TAUNTON DEANE BOROUGH COUNCIL

Executive

You are requested to attend a meeting of the Executive to be held in The John Meikle Room, The Deane House, Belvedere Road, Taunton on 11 July 2012 at 18:15.

Agenda

1 Apologies.

2 Minutes of the meeting of the Executive held on 20 June 2012 (attached).

3 Public Question Time.

4 Declaration of Interests
To receive declarations of personal or prejudicial interests, in accordance with the Code of Conduct.

5 Non-Domestic Rates - Discretionary Rate Relief. Report of the Head of Revenues and Benefits (attached).

Reporting Officer: Heather Tiso

6 Somerset West Private Sector Housing Partnership – Proposal for a New Local Lettings Agency. Report of the Strategy Officer (attached).

Reporting Officer: Vikki Hearn

7 New Cremators and Mercury Filtration Project – Taunton Deane Crematorium. Report of the Housing and Health Manager (attached).

Reporting Officer: James Barrah

8 Financial Outturn 2011/2012. Report of the Financial Services Manager (Southwest One) (attached).

Reporting Officer: Paul Fitzgerald

9 Medium Term Financial Plan Update. Report of the Financial Services Manager (Southwest One) (attached).

Reporting Officer: Paul Fitzgerald

10 Potential Relocation of Council Depot and Disposal of the Priory Way Site. Report of Strategic Director and Regeneration Delivery Manager (attached).

Reporting Officers: Ian Franklin
Brendan Cleere

11 Executive Forward Plan - details of forthcoming items to be considered by the Executive and the opportunity for Members to suggest further items (attached)

Tonya Meers
Legal and Democratic Services Manager

10 September 2012

Members of the public are welcome to attend the meeting and listen to the discussions.

There is time set aside at the beginning of most meetings to allow the public to ask questions.

Speaking under "Public Question Time" is limited to 4 minutes per person in an overall period of 15 minutes. The Committee Administrator will keep a close watch on the time and the Chairman will be responsible for ensuring the time permitted does not overrun. The speaker will be allowed to address the Committee once only and will not be allowed to participate further in any debate.

If a member of the public wishes to address the Committee on any matter appearing on the agenda, the Chairman will normally permit this to occur when that item is reached and before the Councillors begin to debate the item.

This is more usual at meetings of the Council's Planning Committee and details of the "rules" which apply at these meetings can be found in the leaflet "Having Your Say on Planning Applications". A copy can be obtained free of charge from the Planning Reception Desk at The Deane House or by contacting the telephone number or e-mail address below.

If an item on the agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group.

These arrangements do not apply to exempt (confidential) items on the agenda where any members of the press or public present will be asked to leave the Committee Room.

Full Council, Executive, Committees and Task and Finish Review agendas, reports and minutes are available on our website: www.tauntondeane.gov.uk

Lift access to the John Meikle Room and the other Committee Rooms on the first floor of The Deane House, is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available off the landing directly outside the Committee Rooms.

An induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter.

For further information about the meeting, please contact the Corporate Support Unit on 01823 356414 or email r.bryant@tauntondeane.gov.uk

Executive Members:-

Councillor J Warmington (Community Leadership)
Councillor J Williams - Leader of the Council (Leader of the Council)
Councillor V Stock-Williams (Portfolio Holder - Corporate Resources)
Councillor N Cavill (Portfolio Holder - Economic Development, Asset Management, Arts and Tourism)
Councillor K Hayward (Portfolio Holder - Environmental Services)
Councillor J Adkins (Portfolio Holder - Housing Services)
Councillor M Edwards (Portfolio Holder - Planning and Transportation/Communications)
Councillor C Herbert (Portfolio Holder - Sports, Parks and Leisure)

AGENDA ITEM NO. 2

Executive – 20 June 2012

Present: Councillor Williams (Chairman)
Councillors Mrs Adkins, Hayward, Mrs Herbert, Mrs Stock-Williams and Mrs Warmington

Officers: Torsten Daniel (Strategy Officer - Climate Change), James Barrah (Community Services Manager), Dan Webb (Performance Lead), Nick Bryant (Strategy Lead), Tonya Meers (Legal and Democratic Services Manager) and Richard Bryant (Democratic Services Manager and Corporate Support Lead).

Also present: Councillors Coles, Horsley, Tooze and A Wedderkopp

(The meeting commenced at 6.15 pm.)

40. **Apology**

Councillor Edwards.

41. **Minutes**

The minutes of the meeting of the Executive held on 11 April 2012, copies of which had been circulated, were taken as read and were signed.

42. **Taunton Deane Borough Council Carbon Management Plan 2012/2013**

Considered report previously circulated, concerning the Council's Carbon Management Plan (CMP) for reducing carbon emissions from the Council's operations during 2012/2013.

The Council took climate change seriously and was strongly committed to reducing carbon emissions within Taunton Deane and from its own operations.

Carbon emissions came from four different sources: The electricity and gas used within buildings and the petrol/diesel used for transport by Deane DLO and the Council's Grey Fleet.

Between 2006/2007 and 2010/2011 the Council had reduced its carbon emissions by nearly 500 tonnes CO_2 or 10.4% against the baseline figure. This equated to a reduction of about 3.5% year-on-year over the last four years which exceeded the reduction target that had previously been agreed between the six Somerset Councils.

An Information Report for the first half of 2011/2012 had shown a further reduction of 86 tonnes CO_2 or 10.8% compared to the same period in 2010/2011.

Reported that the 2011/2012 Carbon Management Action Plan had contained 53 carbon reduction actions. By April 2012:-

- 19 actions had been implemented or were part of a Rolling programme;

- 22 actions had been carried forward for implementation in 2012/2013; and
- 12 actions had been cancelled for technical or financial reasons.

Key carbon reduction actions that had been implemented during 2011/2012 included:-

(a) The decision by Theme Managers to use recycled paper for office printing. This action would save around 14 tonnes of CO2 per year;
(b) All cavity walls at The Deane House had now been insulated;
(c) Lights in the corridors of Kilkenny Court had been replaced with brighter lights on motion sensors that only came on when needed. Initial monitoring had shown a reduction of about 4% in electricity usage or 2 tonnes of CO2 per year as a result of the action; and
(d) A vehicle tracking system had been installed to the entire Deane DLO Fleet. The system allowed for better journey coordination and increased ability to communicate with teams whilst off-site that would result in both fuel and carbon savings.

The proposed CMP Action Plan for 2012/2013 contained 41 carbon reduction actions. Of these, 20 had been carried forward from the 2011/2012 CMP, 9 were part of a rolling programme and 12 actions were new. If fully implemented, the actions for which savings could be quantified already would result in a further reduction of around 300 tonnes of CO2.

Details of the key actions to be carried forward from the 2011/2012 CMP and the new key actions proposed were submitted. Among the new actions were measures to identify opportunities for Pay-As-You-Save energy efficiency schemes, ensuring the Council capitalised on potential carbon savings in conjunction with The Deane House Accommodation Project and including building energy efficiency considerations into plans to build a new swimming pool at Blackbrook and to modernise the existing Taunton Pool.

Further reported that the production and implementation of the CMP was coordinated and overseen by the Carbon Management Steering Group which comprised both Members and officers group.

The Executive noted the comments that had been received from the Corporate Scrutiny Committee, particularly the points that more could be done to engage all areas of the Council's operations in the process to reduce carbon emissions and that larger projects, which would have more impact, could be identified and implemented if Taunton Deane took a longer term, more strategic approach.

One suggestion put forward was that the 'performance' of the Council's buildings could be improved by integrating carbon reduction with asset management planning. Thermal imaging of such buildings would be the first step towards assessing how energy efficient they were.

During the discussion of this item Councillor Hayward proposed that the Carbon Management Plan should be re-titled to reflect the increasing importance of 'energy resilience' alongside the overall reduction of carbon emissions.

Resolved that:-

(i) The Carbon Management and Energy Resilience Plan for 2012/2013 be adopted;

(ii) The improvement of the performance of buildings owned by the Council by linking carbon reduction with asset management planning in the future be fully considered; and

(iii) The possibility of undertaking, on a trial basis, a scheme involving the thermal imaging of a sample of the buildings owned by Taunton Deane, be investigated.

43. **Changes to the Right to Buy Policy**

Considered report previously circulated, which summarised recent changes introduced by the Government concerning the Right to Buy provisions and the impact this would have on the Council.

The Right to Buy scheme was introduced in 1980 and gave qualifying social tenants the right to buy their home at a discount. The scheme was open to secure tenants of local authorities and non-charitable housing associations, and to those assured tenants of housing associations who had transferred with their homes from a local authority as part of a housing stock transfer.

The Government had recently announced its intention to increase the caps on Right to Buy discounts to enable more tenants to achieve their ambition for home ownership. It also set out the Government's commitment to ensure that the receipts on every additional home sold under the Right to Buy were used to fund its replacement, on a one for one basis, with a new home for Affordable Rent.

Reported that the key changes to existing policy were set out in the following table:-

Policy	Current Policy	From 2 April 2012
Discount Rates, Cap and Eligibility	Current discount rates were:- • For houses: 35% of the property's value plus 1% for each year beyond the qualifying period up to a maximum of 60%; • For flats: 50% plus 2% for each year beyond the qualifying period up to a	The discount cap had been increased to **£75,000 across England,** giving tenants a much greater incentive to purchase their own home. Discount rates would not change and tenants would still need to have been public sector tenants for 5 years.

<table>
<tr>
<td></td>
<td>maximum of 70%.

Tenants must have been public sector tenants for 5 years before they qualified for the Right to Buy

In practice, most Right to Buy discounts were limited by caps. These currently ranged from £16,000 in most parts of London and were currently £30,000 in the South West.</td>
<td>
<table>
<tr><td rowspan="2">Years renting from council</td><td colspan="2">Discount</td></tr>
<tr><td>House</td><td>Flat</td></tr>
<tr><td>5</td><td>35%</td><td>50%</td></tr>
<tr><td>10</td><td>40%</td><td>60%</td></tr>
<tr><td>15</td><td>45%</td><td>70%</td></tr>
<tr><td>20</td><td>50%</td><td>70%</td></tr>
<tr><td>25</td><td>55%</td><td>70%</td></tr>
<tr><td>30</td><td>60%</td><td>70%</td></tr>
<tr><td>Over 30</td><td>60%</td><td>70%</td></tr>
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<tr>
<td>Use of Right to Buy Receipts</td>
<td>Subject to the deductions mentioned below, 75% of the receipts were paid to HM Treasury (“the poolable amount”) and the remaining 25% was retained by local authorities.</td>
<td>After calculating transaction costs and compensating authorities for loss of income above what had been covered in the self-financing settlement, HM Treasury and local authorities would receive the amounts they would have expected to receive, had the policy on Right to Buy remained unchanged.</td>
</tr>
<tr>
<td>Administration Costs</td>
<td>For the purposes of calculating the poolable amount, local authorities could deduct the actual transaction costs of successful sales from Right to Buy receipts, but there was no allowance for costs relating to Right to Buy applications which did not result in a sale.</td>
<td>Flat rate allowances for London and the rest of England had been set
with a 50% uplift for withdrawn applications. Allowances would be fixed at £2,850 for London and £1,300 for the rest of England.</td>
</tr>
<tr>
<td>Buy Back</td>
<td>Councils could Buy Back former council properties and claim around 50% of the costs from their total Right to Buy receipts.</td>
<td>The Council would retain the Buy Back facility, allowing councils to claim up to 50% of the value of each property bought-up to a total of 6.5% of the value of net Right to Buy receipts (after administration costs, debt and assumed income). 6.5% was around the average level of Right to Buy receipts retained by local authorities for Buy Back over the last three years.</td>
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</table>

Cost Floor	Section 131 of the Housing Act 1985 (the cost floor) limited the Right to Buy discount to ensure that the purchase price of the property did not fall below what had been spent on building, buying, repairing or maintaining it over a certain period of time (relevant expenditure).	The period of time the cost floor covered had been increased from 10 to 15 years for new homes subject to Right to Buy, bringing rules for councils into line with those for Housing Associations and protecting initial investment in the housing. In addition the option for councils to apply for an exemption from pooling receipts for new homes built in future would be retained.

Further reported that the Council had a legal duty to make tenants aware of these changes to the Right to Buy provisions.

Although arrangements to do this were in hand, due to the national publicity there had already been a number of enquiries from tenants about the new arrangements, suggesting a significant increase in sales. From the 1 April to 25 May, 22 Right to Buy applications had been received, against 25 in all of the last financial year.

Increases in numbers of Right to Buys would have an impact on administration and conveyancing, so capacity in both Housing and Legal Services would have to be monitored. The addition of an uplift in deductible allowances for withdrawn applications was welcomed as a number of these may arise particularly in the early days of the new policy.

With regard to the new provision for the one to one replacement of dwellings, submitted for information an extract from documents released by the Department for Communities and Local Government (DCLG) which explained the new system.

In essence, receipts from additional sales would be used to fund replacement stock on a one-for-one basis and that delivering these new homes would be through local authorities retaining receipts to spend in their areas.

In order for Taunton Deane to keep these additional receipts it would be necessary to enter into an agreement with the Secretary of State for Communities and Local Government who would:-

i. allow the Council to retain additional Right to Buy receipts to fund the provision of replacement stock, and

ii. allow the Council three years (from commencement of the agreement) to invest those receipts before asking for the money to be returned.
(The agreement would not require the Council to complete the building of any home within three years. However, the Council would be required to have incurred expenditure sufficient that Right to Buy receipts formed no more than 30% of it.)

In return Taunton Deane would be expected to agree that:-

i. Right to Buy receipts would not make up more than 30% of total spend on replacement stock, and

ii. any unused receipts were returned to the Secretary of State with interest.

Should the Council not wish to enter into an agreement then any surplus receipts arising would have to be surrendered to the Secretary of the State for them to investment in replacement stock.

Noted that the 30% cap was necessary to ensure that the Government obtained maximum value for money from the Right to Buy receipts and enabled the building of as many new homes as possible. The Council would be expected to fund the remaining 70% from its own reserves or through borrowing serviced by the anticipated rental income from the new homes built.

Where retained receipts exceeded 30%, the Council would be required to return the additional receipt to the Secretary of State with interest.

Each financial quarter a report would have to be submitted to DCLG showing the cumulative sum the Council had retained for replacement stock and the cumulative amount it had spent on replacement stock.

Although there would be no requirement to return receipts in the first three years of the agreement, in Quarter 1 of 2015/2016 Taunton Deane would have to compare

- the total amount spent on replacement stock from the start of the agreement to the end of that quarter, with
- the total amount it had retained from Right to Buy receipts in Quarter 1 of 2012/2013.

Where the latter was 30% or less than the former then no further action would be necessary.

In Quarter 2 of 2015/2016 the comparison would be between the total spent on replacement stock since the agreement began with the total it retained on Quarters 1 and 2 in 2012/2013 and then for each subsequent quarter.

Historically Right to Buy receipts had been used to fund our Housing Enabling Programme and had primarily been targeted to schemes in conjunction with Registered Housing Providers.

The recent introduction in the new Hosing Revenue Account (HRA) 30 year business plan of a Social Housing Development fund provided a second option for the provision of new units retained within the HRA. In practice if the Executive was minded to accept an agreement with the Government for one for one replacement, both of these avenues would be needed to allow a suitable level of investment to be made to offset the 30% restriction. The additional investment now available for affordable housing in the HRA would improve our ability to meet the 30% requirement.

Reported that the Council did not have to sign up to an agreement now. However, if it was not signed by the deadline of 27 June 2012, the Council would not be able to retain any receipts for the first quarter of this financial year.

Other important issues to be noted on qualifying spend to put towards the 70% requirement included:-

- Any contribution from a partner housing association could not include any Homes and Communities Agency grant; and

- The Council could not use HRA receipts from non Right to Buy receipts for example selling surplus to requirements property, as a dispensation from Government already existed which allowed the Council to keep these receipts if spent on affordable housing;

- The Council could spend receipts on the acquisition of property but would have to decide whether to utilise the existing provision of Buy Back Allowance or not depending on which route would be more financially favourable.

Resolved that the agreement offered by the Secretary of State for Communities and Local Government, made pursuant to Section 11(6) of the Local Government Act 2003 relating to the retention of Right to Buy receipts (as outlined above), be signed.

44. **Corporate Performance Monitoring – Quarter 4 / Outturn 2011/2012**

Considered report previously circulated, concerning the final performance data for 2011/2012.

The monitoring of the Corporate Strategy, service delivery, performance indicators and budgets was an important part of the overall performance management framework.

Analysis of the overall performance of the Council had revealed that 65% of all performance measures were on target – see table below. This was a slightly improved position compared to the previous quarter (Quarter 3 was 64%).

Section	**No. of measures**	☺ **Green**	😐 **Amber**	☹ **Red**	**N/A**	**Trend (from last quarter)**
1) Corporate Strategy Aims	20	60% (12)	25% (5)	10% (2)	5% (1)	⇩
2) Service Delivery	15	73% (11)	20% (3)	7% (1)		⇧
3) Managing Finances	7	71% (5)	14% (1)	14% (1)		N/A - awaiting year-end £
4) Key Projects	4	50%	50%			⇔

		(2)	(2)			
5) Key Partnerships	9	55% (5)	11% (1)	33% (3)		⇩
6) People	6	83% (5)		17% (1)		⇧
7) Corporate Management	11	64% (7)	36% (4)			⇧
TOTALS	**72**	**65% (47)**	**22% (16)**	**11% (8)**	**1% (1)**	⇧

The Executive noted the comments that had been received from the Corporate Scrutiny Committee particularly with regard to the aged debt situation, the Customer Contact Centre and fly-tipping.

During the discussion of this item, the Chairman asked whether the indicator relating to the Index of Multiple Deprivation (IMD) score could perhaps be 'broken down' into more local indicators which reflected the real improvements that were taking place in the Priority Areas. Because the IMD scores were only refreshed every three years, there was very little that could be done to show an improvement in performance between times.

This would be looked into.

Resolved that the report be noted.

45. **Introduction of the Community Infrastructure Levy in Taunton Deane**

Considered report previously circulated, which proposed the introduction of the Community Infrastructure Levy (CIL) from 1 April 2013 as a key mechanism for funding the infrastructure identified in the Council's Infrastructure Delivery Plan.

The Council had prepared its Core Strategy which set out the long-term vision for the Taunton Deane up to 2028. Linked to this was the Infrastructure Delivery Plan (IDP) which identified the infrastructure that would be required to deliver the Core Strategy proposals, and the scale of expenditure that was anticipated to be needed. The IDP included infrastructure identified through the preparation of the Taunton Town Centre Area Action Plan.

The Planning Act 2008 had made provision for local authorities to raise a levy from development to fund essential infrastructure.

Traditionally, local authorities had negotiated contributions from developers via Section 106 Agreements (or Section 278 for highways). However, many developments did not currently make any contribution to infrastructure costs.

By contrast, CIL would be applicable to all development meeting certain criteria. It would therefore be a more comprehensive and more effective means of raising money for the provision of infrastructure.

Estimates of likely income from CIL would depend on the level (in £ per square metre of floorspace) at which the charge was set and the number and area of dwellings and other developments that were liable to pay it. However, it was anticipated that CIL was likely to be several million pounds per annum.

In two-tier areas, district councils were the charging authorities for CIL on account of their role as the Local Planning Authority. Taunton Deane would therefore be the charging authority within its area.

A practical reason for introducing CIL was that, from April 2014, the ability to 'pool' contributions from developers via Section 106 Agreements (S106's) to deliver infrastructure, would be substantially curtailed. The Government's intention was that CIL would be used to deliver larger strategic items, with S106's retained only for direct mitigation of site-specific impacts.

A more immediate reason for moving CIL forward as quickly as possible, was to minimise the number of developers who were able to avoid paying CIL by securing outline planning permission linked to S106's. Under the Regulations, such developments could not be made liable for CIL at the subsequent stage of securing detailed planning permission. The longer that the introduction of CIL was delayed, the more money that Taunton Deane and its communities stood to lose.

Reported that the Council's Preliminary Draft Charging Schedule was underpinned by detailed viability testing and was based upon different assumptions about development values and costs. The residential modelling was on the basis of 25% affordable housing of which 45% would be social rent, 15% affordable rent and 40% intermediate housing.

The Government had advised that the levy should not be set so high as to render a large proportion of development unviable; but equally, it should not be set so low that every development would remain viable (while raising insufficient money for infrastructure).

If there was consistent evidence to show that development viability had changed, the Council would be able in future to amend the CIL rates, although amendments to the CIL Charging Schedule would need to be the subject of consultation and an independent examination.

It was considered reasonable to aim to introduce CIL by 1 April 2013. In practice, this meant completing the majority of work needed to put CIL in place by the end of 2012. To achieve this, a number of key steps had to be undertaken as follows:-

(i) Production of Preliminary Draft Charging Schedule

A copy of the Preliminary Draft Charging Schedule was attached as an appendix to these minutes.

There would need to be public consultation on the Preliminary Draft Charging Schedule. It was proposed that this would start on 28 June 2012 and would run for a minimum of 4 weeks.

(ii) *Production of Draft Charging Schedule*

In the light of comments received, the Preliminary Draft Charging Schedule would be reviewed and, if necessary, any proposed changes brought back to Members for consideration in September 2012 before the Schedule was published as a draft for submission to the person appointed as the examiner.

Formal representations on the Draft Charging Schedule could then be made, prior to it being submitted for examination.

(iii) *Submission to examiner*

End of October 2012 – following Executive Councillor / LDF Steering Group sign-off.

(iv) *Examination*

It was assumed that the examination would be in early 2013, although the precise date will need to be confirmed by the examiner.

(v) *Adoption*

Taking account of any changes recommended by the examiner in his/her report following the examination, the Charging Schedule would need to be considered by Members and adopted by Full Council in March 2013.

Further reported that it was already clear that the level of CIL received would not by itself be sufficient to fund all of the infrastructure that was required. The level of CIL needed to be set with regard to the funding gap that would exist between what it collected and the expenditure on infrastructure that was required.

To provide the infrastructure needed for our planned levels of growth, a policy decision would be required in the near future as to where other funding could be found to fill this gap and undoubtedly the New Homes Bonus (NHB) would be a logical choice as the resultant growth would generate further NHB for the Council.

Resolved that:-

(1) the introduction of the Community Infrastructure Levy in Taunton Deane be approved in principle; and

(2) the Preliminary Draft Charging Schedule be endorsed for public consultation.

46**.** **Proposed Crime and Disorder Reduction Partnership Merger**

Considered report previously circulated, concerning proposals to merge the Somerset East and West Crime and Disorder Reduction Partnerships into one countywide structure.

The Crime and Disorder Act 1998 (CDA) as amended by the Police Reform Act 2002 and the Police and Justice Act 2006 (the ‘2006 Act’), placed a duty on specific agencies, known as responsible authorities, to work together and with other agencies within the community to tackle crime and disorder and the misuse of drugs.

This legislation required that a Crime and Disorder Reduction Partnership (CDRP) be organised. Taunton Deane first fulfilled this statutory requirement with the formation of a Taunton Deane CDRP.

The 2006 Act introduced the requirement for minimum standards to be placed upon all CDRPs.

The standards were:-

- To convene a strategy group comprising all the responsible authorities in the CDRP and others as they choose;
- To prepare a strategic assessment;
- To produce a partnership plan;
- To meet minimum standards of community consultation and engagement on issues of crime and disorder and substance misuse; and
- To ensure that each CDRP has an information sharing protocol in place and that each responsible authority has a designated information sharing liaison officer to promote and facilitate information sharing.

In two-tier areas, there were minimum standards for organisations at county level to ensure that there was an appropriate linkage between decisions which might be made at the county level (for example by a Police Authority for a force covering the whole county) and those taken more locally. Further, this coordination at county level would allow the identification of county-wide priorities to feed into the new Police and Crime Commissioner's plans from November 2012 and opportunities for cross-border working.

In light of the minimum standards, a decision was taken in 2007 for the Taunton Deane CDRP to enter into a period of informal merger with Sedgemoor and West Somerset CDRPs to form the Safer Somerset West Partnership. In 2010, this was widened to include the whole county.

In January 2009, the Safer Communities Group, a sub group of the Somerset Strategic Partnership, approved a proposal to carry out a review of the community safety structures in Somerset. Its primary aim was to investigate how Somerset priorities were aligned to the available resources and to make recommendations for improvement. The Community Safety Network (CSN), a group of practitioners from the statutory agencies, undertook this review.

Following the review, a recommendation was made that the Safer Communities Group become the CDRP, as all statutory agencies already attended this meeting. Member representation in the structure was at portfolio holder level.

Scrutiny of this new group by Members could be achieved through the scrutiny structure agreed at the Community Scrutiny Committee in 2009. Effectively this recommended two members from each of the districts, Taunton Deane, Sedgemoor and West Somerset to be co opted to look at community safety scrutiny issues.

Somerset had been operating on an informal merger basis since 2010. As the recommended minimum informal merger period was 12 months a decision was needed as to whether a formal merger should take place.

There were two options for consideration:-

(1) Members could oppose the countywide merger, instead opting to remain informally merged. However, this option would only be achievable if West Somerset and Sedgemoor also decided to oppose the countywide merger or if Taunton Deane has an appetite for its own CDRP. Also noted that the Home Secretary had the power to force a merger, making an order for two or more CDRP areas to work as a combined partnership; and

(2) Members could acknowledge and approve the merger of East and West CDRPs to a County CDRP, currently operating as the Safer Communities Group. Further work will then follow to ensure tactical and operational structures beneath reflected the local delivery needs.

Resolved that Full Council be recommended to approve the merger of the Safer Somerset West CDRP with Mendip and South Somerset Community Safety Partnership (Somerset East) to form a Countywide CDRP which was currently operating as the Safer Communities Group.

47. **Executive Forward Plan**

Submitted for information the Forward Plan of the Executive over the next few months.

Resolved that the Forward Plan be noted.

(The meeting ended at 7.55 pm.)

Appendix

Taunton Deane Community Infrastructure Levy Preliminary Draft Charging Schedule

This charging schedule has been prepared in accordance with Part 11 of the Town and Country Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended by the 2011 Regulations). It is supported by local evidence regarding infrastructure requirements and the impact of the levy on the viability of development, as set out in the consultants' reports. These can be found on the Council's website as part of the Core Strategy and CIL Evidence Base (see links on previous page).

Levy Rates

The rates below will be charged against the gross internal floor area of:

- All new dwellings
- All other development exceeding 100 sq m in size

Development Uses	**Levy (per sq m)**
Residential Development in Taunton, including urban extensions	£80
Residential Development in Wellington urban area	£0
Residential Development in Wellington urban extensions	£25
Residential Development outside Taunton and Wellington	£125
Retail Warehousing of any size throughout Taunton Deane	£300
Retail superstores – over 2,500 sq m food and convenience shopping stores but with a significant proportion of comparison goods throughout Taunton Deane	£300
Supermarkets and convenience stores – under 2,500 sq m and predominantly food and convenience shopping throughout Taunton Deane	£150
All other development	£0

How the CIL charge will be calculated

In accordance with the Regulations, where applicable the Council will issue a Liability Notice that states the chargeable amount on grant of planning permission or as soon as possible after the grant of planning permission. The Council will calculate the amount of CIL chargeable using the formulae set out in the Regulations.

Full details of the way in which CIL will be calculated, together with an overview of CIL and the full Regulations, can be found on the CLG website: www.communities.gov.uk.

AGENDA ITEM NO. 5

Taunton Deane Borough Council

Executive - 11 July 2012

Non-Domestic Rates - Discretionary Rate Relief

Report of the Head of Revenues and Benefits
(This matter is the responsibility of Executive Councillor Vivienne Stock-Williams)

1. Executive Summary

The report highlights new powers for a Billing Authority to award Discretionary Rate Relief to a Business Rate Payer and sets out a recommended procedure of delegation for who will be responsible for determining applications made under Section 47 of the Local Government Finance Act 1988.

This report does not seek to set out qualifying criteria, as each case will be considered on its merits, but seeks agreement on delegated powers to match those previously agreed by Council in respect of the corresponding Council Tax discretionary discount provisions.

2. Background

2.1. The Localism Bill received Royal Assent on 15 November 2011. Section 69 of the Localism Act amends Section 47 Local Government Finance Act 1988 to allow local authorities to reduce the business rates of any local ratepayer for any reason, not just those that can currently be granted discretionary rate relief.

2.2. Billing Authorities, such as TDBC, are responsible for fully funding any discounts granted under these new powers. Whilst councils would need to meet the cost of any discount from local resources, it may be that the immediate cost of the discount is outweighed by the long-term benefit of attracting growth and jobs to the area

2.3. No provision is made for the other precepting authorities to contribute. Therefore it is anticipated that such reductions will only be awarded in exceptional circumstances.

2.4. The local authority may only grant relief if it is reasonable to do so having regard to the interests of council tax payers in its area.

2.5. We currently have some 3,730 business premises within Taunton Deane and would anticipate many applications could be received. It is not felt practical to have members consider each individual application. We must also bear in mind that many of the applicants may be supplying sensitive financial information, that they may not wish to be publicised.

3. Recommended Procedure

3.1. All requests for relief must be made in writing. The process detailed below should ensure that proper and consistent consideration is given to all applications and that the financial implications are considered.

3.2. Where the request does not contain sufficient information, the Revenues and Benefits Service will contact the ratepayer to seek any missing information or clarification where it is necessary. The ratepayer should provide the evidence within one month.

3.3. If the ratepayer does not provide the required evidence, the Council reserves the right to either treat the application as withdrawn or to consider the application in the absence of the missing evidence. However, the Council may disregard any unsubstantiated statements or draw its own conclusions from other evidence available.

3.4. The Council may in any circumstances verify any information or evidence provided by the ratepayer by contacting third parties, other organisations and the ratepayer.

3.5. The authority to **decline** applications for relief under these provisions should be delegated to the Section 151 Officer.

3.6. If the Section 151 Officer declines an application any appeal should be made to the Executive Portfolio Holder.

3.7. Where the Section 151 Officer decides there is sufficient merit in awarding relief under these provisions, a recommendation will be made to the Executive. The Executive should have the delegated power to decline or award relief under these provisions following referral of an application by the Section 151 Officer. **Where it supports the recommendation, the Executive will also need to the make the necessary budget arrangements to meet the commitment.**

3.8. This system of delegation should ensure that proper and consistent consideration is given to all applications and that the financial implications are considered. This is consistent with our approach to dealing with Hardship Relief applications for Business Rates as well as for the corresponding discretionary powers relating to Council Tax.

4. Finance Comments

4.1. Any award of a discount under these new powers would have to be funded entirely at the Council's cost. There is currently no budgetary provision for meeting the cost of any such award.

4.2. The cost of any discretionary relief would be a charge to the General Fund. It is recommended that the Council considers an overall budget allowance as part of the Council’s corporate and budget priorities. As there is no budget provision in 2012/13, should the Council support a scheme of discretionary relief it will need to establish a budget either by a budget transfer (“virement”) from another existing budget or as a Supplementary Budget allocation from General Reserves. The latter would need Full Council approval.

4.3. In considering the above Members are reminded that, although the council set a balanced budget for 2012/13, there is a significant Budget Gap forecast for 2013/14 and beyond.

5. Legal Comments

5.1. Approval of such additional delegated powers is a matter requiring Full Council decision.

6. Links to Corporate Aims

6.1. The award of discretionary rate relief under Section 47 in the circumstances outlined in this report is most closely linked with the corporate aim of Regeneration.

7. Environmental and Community Safety Implications

7.1. None

8. Equalities

8.1. This report is confined to looking at a scheme of delegation rather than award criteria and as such it has been assessed as having no direct equalities implications. Awards of discretionary discount will however need to be made with equalities considerations as key parts of the decision making process.

9. Risk Management

9.1. The development and administration of the Business Rates Discount Scheme under Section 47 of the Local Government Finance Act 1988 (as amended by the Localism Act) is considered to be low risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

10. Partnership Implications

10.1. The Revenues & Benefits Service is delivered by Southwest One on behalf of Taunton Deane Borough Council. However, the decision on whether to decline or award relief remains with Taunton Deane Borough Council.

11. Recommendations

11.1. The Executive adopt this policy for considering applications for relief under Section 47 of the Local Government Finance Act 1988 (as amended by the Localism Act).

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AGENDA ITEM NO. 6

Taunton Deane Borough Council

Executive - 11 July 2012

Somerset West Private Sector Housing Partnership – Proposal for a New Local Lettings Agency

Report of the Strategy Officer
(This matter is the responsibility of Executive Councillor Adkins)

1. Executive Summary

EXECUTIVE SUMMARY

The report is for Members to consider and agree the proposal to develop a Somerset West Local Lettings Agency (SWLLA) across the three Council partners Sedgemoor District Council, Taunton Deane Borough Council and West Somerset Council. The SWLLA will provide a structure together with agreed level of products, support and services to secure private rented properties for households in housing need. This will have a focus on addressing housing need and standards but will also deliver strategic aims identified in the Strategic Housing Vision for Somerset and the Sub-Regional Homelessness Strategy.

2. Background

2.1 The Somerset West Private Sector Housing Partnership is a Partnership between Sedgemoor District Council, Taunton Deane Borough Council and West Somerset Council to deliver Private Sector Housing Services. The Partnership Manager is the Private Sector Housing Manager for the three Councils, based at Sedgemoor.

2.2 The Partnership commissioned a comprehensive mapping exercise into the use of the private rented sector across Sedgemoor, Taunton Deane and West Somerset.

2.3 The use of the private rented stock across the three districts has been an aid to preventing homelessness and is a realistic solution for many types of households. Examples of incentives to private sector landlords already in place include the Deposit Bonds, Landlord Accreditation and Wessex Reinvestment Trust loans to bring empty properties back into use.

2.4 The continued use of the private rented sector is facing a new challenge from the proposed EDF Hinckley C Nuclear Power station. It is estimated that at the peak construction, around 3,700 of the 5,600 EDF work forces will require accommodation locally. This will come at a time when the Council also has to tackle the new welfare reforms including reduction and restrictions of local housing allowances.

2.5 The mapping exercise identified approximately 25,000 private rented properties across the three Council's. 6,428 are in the Taunton Deane area which has seen a growth of approximately 20% in the last two years.

2.6 On Homefinder Somerset there are 9,371 applicants awaiting housing across the three Council's, 3,685 (39%) of which are in the Taunton Deane area. Social housing provides accommodation for 24% of people waiting for accommodation. At the current rate of social build and taking into account the number of social housing re-lets available, The Private Sector Housing Team estimate that Taunton Deane would take 5.5 years to clear the waiting list as at May 2012. The mapping exercise revealed that single person households represented the biggest percentage (40%) of those waiting for accommodation. The impact of this is already being felt by our Housing Options Team, who are increasingly reporting a lack of supply of accommodation for our most vulnerable clients.

2.7 The private rented sector provides an ideal solution for accommodating single people as it is difficult to supply a large percentage of single persons accommodation in the social sector due to cost of the projects.

2.8 It is predicted that the proposed EDF Hinkley C Nuclear Power station will have a significant impact on the number of bed spaces available in the private rented sector. A substantial number of EDF workers will require accommodation. The nuclear project is a major long-term project spanning 8 years and although this brings benefits to the community it occurs at a time when the Local Authority will be considering other barriers to the use of the private rented sector including

- Prescriptive welfare reforms including reduction and restrictions of local housing allowances. This could disincentivise landlords from taking on tenants on benefits.

- The new Localism Act 2011 and Tenure Reforms – introducing fixed term tenancies and affordable rents for social housing tenants

- A reduction in mortgage lending

- A lack of local affordable housing

- The number of households on the Homefinder Somerset (HFS) housing register in relation to availability of social housing

- A local and national increase in the numbers of households being accepted as homeless and the use of emergency bed and breakfast

- A local and national increase in the number of rough sleepers

2.9 The Council must proactively respond to the anticipated loss of private rented properties by ensuring there is a comprehensive package available to private landlords and prospective tenants, particularly to incentivise landlords to take on the more vulnerable tenants. This is essential in order to maximise availability and ensure supply is maintained for local residents over the coming years.

2.10 One of the growing concerns is the competition that will be generated for such few available bed spaces. A recent consultation exercise was undertaken with landlords and one of the questions asked was about the barriers in accommodating households on the waiting list. The overwhelming response was the hassle factor and complexity with each Council having different working practices and policies. It was felt that it would be easier to take an employee from EDF and be guaranteed a higher level of rental income compared to the LHA levels. There were also concerns about the gap in LHA and rent charged and who was going to fund the difference.

3. Proposal for a Somerset West Local Lettings Agency (SWLLA)

3.1 The Local Authorities most affected by Hinkley C must respond proactively to the anticipated loss of private rented properties by ensuring there is a comprehensive package available to private landlords and prospective tenants. This is essential in order to maximise availability and ensure supply is maintained for local residents over the forthcoming years.

3.2 The SWLLA brings the relevant departments together across the three councils to offer a consistent service to landlords, especially those willing to take some of our more vulnerable households, for example, those on benefits. Existing staff will to continue to work within their teams and existing budgets will be utilised to improve and refine the services we supply. Some examples of this will include shared website, shared marketing and one single database of landlords to monitor activity. The project will aim to secure 2200 bed spaces within the private rented sector by March 2013. This will go some way to offset the impact of demand from the EDF workers and assist with homelessness prevention across the three local authority areas.

3.3 The benefits of an agency are;

- To produce efficiency and value for money in developing a cross-boundary/region wide service targeted to private sector landlords
- To continue to assist with raising standards in the private rented sector, ensuring properties that the local authorities and partner organisations use are well managed and meet the minimum Decent Homes standard, particularly relevant for vulnerable people and those in housing need
- Positively respond to a reduction in the private rented sector which will affect the use of available housing options for local people and place further pressures on social housing
- To utilise the SWLLA to expand a range of housing services and support for local landlords and applicants
- To proactively respond to preventing homelessness and secure properties within the private rented sector to reduce the need for temporary accommodation and homeless applications
- Simplify website access to the housing services by offering a collective

range of housing options through a dedicated SWLLA website together with unique branding to launch and promote the scheme.

3.3 The expected outcomes for the SWLLA include:

- Working in an integrated way to ensure an early intervention approach, offering a range of incentives and support that landlords require. Building upon the trust between the housing departments and the private rented sector
- Housing Options support available to private rented sector landlords can be tailored to meet the landlords requirements – this standard of service is not currently offered by EDF to landlords rehousing construction workers
- Experienced housing staff working across the districts can offer on-going professional support which is marketed under one umbrella of services irrespective of the district that properties are in
- The SWLLA can act as a signposting service, working with service providers to deliver a housing management service which compliments the range of services on offer to private sector landlords
- The agreed range of incentives and services on offer under the umbrella of the scheme will provide links with area regeneration, Anti-Social Behaviour, community cohesion and social exclusion.
- A partnership SWLLA lowers the risk for landlords to accept tenants in receipt of LHA via safe-guards and will capitalise on fast track housing benefit systems already in place
- Operational structure – The SWLLA will be able to pull together resources from three local authority areas and respond collectively to national and local demands through monitoring of the scheme and success in rehousing.

3.4 All Authorities currently have products and schemes which meet their local needs and respond to local demands. However this can lead to incentive inflation where providers are working to their own template of incentives and scheme attributes. An underlying principle of the SWLLA will be that the range of benefits offered to landlords will be consistent across the three local authority areas and will be affordable, with no additional net cost to the Local Authority.

3.5 The SWLLA project team will take the lead in developing a framework which enables streamlining of the service. A private rented sector Protocol can be developed and this will include reference to joint working with all providers on marketing of material and the use of the SWLLA webpage and Homefinder private rented sector functionality. All Managers involved with the mapping exercise indicated a willingness to improve joint working and marketing of services to mitigate the loss of private rented sector properties to the EDF workforce.

3.6 The proposal put forward by the Somerset West Private Sector Housing Partnership is intended to tackle what will become a critical issue for the three Council's over the next five years; i.e. an acute lack of affordable private rented properties that the Council can access for those vulnerable clients to whom the Council has a duty to house. The principles of the SWLLA are to:

- Increase the supply of affordable private rented properties including the use of empty properties across the district.

- Sustain existing and new tenancies particularly for those who are vulnerable

- Encourage and support good management by landlords in the private sector through a package of measures designed to incentivise.

- Encourage choice of properties from the available stock

- Consistency across the three partner Councils, removing barriers and complexity so it is easier for tenants and landlords to engage

- Prioritise resources between the Councils to where the demand is.

3.7: It is envisaged that the SWLLA will be fully operational across all districts within 12 months and delivered within phases, which will include the production of policies and procedures to support the project. The longer term proposal is to develop a self-financing SWLLA option, either in full or part, but only after the scheme has been in operation and monitored for a 12 month period.

4. Community Scrutiny Comments

4.1 Overall Community Scrutiny were happy to accept the recommendations, highlighting that generally the proposal is a good idea, but made the following comments in relation to the report:

- They were divided about the actual impact of the proposed EDF Hinkley C Nuclear Power station, but felt that the proposal was a good option to attempt to mitigate any impact.
- They felt that EDF would offer support to the landlords of their tenants, but were not clear on the extent or nature of this support. They felt that the board should explore the lessons learnt from the past and from Gloucestershire.
- They were unhappy with the proposed name of the project, as they felt it does not really match the offer.
- They questioned what would happen to people who felt able to take up the offer of accommodation in the private sector, but wished to maintain their place on Homefinder Somerset to bid for social housing. The Housing Options manager has confirmed that people are able to remain on Homefinder and bids as required, but their banding will reflect their status.
- Members were concerned that there may be evidence of a rise in illegal evictions. The Board have acknowledged this and have asked Housing Options Managers to monitor the incidences reported to them. The Board is also exploring the possibility of developing a separate policy to cover this issue.
- Members were also keen to understand the impact of the pending welfare benefit changes and how these will affect the proposal contained within the report. They have requested that a separate report is presented to scrutiny on this issue.
- They requested an explanation of the scoring contained within the risk table. This has now been added to the report, but to clarify, the probability

and Impact sections are given a score of between 1 and 5, with 5 being higher, or more likely.

5. Finance Comments

5.1 The service will be developed at no additional net cost to the Council's budget. The service will be financed through the diversion of existing spend and resources; currently utilised by Housing Options and the Private Sector Housing Team; towards a unified approach and working closely with providers of support services to tenants. Existing resources and expenditure will include a Housing Options Officer and current spend on various deposit and bond schemes utilised by the Housing Options Team for homelessness prevention. Resources within the Private Sector aligned to the project will include the landlord accreditation scheme, the empty homes service and the landlord forum.

5.2 There is a proposal that terms of the Bond Scheme may be changed so that the guarantee is extended by twelve months. This will be absorbed within existing budget for the scheme.

5.3 There is a clear benefit from a Somerset West Partnership approach, where costs can be spread across all partners to jointly market and secure privately rented properties to rehouse local people, thus preventing homelessness and creating sustainable communities.

6. Legal Comments

The Rugg Review commissioned by the previous government recommended that local authorities should consider setting up local letting agencies to help them better engage with the private rented sector. The Council does have statutory power to set up a local lettings agency. A Social Letting Agency can be established using the as yet unrepealed powers under the Local Government Act 2000 2(1)(b) to "promote the improvement of social well-being" in the local authority area, and under the general power of competence pursuant to s1 of the Localism Act 2011 .

7. Links to Corporate Aims

7.1 Affordable Housing is a key Council priority, both to ensure decent housing across Taunton Deane, and to increase the number of affordable homes available.

8. Environmental Implications

None identified.

9. Community Safety Implications

9.1 Through the use of incentives and support the SWLLA can encourage well managed properties in the private rented sector which reduce the risk of crime and anti-social behaviour; in turn supporting social cohesion in the community.

10. Equalities Impact (see attached)

10.1 The SWLLA will actively encourage improvements in the private rented sector through incentives, advice and support. It would be in the Council's and the landlords' mutual interest to work exclusively with each other as both would benefit with what is on offer. Improvements in the fabric reduce signs of run down communities increasing the rentable value of the property. Community relations can be improved by providing support for tenants who have particular needs to encourage social cohesion. The Project will promote equality of opportunity by treating everybody fairly regardless of race, gender, disability, age, sexual orientation, religion or belief. One of the principle aims of the project is to eliminate unlawful discrimination through fairness and transparency in its application. Our Customer Services Charter underpins this ethos.

11. Risk Management

The table below shows the identified risks to the project. The higher the score given to the probability and impact the more likely it is that the event will occur and the higher the impact.

Risk	Consequence To the customer	Probability	Impact	Action to mitigate	Will the report recommendations mitigate the risk YES/NO
That Members do not agree the SWLLA	The Council would have to compete with the demands by EDF on the private rented sector and the fallout from other partners in the Partnership who are feeling the effects. Taunton Deane may also see its landlords accepting tenants from neighbouring local authorities which are offering the incentive scheme, leading to a further shortfall in private rented properties and increased homelessness bills for temporary accommodation.	2	4	That solid foundations are put in place to offer incentives which do not cost the Council additional funds and increase the number of bed spaces guaranteeing sustainment	YES
Insufficient staff resources	Services offered as part of the SWLLA would not be consistent. Customers	2	4	The SWLLA ensure that the incentives	YES

	would lose interest in the project.			offered have sufficient resources assigned and procedures	
Incoherent Policies	Lack of joined up Policies will lead to an inconsistent service. This would portray no advantages to the landlord in being part of the SWLLA and will instead revert to EDF employees.	2	4	The Project Initiation Document sets out a framework to control any incentives that are developed in the SWLLA	YES
Partners not willing to work with the LLA	The SWLLA relies on the support of agencies. Without them some of the management support packages would not be able to be offered.	1	4	The Project Initiation Document set out the Board structure of the SWLLA which includes lead agencies who would link directly to similar business orientated agencies.	YES
Landlords are offered a package which later becomes unaffordable	Landlords become disincentivised with the scheme.	2	4	The project uses existing budgets which should be available for the foreseeable future. Taunton Deane's Housing Options Manager sits on the SWLLA Board and will highlight any issues if they arise.	Yes

The SWPSHP is unable to deliver the TDBC funded case load	Available service will have to reduce.	2	3	Ensure this risk is clearly stated and mitigated within the partnership agreement	Yes
Where resources are shared. The board will need to ensure there is no duplication	Value for money is compromised	2	3	Risk will be monitored by the board through the representation of relevant managers.	Yes

12. Partnership Implications

12.1 All three partnership Districts need to work together in order for the SWLLA to be effective and provide the level of service landlords have been requesting.

13. Recommendations

13.1 That the proposal to develop a Local Lettings Agency across the three Council partners be approved, subject to approval by the other two partner authorities and also subject to clarification of detailed governance and performance reporting (including financial) arrangements, for agreement by the Leader and Chief Executive .

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Taunton Deane Borough Council

Executive – 11 July 2012

New Cremators and Mercury Filtration Project – Taunton Deane Crematorium

Report of the Housing and Health Manager
(This matter is the responsibility of Executive Councillor Hayward)

1. Executive Summary

This report provides an update on the project to install three new cremators at the Crematorium along with Mercury filtration equipment. In addition it seeks consent for approval for additional funding and therefore extension of the previously approved budget, following recent receipt of tenders associated with the building works element of the project.

2. Background

Taunton Deane Crematorium carries out over 2200 cremations per annum. The crematorium is a great asset to the council. It was built in 1963 to a very high specification and is truly an outstanding example of this type of facility, in fact; the building has been listed due to its architectural interest. The crematorium has a catchment area that extends well outside the Borough boundary and attracts business from Bridgwater, Chard, Minehead etc.

Emissions from crematoria have been regulated under Part 1 of the Environmental Protection Act 1990 since 1991. These controls have not, however addressed emissions of mercury from crematoria, DEFRA and Government's PG5/2 legislation has addressed this issue. It is estimated that in the absence of intervention, emissions of mercury from crematoria would rise by two-thirds from 2000 to 2020. In response to this DEFRA consulted with the industry on the introduction of gas cleaning equipment to remove mercury emissions.

Due to the prohibitive cost on smaller crematoria of this equipment a compromise approach has been agreed, whereby 50% of cremations will be abated nationally for mercury by 2013. This allows a trading scheme to operate nationally (the CAMEO scheme) and gives crematoria a choice on how they approach Mercury filtration. Taunton Deane has previously decided to invest in full abatement technology and take the opportunity to install three new cremators.

Consequently and following a procurement exercise a tender was accepted from Facultatieve Technologies (FT) for the supply and installation of three new cremators and mercury filtration equipment. The tender price was £1,020,937.00.

However supply and installation of the equipment by FT forms one part of the project. What was then required was securing the professional services to oversee the project, and secure a second contractor to undertake the ancillary building works to the structure of the crematory building to facilitate the installation, as FT are not a building contractor.

Subsequently through the autumn of 2010, proposals for professional services were considered from a number of contractors, with final agreement to award the work to the Southwest One Property Services. This team have the majority of professional services required in house, but do have to sub-contract some, for example structural engineering.

Early assessment from SW1 Property Services was that the alterations required to the Crematorium building were reasonably straight forward. This resulted in a project assessment of fees and building works combined of £300k.

Consequently a capital budget for the project was agreed arising from:-

	£k
Tender price for supply and installation of equipment	1,020
Professional services, project management and building work	300
Total approved budget	**1,320**

It is important to note that at this early stage in the project other than the tender for the equipment, all other costings were purely estimates prior to detailed design, interface of the FT and building work requirements and a tender exercise for those building works. Consequently, the costs were always likely to change as the project progressed.

3. Project Delays.

The project is well behind schedule and there are a number of reasons for this.

i. **Contract** – Following selecting a preferred tender for the supply of the equipment, there was a delay in agreeing a contract due to negotiations concerning penalty clauses. FT were reluctant to release full technical details required for design until the contract was signed.

ii. **Provision of technical information** – FT are the market leader in crematory equipment, consequently they have clearly picked up many orders, as many crematoria seek to replace equipment due to the statutory deadline for mercury abatement. This has put the organisation under considerable pressure, consequently they have been slow to provide information regarding technical specifications and works scheduling, which has considerably delayed the design processes of SW1 and has been the major factor in the delay of the project. Having said this, our machines have been built for a while and are ready in the factory for us.

iii. **Unforeseen works** – SW1 Property Services operate on the basis of high levels of accuracy in the design stage of the project, so that as much about the build is known and specified as possible prior to going to tender. This then results in more accurate tender prices with less risk built in, which ultimately, in theory, means that once tenders are received there is better financial control on the project and therefore more certainty regarding budget. In this case this approach appears to have been successful with lower than expected tender prices and this is also evidenced through the close spread of tenders received.

With additional works added through the design stage, the build is now much more technically complex than originally envisaged. Each of the changes/issues identified below not only impacts on the time required to undertake detailed design, but also has to be reconciled with the work phasing, to ensure the works can proceed in a practical fashion. An additional complication of this build is that it is all being planned to ensure that throughout most of the process the crematorium can continue to operate, to ensure we are able to provide a service and do not lose income.

The following issues are examples of additional works or design issues that were unforeseen initially or were only raised by FT during ongoing design discussions.

- Roof replacement required due to extensive number of new service penetrations and requirement for additional scaffolding cover for weather protection.
- The width of the crematory doors need to be increased to accommodate the installation of the larger machinery
- Phased replacement of crematory floor
- Alterations to toilet / changing rooms to provide location for Heat Exchanger, Pump and Expansion Vessel
- Replacement of existing flue liners due to extensive corrosion.
- The need for temporary stacks and associated support framework and phasing of connections to the stacks,
- Discrepancy in plans
- Small extension required to accommodate larger water ‘boiler’

It is worth noting that the crematorium is a listed building, therefore each change to the proposed works both inside and outside, needed to be checked against planning criteria.

4. Tenders for Building Works

Evaluation of tenders received has been completed and the contract for the works is in the process of being awarded. Tender prices are better than expected by SW1 Property team. However, with tenders now received a final project budget can be agreed.

5. Project Budget

Due to the additional works required to facilitate the installation of the new equipment, and the additional time required from SW1 professional services on the project, the current assessment of the costs of the project is that it is £73k above the approved budget. Consequently a request is made for an addition to the project budget that will cover the gap and add an additional £40k (3%) as contingency on the basis that work has not yet started on site.

6. Current Position

Work is due to start on site on the 19th July. The outline schedule of the works and a written narrative is attached at Appendix A. It is worthy of note that works on site alternate between the Main Contractor and FT as described in the phasing, with the first new cremator being operational in late September, but final handover in April/May 2013.

7. Finance Comments

The total budget for the project currently is £1,320k. Taking into account the tender costs, ancillary works, fees, and a proposed contingency for unforeseen costs during installation, the current budget provision is not sufficient for the project. The following table summarises costs and commitments.

	£k
Updated Commitments	
Supply and installation of equipment	1,021
Ancillary Works and Professional fees	372
Contingency	40
Total Commitments	1,433
Total Scheme Budget	1,320
Budget Supplement Required	**113**

A proportion of the scheme costs have already been incurred, with the balance due in the current financial year, as summarised in the following table.

	Budget £k	Costs £k
2010/11 Actual Spend	24	24
2011/12 Actual Spend	330	330
2012/13 Estimated Costs		1,079
2012/13 Current Approved Budget Remaining	966	
2012/13 Budget Supplement Required	113	
Grand Totals	**1,433**	**1,433**

It is evident that the current budget approval is not sufficient, therefore for the scheme to continue the Council will need to approve a recommended budget increase of £113k.

The current funding approval for the scheme includes borrowing approval of £770k with the balance funded from a combination of revenue earmarked reserves and capital receipts. In order to avoid the need to borrow further to fund the proposed budget increase, it is proposed to fund the additional £113k costs and contingency from General Fund Revenue Reserves. There are sufficient funds in the reserve to make this affordable. The alternatives would be to fund the £113k as a 'first call' on new capital receipts or to approve additional borrowing. The latter would result in additional debt repayment costs of £4k per year.

8. Legal Comments - None

9. Links to Corporate Aims – No direct links

10. Environmental Implications

The abatement of Mercury from cremations is an environmental protection provision and a requirement of statute. The new installation will also include a heat exchanger to provide heating and hot water for the crematorium thus reducing the carbon utilisation of the facility.

11. Community Safety Implications - None identified

12. Equalities Impact - No detrimental impact on any protected groups identified.

13. Risk Management – The project is a requirement of statute and as such completion is required to avoid potential action against the Council.

14. Partnership Implications – None identified

15. Recommendation

That the Executive recommends to Full Council a supplementary budget of £113,000 be added to the Capital Programme 2012/13 for the Cremator Replacement Mercury Abatement project, funded from revenue resources by a transfer from General Fund Reserves.

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Appendix A

Phasing Details as Contained Within Tender Drawings

Phase 1 A Main Contractor

Start Thursday 19th July 2012 -Complete Friday 9th September 2012
Remodel existing Toilets to form additional plant room. Break out existing brick room
floor and construct extension. Form internal openings.

Phase 1 B Main Contractor

Start Thursday 19th July 2012 -Complete Friday 27nd July 2012
Enlarge external double doors in to cremator room. All existing cremators to remain operational

Roof
Fit new access roof light in to existing opening and form
new opening in roof over existing brick room

Phase One FT

Ground Floor
Starts Wednesday 1st August 2012 -Complete Monday 6th August 2012
Decommission existing machines E1 and E2 and remove.
E3 to remain fully operational

Phase Two Main Contractor

Ground Floor
Starts Thursday 9th August 2012 -Complete Friday 17th August 2012
Form enlarged opening between Cremator room and Committal Room. Break out half
of the existing floor and lay new
Existing cremator E3 to remain operational
Roof
Fit steel frame for FT equipment and form opening in wall
of the high level roof for temporary ducting

Phase Two FT

Ground Floor
Starts Thursday 23rd August 2012 -Complete Thursday 27th September 2012
Position first new machine FTA and commission, decommission and remove last existing machine E3 and Fan Room equipment
FTA to remain fully operational

Roof
Erect temporary stack for FTA and remove existing equipment from high level roof

Phase Three Main Contractor

Ground Floor
Starts Thursday 4th October 2012 -Complete Friday 12th October
Break out the remaining half of the existing floor and lay new. Form new opening to
chimney from Fan Room. Remodel Fan room.
FTA to remain fully operational
Roof
Form opening in wall of the high level roof for temporary ducting

Phase Three FT

Ground Floor
Starts Thursday 18th OCtober 2012 -Complete Friday 26th October 2012
Reposition FTA and commission, install boiler, bag filter equipment and replace chimney liner

Roof
Reposition temporary stack to service FTA

Phase Four Main Contractor

Roof
Starts Thursday 1st November 2012 -Complete Sunday 2nd December 2012
Remove existing high level roof enclosure and roof, replace with new roof and refit
existing enclosure Erect new roof enclosure on
lower roof. Make good opening from temporary stack and form new openings for FT
equipment

Phase Four FT

Ground Floor
Starts Thursday 6th December 2012 -Complete Friday 25th January 2013
Install FTB and FTC machines, bypass ductwork, pump, heat exchanger and expansion vessel. Final commissioning of all new equipment

Roof
Remove temporary stack and install air blast cooler. Install all external ductwork and
ID Fan

Phase Five Main Contractor

Ground Floor
Starts Friday 25th January 2013 -Complete Thursday 7th February 2013
Connect heat exchanger to existing heating system, fit floor vents

Roof
Make good opening from temporary stack

Phase Five FT

Positioning of Air Blast Cooler
Mechanical installation and commissioning of FT2
Connect and commission FT3
Electrical installation works
Insulation and cladding of ductwork
Positioning of remaining FGT Equipment
Connections to permanent bypass duct work
Removal of temporary stack

AGENDA ITEM NO. 8

Taunton Deane Borough Council

Executive – 11 July 2012

Financial Outturn 2011/12

Report of the Financial Services Manager (Southwest One)
(This matter is the responsibility of Executive Councillor Williams, Leader of the Council)

1. Executive Summary

This report contains information related to the Council's financial performance for 2011/12 financial year. The outturn figures included are provisional subject to external audit review; the findings of which are to be reported to Corporate Governance Committee in September this year.

General Fund

The 2011/12 Provisional General Fund Revenue Outturn is a £0.535m (4.4% of Net Budget) underspend against the Final Budget for the year. This report explains the salient factors leading to this position. A Budget Carry Forward of £0.086m is requested, to be funded by this underspend.

The General Fund Reserves balance as at 31 March 2012 stands at £3.337m. This would reduce to £3.251m following approval of the proposed budget carry forward to 2012/13. This is above the minimum reserves expectation within the Council's Budget Strategy, and provides sound financial resilience in view of the continuing financial pressures faced by the Council over the medium term.

The 2011/12 General Fund Capital Programme expenditure for the year amounted to £4.331m, which is £4.222m (49%) below the budget for the year. The total slippage of planned project expenditure into 2012/13 is £4.534m (53%) and a budget carry forward is recommended for the related schemes. After deducting the proposed carry forward, there is a technical overspend of £0.312m on completed projects which is largely due to grant-funded expenditure on play equipment projects that was not reflected in the budget. This does not impact on the Council's own finances.

Housing Revenue Account (HRA)

The 2011/12 Provisional Housing Revenue Outturn is a £0.086m underspend (0.4% of gross income) against the Final Budget for the year. This report explains the salient factors leading to this position. HRA Reserves balance as at 31 March 2012 stands at £1.355m, which is above the minimum level set within the 2011/12 Budget Strategy.

Members are aware that the HRA is 'self-financing' with effect from 2012/13, however as the related settlement debt of £85.198m was undertaken in March 2012 the expenditure is recognised in the outturn for 2011/12. This cost therefore appears as a major line of expenditure on the face of the HRA revenue account. However this item is treated as capital expenditure under regulations and the impact on the revenue outturn is neutralised by a transfer from the Capital Adjustment Account. Although these sums are huge they ‘net off’ and therefore do not affect the HRA revenue reserves position.

The 2011/12 **HRA Capital Programme** expenditure for the year amounted to £4.132m, which is £0.168m (3.9%) below budget for the year. The expenditure relates largely to the Council’s continued investment in maintaining Decent Homes standards. There is no request to carry forward the reported underspend.

2. Purpose

2.1 This report informs Members of the Council’s financial outturn for revenue and capital expenditure for the General Fund, Housing Revenue Account and trading services for 2011/12.

2.2 A key feature of well-regarded councils is their ability to manage performance effectively. Effective financial management forms an important part of the Council’s overall performance management framework. It is also vital that the Council maintains strong financial management and control in the face of ongoing and unprecedented financial pressures as funding for council services is squeezed and the community served continues to face up to effects of the economic downturn.

2.3 The outturn position reported for the HRA and GF contains some estimated figures for government subsidies on housing and council tax benefit. These are based on unaudited claims, and it is possible that final figures post-audit could change. Should the final figures differ significantly from those used in this report a further report will be presented to Members giving the updated position on subsidy and the implications for the Council’s reserves.

2.4 The outturn figures contained in this report are provisional at this stage. The financial outturn will be taken into account when preparing the Council’s Statement of Accounts, which is due to be approved by the Strategic Director/S151 Officer on 29 June 2012, and is then subject to review by the External Auditor. Should the External Auditor identify any changes to the Accounts these will be reported to Corporate Governance Committee in September this year.

3 2011/12 Financial Performance

3.1 Members have been presented with regular financial monitoring information, with quarterly performance reports submitted to Corporate Scrutiny and the Executive during the year. The reports provided members with: forecast outturn position and the likely impact on reserves; explanations for the forecast variances to budget; and links to operational performance.

3.2 There have been a number of significant challenges faced by the Council this year, and these have had an impact on the overall financial position for the authority. These include:

- The continuing general economic climate and the recession in the UK, which has been the worst seen in this country for 60 years.
- The Government's approach to tackling the national debt and the resulting impact of reduced funding for local authorities. The impact for this Council's budget included a 13.2% cut in general government funding for General Fund services.
- The Council has prepared for the move to Self Financing for the Housing Revenue Account, and has had to take on debt of some £85m in March 2012 to 'buy out' of the national Housing Subsidy system.
- The Council has implemented restructuring as agreed for the 2011/12 budget, and has also undertaken further restructuring in March of this year to respond to further financial reductions in 2012/13. The 2011/12 outturn reflects the related redundancy costs for this restructuring, which have been funded from a combination of General Fund, HRA and Earmarked reserves.

3.3 For a large part of the year, budget managers have been forecasting a net overspend on General Fund services. At the first quarter a major overspend was projected at £0.8m – largely due to declining income in relation to parking, planning, building control and licensing – and action was taken to reduce spending during the year to mitigate this financial pressure. The projected overspend was therefore reduced to £0.313m by the third quarter. The projections on parking income have proven to be reasonably accurate in the outturn, however continued spending control, together with better than expected performance on some other income lines, have helped to arrive at a net underspend of £0.535m (4.2%) being reported for the year. This is explained further in section 4 below and within the appendices A and B.

3.4 The Housing Revenue Account (HRA) is reporting a small surplus of £0.86m (0.3% of gross expenditure) for the year. The Q3 forecast was for a small overspend of £0.023m, which reflected the cost control measures introduced in light of the risk of an overspend projected earlier in the year.

3.5 The Council has continued to operate within the framework of its Budget Strategy and the overall financial standing at the end of the financial year is sound. The underspend on the General Fund Revenue Account means that general reserves have increased (see section 5 of this report). The S151 Officer is due to review the minimum level of reserves in the context of the transfer of risk from central to local government under localism, and the ongoing uncertainty over government funding levels, and it is feasible that this will lead to a recommendation to increase minimum reserves.

4 General Fund – Revenue

4.1 The General Fund (GF) Revenue Account Outturn for 2011/12 is an underspend of £0.535m (4.4% of Net Budget).

4.2 The following table provides a high-level summary of the outturn position. The final budget included a planned transfer from general fund reserves of £0.135m. The underspend for the year therefore results in a net "surplus" of £0.400m on the General Fund Revenue Account, as summarised in the following table.

	Final Budget £k	Outturn £k	Variance £k	%
Net expenditure on services	12,879	14,210	1,331	10%
Other costs, income and transfers	(734)	(2,599)	(1,865)	254%
Net Budget Before Funding	12,145	11,611	(534)	4.4%
Funding - Grants and local taxation	(12,010)	(12,011)	(1)	0%
Net (Surplus) Deficit for the year	**135**	**(400)**	**(535)**	
Transfer to (from) GF Reserves	**(135)**	**400**	**535**	

4.3 A detailed statement of the revenue outturn position is provided in Appendix A.

4.4 As referred above the forecast outturn at Q3 was an overspend of £313k. Clearly the year end position has changed to an underspend of £535k, a difference of £848k. The projections reported to Members at Q3 have materialised in the majority of areas. For example, as expected parking income has fallen significantly below budget. The following table provides a summary of the main service/budget lines where the outturn has differed from the Q3 forecast.

	Movement £k	Variance £k	% of Budget
Q3 Forecast Overspend		**313**	
Changes to Q3 Variances			
Parking Income	54		2%
Staff costs	46		0.5%
Cemeteries and Crematorium	19		3%
Council Tax Benefit Subsidy / Recoupment	(147)		167%
Net Interest Costs	(61)		39%
Licensing Income	(37)		12%
Building Control overspend reduced	(19)		15%
Planning	(19)		3%
Rent Allowances	(14)		<0.1%
Subtotal		**(178)**	
New Information			
Homelessness	(124)		30%
Bad Debt Allowance	(223)		100%
Repayment of Capital borrowing (“MRP”)	(40)		6%
Economic Development (carry forward requested)	(33)		11%
Various other net underspends within services	(250)		
Subtotal		**(670)**	
Year End Outturn Variance		**(535)**	

4.5 A proportion of the movement between Q3 and outturn is represented by differences with previously reported items:

- **Parking Income and Service Costs**: As reported throughout the year, car parking income (on street and off street combined) has fallen below budgeted expectations. The outturn resulted in an income shortfall of £584k (£530k shortfall projected at Q3). There are many factors that influence demand in this area including greater use of Park & Ride, rising costs of motoring, driver choice, and the impact of the wider economic downturn. The Council's traffic management and environmental policies to reduce journeys and encourage use of public transport have been effective. The majority of the reduction income has been seen in 'commuter' car parks. With fewer numbers of vehicles in car parks the number of contraventions and therefore penalty charges has fallen. The number of these issued has also been affected by the reduction in enforcement staff. Parking budgets overall is overspent by a net £547k reflecting other minor variances partially offsetting the income shortfall.

- **Staff costs:** Across the range of service budgets, the staff costs are underspent by £58k (Q3 forecast was £104k underspend). As previously reported, this reflects the fact that there was a zero pay award for staff, with vacancy savings being offset by the vacancy allowance built into the budget. The reduction in the underspend is largely due to a proportion of staff costs being met from the annual budget rather than from earmarked reserves as previously forecast.
- **Cemeteries and Crematorium:** The service reported an overspend of £118k for the year (£99k forecast at Q3). This has resulted predominantly from reduced income with lower than budgeted number of cremations, and higher than budgeted maintenance costs for the cremators partly due to the delay with the cremator replacement project (see section 6 below).
- **Council Tax Benefits (CTB):** The Original Budget for CTB and Subsidy allowed for a net subsidy 'surplus' of £55k related to recoupment of overpaid subsidy. The Q3 forecast was a £55k overspend, however the outturn (based on pre-audit subsidy) is a surplus/underspend of £92k. The initial forecast was based on the budget holders best estimates at the time, and it is recognised that this is a demand-led budget that can produce volatile financial results.
- **Net Interest Costs**: The net position on interest is an underspend against budget of £103k (compared to Q3 forecast of £42k underspend). The main reason for the difference between Q3 and year end is the projected sharing of interest income between the General Fund and HRA. The forecast method will be reviewed and updated for 2012/13 to ensure a more accurate forecast is provided during the year. The overall underspend reflects ongoing low interest rates generally and the prudent approach taken when setting the budget.
- **Licensing:** Licensing income has been projected below budget for most of the year, and the service have delivered cost reductions to reflect the decline in demand with the Q3 forecast showing a net overspend of £11k. Income collection has been more successful than anticipated earlier in the year, with the service reporting an net underspend of £26k on controllable budgets.
- **Building Control:** The service has reported a decline in income throughout the year, reflecting the ongoing impact of recession in the construction industry. Measures to reduce costs in the face of this fall in income have helped to reduce the impact, and income picked up slightly towards the end of the year. The net outturn for the service as a whole is an overspend of £113k (£132k forecast at Q3).
- **Planning:** Despite concerns over the income trend early in the financial year, the Planning service reported a small projected underspend of £10k in Q3. The outturn was in line with Q3 on controllable budgets, with a reduction in recharges increasing the underspend to £29k at the year end.
- **Rent Allowances:** The net underspend on Rent Allowances for the year is £244k, a slight increase on the £230k forecast at Q3. Although the year end variance amount is significant in value it represents a very small percentage difference compared to budget (gross Rent Allowances paid are in excess of

£17m for the year).

4.6 In addition, there are new variances being reported that have been identified as part of the year end outturn analysis:

- **Homelessness**: Across the range of homelessness budgets there is a significant underspend being reported at the end of the financial year; the net underspend is £124k. The Council's work to prevent homelessness and provide cost effective temporary accommodation solutions has helped to contain costs e.g. bed & breakfast costs are below budget. In addition, the cost of providing for the Housing Options Bond Guarantee Scheme has reduced and the allowance for bad debts has also reduced in the year.
- **Bad debt allowances:** Across the range of income-generating service budgets, there has been a reduction in the allowance for bad debts of £223k. This reflects the significant reduction in outstanding debtors in March 2012 compared to the previous year, due to a combination of focussed debt collection activity and write-off of irrecoverable debt. The reduction in the allowance for bad debt helps to offset the impact of debt write-off in the year. The Performance & Client Lead will provide a detailed report to Corporate Governance Committee on 26 June 2012, which will demonstrate how the overall debtors balance has reduced.
- **Repayment of Capital Debt ("MRP")**: The budget for capital debt repayment included provision for repaying debt related to the Cremator Replacement capital project. As this project has been delayed (see section 6 below), the related borrowing has yet to be undertaken resulting in a £40k underspend in the current year.
- **Economic Development**: The service has delivered an underspend of £33k on controllable budget lines through reduced staff, publicity and promotion costs, in response to the overspend being reported corporately. See 4.7 below.
- **Various Service underspends**: In response to the overspend being reported corporately, managers have managed to reduce controllable spend across various service budgets. This has resulted in a number of relatively smaller underspends across a range of services.

4.7 In view of the overspend position, two specific budget carry forward requests have been identified, and are supported by the S151 Officer:

- **Economic Development**: The service plans to invest the net saving on controllable budget lines of £33k in 2012/13 to support promotional work through the Taunton Means Business programme and funding for masterplan work for the bus station site following completion of Castle Green redevelopment.
- **Insurance**: A budget pressure is emerging in 2012/13 related to insurance costs. The insurance provider has indicated an intention to increase premiums in the year, which is estimated to cost up to an additional £53k in 2012/13. A budget carry forward for this amount is requested, effectively to provide a one-off supplementary allocation to fund this. As this is estimated to be a worse case position, any variance against the revised budget (if approved) will be assessed and reported through budget monitoring with the option to return any surplus to reserves during the year. The insurance

contract is due for re-tender, and estimated ongoing budgetary impact will be updated through the budget setting process for 2013/14.

4.8 The General Fund Revenue Account outturn position for the year incorporates the overall performance of the DLO and Deane Helpline Trading Accounts, which are further explained later in this report.

4.9 A more detailed explanation of the key outturn variances to budget is provided in Appendix B. This analysis also includes a comparison with the Q3 forecast, highlighting the main movements between the Q3 forecast and the outturn position.

4.10 A more detailed analysis of the treasury performance (investments and borrowing) will be provided in the Treasury Management Outturn 2011/12 and 2012/13 Update Information Report to be issued this month.

5 General Fund – Reserves

5.1 The General Reserves balance at the start of the financial year was £2.937m. The 2011/12 final budget for net transfers from General Fund Reserves is £0.135m, reflecting:

- Supplementary Estimates – taking funds from reserves and increasing the Budget, e.g. for funding redundancy costs in the year
- Returns – transferring funds to reserves and reducing the Budget, e.g. for surplus earmarked reserves
- Repayment of Invest to Save Schemes and other planned transfers included in the Original Budget.

5.2 The following table provides a summary reconciliation of the movement in General Reserves for the year.

Table: General Fund Reserves

	Budget £k		Actual £k
Balance brought forward 1 April 2011		2,937	2,937
Original Budget	98		98
Supplementary Estimates & Returns			
Surplus earmarked reserves	159		159
Redundancy costs	(383)		(383)
Adjust repayment of ISIS Invest to Save as part repaid in 2010/11 outturn	(96)		(96)
Surplus CCR Reserves*	87		87
Total Net Budgeted Transfers From Reserves		(135)	(135)
Net Underspend (Overspend) for the Year			535
Balance carried forward 31 March 2012		2,802	3,337
Proposed Budget Carry Forward in 2012/13*			(86)
Balance in 2012/13 after Carry Forward			3,251

**Subject to approval as recommended in this report – see 5.6 below.*

5.3 As the table shows, the General Fund Reserves balance has increased from £2.937m at the start of the year to £3.337m at 31 March 2012 (subject to audit). Assuming Full Council approves the requested budget carry forward of £86k, the reserve balance will reduce to £3.251m. This balance is well above the minimum recommended level of £1.25m included in the Council's current Budget Strategy. However – in view the ongoing financial pressures faced by the Council and the likely increases in financial risk arising through Localism, Local Government Finance Review, Welfare Reform, and the continuing effects of the wider economy – this "headroom" will provide some protection from financial risks in the medium term. This balance also provides some flexibility to one off revenue or capital schemes. The Executive are currently considering potential options in this regard.

5.4 Members are advised that the above details in 5.2 and 5.3 do not include the impact of the recommended budget increase for the Cremator Replacement capital project – see separate report in this agenda. If that is approved as recommended, this will reduce General Reserves balance from the above table by £113k, to £3,138k.

Earmarked Reserves – General Fund

5.5 The Council can also set aside funds for specific purposes to be used in future years. Appendix G provides a summary of the earmarked reserves and their movement during the year. The proposed balance carried forward to support spending in future years is £6,597k, including £5,541k for expenditure on services and £1,056k for capital commitments.

5.6 As part of the financial year end process, officers have been asked to confirm the continuing requirement for which the funds were set aside, and provide a firm indication of the financial year(s) within which the reserves are expected to be used.

5.7 As part of the year end review, surplus earmarked reserves related to DLO Transformation costs have been identified totalling £87k. This relates to earmarked reserves that were intended to support expenditure in 2010/11, but were not drawn down as costs were contained within the overall budget in that year. It is recommended that the surplus earmarked reserves are transferred to General Reserves in 2011/12.

5.8 Transfers to reserves at the end of the financial year have been reviewed and approved by the S151 Officer.

6 General Fund – Capital

6.1 The General Fund Capital Programme for the year had a final budget of £8.553m. The Council planned to support this investment through the use of Capital Grants and Contributions, Revenue Funding and Borrowing.

6.2 Total capital expenditure for the year was £4.331m, which is £4.222m (49%) below the budget for the year. Total slippage of planned project expenditure into 2012/13 is £4.534m and a budget carry forward is recommended for the related schemes (see 6.5 below). The remaining budget after the proposed carry forward would be £4.019m, therefore there is a reported technical overspend of £0.312m on completed projects. The major areas of capital spend during the year included: continued investment in Project Taunton schemes; grant support for private and social sector housing; investment in play facilities in the borough; and costs related to the ongoing Mercury Abatement Works to the Crematorium.

Table: Capital Programme 2011/12 Provisional Outturn Summary

	£k	%
Budget for the Year	8,553	
Outturn for the Year	4,331	
Underspend before slippage	(4,222)	49%
Slippage into 2012/13	4,534	
Overspend after slippage	312	4%

6.3 Excluding slippage, the main variances relate to Play Areas and Equipment projects, where expenditure in the year on a range of schemes totalled £612k. Although the budget for such schemes was £303k, the main difference relates to schemes that were not reflected in the budget but were externally funded through grants and contributions e.g. the development at Lambrook Green. These variances have not impacted on the Council's own capital resources.

6.4 Appendix C provides the General Fund Capital Programme Provisional Outturn by Project, and also sets out by Project the proposed carry forward to 2012/13 of £4.534m.

6.5 The proposed carry forward includes £966k for the Cremator Replacement project (Members will note that the tender acceptance for associated works was published in the Weekly Bulletin on 1 June 2012, and a separate report is to be considered by Executive on 11 July 2012). In addition the proposed carry forward includes approx £940k related to housing schemes, approx £2,360k for Project Taunton / Growth and Regeneration schemes. In addition, the £100k budget currently assigned to the now obsolete Deane House Boiler Replacement project is proposed to be carried forward for 'Carbon Management Projects' - £70k of which is proposed to fund the Solar Panel installation on the Station Road Pool roof. There are other smaller amounts on a variety of schemes as shown in Appendix C.

7 Housing Revenue Account (HRA)

7.1 The Housing Revenue Account Outturn for 2011/12 is £86k underspend against the final budget for the year. Earlier in the year the HRA was projecting an overspend in the year. Management has responded to this forecast by re-phasing works related largely to bathroom replacement and air source heat pump installations into 2012/13. This has helped to contain spending within the overall budget.

7.2 The following table provides a high-level summary of the outturn position. The final budget included a planned transfer from HRA reserves ('working balance') of £325k. The underspend for the year therefore reduces this transfer from reserves to £239k.

	Final Budget £k	Outturn £k	Variance £k	%
Gross Income	(22,606)	(22,349)	257	1.1%
Gross Expenditure	21,574	22,378	804	3.7%
Net Cost of Services Subtotal	(1,032)	31	1,061	
Exceptional Item: Self Financing Settlement (see para 7.4)	0	85,198	85,198	
Net cost of services Total	(1,032)	85,229	86,259	
Other operating costs and income	520	469	(51)	10%
Earmarked Reserves and Financial Adjustments	836	(260)	(168)	20%
Capital Credit – Self Financing Adjustment	0	(85,198)	(85,198)	
Net Surplus/Deficit for the Year	324	238	(86)	26%
Net Transfer from HRA Working Balance	(324)	(238)	86	

7.3 A further account summary is provided in Appendix D and a detailed analysis and explanation of the key outturn variances to budget is provided in Appendix E.

7.4 During 2011/12 a significant amount of preparation has been undertaken for the move to HRA Self Financing, which commenced in April 2012. Members approved a new 30-Year Business Plan in February of this year. As reported through the budget setting process for 2012/13, this significant change means that the Council will no longer be required to pay an annual 'negative subsidy' to Central Government, but has had to pay the Government £85.198m as a one-off Self Financing Debt Settlement. This payment was made in March 2012, and is therefore reflected as a major one-off cost in the 2011/12 outturn figures. However, under statutory regulations this settlement payment is treated as capital expenditure and the impact on the revenue account is therefore neutralised by a transfer of £85.198m from the Capital Adjustment Account.

7.5 The Housing Revenue Account has been closed using estimated subsidy figures. Any adjustment made in the final audited subsidy claim, if required, is likely to be immaterial as the annual subsidy payment to CLG in 2011/12 is £7.120m.

7.6 The main variances include:

- Government Subsidy was £0.118m more than budgeted for. As mentioned above, the 2011/12 outturn is based on estimates of the final subsidy for the year, and any changes following the audit will be charged or credited in 2012/13;
- Some overheads moved from Maintenance to Management General;
- One-off costs in relation to works that were previously anticipated to be funded via insurance;
- Total debt write-offs of £330k have been made during the year, partially offset by a reduced bad debt allowance;
- Transfers to/from earmarked reserves were below budget. Transfers have included £150k from the Heating/Platform Reserve, and £65k to a Halcon Regeneration Project Reserve related to funding approved in December 2011 but not yet spent.

7.7 Management have worked hard to ensure the bottom line position is within the overall approved budget, and this has been successfully achieved with only a minor variance reported.

8 HRA Reserves

8.1 The following table summarises the movement in the HRA Reserves balance in 2011/12:

Table: HRA Reserves balance

	Budget £k		Actual £k
Balance brought forward 1 April 2011		1,594	1,594
Original Budget	(175)		(175)
Supplementary Estimates & Returns			
Halcon Regeneration Project Costs	(65)		(65)
Redundancy costs	(85)		(85)
Total Net Budgeted Transfers From Reserves		(325)	(325)
Net Underspend/(Overspend) for the Year			86
Balance carried forward 31 March 2012		1,269	1,355

8.2 As the table shows, the HRA Reserves balance has decreased from £1.594m at the start of the year to £1.355m at 31 March 2012 (approx £210 per property). Despite the reduction in balances this is well above the minimum amount of approx £900k (approx £150 per property) recommended within the Council's Budget Strategy for the year. Members are reminded that, through the development of the new HRA 30-Year Business Plan approved in February 2012, the minimum reserves are recommended to increase to £1.8m from 2012/13 to reflect additional risk under self financing. The 2012/13 Budget includes a planned transfer to HRA Reserves of £488k, which would increase HRA reserves to £1,843k thus meeting the Business Plan requirement.

8.3 Members may also wish to note that HRA properties are maintained over an 8-year cycle within the 30-year Business Plan, and so working balances held per property could change significantly year-on-year depending on the level of maintenance outstanding. In addition, with the planned move to self-financing a healthier working balance is advisable.

Earmarked Reserves – HRA

8.4 The Council can also set aside HRA funds for specific purposes to be used in future years. Appendix G provides a summary of the earmarked reserves and their movement during the year. The proposed balance carried forward to support spending in future years is £475k, including £331k for expenditure on services and £144k for capital commitments.

9 HRA Capital Programme

9.1 HRA capital expenditure for the year totalled £4.132m, which is £168k (4%) below the annual budget. The service has advised that as much of the work is demand-driven and also generally carried-out at times agreed with tenants, budget variances are inevitable.

9.2 The following table provides a high level summary of the capital expenditure outturn for 2011/12.

Table: Capital Programme 2011/12 Provisional Outturn Summary

	£k	**%**
Budget for the Year	4,300	
Outturn for the Year	4,132	
Underspend before slippage	(168)	4%
Slippage into 2012/13	0	
Underspend after slippage	(168)	4%

9.3 The investment during 2011/12 has enabled the Council to continue to improve the quality of kitchens, bathrooms, roofing and heating in its housing stock in order to maintain the Decent Homes standard. Other work included improving the facilities provided for tenants with mobility difficulties (through Aids and Adaptations and Disabled Facilities).

9.4 The underspend for the year is mainly attributable to the Aids and Adaptations and Disabled Facilities budgets which are demand led budgets.

9.5 Appendix F provides the Capital Programme Provisional Outturn by Project. There is no proposed carry forward to 2012/13.

10 DLO Trading Performance

10.1 During 2011/12 the DLO has continued to deliver its ‘internal transformation’ programme. Key achievements in the year include recruitment to the new management structure, implementation of a Business Support Team, introduction of area working, creation of a dedicated voids team, relocation of the waste transfer station, introduction of vehicle tracking and procurement and implementation of a new vehicle maintenance contractor. The DLO has delivered savings during the year of £819k through the transformation programme, some of which are directly applied within General Fund and HRA budgets, and some of which are included within the Trading Account.

10.2 For 2011/12, the DLO Trading Account is reporting a surplus of £67k. In arriving at this surplus the DLO has made the budgeted contribution to the General Fund of £101k.

10.3 The following table provides a summary of the financial performance for each unit for the year. Information from the previous financial year is included for comparison.

Table: DLO Trading Account Outturn

	2010/11 Net £k	2011/12 Income £k	2011/12 Costs £k	2011/12 Net £k
(Surplus)/Deficit for the year:				
Highways	17	(688)	863	175
Grounds Maintenance	72	(2,783)	2,631	(152)
Building Maintenance	(197)	(4,526)	4,533	7
Cleansing	33	(763)	762	(1)
DLO Central Costs	0	0	133	133
Trading (Surplus) / Deficit Before Adjustments	**(75)**	**(8,760)**	**8,922**	**162**
Offset IFRS* Technical Accounting Adjustments				(87)
Offset Exceptional Stores Cost not within budget				(123)
Adjusted Trading (Surplus) before Contributions	(75)			(48)
Contribution to General Fund – Original Budget	74			101
Contribution from Trading Reserve – Redundancy Costs				(120)
Trading Surplus After Adjustments and Contributions	(1)			(67)
Surplus transferred to Trading Account Reserve	**1**			**67**

** IFRS = International Financial Reporting Standards*

10.4 Although the financial statements for the DLO will report a deficit of £162k (an overspend of £210k against the final approved budget), this includes technical adjustments under International Financial Reporting Standards (IFRS)* and exceptional stores costs that were allocated to the DLO at the end of the financial year. With regard to the stores cost, the budget for this cost is within the General Fund in 2011/12 therefore it is proposed to disregard this cost to arrive at a 'true' trading performance for the DLO which is reported as a £67k surplus.

10.5 During 2011/12, the DLO has transferred £300k from the Trading Account Reserve to a DLO Capital Replacement Reserve to provide funding for capital expenditure on vehicles, plant and equipment; and also transferred £120k to the Trading Account to fund one-off redundancy costs related to the Transformation programme. The following table provides a summary of the movement on the DLO Trading Account Reserve, including these transfers and the impact of the financial performance for the year, and shows the balance of £216k as at 31 March 2012.

Table: DLO Trading Account Reserve Balance

	2010/11 £k	**2011/12 £k**
Reserve balance brought forward 1 April	**(569)**	**(569)**
Retained Trading (Surplus) / Deficit	**(1)**	**(67)**
Transfer to DLO Transformation Reserve	1	0
Transfer to Capital Replacement Reserve Fund	0	300
Transfer to Trading Account to fund Redundancy Costs	0	120
Surplus transferred to Trading Account Reserve	**0**	**(67)**
Reserve balance carried forward 31 March	**(569)**	**(216)**

Note: minus (-) reserve balance = surplus held

11 Deane Helpline Trading Account

11.1 During the year the Deane Helpline made a net deficit of £118k, which results in a small overspend of just £2k (1.7%) against the final budget. If you exclude IFRS Technical Accounting adjustments of £20k (which were not included for budget purposes), this deficit reduces to £98k.

11.2 There are no significant variances to report. In Q3 an underspend of £38k was reported reflecting reduced overtime costs and additional income through new charges. The year end position reflects technical accounting adjustments of £20k related to pensions and accrued annual leave, and £9k 'overspend' on recharges, neither of which could have been reported by the budget manager at Q3. Careful management of costs and additional income enabled the service to produce a surplus of £27k on controllable items.

11.3 There are no funds held in the Deane Helpline Trading Account Reserve therefore the deficit is reflected as a cost to the General Fund. Members are reminded that the Deane Helpline budget for 2012/13 anticipates a reduced deficit of £77,000, which will be an improvement on the 2011/12 position.

12 S151 Officer Comments

12.1 The budget monitoring regime has worked well in flagging up financial challenges faced by many of our income generating services. However, it is disappointing to find new issues emerging at outturn that weren't picked up by our current systems. A full review of this will be driven by the S151 Officer over the summer months to ensure our financial management systems provide robust information, and better highlight risks and uncertainty that can lead to differences between in-year forecasts and the eventual outturn position.

13 Legal Comments

13.1 None for the purpose of this report.

14 Links to Corporate Aims

14.1 The financial performance of the Council underpins the delivery of corporate priorities and therefore all Corporate Aims.

15 Environmental Implications

15.1 None for the purpose of this report.

16 Community Safety Implications

16.1 None for the purposes of this report.

17 Equalities Impact

17.1 Not required for the purposes of this report.

18 Risk Management

18.1 Financial controls are operated throughout the year to manage financial risks, which are subject to review through internal and external audit, as well as through reporting to the Corporate Governance Committee

19 Partnership Implications

19.1 A wide range of council services are provided through partnership arrangements e.g. Tone Leisure for leisure services. The cost of these services are reflected in the Council's financial outturn position for the year.

20 Recommendations

20.1 The Executive are recommended to:

a) Recommend that Full Council transfer the net underspend on the General Fund Revenue Account to General Fund Reserves, and transfer the net underspend on the Housing Revenue Account to HRA Working Balance Reserves.

b) Recommend that Full Council approves the net transfer of £258,000 from earmarked reserves for use on General Fund services and capital financing, and £85,000 from earmarked reserves for use on HRA services and capital financing, as set out in the report and in Appendix G.

c) Recommend that Full Council transfers surplus earmarked reserves of £87,000 to General Reserves as referred in the report.

d) Recommend that Full Council approves a Carry Forward of General Fund Revenue Budget of £86,000 to support expenditure related to Economic Development and Insurance Costs in 2012/13.

e) Recommend that Full Council approves the Carry Forward of General Fund Capital Programme Budget totalling £4.534m for slippage into 2012/13 (as set out in Appendix C).

Appendices:

A – General Fund Revenue Account 2011/12 Outturn Statement
B – General Fund Revenue Account Variances
C – General Fund Capital Programme 2011/12 Outturn Statement
D – Housing Revenue Account 2011/12 Outturn Statement
E – Housing Revenue Account Variances
F – HRA Capital Programme 2011/12 Outturn Statement
G – Earmarked Reserves 2011/12

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APPENDIX A

GENERAL FUND REVENUE OUTTURN 2011/12

Portfolio	Original Budget £k	Final Budget £k	Actual Expenditure £k	Variance £k
Community Leadership	1,121	1,255	1,286	31
Corporate Resources	1,730	1,501	1,010	(492)
Economic Dev. Property & Tourism	837	723	1,983	1,260
Environmental Services	4,284	4,216	4,204	(12)
General Services	1,413	1,531	1,624	93
Housing Services	2,264	2,324	2,171	(153)
Planning Policy & Transportation	(1,365)	(1,174)	(647)	527
Sports, Parks & Leisure	2,546	2,503	2,579	76
Total Service Expenditure	**12,830**	**12,879**	**14,210**	**1,331**
Interest Payable and Debt Management Costs	226	226	211	(15)
Interest Income	(69)	(69)	(157)	(88)
Soft Loan	0	0	(3)	(3)
Capital Adjustments	(1,930)	(1,930)	(3,487)	(1,557)
Revenue funding of capital expenditure	130	607	615	8
Repayment of Capital Borrowing	371	648	609	(39)
Net Earmarked Reserves Transfers	(148)	(254)	(258)	(4)
IAS19 Pension Fund Adjustments	0	0	(378)	(378)
DLO	(101)	(48)	162	210
Deane Helpline	100	116	117	1
New Homes Bonus Grant	0	(392)	(392)	0
Local Services Support Grant	0	(141)	(141)	0
Authority Expenditure	**11,409**	**11,642**	**11,108**	**(534)**
Special Expenses	47	47	47	0
Borough Expenditure	**11,456**	**11,689**	**11,155**	**(534)**
Parish Precepts	456	456	456	0
Net Budget Requirement Before Funding	**11,912**	**12,145**	**11,611**	**(534)**
Revenue Support Grant	(1,412)	(1,412)	(1,412)	0
Contribution from NNDR Pool	(4,569)	(4,569)	(4,569)	0
Council Tax Freeze Grant	(137)	(137)	(138)	(1)
Council Tax	(5,964)	(5,964)	(5,964)	0
Deficit on Collection Fund: Council Tax	72	72	72	0
Net (Surplus) Deficit for the Year	**(98)**	**135**	**(400)**	**(535)**
Contribution to/(from) General Fund Balances	**98**	**(135)**	**400**	**535**

APPENDIX B

GENERAL FUND REVENUE 2011/12 OUTTURN VARIANCES

#	Port-folio	Service / Heading	Explanation	Forecast Variance Q1 £k	Q2 £k	Q3 £k	Q4 £k	Total £'000
		Community Leadership						
		Community Safety	Impacted by higher than anticipated RPI increase for CCTV contract payments, plus debt impairment charges and under recovery of income.				32	**32**
		Shopmobility	Managed underspend in response to corporate projected overspend at Q3, following 'corporate message' to reduce expenditure wherever possible.				(11)	**(11)**
		Strategy	Managed underspend in response to corporate projected overspend at Q3, following 'corporate message' to reduce expenditure wherever possible, specifically making savings within supplies & services costs.				(26)	**(26)**
		Corporate Resources						
		Council Tax Benefit	Due to the current economic climate overpayment recovery is estimated to be lower than budget.	55			(147)	**(92)**
		Rent Allowances	Recoupment of overpayments expected to be higher than budget set.			(230)	(14)	**(244)**
		Rent Rebates to HRA Tenants	Recoupment of overpayments expected to be higher than initially thought in Q2.	65		(65)	62	**62**
		Council Tax Collection	Recoupment of legal fees from council tax payers for recovery of council tax payment, where initial payment was not received on time, was higher than budgeted.				(70)	**(70)**
		NNDR Collection	Discretionary rate relief allocations have exceeded the budget for the year.				42	**42**
		SWOne Contracts	Reduction in contract cost due to pay freeze for staff seconded to SWOne plus income from service credits.	(90)		(118)	(5)	**(213)**

#	Port-folio	Service / Heading	Explanation	Forecast Variance				
				Q1 £k	**Q2 £k**	**Q3 £k**	**Q4 £k**	**Total £'000**
		TDBC Assets	Additional income received for Firepool Site as reported earlier in the year, offset by a transfer to asset maintenance reserve in Q4.		(39)		39	**0**
		HR	Overspend reported on medical fees and childcare fees.			34		**34**
		Deane House	The Budget Holder stopped all non-urgent spend in Q3 as the overall council-wide forecast was a significant overspend. However urgent and H&S costs were then less than expected in Q4.			0	(12)	**(12)**
		Property Management	Underspend on surveys and valuations due to the economic climate			(20)	(25)	**(45)**
		Economic Development, Asset Management, Arts and Tourism						
		Tourist Information Centre (TIC)	Sales income budget overstated during budget setting. Position changed in Q4 mainly due to accrued allowance for historic rent costs no longer required.	55			(21)	**34**
		Economic Development	This relates to a general underspend on publicity and promotions. A budget carry forward has been requested to invest this underspend in 2012/13 – see main report				(35)	**(35)**
		Environmental Services						
		Cemeteries and Crematorium	Overspend relates to lower than budgeted number of cremations creating an under-recovery of income, and an increase in maintenance costs largely due to the delay in the replacement of the cremators.		54	45	18	**117**
		Licensing	Licensing income is down showing the impact of wider economic downturn. Costs are being reduced by management to offset this loss e.g. equipment costs reduced.	73	(48)	(14)	(37)	**(26)**
		Pollution Reduction	Budget holder actively managed reduced expenditure to offset anticipated loss of income.			(10)	(4)	**(14)**

#	Port-folio	Service / Heading	Explanation	Forecast Variance Q1 £k	Q2 £k	Q3 £k	Q4 £k	Total £'000
		Waste and Recycling	Projected costs for the main contract and new/replacement containers are below budget estimates, partially offset by reducing income. Position updated in Q4 as funds set aside in earmarked reserve for waste and recycling costs and initiatives in future years			(50)	50	**0**
		Flood Defences	This budget contains a contingent element required to cover eventuality of flooding during the year. The under spend relates to the un-used contingent funds.				(34)	**(34)**
		General Services						
		Democratic Representation and Management	Members and Mayor Allowances were lower than budgeted.			7	(23)	**(16)**
		Housing Services						
		Homelessness	Demand is volatile and dynamic, dependent on external circumstance driving homelessness. Underspend relates to alternatives being used to B&B, reduced costs for the Housing Options Bond Guarantee Scheme, and reduction in bad debt allowance.				(123)	**(123)**
		Housing Improvements	Funding earmarked for housing related grants not used as costs in the year met from capital budget				(35)	**(35)**
		Planning, Transportation, and Communications						
		Off Street and On Street Parking Services	Significant reduction in off street parking income compared to budget, with a reduction also in penalty charge notice income. This has ongoing financial implications and has been taken into account within the 2012/13 budget	562	(311)	279	17	**547**
		Planning Services	Despite an anticipated reduction in planning fees income early in the year, planning applications received, including large applications eventually exceeded budgeted expectations.	140	(140)	(10)	(19)	**(29)**

#	Port-folio	Service / Heading	Explanation	Forecast Variance				
				Q1 £k	Q2 £k	Q3 £k	Q4 £k	Total £'000
		Building Control	Underachievement of income due to several influences. See 2.3b of the appendix of this report for detailed explanation.	60	140	(68)	(10)	**122**
		Public Transport Co-ordination	Underspend relates to an over-recovery of income and from an underspend on equipment.				(23)	**(23)**
		Sports, Parks and Leisure						
		Vivary Park	The income shortfall from the car park in Vivary Park, as reported in Q3, has been offset by reduced maintenance costs identified in Q4			30	(28)	**2**
		Sports Development	Over-recovery of income compared to budget, including debt impairment credit and reduction in grant payments made.				(23)	**(23)**
		Various Services						
		Salaries	Various staff vacancy savings across services and reduced employee costs due to pay freeze.	(93)	(80)	69	50	**(54)**
		Various	Various minor variances across a wide range of cost centres, including variances in recharges	(22)	(35)	130	(332)	**(259)**
		Other Costs and Income						
		Net Interest Payable and Receivable	Both interest costs and income are below budgeted levels reflected continued low interest rates. Change highlighted in Q4 includes impact of earlier than forecast repayment of temporary borrowing, and impact of interest sharing between GF and HRA.		(30)	(12)	(61)	**(103)**
		Repayment of Capital Debt (MRP)	Debt repayment costs lower than allowed for in the budget due to the slippage in the Cremator Replacement project at the Crematorium				(40)	**(40)**
		GRAND TOTALS		**805**	**(489)**	**(3)**	**(848)**	**(535)**

APPENDIX C

GENERAL FUND CAPITAL PROGRAMME 2011/12 OUTTURN

Scheme Heading	Budget £k	Outturn £k	Variance £k	Proposed C/Forward £k
Corporate Resources				
IT Improvements	70	50	(20)	20
IT Infrastructure Maintenance	35	0	(35)	35
Members IT Equipment	10	9	(1)	1
Deane House Boiler Replacement	100	0	(100)	0
Carbon Management Projects (incl Solar PV on Station Road Pool)	0	0	0	100
Sub-total	**215**	**59**	**(156)**	**156**
Economic Development & Arts				
DLO Vehicles	202	183	(19)	19
Firepool Weir	10	6	(4)	4
Town Centre Improvements	8	8	0	0
Mount St Nursery	5	5	0	0
Sub-total	**225**	**202**	**(23)**	**23**
Environmental Services				
Taunton/Bridgwater Canal	10	10	0	0
Mercury Abatement Works (Extension and Filters)	1296	330	(966)	966
Crematorium Music System	4	0	(4)	0
Cemeteries and Crematorium Mower Replacement	15	12	(3)	0
Waste Initiative	65	14	(51)	51
Sub-total	**1,390**	**366**	**(1,024)**	**1,017**
Housing				
Disabled Facilities Grants - Private Sector	610	305	(305)	245
Private Sector Renewal Grants	64	119	55	0
Grants to RSLs	916	222	(694)	694
Sub-total	**1,590**	**646**	**(944)**	**942**
Planning Policy and Transportation				
Parking Strategy - Payment Equipment	2	0	(2)	2
Replacement Parking Equipment New Coins	31	6	(25)	25
Sub-total	**33**	**6**	**(27)**	**27**
Sports, Parks and Leisure				
Lambrook Green Play Area	0	389	389	0
French Weir Park	0	25	25	0
Gordon Hawkins Play Area	0	5	5	0
Lyngford Park Play Area	27	17	(10)	0
Hamilton Gault Play Area	0	3	3	0
Hamilton Gault Wheelspark	26	3	(23)	0
Taunton Green Play Area	0	(34)	(34)	0
Greenway Recreation Play Area	52	48	(4)	0
Baldwin Road Play Area	0	6	6	0
Cotford St Luke Play Area	0	2	2	0
Play Equipment - Grants to Clubs	113	56	(57)	0

Scheme Heading	Budget £k	Outturn £k	Variance £k	Proposed C/Forward £k
Play Equipment - Grants to Parishes	20	13	(7)	12
Play Equipment Replacement	20	48	28	0
Swimming Pool Lift Refurbishment	45	31	(14)	0
Sub-total	**303**	**612**	**309**	**12**
Project Taunton				
Somerset Square	28	28	0	0
Firepool	931	463	(468)	468
Castle Green	2240	720	(1,520)	1,520
Long Run Farm	163	55	(108)	108
High St Retail Project	98	37	(61)	61
Northern Inner Distributor Road	157	147	(10)	10
Urban Initiatives	381	323	(58)	58
Coal Orchard	14	4	(10)	10
Charging Points	14	14	0	0
Goodlands Gardens	307	304	(3)	3
High Street Improvements	394	333	(61)	61
Network / Bus Station	15	4	(11)	11
Tone Way	10	5	(5)	5
Signage Improvements	25	3	(22)	22
Projects Consultancy	20	0	(20)	20
Sub-total	**4,797**	**2,440**	**(2,357)**	**2,357**
GRAND TOTAL	**8,553**	**4,331**	**(4,222)**	**4,534**

APPENDIX D

HOUSING REVENUE ACCOUNT OUTTURN 2011/12

	Original Budget 2011/12 £k	Final Budget 2011/12 £k	Actual 2011/12 £k	Variance 2011/12 £k
Income				
Dwelling Rents	-21,196	-20,995	-20,747	218
Non Dwelling Rents	-586	-586	-539	47
Charges for Services/Facilities	-497	-497	-473	24
Contribution towards expenditure on estates	-259	-259	-276	-17
Supporting People	-299	-299	-314	-15
Total Income	**-22,837**	**-22,606**	**-22,349**	**257**
Expenditure				
Management General	4,663	4,536	5,120	584
Maintenance	5,902	6,273	5,834	-439
Government Negative Subsidy	7,002	7,002	7,120	118
Capital Charges – depreciation	3,938	3,938	4,475	537
Provision for Bad Debt	50	-190	-154	36
Debt Management expenses	15	15	0	-15
IFRS Employee Benefits Adjustment	0	0	13	13
IAS19 Pension Fund Technical Adjustments	0	0	-30	-30
Sub-total	**21,570**	**21,574**	**22,378**	**804**
Exceptional Item – Self Financing Settlement Payment to Government	0	0	85,198	85,198
Total Expenditure	**21,570**	**21,574**	**107,576**	**86,002**
Net Cost of Services	**-1,267**	**-1,032**	**85,227**	**86,259**
Other operating costs and income				
Interest Payable	617	617	455	-162
Interest Receivable	-97	-97	-25	72
Financial Instruments Adjustment	0	0	39	39
Net Operating Expenditure	**-747**	**-512**	**85,696**	**86,208**
Appropriations				
Transfer to/(from) Earmarked Reserve	561	45	-85	-130
Transfer Procurement Savings to GF	0	430	169	-261
Capital Adjustments	0	0	-537	-537
Capital Adjustments – Exceptional Item	0	0	-85,198	-85,198
Revenue Contributions to Capital	361	361	193	-168
(Surplus)/Deficit	**175**	**324**	**238**	**-86**
Transfer to HRA Reserve Working Balance	**-175**	**-324**	**-238**	**86**

APPENDIX E

HOUSING REVENUE ACCOUNT 2011/12 OUTTURN VARIANCES

			Forecast Variance				
#	**Service / Heading**	**Explanation**	**Q1 £k**	**Q2 £k**	**Q3 £k**	**Q4 £k**	**TOTAL £'000**
1	Dwelling Rents	Ongoing dwelling rents income slightly over budget, offset by impact of debt write off in Q4.			(60)	278	**218**
	Non-Dwelling Rents	Garage rents income fell below budget mainly due to voids.		60		(13)	**47**
	Management	Managed savings across various budget headings (e.g. staff training) and additional extra care income received produced a projected underspend at Q3. As a result of extensive account code restructuring during Q4 the reported position has changed significantly – see also Maintenance below.	0	(265)	47	802	**584**
	Maintenance	Significant increase in projected costs, largely due to increased voids and associated repairs and maintenance costs, anticipated aged debt write off and increased insurance costs. Costs have been reduced during Q3 and Q4 in relation to rephasing of bathroom and air source heat pump works in response to overall forecast overspend in the year. As a result of extensive account code restructuring during Q4 the reported position has changed significantly – see also Management above.	(168)	926	(282)	(915)	**(439)**
	Negative Subsidy	Balance of negative subsidy payable related to 2010/11, compared to estimate of the final claim made at the end of last financial year.	0	120	0	(2)	**118**
	Interest Payable/Receivable	Interest payments predicted to be lower than expected. The share of interest income allocated at the end of the financial year was significantly below previous forecast.	0	(165)	0	75	**(90)**
	Earmarked Reserves	Surplus balance within the Heating Reserve. See also para 4.3f in Annex B.		(190)	0	60	**(130)**
	Revenue Contribution to Capital	Final outturn on the capital programme was below budget, resulting in an underspend on the revenue contribution required to fund capital expenditure in the year				(168)	**(168)**

#	Service / Heading	Explanation	Forecast Variance				
			Q1 £k	Q2 £k	Q3 £k	Q4 £k	TOTAL £'000
	Exceptional Item	The self financing debt settlement resulted in a one-off payment to Government of £85.2m. this was offset within the HRA by a technical capital adjustment entry so that there is no impact on the 'bottom line' for the revenue account. See further information in main body of the report.				-	**-**
	Transfers to the General Fund	The transfer to the General Fund related to procurement savings was below the amount allowed for in the budget for the year, resulting in funds remaining within the HRA.				(261)	**(261)**
	Other	Other minor variations across a range of cost centres	2	(2)	0	50	**50**
	GRAND TOTALS		**(166)**	**484**	**(295)**	**(109)**	**(86)**

APPENDIX F

HOUSING REVENUE ACCOUNT 2011/12 CAPITAL PROGRAMME OUTTURN

Scheme Heading	Budget £k	Outturn £k	Variance £k
Maintaining Decent Homes Standards			
Kitchen Improvements, Roofing, Bathrooms, Windows & Doors, Heating Improvements	3,655	3,731	76
Sub-total	**3,655**	**3,731**	**76**
Other Works			
Housing Management System	15	0	(15)
Disabled Facilities Grants (HRA Stock)	300	197	(103)
Aids and Adaptations	200	139	(61)
Asbestos Works	20	23	3
Community Alarm Systems	45	21	(24)
Soundproofing	20	0	(20)
Door Entry Systems	20	20	0
DDA Work	20	0	(20)
Tenants Improvements	5	1	(4)
Sub-total	**645**	**401**	**(244)**
GRAND TOTAL	**4,300**	**4,132**	**(168)**

There are no proposed Budget Carry Forwards to 2012/13.

APPENDIX G

MOVEMENT ON EARMARKED RESERVES 2011/12

Reserve Heading	Balance 1 April £k	Transfers To Res £k	Transfers From Res £k	Balance 31 March £k
For General Fund revenue purposes				
Asset Management - General Services	144	74	0	218
Asset Management - Tone Leisure	632	152	0	784
CEO Initiatives	61	0	-1	60
CCR Property Services Restructuring Pension Costs	224	0	-77	147
Corporate Training	83	0	-25	58
DLO Trading Account Reserve	569	67	-420	216
Eco Towns Projects Grant Funding	183	0	-34	149
Elections	63	0	-28	35
Growth & Regeneration Service Costs	0	886	0	886
Home Improvement Agency	192	0	0	192
Housing Enabling	599	0	-381	218
LABGI	423	0	-385	38
Land Charges	34	67	0	101
Local Plan Enquiry General Provisions	311	0	-73	238
New Homes Bonus Reserve	0	392	0	392
Olympic Torch Event Support	0	60	0	60
Performance & Client Consultancy	144	0	0	144
Planning Delivery Grant - Revenue	474	0	-237	237
Self Insurance Fund	750	0	0	750
Youth Homelessness Fund	75	58	0	133
CCR DLO Transformation (GF resources)	110	0	-110	0
Deprivation Fund (PCT Contribution)	60	0	-60	0
Growth Point Funding (Revenue)	179	0	-179	0
Housing Options Deposit Guarantee Scheme	54	0	-54	0
Planning Appeals	80	0	-80	0
Other Reserves	633	0	-148	485
Sub-total	**6,077**	**1,756**	**-2,292**	**5,541**
For General Fund capital financing purposes				
DLO Vehicle & Plant Replacement Reserve	6	300	-189	117
Capital Financing Reserve - General Fund Projects	762	177	0	939
Sub-total	**768**	**477**	**-189**	**1,056**
For HRA revenue purposes				
HRA Heating Reserve	390	0	-150	240
CCR DLO Transformation (HRA resources)	113	0	-36	77
Other Reserves	14	0	0	14
Sub-total	**517**	**0**	**-186**	**331**
For HRA capital financing purposes				
Capital Financing Reserve - HRA Projects	1,148	0	(1,069)	79
Halcon Regeneration Scheme Project Costs	0	65	0	65
Sub-total	**79**	**65**	**0**	**144**
GRAND TOTAL	**7,441**	**2,304**	**-2,673**	**7,072**

AGENDA ITEM NO. 9

Taunton Deane Borough Council

Executive – 11 July 2012

Medium Term Financial Plan Update

Report of the Financial Services Manager (Southwest One)
(This matter is the responsibility of Executive Councillor Williams, Leader of the Council)

1 Executive Summary

This report provides Members with an update on the Medium Term Financial Plans for the General Fund and Housing Revenue Account. The purpose of the update is to enable Members to consider the latest estimates and information related to the Council's financial position when considering the development and review of corporate priorities and business plans.

2 Background

2.1 The Council's current Budget Strategy was approved by Full Council in October 2010. This was written in recognition of the unprecedented levels of uncertainty on the future funding of local authorities, and tightening economic conditions.

2.2 Under the Strategy, which sets out the proposed approach to dealing with the financial challenge over the medium term, a traditional "savings plan" approach was undertaken in 2011/12, and following an extensive Budget Review in 2011 a number of additional savings options were prioritised by Members leading to a balanced budget for 2012/13.

2.3 The need for a more radical and strategic approach still stands, with the Medium Term Financial Plan (MTFP) continuing to show funding pressures over the next five years. In April 2012, the Strategy Manager reported to Corporate Scrutiny with a proposal to develop a new Corporate Business Plan during the Spring and Summer this year, to replace the current Corporate Strategy. The Business Plan will need to bring together ambitions, future plans, capacity and affordability. This MTFP Update is provided now to enable Members to support the development of the Business Plan with the most currently available financial position for the Council.

2.4 The medium term financial plan positions have been updated recently to reflect our latest understanding of the financial challenges ahead.

2.5 There is a significant amount of uncertainty at this stage, as highlighted in the report below. In terms of the "big picture" we are still planning on the basis of a further 20% reduction in funding from central government over the next two years, in addition to the cumulative 25% cut in formula grant already experienced in 2011/12 and 2012/13. The remainder of this report sets out the latest financial forecasts, and an outline timetable / process for how we will progress the budget setting, and development of a 4 year plan over the coming months.

3 General Fund Revenue Budget Position – Medium Term Financial Plan

3.1 The current forecast position is shown below (excluding parish precepts and special expenses). The gap at the end of the five years has reduced significantly compared to the previous MTFP provided to Members. This reduction is largely due to updated assumptions regarding the Council Tax Reduction Scheme and inflationary increases on income that have not previously been included (see below):

	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k
TDBC Forecast Net Expenditure	11,674	12,969	13,649	14,112	14,526
Forecast Retained Business Rates*	4,779	4,301	4,301	4,301	4,301
Forecast Council Tax Freeze Grant	138	138	0	0	0
Forecast Council Tax	5,740	5,913	6,091	6,275	6,464
Forecast Resources Available	10,657	10,352	10,392	10,576	10,765
Predicted Budget Gap	1,017	2,617	3,257	3,536	3,761

** Formula grant*

3.2 The general assumptions used to build this forecast include:

- Basic Council Tax rate will increase by 2.5% annually;
- Tax Council Tax Base, currently 41,216.39 (Band D Equivalents) in 2012/13, will increase by 0.5% annually (before impact of Council Tax Reduction Scheme – see para 3.4 below);
- Staff pay award will be 1% in 2013/14 and 2014/15, and then 2% annually. A vacancy factor of £60k based on 0.75% vacancy rate remains within the base budget;
- Employers' pension contributions will rise from the current 17.3% in 2012/13 to 21.9% in 2016/17 as per the latest advice from the Pension Fund technical advisor ("Actuary");
- Income from Fees & Charges will increase by an inflationary uplift, which is currently estimated in line with an assumed RPI rate of 3% in 2013/14 and 2% annually in subsequent years. Previously, no inflationary uplift has been included in the MTFP pending decisions on Fees & Charges. During the detailed estimates process budget holders will be required to assess demand fluctuation that may affect overall income levels;
- Retained Business Rates, which is expected to replace Formula Grant, reflects previous estimates of a 10% per annum reduction in 2013/14 and 2014/15. This is our best estimate at this stage, pending further information on the impact of the implementation of the Business Rates Retention funding arrangement;

- New Homes Bonus Grant of £392k per year is included as part of 'mainstream funding' for local services, with any balance above this being set aside in an earmarked reserve;
- The Council Tax Freeze Grant of £138k per year (related to tax freeze in 2011/12) will cease after 2014/15.

3.3 Other assumptions include:

- The implementation of a local Council Tax Reduction Scheme (to replace Council Tax Benefit) is assumed to be cost neutral at this stage. At Corporate Scrutiny in March 2012 Members resolved to support the Portfolio Holder for Corporate Resources giving approval for TDBC officers to work collaboratively with the other Somerset Districts with the aim of:

  1. designing a Somerset-wide Council Tax Reduction scheme;

  2. designing a scheme which has the aim of keeping expenditure within the grant which the major precepting authorities will receive from central government.

  Whilst no decisions have been taken at this stage regarding a local scheme, the MTFP has been updated to reflect the anticipated reduction in expenditure in line with the Government's 10% cut in funding. This is the most significant change to MTFP since the budget was set in February, where at that stage the cut in funding was included but it was assumed that spend would remain at previous levels. It is also assumed that the related Administration Grant will reduce by 10% in 2013/14 (see also 3.4 below).
- The model assumes an annual revenue contribution to capital sufficient to fund the existing agreed recurring capital schemes continues. This includes schemes such as leisure grants, desktop hardware replacement, replacement car parking equipment and the Taunton to Bridgwater canal grant.
- The loss of car parking income due to Project Taunton schemes will take place in 2014/15. This is still relevant and key to delivering the regeneration of the town centre.

Risk and Uncertainty

3.4 There is currently a significant amount of uncertainty around the financial position for the Council, which makes accurate financial modelling more difficult. The major areas of risk and uncertainty include:

- ***Business Rates Retention:*** Under the Government's Local Government Resource Review, the funding of local authority services from central government is changing. The traditional formula grant – which was based on a complex formula based on assessed local needs – is being replaced by a scheme of Business Rates Retention. It is anticipated that the Revenue Support Grant (RSG) element of the formula grant (£103,600 in 2012/13) will be removed as part of the forecast cut in 2013/14 per 2.5 above). The Council will work with the finance team over the coming months to interpret guidance from government and develop a new method for forecasting likely funding, but it is feasible that the Council will not have a firm idea of likely funding for 2013/14 until the Provisional Settlement which is likely to be announced in December this year.

- ***Council Tax Reduction Scheme:*** The Council has committed to developing a new local scheme that is affordable reflecting the 10% cut in funding from Government. However the scheme will be designed during the summer/autumn this year and the financial impact will not be known with certainty for budget setting purposes until December 2012/January 2013. We do know that the new arrangements will impact on the calculation of the tax base, with local council tax discounts being incorporated as part of tax base setting. The share of council tax reduction grant TDBC receives from government should, in theory, offset the reduced council tax income received by TDBC as a result of the lower tax base. We do not yet know the Government's proposals for funding the related Admin Grant (which totals £782k in 2012/13) but we have assumed a 10% cut in 2013/14 at this stage.

- ***Wider economic factors:*** The ongoing state of the national economy brings risk and uncertainty for local services. Together with welfare reform and potential reductions in benefits received by individuals and families, the Council could see changes in demand for local services, e.g.

  - Risk of increased demand/eligibility for discretionary benefits
  - Ongoing impact on treasury performance of low interest rates and instability of banks and other financial institutions
  - Risk of reduced demand for chargeable services leading to reduction in income
  - Risk of individuals' and business' ability to pay, placing increased risk to collection levels for Council Tax, Business Rates, and other rents, fees and charges for local services
  - Risk of homelessness increasing

- ***Local Projects:*** When the budget was set in February, a number of projects were highlighted as uncertain in terms of potential costs, such as maintenance of Orchard Car Park and Deane House maintenance and remodelling works.

- ***Local Priorities:*** The development of a new Corporate Business Plan will provide Members with the opportunity to review local priorities, the impact of which will need to be factored into the MTFP.

- ***DLO Transformation:*** The ongoing DLO Transformation programme is expected to deliver further savings. The financial implications need to be fully assessed, including the analysis between the General Fund and Housing Revenue Account (HRA). This work will be undertaken in the coming months to determine the impact for the MTFP. In addition, costs associated with the transformation – e.g. the potential depot relocation as reported to Corporate Scrutiny on 24 May 2012 – are uncertain at this stage.

- ***Community Infrastructure Levy (CIL):*** The Council is in the process of developing proposals related to the introduction of the CIL in Taunton Deane, as reported to Community Scrutiny on 12 June 2012. This may have one off set up costs, and then ongoing income and expenditure implications, but at this stage no estimates have been included within the MTFP. This will be done as and when proposals are approved and resource implications can be reliably estimated.

3.5 The table below attempts to show the "sensitivity" of some of the assumptions we have used and the potential shift in General Fund budget gap should these assumptions change.

Cost area	Better/Higher Risk	Forecast 2013/14	Worst/Lower Risk
Pay %		0%	1%
Pay value change		-	+£86k
Utilities %	4%	7%	13%
Utilities value change	-£8k	-	+£16k
Government Grant %	-7%	-10%	-12%
Government Grant value change	-£159k	-	+£106k
Council Tax Increase %	3.5%	2.5%	0%
CTax Income Change	-£56k	-	+£139k
Tax Base growth %	0.5%	0%	0%
Tax Base growth value change	-£29k	-	-

4 2013/14 Budget Gap

4.1 When the 2012/13 Budget was approved by Full Council in February 2012, the projected MTFP included a projected budget gap in 2013/14 of £1.9m.

4.2 An initial review of the MTFP since February has seen a marked reduction in this gap, largely due to the Council's decision to commit to developing a Council Tax Reduction Scheme that reduces costs in line with 10% reduction in funding from Government for the scheme. When the MTFP was projected in February this included the reduction in income but did not assume that TDBC would reduce costs by the same amount.

4.3 The latest estimate of the Budget Gap for 2013/14 is approximately £1m, as reflected in the MTFP Summary table in 3.1 above. The changes to budget requirement that produce this gap can be summarised as follows:

		Changes to Base Requirement £'000	Budget Gap £'000
	Budget Gap – 2012/13 Approved Budget		0
A	Removal of one-off items in the 2012/13 Budget	+538	538
B	Estimated net inflation costs and income	+296	834
C	Projected 10% reduction in government funding	+531	1,365
D	Estimated 10% reduction in Council Tax Admin Grant	+80	1,445
E	Estimated council tax with 2.5% rate increase and 0.5% tax base increase	-168	1,277
F	Planned use of earmarked reserves for Growth & Regeneration team costs	-275	1,002
G	End of repayment of Invest to Save schemes	-40	962
H	Other changes	+55	1,017
	Current Projected 2013/14 Budget Gap		**1,017**

5 General Fund Reserves

5.1 Based on the current forecast for the General Fund Revenue Budget MTFP above, and the current provisional outturn position (see Financial Outturn report on this agenda) the current General Fund Unearmarked Reserves position is forecast as shown in the following table.

	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k
Estimated Balance B/F	3,291	2,274	-343	-3,600	-7,136
Predicted Budget Gap (above)	-1,017	-2,617	-3,257	-3,536	-3,761
Estimated Balance C/F	**2,274**	**-343**	**-3,600**	**-7,136**	**-10,897**

5.2 Although the current level of reserves appears "healthy" in the early part of the MTFP in comparison with recent years in view the ongoing financial pressures faced by the Council and the likely increases in financial risk arising through Localism, Local Government Finance Review, Welfare Reform, and the continuing effects of the wider economy – this "headroom" will provide some protection from financial risks in the short term. This balance also provides some flexibility to one off revenue or capital schemes.

5.3 Members are advised that the above figures in 5.1 do not include the impact of the recommended budget increase for the Cremator Replacement capital project – see separate report in this agenda. If that is approved as recommended, this will reduce the Estimated Balance B/F in 2013/14 by £113k, to £3,178k.

6 Housing Revenue Account (HRA) – Medium Term Financial Plan

6.1 The new HRA 30 Year Business Plan was approved in February 2012, following extensive work undertaken to prepare for the move to Self Financing from April 2012. Through the approval of the Business Plan in February, Members approved the following:

- Four new strategic objectives for Housing including
  - Securing a long term future for our housing service
  - Tackling deprivation and sustainable community development
  - Investing in our housing stock, regeneration and affordable housing
  - Climate change;
- Continuation of the rent policy assuming rent convergence in 2015/16 and of RPI+0.5% increases thereafter;
- The Council will explore the use of new “Affordable Rents” in developing its plans for affordable housing;
- That the Council will review the potential use of probationary or introductory tenancies in the next 12 months;
- That the Council will explore the use of fixed term tenancies in the next 12 months;
- The principle of allocating affordable funds to a social housing development fund;
- An increase in minimum HRA reserves balance to £1.8m;
- To take on borrowing from the Public Works Loans Board (PWLB) for the self financing debt (£85.2m), and agree that any surpluses generated by the HRA be used to pay off debt early, providing the HRA with flexibility and headroom to pursue new priorities.

Risks and Uncertainty

6.2 At the time of approving the Business Plan it was recognised that there were some risks and uncertainties, including:

- Stock condition information: the stock condition validation exercise highlighted a number of deficiencies in the quality of data held on stock condition, and the Council has undertaken to improve asset management data during 2012/13 to enable better capital expenditure profiling;
- The Council will need time to ‘gear up’ to be able to deliver the significantly higher capital programme in future years;
- The approach to, and level of funding for, the social housing development fund will be subject to annual review.
- The Government announced its intention to raise Right to Buy discounts, and has subsequently issued guidance in this regard following consultation. The Community Services Manager and Financial Services Manager have submitted a joint report on this matter to Community Scrutiny on 12 June 2012.

6.3 At this stage there are no changes to the HRA MTFP as submitted to Members in February. Updates to the MTFP will be considered and reported during the summer, taking into account clarification related to the above risks and uncertainties, and any other emerging information related to HRA priorities. As a reminder, the forecast budget for the HRA as shared at budget setting time (updated for budget code restructuring), is summarised as follows:

	Budget 2012/13 £k	Estimate 2013/14 £k	Estimate 2014/15 £k	Estimate 2015/16 £k	Estimate 2016/17 £k
INCOME					
Dwelling Rents	-22,735	-23,126	-23,904	-24,971	-25,685
Non Dwelling Rents	-553	-573	-593	-614	-635
Charges for services/facilities	-391	-405	-419	-433	-449
Contributions to GF towards shared expenditure	-266	-275	-285	-295	-305
Supporting People Income	-254	-216	0	0	0
TOTAL INCOME	-24,199	-24,595	-25,201	-26,313	-27,074
EXPENDITURE					
Management	3,328	3,445	3,565	3,690	3,819
Maintenance	6,168	6,382	6,606	6,837	7,077
Special Services	1,388	1,437	1,487	1,539	1,593
Increase in bad debt allowance	80	111	121	126	130
Capital Charges-Depreciation	6,270	6,385	6,536	6,690	6,849
Debt Management Expenses	8	8	8	9	9
TOTAL EXPENDITURE	17,242	17,768	18,323	18,891	19,477
NET COST OF SERVICES	**-6,957**	**-6,827**	**-6,878**	**-7,422**	**-7,597**
OTHER COSTS					
Interest Payments	3,873	3,873	3,706	3,617	3,527
Interest Receivable	-127	-45	-52	-42	-31
NET OPERATING EXPENDITURE	-3,211	-2,999	-3,224	-3,847	-4,101
APPROPRATIONS					
Capital Funded from Revenue	0	765	1,143	1,464	1,509
Transfers to General Fund	200	200	200	200	200
Social Housing Dev Fund	300	500	500	1,000	1,000
Provision for Debt Repayment	2,224	1,534	1,381	1,183	1,392
(SURPLUS)/DEFICIT	**-487**	**0**	**0**	**0**	**0**
Transfer to HRA Reserves	**487**	**0**	**0**	**0**	**0**

7 HRA Reserves

7.1 The financial strategy included within the HRA Business Plan includes the aim of maintaining HRA Unearmarked Reserves at an approximate minimum balance of £1.8m. The current projected reserves balance, including the provisional outturn for 2011/12, remains in line with this strategy:

	Budget 2012/13 £k	Estimate 2013/14 £k	Estimate 2014/15 £k	Estimate 2015/16 £k	Estimate 2016/17 £k
Balance b/f 1 April	1,355	1,842	1,842	1,842	1,842
Net Expenditure in Year	487	0	0	0	0
Balance c/f 31st March	1,842	1,842	1,842	1,842	1,842

8 Capital Programme

8.1 The existing General Fund Capital Programme for 2012/13 is fully funded. Currently unallocated resources for capital are very limited, and projected capital resources assume the cuts to government funding for capital in the past couple of years will continue indefinitely.

8.2 New priority projects that Members are minded to support will have to be funded from new capital receipts, from new sources of funding (e.g. New Homes Bonus), from new borrowing, or from revenue (RCCO).

8.3 The Council is anticipating some capital receipts during 2012/13, including:

- Mount Street ex-nursery site
- Old TYCC site at Tangier
- Surplus site off Bindon road
- Right To Buy sales

8.4 Members are requested to start thinking through what new schemes they may wish to support over the coming years to help us develop our financial planning. The following questions may help start the thinking:

- Do you wish to fund Private Sector Housing Grants, and if so, how? (Previous Government funding for this was removed in 2010).
- Do you want to continue building up a fund to support the deliver of new affordable homes?
- Do you want to continue to allocate receipts from Council House sales to the delivery of new affordable housing, or to investment in new HRA stock (taking into account new Right to Buy proposals – see report to Community Scrutiny 12 June 2012)?
- Do you want to allocate funds to potentially support swimming pools replacement/improvements?
- How do you want us to direct the New Homes Bonus funds? Should they be directed to support our Growth agenda or directed into revenue generating capital schemes? If so what kind of areas would you like us to explore?
- Do you want to continue the current list of “recurring” schemes?

8.5 Members will have several opportunities over the coming months to influence and shape the future capital programme – this update will hopefully stimulate discussion and debate.

9 The Corporate Business Plan

9.1 As reported by the Strategy Manager to Corporate Scrutiny Committee in 21 April 2012, the Council plans to develop a new Corporate Business Plan for the next three years. The development of this plan is an important step in defining affordable priorities in the medium term, and will need to take into account the financial pressures, risks and opportunities identified within the MTFP.

9.2 The draft Business Plan is due to be submitted to Corporate Scrutiny in July 2012.

10 Finance Comments

10.1 This is a finance report – no further comments required.

11 Legal Comments

11.1 None for the purpose of this report.

12 Links to Corporate Aims

12.1 This development of the Corporate Business Plan will provide Members with the opportunity to develop and approve updated corporate priorities. These priorities will help to determine funding and spending plans as the Council moves through the budget setting process, leading up to the approval of the 2013/14 Budget in February next year.

13 Environmental Implications

13.1 This report provides a summary of the current forecast financial position for the Council and as such has no direct impact on the environment. Measures prioritised through the development of the Corporate Business Plan and the update of the HRA Business Plan may have an impact and this will be shared in any future related reports to Members.

14 Community Safety Implications

14.1 This report provides a summary of the current forecast financial position for the Council and as such has no direct impact on community safety. Measures prioritised through the development of the Corporate Business Plan and the update of the HRA Business Plan may have an impact and this will be shared in any future related reports to Members.

15 Equalities Impact

15.1 This report provides a summary of the current forecast financial position for the Council and as such has no direct equalities impact. Measures prioritised through the development of the Corporate Business Plan and the update of the HRA Business Plan may have an impact and this will be shared in any future related reports to Members including full Equalities Impact Assessments where appropriate.

16 Risk Management

16.1 Financial risks and uncertainty have been identified above within this report.

17 Partnership Implications

17.1 This report provides a summary of the current forecast financial position for the Council and as such has no direct impact. Measures prioritised through the development of the Corporate Business Plan and the update of the HRA Business Plan may have an impact and this will be shared in any future related reports to Members.

18 Recommendations

18.1 The Executive are requested to note the latest position on the Council's medium term financial plans and consider these during the review and development of business plans.

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Background Papers:

Community Scrutiny 12 June 2012 – Introduction of the Community Infrastructure Levy
Corporate Scrutiny 24 May 2012 – Potential Relocation of Council Depot
Corporate Scrutiny 26 April 2012 – Development of a new Corporate Business Plan
Corporate Scrutiny 22 March 2012 – Finance Reform: Local Council Tax Reduction Scheme Preliminary Steps
Executive 9 February 2012 – General Fund, HRA and Capital budget reports
Executive 9 February 2012 – Housing Revenue Account 30-Year Business Plan
Full Council 5 October 2010 – Budget Strategy

AGENDA ITEM NO. 10

Taunton Deane Borough Council

Executive – 11 July 2012

Potential Relocation of Council Depot and Disposal of the Priory Way Site.

Report of Strategic Director (Brendan Cleere) and Regeneration Delivery Manager (Ian Franklin)

(This matter is the responsibility of Executive Councillor Norman Cavill)

1. Purpose of the Report

1.1 To seek the Executive's view and recommendation on the potential relocation of the Council's depot and marketing of the site at Priory Way, Taunton.

Executive Summary

This matter was considered in detail by the Corporate Scrutiny Committee on 24 May 2012 (see minutes attached as Appendix A).

The potential relocation of the Council's depot was originally put forward as part of the DLO Transformation Plan, approved in August 2011. A business case for relocation was to be considered in 2012/13 for a potential relocation in 2013/14.

Keen interest from a number of local businesses in the depot site has challenged the Council to consider early disposal of the site to further its economic development aspirations, raising potential conflicts with the approved plan and timetable for DLO transformation.

Weighing up the potential risks and benefits involved, the Corporate Scrutiny Committee recommended:

(i) That the DLO should be supported in its ongoing transformation
(ii) That a marketing exercise of the current depot site should be undertaken

The Executive is asked to make any comments and make recommendations on whether or not a marketing exercise for the depot site should be undertaken, for onward consideration and decision by Full Council on 17 July. This would allow the marketing of the depot site, if approved, to proceed without delay after 17 July.

The report also proposes that a senior responsible group of members be established to oversee any marketing exercise, consider bids and make recommendations to Full Council at the end of the exercise, anticipated by January 2013 or potentially earlier. This group would also be responsible for looking at emerging options for depot relocation, weighing up the costs and benefits of each option. The potential relocation will be brought to Full Council for a decision on the same timetable as consideration of bids for the current site,

2. Background

2.1 The background to this matter is described briefly in the Executive Summary and in more detail in the report of 24 May 2012 to Corporate Scrutiny Committee (Minutes attached as Appendix A).

2.2 Having considered the attached report in some detail, the Corporate Scrutiny made two recommendations to the Executive:

(i) That the DLO should be supported in its ongoing transformation
(ii) That a marketing exercise of the current depot site should be undertaken

2.3 The site covers approximately 3.85 acres in total, which includes approximately 0.2 acres currently occupied by three emergency housing accommodation units. The whole site would be subject to any marketing process, meaning that alternative provision would be required for these units.

2.4 The view of the Corporate Scrutiny Committee was that the result of any marketing exercise would establish the value of the depot site and provide an important context for considering the business case for potential depot relocation.

2.5 At this stage, a number of options for depot relocation are being looked at:

- 'Squeezing up' operations on the current site, releasing the more visible (and valuable) part of the site adjacent to Priory Way for disposal. This option would also leave open the possibility of a phased withdrawal at a later date, releasing the remainder of the site for disposal.
- Relocating all operations to a suitable site elsewhere.
- Spreading DLO operations across a number of sites.

3. Marketing of the Depot Site and Relocation Options

3.1 It is important that the approach taken to marketing the site does not preclude any of the options listed in 2.5.

3.2 A marketing exercise, if approved, would take between 8 weeks and five months to complete, depending on the Council's appetite to test the market. Therefore, assuming that marketing activity started in August 2012, bids for the depot site would be expected by January 2013 and potentially earlier.

3.3 The Planning and Development Manager has previously advised that a car dealership option would be an appropriate future employment use of this site, with other potential higher value uses (such as food and retail) not being suitable due to detrimental impact on the Town Centre. Other uses of the site may nevertheless be acceptable in planning terms and these would need to be assessed by the Council on financial, planning and regeneration merits.

3.4 Relocation options are being explored as outlined in section 2.5. Officers continue to work with SWOne colleagues to identify potential depot sites and establish the costs, advantages and disadvantages associated with these options. The outcome of this work will be presented to members alongside consideration of bids for the depot site, enabling a fully informed decision to be made on the whole business case for disposal and relocation.

3.5 Additional project management support is required on a temporary basis to assist with different elements of the DLO Transformation Plan, which risk being adversely affected by the need to focus time and effort on the potential relocation. Costs associated with this additional support, and the potential marketing of the site, can be met from existing resources.

4. Risks

4.1 Key risks associated with the relocation of the depot were reported to Corporate Scrutiny Committee on 24 May 2012, as follows:

Risk	Comment
Economic development/regeneration	
Loss of businesses as a result of failure to vacate the depot site, resulting in loss of jobs and opportunity to develop this business in Taunton.	Project Taunton colleagues are in discussion with interested businesses about the depot site and have clarified that any marketing exercise would need to be approved by Full Council and would also need to satisfy the legal requirement to secure best value.
Operational	
Disruption and/or delay to the wider DLO transformation plan, leading to potential reduction in the transformation benefits.	The timing of any relocation may result in ‘pinch points’ with other transformation work streams (eg the procurement and implementation of a new IT and work flow system).
Disruption to the day-to-day running of DLO services, causing deterioration in service and customer complaints	Any move would cause disruption, although this could be mitigated depending on timetable and approach used.
Employee relations suffer, leading to reduced morale and performance	UNISON and staff would be kept informed at all stages of any change, with the reasons for relocation communicated clearly and constructively.
Alternative emergency housing arrangements are not available to mitigate the potential loss of the units adjacent to the depot site.	Housing colleagues are already working on options to mitigate the potential loss of these units. These options may have financial implications and call upon any receipt from the disposal of the depot site..
Site disposal	
Failure to achieve a site disposal which satisfies planning demands,	Full Council approval for the marketing of the depot site is required. Project Taunton is

Risk	Comment
procurement regulations and legal requirements.	working with legal, property and planning colleagues to ensure that the Marketing Plan satisfied relevant legal and procurement requirements.
The site is not acquired by the interested businesses concerned, following a marketing and disposal exercise, resulting in the potential loss of businesses from Taunton.	Any marketing exercise would need to leave open the possibility a range of bids from different interested parties. There can be no guarantee that any given business or use will ultimately be successful in its bid. Bids would need to be assessed against a range of criteria.
Financial	
The cost of depot relocation outweighs any capital receipt from the current site, placing an additional burden on Council resources.	Options for different sites are being explored urgently with no 'cheap solution' emerging. Depending on the final site acquired, it is likely that any depot relocation costs will exceed the indicative capital value of the current site, based on the indicative car showroom use. In this scenario, members would need to be clearly prioritise the retention of jobs and regeneration over the prospect of a capital receipt from the disposal and relocation of the depot site.
Current 'unknowns', including the anticipated receipt from the current depot site and the absence of a fully costed relocation site, mean that members would not have sufficient information to make a decision that is based on full knowledge of all the relevant financial facts.	The value of the depot site (whole or part) is only indicative. The most reliable method to ascertain site value is to carry out a marketing exercise and establish what bidders would be prepared to pay. A search for potential depot sites is still under way and indicative costs of different options listed in 2.5 are being established. Capital and revenue implications of the potential site disposal and relocation would be presented to members at the conclusion of the marketing exercise, enabling an informed decision to be made which also takes account of non financial issues associated with different options.
Future of local government services	
Alternative providers are found to deliver DLO services in future, after considerable resources have been invested in depot relocation.	The Coalition Government is increasingly requiring (eg through the Localism Act and Open Services White Paper) local authorities to become 'commissioners' rather than 'direct providers' of services. Although the internal transformation project

Risk	Comment
	is ahead of schedule to deliver the predicted financial benefits, members may decide (or be forced) to consider alternative delivery models earlier than originally planned. Committing the authority to significant early expenditure in relocating the depot may ultimately be deemed wasteful in the event of other providers delivering these services in future.

5. Member Involvement in the Potential Marketing and Relocation Process

5.1 If Full Council (on 17 July 2012) approves the marketing of the depot site, it is proposed that a senior responsible group of members is established to oversee the process at key stages, consider any bids and advise the Executive and Full Council on potential depot disposal and relocation options. The proposed member group would comprise:

- The Leader of the Council
- The Leader of the Liberal Democrat Group
- The Portfolio and Shadow Portfolio Holders for Economic Development and Property
- The Chair of the DLO Transformation Members Steering Group

5.2 The DLO Transformation Members Steering Group will continue to meet on a regular basis to review progress on all aspects of the transformation plan and, through the Chair, will provide an important input to potential disposal and relocation options.

6. Human Resource Implications

6.1 Priory Depot is the place of work for 35 office-based staff and a workforce of approximately 130.

6.2 Any relocation will have potentially significant human resource implications, and the views of staff affected will be sought at every stage. UNISON representatives have been briefed on this matter.

7. Finance Comments

7.1 As mentioned under section 4 of the report under the Financial Risk heading there is a risk that the potential capital receipts could be lower than the cost of the relocation of the Depot. If this is the case then there could be a need to borrow to bridge the funding gap which would have on-going revenue implications for the paying back of the borrowing plus interest.

7.2 The cost of relocating the Depot is currently unknown and could vary depending on the site chosen. It is recommended that a full options appraisal and business case is drawn up for the relocation options accessing both the capital and revenue implications of the proposals.

7.3 The capital receipt is currently unknown and could be affected by the eventual site use as mentioned in section 3. Members would need to prioritise the importance of a capital receipt vs economic development benefits and it is recommended that a full options appraisal of the advantages and disadvantages is undertaken.

7.4 All capital and revenue implications must be taken into account when making any decisions. It is likely that any capital budget required will need to be financed from borrowing due to a current lack of capital resources.

7.5 VAT implications need to be taken into account. The current site would be sold as exempt. If there were any large amounts of capital or revenue spend on the site up to 10 years before it was sold then this could affect the Council's partial exemption calculation. TDBC could opt to tax on the site which would mean the purchaser would have to pay VAT – this should be considered if any major work is to happen on the site before it is sold.

8. Legal Comments

8.1 In any disposal of the site, the Council must achieve best value as set out in the Local Government Act 1972. Planning have confirmed that car dealership use would be acceptable in planning terms but other suitable uses should not be ruled out if they are more favourable to the council. Any marketing of this site should take account of this.

9. Links to Corporate Aims

9.1 This matter relates to the Council's Corporate Aim for Regeneration.

10. Environmental Implications

10.1 The location of the depot as an operating base for many staff has implications on vehicle movements, fuel consumption, carbon emissions and traffic congestion. The office and workshop/warehouse buildings on the depot site are also significant users of energy, contributing to the Council's overall 'carbon footprint'.

10.2 Any relocation proposals should seek to minimise the Council's environmental impact as far as practicable, in line with its climate change commitments.

11. Community Safety Implications

11.1 None.

12. Equalities Impact

12.1 There are no plans at present to change the quality or range of services provided by the DLO to external customers. An initial scoping exercise has therefore concluded that the potential relocation of the depot does not place any particular group at risk of discrimination or disadvantage. However, further assessment of any preferred option will be carried out in the event of any detailed proposals emerging, with actions taken as required to mitigate any potential equality issues.

12.2 Implications on the workforce (including equality related implications) of any specific relocation proposals will also be assessed and fully consulted upon at the appropriate time.

13. Risk Management

13.1 The key risks involved in this issue are outlined in section 4.

14. Partnership Implications

14.1 There are potential opportunities to share depot requirements with other authorities and service providers in the area. To some extent, opportunities will depend on the timing and urgency that different agencies have to relocate.

14.2 Opportunities for sharing are being explored alongside the search for available sites.

15. Recommendations

15.1 The Executive is recommended:

(i) to consider the views of Corporate Scrutiny Committee and decide whether or not to seek the approval of Full Council to proceed with the marketing of the depot site; and,

(ii) if a marketing exercise is supported, to seek Full Council approval for the establishment of a senior responsible group of members to oversee the process, as proposed in section 5.1

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Appendix A: Report to Corporate Scrutiny, 24 May 2012 (incl. notes of meeting)

Appendix A

Extract from the Minutes of the Corporate Scrutiny Committee meeting held on 24 May 2012

34. Potential Relocation of Council Depot and Disposal of the Priory Way Site

Considered report previously circulated, concerning the potential relocation of the Council's Direct Labour Organisation from its current site at Priory Way, Taunton and the disposal of the land which occupied 1.47 hectares (3.64 acres). There was also an adjacent area (approximately 0.2 acres) of Council owned land which was currently occupied by emergency housing units.

Full Council had previously approved a comprehensive plan for the transformation of Deane DLO services. As part of the wider transformation, Members had approved a recommendation that a Business Case for potential depot relocation should be developed for further consideration.

A relocation of the depot had the potential to achieve a number of objectives, including:-

- The generation of a capital receipt from the existing depot site;
- Enabling wider regeneration of the site to further the Council's economic development aspirations; and
- Enabling the further business transformation of DLO services.

The timetable approved was for a Business Case for relocation to be submitted in 2012/2013, followed by an actual relocation in 2013/2014.

Currently this timetable was 'on track' to deliver the approved timetable. Key milestones delivered so far included completion of a feasibility study, identifying a need for a new and smaller site of approximately 2.05 acres, the relocation of the main fleet vehicle maintenance function from the depot to an alternative provider and the clearance of surplus items around the depot site to facilitate an easier relocation process.

A search for potential depot sites was currently under way, however no clear 'front-runners' which matched the requirements of the feasibility study had yet been found.

Independent of the above activity, there was now significant pressure from a number of businesses in the Taunton area who would like to relocate to the current depot site, including the adjacent area currently occupied by the emergency housing units.

There was a significant risk that unless these companies could secure this site they would relocate out of Taunton, resulting in the loss of business and jobs from the town.

Project Taunton had indicated that the timetable requirements of these businesses were very tight. An agreement with the relevant parties would need to be secured over the summer of 2012, with vacant possession of the depot site in January 2013.

The Growth and Development Manager had advised that a car dealership option would be an appropriate future employment use of this site, although other uses might be acceptable in planning terms.

In addition, the Monitoring Officer had advised that the depot site could be actively marketed with an indicative car dealership use. This would however leave open the prospect of bids for other potential uses, which would need to be assessed by the Council on financial, planning and regeneration merits.

Further reported that meeting the timetable indicated by the businesses concerned would require the depot to relocate or share the site far earlier than indicated in the approved DLO Transformation Plan.

Although there was not adequate time for a new depot site to be acquired and fully operational by January 2013, an accelerated timetable to vacate the current site in whole or part by January 2013 was possible, but came with significant risks, full details of which were reported.

There appeared to be five options for consideration by Members, as follows:-

(1) Stay with the approved plan and timetable. This reflected the current position for a Business Case for relocation to be submitted in 2012/2013, followed by an actual relocation in 2013/2014.

Although designed to minimise cost and disruption, staying with this option could result in the loss of businesses from Taunton in the near future.

This option retained the Council's ability to dispose of the entire site at a later date, in the event that a cost-effective relocation opportunity was found or in the event of another provider delivering these services.

(2) Redevelop the depot on the current site and free up space for other uses. This option would see the depot redevelop within a smaller area on its current site, freeing up the remainder to dispose of for alternative employment use.

This option would reduce the area available for regeneration and reduce the potential capital receipt. However, the costs of purchasing another site would be avoided and the extent of disruption associated with relocation would be reduced.

The Council would also retain the ability to dispose of the area occupied by the depot at a later date, in the event that a cost-effective relocation opportunity was found or in the event that another provider delivered DLO services in future.

(3) An interim staged move. The depot would relocate to an interim site(s) by January 2013, with a further move to a final and as yet unidentified site afterwards. This option would free the whole depot site up early for alternative regeneration uses.

Due to multiple moves, this option would probably be more costly and disruptive to service delivery.

Expense incurred in this option could later prove unnecessary in the event of another provider delivering Deane DLO services in future.

(4) Move to a new site and redevelop. The depot relocated to an as yet unidentified new site by January 2013 that ultimately became a permanent home, pending completion of any development/re-development works.

As with option (3), this option would free the whole site up early for alternative regeneration uses.

This option would also incur significant cost and be disruptive to service delivery.

(5) Delayed Completion. The depot site (or part of) was sold or leased to a third party, but the DLO operations would remain on site for a specified period, pending a controlled move to an as yet unidentified new site. This could be done in a way that minimised disruption to service provision.

Although this option would give potential purchasers certainty and an ability to plan their business ahead within Taunton, the Council would be at risk of committing to vacate the site by a specified date, when viable and cost-effective relocation options had not be found. The Council would effectively be committing to a course of action without knowing the financial consequences.

Based on current indicative estimates, it was likely that the cost of relocation to another site would exceed the anticipated capital receipt from the disposal of the depot site for an indicative car showroom use.

Taking into account the above options, there were a number of early ‘questions of principle’ which Members were asked to address to set a context for any future decision.

- Which, if any, of the options presented, was preferred in principle by Members?

- It was unlikely that the capital receipt from the disposal of the depot site would be sufficient to cover the costs of relocating the depot to another site. Would Members be prepared to market and potentially dispose of the site on this basis and therefore recognise the potential need to borrow to bridge any funding ‘gap’?

- An accelerated relocation of the depot would free up the site quickly for alternative uses and employment, but was likely to disrupt day to day service delivery and the transformation plan for the DLO. Accepting that economic development and the DLO transformation were both priorities for this Council, which should take precedence in this instance?

During the discussion of this item, Members made the following comments and asked questions. Responses are shown in italics:-

- The above questions were difficult to answer without market testing first taking place. This needed to be done to enable Members to decide whether it was right to support something that could actually cost the Council money, at a time when finances were already stretched. *It was agreed that market testing ought to be carried out which could then be used to build a Business Case. The report sought to reflect the current situation following significant interest from car dealerships in the area and also provided an assessment of the risks which could be involved;*
- The ability of the Council to move quickly was questioned. *There was confidence that the DLO could be moved off the Priory Way site as quickly as required;*
- If the economic development opportunity was not grasped, the Council would be sending out the wrong messages to the business community and, as a result, could see several car dealerships seeking to relocate to Junction 24 where alternative sites were currently available;
- There was a need both to test the market and accommodate the continued operation of the DLO;
- All options for the redevelopment of the depot site and land owned by the Council beyond needed to be considered. A larger site area could result in further potential users coming forward other than car dealerships;
- There were many car dealerships in the Marsh Barton area of Exeter which had proved to be a ‘magnet’ for people living in the vicinity. Something along the same lines for Taunton would be very welcome.

Generally, Members considered that the most satisfactory way forward would be for an early marketing exercise to be undertaken which would then allow a full Business Case to be drafted, provided an alternative site to facilitate the relocation of the DLO could be identified.

Resolved that it be recommended to the Executive that:-

(iii) the continued transformation and operational success of the DLO be supported; and

(iv) a marketing exercise of the Deane DLO Depot at Priory Way, Taunton be undertaken to establish its true value.

11/07/2012, Report:2011/2012 Budget Outturn Report
Reporting Officers:Paul Fitzgerald

11/07/2012, Report:Localism Act 2011 - Discretionary Rate Relief
Reporting Officers:Heather Tiso,Paul Harding

11/07/2012, Report:Potential Relocation of Priory Depot, Taunton
Reporting Officers:Brendan Cleere

11/07/2012, Report:Somerset West Local Lettings Agency Report
Reporting Officers:Vikki Hearn

11/07/2012, Report:New Cremators and Mercury Filtration Project
Reporting Officers:James Barrah

10/10/2012, Report:Community Infrastructure Levy - Draft Charging Schedule and Affordable Rent
Reporting Officers:Nick Bryant

10/10/2012, Report:Halcon North Review of Regeneration Proposal
Reporting Officers:Alison North

14/11/2012, Report:Taunton Deane Borough Council Local Council Tax Support Scheme
Reporting Officers:Paul Harding

14/11/2012, Report:Draft Corporate Business Plan
Reporting Officers:Simon Lewis

14/11/2012, Report:Community Infrastructure Levy
Reporting Officers:Nick Bryant

14/11/2012, Report:Housing Revenue Account 30 Year Business Plan Review
Reporting Officers:James Barrah

14/11/2012, Report:Fees and Charges Report
Reporting Officers:Maggie Hammond

14/11/2012, Report:Funding to support Somerset County Cricket Club development
Reporting Officers:Joy Wishlade

05/12/2012, Report:2013/2014 Provisional Budget Proposals and Savings Plans
Reporting Officers:Paul Fitzgerald

05/12/2012, Report:2013/2014 Council Tax Base
Reporting Officers:Paul Fitzgerald

05/12/2012, Report:Quarter 2 Performance Report
Reporting Officers:Dan Webb

07/02/2013, Report:2013/2014 Capital Programme Estimates
Reporting Officers:Paul Fitzgerald

07/02/2013, Report:2013/2014 Housing Revenue Account Estimates
Reporting Officers:Paul Fitzgerald

07/02/2013, Report:2013/2014 General Fund Revenue Estimates
Reporting Officers:Paul Fitzgerald

07/02/2013, Report:2013/2014 Council Tax Setting
Reporting Officers:Paul Fitzgerald