

| Ref No | Service            | Responsible Head of Service / Corporate Manager | Description of Proposal  | Link to Council Priorities   | Investment in 2016/17 £'000 | Is this investment required ongoing? | Statutory Function (Y/N) | Anticipated Impact of Proposal (on Public/ Customers/ Staff/ Members/ Reputation etc)  |
|--------|--------------------|---|--|--|-----------------------------|--------------------------------------|--------------------------|--|
| R1     | Various            | Corporate Human Resources Manager               | The LG Employers have made a pay offer that is set to increase the lowest paid LG workers to a rate above the new national minimum wage. Agreement of this pay offer has been assumed in the preparation of the budget estimates. For directly employed staff the pay offer, if agreed, will be aligned to the Hay pay scales and will see higher pay rises at the lowest grades. For most staff the offer for 2016 and 2017 is 1%.<br><br>The new national minimum wage will however have a significant impact on our service providers. Contractors will have to pay their staff at least £7.20 in 2016 for staff over 24 years of age and the cost will go on rising up to 2020. This is to alert Contract Managers to note the potential impact on contractors' staff costs that may increase contract prices.   | <i>Deliver cost effective and necessary services to our residents that are responsive to developing need and financial constraints</i> | TBC                         | Y                                    | Y                        | The new minimum wage will affect the annual pay bill and has been considered as part of National Pay Bargaining. The LG Employers have indicated they won't operate the age bars for local government pay. This will however have a significant impact on our service providers. The Service contracts for Leisure, Waste, Grounds Maintenance, Cleaning and any Careline Service Contracts will also have to pay their staff at least £7.20 in 2016 and the cost will go on rising up to 2020 and the possibility of contract inflation needs to be considered by Contract Managers.  |
| R2     | Human Resources    | Corporate Human Resources Manager               | Cabinet agreed to adopt an Apprenticeship scheme on 25th September 2012. A budget of £212,000 was made available from the General Fund/Special Reserves for a 12 month Apprenticeship scheme (approximately £90,000 in 2012/13 and £122,000 carried forward to 2013/14) and to include a similar level of funding in 2013/14 to enable the scheme to continue, subject to review. The 2013-2018 Medium Term Financial Strategy included a further sum of £200,000 per annum for a continuation of the Apprentices scheme until March 2015. In 2014, a bid was made via the service and financial planning process for £30,000 for 2015/16 to top up what remained from the original budget allocation. It was also suggested that £130,000 per annum would be needed for the scheme to continue employing eight Apprentices/ Interns per annum. This scheme has been funded from the New Homes Bonus and at present there is uncertainty about the future of that funding. There are other changes that will impact on Apprenticeship Funds from 2016 employer NI contributions for apprentices under the age of 25 will be abolished. | <i>Deliver cost effective and necessary services to our residents that are responsive to developing need and financial constraints</i> | 130                         | Y                                    | N                        | The workforce planning work for the preparation of the 2015 – 2020 People Strategy has highlighted the importance of keeping an Apprentice Scheme. It has improved the demography of the Council, it has produced 'grow our own' succession planning opportunities and it's been highly valued by the services participating as well as the people we help into employment and onto careers by employing them on the scheme. There are some other changes that we need to be aware of  |
| R3     | Human Resources    | Corporate Human Resources Manager               | The Chancellor announced that the government will introduce the Apprenticeship Levy in April 2017. However the draft clause on the Apprenticeship Levy was excluded from the 2016 draft Finance Bill published on the 9th December 2015. It is expected this will be issued early in the New Year with a Tax Information and Impact Note (TINN). The Levy is expected to be set at a rate of 0.5% of an employer's payroll and it will be paid through PAYE. Each employer will receive an allowance of £15,000 to offset against their levy payment. This means that the levy will only be paid on any payroll in excess of £3 million, but will apply regardless of whether the organisation operates an apprenticeship scheme or not. The investment required figure assumes at this stage 0.5% of the cost of the NHDC staffing establishment for 16/17 less the £15k allowance. This estimate will be revisited once the TINN is published and further detail is available.   | <i>Deliver cost effective and necessary services to our residents that are responsive to developing need and financial constraints</i> | 45                          | N                                    | Y                        |  |
| R4     | Corporate Board    | Corporate Board                                 | To investigate the methods by which the council can generate revenue income through an arms length company or similar structure and proceed to establish that structure so that it may benefit from traded services. For example to consider how it might generate revenue income from its capital and land holdings. The working assumption is that this will be achieved via housing provision at market rents through an arms-length company. If approved, this proposal then continues into a capital bid for 17/18  | <i>to promote sustainable growth within our district to ensure economic and social opportunities exist for our communities</i>         | 100                         | N                                    | N                        | This proposal will explore the feasibility of establishing and implementing a mechanism (company structure or otherwise) to enable the Council to trade. One example may be to deliver housing at market rents. The ultimate intent is to utilise council capital funds and land holdings to generate revenue income to help fund council service delivery. As such it will assist in mitigating the adverse impacts of Government funding reductions. If this revenue investment is approved and an appropriate solution is developed, then the next phase is funded by a capital bid   |
| R5     | Strategic Planning | Head of Development and Building Control        | Local Plan 2011 - 2031   | <i>Promoting Sustainable Growth</i>  | 0                           | Y<br>17/18<br>18/19                  | Y                        | Projected costs for the Local Plan were included within the revenue investment proposals for 2015/16. The projections being based upon a pre-submission consultation within 2016/17 and the Examination in Public in 2017/18. Following the Preferred Options consultation in 2015 additional work was identified requiring completion before publication of the submission documentation. In addition the 2015 Central Bedfordshire examination identified that the current IT system did not meet the necessary legal tests, a new system has been procured using the existing Local Plan reserve. Given the current reserve and allocated investment in future years, additional investment for the additional work, resources to undertake the work and to cover the unexpected IT costs, is anticipated to be required in 2017/18 of £120,000 and of £110,000 in 2018/19. |
| R6     | Strategic Planning | Head of Development and Building Control        | Local Plan 2031 onwards  | <i>Promoting Sustainable Growth</i>  | 30                          | Y                                    | Y                        | Current direction for the Local Plan after 2031 involves the creation of a new settlement. This investment proposal is for the formulation of the Council's aims and ambitions with regard a new settlement in order to be able to bid for any funding from Central Government through their Garden Cities agenda. <b>UPDATE January 2016:</b> Investment required revised in light of change in Council's funding circumstances.  |
| R7     | Building Control   | Head of Development and Building Control        | Building Control Collaborative Working   | <i>Living Within our Means</i>   | 40                          | N                                    | Y                        | Since 2013 the Council together with 6 other Hertfordshire Local Authorities have been working towards a new local authority owned company for the delivery of the building control statutory function, together with a commercial trading company. By Christmas 2015 all 7 authorities will have taken reports to their Executive Groups seeking delegated authority to proceed with the formation of the company. This investment request is for ongoing specialist advice and formation of the companies to enable them to commence trading. The current financial model shows this investment being paid back by the company within 5 years.   |

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| R8                              | IT             | Head of Revenues, Benefits and IT               | The Council is waiting the outcome of a Government Framework Agreement with Microsoft for renewal of its Enterprise Agreement for a further three years. This could cost up to an additional £20,000 per annum  | <i>Deliver cost effective and necessary services to our residents that are responsive to developing need and financial constraints</i> | 3                           | Y                                    | N                        | The Enterprise Agreement ensures the Council's access to Microsoft Licences, upgrades etc. for the life of the agreement, thereby ensuring that the Council's Microsoft Products are always up-to-date. <b>UPDATE January 2016</b> . Investment required updated in line with latest cost estimate.   |
| R9                              | IT             | Head of Revenues, Benefits and IT               | 50 additional Sophos Anti-Virus Licences to support additional Tablets and other mobile devices   | <i>Deliver cost effective and necessary services to our residents that are responsive to developing need and financial constraints</i> | 6                           | N                                    | N                        | As we deploy more and more Mobile Tablet devices/ Smart Phones we will need to ensure we have enough software licences to support the business requests. This software is an essential requirement to meet the Security levels within the PSN and will enable staff away from the office to access the Council's network from mobile devices. The licences not only provide anti-virus software but also allow the Council to remotely "wipe" data from any device, which may be lost or stolen and allows for the locking down of ports and accessibility to "undesirable" web sites                           |
| R10                             | Legal Services | Anthony Roche                                   | Scanning of NHDC title deeds - total cost for scanning NHDC title deeds is £62,000, being split across two financial years. Strategic Priority Funding has already been agreed in the sum of £32,300 from 2015/16 budget. Balance of £29,700 is sought to complete project  | <i>Living within our means</i>   | 30                          | N                                    | N                        | The Council retains a large amount of documentation in the title deeds held in the strong room. This has consequences for the office accommodation project, most immediately for the decant and then for the longer term storage requirements of the Council. Having the title deeds available digitally will help to facilitate home working for both the property lawyers and estates team. Additionally time will be saved by reducing the amount of time taken to retrieve the deeds when they are needed to answer queries and will provide greater flexibility when looking at corporate storage options. |
| R11                             | H & PPS        | Andy Godman                                     | Creation of a research and development function for Herts Careline (£15k pa of match funding agreed with Hertfordshire County Council) pending absorption into trading account (TBC)  | <i>Living within our Means</i>   | 15                          | Y                                    | N                        | Development of new independent living products/services (such as dementia tracking) that will support Herts Careline's continued expansion.   |
| R12                             | H & PPS        | Peter Carey                                     | Revenue costs (i.e. GSM SIM cards) associated with the deployment of mobile working technology in connection with environmental health and licensing services   | <i>Living within our Means</i>   | -                           | Y                                    | Y                        | This investment proposal was withdrawn by the officer as other funding source was identified.   |
| R13                             | H & PPS        | Peter Carey                                     | Revenue costs (i.e. licensing costs) associated with the replacement of the environmental health case management software package   | <i>Living within our Means</i>   | 12                          | Y                                    | Y                        | The current system (ACOLAID) cannot support mobile working, internet publishing (e.g. an online licensing register), or support more efficient ways of working.   |
| R14                             | H&PP           | Martin Lawrence                                 | Provision of funding to improve access to the private rented housing sector in situations where the Council has a duty to accommodate a homelessness household  | <i>Living within our means</i>   | 0                           | tbc                                  | N                        | There were 21 households living in temporary accommodation in Summer 2015, by October 2015 this had reduced to 12 and as of 15th January 2016 this has reduced further to 5 households. It is considered that, with the reduction in the number of homeless households now in temporary accommodation, this investment proposal can be withdrawn and instead increased costs of accommodating homeless households be recognised appropriately as a financial risk for NHDC in 2016/17. The number of households in temporary accommodation can fluctuate daily and NHDC will continue to monitor this.          |
| R15                             | H&PP           | Martin Lawrence                                 | The aim of this proposal is to improve the access to temporary accommodation and social housing units for homeless households with poor tenancy records. This would only apply to those households who the Council has a legal duty to accommodate and the provision of funding would allow the Council to negotiate with registered providers on the risk management arrangements for this client group. | <i>Living within our means</i>   | 0                           | tbc                                  | N                        | There were 21 households living in temporary accommodation in Summer 2015, by October 2015 this had reduced to 12 and as of 15th January 2016 this has reduced further to 5 households. It is considered that, with the reduction in the number of homeless households now in temporary accommodation, this investment proposal can be withdrawn and instead increased costs of accommodating homeless households be recognised appropriately as a financial risk for NHDC in 2016/17. The number of households in temporary accommodation can fluctuate daily and NHDC will continue to monitor this.          |
| R16                             | Various        | Head of Paid Service                            | Staff related resourcing/capacity issues  | <i>Living within our means<br/>Working with our communities</i>  | 0                           | Y                                    | N                        | Due to the change in the Council's funding situation, resourcing and capacity issues will now be reviewed as part of the staffing restructure.  |
| <b>TOTAL INVESTMENT OPTIONS</b> |                |   |   |  | <b>411</b>                  |                                      |                          |   |