



EXECUTIVE

YOU ARE REQUESTED TO ATTEND A MEETING OF THE EXECUTIVE TO BE HELD IN THE DEANE HOUSE ON WEDNESDAY 12TH MARCH 2003 AT 18:00.

AGENDA

1. Apologies
2. Minutes
3. Call Forward Items
4. Public Question Time
5. Sure Start Development, Lyngford Park, Taunton.
Report of Director of Development (enclosed)
(There will also be a presentation from representatives of Sure Start)
6. Analysis of 2001/02 Statutory Performance Indicators
Report of Principal Audit and Review Officer (enclosed)
7. Treasury Management Strategy 2003/2004.
Report of Financial Services Manager (enclosed)
8. Risk Management Strategy.
Report of Financial Services Manager (enclosed)
9. Somerset Direct - Progress Report
Report of Project Manager (enclosed)

G P DYKE
Member Services Manager

The Deane House
Belvedere Road
TAUNTON
Somerset

TA1 1HE

04 March 2003

Councillor Horsley - Leader of the Council
Councillor Bulgin (Planning and Transportation)
Councillor Croad (Economic Development, Property and Tourism)
Councillor Henley (Deputy Leader) (Leisure, Arts and Culture)
Councillor Lees (Communications)
Councillor Lisgo (Community Leadership)
Councillor Mullins (Environmental Policy and Services)
Councillor Partington (Corporate Resources)
Councillor Stone (Housing Services)

FORWARD PLAN

The following items are likely to be considered by the Executive within the next four months:

Private Health Insurance (Executive Councillor Partington to make a decision in March regarding the provider of private health insurance for officers for the next year)

Annual Taxi Fare increase (Executive Councillor Mullins to make a decision in March regarding the level of taxi fares)

Street Trading Consents (Executive Councillor Mullins to make a decision in March following consultation with consent holders)

Consent Streets - (streets where trading is allowed with a permit) (9 April following consultation with Strategic Planning Review Panel and Health and Leisure Review Panel)

Wellington Park Management Plan (9 April 2003)

Wellsprings (28 May 2003)

Best Value Performance Plan (25 June 2003)

Outturn Report (25 June 2003)

Capital Strategy (25 June 2003)

Executive - 12 February 2003

Present: Councillor Horsley (Chairman)
Councillors Bulgin, Croad, Henley, Lees, Lisgo, Mullins, Partington and Stone

Officers: Mr S Fletcher (Chief Executive), Mr J Thornberry (Director of Corporate Resources), Mr A Hartridge (Director of Development), Ms S Adam (Financial Services Manager), Mrs N Heal (Public Relations Officer) and Mr G P Dyke (Member Services Manager)

Also Present: Councillors Mrs Allgrove, Dawson, Debenham, Denington, Gill, Hall, House, Mrs Whitmarsh and Williams

(The meeting commenced at 6.10pm.)

79. Minutes

The Minutes of the meeting of the Executive held on 15 January 2003 were taken as read and were signed.

80. Relocation of Taunton Livestock Market

Reported that the Council and Taunton Market Auctioneers (TMA) were still pursuing the previously agreed commitment to relocate the Livestock Market within the timescale of the lease which ended in March 2004.

Following an approach from TMA, the Executive had agreed in November 2001 (Minute 125 refers) to pursue the suggestion of a joint market operation combining the former Bridgwater Market site and Taunton Markets as part of an Agricultural Business Centre to serve the region. A Feasibility Study was commissioned and the final report was the subject of a presentation seminar on the 22 January 2003 when the problems associated with funding a joint Livestock Market operation on site close to Junction 24 were highlighted. It was now evident that the financial viability of such a proposed development at Junction 24 was questionable.

Consideration was now being given to the possibility of relocating the Livestock Market close to Wellington at Junction 26 where TMA had identified a potential interest for some time. The various options available were reported together with the Council's previous stated aims regarding relocation of the Market.

Members were reminded that a lease arrangement had been entered into with TMA in 1999. The Council and TMA had agreed a Statement of Mutual Undertaking which committed them to relocating the Market within the timetable of the lease. These arrangements had been entered into for the following three reasons:-

- The Council wanted to safeguard the medium to long-term future of the market which was not sustainable on the present site because of the existing constraints.

- The Council felt that the majority of the risks associated with the operation of the Market rested with the operator.
- The Council wanted to make better use of its asset, the Market site, for the benefit of the borough as a whole.

A further assessment of these factors had now been undertaken. To assist the local agricultural community it was felt that TMA should continue to be assisted in its efforts to relocate the Market. This should include commissioning of further information upon the viability of an area close to Junction 26. The terms of reference for such a commission was currently being discussed with the Council's partners. This Council's financial contribution to this latest work was likely to be matched by TMA and the RDA and should be found within budget.

RESOLVED that discussions continue with TMA, SWRDA and the interested parties to commission further information about possible alternatives for relocating the Taunton Livestock Market on a suitable site close to Wellington, Junction 26 on the M5.

81. Local Government Improvement Programme Final Follow-up Visit

The Peer Review of the Council had taken place between 20 and 24 November 2000. The Review Report identified a number of key issues that needed to be addressed to continue moving forward. An initial follow-up visit to the Authority had taken place on 4 December 2001 when progress was reviewed against the original Peer Review recommendations.

The final follow-up visit had taken place on 4 November 2002. The main objectives of this visit were to assess the progress which the Authority had made against the key recommendations of the original Review Report and to look at the current position of the Authority against the key themes of the Audit Commission's Corporate Performance Assessment Methodology.

The Report drew together the information gained through Workshop sessions, discussions with stakeholder groups and individual interviews. Details were submitted of how the Peer Review Team felt that its original recommendations have been dealt with.

The Review had found that overall the Council had responded very positively to the recommendations raised and had many areas of good progress to report. Particular areas the Review Team had highlighted included:-

- Bringing the future of Taunton to the forefront of local debate and raising the profile of economic development issues within the Council.
- Ensuring that the Executive and CMT operating more strategically.
- Making a sound start on the creation of the Local Strategic Partnership and the Community Planning Process.

- Embedding the Service and Performance Management framework.

There were some areas however in which it was considered that the Authority needed to continue to make progress which included the following:-

- Ensuring that it continued to sharpen its priorities and identified the areas on which it was not going to focus as well as the ones that it was.
- Focussing the attention of the LSP, the Vision Commission and other key partnerships on the achievement of outcomes and the provision of resources needed for the priority supported.
- Continuing to progress the work in relation to a communication strategy and the creation of a coherent public image.
- Ensuring that any gaps in the implication of human resources, policies and practices were identified and addressed.

RESOLVED that the report be noted.

82. Housing Revenue Account - Revenue Estimates and Rent Levels 2003/2004

Considered report previously circulated which set out in detail the proposed Housing Revenue Account (HRA) for 2003/2004. It also included details relating to the new rent level, arrangements for calculating service charges and information on the Piper Trading Account.

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

It was noted that the annual grant awarded to the Neighbourhood Care Home and Garden Scheme was to be increased from £3,500 to £10,000 and not £8,500 as recommended in the officer's report.

RESOLVED that Council be recommended that the revised Housing Revenue Account Budget be approved.

83. Housing Capital Programme 2003/2004

Submitted report which set out in detail the proposed Housing Capital Programme for 2003/2004. 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. It was noted that the Budget for the Cash Incentive Scheme was to be increased from nil to £30,000.

RESOLVED that Council be recommended that the Housing Capital Programme for 2003/2004 be approved.

84. General Fund Revenue Estimates 2003/2004

Considered report previously circulated which detailed the draft forward estimates for General Fund Revenue Expenditure for 2003/04. The Report had been considered in detail by the Review Board and details of its views were submitted.

The 2002/03 budget setting report considered by Council in February 2002, had required only £83,000 of General Fund Reserves to support spending. This was a significant step forward in the Council's drive to set a sustainable budget and leave reserves in a healthy position.

Work on the Authority's medium-term financial plan had started in the summer of 2002. The financial model was refined and updated to predict the Council's financial position over a 3-year period. The model showed quite clearly the predicted budget gap that had to be resolved for 2003/04 and allowed the Executive to refine its financial strategy in the longer-term.

However in preparing the budget for the next financial year it became clear that some difficult decisions would be required in order to present a budget for 2003/04 that kept the Council's reserves at an acceptable level, the Council Tax increase at a minimum and also gave Taunton Deane the flexibility to deliver key projects. A budget gap of £1.164m had been highlighted. The Executive's proposals for closing the gap had been issued for consultation to all Councillors and the political groups. The Executive had subsequently been informed of comments received.

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 Fund and National Non-Domestic Rates. Any shortfall was funded by the Council Taxpayer.

This was the first year of the new grant system for the distribution of Local Government funding. In the provisional announcement on 5 December 2002 the Government had allocated £7.066m of grant to Taunton Deane.

Further analysis of the settlement papers showed that there was also a proposal to fund Housing Benefit Administration and Council Tax Benefit Administration Grant separately this year. This added another £278k to the Council's total funding in 2003/04.

The final settlement figures had now been received and the Government's agreed contribution towards Taunton Deane's spending requirement had fallen by £28,000 from the draft figures produced in December.

Details were submitted of the consultation process that had taken place in connection with the Executive's budget proposal. The proposal for 2003/04, included details of how the Executive proposed that the budget gap should be closed.

It was noted that reserves were significantly higher than this time last year which allowed some flexibility in the budget funding decision. Details of the General Fund Reserve position were reported together with the various options now available to the Council.

The Review Board had considered the Council's budget position and had suggested one amendment relating to funding for children's play. This suggested amendment had been considered by Executive Councillors and a sum of £5,000 would be added back to the budget. The Council's Inclusion Officer would use this on children's play issues. This would however increase the budget gap very slightly.

The impact of the proposal to close the budget gap on the Council's Reserves should the current year outturn match the original current year budget prediction was reported.

The proposed budget for Taunton Deane would result in a Band 'D' Council Tax of £109.51, an increase of £2.15 (2%) on 2002/03. The estimated expenses chargeable to the non-parished area of Taunton in 2003/04 amounted to £25,000 and this formed part of the total net expenditure of the Council.

RESOLVED that Council be recommended that the budget for General Fund services for 2003/04 be agreed and that:-

- (a) the transfer for any underspend in 2002/03 back to General Fund Reserves be agreed;
- (b) the use of £692,676 from General Fund Reserves to support the 2003/04 budget be agreed;
- (c) the development bids set out in the report be agreed;
- (d) the increases to fees and charges set out in the report be agreed;
- (e) the proposed 2003/04 budget being Authority expenditure of £11,262,338 and special expenses of £25,000 be agreed in accordance with the Local Government Act 1992;
- (f) the predicted General Fund Reserve balance at 31 March 2004 of £1,310,131 be noted.

85. General Fund Capital Programme

Considered report previously circulated concerning the proposed Capital Programme of the Council which projected a total programme of £5,861,831 over the next three financial years.

Reported that the financing of the General Fund Capital Programme used a number of funding sources which included Basic Credit Approvals, Supplementary Credit Approvals, Capital Receipts, Revenue Contributions to Capital (RCCO) and Developers contributions and Section 106 Agreements.

Submitted details to the proposed Capital Programme which included (a) schemes to be deleted/reduced from the programme; (b) new schemes to be included in the programme and (c) new schemes that had not been included in the programme. The amount of resources available totalled £5,861,830. The proposed programme as submitted projected a total programme of £5,621,830. This meant that there was currently a surplus of £240,000 available. Any new schemes that emerged during the lifespan of the programme would be funded through the surplus resources or through new resources such as additional Capital Receipts.

The Review Board had considered the General Fund Capital Programme and had not suggested any amendments.

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

86. Council Tax Setting 2003/04

Submitted report which made recommendations to the Council on the proposed level of Council Tax for £2003/04.

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 including the Housing Revenue Account and balances brought forward) with the difference as its budget requirement. (This determination is set out in the resolution).

It was reported that the level of Council Tax for the Police Authority and the County Council had not yet been confirmed.

The estimated expenses chargeable to the non-parished area of Taunton in 2003/04 amounted to £25,000 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 surplus of £186,321. Taunton Deane's share of this amounted to £22,140. This was reflected in the Revenue Estimates.

The overall debt outstanding on Community Charge was now approximately £2,100. The overall debt had been reduced during the year by "write-offs" of over £27,000 and it was estimated that the Community Charge collection fund as at 15 January 2003 had a surplus of £27,974. This element was not shared with the County Council or the Police Authority and was therefore available as income to the General Fund. This was reflected in the Revenue Estimates.

The Council's requirement, including Parish Precepts and non parish special expenses was £11,568,448. This was then reduced by the amount notified in respect of the Borough's Revenue Support Grant of £3,458,182 and the non-domestic rates distribution from the Pool amounting to £3,579,322.

The net amount, having taken the collection fund position into account of £4,480,830 was used to calculate the Council Tax at Band 'D' by dividing it by the total of the Council Tax base as approved by the Council in December 2002. The Council Tax for the Borough (excluding Parish Precepts and special expenses for the non-parish area) was £109.51, an increase of £2.15 (2%) compared to the 2002/03 Council Tax. The total Council Tax, including the County Council and Policy Authority Precepts, 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 17 December 2002 the Council calculated the following amounts for the year 2003/04 in accordance with the regulations made under Section 33(5) of the Local Government Finance Act 1992:-
- (a) 38,122.79 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	64.49	Neroche	235.83
Ashbrittle	80.93	North Curry	694.52
Bathealton	80.14	Norton Fitzwarren	652.77
Bishops Hull	1,060.29	Nynehead	143.14
Bishops Lydeard/ Cothelstone	1,747.63	Oake	318.92
Bradford on Tone	270.96	Otterford	160.35
Burrowbridge	196.94	Pitminster	435.55
Cheddon Fitzpaine	617.85	Ruishton/ Thornfalcon	602.68
Chipstable	109.92	Sampford Arundel	128.16

Churchstanton	296.10	Staplegrove	707.17
Combe Florey	107.55	Stawley	112.47
Comeytrowe	2,066.07	Stoke St Gregory	369.72
Corfe	130.85	Stoke St Mary	193.02
Creech St Michael	939.06	Taunton	15,141.11
Durston	56.75	Trull	931.31
Fitzhead	120.74	Wellington	4,501.70
Halse	140.43	Wellington (Without)	288.83
Hatch Beauchamp	241.44	West Bagborough	155.29
Kingston St Mary	426.88	West Buckland	391.84
Langford Budville	211.37	West Hatch	135.36
Lydeard St Lawrence/Tolland	195.55	West Monkton	1,058.45
Milverton	565.70	Wiveliscombe	1,036.98

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 2003/04 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:-

(a) £53,818,467 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (c) of the Act.
(Gross Expenditure including amount required for working balance).

(b) £42,250,019 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) £11,568,448 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) £7,087,618 being the aggregate 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 Sec 98(4) of the Local Government Finance Act 1988 made on 7 February 1994 (*Community Charge Surplus*).

(e) £117.54
$$\frac{(c) - (d)}{1(a)} = \frac{11,568,448 - 7,087,618}{38,122.79}$$

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) £306,110 being the aggregate amount of all special items referred to in Section 34(1) of the Act. (*Parish Precepts and Special Expenses*).

(g) £109.51
$$\frac{(e) - (f)}{1(a)} = \frac{117.54 - 306.110}{38,122.79}$$

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	109.51	Neroche	117.99
Ashbrittle	125.57	North Curry	126.07
Bathealton	117.00	Norton Fitzwarren	126.98
Bishops Hull	122.30	Nynehead	123.48
Bishops Lydeard/ Cothelstone	121.98	Oake	119.39
Bradford on Tone	122.43	Otterford	109.51
Burrowbridge	132.00	Pitminster	116.86
Cheddon Fitzpaine	117.60	Ruishton/ Thornfalcon	127.04
Chipstable	123.16	Sampford Arundel	132.53
Churchstanton	126.99	Staplegrove	118.70
Combe Florey	120.20	Stawley	118.40
Comeytrove	115.56	Stoke St Gregory	125.06
Corfe	116.58	Stoke St Mary	114.69
Creech St Michael	120.69	Taunton	111.16
Durston	110.21	Trull	117.03
Fitzhead	123.59	Wellington	126.01
Halse	121.97	Wellington (Without)	121.63
Hatch Beauchamp	120.28	West Bagborough	115.95
Kingston St Mary	123.57	West Buckland	127.37
Langford Budville	117.32	West Hatch	123.41
Lydeard St Lawrence/Tolland	117.18	West Monkton	116.36
Milverton	120.12	Wiveliscombe	123.98

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 and Special Expenses).

- (i) See overleaf

9.2.2(i)

Valuation Band	A	B	C	D	E	F	G	H
Ash Priors	73.01	85.17	97.34	109.51	133.85	158.18	182.52	219.02
Ashtrittle	83.72	97.66	111.62	125.57	153.48	181.38	209.29	251.14
Bathelton	78.00	91.00	104.00	117.00	143.00	169.00	195.00	234.00
Bishops Hull	81.54	95.12	108.71	122.30	149.48	176.65	203.84	244.60
Bishops Lydeard/Cothelstone	81.32	94.87	108.42	121.98	149.09	176.19	203.30	243.96
Bradford On Tone	81.62	95.22	108.82	122.43	149.64	176.84	203.30	244.86
Burrowbridge	88.00	102.66	117.33	132.00	161.34	190.67	220.00	264.00
Cheddton Fitzpaine	78.40	91.46	104.53	117.60	143.74	169.87	196.00	235.20
Chipstable	82.11	95.79	109.47	123.16	150.53	177.90	205.27	246.32
Churchstanton	84.66	98.77	112.88	126.99	155.21	183.43	211.65	253.98
Combe Florey	80.14	93.48	106.84	120.20	146.92	173.62	200.34	240.40
Comeytrove	77.04	89.88	102.72	115.56	141.24	168.92	192.60	231.12
Creche	77.72	90.67	103.62	116.58	142.49	168.39	194.30	231.16
Creech St Michael	80.46	93.87	107.28	120.69	147.51	174.33	201.15	241.38
Durston	73.48	85.71	97.96	110.21	134.71	159.19	183.69	220.42
Fitzhead	82.40	96.12	109.86	123.59	151.06	178.52	205.99	247.18
Halse	81.32	94.86	108.42	121.97	149.08	176.18	203.29	243.94
Hatch Beauchamp	80.19	93.55	106.91	120.28	147.01	173.74	200.47	240.56
Kingston St Mary	82.58	96.11	109.84	123.57	151.03	178.49	205.95	247.14
Langford Budville	78.22	91.24	104.28	117.32	143.40	169.46	195.54	234.64
Lydeard St Lawrence/Tolland	78.12	91.14	104.16	117.18	143.22	169.26	195.30	234.36
Milverton	80.08	93.42	106.77	120.12	146.82	173.51	200.20	240.24
Neroche	78.66	91.77	104.88	117.99	144.21	170.43	196.65	235.98
North Curry	84.05	98.05	112.06	126.07	154.09	182.10	210.12	252.14
Norton Fitzwarren	84.66	98.76	112.87	126.98	155.20	183.41	211.64	253.96
Nynehead	82.32	96.04	109.76	123.48	150.92	178.36	205.80	246.96
Oake	79.60	92.85	106.12	119.39	145.93	172.45	198.99	238.78
Otterford	73.01	85.17	97.34	109.51	133.85	158.18	182.52	219.02
Pitminster	77.91	90.89	103.87	116.86	142.83	168.80	194.77	233.72
Ruishton/Thornfalcon	84.70	98.80	112.92	127.04	155.28	183.50	211.74	254.08
Sampford Arundel	88.36	103.07	117.80	132.53	161.99	191.43	220.89	265.06
Staplegrave	79.14	92.32	105.51	118.70	145.08	171.45	197.84	237.40
Stawley	78.94	92.08	105.24	118.40	144.72	171.02	197.34	236.80
Stoke St Gregory	83.38	97.26	111.16	125.06	152.86	180.64	208.44	250.12
Stoke St Mary	76.46	89.20	101.94	114.69	140.18	165.66	191.15	229.38
Taunton	74.11	86.45	98.81	111.16	135.87	160.56	185.27	222.32
Trull	78.02	91.02	104.02	117.03	143.04	169.04	195.05	234.06
Wellington	84.01	98.00	112.01	126.01	154.02	182.01	210.02	252.02
Wellington W/out	81.09	94.60	108.11	121.63	148.66	175.69	202.72	243.26
West Bagborough	77.30	90.18	103.06	115.95	141.72	167.48	193.25	231.90
West Buckland	84.92	99.06	113.22	127.37	155.68	183.98	212.25	254.74
West Hatch	82.28	95.98	109.70	123.41	150.84	178.26	205.69	246.82
West Monkton	77.58	90.50	103.43	116.36	142.22	168.07	193.94	232.72
Wiveliscombe	82.66	96.42	110.20	123.98	151.54	179.08	206.64	247.96

being the amounts given by multiplying the amounts at (h) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands (Council Tax for Individual Parishes and the Borough).

That it be noted that for the year 2002/03 the Somerset County Council and the Avon & Somerset Police Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

Somerset County Council	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Avon & Somerset Police Authority	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

87. Borrowing Limit

Reported that Local Authorities were statutorily required to determine for each Financial Year (a) their overall borrowing limit; (b) their short-term borrowing limit, and (c) a limit on the proportion of interest that was payable by them at variable rates.

The determination had to be made by the Council before the beginning of the Financial Year.

The borrowing limit was a total of (d) the current level of outstanding debt; (e) the anticipated authorised new borrowing in 2003/04; (f) provision for possible temporary revenue borrowing in anticipation of income being received.

Limits set by the Council in February 2002 had been in place for a number of years and were still considered to be adequate. No changes were therefore proposed.

RESOLVED that Council be recommended that for 2003/04:-

- (a) the overall borrowing be fixed at £44,000,000;
- (b) the short-term borrowing at any time should not exceed £11,000,000 representing 25% of the borrowing limit, and
- (c) that no more than 50% of the total amount of interest payable may be at variable interest rates.

88. Exclusion of Press and Public

RESOLVED that the press and public be excluded from the meeting for the item numbered 15 on the Agenda because of the likelihood that exempt information would otherwise be disclosed relating to Clause 1 of Schedule 12(a) of the Local Government Act 1972.

89. Capacity to Improve

Submitted report regarding the Authority's current capacity to meet corporate challenges and how improvement could be achieved.

It was felt that although things were generally well in the Authority, there was room for improvement. The Directorate structure had been successfully implemented and had brought more co-ordination and cohesion to services where there were clear overlaps.

Since Council had approved the last major restructure of the Authority's management in March 1997, Local Government had changed dramatically. The current officer core was stretched to capacity for a number of reasons.

Although a number of initiatives aimed at improving the management of the Authority had been successfully introduced, there was still concern about the resources in a number of service areas. It was on these areas that attention needed to

be focussed to ensure that sufficient resources were available to enable improvements to be made. Concern was also expressed about the Council's ability to resource large scale projects.

It was felt that the existing Service Unit Manager structure was no longer adequate to cope with the many changes that had taken place in Local Government in recent years. In addition the gap between the role of Directors and the devolved operational responsibilities of the Service Unit Managers reduced the ability of the organisation to manage large-scale change.

The Authority's current management structure based around Service Unit Managers was well suited to providing good quality services but could not easily handle the improvement and development of those services which was expected and was the primary purpose of Best Value and a comprehensive performance assessment régime.

The current structure was extremely flat with a substantial differential between the Service Unit Managers and Directors both in terms of responsibilities and salary. This had a limiting effect on the ability of the Service Unit Managers to gain the experience necessary to progress.

It was necessary now to create some space for Managers to better manage by being able to plan ahead and monitor their services properly. Details of the proposals suggested to achieve this aim was submitted.

RESOLVED that the following new posts be created:-

- (a) Head of Performance
- (b) Head of Finance
- (c) Head of Environment
- (d) Head of Housing

The following posts to have enhanced responsibilities and their titles changed:-

- (a) Principal Audit and Review Manager to become Corporate Performance Manager
- (b) Computer Auditor to become Principal Auditor
- (c) Mr R Evans to be appointed to the post of Head of Performance
- (d) Mr A Gladstone-Smith be appointed to the post of Corporate Performance Manager and the post of Principal Audit and Review Officer be deleted.
- (e) Ms S Adam be appointed to the post of Head of Finance
- (f) Mr C Gunn be appointed to the post of Principal Auditor
- (g) The new post of Head of Environment and Chief Environmental Health Officer be "ring-fenced" to the existing Chief Environmental Health Officer and Public Safety Unit Manager

- (h) Purchasing function be transferred to the Corporate Resources Directorate
- (i) Finance Manager post be filled by “ring-fencing” to the Accountancy Section.

(The meeting ended at 8.10 pm.)

REPORT OF THE DIRECTOR OF DEVELOPMENT AND DIRECTOR OF COMMUNITY SERVICES TO THE MEETING OF THE EXECUTIVE TO BE HELD ON 12 MARCH 2003 (this matter is the responsibility of Councillor R Henley (Leisure), Councillor C Croad (Property) and Councillor Ms Lisgo (Community Leadership))

LYNGFORD PARK (TO THE REAR OF PRIORSWOOD LIBRARY), TAUNTON - REQUEST BY SOMERSET COUNTY COUNCIL FOR A GROUND LEASE OF PART OF THIS SITE FOR A NEW SURE START DEVELOPMENT

1. Purpose of Report

- 1.1 To consider the principle of developing part of the Borough Council's recreational open space at Lyngford Park, as part of the Sure Start Taunton programme to assist local pre-school children and their families in an area of relative deprivation.
- 1.2 This Council is part of the multi-agency Sure Start Partnership and it is envisaged that a presentation to the Executive will be made by local representatives of Sure Start.

2. Introduction

- 2.1 The Borough Council owns an area of land known as Lyngford Park, which is shown hatched on the attached plan. It is currently used for recreational open space and part of the land to the rear of the Priorswood Library currently has an existing toilet block and children's playground. This is the area where the County Council is interested in taking a ground lease and is bounded by two footpaths, as shown cross hatched on the attached plan. (Appendix 1).
- 2.2 The Sure Start Taunton programme is part of the Government's Sure Start national initiative to alleviate child poverty and is focused on children under the age of four and their families, in areas of relative deprivation. Following a successful bid funding has been secured for a 10 year period for services and funding of approximately £600,000 has been achieved for a new family centre facility to serve the North Taunton area. Sure Start Taunton aims to stimulate the physical and social development of pre-school children to provide a better foundation for future learning and ultimately secure a strengthened community. Services will be delivered which should make a positive difference to the lives of local people and their families.

3. Current Proposals

- 3.1 A firm of architects has identified options for a development of a new Sure Start facility at this location. Such a development will need to consider how best to deal with the provision of public conveniences within the area as well as the proposed relocation of the existing children's play area. (See Appendix 2).

4. Loss of public open space, play equipment and youth shelter
- 4.1 The proposed site is located within a public open space annotated in the Taunton Deane Local Plan (revised deposit) for recreational open space. Planning Policy C3 prohibits development of this area unless it conforms to one of the following three criteria:-
- (a) there is an excess of good quality, recreational open space of the type which would be lost, sufficient to meet local demand; or
 - (b) the proposed development provides recreational or community benefit greater than the long term value of the open space that would be lost; or
 - (c) equivalent provision in a convenient location is made to at least an equal standard and with equal community benefits.
- 4.2 There needs to be sufficient consultation with the local community to establish the case under criteria (b). If the development goes ahead, the play equipment and youth shelter must be replaced and relocated. If criteria (c) were to apply, then the open space land lost to the development will need to be replaced (probably by negotiating free public access to a school site as it is unlikely that new land will be available or affordable). There is a need for carefully designed consultation to identify where the facilities that will be lost should be resited and to gain an informed opinion from the community about the acceptability of the loss of a part of their public open space in the locality.
- 4.3 From our current information it would appear that the north Taunton area is undersupplied with public open space against the standard adopted in the Local Plan of 6 acres per thousand population. This suggests that Members and the local community should be very cautious about the loss of even a small part of an open space in this area. Careful consideration will need to be given upon the strength of local views about the community benefits from this partnership project. These views can then be balanced against those concerning the loss of this piece of public open space.
5. Priorswood Public Conveniences
- 5.1 The Priorswood toilets have been repeatedly vandalised over a number of years. As a result they have been shut for long periods often because before the damage could be repaired the works in progress would be the target of further vandalism. In the past, we have installed people counters to establish usage and found that very few people use the facilities.
- 5.2 Alternative means of providing public conveniences have been suggested in the past such as incorporating access to the facilities into the library as a means of controlling use or removing them from the current site all together and providing new conveniences on Priorswood Place.
- 5.3 The future provision of public conveniences is to be considered as part of a best value review. This will require consultation to be carried out.

Options

- Option 1 Sure Start provide controlled public access to limited facilities within the family centre.
- Option 2. Surestart include limited public conveniences semi-detached to the centre with separate access.
- Additional building costs are unknown
 - Fixtures and fitting out ~ £35k
- Option 3. The public conveniences are removed and limited new facilities are provided on Priorswood Place (subject to services being accessible).
- Cost of demolition ~ £10k
 - Automatic facility from JC Decaux (one unisex/disabled cubicle: ~ £20k PA Lease for minimum of 20 years, plus installation costs ~ £10k, or,
 - Pre fabricated semi automatic facility (gents cubicle plus a ladies/disabled cubicle, similar to the bus station) ~ £80k plus installation ~10k
 - Semi automatic facility, traditionally constructed on site (gents cubicle plus a ladies/disabled cubicle) ~ £70k + installation ~ £10k
- Option 4. The public conveniences are removed and no alternative is provided.
- Cost of demolition ~ £10k

5.4 Alternative facilities at Priorswood place will be comparatively expensive. If the conveniences are removed without any alternative provision then the Sure Start Partnership should fund the costs of demolition. The best way forward can only really be determined by more effective consultation to see what level of provision the local community requires.

5.5 The Partnership therefore needs to ascertain local opinion. The Council can then be better informed when considering whether or not it should make the provision of facilities a condition of leasing/gifting the land.

6. The Legal Issues

6.1 Although it would appear that there are no covenants in respect of this land which would prevent the Borough Council from granting a suitable ground lease to the Somerset County Council for the Sure Start project development, it would be necessary to advertise such a disposal under the provisions of Section 123 of the Local Government Act 1972 and have regard to any objections raised.

7. Comment

7.1 The “balancing” between various “community needs” in this case is not easy. It is a priority of the council to help local communities shape their own future, and to offer opportunities for those at risk in our deprived areas. As an active member of the Sure Start Partnership the Council is assisting in the delivery of the Sure Start programme to alleviate child poverty. The Council is also

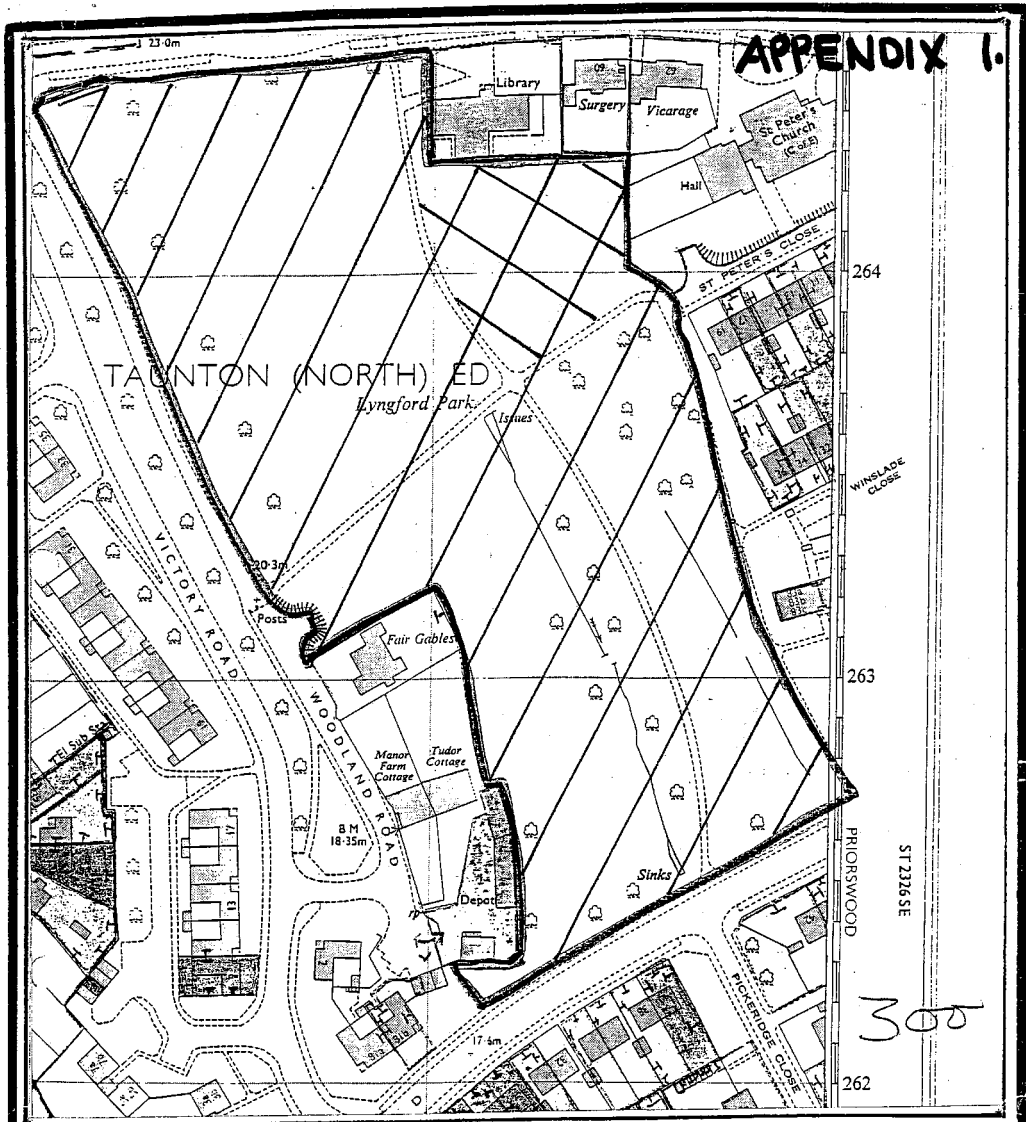
trying to increase local involvement in the management and development of its green space, and trying to direct future park facility spending to our deprived wards. It is also a priority of the Council to encourage healthier lives and we wish to develop a programme of activities in parks to benefit local communities.

- 7.2 From initial discussions carried out with and within the partnership it would appear that this piece of public parkland is not of community benefit ; it warrants some attention; this could involve public investment; and there may be an opportunity to provide a much needed community facility that the local community would prefer.
- 7.3 If this proves to be the case, the Council can then ensure that the Sure Start programme makes proper financial provision for replacement community facilities that will be affected by this scheme.

8. Recommendation

- (1) Public consultation is warranted to identify the value of this piece of Lyngford Park to the local community, and the need to replace the toilets, play area, youth shelter and public open space.
- (2) That the public consultation exercise should be carried out as an integral part of the Sure Start programme. Any further consultation should ideally be undertaken by the end of March.
- (3) Any ground lease will be conditional upon the Council accepting that the community benefit is greater than the long-term value of this piece of parkland, and to the replacement facilities being funded as part of the Sure Start programme.

Contacts: Alan Hatridge, Director of Development
Penny James, Director of Community
Services
David Thompson, Chief Valuer



APPENDIX I.

TAUNTON (NORTH) ED

Lyngford Park



**TAUNTON
DEANE BOROUGH
COUNCIL**

VALUATION SERVICES

The Deane House, Belvedere Road,
Taunton, TA1 1HE
Tel 01823 356356

drawn by:
date:
drawing No:
scale:

Based upon (or reproduced from)
The Ordnance Survey Map with
the sanction of The Controller
of H.M. Stationary office.

Lyngford Park
Taunton

⑤

For Identification Purposes Only:

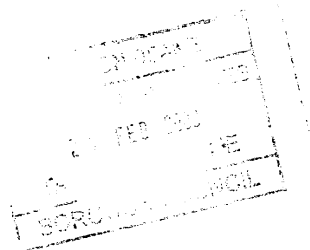


APPENDIX 2

Mr David Thompson
Chief Valuer
Taunton Deane Borough Council
The Deane House
Belvedere Road
Taunton
SOMERSET TA1 1HE

Our ref: CW/59513/KAS/SW

25 February 2003



Dear David

SURE START TAUNTON (PRIORSWOOD)

Further to our progress meeting on Monday 10th February and our subsequent conversations, I am pleased to enclose for your information 3 outline options for our proposed building. The options are concept and only intended to show the proposed scale of the building in relation to the site.

You will be aware it is our intention to fund and relocate the existing playground on the site opposite. However, we would seek clarification from Taunton Deane that the existing equipment does comply with current standards.

Our preferred route into the site is via the existing library access and through the car park. It would be our intention to minimise disruption for the library staff and to ensure that car park spaces are not lost as a result. We are currently discussing this with Library Services (Somerset County Council).

In respect of the existing WC block, our enclosed plans illustrate both:-

- 1) A new public WC adjacent to the new Sure Start building with disabled provision; and
- 2) The existing public WC remaining on the site.

Aesthetically, we feel that keeping the existing WC block in its current location and without upgrading it to a satisfactory standard would be a significant disadvantage to the community. However, we understand the financial constraints the Borough Council are faced with and it would be our intention as part of the Planning Consultation process to discuss this in more detail with you.

FA101\JOBS\50000\59513\Quantity Surveyor\Admin\0002.doc

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Symonds Group Limited

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UK offices in London, Birmingham, Bristol,
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Our Ref: CW/59513/KAS/SW

David Thompson

25 February 2003

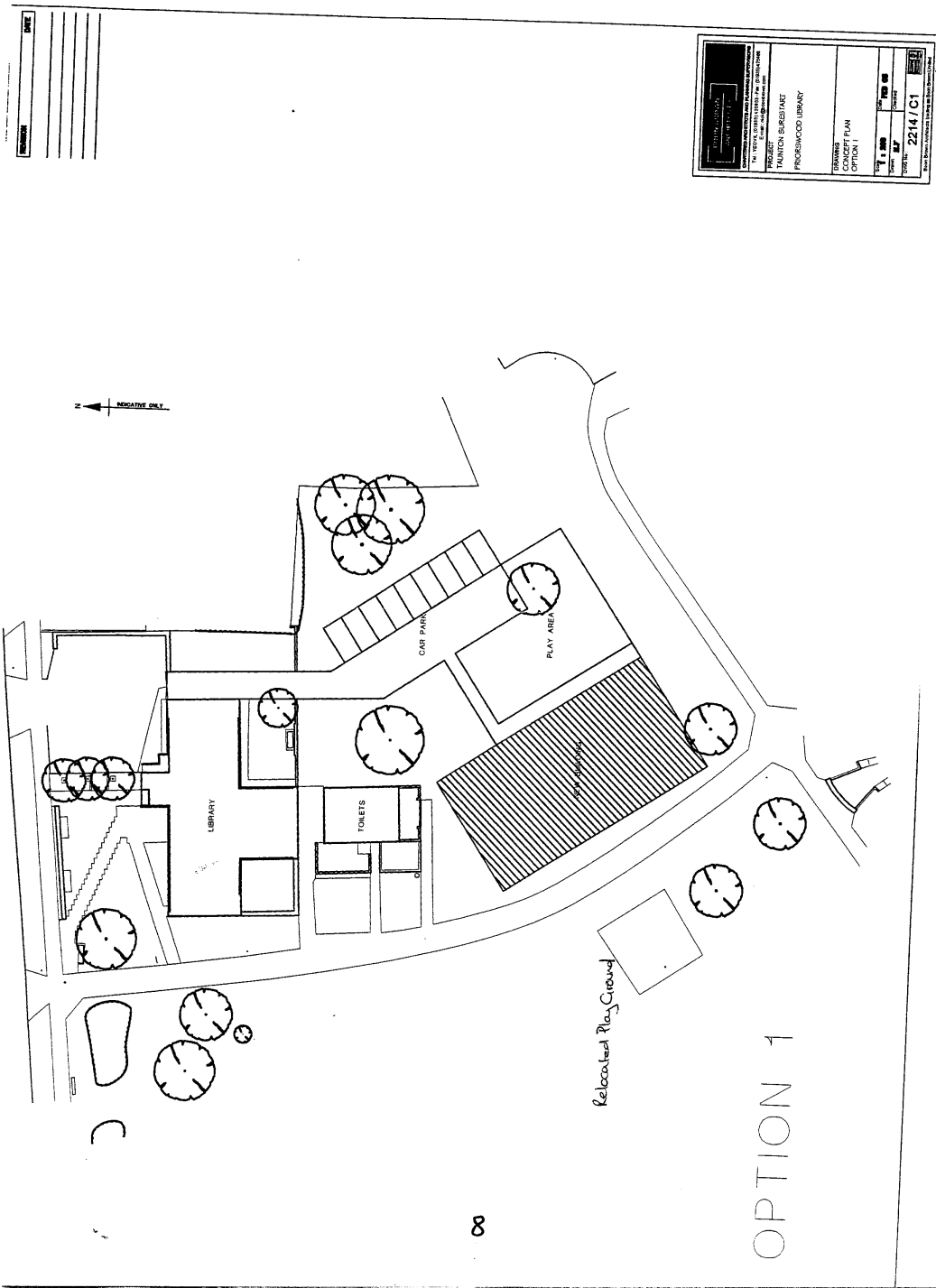
I trust the enclosed information is sufficient for your immediate report to the Executive Committee but do contact me if you require anything further.

Yours sincerely



Keith Snelling
Principal Surveyor
for Symonds Group Ltd

cc: Nick Francis – Boon Brown Partnership
Dave Evans
Chris Sherman – Somerset County Council
John Bazley – Sure Start Taunton (Programme Manager)

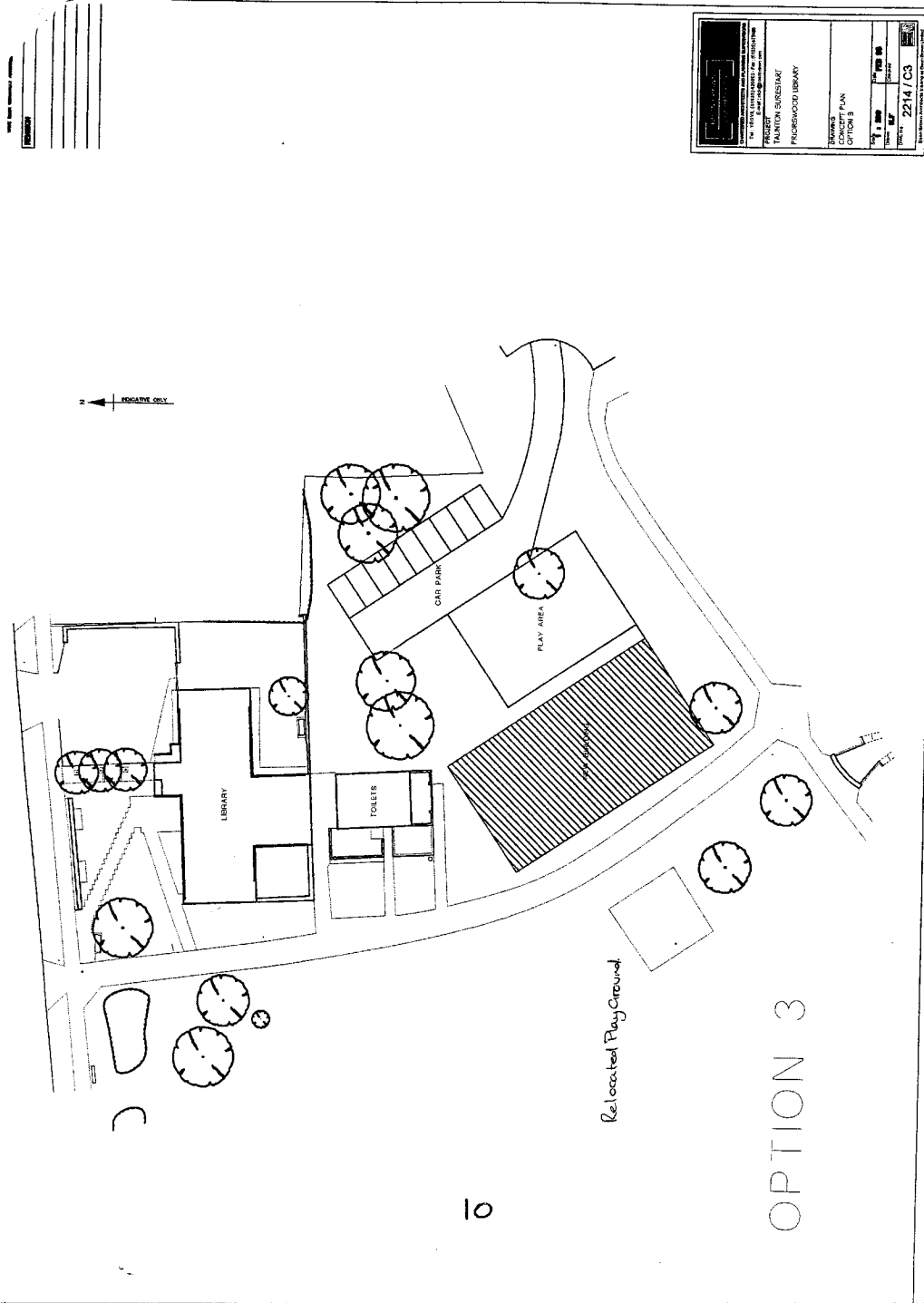


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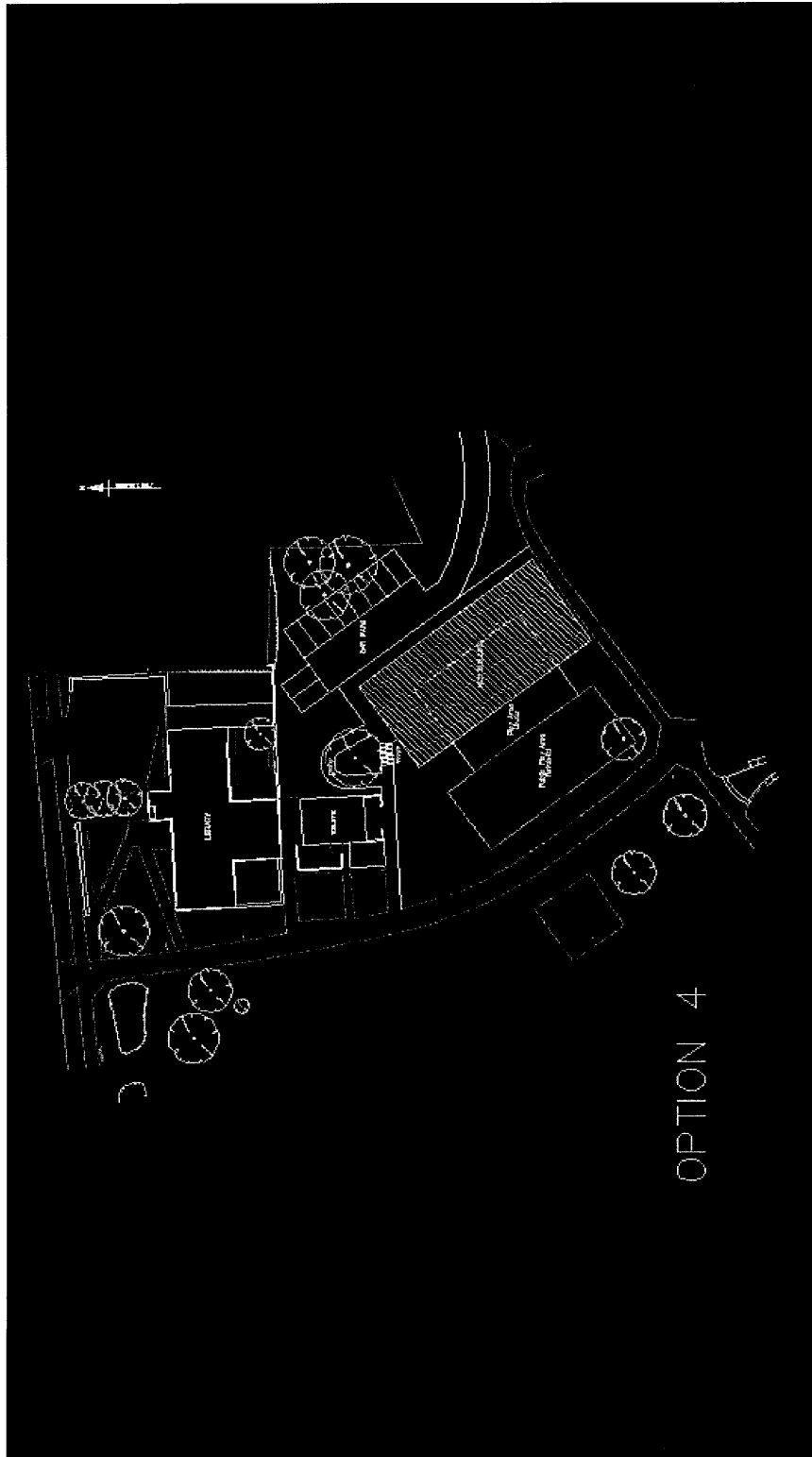
PROGRESSWOOD LIBRARY	
THE TOWN OF WINNIPEG AND DISTRICTS	
PROJECT: WINNIPEG BURBSHART	
PROGRESSWOOD LIBRARY	
DRAWING: LAYOUT PLAN	
OPTION: 1	
DATE: 22/11/02	PROJECT: 2214 / C1
SCALE: AS SHOWN	
DRAWN BY: [Signature]	
CHECKED BY: [Signature]	
APPROVED BY: [Signature]	



PROJECT TAUNTON BURSTFART PRINCESWOOD LIBRARY	
CONSULTANT CONCEPT PLAN OPTION 2	
DATE	11.03.03
DRAWN BY	...
CHECKED BY	...
SCALE	1:200



PROJECT: TANTON SUBSTANT PROJECT NO: 2003-001 PROJECT DATE: 2003-03-10	
PROJECT: FRUGROSDALE LIBRARY	
DRAWING: OPTION PLAN DRAWING NO: OPTION 3	
DATE: 03/10/03	DRAWN BY: [Name]
CHECKED BY: [Name]	PROJECT: 2214 / C3



TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE – 12th MARCH 2003

REPORT OF THE PRINCIPAL AUDIT & REVIEW OFFICER

(this matter is the responsibility of Jefferson Horsley, Executive Councillor responsible for Best Value and Performance Indicators)

ANALYSIS OF 2001/02 STATUTORY PERFORMANCE INDICATORS

1. Purpose

- 1.1 To report the Council's relative performance in respect of the 2001/02 statutory performance indicators.

2. Background

- 2.1 The 2001/02 statutory performance indicators were released to councils for comparative purposes early in 2003. This allowed the Council to consider its own performance across over 60 performance indicators. The full analysis was circulated to all Councillors in February 2003.

3. Report Summary

- 3.1 The analysis of statutory indicators revealed that overall TDBC's relative performance is very good, based on the following information:
- 44% (28) of the 63 indicators rank amongst the top 25% of performers nationally
 - Just 8% (5) rank amongst the bottom 25% of performers nationally, an improvement of 14%
 - 67% of indicators have either improved or remained constant between years
 - Performance ranks well above average in comparison with our Nearest Neighbours group and the other Somerset Districts
 - TDBC's Council Tax precept in 2001/02 was 66th lowest of 238 councils (ie there are only 65 other district councils with a lower precept)
- 3.2 Overall this is a significant step forward on our already good 2000/01 performance, of which the District Auditor recently stated that TDBC "...is performing at a level well above average in most areas with service expenditure that is below average."
- 3.3 In preparing for the Council's inspection within the Government's proposed Comprehensive Performance Assessment (CPA) it is important that we can clearly demonstrate that not only is the Council aiming to be a top service performer but that we have clear evidence of success.

- 3.4 The report also included details of the Council's intention to improve the small number (5) of lower quartile indicators.

4. Financial Implications

- 4.1 None

5. Effect on Corporate Priorities

- 5.1 The suite of statutory indicators measures how the council is performing across key services, which contribute to the delivery of all six Corporate Priorities. Good local performance is therefore important to demonstrate achievement and improvement.

6. Recommendation

- 4.1 The Executive is asked to note:
- (i) The Council's very good performance in respect of the 2001/02 statutory performance indicators.
 - (ii) The Council's intention to improve the small number of lower quartile indicators.

Contact Officer:

Adrian Gladstone-Smith, 01823 356397, a.gladstone-smith@tauntondeane.gov.uk

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE

WEDNESDAY 12TH MARCH 2003

REPORT OF THE FINANCIAL SERVICES MANAGER

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

TREASURY MANAGEMENT STRATEGY STATEMENT FOR 2003/2004

1. PURPOSE OF REPORT

- 1.1** The purpose of this report is to present the strategy for treasury management activity for the financial year 2003/04.

2. INTRODUCTION

- 2.1** This Treasury Management Strategy details the expected activities of the Treasury management function in 2003/04, and outlines the objectives to be adopted. The Executive must approve the Strategy prior to the start of the financial year to which it applies. The strategy for 2003/04 is based upon the Financial Services Manager's views on interest rates, supplemented with forecasts provided by the Council's treasury advisors. The strategy covers:

- the current treasury position;
- treasury limits in force which will limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- the investment strategy;
- minimum revenue position;
- the extent of debt rescheduling opportunities

- 2.2** Sector Treasury Services Ltd are the Council's current treasury advisors, and part of their service is to assist the Council formulate a view on interest rates, as stated in 2.1. Appendix A draws together a number of current City forecasts for short term and longer fixed interest rates.

3. CURRENT PORTFOLIO POSITION

3.1 The Council's treasury portfolio position at 27/02/03 comprised:

	Principal	Av'gRate
Borrowing:		
Fixed Rate Funding PWLB	£22,047,265	
Local Market Bond	£ 200	
Other Miscellaneous Loans	£ 90,512	
Total Debt	£22,137,977	6.80%
Investments: <small>*(see Appendix B)</small>		
Money Market Investments	£15,850,000	
Abbey National Business Reserve Acc't	£ 1,000,000	
Royal Bank of Scotland Bus. Res. Acc't	£ 1,400,000	
Total Investments	£18,250,000	3.96%

4. TREASURY LIMITS FOR 2003/2004

4.1 In accordance with Section 45 of the Local Government and Housing Act, 1989, the Treasury limits set by Council on 25th February 2003 are:

Overall Borrowing Limit £44,000,000

The maximum proportion of the borrowing limit that may be outstanding by way of short-term borrowing. 25%

The maximum proportion of total borrowing that is subject to variable rate interest. 50%

5. PROSPECTS FOR INTEREST RATES

5.1 Until very recently, the basic rate was anticipated to remain stable at 4% throughout 2003. Whilst downward pressure arose from weak manufacturing output, deflated equity markets and uncertainty surrounding Iraq, this was compensated for by the risks to inflation arising from the prospect of still further house price increases.

5.2 The reduction of base rate to 3.75% is primarily the result of the Bank of England taking the view that household consumption growth will ease following a reduction in consumer confidence, and that house price inflation will fall to zero over the next two years.

5.3 Interest rate levels are now considered by the Bank to be at the right level to enable their 2.5% inflation target, in association with which they have revised their growth forecast down from 3.1% to 2.5%.

However, the consensus market view is that growth could be lower, which could result in a further 0.25% fall in the Base rate, within an environment that could cause it to go lower still.

- 5.4 As a consequence of the above, short term interest rates will broadly match the base rate, whilst long-term rates (which have implications only for any new borrowing carried out by the Council) can be expected to fluctuate within a band broadly 1% above this level.

6. EXTERNAL BORROWING STRATEGY

- 6.1 The Council's external borrowing arises from the long term financing of its capital programme. The level of borrowing at 31st March 2003 will be some £22 million and will remain at this level throughout 2003/04. The aggregate of external borrowing comprises mainly 16 loans with the Public Works Loans Board, none of which fall due for repayment within the next financial year.

- 6.2 Until recently, the Council has used some of its own fund balances to finance temporarily what would otherwise be an external borrowing liability. However, continuing levels of Council house sales have resulted in releasing cash used to repay our debt and reduce the need to use these funds. This has freed these funds for use in temporary investments and brought our actual debt back inline with the external borrowing liability. Approximately 80% of the Council's external borrowing liability represents housing debt, for which an annual subsidy is received by the Housing Revenue Account to cover the revenue costs of interest and repayment provision.

- 6.3 The Council's external borrowing strategy for 2003/04 is, as a consequence of the above, to simply maintain the existing debt portfolio, and to consider rescheduling opportunities should it be considered opportune to do so.

7. SHORT-TERM INVESTMENTS STRATEGY

- 7.1 The Council's short-term investments comprise of revenue balances, reserves and provisions (some £10 million at 31st March 2002) together with any other cash flow surpluses that arise on a relatively consistent, whilst varying basis.

- 7.2 The downward movement of base rate referred to above means that the short terms deposits that are provided for under regulation as "approved investments" will similarly be lower.

- 7.3 Although it is possible to invest for varying periods within the 12 month time band allowed by the Approved Investment Regulations for most forms of investment, differentials have become much more narrow. Consequently it is proposed that for the time being, opportunities should be taken to optimise returns within these parameters.

One example is the use of a Business Reserve Account, which secures rates for at least monthly periods, whilst also offering instant access.

8. MINIMUM REVENUE PROVISION

- 8.1 Repayment of both HRA and General Fund debt will be accounted for at 2% (HRA) and 4% (Gen Fund), the minimum permissible under the regulations.

9. DEBT RESCHEDULING

- 9.1 Debt rescheduling if appropriate will be carried out to lengthen the debt portfolio maturity in line with the interest rate scenario and strategy outline in section 6 above. This will be done in consultation with our advisers, Sector, who will monitor the situation closely in order to ensure the best interests of the Council are maintained.

- 9.2 The purpose of any rescheduling will be to:

- generate cash savings at minimum risk;
- help fulfil the strategy outlined in Section 6 above; and
- enhance the balance of the long-term portfolio (amend the maturity profile and/or the balance of volatility).

- 9.3 Any rescheduling will be reported to the Executive in the next treasury management activity report in six months time.

10. RECOMMENDATION

- 10.1 Members of the Executive are requested to approve the proposed Treasury Management Strategy outlined in this report.

Contact Officers: Shirlene Adam
Financial Services Manager
(01823) 356 418
s.adam@tauntondeane.gov.uk

Stephen Murphy
Trainee Accountant
(01823) 331 448
j.murphy@tauntondeane.gov.uk

INTEREST RATE FORECASTS

The data below shows a variety of forecasts published by a number of institutions. The first three are individual forecasts including those of UBS and Capital Economics (an independent forecasting consultancy), who both provide our economic forecasting. The final two represent summarised figures drawn from the population of all major City banks and academic institutions. The current data shows the rates at the time of issue, not necessarily current rates. The forecast within this strategy statement has been drawn from these diverse sources and officers' own views.

INDIVIDUAL FORECASTS

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

(%)	Current	Q1 2003	Q2 2003	Q3 2003	Q4 2003
Base Rate	3.75%	3.75%	3.75%	3.75%	3.75%
10 year gilt	4.23%	4.50%	4.50%	4.50%	4.50%
30 year gilt	4.28%	4.25%	4.25%	4.25%	4.25%

Capital Economics interest rate forecast – February 2003

(%)	Current	Q1 2003	Q2 2003	Q3 2003	Q4 2003	Q1 2004	Q2 2004
Base Rate	3.75%	3.75%	3.50%	3.50%	3.50%	3.50%	3.50%
10 year gilt	4.23%	4.60%	4.50%	4.40%	4.20%	4.20%	
20 year gilt	4.28%	4.60%	4.50%	4.50%	4.40%	4.40%	

HSBC interest rate forecast – December 2002

(%)	Current	Q1 2003	Q2 2003	Q3 2003	Q4 2003
Base Rate	4.00%	4.00%	4.00%	4.00%	4.00%
10 year gilt	4.23%	4.50%	4.30%	4.20%	4.20%
30 year gilt	4.28%	4.40%	4.40%	4.40%	4.30%

SURVEYS OF ECONOMIC FORECASTS

HM Treasury - summary of 35 independent forecasters views of base rate – as at January 2003 (2004 - 2006 are as at November 2002 but are based on 11 forecasts)

(%)	2003	2004	2004	2005	2006
	Year end	Year end	Average	Average	Average
Average	4.27%	4.59%	5.14%	5.12%	4.81%
Highest	5.00%	6.40%	6.10%	5.60%	5.00%
Lowest	3.01%	3.00%	4.60%	4.90%	4.50%

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

(%)	Feb – 03	May – 03	Feb - 04
3 month interbank - average	3.60%	3.80%	4.20%
High	3.60%	4.70%	5.20%
Low	3.60%	3.50%	3.00%
10 year gilt yield – average	4.20%	4.40%	4.70%
High	4.20%	4.90%	5.30%
Low	4.20%	4.10%	3.90%

APPENDIX B

ANALYSIS OF INVESTMENTS

Investments represent the temporary flux of cash balances of the Council that may be used to invest until such time as they are required to meet our revenue and capital expenditure. Currently there are three main options available when investing temporary surplus cash, general money market deposits, treasury deposits with TDBC bankers, Nat West and deposits in TDBC's Business Reserve Accounts held by Abbey National plc and Bank of Scotland plc. Details of these can be found below:

Money Market Investments:

<u>Investment with:</u>	<u>Amount (£)</u>	<u>Maturity Date</u>
Chelsea Building Society	1,000,000	13/05/2003
Cheshire Building Society	1,000,000	28/02/2003
Coventry Building Society	1,000,000	16/04/2003
Dexia Banque Int'l a Luxembourg	1,500,000	21/03/2003
Hamburgische L B, Germany	1,500,000	03/03/2003
Leeds & Holbeck Building Society	1,000,000	21/05/2003
National Australia Bank	1,500,000	15/08/2003
Nationwide Building Society	1,500,000	17/04/2003
Newcastle Building Society	1,000,000	03/04/2003
Portman Building Society	1,500,000	18/03/2003
Scarborough building Society	1,500,000	18/03/2003
Stroud & Swindon Building Society	500,000	20/03/2003
West Bromwich Building Society	1,350,000	06/05/2003
Total	15,850,000	

National Westminster Treasury Deposits:

No deposits were held with Nat West at the time of this report.

Abbey National Business Reserve Account:

As at 27/02/2003 there is **£1,000,000** on deposit in the Abbey National Business Reserve Account. This is available for immediate use.

Bank of Scotland Business Reserve Account:

As at 27/02/2003 there is **£1,400,000** on deposit in the Bank of Scotland Business Reserve Account. This is available for use following a thirty-day notice period.

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE 12TH MARCH 2003

REPORT OF FINANCIAL SERVICES MANAGER

This Matter Is The Responsibility of Executive Cllr Horsley (Leader of the Council)

RISK MANAGEMENT STRATEGY

1. Purpose of Report

1.1 To consider the strategy for risk management within Taunton Deane Borough Council.

2. The Background

2.1 This Council already have a Risk Management Panel that deals very effectively with operational risk management. It focuses on developing strategies to reduce the cost of claims against the authority and on minimising the risk of financial losses and disruption to the efficient delivery of services to the community.

2.2 The attached Risk Management Strategy expands upon that focus, and will allow the Council to encompass all business risks into a robust and consistent process. It concentrates on strategic risk management and will help ensure that this Council not only minimises risks, but maximises opportunities, and makes the right decisions based on complete information.

3. The Proposal

3.1 The attached Risk Management Strategy sets out the process adopted at this Council for identifying, evaluating, and maintaining all significant risks.

3.2 The process has now been completed for the Corporate Management Team, and will be rolled out throughout the organisation over the next year or so.

3.3 The limits set by the Council in February 2002, as set out in paragraph 4.1 below, have been in place for a number of years now, and are still considered to be adequate for the authority's needs. No changes are therefore proposed.

4. Recommendation

4.1 The Executive is recommended to approve the attached Risk Management Strategy.

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Taunton Deane Borough Council

Risk Management Strategy

1. Introduction

- 1.1 This document forms Taunton Deane Borough Council's Risk Management Strategy. It sets out:
- ◆ What is meant by risk management
 - ◆ Why we need a risk management strategy
 - ◆ The philosophy of our risk management
 - ◆ An overview of the methodology to be adopted and its links with existing processes
 - ◆ A summary of the implementation timetable
 - ◆ An outline of the associated roles and responsibilities of members, the Chief Executive and Directors and other employees.
 - ◆ A summary of future monitoring and reporting lines for risk management
- 1.2 The objectives of the strategy are to:
- Focus our work on risk management and raise its profile across the Council
 - Integrate risk management into the culture of the organisation
 - Embed risk management through the ownership and management of risk as part of all decision making processes
 - Manage risk in accordance with best practice
 - Create effective processes that will allow the council to make risk management assurance statements annually
- 1.3 This strategy outlines how Taunton Deane Borough Council is taking on its responsibility to manage risks and opportunities using a structured and focused approach.
- 1.4 A risk is the threat that an event or action will affect Taunton Deane's ability to achieve its objectives or make it vulnerable financially or operationally. Risk is all about the ability to capitalise on the positive opportunities as well as managing the downside risks.

2. What is risk management?

- 2.1 Risk Management can be defined as:
- A framework that enables Taunton Deane to identify, analyse, manage, monitor, and report risks in a way that will enable the Council to minimise losses and maximise opportunities.
 - "The management of integrated or holistic business risk in a manner consistent with the virtues of economy, efficiency and effectiveness. In essence it is about making the most of opportunities (making the right decisions) and about achieving objectives once those decisions are made. The latter is achieved through controlling, transferring and living with risks" ZMMS/SOLACE, Chance or choice?, July 2000.
- 2.2 Risk management is a big element of management and planning in providing the safe delivery of economic, efficient, and effective Council services. It is recognised as an integral part of good management practice. To be most effective, risk management should become part of this Council's culture. It should be part of our philosophy,

practices and service plans rather than viewed as a separate initiative. When this is achieved, risk management becomes the business of everyone in the organisation.

- 2.3 Taunton Deane already have a Risk Management Panel that focuses on developing strategies to reduce the cost of claims against the Authority and to minimise the risk of financial losses and disruption to the efficient delivery of services to the community.
- 2.4 This strategy expands upon that focus, to encompass all business risks into a robust and consistent process to ensure that this Council can make the most of its opportunities and make the right decisions based on complete information.

3. Why do we need a Risk Management Strategy?

- 3.1 Risk management will strengthen the ability of the Council to achieve its objectives and enhance the value of services provided, to make Taunton Deane a place where people want to live, work and are able to enjoy a high quality of life.
- 3.2 Strategic risk management is also an integral requirement of the Comprehensive Performance Assessment and as such is an important element in demonstrating continuous improvement.
- 3.3 Finally risk management is also an essential part of the CIPFA/SOLACE framework on Corporate Governance that is to be adopted by all Authorities in 2002/03. The framework requires each Council to make a public assurance statement annually, on amongst other areas, the Council's risk management strategy, process and framework. The Framework also requires the Council to establish and maintain a systematic strategy, framework and processes for managing risk.
- 3.4 The assurance statement is disclosed in both the Annual Statement of Accounts and the Best Value Performance Plan and is signed by the Leader of the Council and the Chief Executive.

4. What is our philosophy?

- 4.1 The Council will seek to embed risk management into its culture, processes and structure to ensure that opportunities are maximised. The council will seek to encourage managers to identify, understand and manage risks, and learn how to accept the right risks. Adoption of this strategy must result in a real difference in the Council's behaviour.

5. What is the Risk Management Process?

- 5.1 Implementing the strategy involves identifying, analysing, managing and monitoring risks.
- 5.2 The identification of risks is derived from both a 'top down' (corporate) and a 'bottom up' (departmental) process of risk assessment and analysis resulting in coverage of the whole Council. The process then prioritises the risks by focussing on their impact and the likelihood of the risks occurring. The risks are then managed through the

development of appropriate action plans and fed into overall service plans and the Council's corporate plan.

5.3 Further detail on the process is contained in the Risk Management Implementation Plan.

6. How will it feed into our existing processes?

6.1 The risk registers resulting from the process will be attached as an Appendix to service, directorate and corporate plans. Risk management will become an essential element to establishing policy, developing plans and enhancing operational management.

6.2 Risk management will also be integrated into the Best Value process by carrying out the first four steps of the risk management process for each of the service delivery options and feeding the results of that analysis into the option appraisal. This can help to narrow down the options for future service delivery. It can also be used as mechanism of identifying areas of service improvement.

6.3 The risk management methodology will also be adopted for significant individual projects and will be used to strengthen all decision-making processes.

7. How will this be implemented?

7.1 A detailed implementation plan has been developed to support the strategy. The following is a summary of the overall timetable:

Action	Target Date	Responsibility of	Comment
Raise awareness of strategic risk management as effective management tool.	September 2002	Chief Executive	Completed.
Provide relevant training for key staff to ensure effective adoption of the risk management methodology	November 2002	Chief Executive	Completed. Four officers received intensive training by Zurich. These four officers (referred to as the Risk Mgt Team), will lead and co-ordinate the implementation of strategic risk management in the Council.
Corporate assessment (by CMT) of strategic risks facing the authority. Risk register produced with clear allocation of responsibilities.	Sept – February 2003	Risk Mgt Team	Completed. Risk register now in place and will be monitored at six monthly intervals.
Develop Strategy, report to CMT and recommend for approval by Council	End of February 2003	Risk Mgt Team	
Include template for risk management registers to slot into existing service and directorate plans. Update service planning guidance.	June 2003	Head of Performance	
Directorate assessments of strategic risk, including the production of risk registers with clear allocation of responsibilities.	April – March 2004	Directors and Risk Mgt Team	

8. What are the different roles and responsibilities?

8.1 The following describes the roles and responsibilities that members and officers will play in introducing, embedding and owning the risk management process:-

Members

8.2 Elected members are responsible for governing the delivery of services to the local community. Members have a responsibility to understand the strategic risks that the Council faces, and will be made aware of how these risks are being managed through the annual strategic and service planning process. They will also be kept informed on the management of those risks through the regular performance management reports.

8.3 In summary, Member's key tasks are:-

- Approving the risk management strategy and implementation plan.
- Monitoring the Council's risk management and internal control arrangements via a report on performance management (Key Performance Indicators).
- Commissioning and reviewing an annual assessment of the effectiveness of the risk management and internal control framework
- Approving the public disclosure of the annual outcome of this assessment (the assurance statement), and publish it in the annual Statement of Accounts and the Best Value Performance Plan.

Chief Executive and the Corporate Management Team

8.4 The Chief Executive and the Corporate Management Team are pivotal in the promotion and embedding of risk management by managing a culture change within the council. The successful outcome of this culture change will be risk management practised throughout the organisation as part of usual activities.

8.5 The Chief Executive and CMT's key tasks are:-

- Recommending to the Executive the risk management strategy and subsequent revisions thereof.
- Support and promoting risk management throughout the Council
- Actively identifying, assessing and monitoring corporate strategic risks on a regular basis

Directors

8.6 Directors will demonstrate their commitment to risk management through:-

- Being actively involved in the identification and assessment of strategic risks.
- Incorporating the risk management process into service planning processes.
- Encouraging staff to be more innovative and recognising their achievements. Encouraging staff to be open and honest in identifying risks or missed opportunities.
- Ensuring that the risk management process is part of all major projects and change management initiatives.
- Monitoring and reviewing regularly relevant PI's to reduce or control the significant risks.

Head of Service / SUMs

8.7 Heads of Service and SUMs will take on the role of risk champions. They will promote best practice and drive risk management forward within directorates. They will be responsible for ensuring that the risk management process is being applied at

the key stages of planning, projects and major change initiatives. Risk champions will receive support as necessary from the risk management team.

- 8.8 All managers need to understand their role in the risk management process and why they should be concerned with risk in order to achieve their objectives. They need to know how to evaluate risks and when to accept the right risks in order to pursue an opportunity.

Risk Management Team

- 8.9 The risk management team will be responsible for:
- ◆ co-ordinating the adoption of risk management across the Council
 - ◆ addressing the initial implementation of the risk management strategy and plan
 - ◆ annually reviewing the risk management strategy
 - ◆ act as a link between the directorates on risk management issues
 - ◆ provide guidance and advice to the Directors and Heads of Service
 - ◆ facilitate the adoption of the new reporting framework and planning processes
 - ◆ act as a link with the Risk Management Panel and CMT

Risk Management Panel

- 8.10 This is an established and effective group and will continue to focus on the management of operational risks. In doing so it will have a key role in ensuring that the Council meets the requirements of Corporate Governance reporting. It will be pro-active as well as reactive, building on the existing best practices and will seek to resolve, help and advise managers to improve and overcome operational issues so that they do not develop into major risks. They will seek to share best practice across the Council, and link with other local Councils in the pursuit of knowledge and learning. Membership of the group will be reviewed to ensure each Directorate is represented, together with staff from the following areas:-

Insurance Officer
DLO / DSO
Staff-Side & Union
Personnel Services
General Office Services
Health & Safety Representatives

This new Panel will take on the existing roles of both the Health & Safety Committee and the Risk Management Panel. Minutes and agendas for this Panel will be prepared and published on the Councils intranet.

Role of Audit

- 8.11 Internal audit's role is seen as challenging established processes, challenging risk identification and evaluation and providing assurance to officers and members on the effectiveness of controls. They will be responsible for undertaking an annual assessment of the Council's risk management and internal control mechanisms as part of the review of corporate governance arrangements.

9. How will the monitoring and reporting of risk management happen?

- 9.1 A framework of monitoring and reporting will be established that will allow:-
- An annual review of the risk management strategy by CMT
 - Quarterly monitoring of the effective management of risks through existing performance management mechanisms including regular reporting on service and corporate performance indicators to CMT and members.

- An annual review of the overall process and effectiveness of risk management and internal control by Internal Audit.
- A six monthly report from the Risk Management Panel informing CMT of its activities and highlighting operational risk management issues that will affect the Council.

10. Conclusion

- 10.1 The adoption of a sound risk management approach should achieve many benefits for the Council. It will assist in demonstrating that the Council is continuously improving and will go a long way to demonstrating effective corporate governance.
- 10.2 The challenge is to implement a comprehensive risk management process without significantly increasing workloads. This should be achieved in part by making risk management part of existing processes and reviews rather than treating it as a separate function

**REPORT OF DAVID GARY, PROJECT MANAGER TO THE
EXECUTIVE ON 12TH MARCH 2003**

[This report is the responsibility of Portfolio Holder Councillor Paul Partington]

SOMERSET DIRECT – PROGRESS REPORT

1. Purpose of the report.

- 1.1 To bring members up to date with the progress being made on the Somerset Direct Partnership project, and to recommend that further work proceeds aimed at completing the project.

2. Background.

- 2.1 The following is a brief reminder for members of what the project consists of and is aiming to achieve.
- 2.2 Somerset Direct can be broadly described as a "virtual call-centre" – i.e. one where call centre technology is used – not only to provide a quicker and consistent service to the caller – but also in a way which makes better use of expensive technical staff ("back office staff"). In other words its aim is to provide the public with all the best elements of a call centre – without its worst elements.
- 2.3 We (i.e. the County and 5 districts) have been given substantial financial support by the government to get this pilot project up and running in about a year's time. Broadly what we see happening is that (in the longer term) the public will be given a single phone number for all local services throughout the county – wherever they live and whoever provides the service they are enquiring about.
- 2.4 Rather than going through a switchboard and on to one or more technical officers (the "back office") the caller would instead be connected to the first officer of whichever authority who became available. These "front office staff" would consist of a range of staff in each authority who would be chosen particularly for their customer skills.
- 2.5 They would be empowered in various ways to deal with a substantial range of transactions themselves - leaving hopefully about 30% of calls which would need still to be routed on to more expensive professional/technical back-office staff. If successful this project would therefore deliver a better service to the public – and at a lower cost.
- 2.6 During 2002 members were given presentations on the early progress of the Somerset Direct Project. Since then a number of steps forward have been taken:-
- An officer management team has been formed
 - A full time Project Officer has been appointed for Taunton Deane
 - A Project Implementation document has been created,
 - Joint project principles have been agreed with the partners

- The joint project has also developed a full implementation plan and Management structure
- 2.2. The project partners are the five district councils of Somerset, and Somerset County Council. SCC is the lead authority and will take responsibility for the signing of contracts with future suppliers.

3. Current Issues.

- 3.1 Procurement. The Somerset Board (on which we are represented by Cllr Partington and the Chief Executive), have - through its officers - agreed a revised set of 'high level principles' for the project. These are contained in full in the TDBC Project Initiation Document. The development of these principles has allowed the production of an agreed Statement of Requirements, a document that allows potential contractors to understand what the project requires the software/ hardware to produce.
- 3.2 The procurement process is now entering its final phase, with a final 'no turning back' decision required by the 4th July 2003. It is at that point that a decision will need to be made to commit to the procurement of the software and hardware that will sustain the project into the future. Although the project is centrally funded, the selection of the suppliers will need to take into account the ongoing costs to which any contract will commit the partners. After that point of commitment, significant costs would arise were any of the partners to seek to withdraw from the project.
- 3.3 Five companies have been short-listed from the initial 30 who expressed interest in the notice inserted in the Official Journal of the European Community (OJEC). The OJEC procedure is a Europe-wide requirement designed to ensure that suppliers across Europe have full access to larger procurement contracts. The Notice was placed in OJEC by the County Council on behalf of the partnership. Site visits by the partners will be taking place shortly with the aim of understanding what each contractor has to offer.
- 3.4 Business Case. The business case is still being worked on. Much work needs to be done in order to establish how we shall ensure the project is cost neutral. Currently Mike McLaughlin (our IEG manager) is working on figures that will give the project a 'benchmarking' facility to pitch against final costs when they are declared by the suppliers. There are risks associated with the re-engineering of business processes (which step is necessary in order to enable the "back office/front office" split). Work is currently in hand on this. Current indications on cost suggest that they may not be as high as the project bid document at first envisaged.
- 3.5 Staffing. This council's Project Manager (David Gary) is currently working on the effects of staffing and business processes.
- 3.6 There is currently an issue upon which legal advice is being taken concerning some aspects of data protection principles.

4. Partnership Legal Issues.

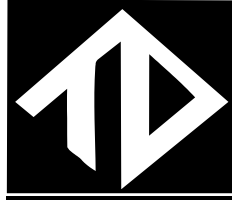
- 4.1 For the partnership to be successful it is essential that it works and that the partners are contributing and are fully committed to the project. That is not fully the case as this paper has gone to press. Currently, Sedgemoor District Council has decided to put a paper to its

Executive recommending that they cannot proceed with the project in its current form. The effect of that is still being clarified with the Office of the Deputy Prime Minister.

- 4.2 Until now the partners are not legally bound into the project. There is, however, likely to be a memorandum of understanding that places obligations on the partners - particularly after the signing of contracts with suppliers.
- 4.3 Taunton Deane has previously signed up to the vision of this project and its objectives of enhancing the service given to our public. It is acknowledged that constant management and a robust costing will be required in order to produce a business case when prices become firm. The Council's Project Board (headed by the Chief Executive) will monitor these issues, and report to members on a regular basis.
5. Fall Back position
 - 5.1. There are several potential 'showstoppers' to the project:-
 - The withdrawal of a partner – and the potential for a domino effect being created.
 - The eventual overall cost of the project.
 - The partnership may find it needed to develop into a joint legal entity - which some of the partners may find unacceptable.
 - 5.2. In any of the above cases, we believe that this Council could build a solution for Taunton Deane alone, and contingency plans are being worked upon.
6. Recommendations
 - 6.1 Members note the report and support the continuation of the membership of the project subject to a robust business case.
 - 6.2 In the event of a partnership failure the officers should pursue the option of this Council putting in place a system similar to Somerset Direct using the same technology for Taunton Deane.

DAVID GARY
Project Manager

Contact Officer: David Gary, Direct Line No. (01823) 356425



TAUNTON DEANE BOROUGH COUNCIL

LOCAL IMPLEMENTATION PLAN

**Version Finalised
5th February 2003**

PROJECT INITIATION DOCUMENT TDBC

1.INTRODUCTION AND BACKGROUND

1.1 What is it?

- SD is a way of using technology to enable the citizen to access our information and services quickly and reliably.
- From the citizens' viewpoint our aim is that one call to one number will find one person who is enabled to deal with all their needs.
- From the Council's viewpoint it will mean that a wide range of staff (perhaps at varied locations) will be given access to greater knowledge and information to enable them to deal with most enquiries without the need to involve others.

1.2 How is it done?

- Its done by making available the knowledge and expertise of our technical staff to those who regularly deal with the public.
- This is done by using the best of this expertise, the best of technology and making it available through those chosen and developed for the best skills in handling the public.
- To do this a range of our staff trained in these skills will have access – via our IT systems – to the wide knowledge base of information and services we have available. And they will have immediate access to that – whilst dealing with each caller.

2. PROJECT SCOPE

2.1 The project's scope will need to fundamentally examine the way every service within Taunton Deane BC deals with enquiries from the public.

2.2. SomersetDirect will provide technology to enable staff to deliver improved services to the public, and provide citizens with quicker and easier access to all council services.

2.3. The project is a joint project with our partners being Somerset County Council, Mendip District Council, Sedgemoor District Council, West Somerset District Council and South Somerset District Councils. Financial arrangements and overall management are with the project manager who is based at the County Council.

2.4. This document deals with the implementation of Somerset Direct within TDBC. Reference to the overall project is limited to the issues that affect the TDBC implementation.

3. SOMERSET DIRECT PRINCIPLES

The Officer Steering Group has drafted the following principles that underpin the project and give further clarification for those working on the project. The principles are not in any order of importance.

1. There should be themed telephone numbers:
 - based on public consultation
 - kept to the smallest possible number
 - variations in approach between authorities not being ruled out.
2. Minimum standards to be agreed for all services that will be represented in the front office:
 - basic information which all authorities will need to be able to provide
 - a phasing in programme with different authorities piloting different services in an agreed sequence
 - all services to be included in the front office by 31st December 2005
 - 80% of all enquiries to be fulfilled by the front office by 31st December 2005 (this includes completion of transactions)
3. Partner authorities to share knowledge and experience openly:
 - all knowledge and experiences to be shared as required and within reason to enable partners to benefit from learning elsewhere and to avoid having to reinvent solutions
 - an issue of concern for one partner will be treated as an issue that concerns all partners.
4. Strong emphasis will be placed on equipping staff to provide an enhanced customer service:
 - programmes of cultural change will be implemented by each partner authority
 - training will be provided by the partnership
 - each partner will make its own arrangements to organise back office staff and achieve savings in time.
5. Ongoing costs arising from the project will be kept to a minimum and the project is to be delivered within the agreed capital budget.
6. Simple and fair charging arrangements will be established for operational costs relating to the use of Somerset Direct:
 - wherever possible costs should be locally managed and controlled.
7. Each partner is to initially answer their own calls and provide their own badged service:
 - a more ambitious approach should be developed over time as experience grows
 - partners should actively explore possibilities for call sharing
 - the technical capacity to share calls needs to be built into the system from the outset
 - each local authority to be allowed to trade calls by negotiation from dates agreed between themselves.
8. The aim will be to provide extended working hours and availability of Somerset Direct during evenings and weekends:
 - subject to demand and results of public consultation
 - subject to available finance (i.e. achieving savings from the initial implementation of the project)
 - each authority will produce its own business case for this part of the operation before proceeding
 - it will be desirable to start with a pilot in one authority.
9. Local resilience will be built into the project:
 - local customers will be helped irrespective of adverse circumstances (eg, loss of power within one partner authority)

- local delivery will not depend upon the entire system being available across Somerset
 - partner authorities will provide support to others in times of crisis.
10. Somerset Direct will be designed to be locally sustainable:
- the design needs to provide for local management and operation to continue irrespective of the ongoing performance and commitment of other partners once the project has been delivered.
11. Customer information will be shared across Somerset:
- subject to data protection and other legal requirements
 - the levels of such information will need to be negotiated
 - information will be available to staff at the front desk, websites, and Somerset Direct operators.
12. A project contingency strategy will be drawn up:
- to deal with the possibility of a partner withdrawing during the project development and implementation stage
 - to determine notice periods and allocations of costs should a partner withdraw
 - to deal with other contingencies that may adversely affect the project, either at project development and implementation stage or later.
13. Best project management practice to be used by each partner authority:
- each partner to maintain its own project plans
 - individual project plans to be compatible with the overall plan for Somerset Direct.
14. The project should comply with national standards.
15. Each partner is to be able to make best use of their existing software and hardware without compromising the other overall principles of the project.

4. OBJECTIVES AND BENEFITS

- To significantly improve the effectiveness and the quality of public service for all the people in Somerset.
- To provide improved, consistent and up-to-date information
- To provide flexible and cost effective phone call services
- To obtain savings from electronic service delivery
- To contribute to less abled and rural employment
- To improve 'back office' efficiency by reducing interruption
- To provide extended hours of phone call handling
- To streamline the phone numbers published for services
- To assist all Somerset local authorities in meeting the national 2005 ESD target.

The bid aims to be translated into the following terms for TDBC.

- Multiple issues and enquiries dealt with in a single call
- Life events dealt with at one point of contact (*eg. Moving home*)
- The back office staff being freed from routine enquiries.
- Front office staff will focus on giving excellent customer service
- May result in more staff being able to work from home

- Reduces journeys as telephone enquiry is fulfilled
- Provides consistent information
- Increases the number of services that are delivered electronically.

5. SUCCESS MEASURES.

The project will be deemed a success when in Taunton Deane we are able to say

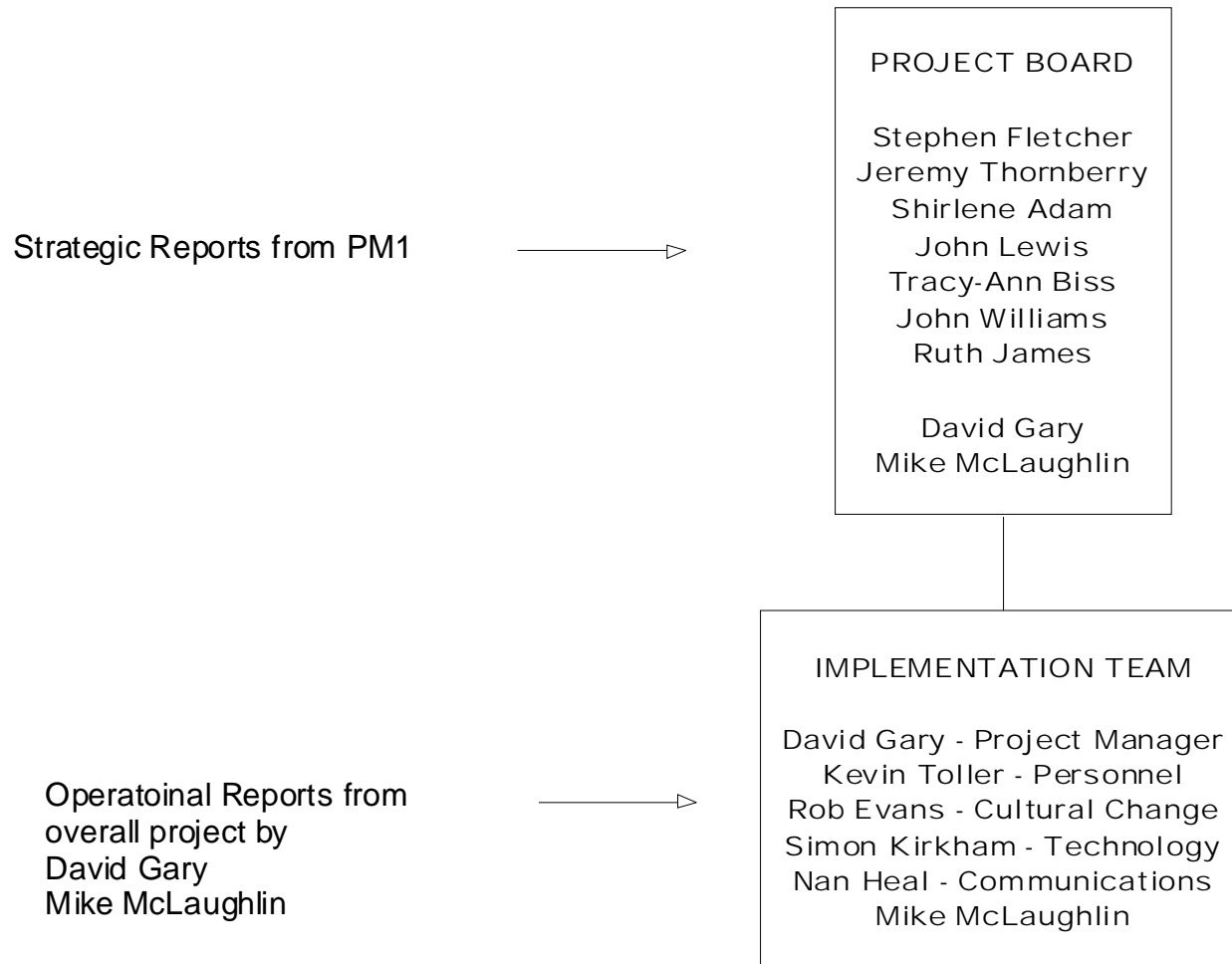
- Information available on the prompting screens is useful, accurate and timely.
- 70% of all incoming calls from members of the public are answered without recourse to the 'back office'.
- Increased ongoing costs are met by consequential savings so that the project complies with the principle of cost neutrality.

The following indicators are suggested as measures/benchmarks on which we will regularly monitor improvement:

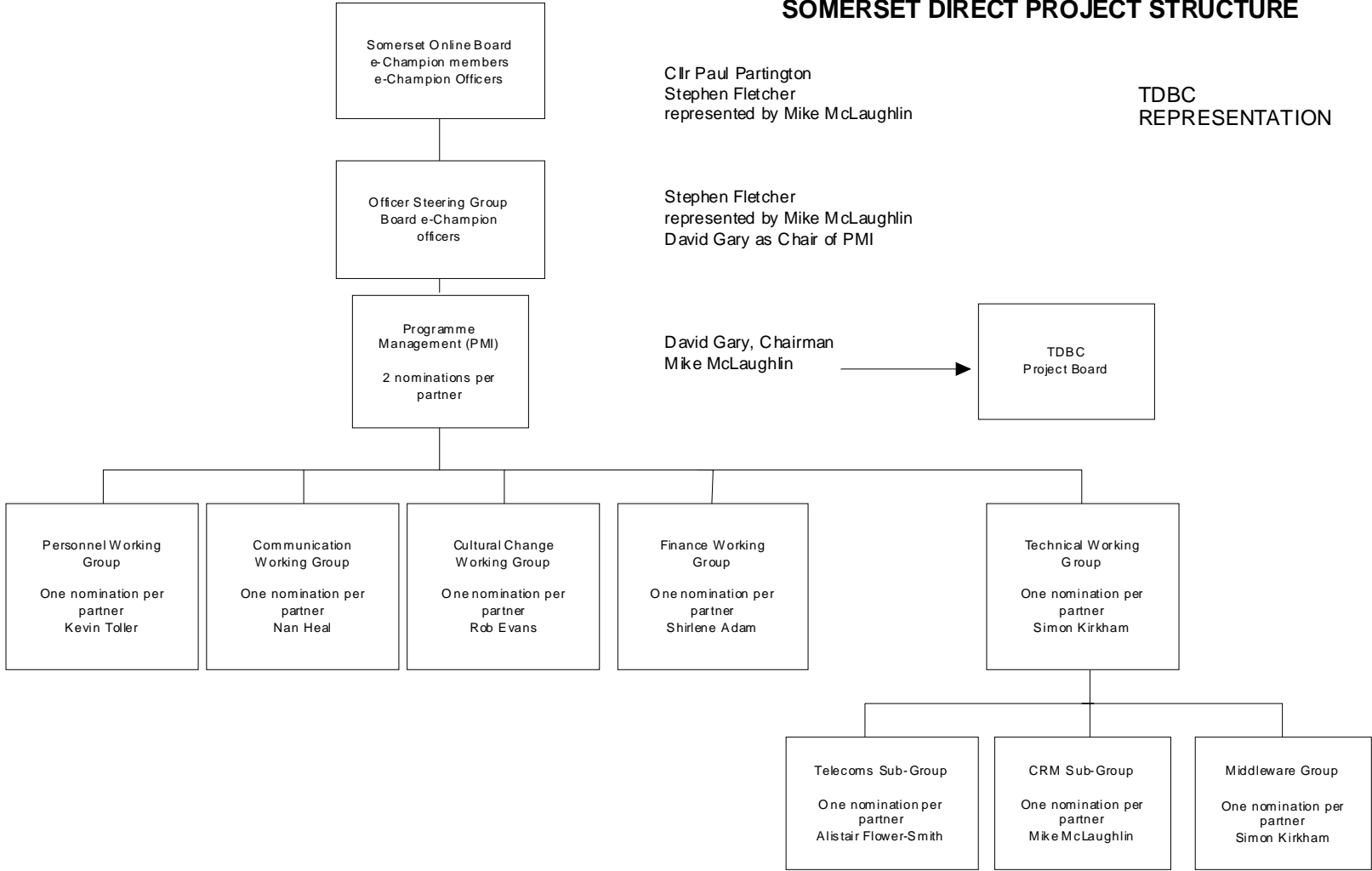
INDICATOR	EVALUATIONS
Improved service and delivery gains	Number of alternative transactions saved Average length of telephone call from public Public satisfaction survey Total staff time saving which results in increased back office effectiveness and/or cash savings. Additional access hours, in consultation with the public. Measure the quality of information given to customers
Joined up Government	The percentage assessment of contribution to IEG Partnership practice and lessons learnt. What ability to support other members.

4. MANAGEMENT OF THE PROJECT

TAUNTON DEANE BOROUGH COUNCIL SOMERSET DIRECT INTERNAL PROJECT



SOMERSET DIRECT PROJECT STRUCTURE



The officer management structure of the project is as follows

GROUP/OFFICER	Responsible for:-
TDBC Project Board Chaired by Stephen Fletcher	Responsible to CMT/ members for the delivery of the project. (see terms of reference)
Project Manager David Gary	Responsible to the TDBC Project Board for the day to day implementation of the project
Egovt Manager Mike Mclaughlin	Responsible for egovt advice, technical support and financial aspects of the hardware/software delivery.
Culture/personnel group Chaired by Project Manger includes Kevin Toller Rob Evans, John Lewis Nan Heal	Responsible to the TDBC Project Board through the Project Manager for the raising and solution of issues relating to the people in the organisation, the impact on the Deane, its working methods and revised JDs
IT Group Chaired by Mike Mclaughlin includes Simon Kirkham David Gary John Lewis	Responsible to the TDBC Project Board for IT issues, and cost monitoring of that area.

Additionally Taunton Deane contributes in a positive way to the overall management of the project through the Somerset Online Board. Councillor Paul Partington and the Chief Executive both have voting places on this overall controlling group. In the absence of the Chief Executive the Egovt Manager attends.

Our Project Manager is also Chair of the PROJECT MANAGEMENT IMPLEMENTATION GROUP, and attends the Somerset Online Board in that capacity.

The Deane is represented on each of the sub groups, which are;

COMMUNICATIONS,	Nan Heal
IT	Simon Kirkham
CULTURE	Rob Evans
PERSONNEL	Kevin Toller.

6.IMPLEMENTATION.

There are various implementation options open to the TDBC Project Board. The project manager will develop the methodology and present a paper for discussion at a future Board meeting. In order to meet with the Project timetable the final decision must be taken by ?

7. MANAGEMENT OF COSTS

7.1 SD Project Capital

The original bid document showed a capital cost of the project of £3.8m. Around 75% of this is to be funded by central govt (Invest To Save Round 4), the remainder to be funded by the Partners. For Taunton Deane, this amounts to £100,000 which will be fully funded by our IEG (year 1 and year 2) money.

Partners also recognise that there will be ongoing revenue costs associated with this project. We believe that the worst-case scenario for Taunton Deane could be ongoing revenue costs of £100,000 per annum. Work is currently underway to identify and minimise the impact of these on each authority.

This Council is progressing on the basis that the ongoing revenue costs can be met from ongoing savings. Should this not be the case, then further reports will be presented to Members for consideration.

The County wide PMI will receive an account at each meeting of what monies have been spent, earmarked and what remains to be within the capital budget. Ongoing Revenue costs are a matter for each of the partners.

7.2 Local Costs

The TDBC Project board must receive an account monthly showing the following:

- Monies received from the central project
- What that money has been spent on
- Monies available from the central project
- What that money is earmarked for
- Any additional capital costs to be met from TDBC, and how those costs are to be met
- Ongoing Revenue commitments
- Ongoing Revenue savings identified to meet the above commitments.

The project principal is that cost neutrality is maintained, however the following issues indicate known areas of cost risk

7.3. ONGOING COST – SOMERSET DIRECT

1. The project is cost critical at the procurement stage, (see risks).
2. Costs outside the direct control of TDBC.
 - a) The cost of the licence for the CRM system.
(note; the project currently has formed a finance group to understand these costs better and to create a benchmark figure against which it can judge tenders. This figure should be available in late Feb) Cost within the remit of Taunton Deane.

Cost area	Offset by
<p data-bbox="280 268 826 331">Initial cost of staffing the first contact points.</p> <p data-bbox="280 401 613 432">Staffing of Contact points</p> <p data-bbox="280 835 826 898">Costs related to keeping the system current, relevant and accurate.</p> <p data-bbox="280 1234 826 1329">There may be small additional costs in employing some people from their homes.</p> <p data-bbox="280 1371 826 1434">There will be additional costs in the access hours available to the public</p>	<p data-bbox="842 268 1500 363">Met by £25k startup funding from the central project. This period is expected to last for approx 9 months.</p> <p data-bbox="842 401 1500 762">Staff currently employed to deal with just public enquiries are paid at the scale rate 11 to 15, max £13395. Other people who may access the system, and whose Job evaluations points have promoted them above that position will remain on their respective grades. It is the view of the Project Manager and the Chief Personnel Officer that nothing actually changes in a Job Description, only the methodology for dealing with customer queries. In our view the cost of staffing remains neutral.</p> <p data-bbox="842 804 1500 930">This area is about putting information on this one system, and if handled correctly should incur no more costs that currently incurred in updating the numerous systems around the council.</p> <p data-bbox="842 972 1500 1098">This area is also dependent on how well each IT system talks to the central SD system, particularly on information such as public ringing to talk about last nights planning application.</p> <p data-bbox="842 1140 964 1161">Costs £?</p> <p data-bbox="842 1266 1500 1434">These costs are very much dependent on the hours chosen to open. An important point of principal required here is 'is longer opening hours an important element of increased service delivery in the publics mind.'</p> <p data-bbox="842 1476 1500 1528">Hence, public consultation has been recommended by the 'communications group'</p>

8. TIMETABLE AND LIKELY IMPACT

See attached chart. CHART FROM MPM!

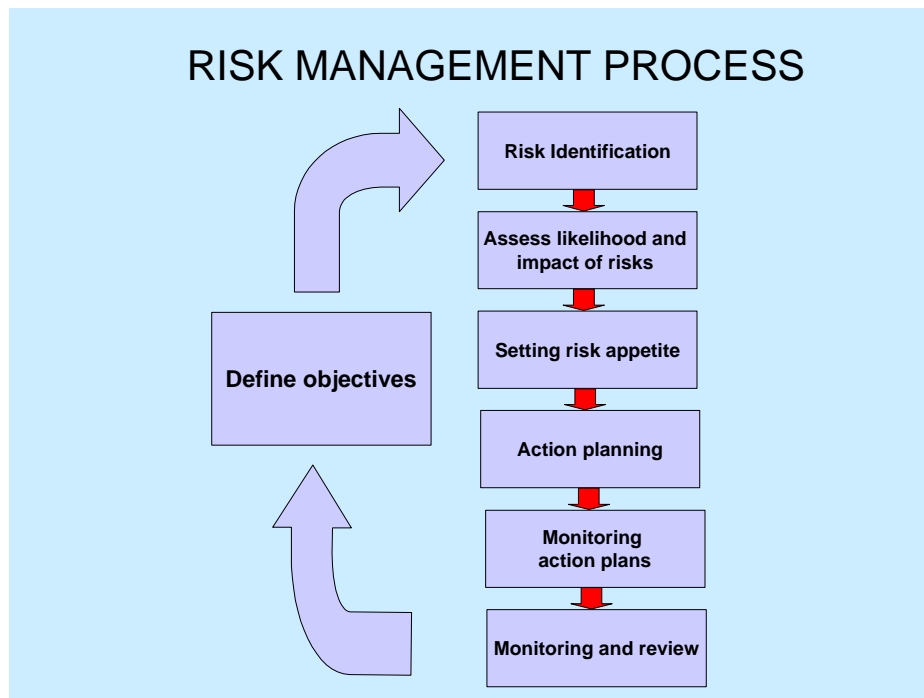
RISK MANAGEMENT

Taunton Deane is about to approve a Risk Management Strategy and Implementation Plan that will embed risk management into its culture, processes and structure to ensure that opportunities are maximised. The Council will seek to encourage managers to identify, understand and manage risks, and learn how to accept the right risks.

The Strategy states that,

“...the risk management methodology will also be adopted for significant individual projects and will be used to strengthen all decision-making processes.”

The SomersetDirect project is a major project for this Council, and as such will be subject to our risk management process, as set out below. The Risk Management Team will be requested to lead the Taunton Deane Project Board through this process and assist them with the production of a risk register. This register will show clear allocation of prioritised risks and will be monitored by the Taunton Deane Project Board at regular intervals.



This exercise should be completed by the end of March 2003, when the risk register will be appended to this document.

9.PROJECT SIGN OFF

The project will be signed off by CMT and the Executive when the success measures are deemed to be met.

Appendix A

Glossary of Terms

Front Office.

Refers to the staff especially selected and trained to deal with the public, either face to face or over the phone. It may also refer to the facilities given to these staff

Back Office

Refers to the staff and systems used to deliver services, as apposed to dealing with the public.

Back Office Integration (BOI)

Making available to front office staff facilities from computer applications normally only available to specialist (back office) staff. For example looking up a planning decision, or accepting a payment using a debit/credit card.

For Somerset Direct these facilities will be browser based.

Browser based

Using Internet type screen formats and facilities.