opportunity arises. Amendments have been proposed to allow Directors, in consultation with their Portfolio Holders via a Scheme of Delegation report:-</p> <p>1) to bid for grants up to £100k without referring back to Cabinet 2) to bid for tenders for provision of TBC services 3) to submit joint bids with partners</p>		
b) Consider broadening the terms of reference for Service Reviews in order to capture the more transformational outcomes from the process	03-Oct-2014 Additional questions around service transformation are now required to be addressed in the service review process	CEO/Director CPPs via work stream, Directors & Heads of Service to lead on process and report progress via the CMT/CCB infrastructure and relevant member consultation.	Tony Goodwin; Rob Mitchell
c) Monitor progress of workstreams against strategy profile – manage any emerging risk of back loading	06-Oct-2014 A planned quarterly update was discussed at the CMT meeting on 1st October 2014 and the MTFs monitoring model updated to reflect the current forecasts / position regarding the implementation of the Sustainability Strategy actions and their associated timetable.	CEO/ED/DoF/Leadership	Stefan Garner; Tony Goodwin; John Wheatley

3. Political & Managerial Leadership

Action	Latest Note	Owner	Assigned To
a) Reality check the political statement that there are “No Sacred Cows” as early as possible.	27-Oct-2014 The Cabinet and Corporate Management Team are scheduled to meet and discuss progress to date and proposals going forward in relation to the Sustainability Strategy in November, 2014. Member involvement in this review and the budget setting/MTFS planning will address this issue.	CEO via the presentation of options and proposals relating to service cuts and/or efficiencies. Support from CMT/Endorsed by Cabinet	Corporate Management Team
b) Clearly define, articulate and then communicate the operating model that best describes the organisation going forward	27-Oct-2014 Indirectly this has been achieved via the AGM. Employees are aware that we have adopted a multi-economy approach to service delivery via in-house efficient service delivery; shared service arrangements (Lichfield & South Staffs); joint working (multi-agency hub/locality commissioning) and outsourcing (MEARS).	CMT to draft the basis and rationale for a ‘preferred’ operating model. Cabinet & Partners to be consulted and to buy-in to new model	Corporate Management Team
c) Sustain and develop means of improving skills and in-house expertise relating to forthcoming challenges.	08-Jul-2014 A risk matrix to support succession planning and workforce development has been developed and, in the first instance, will be piloted before roll-out.	CMT/Cabinet and key strategic partners (Independent, peer and/or professional support may be necessary).	Corporate Management Team

4. Governance & Decision Making

Action	Latest Note	Owner	Assigned To
a) Introduction of formal, annual Member induction training	30-Sep-2014 An on-line training programme is being developed for May 2015	Executive Management Team Supported by current Chairs/Democratic Services (Independent peer/professional support may be necessary).	Corporate Management Team
b) Consideration of adopting an approach whereby Members who have failed to attend training upon key decision making or regulatory matters cannot sit on the Committee until trained to do so. Examples include Planning; Licensing; Audit & Governance.	30-Sep-2014 Awaiting a response from members with regard to the review of member's allowances. Member uptake of training has been good in this last quarter with leaders prioritising this through their respective groups.	Executive Management Team Supported by current Chairs/Democratic Services (Independent peer/professional support may be necessary).	Corporate Management Team
c) Consideration of a package of options designed to improve Scrutiny and other committees	30-Sep-2014 Training events for scrutiny chairs have been identified and they have been invited to take part in discussion forums.	Executive Management Team Supported by current Chairs/Democratic Services (Independent peer/professional support may be necessary).	Corporate Management Team

5. Organisational Capacity

Action	Latest Note	Owner	Assigned To
a) Sustain and build upon existing strategic relationships e.g., Lichfield and Staffordshire	25-Jul-2014 Progress has been made on both fronts. An announcement on a shared Audit Management function with Lichfield is	Executive Management Team/All involved in existing arrangements	Corporate Management Team

Action	Latest Note	Owner	Assigned To
	<p>expected within the next reporting period. Following a major piece of work led by Tamworth Borough Council's Chief Executive Officer, the Health and Well Being Board has endorsed a proposition for the managed transformation from district/borough Local Strategic Partnerships to Locality Based Commissioning Boards commencing with immediate effect.</p> <p>Shared service arrangements and joint working opportunities are currently being explored with Walsall MBC South Staffs DC and the County.</p> <p>The fact that we are still doing it demonstrates that it is being 'sustained'. As and when appropriate, we shall look to build upon it.</p>		
b) Early management structure review to focus upon "spans of control"	25-Jul-2014 This particular action is now formally wrapped up in the ongoing Service Review work stream as approved by Council in relation to the Sustainability Strategy		
c) Embed current methods of project and programme management across organisation and also key dependents	30-Sep-2014 Prince2 training was held for key members of staff in July 2014. Any projects of corporate importance are overseen by corporate project management.	CMT/TSP Support of OD Manager (Independent peer/professional support may be required).	Corporate Management Team

7. Sustainability Strategy (Medium Term Financial Strategy 2014-2019 Monitoring)

Following the introduction of the Sustainability Strategy last year, work has been underway on the strands included within it. The strategy contains a number of workstreams – led by CMT members - which all contribute to the organisation working in the most efficient way, providing the best services we can, while working towards reducing the shortfall in our budgets in coming years.

CMT recently held a meeting to look at the most up-to-date budget forecasts, and discussed the delivery of the Sustainability Strategy and our Medium Term Financial Strategy (MTFS):

General Fund MTFS 2015/16-2019/20	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Projected Balances per MTFS Council February 2014	(3,232)	(1,968)	(500)	1,374	3,294	5,213
Revised Stress Tested:						
Central Case Forecast	(3,293)	(2,342)	(1,711)	(128)	1,961	4,137
Worse Case Forecast	(3,293)	(1,988)	(963)	1,109	3,641	6,391
Best Case Forecast	(3,293)	(2,467)	(2,071)	(1,161)	103	1,247

The forecast has been updated to include:

- the improved projections contained within the latest projected outturn position;
- any known changes to the savings targets included within the current MTFS;
- updated impact on new homes bonus and council tax income from expected housing developments - arising from discussions / joint working with Planning and Strategic Housing;
- Revised Business Rates income forecasts following NNDR1 completion;
- Other strategic changes e.g. Pensions lump sum discount, LEP funding;
- The potential for a further significant reduction in future RSG levels under a worse case scenario.

When the 3 year MTFS for the General Fund was approved by Council in February 2014, the forecast MTFS shortfall was c.£1.8m per annum from 2017/18. Following the updates considered by CMT the model indicates:

- 1) The Central Case forecast identifies a shortfall of £0.372m over 3 years, £4.637m over 5 years;
- 2) The Worse Case forecast identifies a shortfall of £1.609m over 3 years, £6.891m over 5 years;
- 3) The Best case forecast identifies a surplus of £0.661m over 3 years and a shortfall of £1.747m over 5 years.

These figures will be regularly updated and models used to look at the best, central and worst case scenarios. Changes have been introduced following service reviews in the following areas:

- Revisions to the joint waste management service arrangements - to save the joint waste service £400,000 per year;
- Street Wardens and CCTV services – saving over £200k per year;
- Public conveniences – saving £39k per year.

Achievement of further savings is dependent on the outcomes of ongoing service reviews or workstream actions.

With regard to the Housing Revenue Account, an improved position is forecast:

HRA MTFS 2015/16-2019/20	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Projected Balances per MTFS Council February 2014	(4,315)	(1,395)	(1,265)	(1,286)	(1,492)	(1,492)
Revised:						
Revised Projected Balances	(4,527)	(1,650)	(1,833)	(2,158)	(2,670)	(2,975)

This is forecast to be mainly due to the planned implementation of Service Charges which will increase income from 2015/16.

8. Financial Healthcheck Report –September 2014

Executive Summary

This section to the report summarises the main issues identified at the end of September 2014.

General Fund

Revenue

GENERAL FUND	YTD Budget £000	YTD Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000
Chief Executive	90	99	9	-	9	9
Executive Director Corporate Services	8	34	26	511	477	(34)
Director of Finance	1,984	1,337	(647)	481	311	(170)
Director of Technology & Corporate Programmes	614	580	(34)	32	57	25
Solicitor to the Council	376	315	(61)	713	723	10
Director of Transformation & Corporate Performance	640	644	4	280	322	42
Director of Communities, Planning & Partnerships	1,078	935	(143)	2,957	2,953	(4)
Director of Housing & Health	229	221	(8)	1,144	1,136	(8)
Director of Assets & Environment	1,655	1,476	(179)	3,014	3,008	(6)
Total	6,674	5,641	(1,033)	9,132	8,996	(136)

- The General Fund has a favourable variance against budget at Period 6 of £1.03m (£971k at period 5).
- The projected full year position identifies a projected favourable variance against budget of £136k or 1.49% (£68k or 0.74% unfavourable reported at period 5)

- This projection has highlighted several budget areas for concern (detailed at **APPENDIX A**). On-going investigations into these areas have been initiated to mitigate the levels of the deficit.
- A balance of £85k was held in the General Contingency Budget at the end of September 2014.

Capital

GENERAL FUND	YTD Budget £000	YTD Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile £000	Outturn £000
Director of Technology & Corporate Programmes	98	43	(55)	123	123	-	-	-
Director of Transformation & Corporate Performance	30	-	(30)	30	30	-	-	-
Director of Communities, Planning & Partnerships	1,786	137	(1,649)	3,005	296	(2,709)	330	(2,379)
Director of Housing & Health	162	162	-	162	72	(90)	90	-
Director of Assets & Environment	340	235	(105)	687	609	(78)	-	(78)
Contingency	315	-	(315)	340	-	(340)	340	-
TOTAL GENERAL FUND	2,731	577	(2,154)	4,347	1,130	(3,217)	760	(2,457)

- Capital expenditure incurred was £0.58m (£0.56m reported at period 5) compared to a profiled budget of £2.73m (£2.48m reported at period 5).
- It is predicted that £1.13m will be spent by the year-end (£4.12m reported at period 5) compared to a full year budget of £4.35m (this includes re-profiled schemes from 2013/14 of £1.365m). There is a projected requirement to re-profile £760k of spend into 2015/16.
- A summary of Capital expenditure is shown at **APPENDIX B**.

Treasury Management

- At the end of September 2014 the Authority had £31.30m invested in the money markets (excluding the £1.278m which is classified as sums at risk invested in Icelandic Banks). The average rate of return on these investments is 0.56% though this may change if market conditions ease. At this point it is anticipated that our investments will earn approximately £185k compared to the budgeted figure of £189k, an unfavourable variance of £4k.
- Borrowing by the Authority stood at £65.060m at the end of September 2014, all being long term loans from the Treasury Public Works Loans Board. The average rate payable on these borrowings equates to 4.47%. At this point it is anticipated that our interest payments will be £2.911m which is no variance to budget.
- A more detailed summary of the Treasury Management situation, detailing our current Lending and Borrowings together with the situation with our Icelandic investments, can be found at **APPENDIX C**.

Balances

Balances on General Fund are projected to be in the region of £3.509m at the year-end from normal revenue operations (£3.305m reported at period 5) compared to £3.231m projected within the 2014/15 budget report – an increase of £278k

Housing Revenue Account (HRA)

Revenue

HOUSING REVENUE ACCOUNT	YTD Budget £000	YTD Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000
Director of Housing & Health	1,491	1,336	(155)	3,989	3,961	(28)
Director of Assets & Environment	(83)	(91)	(8)	-	(5)	(5)
HRA Summary	(7,014)	(7,751)	(737)	(3,004)	(3,116)	(112)
Total	(5,606)	(6,506)	(900)	985	840	(145)

94 The HRA has a favourable variance against budget at Period 6 of £900k (£987k reported at period 5).

• The projected full year position identifies a favourable variance against budget of £145k (£22k reported at period 5). Individual significant budget areas reflecting the variance are detailed at **APPENDIX A**.

Capital

HOUSING REVENUE ACCOUNT	YTD Budget £000	YTD Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile £000	Outturn £000
Director of Housing & Health	1,591	1,158	(433)	2,612	2,612	-	-	-
Director of Assets & Environment	1,519	1,523	4	4,774	4,723	(51)	-	(51)
HRA Contingency	50	-	(50)	100	-	(100)	-	(100)
TOTAL HOUSING REVENUE ACCOUNT	3,160	2,681	(479)	7,486	7,335	(151)	-	(151)

- Housing Capital expenditure of £2.68m (£2.38m reported at period 5) has been incurred as at the end of Period 6 compared to a profiled budget of £3.16m (£2.79m reported at period 5).
- It is predicted that £7.34m will be spent by the year-end (£7.39m reported at period 5) compared to the full year budget of £7.49m (including £1.483m re-profiled from 2013/14);
- A summary of Capital expenditure is shown at **APPENDIX B**.

Balances

- Balances on the Housing Revenue Account are projected to be in the region of £4.641m at the year-end (£4.518m reported at period 5) compared to £4.314m projected within the 2014/15 budget report – additional balances of £327k.

APPENDIX A

General Fund – Main Variances

Cost Centre	Account Code	Year To Date Position Sub Total	Year To Date Position Budget	Year To Date Position Variance	Full Year Position Budget	Full Year Position Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
Development Control	Fees & Charges Planning App	(131,465)	(64,980)	(66,485)	(130,000)	(50,000)	(180,000)	Income is well above profiled budget to date. There is potential for further large planning applications.
Golf Course (In House)	Salaries	20,256	46,560	(26,304)	93,120	(72,000)	21,120	Following a decision made by Cabinet on 11th September the golf course closed on 30th September in order to manage the financial risk.
Golf Course (In House)	Payments For Temporary Staff	23,997	0	23,997	0	26,500	26,500	
Golf Course (In House)	Refund Of Fees	30,095	0	30,095	0	21,500	21,500	Following a decision made by Cabinet on 11th September the golf course closed on 30th September in order to manage the financial risk. Membership fees received in advance have been refunded
Golf Course (In House)	Green Fees - 18 Hole	(37,141)	(55,000)	17,859	(65,260)	28,120	(37,140)	Following a decision made by Cabinet on 11th September the golf course closed on 30th September in order to manage the financial risk.
Golf Course (In House)	Green Fees - 9 Hole	(26,789)	(70,000)	43,211	(80,230)	53,440	(26,790)	
Golf Course (In House)	Green Fees - 5 Day Season	(15,393)	(23,000)	7,607	(26,230)	10,850	(15,380)	
Golf Course (In House)	7 Day Season	(27,886)	(32,000)	4,114	(35,040)	7,160	(27,880)	
Golf Course (Maintenance Of Grounds)	Salaries	28,672	33,480	(4,808)	66,960	(37,960)	29,000	
Golf Course (Maintenance Of Grounds)	Equipment Hire	15,775	23,770	(7,995)	38,500	(20,500)	18,000	Following a decision made by Cabinet on 11th September the golf course closed on 30th September.

Cost Centre	Account Code	Year To Date Position Sub Total	Year To Date Position Budget	Year To Date Position Variance	Full Year Position Budget	Full Year Position Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
Assembly Rooms Bar	Bar Sales	(19,727)	(30,000)	10,273	(59,230)	24,230	(35,000)	Savings will be identified from elsewhere to mitigate this.
Arts Development	Contribution To Reserves	39,000	0	39,000	0	39,000	39,000	Reserve will be requested to enable funding received from the Arts Council to be used during 2015/16
Arts Development	Government Grants	(39,000)	0	(39,000)	0	(39,000)	(39,000)	Unbudgeted income. Successful bid for funding by the Arts Council. It is likely that most of the grant will be used in 2015/2016 to deliver various Arts Projects.
Commercial Property Management	Rents	(975,070)	(952,000)	(23,070)	(1,641,000)	(39,000)	(1,680,000)	Based on current occupancy levels - situation will be closely monitored throughout the year. This additional income will be used to offset the under recovery of income on Marmion House.
Industrial Properties	Rents	(461,625)	(458,000)	(3,625)	(675,000)	(22,000)	(697,000)	Based on current occupancy levels - situation will be closely monitored throughout the year. This additional income will be used to offset reduced income on Marmion House,
Marmion House	Rents	(45,864)	(52,880)	7,016	(75,170)	14,000	(61,170)	Additional income expected through Agile Working Project which is subject to on-going negotiations. This will be offset by the increase in commercial rents.

Cost Centre	Account Code	Year To Date Position Sub Total	Year To Date Position Budget	Year To Date Position Variance	Full Year Position Budget	Full Year Position Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
Marmion House	Contribution-Common Services	0	0	0	(121,790)	45,000	(76,790)	Additional income expected through Agile Working Project which is subject to on-going negotiations.
Public Conveniences	Salaries	22,925	23,280	(355)	46,550	6,000	52,550	The figures do not include any associated Service Review costs. These should be known by the 3rd quarter report as it is anticipated that all Service Review recruitments will be completed by end of November.
Public Spaces	Vacancy Allowance	0	(29,760)	29,760	(59,470)	59,470	0	Vacancy allowance overspent as full or nearly full establishment of staff.
TBC Highways Maintenance	Maintenance Highway Related Assets	51,933	51,300	633	102,540	0	102,540	Estimated figures from County limited to end of June.
TBC Highways Maintenance	Maintenance Of Water Courses	1,225	17,400	(16,175)	34,780	0	34,780	
TBC Highways Maintenance	Contribution To Reserves	54,232	0	54,232	0	0	0	Any underspends on this cost centre will be transferred to the A5 Balancing Ponds retained fund at the year end.
TBC Highways Maintenance	Maintenance Of Roads (HRA)	0	23,160	(23,160)	46,320	0	46,320	Estimated figures from County limited to end of June.
TBC Highways Maintenance	Management Agreement	25,860	36,600	(10,740)	73,170	0	73,170	

Cost Centre	Account Code	Year To Date Position Sub Total	Year To Date Position Budget	Year To Date Position Variance	Full Year Position Budget	Full Year Position Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
Street Wardens	Salaries	170,260	173,520	(3,260)	347,020	(6,300)	340,720	The figures do not include any associated Service Review costs. These should be known by the 3rd quarter report as it is anticipated that all Service Review recruitments will be completed by end of November.
CCTV	Salaries	180,458	187,200	(6,742)	374,380	(11,000)	363,380	
Joint Waste Arrangement	Specific Contingency	0	34,150	(34,150)	34,150	(34,150)	0	Specific contingency budget not expected to be used - budgets will be monitored closely throughout the year.
Corporate Finance	Pensions	264,890	313,990	(49,100)	313,990	(49,100)	264,890	2014/15 saving arising from pre-payment of pension lump sum.
Corporate Finance	Specific Contingency	0	0	0	85,000	(50,000)	35,000	Cabinet approved 31st July £15k re ICT Members Laptops, £50k underspends projected.
Corporate Finance	Vacancy Allowance	0	0	0	50,000	(50,000)	0	Offsetting budgeted savings target on service cost centres.
Corporate Finance	Contribution To Reserves	0	0	0	150,000	11,000	161,000	Increased contribution to NNDR Collection reserve due to higher Section 31 grant level forecast Qtr2
Corporate Finance	NNDR Levy Payments	(355,528)	0	(355,528)	145,080	162,000	307,080	Increased levy contribution due to higher Section 31 grant level forecast Qtr. 2 (50% levy)

Cost Centre	Account Code	Year To Date Position Sub Total	Year To Date Position Budget	Year To Date Position Variance	Full Year Position Budget	Full Year Position Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
Corporate Finance	Government Grants	(208,390)	0	(208,390)	(150,000)	(173,000)	(323,000)	Higher Section 31 grant level forecast at Qtr2 (offset by increased levy & contribution to NNDR Reserve)
Benefits	Rent Allowances	5,634,412	5,217,250	417,162	11,222,320	(749,530)	10,472,790	Based on DWP claim @ P6
Benefits	Council Tenant Rent Rebates	5,665,992	5,652,480	13,512	11,540,740	(530,651)	11,010,089	
Benefits	Council Tenant Grant	(5,535,222)	(5,560,080)	24,858	(11,351,700)	502,666	(10,849,034)	
Benefits	Private Tenant Grant	(5,477,454)	(5,106,540)	(370,914)	(10,984,660)	769,208	(10,215,452)	
Benefits	Discretionary Housing Payment Grant	(37,684)	0	(37,684)	0	(37,684)	(37,684)	DHP Grant rec'd to date
Benefits	Overpayment Private Tenant	(244,766)	(167,640)	(77,126)	(335,310)	(154,222)	(489,532)	Based on e-Fins @ P6
Benefits	Overpayment Council Tenant	(166,724)	(148,560)	(18,164)	(297,120)	(36,328)	(333,448)	
Benefits	PT Overpayment Recovery	37,966	0	37,966	0	75,932	75,932	
Benefits	Ct Overpayment Recovery	49,338	0	49,338	0	98,676	98,676	
Benefits Administration	Vacancy Allowance	0	(15,360)	15,360	(30,740)	30,740	0	Vacancy Allowance Savings Target

Housing Revenue Account – Main Variances

Cost Centre	Account Code	Year To Date Position Sub Total	Year To Date Position Budget	Year To Date Position Variance	Full Year Position Budget	Full Year Position Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
H R A Summary	Contribution To Repairs A/C	1,763,278	2,058,780	(295,502)	4,117,600	0	4,117,600	Multiple contracts of which the Planned Maintenance is currently £72K underspent and the responsive repairs contract is currently £121K underspent.
H R A Summary	Provision For Bad Debts	126,576	470,000	(343,424)	470,000	0	470,000	Budget increased due to potential impact of welfare reforms and escalation of arrears. There is still a very real potential as we prepare for Universal Credit but presently bad debt is being contained by robust and effective arrears recovery management.
H R A Summary	Rents	(9,536,731)	(9,459,739)	(76,992)	(18,162,700)	(95,000)	(18,257,700)	Rent income is currently exceeding budget due to void levels being lower than budgeted. However the forecast is reducing month on month due to right to buy sales and properties being vacated pending demolition prior to regeneration.

APPENDIX B

Capital Programme Monitoring

GENERAL FUND	YTD Budget £000	YTD Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile £000	Outturn £000	Comments
Director of Technology & Corporate Programmes									
Replacement It Technology	20	14	(6)	20	20	-	-	-	£14k for corporate radios project & remaining budget to be utilised in support of agile working
EDRMS (Electronic Document Records Management System)	54	29	(25)	79	79	-	-	-	Corporate roll-out of EDRMS progressing
Gazetteer Development	24	-	(24)	24	24	-	-	-	Linked to CRM/agile working projects
TOTAL	98	43	(55)	123	123	-	-	-	-
Director of Transformation & Corporate Performance									
Website	22	-	(22)	22	22	-	-	-	Budget will be required for improvements linked to website and Infozone
HR / Payroll System	7	-	(7)	7	7	-	-	-	Budget earmarked for development of the HR side of the system
TOTAL	30	-	(30)	30	30	-	-	-	-
Director of Communities, Planning & Partnerships									
Castle HLF	90	58	(32)	90	72	(18)	-	(18)	Scheme completed Sept 30 final claim to be submitted to HLF
Assembly Rooms Development	1,238	79	(1,159)	2,432	71	(2,361)	-	(2,361)	Phase 1 nearly complete. As a report on final options to be submitted to Cabinet in January 2015 and a new capital bid will be submitted for the 2015/16 Programme. The 2014/15 budget will be underspent and funds returned to balances.
GENERAL FUND	YTD Budget £000	YTD Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile £000	Outturn £000	Comments
Castle Mercian Trail	350	-	(350)	350	20	(330)	330	-	Outcome of Bid to HLF expected Dec 2014. Will need to reprofile approx. £330k to 2015/16

Gateways	108	-	(108)	133	133	-	-	-	Delay in the delivery of the scheme due to the County timescales.
TOTAL	1,786	137	(1,649)	3,005	296	(2,709)	330	(2,379)	-
Director of Housing & Health	-	-	-	-	-	-	-	-	-
Private Sector Coalfields Fund	162	162	-	162	72	(90)	90	-	Waterloo scheme progressing well working with HCA. Grants to be reviewed Jan - Mar so will need to reprofile approx. £90k funding to 2015/16
TOTAL	162	162	-	162	72	(90)	90	-	-
Director of Assets & Environment	-	-	-	-	-	-	-	-	-
Disabled Facilities Grant	230	202	(28)	405	405	-	-	-	Sufficient works identified to take up full budget. Current waiting lists indicate a shortfall of approx. £200k. The shortfall will increase as more grant applications are received.
CCTV Camera Renewals	9	5	(4)	17	17	-	-	-	Enhancements and upgrades to existing equipment
Street scene Service Delivery Enhancements	30	-	(30)	30	30	-	-	-	Delays in the full implementation of the new CRM system - future agile service delivery dependant on delivery of scheme.
Designate New Cemetery Land	21	22	1	21	21	-	-	-	Scheme nearly complete awaiting final snagging and project sign off before final bills can be paid
Repair To River Bank Castle PG	4	-	(4)	4	4	-	-	-	To be included in Gateway Project
Marmion House Agile Working	39	-	(39)	78	-	(78)	-	(78)	Project to be included in a new capital scheme for 2015/16 programme.
Broad meadow Nature Reserve	-	6	6	125	125	-	-	-	Tender for works likely to be awarded October works to start November
GENERAL FUND	YTD Budget £000	YTD Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile £000	Outturn £000	Comments
BMX Track	7	-	(7)	7	7	-	-	-	Balance of external funding held for future capital works / needs
TOTAL	340	235	(105)	687	609	(78)	-	(78)	-
GF Contingency	25	-	(25)	50	-	(50)	50	-	No spend anticipated - to be reprofiled and included in 2015/16 Capital Programme.
Contingency-Return On Investment	160	-	(160)	160	-	(160)	160	-	-

Psig-HRA	130	-	(130)	130	-	(130)	130	-	Cabinet Nov 2013 approved use for Works in Default Scheme. Details of scheme being worked up likely to slip into 2015/16.
TOTAL	315	-	(315)	340	-	(340)	340	-	-
GENERAL FUND TOTAL	2,731	577	(2,154)	4,347	1,130	(3,217)	760	(2,457)	-

HOUSING REVENUE ACCOUNT	YTD Budget £000	YTD Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile £000	Outturn £000	Comments
Director of Housing & Health	-	-	-	-	-	-	-	-	-
Gas Cent Heating Upgrade & Renewals 2012	400	806	406	749	749	-	-	-	Anticipate full spend at year end
Gas Heating Belgrave	-	-	-	319	319	-	-	-	Gas now installed by external contractor to most properties, work on installation of heating systems can now begin. Works likely to start October and be completed by year end.
Carbon Monoxide Detectors	-	-	-	102	102	-	-	-	Properties currently being assessed with a view to creating a replacement programme. Works likely to start on site December.
Tinkers Green Project	320	308	(12)	531	531	-	-	-	Demolition works well under way and due for completion mid-September. Phase 2 of decant now underway.
Kerria Estate Project	535	44	(491)	574	574	-	-	-	Project focus initially on Tinkers Green
Regeneration General	336	-	(336)	336	336	-	-	-	-
TOTAL	1,591	1,158	(433)	2,612	2,612	-	-	-	-
HOUSING REVENUE ACCOUNT	YTD Budget £000	YTD Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile £000	Outturn £000	Comments
Director of Assets & Environment	-	-	-	-	-	-	-	-	-
Structural Works	60	39	(21)	110	110	-	-	-	Insufficient budget to complete all identified works, some work will have to be deferred until 2015/16.
Bathroom Renewals 2012	426	361	(65)	851	851	-	-	-	Anticipate full spend at year end.
Kitchen Renewals 2012	510	359	(151)	1,019	1,019	-	-	-	Anticipate full spend at year end.

High Rise Lift Renewals 2012	-	-	-	393	393	-	-	-	New contract likely to start winter 2014
Fire Upgrades To Flats 2012	-	-	-	553	553	-	-	-	Works due to commence final quarter of 2014
Enhancements To Flats 2012	-	(1)	(1)	-	-	-	-	-	-
Thomas Hardy Court Heating Replacement	-	-	-	500	500	-	-	-	Works commenced early October and due for completion in January 15
Roofing High-Rise 2012	-	30	30	43	43	-	-	-	Works to commence late summer/autumn 2014
Roofing Overhaul & Renewal 2012	73	60	(13)	147	147	-	-	-	Sufficient work identified to take up full spend at year-end
Fencing/Boundary Walls 2012	32	32	-	32	32	-	-	-	Project complete
Window & Door Renewals 2012	-	194	194	286	286	-	-	-	Area based programme, sufficient work identified to take up full spend at year-end.
High Rise Balconies	-	-	-	60	60	-	-	-	Scheme in development and likely to require some additional works due to structural report. Not likely to commence until final quarter of 2014/15.
External and Environmental Works	154	91	(63)	353	353	-	-	-	Works on site, sufficient work identified to take up full spend. New schemes identified by TCG will be deferred until 2015/16.
Disabled Adaptations	102	193	91	205	205	-	-	-	There will be insufficient budget to fund the current waiting list. Some works will have to be deferred until 2015/16
Capital Salaries 2012	162	157	(5)	162	162	-	-	-	-
HOUSING REVENUE ACCOUNT	YTD Budget £000	YTD Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile £000	Outturn £000	Comments
CDM Fees 2012	-	9	9	10	10	-	-	-	Tendered fee will be due in full at year end.
HRA Agile Working	-	-	-	51	-	(51)	-	(51)	Project to be included in a new capital scheme for 2015/16 programme.
TOTAL	1,519	1,523	4	4,774	4,723	(51)	-	(51)	-
HRA Contingency	50	-	(50)	100	-	(100)	-	(100)	-
TOTAL	50	-	(50)	100	-	(100)	-	(100)	-
HOUSING REVENUE ACCOUNT TOTAL	3,160	2,681	(479)	7,486	7,335	(151)	-	(151)	-

APPENDIX C

Treasury Management Update – Period 6 - 2014/15

Investments held as at 30th September 2014:

Borrower	Deposit £m	Rate %	From	To	Notice
Lloyds TSB	2.00	0.98	01/11/2013	31/10/2014	-
Lloyds TSB	1.00	0.98	11/11/2013	10/11/2014	-
Lloyds TSB	1.00	0.98	02/10/2013	01/10/2014	-
Bank of Scotland	2.00	0.95	12/02/2014	11/02/2015	-
Nationwide	1.00	0.50	07/08/2014	07/11/2014	-
Nationwide	2.00	0.64	08/07/2014	08/01/2015	-
Nationwide	1.00	0.64	15/07/2014	15/01/2015	-
Barclays	2.00	0.48	01/08/2014	03/11/2014	-
Barclays	1.00	0.48	05/09/2014	05/12/2014	-
Barclays	1.00	0.61	05/09/2014	05/03/2015	-
Standard Chartered	2.00	0.56	02/04/2014	02/10/2014	-
Coventry	2.00	0.41	02/09/2014	02/10/2014	-
Coventry	2.00	0.41	05/09/2014	06/10/2014	-
Coventry	1.00	0.41	16/09/2014	20/10/2014	-
Santander	4.00	0.40	-	-	On call
MMF - PSDF	4.00	0.38*	-	-	On call
MMF – IGNIS	3.30	0.42*	-	-	On call
Total	31.30	0.56 (avg)			

* Interest rate fluctuates daily dependant on the funds investment portfolio, rate quoted is approximate 7 day average.

External Borrowing as at 30th September 2014:

<u>Borrowing from PWLB</u>				
<u>Loan Number</u>	<u>Rate</u>	<u>Principal</u>	<u>Start</u>	<u>Maturity</u>
468372	11.625%	1,000,000	29/03/1990	18/08/2015
468478	11.750%	2,000,000	23/04/1990	18/02/2017
475875	8.875%	1,200,000	29/04/1995	25/04/2055
478326	8.000%	1,000,000	17/10/1996	17/10/2056
479541	7.375%	1,000,000	28/05/1997	28/05/2057
479950	6.750%	2,000,000	02/10/1997	03/09/2057
481087	5.625%	3,000,000	22/06/1998	22/06/2058
481641	4.500%	1,400,000	09/10/1998	09/10/2058
483694	4.875%	92,194	21/12/1999	18/10/2059
484204	5.125%	2,000,000	20/04/2000	18/10/2015
488835	5.000%	2,000,000	01/07/2004	01/07/2034
490815	4.250%	1,000,000	24/11/2005	24/05/2031
494265	4.430%	2,000,000	21/01/2008	01/01/2037
494742	4.390%	700,000	15/08/2008	15/08/2058
500759	3.520%	5,000,000	28/03/2012	28/03/2053
500758	3.510%	5,000,000	28/03/2012	28/03/2054
500757	3.510%	5,000,000	28/03/2012	28/03/2055
500761	3.510%	5,000,000	28/03/2012	28/03/2056
500755	3.500%	5,000,000	28/03/2012	28/03/2057
500756	3.500%	3,000,000	28/03/2012	28/03/2058
500753	3.500%	1,000,000	28/03/2012	28/03/2059
500760	3.490%	5,000,000	28/03/2012	28/03/2060
500762	3.490%	5,000,000	28/03/2012	28/03/2061
500754	3.480%	5,668,000	28/03/2012	28/03/2062
Total		65,060,194		

ICELANDIC BANKING SITUATION AS AT 30/09/2014

	Deposit with;	Ref Number	Date Invested	Amount	%
1	GLITNIR	1696	10/10/2007	1,000,000	
	GLITNIR	1715	31/08/2007	1,000,000	
	GLITNIR	1754	14/12/2007	1,000,000	
	Total Principal			3,000,000	
	Estimated of Contractual or Interest due to point of administration (subject to currency exchange rate fluctuations)			155,000	
	Total of Claim			3,155,000	
	Repayments Received to date			(2,554,432)	* 80.96
	Outstanding at 30/09/2014			600,568	**

*Partial repayment received on the 15th March 2012 in GBP/EUR/USD/NOK. The balance is currently being held in Icelandic Krone (ISK). Release of these funds is dependent on a change in Icelandic Law which currently does not allow the distribution of ISK ou

- Best case recovery 100%

2	Heritable Bank	1802	12/09/2008	500,000	
	Heritable Bank	1803	15/09/2008	1,000,000	
	Total Principal			1,500,000	
	Interest due at point of administration 07/10/2008			5,127	
	Total of Claim			1,505,127	
	Repayments Received to date			(1,415,080)	94.02
	Outstanding at 30/09/2014			90,047	

- Final recovery received of 94.02% (declared 23/08/13, though Administrators are retaining a contingency for disputed claims that could be distributed at a later date).

3	Singer & Friedlander	1716	31/08/2007	1,000,000	
	Singer & Friedlander	1740	31/10/2007	1,000,000	
	Singer & Friedlander	1746	14/01/2008	1,000,000	
	Total Principal			3,000,000	
	Interest due at point of administration 08/10/2008			175,256	
	Total of Claim			3,175,256	
	Repayments Received to date			(2,587,833)	81.50
	Outstanding at 30/09/2014			587,423	

- Current indications project an 85.25% recovery of our investments

Summary					
	Total Principal			7,500,000	
	Interest			335,383	
	Total of Claim			7,835,383	
	Repayments Received to date			(6,557,346)	83.69
	Outstanding at 30/09/2014			1,278,038	

1 Registered Bank in Iceland - In Administration under Icelandic Law

2 Registered Bank in UK - In Administration in UK by Ernst & Young Under English Law

3 Registered Bank in UK - In Administration in UK by Ernst & Young Under English Law

THURSDAY, 27 NOVEMBER 2014

REPORT OF THE PORTFOLIO HOLDER FOR OPERATIONS AND ASSETS**TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY MID-YEAR REVIEW REPORT 2014/15****EXEMPT INFORMATION**

None

PURPOSE

To present to Members the Mid-year review of the Treasury Management Strategy Statement and Annual Investment Strategy.

RECOMMENDATIONS

That Cabinet recommend Council:

Accept the Treasury Management Strategy Statement and Annual Investment Strategy Mid-year Review Report 2014/15.

EXECUTIVE SUMMARY

This mid-year report has been prepared in compliance with CIPFA's Code of Practice, and covers the following

- An economic update for the first six months of 2014/15;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's Capital Position (Prudential Indicators);
- A review of the Council's investment portfolio for 2014/15;
- A review of the Council's borrowing strategy for 2014/15;
- A review of any debt rescheduling undertaken during 2014/15;
- Icelandic Banking Situation;
- A review of compliance with Treasury and Prudential Limits for 2014/15.

The main issues for Members to note are:

1. The Council has complied with the professional codes, statutes and guidance.
2. There are no issues to report regarding non-compliance with the approved prudential indicators.
3. The investment portfolio yield for the first six months of the year is 0.56% (0.87% for the same period in 2013/14) compared to the 3 Month LIBID benchmark rate of 0.42% (0.38% for the same period in 2013/14). This excludes all investments currently classified as 'At Risk' in the former Icelandic Banking institutions.
4. Following the withdrawal of the Co-operative Bank from Local Authority banking service provision, the Council retendered for its banking services in June 2014. Following the competitive tender process, the new contract was awarded to Lloyds Bank Ltd, and the provision of service by them commenced on the 1st November 2014.

The aim of this report is to inform Members of the treasury and investment management issues to enable all Members to have ownership and understanding when making decisions on Treasury Management matters. In order to facilitate this, training on Treasury Management issues has been delivered for Members in February and October 2010, September 2011 and February 2014.

RESOURCE IMPLICATIONS

All financial resource implications are detailed in the body of this report which links to the Council's Medium Term Financial Strategy.

LEGAL/RISK IMPLICATIONS BACKGROUND

Risk is inherent in Treasury Management and as such a risk based approach has been adopted throughout the report with regard to Treasury Management processes.

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

The Chartered Institute of Public Finance and Accountancy (CIPFA) issued its revised Code of Practice for Treasury Management in November 2009 (revised 2011) following consultation with Local Authorities during that summer. The revised Code suggests that members should be informed of Treasury Management activities at least twice a year, but preferably quarterly.

This is the second monitoring report for 2014/15 presented to Members this year and therefore ensures this Council is embracing Best Practice in accordance with CIPFA's revised Code of Practice. Cabinet also receive regular monitoring reports as part of the quarterly health check on Treasury Management activities and risks.

The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the Treasury Management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering maximising investment return.

The second main function of the Treasury Management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

Treasury Management is defined as:

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks. "

1. Introduction

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised November 2011) was adopted by this Council on 13th December 2012.

The primary requirements of the Code are as follows:

Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's Treasury Management activities.

Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.

Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a **Mid-year Review Report** and an Annual Report (stewardship report) covering activities during the previous year.

Delegation by the Council of responsibilities for implementing and monitoring Treasury Management policies and practices and for the execution and administration of Treasury Management decisions.

Delegation by the Council of the role of scrutiny of Treasury Management strategy and policies to a specific named body. For this Council the delegated body is the Audit and Governance Committee.

This mid-year report has been prepared in compliance with CIPFA's Code of Practice, and covers the following:

- An economic update for the first six months of 2014/15;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's Capital Position (Prudential Indicators);
- A review of the Council's investment portfolio for 2014/15;
- A review of the Council's borrowing strategy for 2014/15;
- A review of any debt rescheduling undertaken during 2014/15;
- Icelandic Banking Situation;
- A review of compliance with Treasury and Prudential Limits for 2014/15.

2 Economic Update

2.1 Economic performance to date

2.1.1 U.K.

After strong UK GDP quarterly growth of 0.7%, 0.8% and 0.7% in quarters 2, 3 and 4 respectively in 2013, (2013 annual rate 2.7%), and 0.7% in Q1, 0.9% in Q2 and a first estimate of 0.7% in Q3 2014 (annual rate 3.1% in Q3), it appears very likely that strong growth will continue through 2014 and into 2015 as forward surveys for the services and construction sectors, are very encouraging and business investment is also strongly recovering. The manufacturing sector has also been encouraging though the latest figures indicate a weakening in the future trend rate of growth. However, for this recovery to become more balanced and sustainable in the longer term, the recovery needs to move away from dependence on consumer expenditure and the housing market to exporting, and particularly of manufactured goods, both of which need to substantially improve on their recent lacklustre performance. This overall strong growth has resulted in unemployment falling much faster through the initial threshold of 7%, set by the Monetary Policy Committee (MPC) last August, before it said it would consider any increases in Bank Rate. The MPC has, therefore, subsequently broadened its forward guidance by adopting five qualitative principles and looking at a much wider range of about eighteen indicators in order to form a view on how much slack there is in the economy and how quickly slack is being used up. The MPC is particularly concerned that the current squeeze on the disposable incomes of consumers should be reversed by wage inflation rising back above the level of inflation in order to ensure that the recovery will be sustainable. There also needs to be a major improvement in labour productivity, which has languished at dismal levels since 2008, to support increases in pay rates. Most economic forecasters are expecting growth to peak in 2014 and then to ease off a little,

though still remaining strong, in 2015 and 2016. Unemployment is therefore expected to keep on its downward trend and this is likely to eventually feed through into a return to significant increases in pay rates at some point during the next three years. However, just how much those future increases in pay rates will counteract the depressive effect of increases in Bank Rate on consumer confidence, the rate of growth in consumer expenditure and the buoyancy of the housing market, are areas that will need to be kept under regular review.

Also encouraging has been the sharp fall in inflation (CPI), reaching 1.2% in September, the lowest rate since 2009. Forward indications are that inflation is likely to fall further in 2014 to possibly 1%. Overall, markets are expecting that the MPC will be cautious in raising Bank Rate as it will want to protect heavily indebted consumers from too early an increase in Bank Rate at a time when inflationary pressures are also weak.

A first increase in Bank Rate is therefore expected in Q2 2015 and they expect increases after that to be at a slow pace to lower levels than prevailed before 2008 as increases in Bank Rate will have a much bigger effect on heavily indebted consumers than they did before 2008.

The return to strong economic growth has also helped lower forecasts for the increase in Government debt (by £73bn over the next five years) compared to that projected in the 2013 Autumn Statement. It also lowers the Government forecast debt by an additional £24bn compared to that announced in the March 2014 Budget.

The March Budget also projected a return to a significant budget surplus (£5bn in 2018-19) though monthly public sector deficit figures have so far disappointed in 2014/15.

2.1.2 U.S.

In September, the Federal Reserve continued with its monthly \$10bn reduction in asset purchases, which started in December 2013. Asset purchases fell from \$85bn to \$15bn and ended on 29th October 2014. First quarter GDP figures for the US were depressed by exceptionally bad winter weather, but growth rebounded very strongly in Q2 to 4.6% (annualised).

The U.S. faces similar debt problems to those of the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth, although the weak labour force participation rate remains a matter of key concern for the Federal Reserve when considering the amount of slack in the economy and monetary policy decisions.

2.1.3 Eurozone

The Eurozone is facing an increasing threat from weak or negative growth and from deflation. In September, the inflation rate fell further, to reach a low of 0.3%. However, this is an average for all EZ countries and includes some countries with negative rates of inflation. Accordingly, the ECB took some rather limited action in June to loosen monetary policy in order to promote growth. In September it took further action to cut its benchmark rate to only 0.05%, its deposit rate to -0.2% and to start a programme of purchases of corporate debt. However, it has not embarked yet on full quantitative easing (purchase of sovereign debt).

Concern in financial markets for the Eurozone subsided considerably during 2013. However, sovereign debt difficulties have not gone away and major issues could return in respect of any countries that do not dynamically address fundamental issues of low growth, international un-competitiveness and the need for overdue reforms of the economy, (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise for some countries. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed.

2.1.4 China and Japan

Japan is causing considerable concern as the increase in sales tax in April has suppressed consumer expenditure and growth. In Q2 growth was -1.8% q/q and -7.1% over the previous year. The Government is hoping that this is a temporary blip. As for China, Government action in 2014 to stimulate the economy appeared to be putting the target of 7.5% growth within achievable reach but recent data has raised fresh concerns. There are also major concerns as to the creditworthiness of much bank lending to corporates and local government during the post 2008 credit expansion period and whether the bursting of a bubble in housing prices is drawing nearer.

2.2 Interest Rate Forecasts

The Council’s treasury advisor, Capita Asset Services, has provided the following forecast:

	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Bank rate	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%	1.75%	2.00%	2.25%	2.50%
5yr PWLB rate	2.50%	2.70%	2.70%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.50%	3.50%	3.50%	3.50%
10yr PWLB rate	3.20%	3.40%	3.50%	3.60%	3.70%	3.80%	3.90%	4.00%	4.10%	4.10%	4.20%	4.20%	4.30%	4.30%
25yr PWLB rate	3.90%	4.00%	4.10%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.80%	4.90%	4.90%	5.00%
50yr PWLB rate	3.90%	4.00%	4.10%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.80%	4.90%	4.90%	5.00%

Capita Asset Services undertook a review of its interest rate forecasts on 24 October. During September and October, a further rise in geopolitical concerns, principally over Ukraine but also over the Middle East, plus fears around Ebola and an accumulation of dismal growth news in most of the ten largest economies of the world and also on the growing risk of deflation in the Eurozone, had sparked a flight from equities into safe havens like gilts and depressed PWLB rates. However, there is much volatility in rates as news ebbs and flows in negative or positive ways. This latest forecast includes a first increase in Bank Rate in quarter 2 of 2015.

PWLB forecasts are based around a balance of risks. However, there are potential upside risks, especially for longer term PWLB rates, as follows: -

- A further surge in investor confidence that robust world economic growth is firmly expected, causing a flow of funds out of bonds and into equities.
- UK inflation being significantly higher than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

Downside risks currently include:

- The situation over Ukraine poses a major threat to EZ and world growth if it was to deteriorate into economic warfare between the West and Russia where Russia resorted to using its control over gas supplies to Europe.
- Fears generated by the potential impact of Ebola around the world
- UK strong economic growth is currently mainly dependent on consumer spending and the potentially unsustainable boom in the housing market. The boost from these sources is likely to fade after 2014.
- A weak rebalancing of UK growth to exporting and business investment causing a weakening of overall economic growth beyond 2014.
- Weak growth or recession in the UK's main trading partner - the EU, inhibiting economic recovery in the UK.
- A return to weak economic growth in the US, UK and China causing major disappointment in investor and market expectations.
- A resurgence of the Eurozone sovereign debt crisis caused by on-going deterioration in government debt to GDP ratios to the point where financial markets lose confidence in the financial viability of one or more countries and in the ability of the ECB and Eurozone governments to deal with the potential size of the crisis.
- Recapitalisation of European banks requiring more government financial support.
- Lack of support by populaces in Eurozone countries for austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.
- Italy: the political situation has improved but it remains to be seen whether the new government is able to deliver the austerity programme required and a programme of overdue reforms. Italy has the third highest government debt mountain in the world.
- France: after being elected on an anti-austerity platform, President Hollande has embraced a €50bn programme of public sector cuts over the next three years. However, there could be major obstacles in implementing this programme. Major overdue reforms of employment practices and an increase in competitiveness are also urgently required to lift the economy out of stagnation.
- Monetary policy action failing to stimulate sustainable growth in western economies, especially the Eurozone and Japan.
- Heightened political risks in the Middle East and East Asia could trigger safe haven flows back into bonds.
- There are also increasing concerns at the reluctance of western central banks to raise interest rates significantly for some years, plus the huge QE measures

which remain in place (and may be added to by the ECB in the near future). This has created potentially unstable flows of liquidity searching for yield and, therefore, heightened the potential for an increase in risks in order to get higher returns. This is a return to a similar environment to the one which led to the 2008 financial crisis.

3 Treasury Management Strategy Statement and Annual Investment Strategy Update

The Treasury Management Strategy Statement (TMSS) for 2014/15 was approved by Council on 25th February 2014.

There are no policy changes to the TMSS; the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

4 The Council's Capital Position (Prudential Indicators)

This part of the report is structured to update:

- The Council's capital expenditure plans;
- How these plans are being financed;
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

4.1 Prudential Indicator for Capital Expenditure

This table shows the revised estimates for capital expenditure and the changes since the capital programme was agreed at the Budget.

Capital Expenditure by Service	2014/15 Original Programme	Budget B'fwd from 2013/14	Virements to Programme in Year	Total 2014/15 Budget	Actual Spend @ Period 6	2014/15 Revised Estimate
	£m	£m	£m	£m	£m	£m
General Fund	2.982	1.365	-	4.347	0.577	1.130
HRA	6.003	1.483	-	7.486	2.681	7.335
Total	8.985	2.848	-	11.833	3.258	8.465

4.2 Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure. Any borrowing element of the table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

Capital Expenditure	2014/15	2014/15
	Estimate	Revised Estimate
	£m	£m
Supported	-	-
Unsupported	11.833	8.465
Total spend	11.833	8.465
Financed by:		
Grant	2.583	0.346
General Fund Receipts	0.589	0.232
Section 106 Receipts	0.208	0.209
General Fund Reserve	0.571	0.029
HRA Receipts	0.307	0.315
HRA Reserve	1.366	2.391
HRA Regeneration Fund	0.867	0.461
Major Repairs Reserve	5.253	4.482
General Fund Revenue Contributions	0.089	-
Total financing	11.833	8.465
Borrowing need	-	-

4.3 Changes to the Prudential Indicators for the Capital Financing Requirement, External Debt and the Operational Boundary

The table shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period. This is termed the Operational Boundary.

4.3.1 Prudential Indicator – Capital Financing Requirement

We are on target to achieve the original forecast Capital Financing Requirement.

4.3.2 Prudential Indicator – External Debt / the Operational Boundary

	2013/14 Outturn £m	2014/15 Original Estimate £m	2014/15 Revised Estimate £m
CFR – Non Housing	1.311	1.162	1.242
CFR – Housing	68.042	68.034	68.029
Total CFR	69.353	69.196	69.271
Net movement in CFR	(0.226)	(0.075)	(0.082)
Operational Boundary			
Expected Borrowing	72.268	72.268	72.268
Other long term liabilities	-	-	-
Total debt 31 March	72.268	72.268	72.268

4.4 Limits to Borrowing Activity

The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2014/15 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.

	2013/14 Outturn £m	2014/15 Original Estimate £m	2014/15 Revised Estimate £m
Gross borrowing	65.060	65.060	65.060
Plus other long term liabilities	-	-	-
Less investments	(28.557)	(20.140)	(21.035)
Net borrowing	36.503	44.920	44.025
CFR (year-end position)	69.353	69.196	69.271

The Executive Director Corporate Services reports that no difficulties are envisaged for the current or future years in complying with this prudential indicator.

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

Authorised Limit for External Debt	2014/15 Original Indicator £m	Current Position £m	2014/15 Revised Indicator £m
Borrowing	89.112	89.112	89.112
Other Long Term Liabilities	3.000	3.000	3.000
Total	92.112	92.112	92.112

5 Investment Portfolio 2014/15

- 5.1 In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. As set out in Section 3, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the 0.5% Bank Rate. Indeed, the Funding for Lending scheme has reduced market investment rates even further. The potential for a prolonging of the Eurozone sovereign debt crisis, and its impact on banks, prompts a low risk and short term strategy. Given this risk environment, investment returns are likely to remain low.

The Council held £31.30m of investments as at 30th September 2014 (£28.56m at 31st March 2014) and the investment portfolio yield for the first six months of the year is 0.56% against a benchmark of the 3 months LIBID of 0.42%. A full list of investments held as at 30th September 2014 is detailed in **APPENDIX 1**.

The Executive Director Corporate Services confirms that on one occasion during the first six months of 2014/15 that the approved limits within the Annual Investment Strategy were breached. This occurred when an outward going CHAPS payment in respect of a deposit was not actioned by an agreed deadline, resulting in £2.6m being held within the Co-operative Bank overnight, which exceeded the approved limit of £2m.

The Council's budgeted investment return for 2014/15 is £189k, and performance for the year is projected to be £3k below budget.

5.2 CIPFA Benchmarking Club

The Council is a member of the CIPFA Treasury Management Benchmarking Club which is a means to assess our performance over the year against other members (22 Authorities).

Our average return for In House Investments for the period October 2013 to September 2014 was 0.56% compared to the group average of 0.77% (information from CIPFA Benchmarking Draft Report Q2 2014/15) excluding the impaired investments in Icelandic banks. This is considered to be a reasonable result in light of the current financial climate, our lower levels of deposits/funds and shorter investment time-lines due to Banking sector uncertainty, when compared to other Authorities.

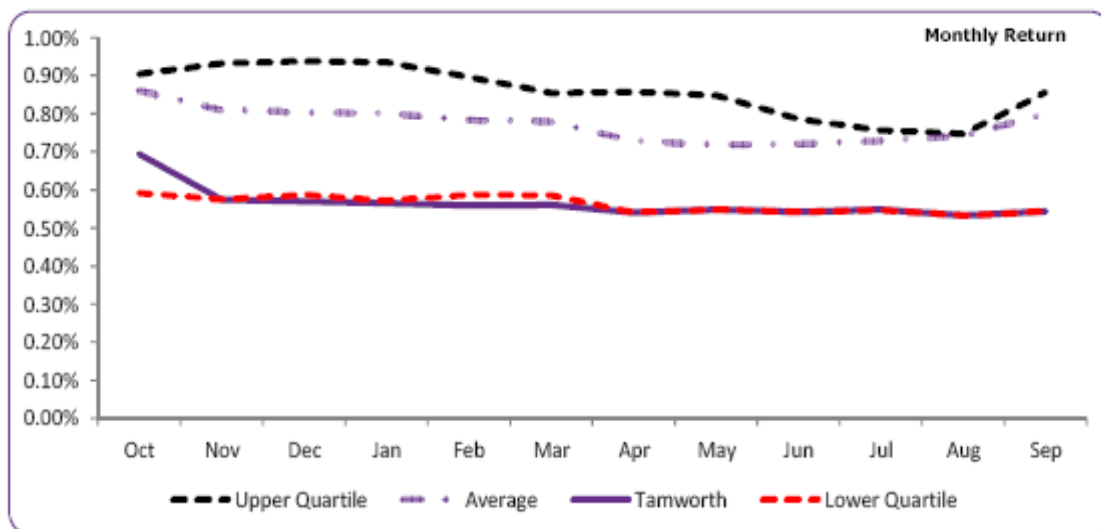
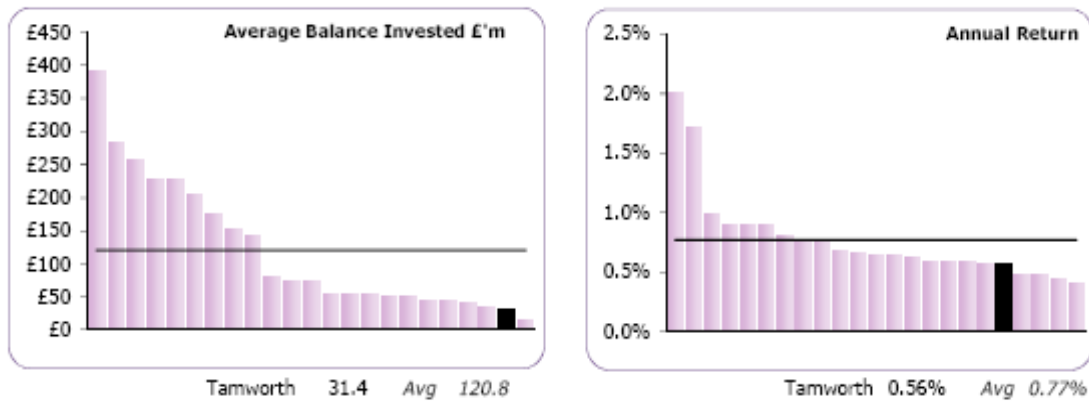
This can be analysed further into the following categories:

Category	Average Balance Invested		Average Annual Return Received	
	£m		%	
	Tamworth Borough Council	CIPFA Benchmarking Club	Tamworth Borough Council	CIPFA Benchmarking Club
Fixed Investments (up to 30 days)	0.1	0.9	0.41	0.38
Fixed Investments (between 31 and 90 days)	1.7	2.7	0.45	0.44
Fixed Investments (between 91 and 364 days)	12.1	41.2	0.77	0.68
Fixed Investments (between 1 year and 5 years)	-	12.0	-	2.25
Fixed Investments (over 5 years)	-	1.0	-	3.96
Callable and Structured Deposits	-	0.9	-	2.46
Notice Accounts	8.8	39.8	0.48	0.57
Money Market Funds (Constant Net Asset Value)	7.8	13.1	0.37	0.40
Money Market Funds (Variable Net Asset Value)	-	2.0	-	0.68
DMADF	-	1.8	-	0.25
CD's, Gilts and Bonds	1.0	7.3	0.54	1.20
Average of all investments (Managed in House)	31.4	120.8	0.56	0.77

The data above and graphs below display that despite the Council being a small investor in the markets, performance is marginally better in the <365 day investments (coloured green) when compared with other members of the benchmarking club and affirms our 'low appetite for risk' in the continuing unsettled markets.

The variance appears to be reflected by better returns on deposits over 1 year in duration, which in line with our use of the Capita Asset Services methodology and our approved specified limits in our Treasury Management Strategy, is currently prohibited for Tamworth Borough Council.

COMBINED IN-HOUSE INVESTMENTS (excluding impaired investments)



Monthly Return (Oct 13 - Sept 14)													
	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Year
Av Bal £'m	30.20	31.02	30.51	31.32	30.21	28.79	31.64	31.39	31.88	32.70	33.37	34.08	31.43
Earned £'k	17.8	14.6	14.8	15.0	12.9	13.7	14.0	14.6	14.2	15.2	15.1	15.2	177.4
Upper Quartile	0.90%	0.93%	0.94%	0.93%	0.90%	0.85%	0.86%	0.85%	0.79%	0.76%	0.75%	0.86%	0.90%
Average	0.86%	0.81%	0.80%	0.80%	0.78%	0.78%	0.73%	0.72%	0.72%	0.73%	0.74%	0.80%	0.77%
% Return	0.69%	0.57%	0.57%	0.57%	0.56%	0.56%	0.54%	0.55%	0.54%	0.55%	0.53%	0.54%	0.56%
Lower Quartile	0.59%	0.57%	0.59%	0.57%	0.59%	0.59%	0.54%	0.55%	0.54%	0.55%	0.53%	0.54%	0.57%
% Diff from Av	-0.16%	-0.23%	-0.23%	-0.24%	-0.22%	-0.22%	-0.19%	-0.17%	-0.18%	-0.18%	-0.21%	-0.26%	

Investment Counterparty criteria

The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the Treasury Management function.

6 Borrowing

The Council's revised capital financing requirement (CFR) for 2014/15 is £69.271m. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. Table 4.4 shows the Council has borrowings of £65.060m and has utilised £4.211m

of cash flow funds in lieu of borrowing. This is a prudent and cost effective approach in the current economic climate.

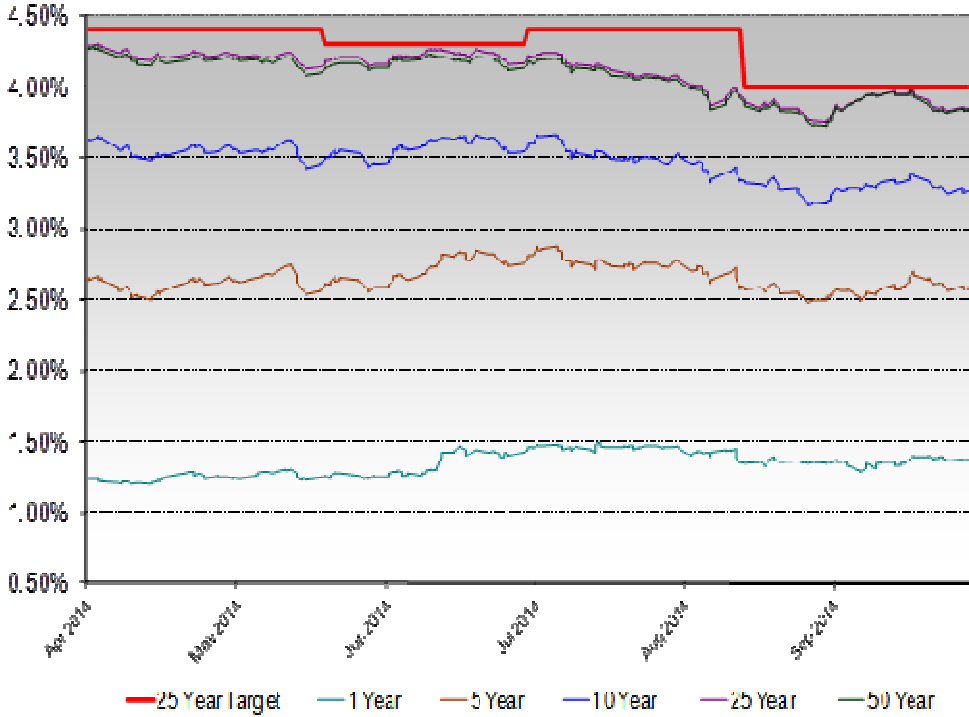
No new external borrowing was undertaken from the PWLB or the money markets in the first half of the year.

As outlined below, the general trend has been a reduction in interest rates during the six months, across all maturity bands.

It is anticipated that further borrowing will not be undertaken during this financial year.

The table and graph below show the movement in PWLB rates for the first six months of the year to 30th September 2014,

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.20%	2.48%	3.16%	3.75%	3.73%
Date	10/04/2014	28/08/2014	28/08/2014	29/08/2014	29/08/2014
High	1.48%	2.86%	3.66%	4.29%	4.26%
Date	15/07/2014	04/07/2014	20/06/2014	02/04/2014	01/04/2014
Average	1.34%	2.65%	3.67%	4.10%	4.17%



7 Debt Rescheduling

Debt rescheduling opportunities have been limited in the current economic climate and consequent structure of interest rates. No debt rescheduling was undertaken during the first six months of 2014/15.

8 Icelandic Banks Update

Appendix 2 contains details of the situation with Icelandic investments as at 30th September 2014.

Expectations of future receipts and timeframes based on current information regarding each bank are given below;

- Glitnir

On 15th March 2012, the Council received £2.554m being the majority of our deposits with the bank. The balance of our approved claim, equating to £587k, is being held in an interest bearing ESCROW account. The release of these funds is dependent on a change in Icelandic Law which currently does not allow the distribution of ISK outside the country. Interest will accrue on these funds until the date of final settlement, which is still unknown.

- Heritable

As at the end of September the Council had received £1.415m against our claim of £1.505m, a total recovery of 94.02%. It is anticipated that this will be the final figure received, though the Administrators are withholding a sum as a contingency against disputed claims.

- Kaupthing, Singer and Friedlander

As at the end of September the Council had received £2.588m against our claim of £3.175m. Current estimates given by the Administrator project a total recovery of 85.25% or approximately £2.707m with the majority of repayments being received by June 2015.

REPORT AUTHOR

Please contact Phil Thomas Financial Accountant extension 239

LIST OF BACKGROUND PAPERS

<i>Background Papers :-</i>	<i>Local Government Act 2003</i>
	<i>CIPFA Code of Practice on Treasury Management in Public Services 2011</i>
	<i>Treasury Management Strategy & Prudential Indicators Report 2014/15</i>
	<i>Budget & Medium Term Financial Strategy 2014/15</i>
	<i>Financial Healthcheck Period 6, September 2014</i>
	<i>CIPFA Treasury Management Benchmarking Club Report Quarter 2, September 2014</i>

APPENDICES

APPENDIX 1 Current Investment List

APPENDIX 2 Icelandic Banking Situation

Investments held as at 30th September 2014:

Borrower	Deposit £m	Rate %	From	To	Notice
Lloyds TSB	2.00	0.98	01/11/2013	31/10/2014	-
Lloyds TSB	1.00	0.98	11/11/2013	10/11/2014	-
Lloyds TSB	1.00	0.98	02/10/2013	01/10/2014	-
Bank of Scotland	2.00	0.95	12/02/2014	11/02/2015	-
Nationwide	1.00	0.50	07/08/2014	07/11/2014	-
Nationwide	2.00	0.64	08/07/2014	08/01/2015	-
Nationwide	1.00	0.64	15/07/2014	15/01/2015	-
Barclays	2.00	0.48	01/08/2014	03/11/2014	-
Barclays	1.00	0.48	05/09/2014	05/12/2014	-
Barclays	1.00	0.61	05/09/2014	05/03/2015	-
Standard Chartered	2.00	0.56	02/04/2014	02/10/2014	-
Coventry	1.00	0.41	02/09/2014	02/10/2014	-
Coventry	2.00	0.41	05/09/2014	06/10/2014	-
Coventry	1.00	0.41	16/09/2014	20/10/2014	-
Santander	4.00	0.40	-	-	On call
MMF - PSDF	4.00	0.38*	-	-	On call
MMF – IGNIS	3.30	0.42*	-	-	On call
Total	31.30	0.56 (avg)			

* Interest rate fluctuates daily dependant on the funds investment portfolio, rate quoted is approximate 7 day average.

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ICELANDIC BANKING SITUATION AS AT 30/09/2014

	Deposit with;	Ref Number	Date Invested	Amount	%
1	GLITNIR	1696	10/10/2007	1,000,000	
	GLITNIR	1715	31/08/2007	1,000,000	
	GLITNIR	1754	14/12/2007	1,000,000	
	Total Principal			3,000,000	
	Estimated of Contractual or Interest due to point of administration (subject to currency exchange rate fluctuations)			155,000	
	Total of Claim			3,155,000	
	Repayments Received to date			(2,554,432) *	80.96
	Outstanding at 30/09/2014			600,568 **	

*Partial repayment received on the 15th March 2012 in GBP/EUR/USD/NOK. The balance is currently being held in Icelandic Krone (ISK). Release of these funds is dependent on a change in Icelandic Law which currently does not allow the distribution of ISK outside the country. **Interest will accrue on these funds until the date of final settlement, the final payment value may also be subject to exchange rate fluctuations.

- Best case recovery 100%

2	Heritable Bank	1802	12/09/2008	500,000	
	Heritable Bank	1803	15/09/2008	1,000,000	
	Total Principal			1,500,000	
	Interest due at point of administration 07/10/2008			5,127	
	Total of Claim			1,505,127	
	Repayments Received to date			(1,415,080)	94.02
	Outstanding at 30/09/2014			90,047	

- Final recovery received of 94.02% (declared 23/08/13, though Administrators are retaining a contingency for disputed claims that could be distributed at a later date).

3	Singer & Friedlander	1716	31/08/2007	1,000,000	
	Singer & Friedlander	1740	31/10/2007	1,000,000	
	Singer & Friedlander	1746	14/01/2008	1,000,000	
	Total Principal			3,000,000	
	Interest due at point of administration 08/10/2008			175,256	
	Total of Claim			3,175,256	
	Repayments Received to date			(2,587,833)	81.50
	Outstanding at 30/09/2014			587,423	

- Current indications project an 85.25% recovery of our investments

Summary					
	Total Principal			7,500,000	
	Interest			335,383	
	Total of Claim			7,835,383	
	Repayments Received to date			(6,557,346)	83.69
	Outstanding at 30/09/2014			1,278,038	

1 Registered Bank in Iceland - In Administration under Icelandic Law

2 Registered Bank in UK - In Administration in UK by Ernst & Young Under English Law

3 Registered Bank in UK - In Administration in UK by Ernst & Young Under English Law

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27 November 2014

REPORT OF THE PORTFOLIO HOLDER FOR OPERATIONS AND ASSETS**COUNCIL TAX BASE 2015/16****EXEMPT INFORMATION**

None

PURPOSE

To report the Council Tax Base for the Borough Council for 2015/16.

RECOMMENDATIONS

That Tamworth Borough Council resolves its calculation of the Council Tax Base for the year 2015/16 to be 20,628 (2014/15 – 20,389).

EXECUTIVE SUMMARY

The Borough Council is required to calculate its Council Tax Base for each financial year and notify Staffordshire County Council, The Office of the Police and Crime Commissioner Staffordshire and Staffordshire Fire Authority by 31 January preceding that financial year.

The Authority is required to approve the Council Tax Base.

The Council Tax Base is the total of the number of domestic properties in the Borough, after making deductions for exempt dwellings and for the granting of reliefs and discounts for disabled occupiers, single occupiers and as appropriate empty properties. Since 2013/14 the figure is also reduced for the properties where Council Tax Support (replacing Council Tax Benefit from April 2013) is given. This is expressed as Band D equivalents.

OPTIONS CONSIDERED

Not applicable.

RESOURCE IMPLICATIONS

The figure for 2015/16 Council Tax Base is calculated at 20,628. This represents an increase in the current year of 239 or 1.2%.

LEGAL/RISK IMPLICATIONS BACKGROUND

If the base is not set in the legally required timeframe it can be calculated by precepting authorities and imposed upon us.

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

Under the Local Government Finance Act 1992 as amended the Borough Council is required to calculate its Council Tax Base for each financial year and is required to notify Staffordshire County Council, The Office of the Police and Crime Commissioner Staffordshire and Staffordshire Fire Authority by 31 January preceding that financial year.

In accordance with the Local Authority (Calculation of Council Tax Base) Regulations 1992 as amended, the Tax Base for the year 2015/16 is calculated by applying a formula $A \times B$.

A is the number of properties in each band (expressed as a number of band D equivalents).

B is the Authority's estimate of its collection rate for that year. It is recommended that this should be 97.9%.

Applying the collection rate to *A* gives a Council Tax Base of 20,628 (21,070 x 97.9%).

REPORT AUTHOR

Michael Buckland, Head of Revenues, Telephone 01827 709523
e-mail michael-buckland@tamworth.gov.uk

LIST OF BACKGROUND PAPERS

Local Government Finance Act 1992
Local Authority (Calculation of Council Tax Base) Regulations 1992
Local Government Finance Act 2012
Local Authority (Calculation of Council Tax Base) (England) Regulations 2012

APPENDICES

Appendix A – Council Tax Base Calculation 2015/16

Council Tax Base Calculation 2015/16

Detail/ Band		Band A with disabled relief	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
Total Dwellings		0.00	9370.00	11677.00	5356.00	3497.00	1694.00	399.00	62.00	5.00	32060.00
Exempt or 100% discount dwellings		0.00	(170.00)	(138.00)	(40.00)	(18.00)	(13.00)	(6.00)	(1.00)	0.00	(386.00)
New/ amended/ deleted property adjustments		0.00	(91.31)	49.56	26.57	13.40	(0.32)	0.00	0.94	(0.90)	(2.06)
Disabled adjustments		22.00	52.00	(40.00)	(9.00)	(19.00)	0.00	(3.00)	(1.00)	(2.00)	0.00
Adjusted chargeable dwellings	(i)	22.00	9160.69	11548.56	5333.57	3473.40	1680.68	390.00	60.94	2.10	31671.94
Less: effect of discounts/ disregards	(ii)	1.50	1108.25	918.00	307.00	136.25	60.75	11.25	2.25	0.50	2545.75
50% empty property premium	(iii)	0.00	12.50	8.00	2.50	1.00	1.00	0.00	0.00	0.00	25.00
Less effect of Local Council Tax Support	(iv)	0.00	5.26	2072.89	1174.98	245.68	69.02	19.52	5.83	0.77	3593.95
Net chargeable dwellings	(i)-(ii)+(iii)-(iv)	20.50	8059.68	8565.67	3854.09	3092.47	1551.91	359.23	52.86	0.83	25557.24
Band proportion		5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Band D equivalents	A	11.39	5373.12	6662.19	3425.86	3092.47	1896.77	518.89	88.10	1.66	21070.45
Authority's estimated collection rate	B										97.9%
Council Tax Base	AxB										20628

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27 November 2014

REPORT OF THE PORTFOLIO HOLDER FOR OPERATIONS AND ASSETS

CABINET REPORT FOR WRITE OFFS 01/4/14 - 30/09/14

EXEMPT INFORMATION

None

PURPOSE

To provide Members with details of write offs from 1st April 2014 to 30th September 2014 and to seek approval to write off irrecoverable debt in line with policy. re Housing Benefit Overpayments in excess of £10k.

RECOMMENDATIONS

That Members endorse the amount of debt written off for the period of 1st April 2014 to 30th September 2014 – **Appendix A-D** and approve the write off of irrecoverable debt for Housing Benefit Overpayments of £12,753.33 – **Appendix E** respectively.

EXECUTIVE SUMMARY

The Heads of Service are responsible for the regular review of debts and consider the need for write off and authorise where necessary appropriate write offs in line with the Corporate Credit Policy. The first part of this report shows the position for the current financial year – **Appendix A- D**. Further updates will continue to be produced on a quarterly basis.

Type	01/04/14-30/09/14
Council Tax	(£32.32)
Business Rates	£38,397.84
Sundry Income	£0.00
Housing Benefit Overpayments	£18,412.09

The second part of the report is in respect of debts which are in excess of £10k.

Under Financial Regulations, debts for write-off greater than £10k require Cabinet authorisation and this report details such accounts. The amount for Housing Benefit Overpayments is attached in **Appendix E**.

OPTIONS CONSIDERED

Not applicable

RESOURCE IMPLICATIONS

The write offs detailed are subject to approval in line with the Corporate Credit Policy/Financial Regulations.

Not applicable

SUSTAINABILITY IMPLICATIONS

Not applicable

BACKGROUND INFORMATION

This forms part of the Council's Corporate Credit Policy and effective management of debt.

The Council is committed to ensuring that debt write offs are kept to a minimum by taking all reasonable steps to collect monies due. There will be situations where the debt recovery process fails to recover some or all of the debt and will need to be considered for write off in accordance with the schemes of delegation prescribed in the Corporate Credit Policy.

The Council views such cases very much as exceptions. Before writing off debt, the Council will satisfy itself that all reasonable steps have been taken to collect it and that no further recovery action is possible or practicable. It will take into account the age, size and types of debt together with any factors that it feels are relevant to the individual case.

Authority Account Value	
Head of Revenues	Up to £1,000
Chief Officer(or authorised delegated officer)	£1,001 to £5,000
Executive Director Corporate Services	£5,001 to £10,000
Cabinet	Over £10,000

These limits apply to each transaction.

Bad Debt Provision

The level of the provision must be reviewed jointly by the unit and Accountancy on at least a quarterly basis as part of the management performance review, and the table below gives the mandatory calculation.

Where the debt is less than 6 months old it will be written back to the service unit.

Debt Outstanding	Provision (Net of VAT)
Between 6 and 12 months old	50%
Between 12 and 24 months old	75%
Over 24 months old	100%

The financial effects of providing for Bad Debts will be reflected in the Council's accounts at Service Unit level.

REPORT AUTHOR

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LIST OF BACKGROUND PAPERS

Corporate Credit Policy - effective management of debt

APPENDICES

Appendices A to D give details of write offs completed for Revenues and Benefits Services for 01 April 2014 to 30 September 2014

Appendix E gives details of Housing Benefit Overpayment write offs

Appendix B- Business Rates

Summary of NDR Write Offs 01/04/2014-30/09/2014											
Date of Write Off	Head of Revenues			Director of Finance	Executive Director Corporate Services	Remitted	Credit Write Off	Reversed Write Off	Total	No. of Accounts (Write Off Only)	Reason(s)
	(£0.00-£75.00)	(£75.01-£500.00)	(£500.01-£1,000.00)	(£1,000.01-£5,000)	(£5,000.01-£10,000.00)						
20/08/2014								(£201.98)	(£201.98)		Reversal- dividend received
"		£216.37							£216.37	1	Statute barred
"		£103.60							£103.60	1	Insolvency
"		£129.90							£129.90	9	Small balances
26/08/2014								(£909.11)	(£909.11)		Reversal- dividend received
23/09/2014				£33,017.91					£33,017.91	15	Insolvencies
"				£2,963.22					£2,963.22	1	IVA
"				£3,551.56					£3,551.56	2	Statute barred/ uneconomic to pursue
Q2 Totals	£0.00	£449.87	£0.00	£39,532.69	£0.00	£0.00	£0.00	£0.00	(£1,111.09)	£38,871.47	29
Q1 Totals (B/F)	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	(£473.63)	(£473.63)	0
Overall Total	£0.00	£449.87	£0.00	£39,532.69	£0.00	£0.00	£0.00	£0.00	(£1,584.72)	£38,397.84	29

Appendix C- Miscellaneous Income

Summary of Sundry Income Write Offs 01/04/2014-30/09/2014										
Date of Write Off	Director of Assets & Environment (£0.00-£999.99) (£1,000.00-£5,000.00)		Director of Finance (up to £5,000.00)	Director Communities, Planning & Partnerships (up to £5,000.00)	Director Housing & Health (up to £5,000.00)	Executive Director Corporate Services (£5,000.01-£10,000.00)	Cabinet (£10,000.01 +)	Total	No. of Accounts	Reason(s)
Q2 Totals	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0	
Q1 Totals (B/F)	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0	
Overall Total	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0	

Appendix D- Housing Benefit Overpayments

Summary of Benefit Overpayment Write Offs 01/04/2014-30/09/2014									
Date of Write Off	Head of Benefits				Executive Director Corporate Services (£2,000.01-£10,000.00)	Cabinet (£10,000.01 and Over)	Total	No. of Accounts	Reason(s)
	(£0.00-£75.00)	(£75.01-£500.00)	(£500.01-£1,000.00)	(£1,000.01-£2,000)					
31.07.2014	£61.10	£169.16					£230.26	2	less than 2 weeks o/s due to death
"	£128.91	£475.50	£565.40				£1,169.81	7	not financially viable
"	£164.62	£104.04	£2,750.65				£3,019.31	3	discretionary housing payment
"	£67.52						£67.52	30	uneconomical to pursue
"		£78.20	£607.60				£685.80	2	Department (LA) error
31.08.2014	£74.16						£74.16	1	less than 2 weeks o/s due to death
"		£140.00					£140.00	3	court costs
"	£40.54	£687.38	£996.53				£1,724.45	7	not financially viable
"	£58.03						£58.03	27	uneconomical to pursue
"	£152.18						£152.18	3	discretionary housing payment
"	£112.94						£112.94	4	< £40 outstanding
"				£1,339.36			£1,339.36	1	Department (LA) error
30.09.2014	£72.76	£376.26					£449.02	4	less than 2 weeks o/s due to death
"	£17.88						£17.88	1	less than £40 o/s
"	£76.33						£76.33	18	uneconomical to pursue
"		£203.61					£203.61	2	not financially viable
"		£92.32					£92.32	1	discretionary housing payment
"			£952.82				£952.82	1	Department (LA) error
Q2 Totals	£1,026.97	£2,326.47	£5,873.00	£1,339.36	£0.00	£0.00	£10,565.80	117	
Q1 Totals (B/F)	£1,793.79	£2,980.46	£1,236.91	£1,835.13	£0.00	£0.00	£7,846.29	230	
Overall Total	£2,820.76	£5,306.93	£7,109.91	£3,174.49	£0.00	£0.00	£18,412.09	347	

Appendix E- Housing Benefit Overpayments over £10,000

Benefit Overpayment Potential Write Off 27/11/2014			
Date of Write Off	Total	No. of Accounts	Reason(s)
27/11/2014	£12,753.33	1	Deceased no estate

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THURSDAY, 27 NOVEMBER 2014

REPORT OF THE PORTFOLIO HOLDER FOR ECONOMY AND EDUCATION**I AM TAMWORTH****EXEMPT INFORMATION**

N/A

PURPOSE

To seek approval to incorporate the £78,000 Arts Council grant for I am Tamworth into the Councils budget following the Arts and Events teams successful bid and to endorse the associated programme of activity funded through this and core Council budgets.

RECOMMENDATIONS

That Members;

1) Authorise the addition of £78k to the Arts and Events budget for spend in line with the bid to the Arts Council

EXECUTIVE SUMMARY

2014 marks the 125th Anniversary of Tamworth Assembly Rooms, the home of arts and events in Tamworth. To mark this occasion the Arts and Events team have developed an 18 month programme of activities and projects to delight and engage Tamworth audiences and visitors from across the Midlands region. A copy of the programme is attached in the appendices. The project will act as a spring board to support the long term development of the arts and events team and ambitions for the Creative Quarter. The bid to the Arts Council set out a number of objectives and outcomes.

Objectives and Outcomes

- To create a strong platform for the arts in Tamworth to grow and flourish from.
- To increase community pride and cohesion.
- To breakdown barriers and change perceptions of arts activities.
- To increase longer term participation levels in the arts.
- To act as a stimulus for local artists.
- To create stronger regional working partnerships.
- To showcase the current artistic talent in Tamworth Borough Council
- To expose Tamworth audiences to a diverse and wide ranging high quality arts programme.
- Every resident of Tamworth will have access to two free arts activities.
- Promoting greater collaboration between organisations to increase efficiency and Innovation
- Strengthening business models in the arts, helping arts organisations to diversify their income streams including private giving.
- Attracting new audiences.
- Improving the delivery of arts opportunities for children and young people.

On 30th May 2013 Cabinet approved the submission of the bid to the Arts Council for funding through their Grants for Arts scheme. In reviewing the Arts Council England described the project in their feedback as “a model of good practice that should be an example for other

local authorities”.

The project includes funding for an independent evaluation system to monitor the above objectives around usage figures, new business development, and regular contact with participants over a continued period. This will also include a programme of user evaluation after each individual project and an exit strategy for participants to enable them to continue their participation and strengthen other groups in the area. It is the arts and events team intention to create a series of reports

OPTIONS CONSIDERED

Not accepting the funding and therefore not delivering the I am Tamworth project.

RESOURCE IMPLICATIONS

Total Project Costs (inc existing Outdoor Events budget) £193,228 Of this £79,500 will be met from the provisional budget for 2015/2016 identified in the medium term financial strategy and from the grant award of £78,000 The Arts and Events team are not asking for any additional resources for the project. A further £35,728 will be obtained through income generation and In-Kind sources such as free use of business premises already committed by local organisations across the Borough.

LEGAL/RISK IMPLICATIONS BACKGROUND

Risk Assessment attached

SUSTAINABILITY IMPLICATIONS

All elements of the programme will include research of what our communities want from the authorities' arts provision. It will inform our future programme and work with developing audiences. We will aim to ensure exit strategies for all projects to ensure residents can continue with arts activities. It will also impact on income generation due to an increased interested in arts and therefore an increase in ticket sales and venue usage.

BACKGROUND INFORMATION

REPORT AUTHOR

Elanor Hazlehurst

LIST OF BACKGROUND PAPERS

Cabinet 30th May 2013

APPENDICES

I am Tamworth Programme

Project Strand	Description	Marketing Activities	Artists	Employment days (based on 7 hours)	Partner Organisation	Participants/ Audience (approx)	Development/ Legacy	Timeframe
Taster Sessions	Free arts workshops across the town. Taster sessions for people to have a go at a range of new skills. Basic introduction to increase exposure and to learn a new skill across a range of genres, enabling every person to have the opportunity to a diverse experience of the arts. These sessions will be intergenerational. Sessions will take place in local community halls and other familiar and comfortable spaces for participants. We have chosen a range of artists and organisations that our community are familiar with. As we have mentioned above we want to ensure that those participating develop a familiarity with the activities.	<p>New Audiences: Direct Mail drop to targeting postcodes in deprived wards in Tamworth. Different mail for each ward as the activity genre is tailored to wards requirements from the consultation.</p> <p>Walk about tasters. Staff dressed up as butlers handing out/ offering out the opportunity to taste art. This will be videoed and put on social media to viral our social audience.</p> <p>Existing Audience: Segmented E- Newsletters targeting audience in particular ward areas.</p>	<p>As detailed in the application form.</p> <p>Why chosen these artists We felt it was important to use artists that provided us with a high quality experience and proven community arts lead track records and also had an understanding of Tamworth. All sessions run by artists we have previously worked with and are assured of their high quality outcomes.</p>	44	Staffordshire County Council Staffordshire Library Service Staffordshire Fire Service South Staffordshire College	2560 Participants	Each session will include a fact sheet on local groups and contacts that already undertake this skill. We will also be working with the college to highlight their evening classes programme. We will also run a series of open days throughout the year for people to meet and try sessions for free with local groups.	Duration of Programme.
I am Dance	<p>A site specific performance involving Motionhouse, Tamworth Arts and events groups, local schools animating Tamworth Castle and telling the story of the Saxon Queen Aethelfleda who was responsible for re-fortifying the Saxon town of Tamworth. She built a bank and fence system around the town.</p> <p>This project will modernise her as a modern warrior queen and to create scenes from this fortification process. A modern telling as opposed to historical re-enactment.</p> <p>This will provide a powerful, visual impact that will engage participants, audience members and create a quality, high profile performance.</p>	<p>New Audience: Flash Mob to dance in a busy location in Tamworth. This will be published on social forums that lead back to the website.</p> <p>Phone Dance groups/ Schools to get dancers signed up to project.</p> <p>Existing Audiences: Segmented E-Newsletter to tagged audiences with a preference to dance. Phone Tamworth Contemporary dance participants.</p>	<p>Local Dance groups & Schools</p> <p>Why chosen these artists Working with Motionhouse to develop local profile for dance. National portfolio organisation that creates exciting and original work. Strong track record of creating site specific work and telling a story. Engage with a range of different audiences.</p>	10	Motionhouse Staffordshire Performing Arts Staffordshire County Council. Tamworth Castle. Mercian Trail Partnership	15-40 To be determined by final project route 2000 Audience	To continue working with Motionhouse on future projects stimulating the creation of projects ensuring we have quality dance provision programmed in. Ensure we have strong links to wider regional initiatives and opportunities for our local dancers to be involved with.	Spring 2015
I am Ballet	Working with local Ballet Company Ballet Theatre UK. The project will engage local young people to experience ballet, in particular young men. Breaking down barriers and encouraging physical activity and personal development for local dancers.	<p>Ballet flash mob at Football grounds prior to football match.</p> <p>Existing Audience: Segmented e-newsletter to audience members that have come to a ballet performance.</p>	<p>Ballet Theatre UK</p> <p>Why chosen these artists Proven increase in audience engagement with Tamworth Assembly Rooms. International profile of excellence. Locally based with a commitment to the development of local dancers.</p>	15	Staffordshire County Council	600 Participants KS1/KS2 Audience 2000	All students involved will be given tickets to a ballet performance at Tamworth Assembly Rooms. They will also be introduced to programmes ran from across the region. We also aim to continue ballet sessions longer term at the venue.	October-December 2014
I am the Beat	Drumming Events throughout the town. Creation of drumming groups and learning new skills. Focus on family learning and a family activity. Creating an enjoyable inspiring arts experience.	<p>New Audience Sound Installation in shopping centre. The Beat is coming...</p> <p>Upload your beat – Touch Fm Radio Station</p>	<p>James Barrow</p> <p>Why chosen these artists Established Pioneer for Taiko Drumming with International recognition.</p>	16	Homestart Staffordshire County Council (Education) Local Academies (Landau Forte, Rawlett and Tamworth Enterprise college)	Participants 160 Audience 200	To develop a programme of family learning projects and build (where appropriate) groups to continue to lead this work.	September 2014 - April 2015

I am Music	The creation of Tamworth Live Music Trail to raise the profile of the existing music scene. Encouraging new talent to come forward. Looking at the venues around the town centre that will highlight a wealth of musical genres. Tamworth Arts & Events team to provide professional technical support and event management guidelines.	New Audiences Tamworth Voices doted around the town in high engaged areas doing a 15 minute show. Battle of the Bands winners pop up in various locations and flash mob. Existing Audience Social Media channels video clips	Various Local Artists Why chosen these artists Developing strong ties and giving a profile to our local music scene ensuring we are highlighting both established and emerging artists by promoting both venues that host these events and how to get performance slots to local musicians.	N/A	Tamworth Live, Tamworth Assembly Rooms, Battle of the Bands, Staffordshire County Council (Education) Local Academies (Landau Forte, Rawlett and Tamworth Enterprise College)	Audience 1500	To support the development of a clear mapping process for music provision and opportunities in Tamworth. To ensure this is kept up to date and partnership projects are developed longer term to promote our struggling scene and give it the support it needs to flourish.	August-December
I am Drama	Developing from the taster session we will establish Drama Groups across Tamworth to create short pieces about the area they live. This will then all come together in a summer showcase to be called Tales of Tamworth. We will use different medias to stimulate the work and this will include drawing on popular culture themes and also encourage skills development in new media and video production.	Street Scene- drama in the every day. Documented and recorded for social networks and website. Using Tamworth's busy market day to bring drama to life in people's everyday. Did you see it? Coming soon... more tales of Tamworth	Simon Quinn Why chosen these artists Experience of delivering intergenerational, successful performances broadcast to a national audience. Local artists developing a high profile company to develop future work and local performers.	23	Tamworth Heritage Trust	Participants 100 Audience 500	The aim of this project is to take a more traditional art form and breakdown some of the fears and ideas around it. We aim to use this as a stepping stone to continue an opera programme longer term and also develop other links with other quality providers	Jan 2015- August 2015
I am Visual Arts	Throughout the year we will create a programme of outdoor free to attend arts activities. They aim to inspire and excite the local community exposing them to new artists and work in familiar and loved environments. Turning empty shops and spaces across the town in to arts spaces. Using the "I am Tamworth" theme a portrait trail will be created. Turning sad disused spaces in to bright colourful canvases and lifting the town in the process. To create a public art piece that is about and for the local community. That they can have pride and understanding in. All the displays will be created in an imaginative and appealing way ensuring all the work created by the artists and local participants is side by side in a professional and quality manner.	New Audiences: Printed T-Shirts with the "I am Tamworth" "I am Visual Arts" brand Segmented E-Newsletter to tagged art interested audiences.	Claire Wood Open Callout for Artists Why chosen these artists Previous pilot scheme of this nature explored and deemed successful by participants and audiences. Previous experience of involvement in professional exhibitions. Will also establish Tamworth as "open for Business" by developing call out opportunities for artists and highlighting work potential in the area.	5	Linked to Big Draw Local Businesses and Landlords Family arts campaign	Participants 400 Audience 10,000 (footfall through town centre higher, numbers likely to increase)	The aim is to put the art in the everyday using the newly formed relationships as a platform to continue to have quality art work in exciting places. Whilst continuing to inspire artists to create work for public spaces. A fact sheet will be provided with groups and organisations contact details of arts venues and arts groups in the local area. The aim is to create at least four exhibitions a year with the promise to work with local artists.	1 event in October 2014 1 event in May 2015
Trotters Trail	Pop Up PIGS! Using the Tamworth two as inspiration we aim to create an arts trail of pigs throughout the town. There will be pigs by local artists as well as community groups, schools and even local businesses. To improve local spaces. To provide fun and interactive activities for all communities. A sense of involvement in larger project.	New Audiences: Walk about Pigs dressed up handing out information of the trotters trail. Segmented E-Newsletter to current audience with an interest in outdoor events and arts activities.	Luke Perry Open Brief Why chosen these artists Cultural Champion and BCU Alumni of the Year 2012. Previous successful projects of this nature that combine heritage and art.	15	Staffordshire County Council Staffordshire Highways	Participants 350 Audience 10,000 (as above high footfall areas)	Our aim is to continue to engage the newly captivated audience in public art. Working with key partners to create trails. We will send regular newsletters to participants about supporting regional projects.	May 2015- October 2015

I am Heroes	WW1 project looking at the stain glass windows located in St. Editha's that were funded by the people of Tamworth to honour those who lost their lives. With local residents creating their own art work and learning new skills. This project will not only showcase the stories of the windows but also attract people to view other windows in the Church which includes work by William Morris. The work will be displayed in the Library, Church and National Arboretum.	New Audiences Working with The Village Market Magazine we will look at local heroes. In particular the families from the Mercian Regiment in Whittington Barracks to promote the background of the project. Segmented Newsletter from National Memorial Arboretum to inform their audience about our activities and project. Segmented e-newsletter to arts participation members.	Local Arts Groups Open brief to call Artists	5	Staffordshire Library Service St. Editha's Church National Memorial Arboretum Staffordshire Regimental Museum	Participants 350 Audience 3000	The aim is to create a lasting arts programme with these key partners whilst using the WW1 centenary as a foundation for this relationship. Also, sending newsletters with opportunities and exhibitions to the newly engaged audiences and artists.	November 2014
This is Tamworth	This will be the projects launch event showcasing Tamworth artists and groups at Symphony Hall Birmingham. It aims to create pride and a sense of occasion for the work they are creating. Further more it will develop a relationship between our audience and cultural providers in Birmingham. Encouraging participants to challenge themselves and broaden their experience with our neighbouring multi- cultural city. We will work with providers in Birmingham to engage with our audiences and highlight other regional opportunities.	New & Existing audiences: Provide every performer with a sticker to put in their car saying "I am Tamworth" Radio teaser from Touch FM. Each group performing will have 2 minutes airtime to showcase what they are bringing to the show. You tube: Teaser footage encouraged to share through social networks creating a viral word of mouth with current audience.	Gladstone Wilson Local Arts Groups Why chosen these artists Strong reputation with local arts groups and international recognition for a delivery of high quality music. Current delivery of a successful choir in partnerships with Tamworth Assembly Rooms.	10	THSH	Participants 600 Audience 1000	This project aims to highlight the options that are available for the audiences in this region. With the objective of raising awareness of other venues. It will also building the confidence of local performers and audiences to visit other venues.	July
I am Art	Large Closing event that will bring together and showcase all the work and events that happened over the year and highlight future opportunities.	New Audiences: Golden Ticket direct mail to Tamworth Households through Local Authority magazine. Competition to open the "I am Art" closing event for all the people that attended 3 or more activities of the year program. This will be segmented from the mailing list. E-Newsletter/ postal letter to everyone that attended any of the I am Tamworth events.	Local Arts Groups		TBC	TBC	The legacy for this project is to document the year of events with a DVD's/CD's. Providing all participants, artists and audience members with a fact sheet of what arts activities are happening where and when with a programme for 2015. The aim is to promote greater collaboration between organisations to increase efficiency and innovation.	October 2015
I am Words	Creative writing and poetry project. The project will work around the theme of I am Tamworth telling individual stories, feeling and thoughts about the area and individuals. The project will include the publication of a book and various poetry trails throughout the Tamworth Area over the year. Develop Writing Squads and reading and writing events in area. Develop an ongoing relationship with literature and the opportunity of hands on experience.	Scrabble game in Tamworth Library to generate interest in the project in a fun way. Tamworth Library to hand out 1 scrabble piece to every person that checks out a book. They will then be encouraged to come along to the writing squads and along with other participants make a word for every workshop.	Nicola Timmis, Malcolm Dewhurst Why chosen these artists Staffordshire Poet Laureate 2012. Experience of partnerships in the region and delivery of inspiring projects.	28	Writing West Midlands TCR FM Tamworth Herald	Participants 150	The publication of the poetry book will act as a legacy item. Another aim is to develop more writing squads in hard to reach areas from the success of the new groups, engaging new generations in writing. Continue to develop innovative projects with newly found artists. To continue to house personal development days to enable writers to become established. Holding events to showcase Tamworth writers whilst raising the profile of Tamworth writers.	October 2014- October 2015

I am the Great Outdoors	Annual Event Programme. This year it will be shaped around the I am Tamworth theme and include outdoor theatre performances.	Road Signs at the entrance points into Tamworth London Midland Train Carriage Panels. Route-Lichfield – Birmingham. Covering neighbouring towns.	Range of local companies	8		Audience 40,000 (as demonstrated in previous year)	To continue to develop relationships with new audiences providing them with future opportunities with the arts in outdoor spaces	Ongoing
I am Tamworth Assembly Rooms	In-house programme To expose audiences to a range of diverse and original arts activities The programme will be punctuated with a range of ticketed performances throughout the year.	Pop up theatre at all I am Tamworth outdoor events. Handing out theatre programmes at every I am Tamworth activity.	Vamos, Hoopla, Hull Truck <u>Why chosen these artists</u> Utilising companies with national accreditation for delivering engaging and excite new and old audiences.	TBC	TBC	Audience 2000	To make small but significant changes to the programme by programming quality arts that are accessible to all.	Ongoing
I am Development	A series of events and courses to support our local artists to share knowledge, develop their skills and understanding of the regional framework. The Series will support business development such as legal frameworks, cash flow and practical advice as well as good arts practice guidance and developing artistic skills. Working with quality and recognised education providers to support the skills development of local artists.	New Audiences: Direct mail to creative businesses/ Creative Hubs/ college's/ schools/ University Existing Audience: Utilise current Arts Network, ArtSwitch. Work with partners to spread the word within their arts network such as SADOG	Geko Creative Alliance Creative Enterprise	3	Arts Connect South Staffordshire College VAST Staffordshire Library	Participants 100	To encourage national quality arts providers/ national portfolio organisations to become ambassadors to support local artists aiding them to become more sustainable resilient and innovative. We aim to build a quality portfolio of local artists.	6 events throughout the project.

Task Risk Assessment Form

Location/Dept	CPP	Date Assessment Completed	30 th April 2014	Assessor	Elanor Thompson
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Task or Activity Assessed	2015 Programme
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Who Is At Risk (tick as appropriate)	Employee	Y	Other (please specify)
	Organisation	Y	
	General Public	Y	

Hazards Identified	Outcome & Injury
Not Obtaining External Funding	The programme will continue but in a much reduced format.
Not Bringing in the Income to Support Programme	Will reduce elements of the programme but the reliance on income is low.
Lack of public engagement	Poor take up. Poor Reputation for organisation.
Poor Marketing	Not developing audience and profile strong enough to attract the level of anticipated attention. Poor Reputation for organisation.

Examine each of the risks with involved in the task and note down any preventative or safety measures you are going to put in place.

Control Measures In Place to Address Above Risks	Likelihood	Severity	Risk Rating
<u>Not Obtaining External Funding</u> <ul style="list-style-type: none"> • Pre-Application support form Arts Council England • Application review by Staffordshire County Council • Application development support from additional sources 	2	3	High
<u>Not Bringing in the Income to Support Programme</u> <ul style="list-style-type: none"> • Early and strong ticket promotion. 	2	1	Low

<ul style="list-style-type: none"> • Large involvement by community for performance. • Large press presence 			
<u>Lack of Public Engagement</u> <ul style="list-style-type: none"> • Develop strong and clear marketing approach. • Ensure arts activities taking place in all ward locations to develop strong community profile. • Reduce barriers to attendance. 	2	3	High
<u>Poor Marketing</u> <ul style="list-style-type: none"> • Develop a strong and consistent branding and marketing plan. • Start promotion early. • Invest support in this area. 	2	1	Low

Further Action Needed to Decrease Risks	Person Responsible	Date Required	Date Implemented	Likelihood	Severity	Risk Rating

Date		Assessor Signature	
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Reviews

(If there are no changes then the assessment should just be signed. However if anything changes a new assessment must be completed)

1st Reassessment Date		Assessor Signature	
2nd Reassessment Date		Assessor Signature	

Expenditure					
Project Strand	Artists/ Staff	Notes	Trainers	Notes	Materials
Taster Sessions	£4,000	(5 wards x 13 taster sessions = 65 sessions) Artists cost varying between £30-45 per hour sessions 1-2hrs dependant on genre			£500
I am Dance	£30,000	Motionhouse have confirmed costs of £30,000			
I am Ballet	£2,000	Daily Rate Varies from £300-£500 dependant on artists in Attendance. 15 days of activities in full although many sessions will be half days.			

I am the Beat	£2,404	Average rate of £250 per day.			£500
I am Music	£1,000	Current local musician rate varies from £50-£250 dependant on musician and slot times. Many artists will perform for free as part of this including local high profile groups.			£1,000
I am Drama	£2,000	Average full day rate of £100 project expected to pull over 23 days in total but split in to sessions of 2hrs at a time.			£1,000
I am Visual Arts	£2,000	Artists rates vary between £200-£400 estimate for full day. Additional installation costs included.			£3,000

Trotters Trail	£3,000	Rate provided by artist £200 per day estimate project to take 15 full days.			£5,000
I am Heroes	£4,000	Specialist glass work artists rates quoted at£400 per days for 10 full days.			£3,000
I am Performance	£2,000	Costs for MD for project. Quote obtained by artist.			
I am Art	£2,000	For additional artists to finalise piece. Daily rates ranging between £80-£200			£2,000

I am Words	£2,000	2 poets working on project with other artists joining at points. Rates vary from £150-£300. For a total of 28 days. Though session will last on average 2 hours at a time. Costs also include finalising display and print works.			£1,000
I am the Great Outdoors	£40,000	4 events throughout the year costing from £4000-£18000. Budgets allowances of previous years.			£8,192
I am Tamworth Assembly Rooms	£6,000	Artists costs vary From split deals to £3000 Guarantee			

				6 days over the year with trainers varying from £400-£600. Quotes obtained from 4 training providers	
I am Developmet			£2,000		£2,000
Marketing	23000				
Evalutaion	£5,000	Hire rate of £100 per day working out at 50 days for the project			£500
Contingency	£3,000				
Totals	£133,404		£2,000		£27,692

						Income		
Notes	Venue Costs	Notes	Equipment	Notes	Total Expenditure	Grants	TBC	SCC
Working on current costs attribute to sessions.	£2,964	Venue Costs vary between £9 and £25 dependant on ward for an hour session.			£7,464			
	£1,200	Venue Costs vary between £9 and £25 dependant on ward for an hour session.	£2,000	Outdoor Lights and projection required in additiona to current in-house equipement. Quotes obtained from regular suppliers	£33,200			£1,000
					£2,000			

Insturment hire					£2,904			
Quoted Publication costs					£2,000			
Printed materials for scripts and other perofrmance equipment in addition to current stock.	£2,000	Venue Costs vary between £9 and £25 dependant on ward for an hour session.			£5,000			
Materials for project. Estimate provided by artists. Including the loan of high quality disply equipment to ensure project looks professional.	£1,200	Venue Costs vary between £9 and £25 dependant on ward for an hour session.			£6,200			£1,000

Estimate provided by artist.	£768	Venue Costs vary between £9 and £25 dependant on ward for an hour session.			£8,768			
Estimate provided by artist.	£2,000	Venue Costs vary between £9 and £25 dependant on ward for an hour session.			£9,000			
	£8,000	Quote Obtained through meeting with THSH			£10,000			
Printed materials such as programmes, posters and particapnts acknowledge ments	£2,000	Venue Costs vary between £9 and £25 dependant on ward for an hour session.			£6,000			

Printing and showcasing final work	£1,000	Venue Costs vary between £9 and £25 dependant on ward for an hour session.			£4,000			
Print material and activity materials form family activities. Also to include site dressing and public information print materials. Quotes from current providers and current project costs.				Equipment hire for generators and outdoor equipment for programme including radios for staff. Estimates from curent supplies with next years increases.	£53,192		£53,192	
			£5,000	Additional equipment not on site required by artists.	£8,000		£8,000	
			£2,000					

Ticket Income	Notes	Sponsorships	In-Kind		Total Income
			£2,000	Two thirds of venues involved have offered free hire as support	£2,000
			£4,200	Free Venue hire and free equipment hire offered from local suppliers to support project.	£5,200
			£1,964	Additional support offered by the schools for extra curriculum work using current dance staff.	£1,964

					£0
					£0
			£2,000	Venue hire offered from Library and fire service free of charge.	£2,000
			£1,200	Venue hire offered from Library and fire service free of charge.	£2,200

			£768	Venue hire offered from Library and fire service free of charge.	£768
			£2,000	Venue hire offered from Library and fire service free of charge.	£2,000
£9,596	TSHH average community ticket rate £10 estimate 1000 audience				£9,596
			£2,000	Venue hire offered from Library and fire service free of charge.	£2,000

			£1,000	Venue hire offered from Library and fire service free of charge.	£1,000
					£53,192
			£2,000	Local provider supporting with hires for free.	£10,000

					£0
		£5,000			£23,308
					£0
					£0
					£0
£9,596		£5,000	£19,132		£115,228
		GRANT REQUEST	ACE		£78,000

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Dear Mr. Goodwin,

A meeting is being held on the 27th November 2014 by Tamworth Borough Council entitled "Golf Course Disposal of Asset". I notice on the website that this meeting is to be held in private and that the public are not able to attend.

I would be grateful if you could clarify the reason for holding this meeting in private as I believe it should be a public meeting due to the following:

Information is not exempt if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to Regulation 3 of the Town & Country Planning General Regulations 1992(a).

The disposal of the golf course asset does relate to proposed development and the local planning authority do plan to apply and grant itself planning permission.

I believe this meeting is in the public interest, the people of Tamworth have a right to know how the site will be disposed, when the site will be disposed, which parts of the site and how much the site disposal will generate financially for the borough.

I believe this meeting should be changed to allow the public to attend.

I look forward to hearing from you.

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Dear Tony,

I have just noticed that part of the proceedings of the above meeting has been marked Exempt which excludes the public from the chamber.

Could you kindly advise me why the council has decided to exclude members of the public from attending the debate on the disposal of Amington Golf course assets.

What is so sensitive that would warrant the public be excluded?

Should there not be clear transparency in this matter, has the council's previous lack of engagement with the residents of Amington taught them nothing. This kind of action will only lead to further claims of conspiracy or cover up.

I would therefore respectfully ask that you & your cabinet reconsider the decision to exempt the public. This would enable the public and especially Amington residents to see that Tamworth Council actually operate in an open, transparent and accountable manner.

I look forward to hearing from you in due course.

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Chief Executive's response

The website provides the reason for the restriction – Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972. There is information in the report relating to the financial or business affairs of any particular person (including the authority holding that information).

As the proper officer of the Council my paramount consideration is accountability, openness and transparency in the decision making process. However there are situations where it is appropriate to restrict agenda items given the nature of the information contained in an officer's report. This is such a situation. The report contains sensitive information which could result in misleading the public and affect potential commercial transactions. The nature of the report and associated documents are such that by being public at this stage could have an adverse affect on the proposed development. It is my opinion that this report should be confidential at this early stage in the disposal process.

This is the first time any agenda item regarding the golf course has been confidential. This is to ensure potential purchasers do not have an unfair advantage once the land is for sale.

In addition, elements of which parts of the site will be for sale - along with the Section 106 Agreements - are still in draft and subject to change.

Full details of the documents will be released at the earliest opportunities to potential purchasers and the public once the information is no longer considered commercially sensitive. This is likely to be early next year when the final details regarding the site have been released to the market place.

The purpose of next week's Cabinet report is to set out the methods of how the land could be disposed of. Councillors will also be discussing what could be included in the Section 106 Agreement at the point of sale. These agreements are financial contributions to areas such as education, highways, open space and providing health, to name just a few.

A planning application for outline permission is likely to be submitted later this year. This will include changes made to the masterplan following last month's consultation.

Recommendations being put to Tamworth Borough Council's Cabinet include:

- *Money from the sale of the land to be either be held for future regeneration or invest to save projects*
- *Using the Home and Communities Agency framework to appoint specialist sales and marketing agents*
- *Key head of terms – these include which part of the site is for sale, what conditions will be imposed and what land will be retained within the council's ownership*
- *The Leader of the Council, Cabinet member and key senior council officers to approve final sale documentation*

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