



# RUNNYMEDE BOROUGH COUNCIL

## CORPORATE MANAGEMENT COMMITTEE

7 JULY 2005

### APPENDICES

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Runnymede Borough CouncilCORPORATE MANAGEMENT COMMITTEE2 June 2005 at 7.30pm

Members of the Committee present: Councillors G.B. Woodger (Chairman), N. Thewlis (Vice-Chairman), J.R. Furey, Mrs L.M. Gillham, P.A. Greenwood, J.E. Haas, R.K. Habgood, H.W.V. Meares and P.B. Tuley.

Members of the Committee absent: Councillor Ms C.M. Simmons

NOTIFICATION OF CHANGES TO COMMITTEE MEMBERSHIP

The following Groups had notified the Chief Executive Officer of their wishes that the changes listed below be made to the membership of the Committee. The changes were for a fixed period ending on the day after the meeting and thereafter the Councillors removed would be re-appointed.

<u>Group</u>	<u>Remove from Membership</u>	<u>Appoint Instead</u>
Conservative	Councillor C.J. Norman	Councillor P.B. Tuley
Conservative	Councillor P.J. Waddell	Councillor H.W.V. Meares
Runnymede Independents	Councillor A. Alderson	Councillor Mrs L.M. Gillham

The Chief Executive Officer had given effect to these wishes in accordance with Section 16(2) of the Local Government and Housing Act 1989.

APOLOGIES FOR ABSENCE

Apologies were received from Councillor Ms C.M. Simmons

MINUTES

The Minutes of the meetings of the Committee held on 31 March and 12 May 2005 were confirmed and signed as a correct record.

BEST VALUE PERFORMANCE INDICATORS 2004/05 OUTTURN REPORT

(Ref: Minutes of Corporate Management Committee, 3 February 2005, page 660, para. 505)

Members received details of the Council's outturn progress against the Best Value Performance Indicators for 2004/05. It was noted that the overall performance had been very pleasing, building further on the sustained improvements of recent years in often difficult circumstances. Some 60% of targets had been met or exceeded while another 10% were close to reaching this point. Comparative data and quartile rankings would not be available from the Audit Commission for some time, but a number of particularly noteworthy achievements had been recorded. These included above target performance in respect of the proportion of household waste recycled, the average time taken to process new Council Tax and Housing Benefits claims and notifications of change of circumstance, the proportion of the authority's buildings open to the public which were accessible to disabled people and the reduction in the number of Council homes classified as "non decent".

Despite this positive picture the Committee acknowledged that there remained scope for improvement in respect of some of the indicators. Approximately 30% of targets required remedial action. While this would mostly be undertaken at managerial level, Members asked the Planning Committee to examine means of improving the number of minor planning applications determined within the Government target of 8 weeks, with particular reference to the likely effect of changes in process and delegation. It was, however, again emphasised that it was difficult to deliver a solely Council based recovery strategy in those cases where the Authority was not the principal agency, most notably the Police led community safety targets.

Members noted that there had been a number of deletions, additions and amendments to the 2005/06 Indicators. Some concern was expressed that these had not been the subject of the same consultation as previous changes.

**RESOLVED that -**

- i) the 2004/05 outturn performance be noted; and**
- ii) the Planning Committee be asked to review how to meet Government targets for the determination of minor planning applications and provide evidence from past experience of the effect of making process changes as well as increasing delegation.**

**PRIORITY INDICATORS OF PERFORMANCE 2004/05 - OUTTURN REPORT**

(Ref: Minutes of Corporate Management Committee, February 2005, Page 660, Para. 504)

The Committee received details of the 2004/05 outturn performance in respect of the Council's 10 Priority Indicators. The overall picture was once again positive with sustained improvements in performance which compared favourably with the challenging targets the Council had set itself. Members were pleased to note that the time taken to process new benefit claims had improved markedly from 31 days in 2003/04 to 23.5 days in 2004/05, comfortably within the 35 day target. Other achievements included an increase from 14% to 16% in the proportion of household waste recycled, encouraging progress towards the provision of 750 affordable housing units by 2006 and the ongoing reduction in the number of Council homes which failed to meet the Decent Homes standard. Targets for the collection of Council Tax and Non Domestic Rates had also been surpassed once more while the proportion of invoices paid within 30 days of receipt, although still slightly below target, had risen from 91 to 93%.

Members noted, however, that there remained some areas of under-performance, including the average re-let time for void properties. The figures in this case were distorted by difficulties in finding tenants for two sheltered housing schemes with shared facilities. An option appraisal of both schemes was currently being undertaken but, in the meantime, an Officer group had been established to monitor performance and consider measures that would expedite lettings in the general stock. The proportion of rent collected was, at 97.2%, slightly under target, largely due to a major system upgrade which had adversely affected arrears recovery. It was hoped that difficulties in determining 65% of minor planning applications within 8 weeks - partly caused by staff absences - would be addressed by the review of arrangements requested earlier in the meeting. The amount of domestic waste continued to rise, consistent with national trends, as recycling initiatives created spare capacity in bins for other refuse, including garden waste. It was expected that the introduction of a pilot green waste collection and enhanced public education and awareness programmes would reduce the waste collected.

The Committee took the opportunity to review the extremely demanding target that 80% of telephone calls be answered within four rings. Although the Council's performance compared favourably with that of many authorities, it was unlikely to achieve the target with a combined switchboard and reception arrangement. It was therefore felt that an amended target of 70% should be introduced in order to more closely mirror the standards applied by most other organisations. Members also noted that the Government had deleted the Best Value Performance Indicator which measured the proportion of appointments kept for responsive housing repairs in view of the difficulties in calculating performance. The Committee agreed that this should be replaced with a local target to achieve 90% tenant satisfaction with repairs completed.

**RESOLVED that -**

- i) satisfaction be expressed with the progress to date and, where appropriate, the proposed corrective action;**
- ii) a target of 90% tenant satisfaction with housing repairs completed be introduced and incorporated within future reports; and**
- iii) the target for the proportion of telephone calls answered at switchboard and extensions within 4 rings be set at 70% for 2005/06.**

SERVICE PLAN 2004/05 - OUTTURN REPORT

Members received details of the outturn performance in respect of the Corporate Management Service Plan for 2004/05. The Plan served as a basis for monitoring and review of the Committee's objectives as drawn from a variety of sources and set out details of timescales, potential barriers and additional resource requirements as well as corrective action where it was required to secure targets. Progress continued to be made across a range of targets and service areas and Members were particularly pleased to note that the Council's customer satisfaction ratings remained amongst the highest in the country. It was reported that the Audit Commission had yet to confirm details of the new Comprehensive Performance Assessment regime for District Councils, having been obliged to extend its consultation exercise owing to the weight of representations. There were concerns that the proposed regime appeared to be very prescriptive, placing a strong emphasis on Government priorities while allowing little scope for local discretion.

The Committee noted that the Service Plan would be reviewed at its next meeting in order to remove or update those targets which had now been achieved and incorporate additional items arising from the new Strategic Plan for 2005 - 2010.

BEST VALUE SERVICE REVIEW PROGRAMME 2005/06 - 2008/09

(Ref: Minutes of Policy and Resources Committee, January 2000, Page 884, Para. 561)

The Committee gave consideration to the programme of Best Value Service Reviews for the period from 2005/06 to 2008/09.

Members noted that despite the emergence of Comprehensive Performance Assessment the promised Government review of the Best Value regime had not, so far, been forthcoming. The Council therefore remained under a duty to prepare a new rolling programme of service reviews. There was, however, no longer any prescription in respect of the period of time during which reviews should take place or whether all services should be covered. Mindful of advice from the Audit Commission and CPA Inspectors that future reviews should be more broadly based and cross-cutting, the Committee considered that a smaller number of larger reviews should be undertaken. These were to be based on themes which reflected both the Council's significant service and policy issues and the likely focus of the next round of CPA inspection. The opportunity for in depth scrutiny would assist the Council in its future policy and resource planning. The reviews would be conducted in accordance with the established format in order to meet the Challenge, Consult, Compare and Compete criteria in the statutory guidance.

**RESOLVED that -**

**the new programme of Service Reviews for 2005/06 to 2008/09 as detailed below be approved;**

<b>2005/06</b>	<b>partnerships crime and disorder/anti-social behaviour and operation of Section 17 obligations</b>
<b>2006/07</b>	<b>discretionary fees and charges property services</b>
<b>2007/08</b>	<b>quality of environment</b>
<b>2008/09</b>	<b>home ownership initiatives and Right to Buy</b>

PLANNING DELIVERY GRANT

The Committee received details of an overpayment of Planning Delivery Grant (PDG) in respect of the 2004/05 financial year. Members recalled that the Government funded PDG served as a means of rewarding Councils for improved performance in planning terms and was to be utilised to secure further enhancements to the planning service. Runnymede had originally received £189,000 from this source in 2004/05. However, it had been established that the Council, in common with a number of other authorities, had misinterpreted the method of calculating the start date of the 8-week period for the determination of planning applications, having registered applications only after they had been validated rather than from the date of receipt. As a consequence the Council had been obliged to submit revised performance figures in respect of the number of planning applications in three

categories processed inside 8 weeks. This established that there had been an overpayment of £169,839 in 2004/05 based on a combination of reduced performance and failure to achieve national targets.

In order to minimise budgetary difficulties the Government had agreed to deduct the money from the Council's PDG over a 2-year period. As Runnymede's overall PDG allocation for 2005/06 totalled £233,000, together with a minimum of £52,000 for plan making performance, there would be sufficient to meet the budgetary assumption of £202,000 even after the deduction of the first tranche of the overpayment. Nevertheless, while the deferred repayment assisted with cash flow, the loss of grant for 2004/05 would have to be recognised in the Council's accounts for that year.

#### TREASURY MANAGEMENT AND INVESTMENT STRATEGY - ANNUAL REPORT 2004/05

(Ref: Minutes of Corporate Management Committee, 3 February 2004, page 668, para. 511, 30 September 2004, page 347, para 258 and 3 February 2005, page 668, para. 511)

The Committee received a report detailing treasury management and investment activity and performance during the 2004/05 financial year.

Members noted that the treasury management functions had been undertaken in accordance with the approved Treasury Management Strategy, and Annual Investment Strategy for 2004/05 as well as the statutory requirements, CIPFA best practice and the prudential indicators in respect of borrowing and debt. The average base rate during the course of the year had been 4.59%, against a budgetary assumption of a 4.5% return for fund managers and 4% for the short term internally managed funds. The overall investment portfolio had increased from £27.614m to £28.08m. Investment income, which formed a key part of the Council's medium term financial strategy, had exceeded expectations, producing a net General Fund return of £1.412m compared with an original estimate of £1m. This reflected the increased level of capital and revenue balances available from a betterment in the 2003/04 accounts and a higher than expected net return of £512,000 on in-house investments at an annualised rate of 4.65%.

The Committee noted that the internally managed funds had benefited not only from the increase in interest rates but also the strong positive cash flows enjoyed by the Council. The amount of cash available for in-house investment had been some £6.49m more than originally anticipated. This was principally due to the retention of £3.23m upon the transfer of the externally managed funds to the Council's new fund manager, lower than expected spend on the housing capital programme, the deferment of the Abbeyfit Sports Centre scheme, savings on the net General Fund and Housing Revenue accounts, the increased in-house investment income and other changes in working capital. The betterment was only partly offset by a reduction in cash generated from in year asset sales which had been £2.7m lower than the forecast of £7.2m. Members recognised that the timing of capital receipts was extremely difficult to predict with accuracy and, as a consequence, the delivery of the additional income from asset sales in accordance with the Council's revenue reduction programme would be a major challenge. The Debt Management Office Deposit facility had once again proved useful for the deposit of relatively small amounts of money that would have been refused by the traditional institutions.

The Council had appointed Alliance Capital to replace Invesco and Investec as its fund manager with effect from 1 March 2005. As a consequence both Investec and Invesco had taken a passive approach to the markets for much of the year, managing their funds on a care and maintenance basis. This had generated a combined net income of £947,000 in the eleven months to the closure of the funds. Investec's performance in the April to December period was in line with the benchmark of 3.51% and continued to match the benchmark during January and February 2005. Invesco, meanwhile, had marginally underperformed with a return of 3.45% against its benchmark of 3.57% during the nine month April to December period, a pattern which was repeated through to the end of February. The Committee noted that Alliance Capital had achieved a small out-performance of the benchmark during March, although it was too soon to draw any meaningful conclusions from this. The new fund managers had purchased a mix of Certificates of Deposit, Floating Rate Notes and a Lloyds Bank one-year bond. The portfolio represented a balanced duration and a reasonable return across all securities. Members would have an opportunity to assess Alliance's early performance in more detail at the next meeting when the fund manager was due to give a presentation to the Committee.

Members noted that the latest economic data appeared to be consistent with the Council's long-term financial forecast, which was now based on achieving an average return of 5%. Interest rates at this level would suggest inflation of around 3% (RPI measure) or 2% (CPI measure), against an assumption in the forecast of 3% for pay and 2.5% for prices.

#### REVIEW OF SALARIES 2005

The Committee gave consideration to the annual pay award for staff subject to the Runnymede pay scales. Members noted that there had been a slight decline in staff turnover in the 12-month period to April 2005. The quality and quantity of job applicants was generally good but the high level of housing costs continued to restrict the normal catchment area to those living within commuting distance of the borough. Certain posts in areas of national skills shortages remained difficult to fill.

The Council was obliged by its local pay policy and individual contracts of employment to offer staff no less than the national local government award. Local and regional survey data suggested that Runnymede salaries remained in the upper quartile for most posts, in accordance with the strategic aim. Any areas that remained in need of adjustment would be addressed at the conclusion of the ongoing Job Evaluation exercise. Having regard to a variety of indices and comparable settlements elsewhere, Members were therefore of the view that an increase of 3.1% would be sufficient to maintain competitiveness. While this was marginally below the Retail Price Index it exceeded both the national award of 2.95% and the average headline settlement of 3.04% for local authorities in the South East on local pay scales. The local branch of UNISON had indicated that the proposed award was acceptable to it in the light of the financial challenge facing the Council. Budgetary provision existed for a 3% rise and the extra 0.1% (£9,100) would be contained within salary budgets.

#### **RESOLVED that -**

**with effect from 1 July 2005, subject to the performance related criteria being met, individual salaries for staff on the local contract be adjusted by 3.1%.**

#### CIVIC OFFICES REPROVISION SUB-COMMITTEE - TERMS OF REFERENCE

(Ref: Minutes of Corporate Management Committee 31 March 2005, page 976, para. 638).

Members gave consideration to the terms of reference for the Sub-Committee established to oversee the Civic Offices reprovion project. It was agreed that the Sub-Committee should have delegated powers to deal, amongst other matters, with design and programme details, the commissioning of consultancy support, financial monitoring and the strategy for both internal and external communications with regard to the project. The Sub-Committee would also make recommendations to the Corporate Management Committee on budgetary and policy matters and Economic Development Committee in respect of associated property transactions. Members were of the view that the new Sub-Committee should, in addition, assume the functions previously undertaken by the informal cross party Civic Offices Member Working Group, which could now be disestablished. The Sub-Committee was to be time limited with expiry due by 31 March 2008.

#### **RESOLVED that -**

**the Terms of Reference for the Civic Offices Reprovision Sub-Committee detailed in Appendix 'A' be approved.**

#### INSURANCE TENDERS

(Ref: Minutes of Corporate Management Committee, May 2002, page 27, para. 59).

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this matter under Section 100A(4) of the Local Government Act 1972 on the grounds that the discussion would be likely to involve the disclosure of exempt information of the description specified in paragraphs 7, 8 and 9 Schedule 12A to Part 1 Local Government Act 1972.

The Committee gave consideration to the Council's insurance arrangements in the light of the outcome of a recent tendering exercise. The Council's existing contract for insurance services, with Zurich Municipal, was due to expire at the end of the month and tenders had been invited for all of

the Authority's insurance needs with the exception of policies relating to owner occupiers, which were the subject of a separate agreement, and terrorism cover.

Members noted that four tenders had been received, although only Zurich Municipal had quoted for each category of insurance. Zurich's premiums were the lowest in each case with the exception of engineering and inspection and personal accident cover. Acceptance of the marginally lower alternative quote for engineering and inspections was not recommended by the Council's insurance broker since it was felt that the same insurer should provide both engineering and inspection and property cover in order to avoid disputes over liability. The alternative policy would also jeopardise the package discount offered by Zurich. A competitive quotation from ACE for personal accident cover could, however, be accepted as it was a self-contained policy and did not affect the package discount. The Council's broker considered that their cover was at least equivalent to, and possibly better than, that offered by Zurich. The Committee therefore felt that Zurich's offer in respect of all policies should be accepted with the exception of personal accident cover. There was no scope for savings based on a higher excess as recent claims experience suggested that the lower premiums arising from a £5,000 excess would be more than offset by the higher cost of claims falling on the Council. Officers would, however, monitor the potential for savings through this route on an annual basis. In the meantime additional discounts worth £7,000 could be obtained by entering into a seven, rather than five-year agreement with Zurich. It was not considered necessary to increase the limit of indemnity in respect of officials indemnity cover from £5m to £10m.

The Committee noted that the total annual cost of insurance to the Council, including Insurance Premium Tax and brokerage fees, would amount to £305,716 under the new arrangements, representing a saving of £19,000 on existing premiums. Additional budgetary provision of approximately £6,500 would be required if the Council was to continue to procure a range of risk related consultancy services which had previously been funded by Zurich.

**RESOLVED that -**

- i) the Council enters in to a seven-year agreement with Zurich Municipal for the insurances tendered with the exception of Personal Accident cover;**
- ii) the Council enters into a five-year agreement with ACE Europe for Personal Accident insurance cover;**
- iii) the limit of indemnity for Officials Indemnity cover be maintained at £5m; and**
- iv) there be no change in the level of excess applied in respect of the policies.**

WRITE OFFS

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this matter under Section 100A(4) of the Local Government Act 1972 on the grounds that the discussion would be likely to involve the disclosure of exempt information of the description specified in paragraph 7 of Schedule 12A to Part 1 of the Act.

The Committee agreed that a number of debts should be written off as irrecoverable.

**RESOLVED that -**

- i) the Council Tax arrears, totalling £7,050.34, as detailed in Exempt Appendix '1' to the Agenda, be written off as irrecoverable; and**
- ii) the sundry debt of £1,427.61, as detailed in Exempt Appendix '2' to the Agenda, be written off as irrecoverable.**

Chairman

(The meeting ended at 8.59 p.m.)

**EXHIBIT ONE****INVESTMENT GUIDELINES FOR CASH MANAGEMENT**

**Authorised by Runnymede Borough Council**

<b>STERLING</b>	
<b>OBJECTIVE:</b> The manager's priority will be the preservation of the capital sum. The investment objective will be to optimise returns commensurate with the containment of risk.	
<b>BENCHMARK:</b> Subject to maintaining a high level of security and liquidity and to the restrictions outlined below, to achieve a better before tax return than 7 Day Libid	
<b>MAXIMUM WEIGHTED PORTFOLIO AVERAGE LIFE</b>	18 Months
<b>MAXIMUM TERM OF ANY ONE INVESTMENT</b>	5 Years

*The portfolio is to be managed in accordance with legislation and guidance issued by the ODPM. In particular, the Manager must manage the Fund in accordance with the Local Government Act 2003 and subsequent amendments and Regulations, the Guidance issued by the Government under the Local Government Act 2003, and SI 1883 "The Local Authorities (Contracting Out and Investment Functions Order) 1996".*

<b>SECURITY PARAMETERS:</b>		
<b>SECURITY:</b>	<b>RATING:</b>	<b>DIVERSIFICATION LIMITS</b>
i. Marketable securities issued or guaranteed by the UK Government.		100% of portfolio
ii. Fixed Deposits made with approved institutions, see attached list.	F1 BC 4 or better Maximum term 3 months	Greater of 10% or £2,000,000* per issuer 100% of portfolio
iii. Certificates of Deposit made with approved institutions, see attached list.	F1 BC 3 or better Maximum term 364 days	Greater of 10% or £2,000,000* per issuer 100% of portfolio
	F1 BC 3 or better Maximum term 1-5 years	Greater of 10% or £2,000,000* per issuer 50% of portfolio
iv. Marketable securities issued by Sovereign and Supranational bodies	AA- or Aa3 or better	Greater of 10% or £2,000,000* per issuer 50% of portfolio
v. Securities issued by banks and building societies including floating rate notes, see attached list.		Greater of 5% or £1,000,000* per issuer £8,000,000** of portfolio

The per issuer limits above are on a combined basis.

\* = Nominal

\*\* = A maximum of £8,000,000 of the portfolio to be invested in category v., until 30<sup>th</sup> June 2005 and a maximum of £6,000,000 for the period 1<sup>st</sup> July 2005 to 31<sup>st</sup> December 2005. Thereafter, Runnymede Borough Council will inform Alliance Capital of the limits for the periods after 1<sup>st</sup> January 2006 as soon as the information is available

## LIST OF APPROVED DEPOSIT INSTITUTIONS

	<u>Country</u>	<u>L-T Rating</u>	<u>S-T Rating</u>
Abbey National plc	UK	A+/Aa3	A1/P1
Alliance & Leicester plc	UK	A+/A1	A1/P1
Barclays Bank plc	UK	AA/Aa1	A1+/P1
Bradford & Bingley plc	UK	NR/A1	A2/P1
HBOS Treasury Services	UK	AA/Aa2	A1+/P1
HSBC Bank plc	UK	AA-/Aa2	A1+/P1
Lloyds TSB Bank plc	UK	AA/Aaa	A1+/P1
Nationwide Building Society	UK	A+/Aa3	A1/P1
Northern Rock	UK	A/A1	A1/P1
Royal Bank of Scotland plc	UK	AA/Aa1	A1+/P1
ABN Amro Bank NV	Holland	AA-/Aa3	A1+/P1
Allied Irish Bank	Ireland	A/Aa3	A1/P1
ANZ Bank Ltd.	Australia	AA-/Aa3	A1+/P1
Bank of America	USA	AA-/Aa1	A1+/P1
Bank of Ireland	Ireland	A+/Aa3	A1/P1
Bank of Montreal	Canada	AA-/Aa3	A1+/P1
Bank of Nova Scotia	Canada	A+/Aa3	A1/P1
BNP Paribas	France	AA/Aa2	A1+/P1
Canadian Imperial Bank of Commerce	Canada	A+/Aa3	A1/P1
Commonwealth Bank of Australia	Australia	AA-/Aa3	A1+/P1
Caylon (formerly Credit Agricole Indosuez)	France	AA-/Aa2	A1+/P1
Credit Suisse First Boston	Switzerland	A+/Aa3	A1/P1
Deutsche Bank AG	Germany	AA-/Aa3	A1+/P1
Dexia Bank	Belgium	AA/Aa2	A1+/P1
Fortis Bank	Luxembourg	AA-/Aa3	A1+/P1
ING Bank NV	Holland	AA-/Aa2	A1+/P1
Landesbank Hessen Thuringen Girozentrale	Germany	AA+/Aaa	A1+/P1
KBC Bank	Belgium	A+/Aa3	A1/P1
National Australia Bank Ltd.	Australia	AA-/Aa3	A1+/P1
Norddeutsche Landesbank Girozentrale	Germany	NR/Aa1*-	A1+/P1
Nordea Bank	Finland	A+/Aa3	A1/P1
Rabobank	Holland	AAA/Aaa	A1+/P1
Royal Bank of Canada	Canada	AA-/Aa2	A1+/P1
Societe Generale	France	AA-/Aa3	A1+/P1
Toronto-Dominion Bank Ltd.	Canada	A+/Aa3	A1/P1
UBS AG	Switzerland	AA+/Aa2	A1+/P1
Westpac	Australia	AA-/Aa3	A1+/P1

If the credit rating of any holding is downgraded, Alliance Capital shall comply with the parameters for that holding as soon as reasonably practicable, and in any event within one month, unless otherwise agreed.

For securities with variable principal repayment or call provisions, the estimated weighted average life should be used with respect to the restrictions on the maximum weighted portfolio average life.

For securities with variable principal repayments, the estimated weighted average life should be used with respect to any of the maximum security term restrictions that are applicable.

For securities with call provisions, the estimated weighted average life should be used with respect to any of the maximum security term restrictions that are applicable if trading to the call date, otherwise the stated final maturity date should be used.

\_\_\_\_\_  
Signature of Authorisation  
On behalf of **Runnymede Borough Council**

\_\_\_\_\_  
Alliance Capital Limited

Date: \_\_\_\_\_

Date: \_\_\_\_\_

<b>Reconciliation of the Consolidated Revenue Account to the General Fund Summary Revenue Account for 2004/05</b>	
	£
<b>General Fund Summary Revenue Account - Net Expenditure on Services</b>	<b>13,532,295</b>
<b><i>Items included in Consolidated Revenue Account only</i></b>	
Housing Revenue Account net expenditure	9,234,005
Deferred Charges - writing out of Capital expenditure not creating a fixed asset	1,845,361
Accounting for pensions - additional FRS 17 charges	582,000
<b><i>Items recorded elsewhere in the Consolidated Revenue Account:</i></b>	
Pension accounting - reversal of additional FRS 17 charge to HRA	(62,112)
<b><u>DSO Trading Deficits</u></b>	
Egham Sports Centre	(310,569)
Refuse Collection	(77,411)
Street Cleansing	(10,199)
<b><u>Transfers to and from reserves</u></b>	
Car Parks - transfer to replacement of machines reserve	(11,796)
Community Transport – transfer from reserve	24,648
Museum Purchase Fund - transfer to the Fund	(500)
<b><u>Internal transfers and financing items</u></b>	
Refuse Collection - finance rentals	(3,696)
Housing Advances - reversal of notional interest charge	(2,565)
Parks - reversal of internal interest on Gogmore & Homewood Park deposits	15,847
Other items (internal interest)	22
<b>Net Cost of Services in the Consolidated Revenue Account (see page 25 of the Financial Statements)</b>	<b>24,755,330</b>

# SUMMARY OF PLANNED REVENUE UNDERSPENDS 2004/05

	Revised Budget	Amount Available	U/spend Requested	U/spend Agreed	Reason for Request
	£	£	£	£	
<b><u>HOUSING REVENUE ACCOUNT</u></b>					
HGEN 2328 Management General	86,800	40,800	36,800	36,800	Stock Option Appraisal and Sheltered scheme appraisal not yet finalised
HHRC 2328 Reception Centre Consultancy	15,000	6,300	6,300	6,300	Accommodation Review - Deferred pending results of Stock Option appraisal.
HRMS 2218 Repairs Management - Computers	7,700	4,300	4,300	4,300	Carry forward of residual budget to cover outstanding i World issues.
HRRM 1012 Special Major Works	1,441,500	46,000	50,800	46,000	Property enhancements delayed whilst obtaining Planning approval.
HRRD 1012 Disabled Conversions	260,000	600	6,660	0	Disabled conversions delayed whilst seeking specialist advice.
HRRS 1012 Sheltered Special Works	42,000	22,300	21,600	21,600	Grove Court Handrails - works delayed due to inclement weather in February.
HSTH 1254 Management Special - Footpaths	26,500	26,500	15,000	15,000	Highways Adoption works at St Anns and Cowper Close, legal delay with SCC
<b>Total Housing Revenue Account</b>				<b>130,000</b>	
<b><u>GENERAL FUND</u></b>					
<b><u>Housing Services</u></b>					
GHST 2328 Housing Strategy Consultancy	35,000	35,000	35,000	35,000	Housing needs Survey - Delays in analysing data and compiling the report.
<b><u>Community Services</u></b>					
Day Centre Transport			27,000	27,000	Cross year virement approved in March 2005 to finance extra cost of service.
GELD 1918 Community Services Admin.	4,200	4,200	4,000	4,000	Late preparation of 2005/06 Elderly persons Services Information booklet
GELS Day Centre Special Works	33,000	19,000	4,000	4,000	Contribution towards the cost of refurbishing the 12 year old minibuses.
<b><u>Leisure Services</u></b>					
LCMG 1918 Museum - Printing	5,300	2,400	2,300	2,300	'Chertsey' Booklet not yet published - expected early 05/06
LDDA 2500 Arts Development - Grant Aid	8,500	2,700	936	900	Grants under consideration and not yet awarded
LPAA 1255 Parks - Grounds Specials	92,700	10,300	17,500	10,300	Planned work not completed due to staff shortages
LPAA 1628 Parks - Sports Equipment Maint	30,600	1,300	1,300	1,300	Repairs to play equipment ordered 04/05 but not yet completed
LYES Play & Youth - Easter Scheme	2,000	1,200	1,500	1,200	Budget split between financial years due to Easter spanning years
<b><u>Highway Services</u></b>					
WEMA 1274 Environmental Maint. - Smart Borough	7,100	7,100	6,000	6,000	Funds to finish surrounding area of new ACA building
WBHA BHF Addressstone - Grounds Maint. & Equip.	24,900	3,700	4,475	3,700	Funds put aside for ACA external works

# SUMMARY OF PLANNED REVENUE UNDERSPENDS 2004/05

## GENERAL FUND (Continued)

### Economic Development

	Revised Budget £	Amount Available £	U/spend Requested £	U/spend Agreed £	Reason for Request
MLPA 1012 Corporate Properties - Maintenance	73,600	18,400	10,000	10,000	Runnymede owned highway repair at Ledger Drive
MCOB 2328 Civic Offices - Workflow Patterns	30,000	30,000	30,000	30,000	Delay in New Civic Offices project
MCOF 1602 Civic Offices - Furniture	6,000	2,000	2,000	2,000	Urgent need for refurbishment of members room furniture
MDEP 2888 Depot - Special Works Provision	2,000	2,000	2,000	2,000	Additional Security measures required following break in
MPGE 1254 Car Parks - Grounds Contractor	32,700	15,900	10,000	10,000	CCTV help points, pole and camera - planning and set up delayed
MPGE Car Parks - Gen. Materials & Furn & Equip	15,000	8,400	7,500	7,500	Convert 2 car parks in Englefield Green to Pay and Display - 3 new machines

### Corporate and Business Services

RCMC 2328 Corp. Man. - Civic Offices Reprovision	25,000	25,000	25,000	25,000	Slippage in programme
RCMR 2328 Corp. Man. - Compliance & Review	8,000	8,000	8,000	8,000	Expenditure delayed
RCPC 2328 Corp. Man. - Community Strategy	7,700	7,700	7,700	7,700	Initiatives have been delayed
RCPP 2328 Corp. Man. - Comp. Performance Ass.	7,700	6,500	6,500	6,500	Delay in work required on improvement plan and publication costs
REFA 2328 Employers Costs - Job Evaluation	7,900	1,800	2,000	1,800	Delay in implementing Scheme
TCDM 0401 Document Management - Training	9,000	3,000	9,000	3,000	Delay in overall programme to be carried over
TCDM 2328 Document Management - Implementation	67,600	52,000	66,000	52,000	Slippage of the roll out

### Miscellaneous

Various Strategic Maintenance Plan	768,400	119,189	119,414	119,200	Non essential work put on hold following termination of Scion contract
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### Total General Fund

**380,400**

## HOUSING REVENUE ACCOUNT

### ACTUALS FOR THE YEAR ENDING 31st MARCH 2005

	<u>2004/05</u> Estimate £	<u>2004/05</u> Probable £	<u>2004/05</u> Actual £
<b>Expenditure</b>			
General Management	1,099,200	1,135,400	1,020,332 (a)
Special Services Management	521,900	576,800	464,041 (a)
Supporting People for Council Tenants	79,700	77,200	95,101
Hostels	62,800	62,000	47,377 (a)
Mobile Home Site (Net)	(5,200)	37,900	7,882
Housing Repairs	5,189,200	5,346,000	5,187,509 (a)
Sale of Council Houses Administration	0	0	0
Mortgage Administration	5,500	5,500	5,000
Other HRA Expenditure	312,400	348,200	388,427
Housing Revenue Account Subsidy	4,558,000	4,466,500	4,466,480
<b>Total Expenditure</b>	<b>11,823,500</b>	<b>12,055,500</b>	<b>11,682,149</b>
<b>Income</b>			
Rent From Dwellings	11,292,500	11,402,900	11,480,728
Rent From Garages	457,500	476,800	458,707
Non-dwelling Rents and Income	149,500	156,500	156,193
Interest on Mortgages	9,000	10,000	10,337
Interest on Balances	66,000	100,000	116,027
<b>Total Income</b>	<b>11,974,500</b>	<b>12,146,200</b>	<b>12,221,992</b>
<b>Surplus (Deficit) in the Year</b>	<b>151,000</b>	<b>90,700</b>	<b>539,843</b>

### HOUSING REVENUE ACCOUNT WORKING BALANCE

	<u>2004/05</u> Estimate £	<u>2004/05</u> Probable £	<u>2004/05</u> Actual £
<b>Balance Brought Forward</b>	<b>1,560,922</b>	<b>2,243,785</b>	<b>2,243,785</b>
Add surplus (less deficit) in the year	151,000	90,700	539,843
<b>Balance Carried Forward</b>	<b>1,711,922</b>	<b>2,334,485</b>	<b>2,783,628</b>

#### NOTES

- a) Planned Underspends totalling £130,000 carried forward to 2005/06



# CAPITAL FINANCING SUMMARY 2004/05

	2004/05 Budget	Gross Expend
	£	£
CGDB Green Waste Collection	200,300	196,487.40
<b>Sub Total</b>	<b>210,300</b>	<b>196,487.40</b>
<b>SAFER RUNNYMEDE</b>		
CGAF CCTV - 2003/04 New Schemes		15,688.88
CGAG CCTV Replacement Schedule	129,000	45,590.63
CGCK CCTV - 2004/05 New Schemes		5,918.00
<b>Sub Total</b>	<b>129,000</b>	<b>67,197.51</b>
<b>ECONOMIC DEVELOPMENT</b>		
CGAI Addlestone Community Centre	1,898,900	1,637,184.14
CGAW Strategic Maintenance Plan	715,800	420,201.89
CGAX Depot Improvements	12,500	8,151.05
CGBB Action Addlestone	732,400	609,927.71
CGCR Civic Offices Reprovision	420,000	118,537.65
<b>Sub Total</b>	<b>3,779,600</b>	<b>2,794,002.44</b>
<b>CORPORATE SERVICES</b>		
CGBQ Capital Grant Aid	50,000	-13,755.00
CGBR Capital Grant Aid to Scouts and Guides	6,000	
CGCY DSO Vehicles	8,500	8,350.00
CGDA Energy Efficiency Initiatives	25,900	
Addlestone Community Assoc. Loan	50,000	
Purchase of Capital Investments		4,143,937.32
<b>Sub Total</b>	<b>140,400</b>	<b>4,138,532.32</b>
<b>INFORMATION SYSTEMS</b>		
CGBH Revs & Bens i-world Upgrade	1,600	1,530.00
CGBI GIS Upgrade	3,300	2,025.00
CGBL Cemetery (BACAS) System	15,100	8,100.00
CGBM FMS System	19,400	4,641.57
CGBO General Computer Replacement Fund	153,500	152,843.54
CGBP DMS - Staffware & Cardiff Telecom	20,000	
CGBY GIS Upgrade - Phase 2	28,000	30,375.00
CGBZ Corporate Property Software	20,000	17,500.00
CGCD Telephone Switchboard Upgrade	13,200	13,209.00

Grants & Contributions	Capital Receipts	Revenue Reserves	Major Repairs Reserve	DSO Reserves	CCTV Reserve	IT Renewals Reserve
£	£	£	£	£	£	£
196,487.40						
196,487.40						
15,688.88					45,590.63	
5,918.00						
21,606.88					45,590.63	
	1,637,184.14					
	420,201.89					
	8,151.05					
25,000.00	584,927.71					
	118,537.65					
25,000.00	2,769,002.44					
	-13,755.00					
				8,350.00		
	4,143,937.32					
	4,130,182.32			8,350.00		
1,530.00						
2,025.00						
8,100.00						
	4,641.57					
	152,843.54					152,843.54
30,375.00						
17,500.00						
13,209.00						

# CAPITAL FINANCING SUMMARY 2004/05

	2004/05 Budget	Gross Expend	Grants & Contributions	Capital Receipts	Revenue Reserves	Major Repairs Reserve	DSO Reserves	CCTV Reserve	IT Renewals Reserve
	£	£	£	£	£	£	£	£	£
CGCJ Leisure Booking System	14,500	15,200.00		15,200.00					
CGCL Housing Computer System Upgrade	120,000	119,413.21		119,413.21					
CGCN Grounds Maintenance Computer System	25,000								
CGCO Car Parks PCN System	24,500		10,000.00						
CGCP IEG Implementation	10,000	10,000.00							
CGCS On-Line Payments System	17,100	17,812.62	17,812.62						
CGCT Website Content Management System	135,000	202,563.64	202,563.64						
CGCW Teleform Upgrade	14,800	8,550.00	8,550.00						
CGCZ Internet Intrusion Prevention Software	5,000	5,000.00	5,000.00						
Systems Upgrades & Developments	50,000								
General IT Provision	50,000								
<b>Sub Total</b>	<b>739,800</b>	<b>608,763.58</b>	<b>316,665.26</b>	<b>139,254.78</b>					<b>152,843.54</b>
	<b>6,541,100</b>	<b>8,504,659.82</b>	<b>689,427.84</b>	<b>7,608,447.81</b>			<b>8,350.00</b>	<b>45,590.63</b>	<b>152,843.54</b>
<b>TOTAL HRA &amp; GF EXPENDITURE</b>			<b>1,011,187.84</b>	<b>8,265,143.89</b>	<b>580,628.13</b>	<b>2,144,863.00</b>	<b>8,350.00</b>	<b>45,590.63</b>	<b>152,843.54</b>

Section 106 Planning Contributions - Summary of Activity in 2004/05							
Description of deposit or scheme	Year Received	Capital/ Revenue	Balance at 1 April	Deposits Received	Applied in Year	Balance at 31 March	Further description and comments
			£	£	£	£	
<b>Highway Related</b>							
SCC Monitoring Travel Plan	2002/03	Revenue	2,000			2,000	
Bus Shelter at Thorpe Park	2001/02	Revenue	3,000			3,000	
1-11 Station Rd/2-4 High Street	1998/99	Revenue	17,500	0	0	17,500	
Relocation of electricity sub-station	1998/99	Revenue	2,000	0	0	2,000	
64/65 High Street Egham	2001/02	Revenue	2,000	0	200	1,800	
Tesco Improvement to Highways	2001/02	Revenue	25,000	0	25,000	0	Forms part of Action Addlestone project
84 New Haw Rd - traffic calming	2003/04	Revenue	6,000	0	6,000	0	Passed to Surrey CC
1-7 Barker Rd, Chertsey	2003/04	Revenue	10,000	0	10,000	0	Cycle and pedestrian improvements to A320
120/122 Bridge Road, Chertsey	2004/05	Revenue	0	10,000	0	10,000	Bus stops
Bridge Wharf, Chertsey	2004/05	Revenue	0	30,000	0	30,000	Traffic calming
Bridge Wharf, Chertsey	2004/05	Revenue	0	10,000	0	10,000	Consultation
Thorpe Park, Chertsey	2004/05	Revenue	0	2,000	2,000	0	Travel plan monitoring
Egham Hill cycle way	2004/05	Capital	0	15,000	15,000	0	Passed to Surrey CC
Chertsey traffic management	2004/05	Revenue	0	10,000	10,000	0	Passed to Surrey CC
Ensign House, Addlestone	2004/05	Revenue	0	1,000	1,000	0	Traffic signal review
Ensign House, Addlestone	2004/05	Capital	0	11,000	11,000	0	Bus shelters, LTI, cycleways
157/158 High Street, Egham	2004/05	Revenue	0	10,000	10,000	0	Local transport initiatives
Vicarage and Surrey Grange	2004/05	Revenue	0	50,000	50,000	0	Local transport plan
Green Lane, Addlestone	2004/05	Capital	0	11,000	11,000	0	Cycle way and interactive signs
Fox Court	2004/05	Revenue	0	6,000	6,000	0	Transport - Passed to Surrey CC
Linden Cottage	2004/05	Revenue	0	5,000	0	5,000	Highway improvements
						0	
<b>Sub Total</b>			<b>67,500</b>	<b>171,000</b>	<b>157,200</b>	<b>81,300</b>	
<b>Housing Related</b>							
Boshers	1998/99	Capital	179,587	0	113,760	65,827	To be used for the affordable housing programme in 2004/05. Not needed in previous years due to availability of the LASHG scheme.
St. Annes Park	1999/00	Capital	475,000	0	0	475,000	
<b>Sub Total</b>			<b>654,587</b>	<b>0</b>	<b>113,760</b>	<b>540,827</b>	

## Section 106 Planning Contributions - Summary of Activity in 2004/05

Description of deposit or scheme	Year Received	Capital/Revenue	Balance at 1 April	Deposits Received	Applied in Year	Balance at 31 March	Further description and comments
<b>Runnymede Travel Initiative</b>							
Aviator Park - Travel Initiative	2001/02	Revenue	4,339	0	4,339	0	
Bridge Wharf, Chertsey	2004/05	Revenue	0	150,000	91,977	58,023	
Fox Lane, Chertsey	2004/05	Revenue	0	50,000	50,000	0	
Ensign House, Addlestone	2004/05	Revenue	0	6,500	6,500	0	
157/158 High Street, Egham	2004/05	Revenue	0	10,000	10,000	0	
Fox Court	2004/05	Revenue	0	6,000	6,000	0	
Green Lane	2004/05	Revenue	0	5,000	5,000	0	
Linden Cottage	2004/05	Revenue	0	5,000	5,000	0	
<b>Sub Total</b>			<b>4,339</b>	<b>232,500</b>	<b>178,816</b>	<b>58,023</b>	
<b>Safer Runnymede</b>							
Aviator Park - CCTV Element	2001/02	Capital	7,000	0	7,000	0	Reposition/provision of poles
Aviator Park - CCTV Element	2001/02	Revenue	35,000	5,445	7,000	33,445	Committed sum for 5 years maintenance
CCTV Cameras - Mead Lane	2002/03	Capital	14,133	0	14,133	0	Work completed in 2004/05
CCTV Cameras - Mead Lane	2002/03	Revenue	15,000	0	3,000	12,000	Committed sum for 5 years maintenance
Thorpe Park Camera	2003/04	Revenue	9,000	0	3,000	6,000	Committed sum for 3 years maintenance
Bridge Wharf, Chertsey	2004/05	Capital	0	34,000	0	34,000	
<b>Sub Total</b>			<b>80,133</b>	<b>5,445</b>	<b>34,133</b>	<b>85,445</b>	
<b>Leisure Facilities - Capital</b>							
Aviator Park - Leisure Element	2001/02	Capital	143,455	0	41,735	101,720	Scheme in progress
Chertsey Meads - Play Area	2002/03	Capital	52,000	0	0	52,000	Location of site to be confirmed
Bridge Wharf, Chertsey	2004/05	Capital	0	5,000	0	5,000	O/S mitigation
Bridge Wharf, Chertsey	2004/05	Capital	0	35,000	0	35,000	Play equipment
Simplemarsh Farm, Addlestone	2004/05	Capital	0	15,000	450	14,550	
<b>Sub Total</b>			<b>195,455</b>	<b>55,000</b>	<b>42,185</b>	<b>208,270</b>	

<b>Section 106 Planning Contributions - Summary of Activity in 2004/05</b>							
Description of deposit or scheme	Year Received	Capital/ Revenue	Balance at 1 April £	Deposits Received £	Applied in Year £	Balance at 31 March £	Further description and comments
<b>Leisure Facilities - Commuted Sums</b>							
Parks General Commuted Sums	Various	Revenue	77,700	0	21,400	56,300	Commuted sum for maintenance
Homewood Park	1999/00	Revenue	243,476	11,997	34,168	221,305	Commuted sum for maintenance
Boatyard Site, Addlestone	2001/02	Revenue	4,000	0	1,000	3,000	Commuted sum for maintenance
Two Bridges, Chertsey	2001/02	Revenue	15,000	0	1,000	14,000	Commuted sum for maintenance
Genets Yard (St Anns Rd Chertsey)	2002/03	Revenue	16,000	0	1,000	15,000	Commuted sum for maintenance
Simplemarsh Farm, Addlestone	2004/05	Revenue	0	15,000	0	15,000	
<b>Sub Total</b>			<b>356,176</b>	<b>26,997</b>	<b>58,568</b>	<b>324,605</b>	
<b>Grand Total</b>			<b>1,358,190</b>	<b>490,942</b>	<b>584,662</b>	<b>1,298,470</b>	

Year to 31/03/06

## SERVICE PLAN FOR CORPORATE MANAGEMENT

This plan sets out the details of the actions that the Council has agreed must be taken to improve the services provided by the Chief Executive's and Finance Departments. It combines the targets that have been agreed within the –

- Strategic Plan - SP
- Best Value Improvement Plans (following service reviews) - BV
- Best Value Performance Indicators - BVPI
- Comprehensive Performance Assessment Improvement Plan - CPA
- 5 year Financial Forecast and Capital Programme - FFCP
- Published Service Standards - PSS
- Implementing Electronic Government (IEG) Statement - IEG
- Community Strategy Targets - CST
- Risk Management Plan - RMP
- Equality Strategy - ES
- Corporate Governance Requirement - CGR
- Annual Efficiency Targets (ODPM) - AET

The last column of the attached tables indicates the origin of the action point.

Officer's titles have been abbreviated as follows –

Director of Finance	DF	Chief Executive Officer	CEO
Assistant Director of Finance (Accountancy)	ADFA	Policy Officer	PO
Assistant Director of Finance (Revenues)	ADFR	Information Systems Manager	ISM
Chief Internal Auditor	CIA	Personnel Officer	DGT
Revenues Manager	RM	Director of Admin. and Leisure	DAL
Payroll and Payments Manager	PPM	Information and Communication	
Benefits and Customer Services Manager	BCSM	Strategy Programme Manager	ICSM
Deputy Customer Services Manager	DCSM	Non-Domestic Rates Manager	NDRM
Principal Building Services Manager	PBSM	Council Tax Manager	CTM

APPENDIX 'I'

## Corporate Governance

### 1.1 Corporate Health

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
Consult with Members at the end of 2005/06 Municipal year and bring forward any changes to the Council's constitution for consideration by Council, together with emerging Best Practice on governance issues elsewhere	DAL	March 2006	Agreement on constitutional changes.  Appropriate input from cross party Member Working Group	Within existing resources; staff time	Renewed constitution for 2006/07	CGR/CPA
Bring forward reports to secure endorsement of Public Service Agreement participation. Identify service areas/initiatives and make submission with SCC to ODPM	CEO	March 2006	Surrey County Council and other borough/district partners signing up. Various Government departments agreeing "stretch" targets	Within existing budgets.	Participation in a successful PSA submission and delivering agreed targets over the 3 year period	SP
Examine and bring forward reports detailing the opportunities, implications and benefits of greater joint working with other agencies. Pursue particular service areas, consistent with securing service improvements, service resilience and/or efficiency gains.	CEO + Directors	Ongoing	Co-operation with other neighbouring Districts; maintaining the goodwill of staff.  Political and accountability considerations	Within existing budgets.  Potential pooling of budgets	Successful joint-working operation where of tangible benefit to residents.  Annual report on progress	LPS/ Personnel BV

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
Achieve progress on implementing the Community Strategy in collaboration with the Local Strategic Partnership, for improving the economic, social and environmental well-being	PO	Dec 2006. Milestone with published monitoring report. Measured annually	Collaboration of partners, staff involvement, staff time, buy-in from external partners. Otherwise mainstream budgets	£7,500 budgetary provision for printing, consultation costs.	Demonstrable progress on specific targets. Publication of progress annually from December 2006 (with LDF monitoring statement)	SP/BVPI 1
Implement the Equality Standard for Local Government.	PO	Partial 2005/06 Full 2006 Measured annually	Staff time; staff and political support.	Within existing budgetary provisions.	Level 1:2002/03 Level 2:2005/06 Level 3: Dec 2006	BVPI 2/ ES
Maintain a high rating of customer satisfaction of the Council's overall provision of services.	PO	Dec 2007 Measured annually.	Under performance of service departments and of individual staff across the Council. High staff turnover. Appropriate levels of delegation.	Within existing Best Value provisions.	5 <sup>th</sup> in 2003 (out of 238 district councils) Top ten position for 2007	BVPI 3

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
Deliver Best Value Service Review Programme 2005-2009	PO	As per annual programme to 2009	Officer time and other more pressing requirements. Lack of comparative data	Some available resources for consulting and associated inputs.	Successful maintenance of identified service areas reviews each year	BV
Secure a good Annual Management Letter from the External Auditor.	CEO	Nov 2005	Staff supplying/ calculating correct figures for BVPIs. Conforming to legislative requirements. Short notice given by Government	Maintaining quality of financial systems	An unqualified judgement and other positive comments.	SP
Make effective responses to any further consultations on the CPA process.	CEO/PO	Oct 2005	Staff time	Within existing resources.	Ensuring credible 2 <sup>nd</sup> generation regime is adopted by Audit Commission.	SP
Submit required Annual Efficiency Statement to ODPM and achieve stated targets	DF	By 31 <sup>st</sup> March 2006, 2007 + 2008	Resources, barriers to change, political will. Co-operation of County Council	Within existing Best Value provisions.	Annual % targets as required by ODPM	SP
Deliver CPA Improvement Plan.	CEO/PO	Variable individual target dates. Review annually		£15,000 budget provision for CPA.	Continuous improvement over three years as identified by agreed indicators	CPA

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
Maintain cross-party Local Government Act 2000 Member Working Group.	CEO	Ongoing	Maintaining Member support for the group.	Officer time (overtime; etc). Member availability	More political consensus and understanding of issues of items at Corp. Man. Committee	LPS
Rollout Risk Management Plan (RMP), manage reduction of risk scores	DF	31.03.06 And annually thereafter	Adequate staff resources	Within existing provisions	Reducing risk scores in each element of the RMP and complete annual review	RMP/SP
Letters should be answered, either in full or with an acknowledgement, within 3 working days, except in cases that are set out in the Civil Procedure Rules. Where an acknowledgement is sent, a full reply should be sent within 15 working days or if this is not possible, a brief update on progress should be sent.	All CO's	Ongoing	Dependent on ease of information that is obtainable to answer queries; Staff time.	Within existing resources.	100% fulfilment of definition opposite, in the handling of all complaints.	LPS
Telephones should be answered clearly and politely, announcing name and department. If busy or unavailable, suitable call forwarding arrangements or voicemail should be activated. Telephones should be answered both at the switchboard and at extensions within four rings. The target being 70%.	AP and all directors	Monthly external monitoring report	Training and adequacy of reminders	Within existing staff and other financial resources.	70% of all calls to be answered within four rings.	PSS

## 1.2 Information and Communication Technology

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
When published by the Government, make progress towards IEG 4.5 + 5.	ISM	2006	Financial and staff resources; the Government's strict timetable.	Within existing budgets and government grant.	Successful completion of the e-government process in 2005.	IEG
Maximise external funding opportunities, consistent with core policies and priorities.	All Directors	Ongoing	Lack of suitable funding opportunities. Criteria focused on deprivation	Within existing budgets.	Successful funding bids.	FFCP
Identify service improvements and financial savings resulting from roll-out of Document Management System (DMS), Content Management System (CMS) and Customer Relationship Management (CRM)	ICSM/ ISM	Ongoing	Effective support from Vignette and departments	Within existing budget provisions for DMS/ IEG	Successful completion of DMS across the Council as a whole.	IEG/AET
The number of interactions that are enabled for electronic delivery as a percentage of the types of interactions that are legally permissible for electronic delivery.	ISM	March 2006 Measured annually	Financial restrictions; Data Protection Act; Freedom of Information Act.	Within existing budgets.	Increase in the % of interactions.	BVPI 157

<b>Target/Indicator</b>	<b>Lead Officer</b>	<b>Implement by</b>	<b>Barriers to implementation</b>	<b>Resources required/identified</b>	<b>Success Indicators</b>	<b>Target origin</b>
Increase the proportion of information and the number of interactions through the Council's website.	ISM	Annually	Financial issues with web development, provision of interactive forms and rollout of CMS	Within existing resources and IEG grant.	Continuous increases in number of visitors to homepage, number of pages viewed and document downloaded.	IEG

### 1.3 Personnel

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
Increase the percentage of women that are in the top 5% of earners.	CEO/ DGT	Ongoing. Measured annually	The small number of staff that constitute the top 5% of earners; ability of appropriate candidates.	Within existing provisions.	Meet the 2005/06 target of 9%	BVPI 11a
The percentage of top 5% of earners that are from black and minority ethnic communities.	CEO/ DGT	Ongoing. Measured Annually	Low turnover in this category of staff	Within existing provisions.	Meet the 2005/06 target of 5%	BVPI 11b
The average number of working days/shifts lost due to sickness absence.	CEO/ DGT	Ongoing. Measured Annually	Staff sickness; stress levels. Age structure of employees	Within existing resources.	Meet the 2005/06 target of 8.5 days	BVPI 12
The percentage of employees retiring early.	CEO/ DGT	Ongoing. Measured annually	Staff retirement; age structure of the Council's employees.	Within existing resources.	Meet the 2005/06 target of 0%	BVPI 14
The percentage of top 5% earners who are disabled	CEO/ DGT	Ongoing. Measured annually	The small number of staff that constitute the top 5% of earners; ability of appropriate candidates.	Within existing resources.	Meet the 2005/06 target of 8%	BVPI 11C
The percentage of employees retiring on grounds of ill health.	CEO/ DGT	Ongoing. Measured annually	Staff retirement; age structure of the Council's employees.	Within existing resources.	Meet the 2005/06 target of 0%	BVPI 15

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
The % of local authority employees declaring that they meet the Disability Discrimination Act 1995 disability definition.	CEO/ DGT	Ongoing. Measured annually	Number of suitable candidates.	Within existing provisions.	Meet the 2005/06 target of 3%	BVPI 16
The % of economically active employees from minority ethnic community population in the authority area.	CEO/ DGT	Ongoing. Measured annually	Number of suitable candidates.	Within existing provisions.	Meet the 2005/06 target of 5%	BVPI 17
The % of local authority employees from ethnic minority communities	CEO/ DGT	Ongoing. Measured annually	Number of suitable candidates	Within existing budget provisions	Meet the 2005/06 target of 3.25%	BVPI 17
The % of authority buildings open to the public in which all public areas are suitable for and accessible to disabled people.	CEO/ DGT/ PBSM	Ongoing. Measured annually	Definition according to the DDA; financial restrictions; planning permission.	Within existing budget provisions.	Meet the 2005/06 target of 93%	BVPI 156

# FINANCE

## 2.1 Financial Management

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
Maintain the Council's position as the lowest taxing district authority in Surrey.	CEO/DF	Annually	Grant settlement, Service growth  Need to achieve savings target.	No additional requirement.	RBC Band D Council Tax compared with other Surrey Districts	SP/FFCP
Achieve net reduction in expenditure of £2 million by the end of 2006/07	CEO/DF	March 2007	Political considerations <ul style="list-style-type: none"> <li>• Delays in realising land receipts.</li> <li>• Removal of some items from the savings list.</li> </ul>	No additional requirement.	Strategy on achieving a balanced budget by 2009/10 agreed in the September 2004 forecast.	SP/FFCP

## Council Tax and Non Domestic Rates Collection

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
The % of Council Tax collected 2005/06 target = 98% by 31.03.06	RM	Ongoing Measured annually	Computer down time. Unplanned staff turnover/absences.	Within existing resources	Performance against target	BVPI 9
The % of non-domestic rates due for the financial year which were received by the authority 2005/06 target = 99% by 31.03.06	RM	Ongoing Measured annually	Computer down time. Unplanned staff turnover/absences.	Within existing resources	Performance against target	BVPI 10

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
Increase take up on Direct Debit each year for both C.Tax and NDR.	CTM/ NDRM	On-going Measured annually	While the Council continue to pay the fee for those paying at the post office, it will be difficult to persuade these payers to use DD Staff turnover.	Contain within current resources.	Increase in requests made to Banks	RMP
To be in the top quartile for both C.Tax and NNDR for cash collection in the national ranking and to improve our position within the Surrey Revenues authorities.	RM	Continuous Measured annually		Need continuous commitment of teams and I.T. support.	Even better cash collection figures. No backlog of post. Placed higher in the national ranking.	RMP
To participate in wider Benchmarking exercises with other authorities.	ADFR	Continuous. Annual exercise	Finding time to collate information and having the necessary reports available and not having to revert to manually compiling information.	Time needs to be allocated by C.Tax & NNDR Managers & Data Control Officer.	Able to provide information requested.	BV

2.3 Accountancy

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
Develop proposals for improved reporting of financial performance to Members	ADFA	Ongoing	Financial system does not currently capture commitments. Committee timetable not helpful for up to date reporting.	Uses existing Accountancy staffing resource.	Useful reports directed at Members' needs.	Accountancy Best Value Review

## 2.4 Payments

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
Develop performance indicators for the Section that will allow outputs to be defined and measured. Review service and quality levels in light of consultation stage of this and other Best Value Reviews	PPM	Ongoing	None	Within existing resources.	Performance against PIs. Annual comparison	Payments Best Value Review
Investigate the possibilities of closer working with the Personnel Section for the production of the payroll	PPM	March 2006	Linking (or combining) the Payroll and Personnel databases.	None	Improvement in overall service.	BV
Review the use of the Moorepay Bureau service in processing the payroll	PPM	March 2006	None	Budgetary and staff resource implications will be a key part of this decision.	Best value solution to be adopted.	BV
Review creditors' procedures to achieve effective payments to suppliers and meet the Council's and the government target for prompt payment of invoices	ADF	Ongoing Measured annually	Need service managers to process invoices in time.	Time	Meeting BVPI targets: - 2003/04 92.5% 2004/05 95% 2005/06 97.5%	BVPI 8
Use the corporate Document Management System (DMS) to generate benefits in the entire purchasing and payment process	ICSM	Dependent on DMS project progress	Suitability of DMS System. Attitude of Budget Managers to technological change.	Budgetary and staff resource implications will be a key part of this decision.	Best value solution to be adopted.	Payments Best Value Review

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
Increase the proportion of payments made by BACS	PPM	Achieve 50% of supplier payments by BACS by December 2003, and 75% by December 2004.	Need bank details from suppliers.	Within existing staff resources.	As target	Payments Best Value Review

2.4 Audit and Insurance

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin

Internal Audit (targets and performance reported to Standards and Audit Committee)

### Cash Office

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
To aim to be in the top 25% of top performing authorities within Surrey	BCSM	Measured annually.	Cost of service & negotiation of recharges	Time	Published results	BV

### Sundry Debtors

Target/Indicator	Lead Officer	Implement by	Barriers to implementation	Resources required/identified	Success Indicators	Target origin
Increase the Direct Debit (DD) take up for Sundry Debtors.	BCSM	Ongoing	Customer mistrust of DD's.	Small budget for targeting debtors with the DD's.	Monitoring of DD takeup.	BV
To aim to be in the top 25% of top performing authorities within Surrey by 2005.	BCSM	Reflected in 2004/5 Results.	Cost of service & negotiation of recharges	Time	Published results	BV
Produce collection targets for each type of debt and strive to achieve them.	BCSM	Produce targets for next financial year.	Targets will reflect type of debt.	None	Measuring the targets.	BV
Look at the possibility of devolving the input of debtors to other departments, where appropriate.	BCSM	Ongoing	Willingness of other departments	Training time	Devolved data input.	Customer service target

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**Activities undertaken to achieve efficiency gain**

1. Foreword:

The council is pleased to provide this statement which builds upon 20 years of disciplined financial controls, Member direction and a great deal of innovative working which is constantly focused on outcomes.

The five year financial forecast lies at the heart of a range of strategies and plans. These include the recently revised policy framework, the capital programme, the asset management plan, community strategy and committee based service plans.

In seeking to identify a coherent approach to efficiency gains, particular attention is being given to the long standing culture of create/save, the more recent programme of best value service reviews and bench marking work with others. The council has a long standing "mixed economy" approach to service provision and this is particularly helpful when seeking innovative cost reductions.

The Council has a challenging target of achieving £2 million of resource reductions in the next 18 months to place future budgets in a sustainable position. Part of this will require careful examinations of existing and potential partnership working.

2. The Council's strategy for securing efficiency gains:

i) Policy Guidance for Revenue Reduction Exercise approved by Council:

- joint working with partners to achieve service resilience or reduction in unit costs will be vigorously pursued;
- key targets and priorities identified in the current series of Service Plans will, wherever possible, have priority call on resources;
- changes in demographic and associated social needs/demands will, for the most part, be a key issue in future service reviews and service planning;
- very considerable IT investment to yield greater savings;
- review back office arrangements and ensure that what we expect as Members is reduced;
- maximise the return on assets, save for those occupied by voluntary and charitable groups;
- discretionary fees and charges (including car parking charges) need to at least reflect the cost of provision and/or comparative tariffs elsewhere;
- reinvigorate the concept of "create/save" and provide an enterprise fund to pump prime explicitly identified savings or opportunities for additional income.

ii) Set out in the Council's Procurement Strategy:

- reduce the cost of the procurement activity for both the Council and its-suppliers;
- deliver value for money contracts by establishing sound commercial partnerships as well as entering traditional contractual relationships;
- implement transparent procurement processes;
- ensure that procurement is undertaken in accordance with Council policy;
- make it easy for others to do business with us;
- achieve the Government's targets set out in the National Procurement Strategy.

iii) Implementation of electronic government as set out in the IEG4 statement:

- reduce service costs by encouraging the use of the Web site to obtain information on services provided and procedures adopted by the Council;
- increase operating efficiency by the use of an integrated document imaging, workflow, content management and web portal solution;

- reduce costs by encouraging online reporting and applications for services;
- adopt e-procurement facilities and access to a virtual e-procurement marketplace;
- extend the availability of on-line payment facilities;
- establish a single business account;
- implement a content management system to service all channels of service and information delivery.

	Quality Cross Check Met?	2004/05 annual efficiency gains (£)	...of which related to capital spend (£)	...of which related to other spend (£)	...of which cashable (£)
<b>Adult social services</b>	Yes	4,687			4,687
	<b>Activities undertaken to achieve efficiency gain:</b> Additional lettings of day centres out of hours to the local college for their "learn direct" initiative.				
	<b>Quality cross-check notes:</b> Increased use of day centres out of hours for community/educational use.				
<b>Children's services</b>					
	<b>Activities undertaken to achieve efficiency gain:</b>				
	<b>Quality cross-check notes:</b>				
<b>Culture and sport</b>					
	<b>Activities undertaken to achieve efficiency gain:</b>				
	<b>Quality cross-check notes:</b>				
<b>Environmental services</b>	No	7,804			7,804
	<b>Activities undertaken to achieve efficiency gain:</b> Introduction of chargeable green waste scheme. Extension of recycling arrangements. Renegotiated contract for disposing of abandoned vehicles (379 x (£33.98 - £13.39))				
	<b>Quality cross-check notes:</b> Percentage sum of household waste arisings that have been:(a) sent by the Authority for recycling (BV82a i & BV82a ii); (b) sent by the Authority for composting or treatment by anaerobic digestion (BV82b i & BV82b ii); and (c) used to recover heat, power and other energy sources (BV82c i & BV82c ii). Percentage did not increase in 2004/05 because of delays in extending the recycling scheme to flats/high rise properties.				
<b>Local transport</b>					
	<b>Activities undertaken to achieve efficiency gain:</b>				
	<b>Quality cross-check notes:</b>				
<b>LA social housing</b>	Yes	20,397		20,397	20,397
	<b>Activities undertaken to achieve efficiency gain:</b> Reduction in void garages (9.314% voids in 2003/04; 5.094% in 2004/05).				
	<b>Quality cross-check notes:</b> Percentage of homes made decent				
<b>Non-school educational services</b>					
	<b>Activities undertaken to achieve efficiency gain:</b>				
	<b>Quality cross-check notes:</b>				

	Quality Cross Check Met?	2004/05 annual efficiency gains (£)	...of which related to capital spend (£)	...of which related to other spend (£)	...of which cashable (£)
Supporting people	Yes	18,340			18,340
	<b>Activities undertaken to achieve efficiency gain:</b> Commission on increased number of home improvement schemes.				
	<b>Quality cross-check notes:</b> Percentage of private sector homes that meet the decent homes standard.				
Homelessness					
	<b>Activities undertaken to achieve efficiency gain:</b>				
	<b>Quality cross-check notes:</b>				
<b>Other cross-cutting efficiencies not covered above</b>					
Corporate services	Yes	100,000			100,000
	<b>Activities undertaken to achieve efficiency gain:</b> Extended life of IT equipment. Implementing new technology to achieve efficiencies.				
	<b>Quality cross-check notes:</b> Reducing central costs through new methods of working.				
Procurement					
	<b>Activities undertaken to achieve efficiency gain:</b>				
	<b>Quality cross-check notes:</b>				
Productive time	No	4,556			
	<b>Activities undertaken to achieve efficiency gain:</b> Absorbed increased benefits caseload.				
	<b>Quality cross-check notes:</b> Working days lost to sickness absence (BV12). This increased in 2004/05 because of long-term sickness absence, which included two terminal illnesses.				
Transactions	Yes				
	<b>Activities undertaken to achieve efficiency gain:</b>				
	<b>Quality cross-check notes:</b>				
Miscellaneous efficiencies	Yes	34,223			34,223
	<b>Activities undertaken to achieve efficiency gain:</b> Disposal of underutilised assets.				
	<b>Quality cross-check notes:</b> Enhancement in service provision associated with the disposal of underutilised assets.				
<b>Total</b>		<b>190,007</b>	<b>0</b>	<b>20,397</b>	<b>185,451</b>

**NATIONAL NON-DOMESTIC RATE  
DISCRETIONARY RELIEF FOR CHARITIES AND OTHER NON-PROFIT MAKING BODIES**

POLICY GUIDELINES ON THE DETERMINATION OF RELIEF

Background

1. Under the provisions of the Local Government Finance Act 1988 Act there are three ways in which charities and other non-profit making bodies can be protected from the effects of the National Non-Domestic Rate (NNDR):
  - (i) Exemption: Although these organisations are not exempt in their own right, the premises they occupy may be exempt because of the purpose for which they are used. Examples of properties that may be exempt include places of religious worship and premises used wholly for the provision of training, welfare or sheltered employment services for the disabled. Since 1 April 1990 such properties have not been included in the local Rating List, compiled by the District Valuer and Valuation Officer of the Inland Revenue, and therefore no liability arises.
  - (ii) Mandatory Relief: Section 43(5) of the 1988 Act provides that if a property is occupied by a charity, or the trustees of a charity, and it is used wholly or mainly for charitable purposes, then its liability to the rate is restricted to 20% of the rate that would be payable if the premises were occupied by someone other than a charity. Similar provisions exist in S45(5) for empty premises that will be used wholly or mainly for charitable purposes when next occupied.
  - (iii) Discretionary Relief: Under Section 47 of the 1988 Act, the local authority may exercise its discretion to grant relief from the rate. It is this category of relief at which these guidelines are directed.
2. The decision to grant discretionary relief is left to the billing authority in which the premises are located. The authority may grant relief for all or part of the rate.

In cases of charitable occupation, the authority may grant additional top-up relief from all or part of the balance of the rate for which the charity would otherwise be liable (ie up to 20% of the full rate).

There are limitations over the backdating of relief. Paragraph 23 of Schedule 3 to the Local Government and Rating Act 1997 amended Section 47(7) of the 1988 Act to provide that, from 1 April 1997, local authorities may reach a decision to grant discretionary rate relief for a financial year for up to six months after the end of that year. This is a change from the previous provisions under which authorities had to decide within the financial year concerned. Backdating is therefore limited to a maximum of 18 months.

3. The cost of relief under these provisions is borne as follows:

	<u>NNDR Pool</u>	<u>Local Council Taxpayers</u>
Mandatory only	100%	Nil
Discretionary top-up	25%	75% *
Discretionary only	75%	25%

\* ie if the discretionary top-up is for the full remainder of the rate then the NNDR pool will pay for all of the mandatory element (80%) plus one quarter of the balance (5%). The local council taxpayers will fund the rest (15%).

4. Each case must be considered on its own merits. The Office of the Deputy Prime Minister considers that blanket decisions by the authority may be *ultra vires* and advises authorities to draw up readily understood policies for granting rate relief.

5. Guidelines

- 1) Organisations eligible for mandatory rate relief (80%) will not normally be considered for any discretionary relief with the following exceptions:
  - (a) Official Scout and Guide Organisations shall be granted discretionary rate relief from the remaining rate liability (20%); provided they can demonstrate that their premises are used solely or mainly by them, or by them and other non-profit making services, for the benefit of the Community. This would be subject to certification at each renewal of the relief or upon request by the Council's authorised officers, whichever shall be the sooner.
  - (b) Community Associations;
  - (c) Village Halls; and
  - (d) Day Centres for the elderly and other groups (together with their administrative offices where remote from the operational centre).

Organisations in (b), (c) or (d) shall be granted discretionary rate relief from the remaining rate liability (20%).

In all instances the cost of granting this relief is borne 25% nationally and 75% by local Council Taxpayers.

Relief so allowed is to be taken into account in any revenue grant aid made by the Council.

- 2) Non-profit making leisure and sporting organisations that have registered with the Inland Revenue as Community Amateur Sports Clubs (CASCs) are entitled to receive mandatory rate relief of 80% and will not normally be considered for any discretionary rate relief. Non-profit making leisure and sporting organisations that are not eligible as CASCs whose activities:
  - (i) Enhance or supplement the Council's own services; and
  - (ii) Mainly serve the local area

will be considered, on their own merits, for discretionary relief of up to 50%.

Relief so allowed is to be taken into account in any revenue grant aid made by the Council.

6. Authority to determine relief

- Determinations for the granting of relief in cases that fall within the scope of Guideline 1 (topping-up) shall be made by the Director of Finance.
- Determinations for the granting of relief in cases that fall within the scope of Guideline 2, and other applications not specified, shall be brought before the Corporate Management Committee for consideration and determination on each occasion.
- The Director of Finance may, at his discretion, make a determination to revoke the relief in accordance with Section 47(6) of the 1988 Act if, during a period for which an organisation is in receipt of relief:
  - (i) there is a material change in an organisation's circumstances; or
  - (ii) there is a material change in the use of the premises; or
  - (iii) the organisation fails to provide relevant information regarding its current status.

In respect of those cases that fall within the scope of Guideline 2, the Director of Finance shall inform the Committee of any revocation in a report to the next available meeting.

- Aggrieved claimants shall have the right of appeal to the Council.