

Agenda Item 5

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Date	4th February 2014

Ward (s) affected	All	Key Decision	Yes
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Subject	Planning for 2014/15 – Corporate Plan and Budget Proposal
RECOMMENDATIONS	
<p>Subject to any decisions it wishes to make in the light of the feedback from consultation, the Executive is asked to RECOMMEND the following to the Council for approval at its meeting on 18 February 2014:</p> <ol style="list-style-type: none"> 1. The 2014/15 Corporate Plan is approved 2. The proposed budget for 2014/15 be set at £10,064,000. 3. The Council Tax Freeze Grant, offered by Government, is rejected for 2014/15. 4. On the basis of agreeing 1, 2 and 3 above, the Band D Council Tax for 2014/15 is set at £157.47 representing a 1.9 per cent increase in Council Tax for 2014/15. 5. A cost of living pay award of 1.4% be approved for staff, with a minimum addition of £505 pa to provide a higher award for lower paid staff. 6. A capital programme of £3,182,000 is approved for 2014/15 7. The Section 151 Officer's statement regarding the 2014/15 budget and medium term financial outlook for the Council is noted. 8. The level of Members' Allowances be considered in the light of the report by the Independent Remuneration Panel to be presented to the Council on 18 February 2014 	

EXECUTIVE SUMMARY

2014/15 is the fourth and final year of the Corporate Plan produced in 2011/12. This report proposes a light touch review of the corporate priorities and an update of key actions to deliver these.

The proposed budget for 2014/15 is set out in the report. An increase of 1.9% in Council Tax is proposed. The report sets out the various strands of Council funding (grant, business rates, New Homes Bonus, fees and charges) and proposals for spending in 2014/15.

The existing budget reflects current priorities in service provision, and the scope, range and level of provision of those services is protected in the budget proposals. There are a number of new proposals which further support delivery of Council priorities as follows:-

Customer Services & Wellbeing Portfolio – funding for Parish Councils (addition of £7,500)

Increasing funding is in line with the priority to work with partners and provide the right services for residents and will enable Parish Councils to improve and increase their grounds maintenance services.

Planning Portfolio – Development Control staffing (addition of £12,000)

A Work Placement student, appointed in the Development Control Team, will improve the turnaround of planning applications and thus support the priority to enable development in the district and improve the built environment. The priority will also be supported by performance indicators on planning application turnaround.

Planning Portfolio – Development Control enforcement resource (addition of £40,000)

£40,000 will enable MVDC to purchase resources for enforcement and compliance in Development Control. This will support the priority to enable development in the district and improve the built environment.

Finance Portfolio – Work placements for young people (addition of £19,000)

Establish a work placement scheme at MVDC to provide young people with routes into employment and, in doing so, create flexible additional resource to support the delivery of corporate initiatives and priority projects.

CORPORATE PRIORITIES

This report updates the Council's Corporate Priorities for 2014/15 and proposes a budget that reflects these priorities.

The Council has the authority to determine the recommendations.

INTRODUCTION

1. Public services continue to face the challenge of rising demand and declining resources. Like all local authorities, the financial outlook for Mole Valley District Council is challenging, with the amount of funding received from central Government through the Revenue Support Grant continuing to reduce. This is further compounded by low interest rates which affect the return on investments.
2. There are other funding uncertainties to which the Council needs to respond, including the temporary nature of the Council Tax Freeze Grant, future plans for the New Homes Bonus, and new arrangements for business rates.
3. Providing value for money services to our communities in these circumstances means continuing to develop new ways of working and, in the longer term, introducing measures aimed at building stronger communities and reducing dependence on public resources. There is therefore an increasing emphasis on prioritising support for the most vulnerable, encouraging self-service, including on-line transactions, as well as working in collaboration with other local authorities, partners and key stakeholders, including the health service, to commission and share services.
4. In addition, there are specific national policy initiatives to which local authorities need to respond. These can be significant pieces of work for Mole Valley. For instance, supporting residents through the implementation of the national welfare reforms is a key area of focus involving a number of services across the Council, including the benefits team, housing and customer services.
5. The Council's approach for the coming year and beyond is therefore to continue to ensure that budget and business planning are fully integrated and that resources are allocated in line with corporate priorities. The Corporate Plan for 2014/15 reflects the need for an ongoing sound financial basis to enable the Council to deliver against its three overarching themes and the priorities that underpin them:

Access to Services - helping residents to access the services they need
Environment - maintaining the character and environment of Mole Valley
Value for Money - delivering value for money services

6. This report sets out our proposed approach. It is divided into three parts.
 - **PART 1** sets out the proposed Corporate Plan for 2014/15.
 - **PART 2** sets out the Budget Proposal and proposed level of Council Tax for 2014/15.
 - **PART 3** demonstrates how the budget proposals link with the Council's priorities, lists the Council's options and sets out the corporate implications.
7. There are also appendices as follows:
 - Appendix A – Proposed Corporate Plan 2014/15
 - Appendix B – Proposed Revenue Budget 2014/15 with indicative figures

for 2015/16

- Appendix C – Proposed Capital Budget 2014/15 and 2015/16
- Appendix D – Corporate Plan Equality Impact Assessment
- Appendix E - Budget proposals Equality Impact Assessment

PART 1: CORPORATE PLAN 2014/15

Review of priorities

8. The coming year, 2014/15, is the final year of our four year Corporate Plan. The original development phase of the plan set a strong foundation for the four years. This included extensive consultation with community organisations, the public, our staff, partners and other key stakeholders. At the end of each financial year the priorities in the plan have been reviewed to ensure that they remain relevant for the following twelve months. A review of the corporate priorities has confirmed that they remain relevant to the needs of our communities, reflect the Council's achievements in 2013/14 and the challenges that lie ahead. An additional priority has been identified in relation to the impact of flooding on Mole Valley residents and communities.
9. The proposed priorities for 2014/15 are arranged under the three corporate themes below. Changes are highlighted in italics.

Access to Services

10. The three priorities under this theme of helping residents to access the services they need remain relevant for the coming year. They are therefore proposed to be:
 - i. Improve the way we listen to and engage with our customers and communities.
(Previous wording: Improve the way we engage with our customers and listen to our communities)
 - ii. Work with our partners to provide the right services to our local residents.
 - iii. Ensure that our residents are supported through welfare reform and the emerging health and wellbeing agenda.

Environment

11. There are four priorities under this theme of maintaining the character and environment of Mole Valley. The first three are broadly the same and remain relevant for the coming year. A new priority has been added for 2014/15 that relates to the impact of flooding on Mole Valley residents and communities. They are therefore proposed to be:
 - iv. Optimise the Council's recycling rate, balancing both value for money and promoting sustainability.

(Previous wording: Optimise the Council's recycling rate, balancing both value for money and environmental needs.)

- v. Support businesses and the local economy by enabling development in the district and facilitating appropriate housing growth.

(Previous wording: Enable growth in the District to support businesses and the local economy and facilitate appropriate housing development.)

- vi. Improve the quality of the built environment whilst preserving the character and integrity of our towns and villages, and protecting the rural landscape.

(Previous wording: Through the development of the Land Allocations Plan, improve the quality of the built environment whilst preserving the character and integrity of our towns and villages)

- vii. Work with our partners and residents to respond to the impact of flooding on communities.

(New priority)

Value for Money

- 12. Three of the four priorities under this theme of delivering value for money services remain relevant for the coming year. The one proposed change is to the first priority under this theme. The previous priority was to develop a medium term financial strategy; as the strategy has now been written the proposal is to make this priority broader and longer term. They are therefore proposed to be:

- viii. Ensure we have an ongoing sound financial basis to enable us to continue to deliver services that represent value for money.

(Previous wording: Develop and agree a Medium Term Financial Strategy through to 2020)

- ix. Create additional income through prudent investment and making best use of our property assets.

(Previous wording: Continue to provide quality services to our residents, by creating additional income through making better use of property assets)

- x. Invest in our staff and councillors to ensure that they are able to work effectively, make good decisions and develop the culture and capacity for innovation.

- xi. Review the way in which we provide our services to ensure that they are focused on what matters, deliver against our priorities and thereby develop a culture of innovation across the Council.

Actions for 2014/15

13. The section on corporate projects/ work streams included in the Corporate Plan for 2013/14 has been broadened out to cover key actions underpinning each priority.
14. For the Access to Services theme, there will be a continued focus on responding to national welfare changes. The development of the Family Support Programme will be a significant project in 2014/15. Other key activities include joint work with our health and leisure partners to enhance the GP referral scheme at our leisure centres and to develop a cardiac rehabilitation programme. We also have plans to develop an inclusive arts and sports programmes in consultation with people with disabilities.
15. Under the Environment theme, a communications and engagement strategy to encourage recycling focusing on localities where recycling rates are lower than elsewhere in the district will be carried out. Sites to be developed for new homes will be identified in the Housing and Traveller Sites Plan. Various conservation projects will be taken forward and we will promote a clean, litter-free environment to encourage pride of place in Mole Valley. We will also continue to prepare for, and mitigate against, the effects of flooding.
16. Within the remit of the Value for Money theme there will be a consultation with local people and businesses on the council budget for 2015/16. The joint procurement of a new waste collection contract will be a significant project under this theme.

Monitoring and Review

17. The Corporate Plan provides the framework for reporting the Council's performance to Members. Progress is reported through regular budget and performance reports to Executive, enabling Members to identify how the Council is progressing towards achieving its priorities.
18. The proposal for performance monitoring and review in 2014/15 is to continue providing monthly monitoring reports to the Executive on the performance indicators and the financial position. The actions under each priority will be monitored through quarterly reports.

PART 2: BUDGET PROPOSAL 2014/15

Background – Medium Term Financial Strategy

19. The Executive approved the Medium Term Financial Strategy (MTFS) on 29 October 2013. This document sets out the financial outlook for the Council over the medium term – from 2014 to 2021. It provides a framework within which a detailed budget proposal in the short term can be formulated. In most instances, in assembling the 2014/15 budget, the assumptions underlying the 7 year MTFS are confirmed though some updates are provided where the position has

developed in the intervening months.

Revenue Budget – the savings agenda

20. Over the last five years, the Council has experienced substantial reductions in the funding available and has had to respond by identifying savings in the net cost of services. Income from government grant and business rates has reduced by 18% over that period (from £4m in 2008/09 to £3.3m in 2013/14) but the most significant change has been a reduction in income from investments of 89% (from £2.8m in 2008/09 to £0.3m in 2013/14) reflecting the onset of the recession and the low level of interest rates.
21. The necessary response has been a reduction of 28% in the series of annual budgets presented over that period, moving from £13.4m in 2008/09 to £9.7m in 2013/14. This has been achieved through various initiatives across the years including an intensive review of business processes (which saved £1m), the purchase of Fairmount House in Leatherhead (generating income of £0.6m per year), outsourcing the management of Leatherhead Leisure Centre (saving £0.4m) as well as an annual drive to trim service costs, identify efficiencies and maximise fees and charges.
22. The forecast in the MTFS is that this “savings agenda” would need to continue as, although interest rates are at minimum levels, the outlook for government grant is that it will continue to reduce in line with the medium term austerity measures pursued by the current government and confirmed in the recent Autumn Statement on the economy (5 December 2013).
23. The budget proposal for 2014/15 includes a requirement for a significant amount of year-on-year savings, of which the achievement of almost £0.5m saving on the re-tendering of the management contract for Dorking Sports Centre provides a substantial contribution. The 2014/15 budget proposal has also been formulated in the light of estimates for future years, and 2015/16 in particular, where the MTFS forecast indicates a substantial savings requirement.

Revenue Budget Assumptions - Funding

24. The assumptions behind the figures in the proposed budget are set out in the following paragraphs. The funding items are dealt with first (Council Tax, New Homes Bonus, investments etc.), followed by the assumptions on the spending side (inflation, pensions etc.)

Council Tax

25. The budget proposal includes an increase in Council Tax of 1.9% for 2014/15. This adds £2.94 to the MVDC portion of a Band D resident’s annual bill. For other bands, the increase ranges from £1.96 (band A) to £5.88 (band H).
26. The Government’s Spending Review, published in June 2013, set out the Government’s intention to provide further funds for Council Tax Freeze Grant in 2014/15 and 2015/16. This was confirmed in the Finance Settlement in December 2013. The Government will offer grant equivalent to a 1% increase in

2014/15 for both 2014/15 and 2015/16 with potentially a further 1% in 2015/16. The Spending Review reiterated the requirement for Councils to organise a referendum on increases in excess of the Government threshold, which is yet to be announced. The increase can only be implemented if the referendum response is positive.

27. The issue for the Council is the temporary nature of the Freeze Grant. If an increase in Council Tax is levied, that income becomes part of the base in future years. Whereas if the Freeze Grant is accepted, then the Council Tax base is eroded for the future and the limits on levels of increase prevent the Council from making up the deficit.
28. The issue is illustrated in the figures below, which show the difference in the level of Council funding by opting for Freeze Grant rather than increasing Council Tax. It demonstrates how the Council Tax base would have been eroded by almost £0.5m over the five year period from the introduction of the Freeze Grant in 2011/12 up until 2015/16 if the Freeze Grant had been consistently accepted.

	11/12	12/13	13/14	14/15	15/16
Council Tax Freeze Grant	2.5%	2.5%	1%	1%	1%
Value for MVDC (£000)	150	150	60	60	60
Additional, cumulative value in tax base if levied as Council Tax increase (£000)	150	300	360	420	480

29. As part of previous budget decisions, the Council has accepted the Freeze Grant for 2011/12 (a four year offer) and 2012/13 (one year) but rejected it for 2013/14 (two years).
30. Another implication of accepting the Freeze Grant is the potential difference in levels between the Grant and the Council's own increase. The Government will offer 1% but the Council has budgeted for an increase of nearly 2%. An addition of a 2% Council Tax increase for 2014/15 and 2015/16 in the table above would increase the potential erosion of the base to £600,000.
31. The Government announced, as part of the Finance Settlement 2014/15, that the Freeze Grant funding for 2011/12 and 2013/14 will continue to be provided in the settlement total in future years and that the grant for 2014/15 and 2015/16 will also be built into the spending review baseline. This is to provide local authorities with greater certainty of funding and to address the "cliff edge" impact of withdrawing the temporary grants. However, there is no guarantee against future changes of Government policy in this regard or against future changes of

Government. Missed opportunities to update the Council's tax base cannot be retrieved.

32. The Government is yet to announce the referendum threshold for Council Tax increases for 2014/15. Recent history suggests that the limit will be set at 2% and any increase at that level or above would need to be agreed by referendum. The proposal for a 1.9% increase in this report is assumed to be within the referendum limit. Any significant alteration to the budget proposals, as a result of a further Government announcement on referendum levels or Freeze Grant, will be set out in an addendum to this report.
33. Council Tax increases in Mole Valley in recent years have been lower than the prevailing rate of inflation. Analysis of the period from 2008/09 to 2014/15 shows a Retail Price Index increase of around 20% over that period while the level of Mole Valley's Council Tax levied on residents increased by only 9% (from £144 to £157 on a Band D property).

Council Tax Support Scheme

34. In 2013/14, the Government transferred the responsibility of delivering Council Tax Support to local authorities, together with resources equivalent to 90% of the liability. The Council retained the existing Support Scheme and plugged the gap in financing by implementing technical changes to Council Tax – reducing discounts on empty properties and second homes. Monthly monitoring of Council Tax collection has indicated, during 2013/14, that the balance has been maintained. The Council therefore resolved, at its meeting of 3 December 2013, to continue with these arrangements for 2014/15 and the budget proposal assumes a continued neutral impact.

Revenue Support Grant

35. This is the main central government grant to local authorities and can be used to finance revenue expenditure on any service. The Local Government Finance Settlement 2014/15 announced the grant provisionally for 2014/15 (to be confirmed in February 2014) and provided an “illustrative” figure for 2015/16.

	Current Year 2013/14 £000	Settlement 2014/15 £000	Illustrative 2015/16 £000
Revenue Support Grant	1,724	1,296	897

36. The figure for 2014/15 represents a 25% reduction on the current year figure (2013/14) with a further 30% reduction anticipated for 2015/16.
37. These amounts are in line with the projections in Mole Valley's MTFs which anticipated RSG of £1,298k in 2014/15 and £846k in 2015/16.

New Homes Bonus

38. To incentivise the provision of new and recovered (from being 'long term empty') housing, the Government introduced a New Homes Bonus for Local Authorities in 2011/12. For every net additional home provided, the Government awards the Council a bonus equivalent to the national average Council Tax for six years. In two tier areas, the District or Borough Council retains 80% of this bonus. MVDC will receive almost £1m in 2014/15, based on 132 homes either newly built or recovered from being "long term empty" in the period October 2012 to October 2013. It is estimated that the number of homes will increase by around 250 between October 2013 and October 2014 and that this increase will be reflected in the 2015/16 New Homes Bonus.
39. There is some uncertainty over the future of this grant beyond 2016/17. No guarantee has been given that it will continue beyond its initial 6 year term (2011/12 to 2016/17). The Government considered diverting a proportion of it into the Single Local Growth Fund and Local Enterprise Partnerships (LEPs) from 2015/16 but, following consultation, has announced in the Autumn Statement that this change will be introduced for London councils only. A broader Government review of the New Homes Bonus has now been scheduled for spring 2014.
40. The assumption in the MTFs and budget is that the bonus will not continue for net additional homes provided beyond 2016/17, though the 6 year "tail" will be honoured for each new home up to that point. On the basis that the Council will deliver approximately 250 net additional homes per year, the Council will draw down £1m of New Homes Bonus each year and set aside the remainder to create a New Homes Bonus Reserve. This reserve will provide back-up funding for the Council in the event of the grant's termination after 6 years. On current estimates, the reserve will enable the Council to continue to bolster its revenue funding by £1m per year for at least the seven year term of the MTFs (up until 2020/21).
41. If the Government decides, following the review in Spring 2014, to continue with the New Homes Bonus in its current form and confirm its long term future, there will be less need to hold back NHB funds. At that stage, the Council will review its policy on the New Homes Bonus Reserve.

Business Rates

42. In 2013/14, the Government introduced a system to leave a proportion of business rates in the hands of Local Authorities (LAs). LAs then assume the risk of reductions in rates and reap the rewards of increases. A complicated system of top-ups, tariffs, safety nets and levies has been added to ensure limitations on the extent of gains and losses. The parameters are due to be "reset" in 2020.
43. In the first year of the new system, MVDC set its budget prudently at the Government's safety net level which allows for a 7.5% reduction in the baseline amount. This was a prudent approach given the number of rating appeals pending and the potential impact of these on the rate receipts. The assumption in

the budget proposal is that, following this bedding-in year, the Council's business rate yield will be equal to the Government baseline which will generate an extra £75,000. Monthly monitoring of rate receipts during 2013/14 has confirmed the likelihood of this level of funding.

44. The Government's Autumn Statement (5 December 2013) addressed business rates in two respects. Firstly, the intention is to restrict the increase in the indexing of business rates to 2% in 2014/15 and to reimburse councils for the difference between this and the Retail Price Index. This has been factored into the budget. Secondly, recognising the uncertainty created by unresolved rating appeals, the Government announced its intention to clear 95% of the September 2013 backlog by July 2015, which should provide the Council with a clearer picture and improved certainty on the level of business rates funding.

Interest on investments

45. The Council has been constrained in recent years by the restrictions in the Treasury Management Strategy which have prioritised "security" and "liquidity", somewhat to the detriment of "yield". The Strategy was amended in 2012 to try to strike a better balance and, without compromising on the cautious stewardship of public funds, to achieve a better return. The Strategy allows an increase in longer term investments and widens the scope of potential counterparties as part of a plan to invest £8m at higher rates of return (around 5%). Progress has been made against this new target with the recent investment of £5m in a property fund yielding a return of around 6% for part of the year.
46. The budget proposal includes investment income of £477,000. This represents a significant increase on the 2013/14 budget of £320,000 but reflects the first full year after implementing the change in strategy. A recent (end October) projection of 2013/14 income, at £433,000, indicates that this level of funding is achievable over a full year.

Interest on additional capital receipts – North Leatherhead Bypass Scheme

47. The MTFS includes reference to a potential additional capital receipt of around £20m from the development of land at North Leatherhead Bypass for residential purposes. The receipt would be paid in four annual phases and the timescale will depend on progress of the scheme through planning but is unlikely to feature before 2016/17. Recognising the risk around the potential planning difficulties, the base MTFS figures did not include the receipt or the revenue income flowing from its investment. In the budget proposal for 2014/15, the receipts are clearly not relevant, but the indicative figures for 2015/16 in the appendices to this report follow the lead taken in the MTFS and do not, at this stage, include any income to be received on successful completion of this scheme.

Revenue Budget Assumptions - Spending

48. The build-up of the proposed budget for 2014/15 is set out in Appendix B. It

shows a number of additions and reductions on the base budget rolled forward from 2013/14. Each of these lines, representing either an addition to or a reduction on the previous year's budget, is explained in the following paragraphs.

Inflation (addition of £255,900)

49. The inflation provision of £255,900 comprises:-

- Pay award – a 1.4% pay award is proposed, incorporating a minimum payment threshold of £505 to provide a higher award for lower paid staff. The overall cost of this award equates to approximately £140,000, a 1.5% addition to the pay bill. This represents a saving of around £40,000 on the original budget planning assumption in the MTFS.
- General inflation on expenditure is set at 2.50% for the duration of the MTFS. However, a higher level of inflation of 3.1% on the Council's major street cleaning and waste contracts has been provided in 2014/15 where the terms of the contracts specify increases in line with retail price index (RPI) inflation.
- Inflation on fees and charges of 2.5%. This is in line with the MTFS and envisages that a contribution will be made through increases in fees and charges towards the inflationary increases in the cost base. This applies where the fees are locally set. Nil inflation is applied where the fees are set by Government or have reached a Government ceiling.

Dorking Sports Centre (budget reduction of £442,000)

50. The contract for the management of Dorking Sports Centre was re-tendered during 2013/14. The successful bidder, DC Leisure, put forward a price that represented a saving of £442,000 over the previously budgeted cost for a full year. The contract began in November 2013, so a part-year saving of £140,000 is expected for 2013/14. In 2014/15 the full year saving of £442,000 is built into the budget.

Savings identified in base budget (budget reduction of £324,500)

51. The Council underspent against its budget in 2012/13. Apart from some exceptional items, a general pattern emerged of the majority of budget holders tending to underspend by amounts in the region of £10,000 to £25,000. This suggested a slightly overcautious approach to budget management where the paramount concern was not to overspend, which is a natural consequence of the tight financial constraints that the Council has been under for some years. Because the marginal underspends were repeated in most budgets (19 out of 23 underspent in 2012/13), the total underspend became a substantial figure.

52. Monitoring during 2013/14 indicated a similar pattern and an exercise was undertaken with budget managers to identify an amount by which budgets could be reduced without adversely impacting service delivery. The repeating underspend was identified and a reduction of £324,500 has been made on service budgets in 2014/15. It is anticipated that, as a result of this, the ongoing

underspend will reduce but also that, in future, there will be a more even balance between variations that represent underspends and variations that are overspends.

Loss of specific, one-off grants or income (budget addition of £192,400)

53. A number of specific grants or income contributions that were made or expected in 2013/14 have been withdrawn for 2014/15. They include one-off funding from Surrey County Council on the introduction of the Council Tax Subsidy Scheme, temporary County funding for a food waste initiative, income from County for Poisons and Explosives regulation and loss of Government housing benefit income and elements of Homelessness grant following changes to the benefits system.

Pension Costs (budget addition of £68,000)

54. The three-yearly actuarial valuation of the Surrey Pension Fund was undertaken during 2013. The Actuary's conclusion was that, on the Employer's side, the Council's ongoing contribution should remain the same but that the contribution to "backfunding" the accumulated deficit needed to increase over the next three years. The Council has been making provision for this both in planning the future budgets through the MTFs and in transferring contributions to a Pension reserve. The result is that the Council needs to continue with the planned additional provision of £68,000 in 2014/15 but that no addition will then be required in 2015/16. The grant projections anticipate that 2015/16 will be a difficult financial year so a reduction in the Pensions pressure will be particularly welcome.

ICT – Microsoft licences and systems upgrades (budget addition of £74,500)

55. An ongoing negotiation with Microsoft over the number and type of licences required by the Council has recently been concluded. The outcome is an increase of around £50,000 in the Council's annual charge though, in return, the Council has updated versions of software, increased resilience through the revised support agreement and extended capacity. Car Parking system maintenance costs have increased following improvements in enforcement (hand held devices) and pay by 'phone technology (RingGo). On Housing, IT resource is required to update the system in line with the changes to Housing list procedures to be considered by the Executive at 4 February meeting.

Business Rates (budget addition of £75,000)

56. A small proportion of business rate yield is retained by the Council (approximately £1m on a total of £35m) but the rate is still set by central government. For 2013/14, the increase is higher than the inflation allowance and has had an impact particularly on the Property and Car Parking businesses.

Revenue contributions to capital (addition to budget of £320,800)

57. The MTFs explained the Council's intention to support its Capital Minor Works programme with regular revenue contributions when possible. This policy recognises the repetitive and routine nature of some minor works (e.g.

playground resurfacing, boiler replacement) and the fact that such spending is best covered by annual revenue contributions to prevent erosion of capital reserves. An annual contribution of £200,000 is established in the budget proposal with a “top-up” of £120,800 in 2014/15 from the savings identified.

Members’ Allowances

58. An Independent Remuneration Panel is required to consider the level of Members’ Allowances every few years. The Panel met during January 2014 and will be reporting to the Council meeting on 18 February 2014.

New Budget Proposals 2014/15 (budget addition of £78,500)

59. The Administration has included a number of new proposals in the 2014/15 budget. These are:

Customer Services & Wellbeing Portfolio – funding for Parish Councils (addition of £7,500)

Funding for Parish Councils to cover grounds maintenance and recreation ground costs formed part of the grant report approved by the Executive on 17 December. The cost of increasing these grants to the levels agreed is £7,500.

Planning Portfolio – Development Control staffing (addition of £12,000)

A Work Placement student will be appointed in the Development Control Team from September 2014 to improve the turnaround time on planning applications and provide further resilience.

Planning Portfolio – Development Control enforcement resource (addition of £40,000)

£40,000 will enable MVDC to purchase resources for enforcement and compliance in Development Control.

Finance Portfolio – Work placements for young people (addition of £19,000)

Establish a work placement scheme at MVDC to provide young people with routes into employment and, in doing so, create flexible additional resource to support the delivery of corporate initiatives and priority projects.

Council Tax

60. The Administration is recommending that Council Tax levels increase by 1.9% in 2014/15 to give a Band D Council Tax of £157.47.

Capital Programme

61. The proposed capital programme of £3,182,000 for 2014/15 includes a range of major (over £50,000) and minor (under £50,000) schemes and is set out in Appendix C. The Appendix also shows current, ongoing schemes in 2013/14, many of which will be works in progress at the end of the year and will be

automatically rolled forward to be progressed and spent in 2014/15. In order to protect the Council's level of capital reserves, and hence the income from interest earned on those reserves, tight controls have been placed on any new capital spending. New schemes will only be added to the capital programme if they replace an existing spending commitment, or if they demonstrate that the required investment is offset by consequent savings (invest to save) or for health and safety reasons.

RESERVES AND BALANCES

Revenue Balances

62. The Council's available revenue balances and the movements on them resulting from the Administration's proposals are outlined below. The projection demonstrates that the Council fulfils the commitment contained within the MTFS to maintain a minimum of £1.3m revenue reserves.

MVDC Revenue Reserves 2012/13 – 2015/16		
Financial Year End	Balance £'000	Movement of reserves
31/03/13	2,757	Closing balance 2012/13
31/03/14	3,178	Addition of projected underspend plus NHB reserve
31/03/15	3,130	Reduced NHB reserve
31/03/16	3,464	Increased NHB reserve

Capital Reserves

63. The Council's available capital reserves and the movement on them are summarised below. The projection demonstrates that the Council fulfils the commitment contained within the MTFS to maintain a minimum of £8m capital reserves.

MVDC Capital Reserves 2012/13 – 2015/16			
	2013/14 (£000)	2014/15 (£000)	2015/16 (£000)
Opening Reserves	15,574	12,838	10,476
Additions to Reserves	2,412	2,220	2,120
Use of Reserves	-5,148	-4,582	-2,920
Closing Reserves	12,838	10,476	9,676

Earmarked Reserves

64. The final accounts for 2012/13 set out a list of earmarked reserves amounting to £6,448,000 at 31 March 2013 as detailed below. Of these, the Repairs and Renewals reserve of £4,365,000 has been earmarked to fund the capital programme in future years, as have the Pippbrook House Dilapidations and Planning Tariff reserves.

<u>Earmarked Reserve</u>	<u>Balance at 31.03.13</u>
	<u>£000</u>
Repairs and Renewals	4,365
Homelessness Initiatives	112
Self Insurance	323
Housing Act Advances	28
Pippbrook House Dilapidations	325
Planning Tariff Reserve	790
Pension shortfall	67
Property Initiatives	200
Subsidence	238
Total	<u>6,448</u>

PART 3 : LINKING BUDGET PROPOSALS TO CORPORATE PRIORITIES, OPTIONS AND CORPORATE IMPLICATIONS

LINKING BUDGET PROPOSALS TO CORPORATE PRIORITIES

65. The starting point for building the 2014/15 budget is the base budget for the previous year, 2013/14. This is predicated on achievement of the previous versions of the Corporate Plan, stretching back to the original version in 2011/12.
66. The specific budget proposals that have been made for 2014/15 (set out in para 57 above) reflect the corporate priorities as follows:-

Customer Services & Wellbeing Portfolio – funding for Parish Councils (addition of £7,500)

This allocation of funding is in line with the priority to work with partners and provide the right service for residents and will enable the Parish Councils to improve and increase their provision of grounds maintenance services.

Planning Portfolio – Development Control staffing (addition of £12,000)

A Work Placement student, appointed in the Development Control Team, will improve the turnaround of planning applications and thus support the priorities to enable development in the district and improve the built environment. The priority will also be supported by performance

indicators on planning application turnaround.

Planning Portfolio – Development Control enforcement resource (addition of £40,000)

£40,000 will enable MVDC to purchase resources for enforcement and compliance in Development Control. As above, this will support the priority to enable development in the district and improve the built environment.

Finance Portfolio – Work placements for young people (addition of £19,000)

Establish a work placement scheme at MVDC to provide young people with routes into employment and, in so doing, create flexible additional resource to support the delivery of corporate initiatives and priority projects.

67. Other budget measures are similarly in line with stated priorities, particularly Value for Money. The decision to contribute revenue resources in support of minor capital expenditure will prevent erosion of the capital reserves and thus bolster the Council's capacity to make better use of assets and maximize investment returns, in line with the Value for Money theme. The re-tendering of the management of Dorking Sports Centre also reflects the Value for Money theme and the priority to ensure a sound financial basis for ongoing service delivery.

OPTIONS

68. The Executive has two options for consideration:

Option One – to agree to the recommendations contained in this report having given consideration to the views of the Standing Budget Panel and the Scrutiny Committee.

Option Two – To make alternative recommendations.

CORPORATE IMPLICATIONS

Legal Implications

69. All relevant legal implications have been taken into account

Financial implications

Statement of s151 Officer: Adequacy of Reserves, Robustness of Estimates, Budget Monitoring and prudential indicators

70. The Local Government Act 2003 introduced responsibilities for the Chief Financial Officer (at MVDC this is the Strategic Director / Section 151 Officer

pursuant to the 1972 Local Government Act) to form a view on the robustness of the budget calculations and the adequacy of revenue and capital balances and reserves and duly report that view at the time Members make decisions on the revenue and capital budgets.

Adequacy of Reserves

71. There is a statutory requirement for the Chief Financial Officer to report at budget time on the adequacy of reserves held by the Council. The forecast position on revenue, capital balances and earmarked reserves is outlined in paragraphs 62 to 64 above. The Section 151 Officer confirms that it continues to be the stated policy of the Council to maintain relevant earmarked reserves and to hold minimum revenue balances of £1.3m and capital reserves of £8.0m.

Robustness of Estimates

72. The 2003 Act requires an authority's Chief Financial Officer to make a report to the authority when it is considering its budget and Council Tax. The report must deal with the robustness of the estimates.
73. The Section 151 Officer's overall view is that the estimates are sufficiently robust, having been prepared following well-established processes based on best practice and officer's professional judgment that have produced robust estimates in the past.

Budget Monitoring

74. The 2003 Act also requires local authorities to monitor their income and expenditure against their budget, and to take action if overspends or shortfalls in income emerge. If monitoring establishes that the budgetary situation has deteriorated, authorities are required to take the necessary remedial action. This might include, for instance, action to reduce spending in the rest of the year, or to increase income, or to finance the shortfall from reserves (within the parameters of the MTFS).
75. During 2012/13 the Council moved from a quarterly performance and budget monitoring cycle to a monthly one. Officers will continue to report financial monitoring and performance information monthly during the year to Members.
76. The position reported at the end of 2013/14 month 8 identified a £274,000 projected underspend. This is mainly due to the efficiency achieved on the re-tender of Dorking Sports Hall and a £100,000 over-recovery in interest on balances. These factors have been taken into account in formulation of the new budget.

Prudential Indicators

77. Under the Prudential Code on Capital Finance introduced in April 2004, the capital programme is based on the Council's assessment of affordability, sustainability and prudence.

78. The Section 151 Officer has considered the revenue consequences of the proposed capital programme in agreeing the budget for 2014/15 and the resultant risk and dependency the budget has on interest earned from capital and revenue balances. The Council has a fully funded capital programme and the associated revenue costs are built into the budget for 2014/15 and future years.
79. The Prudential Code of Practice requires the Council to set a series of indicators to show that the capital programme has due regard to affordability, sustainability and prudence. The recommended indicators, including explanatory notes were presented to Audit Committee on 28th November 2013 and will be presented to Council on 18 February 2014 in the Council's Treasury Management Strategy 2014/15.

Risk Implications

80. The Corporate Plan is underpinned by a set of robust risk management arrangements which are reviewed by the Audit Committee on a regular basis. A strategic review of risk across the organisation has resulted in the identification of five key strategic risk areas in delivering the Corporate Plan and these are contained in the Strategic Risk Register.
81. One of the strategic risks in the register is the failure to deliver the Medium Term Financial Strategy and a mitigating control is undertaking the annual budget setting process.

Equalities Implications

82. A detailed equalities impact assessment (EIA) was completed at the time of the development of the four year Corporate Plan in 2011. This has been refreshed for the final year of the plan and is attached as Appendix D. Equality and diversity implications will be considered as actions underpinning the priorities are progressed. Equality Impact Assessments will be undertaken as appropriate. An EIA has also been completed for the budget proposals (see Appendix E). This EIA is an assessment of the impact of the new budget proposals listed in the executive summary of this report.

Employment Issues

83. Human Resource implications have been fully considered in the report.

Sustainability Implications

84. The budget supports delivery of the Corporate Plan which includes specific priorities on the delivery of improved recycling rates and the reduction of the Council's carbon footprint.

Communications

85. The revised level of Council Tax will be notified to residents by newspaper announcement as well as via the Council's website. The Corporate Plan will also

be available on the website. Monitoring of both the Plan and budget during 2014/15 will be reported monthly to the Executive.

Consultation

86. This report sets out the Administration's corporate plan and budget proposals. These have been considered by the Standing Budget Panel, Scrutiny Committee and the Executive. Separate consultation discussions have taken place with Parish Councils, Chambers of Commerce and other representative organisations.

Background Papers

87. None.

MOLE VALLEY DISTRICT COUNCIL

**CORPORATE PLAN
2014/15**



Foreword by the Leader of the Council

It is my pleasure to introduce the Mole Valley District Council Corporate Plan for 2014/15 which contains an ambitious set of priorities and initiatives.

Notable highlights from 2013/14 included a new contract at Dorking Sports Centre providing excellent value for money; the development of a medium term financial strategy; supporting the delivery of Olympic legacy events; positive feedback on the Planning Service following a review, with important recommendations to be taken forward to improve it further; and the launch of a management development programme for all managers, to ensure high standards are maintained.

During 2014/15, in response to the pressures of rising demand and declining resources, we will be seeking further opportunities to work in collaboration with other local authorities, partners and key stakeholders, including the health service, to commission and/or share services. We will seek to create additional income by making the most of our assets, and we will support businesses and the local economy by enabling development in the district and facilitating appropriate housing growth. We also have proposals to improve the way we listen to and engage with our customers and communities, including finding more opportunities for self-service.

1st of April 2014 is a big day for Mole Valley as it celebrates its 40 year anniversary. I'm sure I speak on behalf of all Councillors and officers when I say that we are very proud to work for and serve the residents and businesses of Mole Valley, making it a place where people choose to live and work.

To sum up, our core focus remains the delivery of value for money services to residents, businesses and visitors, despite continuing financial challenges.

A handwritten signature in black ink, appearing to read 'Chris Townsend', written over a light blue horizontal line.

**Cllr Chris Townsend
Leader of Mole Valley District Council**

Our vision: Through working with our partners, we will help to make Mole Valley a place where people want to live, work, invest in and enjoy.

Our Aim: To deliver good services and good value.

PRIORITIES FOR 2014/15

Our priorities are reviewed annually to ensure that they remain relevant to Mole Valley District Council (MVDC) and the community. The 2014/15 priorities are set out below.

THEME 1: ACCESS TO SERVICES

Helping residents to access the services they need

Priorities

1. Improve the way we listen to, and engage with, our customers and communities.
2. Work with our partners to provide the right services to our local residents.
3. Ensure that our residents are supported through welfare reform and the emerging health and wellbeing agenda.

THEME 2: ENVIRONMENT

Maintaining the character and environment of Mole Valley

Priorities

4. Optimise MVDC's recycling rate, balancing both value for money and promoting sustainability.
5. Support businesses and the local economy by enabling development in the district and facilitating appropriate housing growth.
6. Improve the quality of the built environment whilst preserving the character and integrity of our towns and villages, and protecting the rural landscape.
7. Work with our partners and residents to respond to the impact of flooding on communities.

THEME 3: VALUE FOR MONEY

Delivering value for money services

Priorities

8. Ensure we have an ongoing sound financial basis to enable us to continue to deliver services that represent value for money.
9. Create additional income through prudent investment and making best use of our property assets.
10. Invest in our staff and councillors to ensure that they are able to work effectively, make good decisions and develop the culture and capacity for innovation.
11. Review the way in which we provide our services to ensure that they are focused on what matters, deliver against our priorities and thereby develop a culture of innovation across the MVDC.

ACTIONS FOR 2014/15

ACCESS TO SERVICES

In 2014/15 we will help residents to access the services they need by:

PRIORITY	ACTIONS
1. Improving the way we listen to, and engage with, our customers and communities	<p>We will :</p> <ul style="list-style-type: none"> a) Progress MVDC's use of social media b) Identify more opportunities for accessing services, information and advice 24/7 c) Encourage customers to provide more feedback, and use this information to make service improvements d) Replace the current electoral registration system with Individual Electoral Registration (IER) in accordance with official guidance e) Manage the local and European Parliamentary elections taking place in May 2014
2. Working with our partners to provide the right services to our local residents	<p>We will:</p> <ul style="list-style-type: none"> a) Explore and develop partnership working opportunities which provide more efficient and cost effective services b) Enable provision of more affordable homes c) Develop inclusive arts and sports programmes in consultation with people with disabilities d) Work with leisure providers and the Surrey Downs Clinical Commissioning Group to develop a cardiac rehabilitation programme and enhance the GP referral scheme at our leisure centres e) Improve access to play facilities
3. Ensuring that our residents are supported through welfare reform and the emerging health and wellbeing agenda	<p>We will:</p> <ul style="list-style-type: none"> a) Work with partner organisations to develop a county-wide and local approach on providing welfare advice b) Continue and develop the Family Support Programme c) Work with Surrey County Council to roll out the county-wide Telecare strategy d) Deliver new services planned for the Wellbeing Centre based at the Fairfield Centre in Leatherhead

ENVIRONMENT

In 2014/15 we will maintain the character and environment of Mole Valley by:

PRIORITY	ACTIONS
4. Optimising MVDC's recycling rate, balancing both value for money and promoting sustainability	<p>We will:</p> <ul style="list-style-type: none"> a) Develop and implement a communications and engagement strategy to encourage recycling and reduce waste b) Work with partners to explore the possibility of developing a hydro energy installation at Meadowbank to be used both as a source of renewable energy and as an educational site for the public
5. Supporting businesses and the local economy by enabling development in the district and facilitating appropriate housing growth	<p>We will:</p> <ul style="list-style-type: none"> a) Support business and work with partners to promote the district, and investigate funding opportunities b) Prepare the draft Mole Valley Housing and Traveller Sites Plan that will identify the sites for new homes by the end of 2014 for submission to the Secretary of State in early 2015 and public examination by mid 2015
6. Improving the quality of the built environment whilst preserving the character and integrity of our towns and villages, and protecting the rural landscape	<p>We will:</p> <ul style="list-style-type: none"> a) Promote town and village centres, including developing a future vision for Leatherhead town centre b) Support Neighbourhood Development Plans so that local people have more of a say about their area c) Contribute to various conservation projects including: a submission to the Heritage Lottery Fund to progress development of Deepdene; a review of the Surrey Hills management plan as an area of outstanding natural beauty; and urban environmental improvements in Leatherhead and Dorking d) Implement the Mole Valley local cycling plan e) Promote a clean, litter-free environment to encourage pride of place in Mole Valley
7. Work with our partners and residents to respond to the impact of flooding on communities	<p>We will:</p> <ul style="list-style-type: none"> a) Implement the actions arising from the Flooding Review undertaken following the floods of December 2013 b) Continue to work with the emergency services, Surrey County Council, the Environment Agency

PRIORITY	ACTIONS
	<p>and other agencies to ensure that a co-ordinated and professional response is provided in the event of flooding</p> <p>c) Work with local councillors to develop community based, multi-agency Flood Forums where appropriate</p> <p>d) Encourage and enable residents to be prepared to respond to the threat and impact of flooding</p>

VALUE FOR MONEY

In 2014/15 we will deliver value for money services by:

PRIORITY	ACTIONS
8. Ensuring we have an ongoing sound financial basis to enable us to continue to deliver services that represent value for money	<p>We will:</p> <p>a) Refresh the Medium Term Financial Strategy (2014-2020)</p> <p>b) Consult residents and businesses on the Mole Valley District Council budget for 2015/16</p>
9. Creating additional income through making best use of our property assets	<p>We will:</p> <p>a) Identify property assets that could deliver a greater yield to MVDC and developing proposals for the better use of those assets</p> <p>b) Implement the chosen option for the refurbishment or redevelopment of the council's headquarters at Pippbrook, Dorking</p> <p>c) Enable the Leatherhead bypass site project</p>
10. Investing in our staff and councillors to ensure that they are able to work effectively, make good decisions and develop the culture and capacity for innovation	<p>We will:</p> <p>a) Roll out the member development plan to ensure that councillors have appropriate skills and expertise to carry out their various functions</p> <p>b) Continue to review human resources policies and replace existing ones with a more manageable set of guidelines</p> <p>c) Introduce initiatives which support, develop and motivate our staff so they fulfil their potential for the benefit of the organisation and themselves</p> <p>d) Establish a work placement scheme at Mole Valley District Council to provide young people with routes into employment</p>
11. Reviewing the way in	<p>We will:</p>

<p>which we provide our services to ensure that they are focused on what matters and deliver against our priorities and thereby develop a culture of innovation across Mole Valley District Council</p>	<ul style="list-style-type: none">a) Jointly procure a new waste collection contract, working with neighbouring local authorities and the Surrey Waste Partnershipb) Re-tender MVDC's grounds maintenance and arboriculture contractsc) Identify a strategy for future burial provision in Mole Valleyd) Work with neighbouring local authorities to investigate joint and alternative methods for delivering services to provide better value and resiliencee) Explore opportunities to work in partnership to ensure Mole Valley is a safe place to live
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PERFORMANCE INDICATORS AND TARGETS FOR 2014/15

The performance indicators are monitored by the Executive on a monthly basis as a key method of monitoring progress against our priorities.

ACCESS TO SERVICES		TARGET
1	Time taken to assess new benefit claims <i>(Cumulative year to date figure. The PI measures the time between when a claim is received and when assessment is completed)</i>	24 Days
2	Time taken to assess changes in circumstances for benefit claims <i>(Cumulative year to date figure. The PI measures the time between when a claim is received and when assessment is completed)</i>	11 Days
3	Percentage of Telecare calls answered within 60 seconds <i>(Cumulative year to date figure generated from Telecare's call handling system, which automatically records all answering times)</i>	98%
4	Dial a Ride customer satisfaction <i>(Calculated annually from surveys with customers)</i>	98%
5	Day centres customer satisfaction <i>(Calculated annually from surveys with customers)</i>	95%
6	Telecare customer satisfaction <i>(Calculated annually from surveys with customers)</i>	97.5%
7	Percentage of Customer Service Unit calls answered within 20 seconds <i>(Cumulative year to date figure of time taken to answer calls to 01306 885001)</i>	80%
8	Percentage of households on electoral register <i>(Annual calculation of the % of households registered compared to total number of households where people are eligible to vote)</i>	<i>To be determined when IER completed</i>
9	Housing advice – instances of homelessness prevented <i>(Cumulative year to date figure of the number of households prevented from becoming homeless, through advice offered by the housing team)</i>	Not targeted
10	Core website availability <i>(Year to date figure showing the availability of the Council's website; generated automatically from IT reporting system)</i>	98%
11	Planning website availability <i>(Year to date figure showing the availability of the Council's website; generated automatically from IT reporting system)</i>	98%
12	Number of affordable homes delivered – 3 year target <i>(A count of the number of affordable homes provided in the three years – 2014/15 to 2016/17)</i>	150

ENVIRONMENT		TARGET
13	Number of missed bins per 100,000 collections due to contractor contravention <i>(Cumulative year to date figure calculated from the number of reported missed bins divided by the number of properties visited for scheduled collections of refuse and recycling)</i>	90
14	Percentage of waste sent for recycling, reuse and composting <i>(Cumulative year to date figure, calculated by comparing the amount of waste sent for recycling against the total waste collected)</i>	1% increase on 2013/14
15	Tonnage of residual waste (New for 2014/15) <i>(Description and definition to be agreed)</i>	To be confirmed early 2014
16	CO₂ reduction from the Council's operations <i>(Collected annually. Council's CO₂ is calculated from annual energy usage in buildings and fuel consumption of vehicles on Council business. The year on year usage is then compared to get the CO₂ reduction)</i>	To be determined early 2014
17	Percentage of food businesses with a score of 3 or over <i>(This is an 'as is now' figure at the end of each quarter which represents the number of business assigned an hygiene rating of 3 or over, by the environmental health team)</i>	85%
18	Percentage of major applications processed within 13 weeks <i>(Cumulative year to date figure of the number of applications processed within timescales against total received)</i>	60%
19	Percentage of minor applications processed within 8 weeks <i>(Cumulative year to date figure of the number of applications processed within timescales against total received)</i>	65%
20	Percentage of other applications processed within 8 weeks <i>(Cumulative year to date figure of the number of applications processed within timescales against total received)</i>	80%

VALUE FOR MONEY		TARGET
21	Percentage of housing benefit (HB) overpayments recovered as a % of all HB overpayments <i>(This is an 'as is now' figure at the end of each quarter of the total HB overpayments collected against total overpayments raised)</i>	70%
22	Staff turnover (voluntary leavers) in the past twelve months <i>(Rolling annual figure; calculated from the total number of staff leaving voluntarily as a percentage of total staff in post)</i>	8 – 15%
23	All sickness absence <i>(Rolling annual figure, calculated from the total number of working days lost, due to sickness, including self-certified, GP certified or long term; per employee)</i>	<7.8 days
24	Percentage of council tax collected - by the end of the financial year that the amount is due <i>(Calculated, as a cumulative year to date figure, from the total council tax payments received compared to the total amounts payable in that year)</i>	99%
25	Percentage of non-domestic rates collected - by the end of the financial year that the amount is due <i>(Calculated, as a cumulative year to date figure, from the total business rates payments received compared to the total amounts payable in that year)</i>	98.9%
26	Percentage of income generating council properties that are in arrears for more than 3 months. <i>(This is an 'as is now' figure, calculated from the total number of income generating assets compared to the number who are more than 3 months in arrears).</i>	Not targeted (establishing baseline)
27	Car parking: average duration of pay and display tickets purchased <i>(Calculated as the mean, in minutes, of the total duration of pay and display tickets bought in the period)</i>	To be confirmed early 2014

APPENDIX B

PROPOSED BUDGET 2014/15 & INDICATIVE BUDGET 2015/16

	Base Budget 2013/14 £000	Proposed Budget 2014/15 £000	Indicative Budget 2015/16 £000
FUNDING			
Council Tax	(6,000.0)	(6,116.0)	(6,271.0)
Business Rates	(1,039.0)	(1,146.0)	(1,177.0)
Government Grant – RSG and other	(1,724.0)	(1,325.0)	(897.0)
New Homes Bonus	(602.0)	(1,000.0)	(1,000.0)
Interest on Investments	(320.0)	(477.0)	(498.0)
TOTAL FUNDING	(9,685.0)	(10,064.0)	(9,843.0)
SPENDING			
Base Budget			
- pay	9,715.3	9,715.3	9,892.0
- contracts and other costs	12,679.3	12,679.3	13,038.0
- income (fees & ch'ges, grants, rech'ges)	<u>(12,709.6)</u>	<u>(12,709.6)</u>	<u>(12,941.0)</u>
	9,685.0	9,685.0	9,989.0
Inflation – pay, prices, fees & charges		255.9	262.3
Previously agreed amendments, unavoidable changes			
- Dorking Sports Centre – re-tender		(442.0)	
- savings identified in base budget		(324.5)	
- loss of temporary or one-off grants		192.4	
- increase in pension costs		68.0	
- IT upgrade of licenses and new software		74.5	
- business rates: increases on Property and Car Parks		75.0	
- other		80.4	
New budget proposals		78.5	
Revenue Contribution to Capital – increase or (reduction)		320.8	(120.8)
Savings required			(287.5)
TOTAL SPENDING	9,685.0	10,064.0	9,843.0

2013/14 Projected Outturn

Projected underspend (Month 8)	(574.0)
Transfer to Capital	300.0
Surplus to transfer to balances	(274.0)

APPENDIX C

PROPOSED CAPITAL PROGRAMME 2014/15 & 2015/16

	Budget Manager	2013/14 Updated Capital Programme £000	2014/15 Capital Programme £000	2015/16 Capital Programme £000
MAJOR PROJECTS				
1. CAPITAL PROJECTS				
Emergency Accommodation	Alison Wilks	1,400		
HOPE Mausoleum (HLF funded)	Paul Anderson	123		
Poplar Road	Alison Wilks	60		
Leatherhead High Street (s106)	Jack Straw	10		
Ashstead Village Centre	Jack Straw	27		
Leatherhead Leisure Centre	Patrick McCord	20		
LINKS Playing Field	Patrick McCord	100		
Betchworth Castle	Paul Brooks	24		
Carbon Reduction Project	Steve Ruddy	124		
Multi Sports Conversion & Renovation	Paul Anderson	38		
Kingston Road Pavilion	Paul Anderson	3		
KGV Playing Fields Improvements	Paul Anderson	89		
Brockham Big Field changing rooms	Paul Anderson	20		
Dorking Halls Cinema	Keith Garrow	8		
Pippbrook House	Paul Brooks	740		
Kingston Road Gasometer (contaminated land)	Richard Haddad	79		
Depot Relocation	Steve Ruddy	210		
Property Projects Advancement	Paul Brooks	135		
Photovoltaic Panels	Paul Brooks	15		
2. CAPITAL BLOCK SUMS				
Disability Adaptations	Richard Haddad	400	760	760
Affordable Housing	Alison Wilks	800	735	500
S106 Projects	Jack Straw	10	250	250
Community Grants	Patrick McCord	74	63	74
Playground Refurbishment	Paul Anderson	65	60	60
Capitalised salaries	Phil Mitchell	430	464	476
Telecare Equipment	Tim Ward	20	50	
Dial-A-Ride Vehicle Replacement	Tim Ward	196		
Property Projects	Paul Brooks	76		
TOTAL MAJOR PROJECTS		5,296	2,382	2,120
MINOR CAPITAL PROJECTS		1,252	800	800
TOTAL CAPITAL		6,548	3,182	2,920

Equality Impact Assessment

Corporate Plan 2011-15
2014-15 refresh

What is being assessed?	Corporate Plan refresh 2014-15
Department	Policy and Performance Team
Name of assessor/s	Jane Nottage, Policy and Performance Manager
Strategic Management Lead	Angela Griffiths, Corporate Head of Service
Date	13th December 2013
Is this a new or existing function or policy?	Refresh of existing policy document

Section 1: Introduction and background (see p.10 of the guidance)

Please describe your service or function. This should include:

- The aims and scope
- The main beneficiaries or users
- The main equality, accessibility, social exclusion issues and barriers, and the ‘protected characteristics’¹ they relate to (not all assessments will encounter issues relating to every protected characteristic)

If this EIA is part of a project it is important to focus on the service or policy the project aims to review or improve.

The Corporate Plan 2011-15 sets the policy framework for the Council’s priorities and key areas of focus for the three year period. The plan is reviewed annually to ensure that the priorities are still relevant to the Council and the community. The Corporate Plan has been developed alongside the Council budget which is also subject to an Equality Impact Assessment.

The Corporate Plan is the Council’s key overarching strategic planning document and as such contains top level priorities. Once work gets underway to progress actions that deliver against these priorities, additional Equality Impact Assessments will be completed where relevant.

The eleven corporate priorities for 2014/15 are set out below under each of the three themes:

ACCESS TO SERVICES

Helping residents to access the services they need

2. Improve the way we listen to, and engage with, our customers and communities.

¹ More information and definition of protected characteristics can be found [here](#)

2. Work with our partners to provide the right services to our local residents.
3. Ensure that our residents are supported through welfare reform and the emerging health and wellbeing agenda.

ENVIRONMENT

Maintaining the character and environment of Mole Valley

4. Optimise MVDC's recycling rate, balancing both value for money and promoting sustainability.
5. Support businesses and the local economy by enabling development in the district and facilitating appropriate housing growth.
6. Improve the quality of the built environment whilst preserving the character and integrity of our towns and villages, and protecting the rural landscape.
7. Work with our partners and residents to respond to the impact of flooding on communities.

VALUE FOR MONEY

Delivering value for money services

8. Ensure we have an ongoing sound financial basis to enable us to continue to deliver services that represent value for money.
9. Create additional income through prudent investment and making best use of our property assets.
10. Invest in our staff and councillors to ensure that they are able to work effectively, make good decisions and develop the culture and capacity for innovation.
11. Review the way in which we provide our services to ensure that they are focused on what matters, deliver against our priorities and thereby develop a culture of innovation across Mole Valley District Council.

Now describe how this fits into the Council's Corporate Priorities, Sustainable Community Strategy or other local, regional or national plans and priorities.

The Corporate Plan sets out the Council's corporate priorities.

If you are not carrying out an equality impact assessment, briefly summarise reasons why you have reached this conclusion, the evidence for this and the nature of any stakeholder verification of your conclusion.

Not applicable.

Section 2: Analysis and assessment (see pp. 10-13 of the guidance)

Given available information, what is the actual or likely impact on minority, disadvantaged, vulnerable and socially excluded groups?

Indicate for each 'protected characteristics' whether there may be a positive impact, negative impact , a mixture of both or no impact.

Protected characteristics	Positive	Negative	No impact	Reason
Age	√	√		<p>The corporate plan priority to help residents to access the services they need includes actions to progress the council's use of social media, and to identify opportunities for customers to access services, information and advice 24/7. Whilst these are likely to have a positive impact for many people, steps will need to be undertaken to ensure that older people/ people with disabilities/ people with English as a second language are not disadvantaged.</p> <p>Plans to improve play facilities should have a positive impact on young children.</p> <p>Work with partner organisations to develop a county-wide and local approach on providing welfare advice will be beneficial to older people.</p> <p>Rolling out the Telecare strategy; and delivering new services at the Wellbeing Centre at Fairfield should have a positive impact on older people.</p> <p>Our corporate plan priority to</p>

Protected characteristics	Positive	Negative	No impact	Reason
				respond to and mitigate against the impact of flooding should help all residents to be prepared. Information provided will need to be accessible to older people/ people with disabilities/ people with English as a second language.
Disability	√	√		<p>The corporate plan priority to help residents to access the services they need includes actions to progress the council's use of social media, and to identify opportunities for customers to access services, information and advice 24/7. Whilst these are likely to have a positive impact for many people, steps will need to be undertaken to ensure that older people/ people with disabilities/ people with English as a second language are not disadvantaged.</p> <p>The development of an inclusive sports programme should have a positive impact for people with disabilities.</p> <p>The enhancement of the GP referral scheme at our leisure centres should have a positive impact on people with disabilities.</p> <p>Work with partner organisations to develop a county-wide and local approach on providing welfare advice should be beneficial to people with</p>

Protected characteristics	Positive	Negative	No impact	Reason
				<p>disabilities.</p> <p>Rolling out the Telecare strategy; and delivering new services at the Wellbeing Centre at Fairfield should have a positive impact on people with disabilities.</p> <p>Our corporate plan priority to respond to and mitigate against the impact of flooding will help all residents to be prepared. Information provided will need to be accessible to older people/ people with disabilities/ people with English as a second language.</p>
Gender reassignment			√	It is not considered that the corporate plan priorities will have a significant impact, positive or negative, based on people who have undergone or are undergoing gender re-assignment.
Marriage and civil partnership			√	It is not considered that the corporate plan priorities will have a significant impact, positive or negative, based on people who are married or in a civil partnership.
Pregnancy and maternity			√	It is not considered that the corporate plan priorities will have a significant impact, positive or negative, based on people who are pregnant or on maternity leave.
Race	√	√		The corporate plan priority to help residents to access the services they need includes actions to progress the

Protected characteristics	Positive	Negative	No impact	Reason
				<p>council's use of social media, and to identify opportunities for customers to access services, information and advice 24/7. Whilst these are likely to have a positive impact for many people, steps will need to be undertaken to ensure that older people/ people with disabilities/ people with English as a second language are not disadvantaged.</p> <p>Our corporate plan priority to respond to and mitigate against the impact of flooding will help all residents to be prepared. Information provided will need to be accessible to older people/ people with disabilities/ people with English as a second language.</p>
Religion or belief			√	It is not considered that the corporate plan priorities will have a significant impact, positive or negative, based on people because of their religion or belief (or lack of).
Sex			√	It is not considered that the corporate plan priorities will have a significant impact, positive or negative, based on a person's sex.
Sexual orientation			√	It is not considered that the corporate plan priorities will have a significant impact, positive or negative, based on a person's sexual orientation.

Protected characteristics	Positive	Negative	No impact	Reason
OTHER ASPECTS				
Carers	√			The corporate plan priority to support our residents through welfare reform and the emerging health and wellbeing agenda should have a positive impact on carers and help to mitigate the impact of these changes.
Rural/urban issues	√			The development of Neighbourhood Development Plans so that local people have more of a say about their area is likely to have a positive effect on those living in rural and urban areas.
HR issues	√	√		There should be a positive impact on staff with plans to support and develop employees. There are also plans to review human resources policies. Further HR implications will be taken into account when EIAs are produced for any new policies/ services that are developed during the year.

What can be done to reduce the effects of any negative impacts? Where negative impact cannot be completely diminished, can this be justified, and is it lawful?

Potential negative impacts identified at this early stage suggest that careful consideration of would-be disadvantaged groups will need to be taken when planning new methods of communication, self-service etc to ensure that the elderly or those with disabilities, or have English as a second language in particular are not disadvantaged.

Where there are positive impacts, what changes have been or will be made? Who are the beneficiaries? How have they benefited?

Main beneficiaries are likely to be older people and people with disabilities who will benefit from the Telecare strategy, provision of welfare advice, an inclusive sports programme, and the enhancement of the GP referral scheme at leisure centres.

Section 3: Evidence gathering and fact-finding (see p.14 of the guidance)

What evidence is available to support your views above? Please include:

- **A summary of the available evidence**
- **Identification of where there are gaps in the evidence (this may identify a need for more evidence in the action plan)**
- **What information is currently captured with respect to usage and take up of services.**
- **What the current situation is in relation to equality and diversity monitoring (where relevant)**

Data to help officers to consider full evidence needed for developing/refreshing new services and policies in line with priorities in the Corporate Plan include:

GIS (Geographical Information System) available on Mole Valley intranet

GIS comprises data and tools that can assist with decision-making. Based around principles of geography and computing, GIS combines digital mapping with databases to produce a fully featured analysis tool. Simple uses of GIS include manipulating a map to look at a specific location, searching from a gazetteer of addresses, printing a plan, loading different map designs and drawing annotations. More detailed uses include the analysis of multiple map layers, automation of processes, modelling of patterns or risks, generation of statistics, production of bespoke maps and 3D visualisation of terrain. GIS's ability to provide a 'spatial' (mapped) side to a database allows officers to see trends and patterns in their data which would have been impossible to interpret in text form.

Surrey-i

Surrey-i is an online statistical information portal and geographic-data warehouse, which provides access to essential data, including customer needs, demand and supply side data. Included are the most up to date Census data and health data in the Joint Strategic Needs Analysis. The website address is www.surreyi.gov.uk

How have stakeholders been involved in this assessment? Who are they, and what is their view?

There was extensive public consultation prior to the publication of the 2011-15 Corporate Plan. Consultation was undertaken on the Council’s website; councillors contacted many organisations and individuals; articles were published in local newspapers asking for readers’ views; and Council employees were involved through articles on the intranet and through staff briefings. The results of the consultation were used to shape the priorities contained within the Corporate Plan.

Stakeholders will continue to be involved as the projects contained in the 2014/15 plan get underway and separate EIAs are undertaken.

Recommendations

Please summarise the main recommendations arising from the assessment. NB If it is impossible to diminish negative impacts to an acceptable or even lawful level the recommendation should be that the proposal or the relevant part of it should not proceed.

Whilst progressing the use of social media and other electronic methods of engaging/communicating with the Council steps will be undertaken to ensure that older people/ people with disabilities/ people with English as a second language are not disadvantaged.

Section 4: Action Plan (see pp.15-16 of the guidance)

Actions needed to implement the EIA recommendations

<i>Issue</i>	Action	Expected outcome	Who	Deadline for action
Progressing the use of social media and other electronic methods of engaging/communicating with the Council.	Steps to be undertaken to ensure that older people/ people with disabilities/ people with English as a second language are not disadvantaged.	Continued engagement with all sections of the community	Louise Bircher, Customer Services and Communications Manager	March 15

Summary Sheet

Review date	December 2013
Person responsible for review	Jane Nottage
Strategic Management Lead signed off	Angela Griffiths
Date completed	9 January 2014
Date forwarded to Policy Officer for publishing	5 February 2014

Equality Impact Assessment

MVDC Budget 2014/15

What is being assessed?	MVDC Budget 2014/15
Department	Finance
Name of assessor/s	Phil Mitchell
Strategic Management Lead	Nick Gray
Date	January 2014
Is this a new or existing function or policy?	Revised budget proposals for 2014/15

Section 1: Introduction and background (see p.10 of the guidance)

Please describe your service or function. This should include:

- The aims and scope
- The main beneficiaries or users
- The main equality, accessibility, social exclusion issues and barriers, and the ‘protected characteristics’² they relate to (not all assessments will encounter issues relating to every protected characteristic)

If this EIA is part of a project it is important to focus on the service or policy the project aims to review or improve.

The proposed budget for 2014/15 aims to maintain the scope, range and level of service provision. Savings have been found from budget underspends that will not impact on front-line service delivery.

A budget addition of £192,400 will protect services at their existing levels despite reductions in or withdrawal of funding to Mole Valley District Council and some temporary funding coming to an end.

Now describe how this fits into the Council’s Corporate Priorities or other local, regional or national plans and priorities.

The 2014/15 budget proposals reflect the priorities in the Mole Valley District Council Corporate Plan which has been refreshed for 2014/15.

² More information and definition of protected characteristics can be found [here](#)

If you are not carrying out an equality impact assessment, briefly summarise reasons why you have reached this conclusion, the evidence for this and the nature of any stakeholder verification of your conclusion.

N/A

Section 2: Analysis and assessment (see pp. 10-13 of the guidance)

Given available information, what is the actual or likely impact on minority, disadvantaged, vulnerable and socially excluded groups?

Indicate for each of the 'protected characteristics' whether there may be a positive impact, negative impact, a mixture of both or no impact.

Protected characteristics	Positive	Negative	No impact	Reason
Age	√			An additional £19,000 will enable us to establish a work placement scheme to provide young people with routes into employment, and an additional £12,000 will enable a work place student to be appointed in the Development Control team.
Disability			√	It is not considered that the budget changes will have a particular impact, positive or negative, on people with disabilities.
Gender reassignment			√	It is not considered that the budget changes will have a particular impact, positive or negative, on individuals undergoing gender reassignment.
Marriage and civil partnership			√	It is not considered that the budget changes will have a particular impact on people who are married or in a civil partnership.
Pregnancy and maternity			√	It is not considered that the budget changes will have a particular impact on women who are pregnant or on maternity leave.
Race			√	It is not considered that the budget changes will have a

				particular impact on any racial groups.
Religion or belief			√	It is not considered that the budget changes will have a particular impact on any religious/belief groups.
Sex			√	It is not considered that the budget changes will have a particular impact due to a person's sex.
Sexual orientation			√	It is not considered that the budget changes will have a particular impact due to a person's sexual orientation.
Other aspects to consider	Positive	Negative	No impact	Reason
Carers			√	It is not considered that the budget changes will have a particular impact, positive or negative, on carers.
Rural/urban issues			√	It is not considered that the budget changes will have a particular impact, positive or negative, on rural/urban areas.
HR issues	√			A 1.4% pay award is proposed, incorporating a minimum threshold of £505 to provide a higher award for lower paid staff.

What can be done to reduce the effects of any negative impacts? Where negative impact cannot be completely diminished, can this be justified, and is it lawful?

N/A

Where there are positive impacts, what changes have been or will be made? Who are the beneficiaries? How have they benefited?

Young people will benefit from the Mole Valley District Council work placements scheme by giving them opportunities to develop knowledge and skills which will in turn help them to find further employment.

Section 3: Evidence gathering and fact-finding (see p.14 of the guidance)

What evidence is available to support your views above? Please include:

- A summary of the available evidence
- Identification of where there are gaps in the evidence (this may identify a need for more evidence in the action plan)
- What information is currently captured with respect to usage and take up of services.
- What the current situation is in relation to equality and diversity monitoring (where relevant)

The budget proposals for 2014/15 are in line with the corporate priorities in the Mole Valley District Council Corporate Plan 2014/15. These priorities, which have been reviewed and refreshed for 2014/15, were developed against findings from extensive needs analysis work (including findings from census data and the Joint Strategic Needs Analysis).

How have stakeholders been involved in this assessment? Who are they, and what is their view?

The budget proposals are being considered by the Standing Budget Panel, Scrutiny Committee and the Executive. Separate consultation discussions have taken place with Parish Councils, Chambers of Commerce and other representative organisations.

Recommendations

Please summarise the main recommendations arising from the assessment. NB If it is impossible to diminish negative impacts to an acceptable or even lawful level the recommendation should be that the proposal or the relevant part of it should not proceed.

N/A

Summary Sheet

Review date	January 2014
Person responsible for review	Phil Mitchell
Strategic Management Lead signed off	Nick Gray
Date completed	15 th January 2014
Date forwarded to Policy Officer for publishing	5 th February 2014

- Signed off electronic version to be kept in your team for review
- Electronic copy to be forwarded to the Policy and Performance Team for publishing

