



EXECUTIVE

YOU ARE REQUESTED TO ATTEND A MEETING OF THE EXECUTIVE TO BE HELD IN THE PRINCIPAL COMMITTEE ROOM, THE DEANE HOUSE, BELVEDERE ROAD, TAUNTON ON WEDNESDAY 10TH MARCH 2004 AT 18:15.

AGENDA

1. Apologies
2. Minutes
3. Public Question Time
4. Call Forward Items
5. Communications Strategy
Report of Public Health Development Manager (enclosed)
6. Corporate Debt Management Policy
Report of Revenues Manager (enclosed)
7. Treasury Management Strategy 2004/2005
Report of Financial Services Manager (enclosed)
8. Introduction of Partnering Arrangements with the DLO
Report of the Acting Director of Community Services (enclosed)
9. Parish Play Area Grants - reference back from the Review Board
Report of Review Support Manager (enclosed)
(The full report relating to this matter has already been circulated with both the Executive agenda for the meeting on 11 February 2004 and the agenda for the meeting of the Review Board on 26 February 2004)

The following item is likely to be considered after the exclusion of the press and public because of the likelihood that exempt information would otherwise be disclosed relating to the Clause set out below of Schedule 12A of the Local Government Act 1972.

10. Corporate Review and Restructure Proposals
Report of Chief Executive (enclosed)

G P DYKE
Member Services Manager

The Deane House
Belvedere Road

TAUNTON
Somerset

TA1 1HE

02 March 2004

Executive - 11 February 2004

Present: Councillor Williams (Chairman)
Councillors Bishop, Mrs Bradley, Mrs Bryant, Cavill, Edwards, Garner, Hall and Mrs Lewin-Harris

Officers: Mrs P James (Chief Executive), Mr J J Thornberry (Director of Corporate Resources), Mr P Weaver (Director of Community Services Acting), Ms S Adam (Head of Finance), Mr P Carter (Financial Services Manager), Mr K Toller (Chief Personnel Officer), Ms K Dyson (Leisure Development Manager), Mr B Cleere (Community Initiatives Manager), Mrs H Tiso (Benefit Service Unit Manager), Mrs N Heal (Public Relations Officer), Mr C Brazier (Head of Housing), Mr M Western (Housing Manager – Private Sector and Development), Mr C Mulcahy (Assistant Manager – Horticultural), Mr G P Dyke (Member Services Manager) and Ms J Dickinson (Head of Commercial Services)

Also Present: Councillors Mrs Allgrove, Croad, Gill, Henley, Hindley, Lees, Lisgo, Paul, Prior-Sankey, Slattery, Mrs Smith, Stuart-Thorn, Wedderkopp, and Weston

(The meeting commenced at 6.15 pm).

1. Apologies
2. Minutes

The minutes of the meeting of the Executive held on 14 January 2004 were taken as read and were signed.

3. Review of Various Grant Schemes Administered by the Leisure Development Team

A report regarding the various grants administered by the Leisure Development Team had been submitted to the Health and Leisure Review Panel in November 2003. Two of the recommendations regarding the priority to be given to funding young people's facilities before children's play equipment and the level of play area grant awards had not been supported by the Panel and the matter had, therefore, been referred to the Executive for further consideration.

The Panel had felt that the recommendation made to reduce the capital grant for play equipment from 85% of the project cost to 33% was unacceptable and had requested that it should remain at its current rate. The Panel had also rejected the idea that priority should be given to funding young people's facilities over children's play equipment.

It was explained that external grant aid assistance could be available in certain circumstances for the funding of play areas. Also, in all other grant schemes operated by the Council, the Council was the funder of last resort with the bulk of funding coming from other sources.

There was significantly less provision for young people within Taunton Deane than there was for the under fives. If the grant scheme were refocused to give priority to applications for facilities for older children and young people, this would not only meet demand but also contribute to actions to avoid crime and balance out this inequality.

The application of a 33% maximum to capital grants for play areas and young people's provision would not only bring the awards in line with all other grant schemes but the fund would be able to support a greater number of schemes.

RESOLVED that:-

- (1) priority be given to funding young people's facilities before children's play equipment;
- (2) play area grant awards be reduced to 33% of the project cost from the 85% currently awarded with effect from 2005/06.

(Councillors Paul and Stuart-Thorn both declared personal interests in this item).

4. Management Issues in Vivary Park

Reported that a Management Plan had been developed for Vivary Park as a requirement of the grant received from the Heritage Lottery Fund. The work had prompted questions about the way in which parks were managed and Vivary Park had been taken as a pilot for investigating a more holistic regime driven by Corporate Priorities and community needs.

Details of the Management Plan and the Action Plan were submitted. Although the actions had arisen from the development of the Management Plan and a consideration of the issues identified from consultation, they had been grouped under the eight headings for assessment under the Green Flag Award scheme which were:

- a welcoming place;
- healthy, safe and secure;
- clean and well maintained;
- sustainability;
- conservation and heritage;
- community involvement;
- marketing; and
- management.

The Management Plan also proposed a Vision and Aims for the Park.

RESOLVED that:-

- (1) the Vision for Vivary Park as set out in the report be adopted;
- (2) the Aims for Vivary Park as set out in the report be adopted;
- (3) a review be agreed covering the arrangements governing the use of Vivary Park by stake holders to ensure they complied with current licence/lease arrangements, that they met the Borough's corporate objectives and its objectives for Parks and Green Spaces and that the financial arrangements particularly regarding income levels, be optimised;
- (4) consultation be agreed with the existing stake holders in the Park on the contents of their current leases and practices to ensure that they delivered the terms set out within the current arrangements and, where possible, delivered services to local people that met the objectives for the Park;
- (5) a review be agreed of the allocation of maintenance and management resources in order to create a greater degree of "conspicuous care" through a review of work measurement systems and the deployment of staff;
- (6) consideration be given to creating a managerial post with overall responsibility for all aspects of the management of the Parks service;
- (7) the examination of existing income streams in the Park be agreed, with a view to maximising the opportunities to create additional resources.

(Councillors Hall and Prior-Sankey both declared personal interests in this item).

5. People Management Strategy

Submitted report which considered a People Management Strategy for the Council.

The People Management Strategy was a document intended to set out what sort of employer the Council wanted to be, how it wanted to manage it's staff and identify the key issues that needed to be addressed in order to achieve these things.

A draft strategy had been prepared and was submitted. This draft had been developed, alongside consultation with the staff and managers. It had also been considered and refined by the Resource Review Panel and the Corporate Management Team.

RESOLVED that the People Management Strategy, as submitted, be agreed.

6. Benefit Fraud Inspectorate/CPA Diagnostic Report

Reported that all District Councils were subject to a Comprehensive Performance Assessment (CPA). For those within Somerset, this would take place during 2004. In addition to the corporate self-assessment, the Council were also required to submit a self-assessment diagnostic to the Benefit Fraud Inspectorate (BFI). Details were reported of the self-assessments to be submitted to the Benefit Fraud Inspectorate. An update was also provided on the Council's compliance with Department for Working Pensions Performance Standards.

The BFI's assessment of Housing Benefit and Council Tax Benefit services would consider current performance and proven capacity to improve. It would be based on performance against the BFI/Department for Work and Pensions Performance Standards and would take account of Best Value Performance Indicators and other performance factors.

On 6 January 2004, the BFI had invited the Council to send a copy of its latest self-assessment against the performance standards and the Council's response to 53 questions. The Council had until 16 February 2004 to submit its response. Details of the response to the 53 questions was submitted. Also submitted, was a summary of the Units self-assessment against the Department for Work and Pensions Details of Performance Standards and information relating to the compliance against individual elements of the standards was set out in the report.

RESOLVED that the self-assessments in response to the key questions and the Department for Work and Pensions Performance Standards be agreed.

7. Corporate Strategy 2004 to 2007

Reported that the Corporate Strategy played an important role in setting clear priorities and ambitions for the Council. It gave a direction for future investment decisions and a basis for performance improvement across all services. A draft strategy had been prepared and was submitted for consideration.

Following extensive consultation the draft Strategy had also been considered by the Review Board at its meeting on 29 January 2004 and its comments had been taken into account in the final draft.

RESOLVED that the draft Corporate Strategy 2004 to 2007 be agreed.

8. Housing Revenue Account, Revenue Estimates and Rent Levels

Submitted report previously circulated which set out in detail the proposed Housing Revenue Account (HRA) for 2004/2005. It also included details relating to the new rent level service charges and other housing related

charges such as garage rents. It also provided information on the Deane Help Line Trading Account and Deane Building DLO Trading Account.

Both the Housing Review Panel and the Review Board had considered this report and the recommendation submitted reflected the views raised at those meetings.

RESOLVED that Council be recommended that the Housing Revenue Account budget be agreed.

9. Housing Capital Programme 2004/2005 to 2006/2007

Submitted report which set out in detail a draft programme for 2005/2006 and 2006/ 2007 and the proposed Housing Capital Programme for 2004/2005. It included details of the resources available, as well as recommendations for how they should be allocated. Investment focussed on the three areas of maintaining and improving the Council housing stock to a Decent Home Standard, providing grants to registered social landlords to build new homes and providing grants to individual home owners to reduce levels of unfitness in private sector properties.

The report had been considered by both the Housing Review Panel and the Review Board and reflected the views of those meetings.

RESOLVED that the Council be recommended that the Housing Capital Programme 2004/2005 to 2006/2007 be agreed.

10. General Fund Revenue Estimates 2004/2005

Considered report previously circulated regarding the Executive's 2004/2005 budget proposals. The report contained details on:-

- (1) the General Fund Revenue Budget proposals for 2004/2005;
- (2) the results of the public consultation exercises;
- (3) draft figures on the expected financial position of the Council for the following two years;
- (4) Prudential Indicators for 2004/2005; and
- (5) an overview of the proposed increases in fees and charges for 2004/2005.

The report had been considered in detail by the Review Board and details of its views were submitted.

The 2003/2004 Budget Setting Report which was considered by Council in February 2003 required £692,000 of General Fund Reserves to support spending. This was to fund one-off items of expenditure such as a Revenue

Contribution to Capital (RCCO) and to fund some of the Priority 1 non-recurring development bids.

Work on the Authority's Medium Term Financial Plan had started in the summer of 2003. The financial model was refined and updated to predict the Council's financial position over a three year period. The model showed quite clearly the predicted "budget gap" that had to be resolved for 2004/2005 and allowed the Executive to refine their financial strategy in the longer term.

As the year progressed and the financial picture became clearer, it was apparent that some difficult decisions would be required in this budget round. The model highlighted a budget gap which eventually settled at £1.381 m. The Executive Councillors proposals for closing the gap were issued for consultation to all Councillors and each political group. The Executive had subsequently been informed of any comments received.

The fundamental aim of the budget setting process was to present a budget for 2004/ 2005 that kept the Council's reserves at an acceptable level and the Council Tax increase at a minimum whilst continuing to deliver high quality, low cost services to the public. The difficult financial situation faced by the Council emphasised the importance of planning for the years ahead. Not only did the Council face the challenge of funding new services and meeting Government targets but were likely to face significant revenue funding problems in future years due to further increases in the employers' pension fund contribution. The Medium Term Financial Plan clearly indicated that this Council had an underlying budget problem. The Executive would consider a Financial Strategy that would help set a clear way forward and allow the Council to deliver a sustainable financial plan in the medium term.

The General Fund Revenue Account was the Council's main fund and showed the income and expenditure relating to the provision of services. Although the Council made charges for some of its services, much of the remaining expenditure was funded by the Government through the Revenues Support Grant and National Non-Domestic Rates. Any short fall was funded by the Council Tax payer.

This was the second year of the new amended grant system for the distribution of Local Government funding. In the final announcement on 29 January 2004, the Government had allocated £6.5 m of grant to Taunton Deane (compared to our actual grant received in 2003/2004 of £7.037 m). The Government had retained the new formula for assessing the needs of each Authority. District Councils nationally had received a minimum grant increase of 3%. However, changes to the funding of Housing Benefit had impacted on the total grant receivable by this Council for 2004/ 2005. In total, the Government's contribution towards this Council's spending requirement had risen by only £101,000 (1.44%) for the next year.

The final settlement figures included in the budget proposals had now been received and were reflected in the report. The proposed budget for Taunton Deane would result in a Band D Council Tax of £116.63, an increase of £7.12

(6.5%) on 2003/ 2004. The estimated expenses chargeable to the non-parished area of Taunton in 2004/2005 amounted to £25,750, an increase of 3% and this formed part of the total net expenditure of the Council. This year, for the first time, detailed budgets had been produced for the Deane DLO. The DLO were forecasted to make a surplus of £82,000 in 2004/2005. The Leisure DSO had prepared budgets for 2004/2005 and these reflected the recent decision to defer the formation of the Leisure Trust. The expected level of deficit funding required was £699,000.

As part of the Prudential Code for Capital Finance, there was a requirement for Council to approve the indicators which were set out in the report. These included the borrowing limits which were previously detailed in the separate report to the Executive.

It was also now a requirement of the Council to prepare, not only budgets for the following financial year, but also provide indicative figures for the two years after that. The Medium Term Financial Plan provided an indication of the expected budget gap going forward into 2005/2006 and this was shown in the report.

The Local Government Act 2003 imposed a new duty on the Council's Section 151 Officer (Head of Finance) to comment as part of the budget setting process upon the robustness of the budget and adequacy of reserves. The Head of Finance had thoroughly reviewed the procedures, outputs and outcomes of the budget setting process and felt that the Council's reserves were adequate and the budget estimates used in preparing the 2004/2005 budget sufficiently robust.

RESOLVED that the Council be recommended that the budget for general funds services for 2004/2005, as outlined in the report, be agreed and that:-

- (a) the transfer for any underspend in 2003/2004 back to General Fund Reserves be agreed;
- (b) the use of £16,523 from General Fund Reserves to support the 2004/2005 budget be agreed;
- (c) the development bids outlined in the report be agreed;
- (d) the increases to fees and charges set out in the report be agreed;
- (e) the proposed 2004/2005 budget being Authority expenditure of £10,975,203 and Special Expenses of £25,750, be agreed in accordance with the Local Government Act 1992;
- (f) the predicted General Fund Reserve balance at 31 March 2005 of £1,310,466 be noted; and
- (g) the Prudential Indicators for 2004/2005, as set out in the report, be agreed.

11. General Fund Capital Programme 2004/2005 to 2006/2007

Considered report previously circulated regarding the proposed General Fund Capital Programme for the period 2003/2004 to 2006/2007. The estimated resources available for this period amounted to £7,764,102. The proposed capital programme amounted to £6,383,046, leaving £1,381,056 of unallocated capital resources available for future schemes.

All capital expenditure had to be financed from borrowing, capital receipts or other revenue funds. After taking into account the current programme which was already approved and financed, the anticipated available surplus resources for the period 2003/2004 to 2006/2007 were £175,000 of Capital Receipts and £1,813,356 of unallocated Capital Reserve, making a total of £1,988,356.

In previous years, the Council's resources took into consideration the use of Credit Approvals. With effect from 1 April 2004, a new system called the Prudential Code would come into effect which gave Local Authorities the freedom to borrow providing the borrowing was affordable, prudent and sustainable. The sources of finance did not anticipate that the Council would take advantage of its new freedom to borrow. Any new loan debt would only be taken after full consideration of the Authority's Treasury Management Strategy and the indicators prescribed by the Prudential Code.

The Capital Receipts of £175,000 represented income that was expected to be generated from the sale of assets. This income could be wholly reinvested in funding capital schemes.

The current approved capital programme totalled £5,483,621. This included any slippage in schemes that had been rolled forward from 2002/2003 and any subsequent Supplementary Estimates that had been approved by Council.

The budget consultation packs previously issued to all Councillors detailed new schemes which had been both accepted and rejected by the Executive. The Review Board had considered the Capital Programme at its meeting on 29 January 2004 and made no suggestions for changes to the proposed budget.

Since the consideration of the programme to the Review Board, Executive Councillors had revisited the proposed programme and suggested one further addition. The scheme for continued financial support in 2004/2005 for improvements to the Taunton Canal/River Corridor (£10,000) was now included in the draft programme.

Details were also submitted of capital projects where it was proposed not to allocate funds in the current programme.

It was noted that a future contribution to the Silk Mills scheme had not been ruled out but that further details would be required.

The detailed General Fund Capital Programme, which included these proposed schemes, now totalled £6,383,046.

RESOLVED that Council be recommended that the General Fund Capital Programme as set out in the report be agreed.

(Councillor Prior-Sankey, as a County Councillor, declared a personal interest in the Silk Mills scheme).

12. Council Tax Setting 2004/2005

Submitted report which made recommendations to the Council on the proposed level of Council Tax for 2004/2005.

The Council was required to make an annual determination which set its gross expenditure (including the Housing Revenue Account and balances brought forward) and gross income (also included in the housing revenue account and balances brought forward) with the difference as its budget requirement. (This determination is set out in the resolution).

The estimated expenses chargeable to the non-parished area of Taunton in 2004/2005 amounted to £25,750 and this formed part of the total net expenditure of the Council. Details were also submitted of the parish precepts levied and the appropriate Council Tax at Band D.

The estimated balance on the Council Tax Collection Fund was a deficit of £78,043. Taunton Deane's share of this amounted to £8,435. This was reflected in the revenue estimates.

The overall debt outstanding on Community Charge was now approximately £140. The overall debt had been reduced during the year by write-offs of over £1000 and it was estimated that the Community Charge Collection Fund as at 15 January 2004 had a deficit of £27,217. This element was not shared with the County Council or the Police Authority and was, therefore, a cost for the General Fund. This was reflected in the revenue estimates.

The Council's budget requirement including parish precepts and non-parished special expenses was £11,306,166. This was then reduced by the amount notified in respect of the Borough's Revenue Support Grant of £3,675,969 and the non-domestic rates distribution from the pool amounting to £2,824,141.

The net amount having taken the collection fund position into account of £4,841,708 was used to calculate the Council Tax at Band D, reflecting the parish precepts, etc by dividing it by the total of the Council Tax Base as approved by the Executive in January 2004.

The Council Tax for the Borough (excluding parish precepts and special expenses for the non-parished area) was £116.63, an increase of £7.12 (6.5%) compared to the 2003/2004 Council Tax. The total Council Tax

including the County Council and Police Authority precept was still subject to confirmation.

RESOLVED that the Council be recommended that, subject to final determination, including the Council Tax for Somerset County Council and the Police Authority, which was still to be advised:

1. that it be noted that at its meeting on 14 January 2004 the Executive calculated the following amounts for the year 2004/05 in accordance with the regulations made under Section 33(5) of the Local Government Finance Act 1992 (as amended):-

(a) 38,675.69 being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its Council Tax base for the year.

(b)

Ash Priors	66.24	Neroche	241.04
Ashbrittle	68.72	North Curry	684.85
Bathealton	84.19	Norton Fitzwarren	657.25
Bishops Hull	1,070.16	Nynehead	147.57
Bishops Lydeard/ Cothelstone	1,822.78	Oake	317.62
Bradford on Tone	276.96	Otterford	163.25
Burrowbridge	203.81	Pitminster	444.97
Cheddon Fitzpaine	626.00	Ruishton/ Thornfalcon	606.84
Chipstable	113.17	Sampford Arundel	128.78
Churchstanton	307.45	Staplegrove	715.61
Combe Florey	110.46	Stawley	116.69
Comeytrowe	2,066.03	Stoke St Gregory	374.36
Corfe	131.93	Stoke St Mary	192.98
Creech St Michael	934.29	Taunton	15,417.20
Durston	57.56	Trull	938.40
Fitzhead	118.96	Wellington	4,509.10
Halse	145.65	Wellington (Without)	292.30
Hatch Beauchamp	244.08	West Bagborough	153.99
Kingston St Mary	432.85	West Buckland	398.46
Langford Budville	213.97	West Hatch	139.68
Lydeard St			

Lawrence/Tolland	193.38	West Monkton	1,073.39
Milverton	573.00	Wiveliscombe	1,081.75

being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate.

2. That the following amounts be now calculated by the Council for the year 2004/05 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:-

- (a) £50,521,900 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) of the Act.
(Gross Expenditure including amount required for working balance).
- (b) £39,215,734 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) to (c) of the Act.
(Gross Income including reserves to be used to meet Gross Expenditure).
- (c) £11,306,166 being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council in accordance with Section 32(4) of the Act, as its budget requirement for the year.
- (d) £6,464,458 being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates, revenue support grant, additional grant or SSA reduction grant (increased by the amount of the sums which the Council estimates will be transferred in the year from its Collection Fund to its General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (*Council Tax Surplus*) and increased by the amount of any sum which the Council estimates will be transferred from its Collection Fund to its General Fund pursuant to the Collection Fund (Community Charge) directions under Section 98(4) of the Local Government Finance Act 1988 made on 7 February 1994 (*Community Charge Surplus*).

(e)	£125.19	(c) - (d) + 11,306,166 – 6,464,458
		<hr style="width: 50%; margin: auto;"/>
		.1(a) 38,675.69

being the amount calculated at (c) above less the amount at (d) above, all divided by the amount at .1(a) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year.

(Average Council Tax at Band D for Borough Including Parish Precepts and Special Expenses).

(f)	£330.963	being the aggregate amount of all special items referred to in Section 34(1) of the Act. <i>(Parish Precepts and Special Expenses).</i>
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(g)	£116.63	(e) - (f) = 125.19 -
		<hr style="width: 50%; margin: auto;"/>
		.1(a) 38,675.69

being the amount at (e) above less the result given by dividing the amount at (f) above by the amount at 1(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special items relate.

(Council Tax at Band D for Borough Excluding Parish Precepts and Special Expenses).

(h)

Ash Priors	120.40	Neroche	131.15
Ashbrittle	122.40	North Curry	133.42
Bathealton	123.76	Norton Fitzwarren	136.65
Bishops Hull	129.30	Nynehead	130.18
Bishops Lydeard/ Cothelstone	129.80	Oake	126.70
Bradford on Tone	131.07	Otterford	116.63
Burrowbridge	138.37	Pitminster	125.39

Cheddon Fitzpaine	124.62	Ruishton/ Thornfalcon	132.86
Chipstable	132.54	Sampford Arundel	151.11
Churchstanton	139.02	Staplegrove	127.39
Combe Florey	127.04	Stawley	125.20
Comeytrowe	123.89	Stoke St Gregory	132.66
Corfe	126.10	Stoke St Mary	125.96
Creech St Michael	131.52	Taunton	118.30
Durston	117.32	Trull	124.09
Fitzhead	130.92	Wellington	133.13
Halse	128.65	Wellington (Without)	128.60
Hatch Beauchamp	128.10	West Bagborough	129.62
Kingston St Mary	130.49	West Buckland	135.45
Langford Budville	124.34	West Hatch	130.50
Lydeard St Lawrence/Tolland	124.65	West Monkton	126.88
Milverton	127.10	Wiveliscombe	131.42

Being the amounts given by adding to the amount at (g) above, the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(b) above, calculated by the Council, in accordance with section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

(Council Taxes at Band D for Borough Parish

- (i) See overleaf

14. Annual Investments Strategy

Reported that recent legislation required each Local Authority to produce an annual investments strategy.

In summary, the strategy required that:-

- all Council investments must be made with prime consideration being given to security of capital and liquidity of those investments;
- security was enhanced by use of credit ratings;
- investments were limited on amounts and time to ensure that the Council could honour cash commitments and benefit from positive interest rate movements;
- advantage of favourable moves in the interest rates should be taken by conducting forward deals supported by advice from specialist advisers;
- external fund management was deemed not appropriate at this time; and
- the Executive would be updated on any proposed changes/amendments to the strategy at future meetings and be presented with an end of year assessment included in the annual Treasury Management Outturn report.

The Annual Investment Strategy stated which investments the Council may use for the prudent management of its treasury balances during the financial year under the heads of specified investments and non-specified investments. These were listed in the appendix to the report.

RESOLVED that Council be recommended that the Investments Strategy, as submitted, be agreed.

14. Results of Third Quarter Budget Monitoring Exercise

Submitted report which gave a summary of the expected outturn position on General Fund and HRA Revenue and Capital budgets, following the third quarter budget monitoring exercise.

The forecast outturn figures for General Fund Revenue predicted a net underspend of 0.21% or £32,217 against the current approved budget.

The forecast outturn figures for HRA predicted a surplus of £166,570 against the current approved budget.

RESOLVED that the Council be recommended that the variations to the budget be agreed and the finance available be allocated as follows:-

£5,000	Golf Course flooding
£2,000	Golf Course Tree Pruning
£10,000	Car Park Signs
£4,000	Hunts Court – pump priming
£5,000	Chewing Gum Clearing Initiatives
£8,217	Pay on foot – feasibility study

Total £32,217

(Councillor Mrs Bryant left the meeting at 8.30p.m.)

(The meeting ended at 9.35 pm).

TAUNTON DEANE BOROUGH COUNCIL

Executive

10 March 2004

Communications Strategy for Taunton Deane Borough Council Report of Public Health Development Manager

This is the responsibility of Executive Councillor Gwyneth Bryant

1. Purpose of the Report

- 1.1 The purpose of this report is to present the Communications Strategy 2004 – 2007 to the Executive for approval.

2. Background

- 2.1 The over the last few months we have been working with staff and members to develop the Communications Strategy. In particular, Members of the Review Board have been involved throughout the process.

- 2.2 The strategy now has five key areas:

- The management of communications
- Marketing
- Public Relations
- E-Communications
- Internal Communications

The section on internal communications will be brought to a future meeting once the Healthy Workplace Project Board has completed its work.

3. Resource Implications

- 3.1 The action plans associated with each key area list new areas of work which are not currently resourced. Some of the staffing issues will be dealt with in the corporate restructuring report.
- 3.2 If the work highlighted in the action plans is considered to be a priority, in the short term it will need to be delivered at the expense of other work. However, the short-term investment will lead to a long-term gain with improvements in the effectiveness and efficiency of services.
- 3.3 There are new resources required to deliver some of the actions; the money for these actions will have to be financed either from within existing budgets or as a development bid.

4. Member Involvement

- 4.1 Members have played an important role in the development of this strategy and they need to recognise the key part they need to continue to play in the delivery of the action plans. Member's ongoing involvement should include:

- Involvement in the monitoring and evaluation of the delivery of the strategy
- Being training on relevant matters
- Having joint responsibility with managers and staff for the reputation of the Council.

5. Conclusions

This strategy is an opportunity for our organisation to improve how we work and deliver services. If we want to put good communications at the heart of our work, choices will have to be made. There will need to be short-term investment in this work to secure long-term benefits. Ultimately, this is about enabling the delivery of excellent, customer-focussed services which meet the corporate priorities and the needs of our local community.

6. Recommendation

It is recommended that:

- a) The Executive adopt the Communications Strategy 2004-2007.
- b) Members support the delivery of the Strategy.

Contact Officer

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TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE 10 MARCH 2004

REPORT OF THE REVENUES MANAGER

CORPORATE DEBT MANAGEMENT POLICY REPORT

This matter is the responsibility of Executive Councillor T Hall (Portfolio Holder for Resources)

EXECUTIVE SUMMARY

The report introduces the draft Corporate Debt Management Policy, which the Executive are asked to approve.

The Policy originates from recommendations contained within the Revenues Best Value Review and the Audit Commission's 'Local Collection of Taxes and other Revenue Report'. It sets out the Council's general principles for managing debts and incorporates the nationally agreed standards relating to debt collection.

The Policy stresses the need to approach debt management in a corporate way in order to maximise collection rates whilst ensuring that debt collection is carried out in a consistent, fair and transparent manner.

The Policy has been placed before the Resources Review Panel and the Housing Review Panel and has been endorsed by both.

1. **PURPOSE OF REPORT**

- 1.1. To introduce and request approval for the draft Corporate Debt Management Policy from the Executive.

2. **BACKGROUND**

- 2.1. Both the Revenues Best Value Review and District Audit's 'Local Collection of Taxes and other Revenue Report' identified the need for comprehensive, Council-wide policies relating to the collection and enforcement of all debts due to the Council.

3. **SUMMARY**

- 3.1. The Corporate Debt Management Policy covers all debts due to the Council. These include all current and former tenant rent debts (Housing, Garage, Hostel and Commercial), local taxation debts (Council Tax and Business Rate), Housing Benefit overpayments, Penalty Charge Notice debts and other miscellaneous income debts.
- 3.2. These debts vary widely in terms of their nature and the legislation that covers them. This variety impacts greatly upon the way in which we currently administer, collect and enforce payment of these debts.
- 3.3. The purpose of the Policy is to ensure that our general approach to managing the collection and enforcement of these debts is consistent, fair and transparent across the Authority and conducted in accordance with nationally agreed standards.

- 3.4. However, the Policy also reflects the diversity of the debts with which we have to deal and tailors specific policies to fit each individual debt type.
- 3.5. The Policy sets out for the first time common principles for the billing, collection, enforcement and write-off of all types of debt. It is intended to cover the enforcement work undertaken by officers of this Authority and any agents employed on our behalf.
- 3.6. The 'Enforcement Concordat' and the 'National Standards for Enforcement Agents' are incorporated within the policy. These are nationally recognised and accepted standards for the enforcement of debts.

4. IMPLICATIONS

- 4.1. Increasingly local authorities are being judged not just upon whether they have implemented the law correctly, but in the manner in which they have gone about doing so. At the same time local authorities are being measured upon and encouraged to increase collection rates.
- 4.2. Consistency of approach and the adherence to nationally accepted standards are the key to balancing the needs of our debtors against the requirement to maximise collection rates. We must therefore ensure that we have mechanisms in place to provide a consistent approach.
- 4.3. If we fail to properly manage our approach to debt collection we risk leaving ourselves open to claims from our debtors of unfair treatment and/or severe financial consequences.

5. IMPACT ON THE CORPORATE PRIORITIES

- 5.1. The Corporate Debt Management Policy provides a framework for the management of the various debts due to the Authority and as such will play a key role in the way in which we deliver our collection and recovery services.

6. CONCLUSIONS

- 6.1. The Corporate Debt Management Policy will provide core principles for the debt management of all debt types. This will demonstrate our consistent and managed approach to dealing with the collection of debts. The Policy will provide core principles around which can be tailored individual processes and procedures for each of the individual debt types.

7. RECOMMENDATIONS

- 7.1. The Executive are asked to approve the policy.

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TAUNTON DEANE BOROUGH COUNCIL

Corporate Debt Management Policy

“Where the Council seek to collect money, the Council will issue bills promptly and correctly. Where recovery action is required, the Council will act quickly, fairly and impartially, but with due regard to the social welfare and human rights of our customers”

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(1) Introduction

This document details the Council's policies on the billing, collection and recovery of monies due to the Council.

Sums due to the Council can be a mixture of statutory and non-statutory charges. The methods for billing and recovery of the statutory debts is tightly prescribed by statute. Our enforcement practices must take account of this diversity.

The Revenues Best Value review, completed in January 2003, set up a "Vision" for the collection of monies due to the Council, which has been extended to incorporate all debts due to the Council:

"Where the Council seek to collect money, the Council will issue bills promptly and correctly. Where recovery action is required, the Council will act quickly, fairly and impartially, but with due regard to the social welfare and human rights of our customers"

This Policy sets out the general principles to be applied in relation to debt management across all services provided by this Council. *It is to be used together with more detailed procedural guidance for staff.*

(2) Policies Common to all Types of Debt

2.1 Every demand for money will be correctly addressed to the person who is liable to pay it. The name on the demand will be that of a person or body possessing "legal personality".

2.2 Demands will, wherever possible, be issued on the day of production.

2.3 All documentation relating to a demand will be kept either in paper or scanned image format until at least six years after the demand is raised. If at the end of that six-year period the demand still remains unpaid, the supporting documentation will be retained until either the bill is paid or the debt written off.

2.4 The Council will attempt at all times to use the most appropriate and effective method of debt recovery in order to maximise income.

2.5 The Council will encourage the most cost effective payment methods with the emphasis being on unmediated electronic means where possible. "Unmediated" in the context of electronic payment methods means a method of payment that requires no human intervention by officers of the Council to achieve its crediting to the account in question.

2.6 In the interest of economy and where appropriate all demands, reminders and final notices shall be issued by 2nd class post unless contrary to regulations or other statutory or legal requirements.

2.7 Authorised officers and others referred to in 5.1, will be able to intervene in the recovery cycle in appropriate circumstances to deal with hardship or dispute situations. This includes the ability to make deferred payment arrangements where immediate payment is impossible due to lack of means. Officers making arrangements will take into account paragraph 2.4.

2.8 Where the potential for a statutory benefit or discount exists in relation to the debt, efforts will be made to make the debtor aware of such opportunities and they will be assisted and encouraged to apply for these.

2.9 All notices issued by the Council will comply with the corporate style guidance and be readily identifiable as being from the Council.

2.10 Where either national or local performance indicators exist the Council will strive for top quartile performance and will publish our actual performance against these targets annually. Progress reports will be made at regular intervals during the year to the Council's Corporate Management Team and Resource Review Panel.

2.11 The Council welcome the involvement of welfare agencies in connection with debts due to the Council and recognise the benefits that these organisations can offer both the debtor and the Council in prioritising repayments to creditors and in maximising income available to the debtor.

2.12 The Council recognises that prompt recovery action is key in managing its debt and maximising income. The Council therefore aims to:

- Regularly monitor the level and age of debt.
- Set clear targets for the recovery of debt.
- Have clear written recovery procedures.
- Set priorities for specific areas of debt and assess recovery methods to ensure maximum recovery.
- Regularly review irrecoverable debts for write-off.

2.13 All accounts that are written off will be written off against the income code against which they are raised. The VAT on written-off sundry debt accounts will only be recovered by the Authority in accordance with the rules and procedures laid down by HM Customs and Excise. In practice this means that VAT on a written-off debt can only be reclaimed 6 months after the debt became due or the date of supply.

2.14 Where an external agency is procured to assist with the delivery of a service the flow of information between the Council and the agency should, wherever possible, be in an electronic format.

2.15 Where legislation permits, the Council will seek to levy and recover from the debtor any and all costs/fees that are legitimately due from the debtor to the Authority or its agents. Only in exceptional cases, where it would not be in the public interest to pursue costs/fees will they be waived.

(3) Principles of Enforcement (all debts)

3.1 The Council will follow the principles outlined below. These principles are derived from the Government's *Enforcement Concordat (appendix 1)*, to which the Council is fully committed:

- Our action will be **proportional**
- Our approach will be **consistent**
- Our actions will be **transparent**

Additionally our intention will be to be firm and fair (see TDBC Core Values) and our manner will be courteous.

3.2 Proportionality - Proportionality allows for a balance to be struck between the potential loss of income to the Council and the costs of compliance.

3.3 Consistency - Consistency means taking a similar approach in similar circumstances to achieve similar ends. The Council aim to achieve consistency in:

- The advice the Council gives.
- The use of our powers.
- The recovery procedures used.

The Council recognise that consistency does not mean simple uniformity. Officers need to take account of many variables such as:

- The social circumstances of the debtor.
- The debtor's payment history.
- The debtor's ability to pay.

3.4 Transparency - Transparency is important in maintaining public confidence. It means helping people to understand what is expected of them and what they should expect from the Council. It also means explaining clearly the reasons for taking any recovery/enforcement action.

Transparency is a key part of a Council Officer's role. If action is required, the reasons why must be clearly explained, in writing, where required. If action is required time scales must be clearly stated. A distinction must be made between advice and legal requirements.

Communications should be in plain English and large print with Braille versions being made available to customers upon request.

The Language Line facility is to be used as an aid to improving verbal communications with those customers for whom English is not their first language.

An opportunity must be given to discuss what is required to comply with the law before formal enforcement action is taken. A written explanation must be given of any rights of appeal against formal enforcement action either before or at the time the action is taken.

All communications with debtors will be conducted in accordance with the principles of the Council's Corporate Communication Strategy.

(4) Write Offs (all debts)

4.1 The Council recognise that where a debt is irrecoverable, prompt and regular write off of such debts is good practice.

The Council will seek to minimise the cost of write-offs to the local Council Tax and Housing Rent payers by taking all necessary action to recover what is due. All debts will be subject to the full recovery, collection and legal procedures as outlined in this policy.

Irrecoverable debts will be referred to the Council's 151 Officer (the Head of Finance) at a pre-agreed frequency and in a pre agreed format.

The limitations for writing off irrecoverable debts are those contained within the Council's Financial Regulations.

Debts may be referred to the Section 151 Officer for write-off in the following circumstances;

- Debt remitted by a Magistrate.
- The Council has evidence to confirm the claimant is suffering a severe physical or mental illness which renders enforcement action inappropriate.
- The Council is unable to trace the debtor.
- The debt is not cost-effective to pursue due to small balance.
- The debt is not cost-effective to pursue due to the likelihood of payment balanced against the cost of proceedings.

- The claimant has died and there are no or insufficient funds in the estate to settle the debt.
- The claimant is subject to formal insolvency proceedings and there is little likelihood of a dividend.

(5) Policies Specific to Sundry Debtors

5.1 The responsibility for the billing, collection and recovery of sundry debtor demands is held by the Head of Finance. Where appropriate, the Head of Finance may agree that staff within other Service units may become involved in the process including, in particular, staff within the Housing Benefit Unit for the recovery of overpaid Housing Benefit accounts and the Housing Estates/Tenancy Relations Unit in respect of rent court cost and former tenant arrears accounts.

5.2 Service providers MUST endeavour to obtain payment in advance or at the time of service delivery wherever permissible. Sundry debt accounts should ONLY be raised where payment in advance for a service is inappropriate.

5.3 The minimum value of any demand will be determined annually by the Head of Finance. However such a minimum value shall not apply to accounts relating to legal charges for rights of access or drainage charges where a contractual obligation exists to make such token payments.

5.4 Except in the case of a demand payable by instalments, or as otherwise contractually agreed, the settlement terms for all demands will be 28 days.

5.5 Recovery action will commence no later than 14 days after the demand has fallen due. Recovery action 'profiles' are to be agreed between the revenues section and the account raising section. These profiles will include pre-agreed determinations, as to when to instigate litigation.

5.6 The costs of enforcement action/litigation to recover sundry debtor invoices will be charged against the budget of the service raising the invoice. Any costs recovered from the debtor will be credited against these sums.

5.7 Sundry debtor invoices will be raised using the Council's corporate sundry debtors system, '*Taunton Deane Debts*'.

5.8 All statutory methods of enforcement of debts shall be available for use. These include:

- Attachments of Earnings
- Warrants of Execution
- Garnishee Orders (the seizure by the Court of monies owed to the debtor by a third party e.g. a bank)

- Insolvency
- Possession proceedings

These methods shall only be used with consideration to the principles set out within 3.1 above.

5.9 Prior to statutory methods of enforcement being taken, officers may use, where cost effective to do so, external collection agents, visits to the debtor's home by designated Council officers and telephone contact with the debtor as an alternative means of recovering sundry debts.

5.10 Where legally permissible, the provision of future services to the debtor will be suspended until outstanding debts are settled.

5.11 Ownership of all sundry debts rests with the originating units. It is only the originating units that may:

- Issue an instruction to cancel an invoice
- Correspond with or discuss with the debtor issues relating to the validity of the debt

5.12 The revenues recovery section will provide reports to the originating units on a regular pre-agreed basis as to the value of their outstanding accounts.

(6) Policies specific to Local Taxation Accounts

6.1 Council Tax and Non-domestic Rate annual bills will be issued as soon as practical after the Council has set its Council Tax for the forthcoming year.

6.2 Non-annual bills will be issued as soon as practicable after the amount of liability is known with payment(s) being due on the earliest date(s) permitted by legislation.

6.3 All demand notices will be issued using the Council's corporate revenues systems.

6.4 Where a tax or ratepayer can demonstrate an inability to make payment on the set instalment date, staff authorised by the Council's Secretary and Solicitor and/or Head of Finance will have the discretion to vary the instalment dates although the final instalment date must be before 31st March of the financial year in question. Such arrangements will only be considered where no recovery action has yet commenced for the account in question.

6.5 Reminders and final notices will, as far as is operationally practical, be issued within 14 days of the payment default to which they relate in accordance with a recovery timetable, which is to be set at the start of each financial year.

6.6 Summonses will be issued as soon as reasonably practicable after the default to which they relate.

6.7 All appropriate methods of enforcement of Liability Orders will be available for use. These include:

- Deductions from Benefits (Council Tax only)
- Attachments of Earnings (Council Tax only)
- Distress
- Attachment of Members' Allowances (Council Tax only)
- Prosecution for failing to provide financial information (Council Tax only)
- Prosecution of employers for failing to implement Attachment of Earnings (Council Tax only)
- Insolvency
- Committal to prison application (individuals only)
- Charging orders (Council Tax only)
- County Court proceedings, as an alternative to the Magistrates Court

These methods shall only be used with consideration to the principles set out within 3.1 above

6.8 The Lord Chancellor's Department has produced National Standards for Enforcement Agents (*appendix 2*). Officers of the Council and contractors acting on its behalf in enforcement roles will comply with these standards.

6.9 Where recovery action has commenced, payment arrangements will generally only be entered into where the debt is secured by a liability order and/or the debtor agrees to make payment by way of direct debit. Arrangements will only be agreed by authorised staff and will generally only be agreed to where:

- The debt will clear by the end of the financial year.
- The debtor's proposals are reasonable in comparison with the amounts that could be secured by taking alternative action.
- The debtor demonstrates a clear intention to honour the arrangement.

6.10 In cases where exceptional circumstances exist and it would not be in the interests of Council Tax payers in general to pursue enforcement action arrangements may be made by authorised staff prior to a liability order being obtained and without the debtor agreeing to make payment by way of direct debit.

(7) Policies Specific to the Recovery of Benefit Overpayments

7.1 All necessary invoices, reminder and final notices will be raised using the Council's sundry debt system.

7.2 Invoices will only be issued when a recoverable overpayment of housing benefit exists and cannot be recovered by other prescribed means.

7.3 The Council believes that prevention of overpayment debt is better than cure. Therefore strict measures are to be employed to prevent overpayments occurring. These will include:

- Using a well laid out application form to collate accurate information which contains an unambiguous statement that failure to provide correct information could lead to overpayments of benefit and to prosecution.
- Ensuring all benefit notification letters and relevant correspondence advise the people affected of their responsibility to tell the Council of any change of circumstances that may affect their claim.
- Making use of the Verification Framework techniques and procedures (compliant since July 2001) for example:
 - Using checks for identity, residency and National Insurance numbers.
 - Tailored benefit periods for high-risk claimants.
 - Visiting programmes targeting high-risk claimants.
- Ensuring all staff involved with overpayments receive enough training with comprehensive access to overpayment recovery procedures and an awareness of problems relating to debt.
- Providing regular fraud awareness training for staff who have contact with claimants
- Using and developing information technology to automate the identification and recovery of overpayments and to reduce error
- Including publicity material, for example posters, guidance pamphlets sent with application forms and landlord undertakings, information on responsibilities for reporting changes of circumstances.
- Ensuring procedures are in place for the prompt ending of benefit claims where a claimant does not return a renewal form before the end of the benefit period.
- Dealing quickly with reported changes of circumstances.
- Participating in various data matching exercises with external agencies and cross matching against internal databases whilst adhering to principles laid down by the Data Protection and Human Rights Acts.

7.4 The Council aims to calculate overpayments quickly and accurately and to provide quality information to the people affected, ensuring it recovers the correct amount. To achieve this the Council will:

- Invite claimants to apply for underlying entitlement .
- Calculate the overpayment, on average, within 14 days of receiving all necessary information.
- Use the proper effective date of change to fix the correct overpayment period.
- Consider uncashed or returned cheques or underpayment of benefit.

7.5 The Council aims to ensure the correct classification of overpayments for subsidy purposes is always used in order to prevent loss of subsidy.

7.6 Where the Council decides an overpayment is recoverable, recovery arrangements will advance, obeying the following hierarchy:

- From arrears of Housing Benefit
- From continuing Housing Benefit. This includes direct payments to a landlord for that claimant even if that claimant has moved or changed landlord. The Council will base recovery rates on DWP guidelines and will always initially apply the maximum recovery rate permissible. However officers will be empowered to consider applications from debtors to reduce the recovery rate where applying the maximum rate is causing demonstrable hardship.
- Council Tax Benefit overpayments will, apart from in exceptional circumstances, be debited to the respective Council Tax account.
- If there is no continuing Housing Benefit and no likelihood of continuing benefit or reduction by underlying entitlement, an invoice will be raised on the Debtors system and issue with a Schedule 6 compliant letter within 14 days.

At this point the Council will seek to recover the overpayment in full by a single payment. However, where this is not possible, due to the debtor's financial circumstances the Council may agree a payment plan involving instalments.

- By deductions from other Social Security Benefits managed by the Department of Work and Pensions. Section 75(1) of the Social Security Administration Act 1992 allows recovery of overpaid Housing Benefit by deduction from prescribed benefits which are defined in Regulation 105 of the Housing Benefit Regulations 1987.

7.7 Where a sundry debt account has been raised and payment is not received after the issue of a final notice, the Council will issue a claim against the debtor in the County

Court with a view to obtaining immediate payment or failing which, to enter judgment against the debtor.

7.8 Where a claimant has been overpaid rent rebate and there is a credit balance on their rent account, the Council will recover all or part of the overpayment from the credit provided it is for the same period as the overpayment. The Council will not recover more than the amount of credit shown on the rent account.

7.9 The Housing Benefit (Recovery of Overpayments) Regulations 1997 provide for the Council to recover overpayments from landlords from their current tenants' entitlement. The Council will, in appropriate circumstances, reduce payments to landlords for their current tenants to recover overpayments that arose for former tenants. It will take this action when the original tenant has no continuing Housing Benefit and when there was a misrepresentation or failure to disclose a material fact.

7.10 For details regarding the use of Prosecution and Administrative Penalties that may be taken against claimants who have committed benefit fraud as well as the action taken on benefits overpaid to claimants and landlords refer to the Council's Anti Fraud Policy, Anti-Fraud Strategy and Prosecution Policy.

(8) Use of External Agents

8.1 As Council functions grow more dependent on sourcing external suppliers of services it is vital for those undertaking any procurement activity to work to a clear strategy for how these externally provided resources are selected, acquired and managed. The Council has therefore adopted a Procurement Strategy to which all service units are to adhere.

8.2 Supporting the strategy the Council has a suite of Procurement Policies that have been designed to provide a framework upon which all procurement activities are to be based. These are detailed below;

Detailed Procurement Policies

- Principles Guiding Procurement - CP/PP/01 January 2003
- Procurement Rules - CP/PP/02 January 2003
- Best Practice Guidance - CP/PP/03 January 2003
- Procurement in Best Value Reviews - CP/PP/04 January 2003
- Procurement Design - CP/PP/05 January 2003
- Collaborative Procurement - CP/PP/06 January 2003
- Environmental Sustainability - CP/PP/07 January 2003
- Social and Economic Considerations - CP/PP/08 January 2003
- Negotiation - CP/PP/09 January 2003
- Procurement Ethics and Probity - CP/PP/10 January

8.3 All officers, when undertaking any procurement activity are bound by the Council's code of conduct as set out in the Employee's Handbook which is in accordance with the statutory responsibilities placed on all Council employees.

8.4 The application of the Procurement Strategy together with accompanying policies must not conflict with the Council's Financial Regulations and must be transparent and compliant with relevant law.

8.5 Where it is necessary for the Council to disclose data to a contractor, and the Council has previously established a fair and lawful basis for the exchange of the data, arrangements must be put in place to ensure that data is not processed by the contractor in a manner not in keeping with the Council's instructions.

(9) Policies Specific to the Recovery of Housing Rents

9.1 The specific policies relating to Housing Rents are contained within the 'Recovery of Rent Arrears Code of Conduct and Procedure' a copy of which is attached at appendix 3.

(10) Policies Specific to the Recovery of Penalty Charge Notices

10.1 Penalty Charge Notices will be administered in the ways laid down by the Secretary of State in the LA Circular 1/95 "Guidance on Decriminalised Parking Enforcement Outside London". This prescribes the documentation to be used and the timescales to be followed, including the issuing of warrants to bailiffs.

10.2 The Council will engage only firms of bailiffs who are experienced in the collection of outstanding parking charges and who are licensed by the Office of Fair Trading and conform to the code of Practice laid down by the Credit Services Association.

10.3 Bailiff firms will be engaged with due regard to the Corporate Procurement Strategy as detailed in section 8 of this document.

APPENDIX 1 to the Corporate Debt Management Policy

‘The Enforcement Concordat’

The Principles of Good Enforcement: Policy and Procedures

This document sets out what business and others being regulated can expect from enforcement officers. It commits us to good enforcement policies and procedures. It may be supplemented by additional statements of enforcement policy.

The primary function of central and local government enforcement work is to protect the public, the environment and groups such as consumers and workers. At the same time, carrying out enforcement functions in an equitable, practical and consistent manner helps to promote a thriving national and local economy. We are committed to these aims and to maintaining a fair and safe trading environment.

The effectiveness of legislation in protecting consumers or sectors in society depends crucially on the compliance of those regulated. We recognise that most businesses want to comply with the law. We will, therefore, take care to help business and others meet their legal obligations without unnecessary expense, while taking firm action, including prosecution where appropriate, against those who flout the law or act irresponsibly. All citizens will reap the benefits of this policy through better information, choice, and safety.

We have therefore adopted the central and local government Concordat on Good Enforcement. Included in the term “enforcement” are advisory visits and assisting with compliance as well as licensing and formal enforcement action. By adopting the concordat we commit ourselves to the following policies and procedures, which contribute to best value, and will provide information to show that we are observing them.

Principles of Good Enforcement: Policy

- **Standards**

In consultation with business and other relevant interested parties, including technical experts where appropriate, we will draw up clear standards setting out the level of service and performance the public and business people can expect to receive. We will publish these standards and our annual performance against them. The standards will be made available to businesses and others who are regulated.

- **Openness**

We will provide information and advice in plain language on the rules that we apply and will disseminate this as widely as possible. We will be open about how we set about our work, including any charges that we set, consulting business, voluntary organisations, charities, consumers and workforce representatives. We will discuss general issues, specific compliance failures or problems with anyone experiencing difficulties.

- **Helpfulness**

We believe that prevention is better than cure and that our role therefore involves actively working with business, especially small and medium sized businesses, to advise on and assist with compliance. We will provide a courteous and efficient service and our staff will identify themselves by name. We will provide a contact point and telephone number for further dealings with us and we will encourage business to seek advice /information from us. Applications for approval of establishments, licenses, registrations, etc, will be dealt with efficiently and promptly. We will ensure that, wherever practicable, our enforcement services are effectively co-ordinated to minimise unnecessary overlaps and time delays.

- **Complaints about service**

We will provide well publicised, effective and timely complaints procedures easily accessible to business, the public, employees and consumer groups. In cases where disputes cannot be resolved, any right of complaint or appeal will be explained, with details of the process and the likely time-scales involved.

- **Proportionality**

We will minimise the costs of compliance for business by ensuring that any action we require is proportionate to the risks. As far as the law allows, we will take account of the circumstances of the case and the attitude of the operator when considering action.

We will take particular care to work with small businesses and voluntary and community organisations so that they can meet their legal obligations without unnecessary expense, where practicable.

- **Consistency**

We will carry out our duties in a fair, equitable and consistent manner. While inspectors are expected to exercise judgement in individual cases, we will have

arrangements in place to promote consistency, including effective arrangements for liaison with other authorities and enforcement bodies through schemes such as those operated by the Local Authorities Co-Ordinating Body on Food and Trading Standards (LACOTS) and the Local Authority National Type Approval Confederation (LANTAC).

Principles of Good Enforcement: Procedures

Advice from an officer will be put clearly and simply and will be confirmed in writing, on request, explaining why any remedial work is necessary and over what time-scale, and making sure that legal requirements are clearly distinguished from best practice advice.

Before formal enforcement action is taken, officers will provide an opportunity to discuss the circumstances of the case and, if possible, resolve points of difference, unless immediate action is required (for example, in the interests of health and safety or environmental protection or to prevent evidence being destroyed).

Where immediate action is considered necessary, an explanation of why such action was required will be given at the time and confirmed in writing in most cases within 5 working days and, in all cases, within 10 working days.

Where there are rights of appeal against formal action, advice on the appeal mechanism will be clearly set out in writing at the time the action is taken (whenever possible this advice will be issued with the enforcement notice).

March 1998

APPENDIX 2 to the Corporate Debt Management Policy

'National Standards for Enforcement Agents'

May 2002

- Introduction
 - Terms Used
 - Professionalism and Conduct of the Enforcement Agent
 - Statutory or Financial Requirements for Enforcement Agencies
 - Training and Certification
 - Complaints/Discipline
 - Information and Confidentiality
 - Times and Hours
 - Goods
 - Vulnerable Situations
 - Creditors' Responsibilities
 - Professional Organisations
-

Introduction

The Lord Chancellor's Department has produced these *National Standards for Enforcement Agents* to share, build on and improve existing good practice and thereby to raise the level of professionalism across the whole sector. These standards are intended for use by all enforcement agents, public and private, the enforcement agencies that employ them and the major creditors who use their services. Private sector enforcement agents who are recovering debts owed to the public sector perform the vast majority of enforcement work, and this document has for the first time established a set of common standards to cover this activity. In order to improve the public's perception of the profession, enforcement agents and those who employ them, or use their services, must maintain high standards of business ethics and practice.

This guidance is the first document of its kind that will be sent on an individual basis to all certificated bailiffs and which has been so widely endorsed by the industry and by Government. The various trade associations, operating across the enforcement sector, make a valuable contribution in terms of raising standards, handling complaints and assisting their members. Membership is not obligatory but we strongly recommend that enforcement agents should join an appropriate organisation relevant to their sphere of activity. Enforcement is a difficult but essential task and those who operate in this field often face situations that require careful and sensitive handling. It is believed that the creditor and those carrying out enforcement share a duty to give particular consideration to vulnerable debtors or those who have special needs. Therefore, this document provides new guidance on some issues which may not be specifically covered in legislation, but which are relevant in a modern society.

Copies will be made widely available, including to the organisations listed below; in due course, it will be evaluated on its usefulness and to see how it may be further improved as we recognise that up-to-date guidance in this area is essential.

This national guidance does not replace local agreements, existing agency codes of practice or legislation; rather it sets out what the Department, those in the industry and some major users regard as minimum standards.

We recognise this document is not legally binding, but offer it as a helpful tool for the industry and for creditors which, it is hoped, will inform their own arrangements and against which they may benchmark their professional standards. We are working on the recommendations from Professor Beatson's *Independent Review of Bailiff Law* informed by responses to the recent Green Paper *Towards Effective Enforcement: A single piece of bailiff law and a regulatory enforcement structure*. As part of that work, in advance of future legislative proposals, and with the support and involvement of experienced people within the profession, these National Standards have been produced. We are grateful for the invaluable assistance and endorsement received from:

The Association of Civil Enforcement Agencies
The Advisory Group on Enforcement Service Delivery
The Certificated Bailiffs Association
The Child Support Agency
The Civil Court Users Association
The Court Service
The Department for Transport, Local Government & the Regions
Her Majesty's Customs & Excise
The Inland Revenue
The Institute of Revenues, Rating & Valuation
The Local Authorities Civil Enforcement Forum
The Local Government Association
The Sheriffs' Officers' Association
The Under Sheriffs' Association

Terms used

In this document we have used the following terms:

- **Creditor:** for these standards which identify some responsibilities for creditors we include - a local authority, major or frequent judgment creditors in the civil courts, including Government Departments and magistrates' courts committees to whom financial penalties are paid (to the consolidated fund), and landlords undertaking distress for rent procedures.
- **Debtor:** we mean a person who owes a sum of money - this may be a judgment debt or a criminal financial penalty fine which is in default or a liability order. The debtor should behave lawfully and is encouraged to co-operate with the enforcement agent.

- **Enforcement:** in this document we mean the lawful process of warrant or writ execution, distraint and levying on goods.
- **Enforcement Agency:** here we mean the business that employs enforcement agents, unless specifically indicated (where different arrangements exist); we also include those public sector organisations that have in-house enforcement agents.
- **Enforcement Agent:** we mean someone who is responsible for the enforcement of court orders against goods (warrants of distress and execution) or the person (arrest warrants); we include those employed in the public and private sector, bailiffs, sheriffs' officers and distrainers.

Professionalism and conduct of the enforcement agent

- Enforcement agents should always produce relevant identification on request, such as a badge or ID card, together with a written authorisation to act on behalf of the creditor.
- Enforcement agents must act within the law at all times, including all defined legislation and observe all health and safety requirements in carrying out enforcement. They must maintain strict client confidentiality and comply with Data Protection legislation and, where appropriate the Freedom of Information Act.
- Enforcement agents, for the purpose of distress or execution shall, without the use of unlawful force, gain access to the goods. The enforcement agent will produce an inventory of the goods seized and leave it with the debtor, or at the premises, with any other documents that are required by regulations or statute.
- Enforcement agents must carry out their duties in a professional, calm and dignified manner. They must dress appropriately and act with discretion and fairness.
- Enforcement agents must not misrepresent their powers, qualifications, capacities, experience or abilities.
- Enforcement agents must not discriminate unfairly on any grounds including those of age, disability, ethnicity, gender, race, religion or sexual orientation.
- In circumstances where the enforcement agency requires it, and always where there have been previous acts of, or threats of violence by a debtor, a risk assessment should be undertaken prior to the enforcement agent attending a debtor's premises.

Statutory or Financial Requirements for Enforcement Agencies Endnote 1

- Enforcement agencies should ensure that audited accounts are available on request, where it is appropriate that these are kept. An annual audit of the agency's accounts by independent accountants should be undertaken at least once a year for businesses where this is appropriate. This should apply in the case of small companies and sole traders too - wherever possible.
- Enforcement agencies must comply with statutory obligations, for example, the Companies Act, Value Added Tax, Inland Revenue provisions, Data Protection, Health & Safety etc.
- A separate account for monies due to the creditor should be maintained and accurate books and accounts should be kept and made available to establish monies owed to the creditor.

- Enforcement agencies must keep a complete record of all financial transactions in whatever capacity undertaken.
- Enforcement agencies must maintain suitable and comprehensive insurance cover for both professional indemnity and other risks including employer's liability and public liability. Insurance requirements must actively be re-visited each year to the satisfaction of the client and to ensure adequate and appropriate arrangements are in place.

Training and Certification

- Enforcement agencies must ensure that all agents, employees and contractors are provided with appropriate training to ensure that they understand and are able to act, at all times, within the bounds of the relevant legislation. This training should be provided at the commencement of employment and at intervals afterwards to ensure that the agent's knowledge is kept up to date.
- Enforcement agencies must ensure that all employees, contractors and agents will at all times act within the scope of current legislation, i.e. The Companies Act, VAT, Inland Revenue provisions, Data Protection, Health and Safety etc, and have an appropriate knowledge and understanding of it and be aware of any statutory obligations and provide relevant training.
- Enforcement agents should be trained to recognise and avoid potentially hazardous and aggressive situations and to withdraw when in doubt about their own or others' safety.
- Professional training/assessment should be to an appropriate standard, for example to that of the *NVQ for Civil Enforcement Officers*, or membership of the *Sheriffs' Officers Association*.
- Enforcement agencies must ensure that legislation restricting the enforcement activity to certificated bailiffs is complied with [[Endnote 2](#)].

Complaints/Discipline

- Enforcement agencies must operate complaints and disciplinary procedures with which agents must be fully conversant.
- The complaints procedure should be set out in plain English, have a main point of contact, set time limits for dealing with complaints and an independent appeal process where appropriate. A register should be maintained to record all complaints.
- Enforcement agents/agencies are encouraged to make use of the complaints and disciplinary procedures of professional associations such as the *Association of Civil Enforcement Agencies* or the *Certificated Bailiffs Association*.
- The enforcement agent must make available details of the comments and complaints procedure on request or when circumstances indicate it would be appropriate to do so.

Information and confidentiality

- All notices, correspondence and documentation issued by the agent/agency must be clear and unambiguous and to the satisfaction of the creditor.

- On returning any un-executed warrants, the enforcement agent should report the outcome to the creditor and provide further appropriate information, where this is requested and paid for by the creditor.
- All information obtained during the administration and enforcement of warrants must be treated as confidential.
- Copies of the *National Standards for Enforcement Agents* must be freely available from the offices of enforcement agencies, or agents on request and wherever possible from creditors.
- Enforcement agents should provide clear and prompt information to debtors and where appropriate, creditors.
- Enforcement agents should, so far as it is practical, avoid disclosing the purpose of their visit to anyone other than the debtor. Where the debtor is not seen, the relevant documents must be left at the address in a sealed envelope addressed to the debtor.
- Enforcement agents will on each and every occasion when a visit is made to a debtor's property which incurs a fee for the debtor, leave a notice detailing the fees charged to date, including the one for that visit, and the fees which will be incurred if further action becomes necessary. If a written request is made an itemised account of fees will be provided.
- Enforcement agents will clearly explain and give in writing, the consequences of the seizure of a debtor's goods and ensure that debtors are aware of the additional charges that will be incurred.

Times and Hours

- Enforcement should not be undertaken on Sundays, on Bank Holidays, on Good Friday or on Christmas Day, unless the court specifically orders otherwise or in situations where legislation permits it.
- It is recommended that enforcement should only be carried out between the hours of 6.00am and 9.00pm or at any time during trading hours, existing legislation must be observed.
- Enforcement agents should be respectful of the religion and culture of others at all times. They should be aware of the dates for religious festivals and carefully consider the appropriateness of undertaking enforcement on any day of religious or cultural observance or during any major religious or cultural festival.

Goods

- Enforcement agents must only take goods in accordance with the appropriate regulations or statute. In addition creditors may agree other restrictions with agents acting on their behalf.
- Enforcement agents must ensure that goods are handled with reasonable care so that they do not suffer any damage whilst in their possession and should have insurance in place for goods in transit so that if damage occurs this is covered by the policy.
- Enforcement agents should not remove anything clearly identifiable as an item belonging to, or for the exclusive use of a child.
- A receipt for the goods removed should be given to the debtor or left at the premises.

- Enforcement agents should take all reasonable steps to satisfy themselves that the value of the goods impounded in satisfaction of the judgement is proportional to the value of the debt and charges owed.

Vulnerable situations

- Enforcement agents/agencies and creditors must recognise that they each have a role in ensuring that the vulnerable and socially excluded are protected and that the recovery process includes procedures agreed between the agent/agency and creditor about how such situations should be dealt with. The appropriate use of discretion is essential in every case and no amount of guidance could cover every situation, therefore the agent has a duty to contact the creditor and report the circumstances in situations where there is potential cause for concern. If necessary, the enforcement agent will advise the creditor if further action is appropriate. The exercise of appropriate discretion is needed, not only to protect the debtor, but also the enforcement agent who should avoid taking action which could lead to accusations of inappropriate behaviour.
- Enforcement agents must withdraw from domestic premises if the only person present is, or appears to be, under the age of 18; they can ask when the debtor will be home - if appropriate.
- Enforcement agents must withdraw without making enquiries if the only persons present are children who appear to be under the age of 12.
- Wherever possible, enforcement agents should have arrangements in place for rapidly accessing translation services when these are needed, and provide on request information in large print or in Braille for debtors with impaired sight.
- Those who might be potentially vulnerable include:
 - the elderly;
 - people with a disability;
 - the seriously ill;
 - the recently bereaved;
 - single parent families;
 - pregnant women;
 - unemployed people; and,
 - those who have obvious difficulty in understanding, speaking or reading English.

Creditors' Responsibilities

- In order for the enforcement process to work effectively, creditors must be fully aware of their own responsibilities. These should be observed and set out in terms of agreement with their enforcement agent/agency. They should consider carefully any specific requirements for financial guarantees etc so that these are adequate, fair and appropriate for the work involved.
- Creditors must not seek payment from an enforcement agent or enforcement agency in order to secure a contract.
- Creditors must notify the enforcement agency of all payments received and other contacts with the debtor.

- Creditors have a responsibility to tell the debtor that if payment is not made within a specified period of time, action may be taken to enforce payment.
- Creditors must not request the suspension of a warrant or make direct payment arrangements with debtors without appropriate notification and payment of fees due to the enforcement agent.
- Creditors must not issue a warrant knowing that the debtor is not at the address, as a means of tracing the debtor at no cost.
- Creditors must provide a contact point at appropriate times to enable the enforcement agent or agency to make essential queries particularly where they have cause for concern.

Professional Organisations

Organisation	Contact
Association of Civil Enforcement Agencies Chesham House 150 Regent Street London W1R 5FA	Tel: 020-7432 0366 Fax: 020-7432 0516 Email: sec@acea.org.uk website: www.acea.org.uk
The Executive Director Certificated Bailiffs Association Ridgefield House 14 John Dalton Street Manchester M2 6JR	Tel: 0161-839 7225 Fax: 0161-834 2433 e-mail: enquiries@bailiffs.org.uk website: www.bailiffs.org.uk
Institute of Revenues Ratings and Valuation 41 Doughty Street London WC1N 2LF	Tel: 020-7831 3505 Fax: 020-7831 2048 website: www.irrv.org.uk
Sheriffs' Officers' Association Ashfield House Illingworth Street Ossett West Yorkshire WF5 8AL	Tel: 01924-279005 Fax: 01924-280114
Under Sheriffs' Association 20-21 Tooks Court London EC4A 1LB	Tel 020-7025 2550 Fax- 020-7025 2551 Email: j-hargrove@sheriffs.co.uk
Local Authority Civil Enforcement Forum Brighton & Hove City Council Priory House PO Box 2929 Brighton BN1 1PS	Tel:01273-291876 Fax: 01273-291 881 Email: barrie.minney@brighton-hove.gov.uk Website: www.lacef.org.uk

Endnotes

1. Separate provisions regarding financial accounting and insurance may apply to public sector organisations who directly employ their own enforcement agents
2. *Distress for Rent Rules 1988*

APPENDIX 3 to the Corporate Debt Management Policy

'Recovery of Rent Arrears – TDBC Code of Conduct and Procedure'

Part 1: Preliminary Considerations

The Economic Realities of Rent Arrears Recovery

- The prompt payment of rent and the efficient recovery of outstanding rent debt is crucial to the financial viability of the Housing Revenue Account.
- The Housing Service seeks to recover rent arrears from a customer group which includes some of the most economically disadvantaged members of society.
- The Housing Service is in competition with other agencies and private companies which are seeking to recover debt from Taunton Deane tenants.
- An irresolute approach to rent arrears recovery would have the following effects:
 - i) Payment of rent would be lost to other competitor accounts and the customer, to his or her own disadvantage, may prioritise his or her debts in an inappropriate manner, eg, pay a mail order catalogue at the expense of the rent account.
 - ii) If the Housing Service's approach is not perceived as being robust, the economically disadvantaged customer may build this perception into his or her strategy for coping with the demands of day to day poverty.
 - iii) Those with sufficient means to pay the rent regularly but attracted to the prospect of what they see as an interest-free loan, will be encouraged to fall into arrears.

Comment: The vast majority of the customers of the Housing Service pay their rent regularly as it becomes due and would expect other tenants to do likewise. It is incumbent on the Council to implement effective strategies and procedures to contain rent arrears for the general benefit of all tenants.

Part 2: General Approach To Rent Arrears Recovery – Statement Of Intent

- The Officers of Deane Housing Management will temper the firmness necessary in this area of work with fairness and compassion.
- The Officers will seek to achieve results by persuasion and agreement and only when these options have been exhausted will compulsion be applied via the appropriate legal remedies.

- The Officers will endeavour to assist tenants in arrears to maximise their incomes by the provision of welfare benefits advice and may refer appropriate cases to other agencies which offer debt counselling/advice and support.
- The Officers will carefully record all recovery action throughout the process of rent arrears recovery.

Part 3 – Rent Arrears Recovery – The Procedure

Deane Housing Management will assess each individual arrears case and make an appropriate choice of action from the following options:

1. Arrears Letter

The choice of a range of letter will depend on the size of the debt and what stage in the recovery procedure the case has reached. The letter will be influenced by a tenant's previous history of rent arrears (if any).

2. Personal Contact

Personal contact with the tenant is the best way to get to the root of the problem. The aim is to achieve an agreement to pay in full or by instalments. The telephone is quick and inexpensive, while the individual personal visit is very effective (albeit expensive) in highlighting the seriousness of a rent arrears debt. Personal contact is intended to establish rapport with the tenant. Personal contact is essential in those cases which may require referral for Court action and preferably will also occur before this stage is reached.

3. Service of Notice Seeking Possession (NSP)

The decision to serve NSP will be made by an Estates Officer within Deane Housing Management. The NSP will be served by hand and the tenants address, and will be accompanied by a covering letter inviting the tenant to discuss the matter.

4. Referral for Court Action

Where the successive rent arrears letters, visits and service of NSP have not achieved the desired effect, an application for a possession hearing will be made by the County Court.

5. County Court Hearing

Before each County Court hearing occurs, an Officer of Deane Housing Management will have made at least one further effort to achieve agreement by visiting the tenant at his/her home. If agreement is reached, the District Judge can be asked to ratify it by making a Suspended Possession Order on similar or identical terms. If no agreement is

reached, the Officer bringing the action will seek a Suspended Possession Order appropriate to the individual case which, in his/her judgement, will be acceptable to Court.

6. Warrant to Evict

Where the tenant defaults on the terms of a Suspended Possession Order, an Officer of the Deane Housing Management will, at his/her discretion, refer the case for eviction.

7. Enforcement of the Warrant

At least five working days before a scheduled eviction the Housing Estates and Recover Manager or in his/her absence the appropriate Estates Officer, must pass an Eviction Assessment Report to the Housing Manager – Operations.

8. Action by the Housing Manager – Operations

The Housing Manager – Operations will obtain approval of the Executive Member for Housing, or in his/her absence the Chairperson of the Housing Review Panel, for the eviction to proceed.

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE 10TH MARCH 2004

REPORT OF THE FINANCIAL SERVICES MANAGER

(This matter is the responsibility of Councillor Williams, Leader of the Council)

TREASURY MANAGEMENT STRATEGY FOR 2004/2005

EXECUTIVE SUMMARY

The Council is required to consider an annual Treasury Management Strategy, the key points of the 2004/04 Strategy are as follows,

- Current portfolio (30/1/04) consists of £20m debt (6.18% avg) and £16.5m investments (3.85% avg).
- Short-term interest rates are forecast to reach 4.5% by March 2005, Long-term rates are forecast to peak at 5%.
- Debt redemption is highly unlikely in the short term, but rescheduling opportunities will be continually sought.
- Where short-term cash flows permit advantage will be taken of the higher rates currently available from the market for longer-term investments. The Treasury Management Team will constantly revise this strategy as conditions in the money markets change.

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present the strategy for treasury management activity for the financial year 2004/05.

2. INTRODUCTION

- 2.1 The Council has customarily considered an annual Treasury Strategy Statement under the requirement of the CIPFA Code of Practice on Treasury Management, which was adopted by the Council on 26/02/02. The 2003 Prudential Code for Capital Finance in local authorities has introduced new requirements for the manner in which capital spending plans are to be considered and approved, and in conjunction with this, the development of an integrated treasury management strategy.
- 2.2 The Prudential Code requires the Council to set a number of Prudential Indicators over the forthcoming three-year period. These were considered and

approved by Council on the 24th February 2004 as part of the budget setting process.

- 2.3 The suggested strategy for 2004/05 in respect of the following aspects of the treasury management function is based upon the Treasury officers' views on interest rates, supplemented with market forecasts provided by the Council's treasury advisor. The strategy covers:
- the current treasury position;
 - prospects for interest rates;
 - treasury limits in force which will limit the treasury risk and activities of the Council;
 - the borrowing strategy;
 - the investment strategy;
- 2.4 In future years a combined strategy encompassing Treasury Management, Investments, Borrowing and the Prudential Indicators will be presented to Members as part of the annual budget approval process.

3. CURRENT PORTFOLIO POSITION

3.1 The Council's treasury portfolio position at 30/01/04 comprised:

		Principal £m	Principal £m	Average Rate
Fixed rate funding	PWLB	19		
	Market	1	20	6.18%
TOTAL DEBT			20	6.18%
TOTAL INVESTMENTS			16.5	3.85%

4. PROSPECTS FOR INTEREST RATES

- 4.1 Short-term rates are expected to rise to 4.5% at the end of financial year 2004/05 having reached a 48 year low in 2003/04 of 3.5%. However there is the risk that this may falter if economic data proves to be less indicative of a general sustained recovery. Beyond the 2004/05 horizon rates are harder to predict, but 4.5% is the taken view of our treasury advisors. Further details of estimates provided by our Treasury Management Advisors can be found in Appendix A.
- 4.2 Longer-term rates also were at relatively low levels over 2003 (4.4% in June) followed by a sharp upturn in October (5%). The current expectation is that these will hover around the 5% mark over 2004/5 and not yet return to what is considered to be the normal level of about 5.40%. Having just repaid some

debt there is little likelihood of the authority being affected by this movement on new borrowings, however refinancing opportunities may be limited.

5. BORROWING STRATEGY

- 5.1 Based upon the prospects for interest rates outlined above, there is an opportunity that whilst short-term variable rates remain lower than longer term fixed debt, officers could take advantage, and redeem longer higher rated debt for short variable and consequently reduce the debt interest burden. However officers remain cautious of the potential risk associated with sudden upswings in variable rated debt, which would negate any reduced cost benefit.
- 5.2 Against this background caution will be adopted with the 2004/05 treasury operations. The Head of Finance and other officers will monitor the interest rate market and adopt a pragmatic approach to any changing circumstances, reporting any decisions to Council at the next available opportunity.

6. TEMPORARY INVESTMENTS STRATEGY

- 6.1 It is the treasury management team view that the markets' expectation for base rates as being too high and so investments will be kept long, as much as possible, with a view to locking in higher rates of return than may be available at a later stage when market expectations are corrected. This decision will constantly be reviewed in light of emerging patterns of cash liquidity, which takes precedent over final yield or return achieved.

7. IMPACT ON CORPORATE PRIORITIES

- 7.1 Treasury Management supports the entire range of services within the Council and consequently has an impact on all Corporate Priorities.

8. RECOMMENDATIONS

- 8.1 The Executive is requested to approve the proposed Treasury Management Strategy outlined in this report.

Background Papers

Executive 11/02/04 – Annual Investments Strategy 2004/5

Executive 11/02/04 – Borrowing Limit 2004/5

Executive 11/2/04 – Prudential Indicators (part of General Fund revenue estimates Report)

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TABLES OF INTEREST RATE EXPECTATION

Sector Interest rate forecast – December 2003

(%)	Q4 2003	Q1 2004	Q2 2004	Q3 2004	Q4 2004	Q1 2005	Q2 2005	Q3 2005	Q4 2005	Q1 2006
Base Rate	3.75%	4.00%	4.00%	4.25%	4.25%	4.50%	4.50%	4.50%	4.50%	4.50%
5yr Gilt Yield	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%
10yr PWLB	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
25yr PWLB	5.00%	4.75%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

UBS Economic interest rate forecast (for quarter ends) - December 2003

(%)	Q4 2003	Q1 2004	Q2 2004	Q3 2004	Q4 2004	Q1 2005	Q2 2005	Q3 2005	Q4 2005	Q1 2006
Base Rate	3.75%	4.00%	4.00%	4.25%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
10yr PWLB	5.15%	5.15%	5.15%	5.25%	5.25%	5.40%	5.40%	5.40%	5.40%	5.40%
25yr PWLB	5.20%	5.25%	5.35%	5.45%	5.45%	5.65%	5.65%	5.65%	5.65%	5.65%

Capital Economics interest rate forecast – December 2003

(%)	Q4 2003	Q1 2004	Q2 2004	Q3 2004	Q4 2004	Q1 2005	Q2 2005	Q3 2005	Q4 2005	Q1 2006
Base Rate	3.75%	4.00%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.50%
5yr Gilt Yield	4.90%	5.10%	5.00%	4.80%	4.50%	4.40%	4.40%	4.50%	4.50%	4.80%
10yr PWLB	5.25%	5.35%	5.25%	5.15%	4.85%	4.75%	4.75%	4.85%	4.85%	5.05%
25yr PWLB	5.05%	5.05%	5.05%	5.05%	4.95%	4.85%	4.95%	4.95%	4.95%	4.95%

HM Treasury - summary of 35 independent forecasters views of **base rate** – as at November 2003

(2004 – 2007 are as at Aug 2003 but are based on 11 forecasts)

(%)	2003	2004	2005	2006	2007
	Year end	Year end	Average	Average	Average
Average	3.67%	4.27%	4.78%	5.05%	4.93%
Highest	3.90%	5.00%	5.72%	5.60%	5.60%
Lowest	3.48%	3.14%	4.00%	3.81%	3.84%

Consensus Forecasts - summary view of 25 city houses on the likely change in short term and 10 year fixed interest rates (November 2003)

(%)		Nov- 03	Feb - 04	Nov - 04
3 month interbank -	Aver	3.88%	3.70%	4.10%
	High	3.88%	4.00%	4.70%
	Low	3.88%	3.50%	3.30%
10yr PWLB Rate -	Aver	5.20%	4.85%	4.95%
	High	5.20%	5.15%	5.55%
	Low	5.20%	4.45%	4.25%

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE - 10th MARCH 2004

REPORT OF THE ACTING DIRECTOR OF COMMUNITY SERVICES

(This matter is the responsibility of Executive Councillors Mrs Bradley, Cllr Garner and Cllr Edwards)

This report addresses the corporate priorities of DELIVERY, ENVIRONMENT and HEALTH

INTRODUCTION OF PARTNERING ARRANGEMENTS WITH THE DLO

1. Executive Summary

- 1.1 The Compulsory Competitive Tendering (CCT) legislation, which required a local authority to expose its contracts to open competition, has now been superseded by the Best Value/Comprehensive Performance Assessment (CPA) regime. This gives local authorities the opportunity to explore more flexible and effective means of service delivery.
- 1.2 Partnering is a method of working which has recently become popular in both the public and private sectors. Instead of signing up to a rigid contract both parties agree broad objectives and work together to achieve them whilst sharing risks and benefits. In this way a more integrated and flexible approach is taken, based on doing what needs to be done rather than just doing what the contract stipulates. The four principles of partnering are:
 - **Mutuality:** A common purpose with a mutual benefit
 - **Commitment:** Parties are prepared to commit resources to the mutual endeavour
 - **Clarity:** Each party is clear about who is doing what
 - **Openness:** Both parties are prepared to raise issues concerning the quality of the working relationship
- 1.3 There are three areas where increased efficiency and effectiveness can be achieved by entering into a partnering arrangement with the DLO these are:
 - a) Grounds maintenance (including parks and open spaces and Housing land)
 - b) Street cleaning
 - c) Housing responsive repairs
- 1.4 This report is set out in two parts. The first will deal with items a) and b) of paragraph 1.3 and will explain the measures, which will be put in place to ensure that the Council continues to have reassurance over both cost and quality. The second part will provide similar information regarding c) and will also make proposals regarding the Gas Servicing and Repair Contract which is currently held by a private contractor.

2. Purpose of Report

- 2.1 This report will recommend that the Council formally agrees to enter into partnering arrangements with the Deane Direct Labour Organisation (DLO) in the three areas identified in paragraph 1.3.

PART 1 FUTURE WORKING ARRANGEMENTS FOR THE GROUNDS MAINTENANCE AND STREET CLEANING FUNCTION

3. Background

- 3.1 The DLO currently carries out grounds maintenance work in parks and open spaces, current contract value £600,510pa, which is the responsibility of Cllr Mrs Bradley and on Housing land, current contract value £270,160pa which is the responsibility of Cllr Garner. These contracts are currently in a second period of extension, which will expire in April 2004. The Executive now needs to decide whether it wishes to formally enter into a partnering arrangement with the DLO or whether it wishes to tender the contract in open competition.
- 3.2 The DLO also carries out the Street cleaning function under a contract currently worth £464,860pa, which expires at the end of June 2004. This is the responsibility of Cllr Edwards.
- 3.3 The contractual arrangements for grounds maintenance between the Council and the DLO have been extended to allow for trials to be carried out into new ways of working in partnership
- 3.4 These trials have been successful with no loss of quality and financial savings of approximately £60K, which have already been realised, through the dismantling and reduction of the Client side. In addition savings in revenue service budgets of £63K were made in 2003/04 whilst still maintaining an excellent standard of grounds maintenance, which contributed to Britain in Bloom successes in both Taunton and Wellington, “Best in Show” award at the Taunton Flower show, demonstrating horticultural excellence and a Green Flag award for Wellington Park demonstrating quality in all aspects of parks management.
- 3.5 The Proposals contained in this part of the report were considered and supported by the Review Board at their meeting of 4th October 2003.

4. Introduction

- 4.1 The report of the Government’s Urban Green Spaces Task force recommends that local authorities should develop (or update) and implement a Greenspaces Strategy, which integrates with neighbourhood renewal, regeneration, planning and housing development, community development, local health improvement and culture, children’s play and sports strategies. Published reports of the Best Value Inspectorate already show that achieving and delivering best value for parks and green spaces means taking a strategic approach.

- 4.2 It can be seen therefore, that considering the grounds maintenance contract in isolation could impede this process.
- 4.3 The Greenspaces strategy is nearing completion and is due to be presented to the Health and Leisure Review Panel in April. This will then inform the Council's decisions on the priorities for action, which in turn contribute to the generation of the performance parameters for partnering agreements. It includes a service review with recommendations for further work to improve the service in line with outcomes of the public consultation by assessing the deployment of both human and financial resources.

5. Report

- 5.1 The current contracts for grounds maintenance were let under CCT legislation. The Government has recognised that such arrangements can be inflexible and may not be able to meet the aspirations of members and the wishes of the community. The Best Value regime allows local authorities to explore different methods of service provision provided that they can prove that the value of these arrangements represent best value.
- 5.2 The benefits of a partnering arrangement are that an integrated approach can be adopted towards Green space management, which is more flexible and responsive to the wishes of the members and the community.
- 5.3 Even greater efficiencies will be realised when the Cleansing contract is integrated. Current thinking is that geographically based arrangements rather than task based will provide the best combination of effectiveness and efficiency. In addition tasks can be carried out according to need rather than on a time based specification. The effect of this will be that a team will be responsible for the integrated management of an area and will be empowered to do what ever needs to be done to keep it in a clean tidy and well maintained condition making best use of the budget available. This should therefore support the "Crisp and Clean Initiative".
- 5.4 However, due to the requirement to audit the success of the street cleaning service under BVP 199, the additional work involved in "Crisp and Clean" the work on the Waste best value action plan, increases in recycling and other pressures on the Waste Services unit it will not be possible to extract financial savings by dismantling the client side of the street cleaning service although increases in efficiency are likely to result.
- 5.5 The work on partnering for the street cleaning is not as far advanced as the contract is still in place. However, as it is likely that the greatest improvements will be achieved through the integration of cleansing and grounds maintenance it is proposed to start to work on the street cleaning arrangements at the same time as grounds maintenance is being implemented.
- 5.6 Should the Council wish to pursue the option of partnering then mechanisms will need to be put in place to be able to demonstrate that this is a best value option. This will need to include information that indicates that the cost of the new arrangements is

competitive and that quality is being maintained. This is addressed in the following two sections

6. Cost

6.1 There are a number of pieces of evidence that can be taken into account when assessing whether the cost of the service is reasonable.

- The grounds maintenance contracts were awarded to the DLO in a competitive tendering process as a result of them submitting the lowest bid. Since that time the contract price has only been increased in line with inflationary rises.
- The DLO wins contracts of a similar nature in a competitive environment. The most recent being the grounds maintenance contract for County Council schools which commenced in January 2003. Overall the unit rate prices for these contracts are higher than their equivalents in the Taunton Deane contracts.
- The Association for Public Service Excellence (APSE) collates comparative data relating to the management of open spaces (see Appendix 1.) This information can be used to benchmark costs between similar authorities. The latest figures available indicate that the cost of this service per household is “good” with a ranking of 2nd out of 7 local authorities. The cost per hectare of maintained land appears to be above average but this is due to the nature of the land being maintained and this does not represent a like for like comparison.
- By moving to a partnering arrangement financial savings are made, which have already been realised, through the dismantling and reduction of the Client side.
- In addition the service budgets have been cut by £63K in 2003/04 with no loss of quality. A further cut of £23K has been agreed for 2004/05
- The DLO will be required to actively pursue benchmarking opportunities with similar organisations to ensure that they continue to provide best value services.

7. Quality

7.1 Quality is a slightly more complicated issue, as there is no single measure that will satisfy this requirement. The DLO has a good track record in delivering these services but quality will still need to be monitored through a range of indicators and evidence as follows:

- The DLO have a robust supervisory structure in place to monitor quality
- The Community Parks Officer will have an important role in establishing community satisfaction with the quality of the service and in ensuring that the community has a role in shaping the direction and standards of service. This

will particularly include consulting specific community groups in line with the equalities agenda and could take the form of site visits and feedback.

- A Community Survey was carried out earlier in 2003 based on a random sample of 1 in 9 homes. The response rate was in excess of 20% and overall the ratings were good. Such surveys will be useful tools in checking the priorities of the public and in measuring their satisfaction with the quality of the service. The Greenspaces strategy recommends monitoring quality by repeating the Borough wide survey every two years.
- The APSE data mentioned in paragraph 6.1 and attached as Appendix 1 will provide benchmarking data
- An independent review was carried out in August 2002 that compared the Council's Parks and Green Space service against the Institute of Leisure and Amenities Management (ILAM) Parks and Green Space Quality Scheme. Overall the Council scored within the 50%-55% band, which reflects the industry average for organisations in the early stages of using the scheme. The report produced a set of recommendations in the form of an action plan that addresses deficiencies to deliver continuous improvement. The Council could decide to seek external validation under this scheme. The ILAM scheme is based on the European Foundation for Quality Management model which has already been used in several area across the Council
- The Parks service has undergone a Best Value Review which resulted in *two stars "good and likely to improve"* rating. This review also produced an improvement plan that is being implemented.
- The Green Flag award scheme (see Appendix 2) is a quality standard for Parks and Green Spaces across England and Wales. Wellington Park has already been awarded a Green Flag and will be reassessed in 2004. Vivary Park will be entered for the award in 2004. The scheme provides a benchmark against which the quality of public parks and green spaces can be measured and is now adopted as the National Quality Standard by CABESpace (the new Government Agency for Parks and open spaces). The Council will have a rolling programme of entering qualifying areas as a quality measure. CABE space will also be publishing guidance on best practice for Councils on the management of open space. The proposed arrangements will allow us to have more flexible arrangements to respond to this guidance.
- An integrated management plan is in place for Wellington Park and a similar plan has been approved for Vivary Park. This demonstrates successful new ways of working during the partnering trials.
- Work is in hand to refocus the Parks service on open space management as well as maintenance.

- On housing land the Service Charges Working Group, which is composed of Elected Members and Tenants, would be an ideal group to discuss service specifications and quality of provision.
- The proposal to recruit voluntary Environmental Wardens could result in a further way of measuring quality both in terms of grounds maintenance and street cleaning.
- ENCAMS (previously the Tidy Britain Group) cleanliness of the Borough and this could be repeated at appropriate intervals as an external verification of service quality.
- An Environmental Policy has recently been adopted for the Parks service and compliance would be a quality measure.
- The DLO will be required to actively pursue benchmarking opportunities with similar organisation to ensure that they continue to provide best value services.

7.2. Much of this work and resultant improvements relies upon the excellent working relationship between the DLO staff and the Leisure Development team, which is driving it forward. The external Consultant working on the Greenspaces strategy has been impressed with this relationship and considers this to be the most vital element in continuing the improvements that have already begun in the Parks service.

8. Added Value

- 8.1 In addition to the cost and quality measures members should be aware of the added value, which results from having an in-house DLO.
- 8.2 Having a large manual work force equipped with a variety of vehicles and equipment is a valuable resource for the Council to call upon particularly in times of emergency. The DLO responds to emergencies caused by the weather eg flooding, storm damage, snow and ice, and also responds to civil emergencies, fire, explosion, or chemical release.
- 8.3 In addition the DLO contributes towards corporate and community events. These include, Royal/VIP visits, the Carnival, the flower show, the marathon, Remembrance Day and several charitable events. Storage is also provided for a wide range of equipment for example polling booths and the Christmas lights.
- 8.4 No retainer is paid for the provision of emergency call out services or and no charges are levied for storage or community and charitable support.
- 8.5 The DLO could introduce charges for these services, which would improve its profitability, and potentially increase the annual contribution to the general fund. Alternatively, the current “benefits in kind” could be acknowledged as part of the profit element returned by the DLO.

- 8.6 Another opportunity for gaining added value from the partnering arrangement would be to increase its profitability and hence its potential to contribute to the general fund. This would be done by a combination of efficiency savings, increasing the profit element on contracts and enlarging the business base by tendering for more work.
- 8.7 As part of the value measures for partnering, targets could be set to increase profits. For example a phased year on year target up to 10%. A comprehensive profit measurement mechanism will need to be agreed with the Head of Finance

9. Financial Implications

- 9.1 The financial implications for the partnering option are as follows:
- A saving of approximately £60K through the dismantling of the client side (already realised)
 - A reduction in the service budget 2003/04 of £63K was achieved with no loss of quality by rationalising the annual bedding strategy. (already realised)
 - A further reduction in the service budget 2004/05 of £23K.
 - Increase in DLO profits
- 9.2 There would be financial implications to the retendering option that would include the cost of contract production and letting and the possible reformation of the client side

10. Legal Implications

- 10.1 The Council's Standing Orders have recently been revised and updated to facilitate these more modern methods of working. The new standing orders were approved by Full Council on 16th December 2003.
- 10.2 These proposals have been discussed with the Audit Commission, (previously District Audit) and they have no objections to this course of action provided that the Council continue to monitor quality and cost.
- 10.3 The partnering agreement will run from April 1st 2005 and will be reviewed by 31st March 2009. Break clauses will be included to address poor performance.

11. Summary

- 11.1 By adopting a partnering arrangement with the DLO a more integrated approach can be taken to managing the Councils open spaces as a whole whilst achieving savings that could be reinvested in the service.
- 11.2 There is a significant amount of information available to monitor both quality and cost and this will be refined as part of the partnering process. The proposals in this report are a starting point setting out a quality cost framework and it is anticipated that the monitoring systems will become more robust as the arrangements develop.

PART 2 FUTURE WORKING ARRANGEMENTS FOR HOUSING RESPONSIVE REPAIRS AND GAS SERVICING AND REPAIR

- 12.1 The purpose of this part of the report is to update and obtain the approval from the Executive on two matters. The first is in regard to the procurement of a Partnering arrangement with Deane DLO for the Responsive Repair Contract, which expired on the 31st March 2003.
- 12.2 The second is in regard to the existing contract arrangements with MJT Mechanical Engineering for the Gas Servicing and Repair Contract, which expired on the 31st March 2003.

13. Background

- 13.1 In October 2002, the Housing Review Panel endorsed a report presented to them by the Housing Manager (Property Services) on the procurement of the Responsive Repairs Contract, recommending that the Executive approve the partnering proposals. Unfortunately, the report did not progress at that stage pending the review of Council Standing Orders. The existing value of work undertaken each year associated with this Contract is approximately £2.25 million pa.
- 13.2 In November 2002, the Tenants Forum endorsed a report presented to them by the Chief Architect on the procurement of the Gas Servicing and Repair Contract, recommending that the Housing Review Panel pass this for approval. The existing value of the contract is approximately £600,000 pa.
- 13.3 In October 2003, the Tenants Forum and the Housing Review Panel have considered the two matters included in the Executive Summary above and have recommended approval to the two recommendations. When considering the report the Housing Review Panel requested that some guidance should be included relating to the type of 'outputs' and quality controls which will be built into the Partnering arrangements.

14. Additional Information

- 14.1 The existing contract (for council house repairs) incorporates the use of the Specification/Schedule of Rates for General Building Maintenance work (including electrical work) on Council maintained dwellings and public buildings.
- 14.2 Past tendering has resulted in Deane DLO having competed successfully every two years since 1980 up until 1999. The table below demonstrates in financial terms the competitiveness of Deane DLO over a ten year period for tenders received for the four contracts. It is clearly evident from these tenders that Deane DLO have produced significant savings to the Council and the tenants. In particular, the last tender demonstrates graphically the problems which would result if Deane DLO were not competing.

Date	Deane DLO	Next Lowest	Saving
1989/90	£314,920	£555,029	43%
1991/92	£305,030	£428,000	29%

1993/94	£338,769	£433,825	22%
1995/96	£405,125	£562,870	28%
1997/98	£998,028	£1,189,522	16%
1999/2000	£1,046,124	£2,262,335	54%

14.3 Previous tendering for the Gas Servicing and Repair Contract has result in MJT Mechanical Services submitting the lowest tender by a significant margin on the last two occasions. The actual figures have not been included in the report due to commercial confidentiality and the recommended proximity of a re-tender.

14.4 Over the past three years during the period of extensions for these contracts the Council has employed Michael Riley FRICS, an independent Chartered Quantity Surveyor with a number of years experience in preparing and administering the contractual and financial aspects of building, building refurbishment and planned and routine maintenance contracts. M J Riley was instructed to ascertain the level of increase in both labour and materials in the building industry and to recommend to the Council a fair and reasonable adjustment to be used for the existing schedule of rates covering both the responsive repair contract with the Deane DLO and the Gas Servicing and Repair contract with MJT Mechanical Services. Bearing in mind the initial base rates, which produced significant savings over the competitors it is recognised that these adjusted rates, are providing value for money.

15. Future Arrangements

15.1 When considering the range of controls that will be built into the Partnering arrangements it should be acknowledged that forming a Partnering arrangement is not an easy option. In comparison with traditional tendering, the initial agreement and subsequent controls together with the necessary ongoing monitoring bring new demands and a significant change in the culture of those involved.

15.2 If the Partnering arrangement is agreed, significant work is required to ensure the documentation is appropriate for the task. This will include performance indicators that bring about continuous improvement. Quality controls will have to be developed to ensure the quality of service is maintained and where possible improved. Both Client and Contractor will work together continually reassessing standards involving key stakeholders. The document will include break clauses which will be applied should either party fail on their agreed commitments.

15.3 Meetings have recently been held between officers from the Housing Service, Deane Building Design Group and Deane DLO. At these meetings a range of performance related and contractual issues have been considered.

15.4 It is intended that the Response Maintenance Contract will achieve continuous improvements and it was decided that all the items should be included in the Performance Improvement Plan, but some will be incorporated immediately whilst others will require further consultation. The following items 15.5 – 15.16 set out the results of the above meetings and outline the various improvements proposed.

15.5 Priorities

15.5.1 Continuous improvement in performance necessary from Deane DLO in meeting priorities, improved handling by Housing staff, including interrogation when receiving reports regarding vulnerable tenants.

15.5.2 Make training available to staff involved in prioritising work orders.

15.5.3 As part of the Housing Best Value Review there will be a focus group concentrating on priorities and whether they need reviewing.

15.5.4 The “Valid Work” list of eligible repairs that is used to measure performance is considered adequate at present but is to be re-considered as a potential second tranche modification.

15.6 Policy and Procedures

15.6.1 It is intended that responsibilities for rechargeable repair works, re-charging and Schedule of Items should be produced/refined. This is all to be considered under the improvement strategy covered by Organisational Improvements.

15.7 Composite Items

15.7.1 It is intended to create broader more inclusive repair items and group some repair items in order to simplify job descriptions, simpler more accurate pricing, and correspondingly simpler and cheaper administration. Not all works will lend themselves to this, but it will be employed wherever possible. The initial list is soon to be issued.

15.8 Work Quality and Customer Satisfaction

15.8.1 A ‘Receipt Pack’ for tenants was suggested which could be generated from the issue of a works order. This ‘pack’ would incorporate a questionnaire and a satisfaction survey for the tenant to complete, each going respectively to contractor and client group. It was thought that a simple scoring system could be incorporated backed up by any text that the tenant wished to use.

15.9 Working Hours

15.9.1 To assist in meeting priorities and finding tenants at home, Deane DLO already work staggered hours. It is intended to extend this with more workmen operating this way and linking it in with an expanded appointment system. An appointment system already exists and is showing success with about 12% of visits being made in this way. Improvements to the process will assist greatly in plans to increase the effectiveness of the appointments system. Bournemouth Council operates a new system (Xmbrace) to handle appointments. Certain TDBC officers will be visiting Bournemouth as part of the Best Value Review to see the system in operation. Following this visit the results will be analysed as part of the review of IT processes in the Housing

Service and if appropriate incorporated as an improvement to the service provided.

15.10 Cost

15.10.1 Improvements to be made, year on year, on average cost per repair and per property. Continuous improvements in working efficiency will manifest themselves in lower costs. However, it should be noted that expected improvements in other areas at the same time may well increase costs initially.

15.11 Safety

15.11.1 Reduce number of reportable incidents. Current DLO records are very good, detailed and comprehensive. They can be utilised as a basis with the information available being streamlined to suit requirements.

15.12 Respect for People

15.12.1 This is to be directed at occupiers and the workforce. Further training is planned to improve the current level of officer awareness with regard to customer care, including specifics for disabled customers.

15.12.2 To avoid repeat visits, the workforce is empowered to arrange and agree further works whilst visiting a property up to a certain value. At present this has to be phoned back to Housing for authorisation but the system is to be improved, possibly by use of Xmbrace or similar so that the workforce will become more flexible and efficient with less repeat visits and travelling time. There will also be further benefits, albeit not cost-orientated, in that customer satisfaction should improve from the reduced disruption.

15.13 Multi-Skilling

15.13.1 Wherever practical, or permitted, this will be introduced to avoid numerous disturbances to the occupier and reduce travelling and “down time”. This will obviously improve efficiency but will need to be applied carefully only to certain trades and be supported by training for the workforce with, perhaps, a grading for tradesmen with additional skills.

15.14 Monitoring Performance

15.14.1 Monitoring and measurement of the above items will be based mainly on completions, being within time limits, costs, satisfaction, safety records, and occurrence of appointment visits. Records of the past few years in these areas will be plotted, with the trends being extended as a forecast through each year. Performance results will be plotted against these, with the expected improvements easily identified above, or below, the projection as appropriate.

15.14.2 With some of the improvements proposed it is considered difficult to set targets for improvement. It is felt that any improvement above the projected performance level could be viewed as success, whilst concentrating on where

a particular priority lies, or where improvement seems to be lagging behind others. Monitoring will encompass as many of the stakeholders in the scheme as possible so that a broad range of viewpoints may be accommodated. Results of monitoring will likewise be published widely to raise awareness, show where we are successful, and illustrate areas for further effort.

15.14.3 In order to set the required performance levels Officers will work with the Tenants Forum so that they can influence the targets to be achieved. In turn it is also proposed to arrange for a small group of Tenant Forum members to act as the ongoing monitoring body who will in turn report to the Tenants Forum on a quarterly basis.

15.15 The following are some typical performance indicators, quality controls and areas of the service improvement that could be included within the new document:-

15.15.1 Performance Indicators

Percentage of all repairs completed within local target times, e.g. 90% year 1; 91% year 2.

Percentage of repairs completed within Government time limits, e.g. 90% year 1; 91% year 2.

Percentage of non-urgent repairs where an appointment was made and kept, e.g. 5% year 1; 10% year 2; 15% year 3.

15.15.2 Quality Controls

Overall tenant satisfaction with Repair Service, e.g. 85% year 1; 87% year 2.

Satisfaction levels for individual completed repairs, e.g. 95% year 1; 96% year 2.

15.15.3 Service Improvements

Telephone answering – 75% of all calls to be answered within 8 rings year 1; 5 rings year 2.

Flexible working hours – Key trades, i.e. plumbing, electrical and carpenters, to undertake a percentage of repairs, by agreement, outside normal working hours.

Multi-skilled tradespersons – Certain repairs, e.g. replacing sink and base unit, replacement doors, to be carried out by single tradesperson.

15.16 It is proposed to examine the existing organisational arrangements because it is considered, once the partnering arrangement is operational, certain changes bringing closer working relationships could result in a restructure and savings through efficiency.

16. Proposals

16.1 In regard to the procurement of the Responsive Repairs Contract, it is suggested that the context of the original report submitted to the Housing Review Panel with supplementary comments as requested be approved by the Executive.

16.3 There is one amendment that is recommended and that relates to the commencement of the contract. In the original report it was agreed to commence the contract from the

1st April 2003 for a period of five years. It is recommended that the new contract commence from the 1st April 2004 until the 31st March 2008.

- 16.4 For information, Appendix 3 provides an update on progress made with the proposals recommended in the original report.
- 16.5 In regard to the procurement of the Gas Servicing & Repair Contract, it is believed the basic context of the original report endorsed by the Tenants Forum and Housing Review Panel provides a solid foundation of how this matter should proceed. However, it is believed too long a period has passed since the last time this contract was market tested in 1997, to warrant a partnering approach to be adopted. It is therefore suggested to formally extend the expired contract to the 31st March 2005, when a full market testing exercise would take place with the potential for a partnering approach to be adopted with the successful contractor. This would enable the Chief Architect and the Property Services Manager ample time to construct a robust tender package, taking fully account of the requirements of adopting a partnering approach and the true ethos of Best Value; being that of appointing a contractor based on quality rather than merely that of price.

17. Recommendations

- 17.1 It is recommended that the Executive agree the approve the move towards a partnering agreement with the DLO for the provision of the Grounds Maintenance service and the Street cleaning service
- 17.2 It is recommended that the Executive agree the adoption of a Partnering Responsive Repair Contract with Deane DLO from the 1st April 2004 to the 31st March 2008, incorporating an annual uplift based on the Building Cost Indices as published by the Building Cost Information Services (BCIS). The contract would have break clauses built into it in order to address poor performance, the eventual outcome of the Best Value Review and the outcomes relating to the Housing Stock Options.
- 17.3 It is recommended that the Executive agree the extension of the existing Gas Servicing and Repairs Contract with MJT to the 31st March 2005, incorporating an annual uplift based on the Building Cost Indices as published by the Building Cost Information Services (BCIS). From the 1st April 2005, a new contract would be granted to a contractor after the completion of a tender exercise, adopting a Best Value approach and including the option to adopt a partnering arrangement.

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Appendix 1

APSE Data 2001/2002

Taunton Deane Parks 2001/2002 (2206). Group H4							
Indicator	Indicator Definition	Highest	Average	Lowest	Taunton Deane	Ranking	
PI 01	Cost per Hectare of Maintained Land (excluding CEC)	£6,305.55	£1,456.78	£1,880.78	£6,300.00	900	
PI 02	Cost per Hectare of Unmaintained Land (including CEC)	£9,887.53	£4,050.81	£1,886.30	£5,000.00	800	
PI 03	Charge per Hectare - Country/Side/Country Parks	£1,730.12	£767.32	£217.87		N/A	
PI 05	Charge per Hectare - Bays/Water	£863.56	£556.19	£358.33		N/A	
PI 08	Cost per 1,000 Head of Population (excluding CEC)	£18,205.20	£13,014.31	£8,483.34	£10,200.00	27	
PI 07	Charge per Hectare - Category B Parks	£12,014.02	£6,803.11	£2,308.79	£3,700.00	26	
PI 06	Charge per Hectare - Secondary Schools	£1,585.37	£1,506.49	£1,337.58		N/A	
PI 09	Charge per Hectare - Primary Schools	£5,467.09	£2,420.38	£1,105.11		N/A	
PI 10	Charge per Hectare - Council Housing Land	£7,379.65	£4,745.89	£1,759.14	£3,900.00	27	
PI 11	Charge per Hectare - Highways Land High Maintenance	£6,884.67	£3,029.89	£1,218.97		N/A	
PI 12	Highways Maintenance per Foot Lane Employee	36.14	7.84	3.02	0.00	407	
PI 13	Percentage of Bug Refuges	0.00%	4.72%	1.49%	4.00%	407	
PI 14	Total Staff Cost as a % of Total Cost	73.89%	60.90%	55.20%	58.5%	317	
PI 10	Staffs per Hectare and comparable Bays	107.88	57.00	14.00	55.00	58	
PI 16	Human Resources and People Management	79.00	63.85	17.00	56.00	418	
PI 17	Cost per 1,000 Head of Population (including CEC)	£19,724.64	£13,556.26	£10,567.85	£11,500.00	27	
PI 18	Percentage of Population in 100+ Houses	4.70	2.80	1.73	4.28	17	
PI 19	Percentage of Population in 100+ Houses	97.80%	95.48%	5.26%	20.00%	50	
PI 20	Cost per Household (excluding CEC)	£41.92	£30.86	£22.80	£23.80	207	
PI 21	Cost per Household (including CEC)	£45.42	£32.87	£25.05	£20.00	217	
PI 22	Customer Satisfaction Surveys	82.02%	51.42%	41.37%		N/A	
PI 23	Other Expenditure	80.00%	46.17%	20.00%	80.00%	12	
PI 24	Charge per Hectare Low Maintenance Country Parks and Estates	£1,124.50	£469.23	£14.99		N/A	
PI 25	Charge per Hectare High Maintenance Country Parks and Estates	£1,648.50	£704.65	£125.80		N/A	
PI 26	Plant and other costs as a % of total cost	30.47%	24.86%	16.87%	47.00%	27	
PI 27	No. of FLEs that Exceeds 100 Hectares	10.50	0.25	2.00	4.10	60	
PI 28	Charge per Hectare Low Maintenance Highways Land	£653.85	£419.88	£173.88		N/A	
PI 29	Charge per Hectare All Highways Land	£5,854.67	£1,907.65	£173.68		N/A	
PI 30	Percentage of Maint. Public Open Spaces per 1,000 Head of Population	6.55	2.78	1.45	1.98	69	
PI 31	Central Establishment Charges as a % of Total Expenditure	8.70%	6.52%	4.14%	6.50%	217	

Key:	Performance	Quartile
	Excellent	Top
	Good	Upper Middle
	Below Average	Lower Middle
	Poor	Bottom

Appendix 2

The Green Flag Award Scheme



The Green Flag Award Scheme represents the national standard for parks and green spaces across England and Wales.

It was originally planned to encourage good environmental practice and to promote ways of managing public places without the use of pesticides. However, it was soon realised that good environmental practices in themselves did not make for a good park, but that the park itself needed to be well used and held in high regard. A comprehensive period of consultation ensued out of which the 8 green flag award criteria were developed. These criteria are key to the operation of the award scheme and continue to be relevant over 6 years after they were first developed.

It is an independent award that aspires to give voice to public expectations about what parks can and should offer. It aims to set standards for management and to promote the value of parks and green spaces as social places as well as places for walking, play, informal sports and for contact with the natural world. Although the Award was set up for public parks it was recognised that a wider range of green spaces needed to be included if the quality of public green spaces across the United Kingdom was to be improved.

The Criteria against which parks are judged are:

- 1) A welcoming Park
- 2) Healthy Safe and Secure
- 3) Clean and well maintained
- 4) Sustainability
- 5) Conservation
- 6) Community involvement
- 7) Marketing
- 8) Management

The Green Flag Award has now become the benchmark against which the quality of public parks and green spaces can be measured. It also recognises the diversity and value of green space to the local community and includes:

- Town parks
- Country parks
- Formal gardens
- Nature reserves
- Local nature reserves
- Cemetery and crematoria
- Water parks
- Open space
- Millennium greens
- Doorstep greens

- Community run greenspace

A new development this year is the **Green Pennant Award** scheme. This is the first of a series of specialist awards under the Green Flag umbrella and it is designed to recognise community managed green spaces.

APPENDIX 3

RESPONSIVE REPAIR CONTRACT - UPDATE ON PROPOSED MODIFICATIONS

1. Use of one contract. All Repairs throughout all areas of Housing Stock now administered via one contract.
2. Trial multi-skilling. Further trials will be undertaken during the new arrangement as some efficiency gains should be possible.
3. Flexible working hours - certain repair works have been undertaken outside 'normal working hours' when mutually agreed with tenant. Therefore, scope for this together with limited working on Saturday mornings to be included in revised contract documentation.
4. Contract specification to reflect Corporate Priorities - amendments, where appropriate, to be included.
5. Extend decorating grant - continued efforts being made to extend this to include other suppliers of materials. It is hoped to have those in place for the revised contract arrangements.
6. Components/materials to meet sustainability and environmental priorities - final specifications to be amended as appropriate. Taking into consideration costings and benefits achieved.
7. Upgrade telephone system - changes in place, which allow call monitoring. Final improvements will be influenced by Somerset Direct (Customer First).
8. Include Schedule of Rates to allow work to be undertaken on minor works/extensions - dependent on compatibility with Standing Orders, yet to be revised.
9. Survey form (Decent Homes standard) to be devised for visiting officers - revised forms now being trialed, these will be used by all inspecting/visiting officers where opportunity and time permits
10. Enhancement of the appointment system - increased monitor of appointments being made, which has produced benefits especially reducing abortive visits.

TAUNTON DEANE BOROUGH COUNCIL

REPORT OF THE REVIEW SUPPORT MANAGER TO THE EXECUTIVE – 10 MARCH 2004

PROPOSED REDUCTION IN PLAY AREA GRANTS AWARDED TO PARISH COUNCILS – REFERENCE BACK FOLLOWING A CALL IN

Purpose of Report

To report the outcome of the call in concerning the proposed reduction in play area grants awarded to Parish Councils which was considered at a recent meeting of the Review Board.

Background

At a meeting of the Health and Leisure Review Panel last November, a review of various grant schemes administered by the Leisure Development Team took place. Two of the recommended changes, namely the priority to be given to funding young people's facilities ahead of children's play equipment and the level of future play area grants awards, had not been supported by the Review Panel.

As a result, these matters were referred to the last meeting of the Executive where it was agreed the proposed changes should be implemented. This would mean that from April 2005, the capital grant for play equipment would be reduced from 85% of the project cost to 33%.

This decision was called in by the Chairman of the Review Board (Councillor Henley) and Councillor Stone on the basis that the cut in the level of grants proposed would have a detrimental affect on the rural areas of Taunton Deane.

The call in was considered at the Review Board at its meeting on 26 February 2004.

Whilst some members strongly felt that a grant of only 33% would actively discourage some Parish Councils from raising the balance necessary to provide new, or replace existing play facilities, others held the view that the number of other potential sources of funding would make it possible to "draw down" the money needed.

It was eventually resolved that:-

"(a) The Executive be recommended to reduce the capital grant payable to Parish Councils for play equipment from 85% to 66%;

- (b) such a reduction to be for a period of two years to enable the implications to be assessed and to determine how accessible other sources of funding were”.

The Review Board did however accept that priority should be given to older children’s/youth’s facilities. Proposals to increase the play grant budget from £21,000 to £31,000 from 2005/2006 were also supported.

Recommendation

The Executive is requested to consider the recommendations of the Review Board.

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